Gas Incentivisation - *PACE Gas Grants*

PACE Gas grants totalling $47.8 million and have attracted $223 million of industry co-funding.

PACE Gas Grants target 217 peta-joules (PJ), upside potential > 1,950 PJ of SA gas.

Round 1 aims to deliver gas to markets by end 2019, Round 2 by end 2020.

Early production results include over 1000 tera-joules (TJ) natural gas produced for SA customers since February 2018.

Highlights include:

- Beach Energy's Haselgrove 3 gas discovery has an 87 PJ contingent resource.
- Senex Energy's Gemba 1 gas discovery.
- Santos re-fracture stimulation and underbalanced drilling projects are producing gas.
- The Senex-Santos-Beach Patchawarra East Pipeline began delivery of gas in July 2018.

For more information: http://www.energymining.sa.gov.au/petroleum/latest_updates/pace_gas

Round	*PACE* Gas Grant Recipients	Basin	Project	Licence(s)	*PACE* Gas Grants ($m)
1	Senex Energy - Santos Limited	Cooper Basin	Gas Pipelines	PEL 182, PRL 135, and PPLs 118, 119, 120, 123, 125, 136, 158, 167, 201, and 229	$5.82
1	Beach Energy	Otway Basin	Exploration well – Haselgrove 3	PPL 62	$6.00
1	Santos Limited – Beach Energy	Cooper Basin	Re-fracture stimulation trials	Moomba – Big Lake Field PPLs	$3.96
1	Santos – Beach	Cooper Basin	Underbalanced drilling trials	Cooper Basin PPLs	$6.00
1	Strike Energy – Australian Gasfields	Cooper Basin	Deep coal exploration	PEL 96	$2.00
2	Santos Limited – Beach Energy	Cooper Basin	Moomba plant heat recovery to reduce field fuel use	Moomba Plant	$6.89
2	Beach-Energy – Cooper Energy	Otway Basin	Exploration well – Dombey 1	PEL 494	$5.26
2	Senex Energy	Cooper Basin	Exploration well – Gemba 1	PEL 516	$6.89
2	Otway Energy/ Vintage Energy	Otway Basin	Exploration well – Nangwarry 1	PEL 155	$4.95
1 and 2	Portfolio Expectations	Targeted PJ Gas (unrisked)	Potential follow-up PJ Gas (unrisked)	$m *PACE* Gas Grants	$m industry investment (excl grants)
		110.82 + 106.44 = $217.3 so state **> 200 PJ**	1766.73 + 189.6 = 1,956.33 so state **>1,950 PJ**	23.78 + 24.0 = **$48.78 million**	174.36 + 49.11 = $223.47 so state **>$223 million** **Total including grants = >$270 million**

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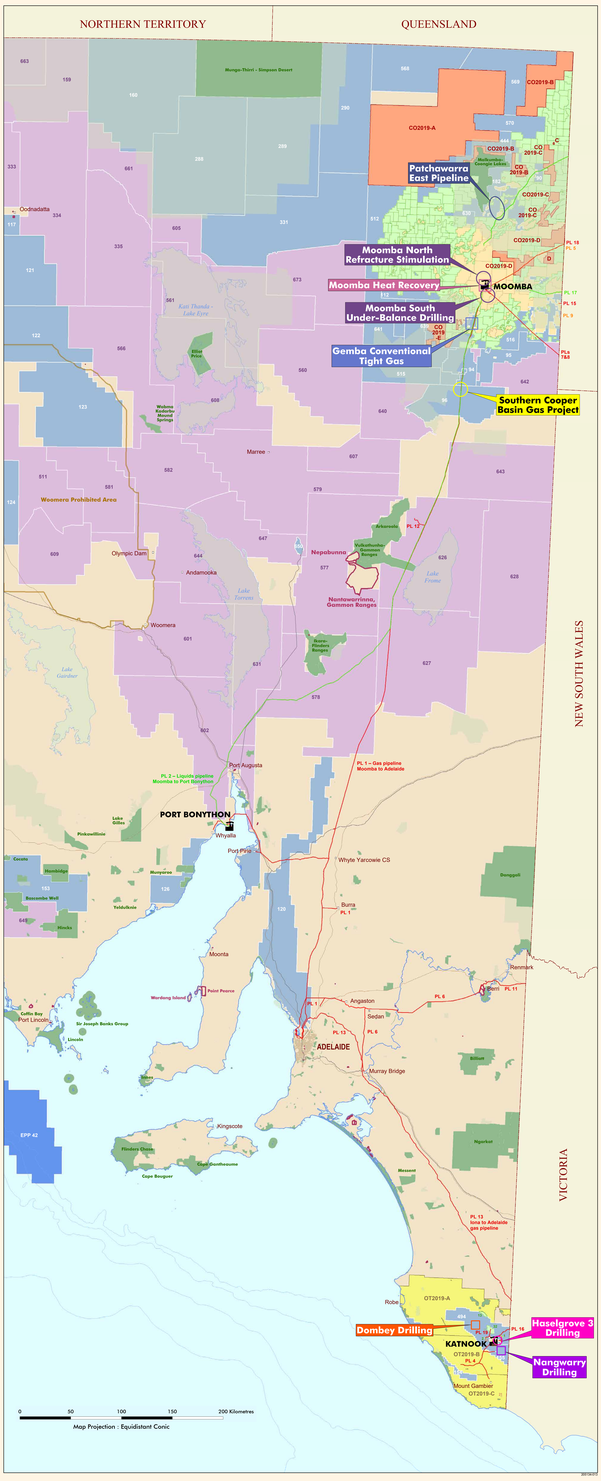


PETROLEUM

Exploration Licence
- Onshore: Petroleum Exploration Licence (PEL)
- Offshore: Exploration Permit for Petroleum (EPP)
- Petroleum Exploration Licence Application (PELA)
- CO2019 acreage release blocks
- OT2019 acreage release blocks

Production Licence
- Petroleum Production Licence (PPL)

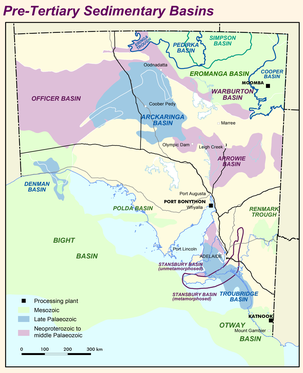
Retention Licence
- Petroleum Retention Licence (PRL)

Pipeline Licence
- Gas pipeline
- Gas and liquids pipeline
- Liquids pipeline

PACE Gas Projects Round 1
- Beach Energy Ltd
- Santos Pty Ltd
- Senex Energy Ltd
- Strike Energy Ltd

PACE Gas Projects Round 2
- Beach Energy Ltd
- Santos Pty Ltd
- Senex Energy Ltd
- Otway Energy Ltd/Vintage Energy Pty Ltd

RESTRICTED LANDS
- Parks with no petroleum exploration access
- Parks with petroleum exploration access
- Aboriginal Lands
- Woomera Prohibited Area

Processing plant

Pre-Tertiary Sedimentary Basins