



2019_001

6 February 2019

Phil Staveley
Managing Director
Leigh Creek Energy Limited
PO Box 12, Rundle Mall
ADELAIDE SA 5001

Dear Phil,

Approval – Section 27 production extension (PEL 650)

I refer to your letter to the Department for Energy and Mining (DEM) dated 1 February 2019 requesting an extension of the 3-month production period expiring on 7 February 2019. I note that in your letter you acknowledge that:

- The PCD has yet to sustain full flow rate gasification and production of syngas as defined in the relevant Environmental Impact Report (EIR) for the in-situ gasification (ISG) demonstration plant; and
- Only after full, stabilised flow rate gasification is achieved will Leigh Creek Energy be able to commence operation of its pre-commercial demonstration (PCD) trial to evaluate the technical and environmental feasibility of ISG within the Telford Basin.

On the above basis, pursuant to delegated powers under the Act, I hereby give approval under Section 27(3) for a 3 month extension, expiring on 7 May 2019, conditional on:

- If sustained full, stabilised flow rate gasification as defined in the EIR is not established by this expiry time, Leigh Creek Energy must furnish DEM with technical and environmental justification for any further extension approval; and
- Leigh Creek Energy continuing to ensure compliance with the relevant Statement of Environmental Objectives (SEO) for the ISG demonstration plant.

Furthermore, I advise that your request and my subsequent approval will be published on the website of the Department for Energy and Mining that summarises the status of your PCD project (http://energymining.sa.gov.au/petroleum/projects/prj_leigh_creek_energy_isg).

If you have any queries please contact me by phone on (08) 8429 2470; or email at michael.malavazos@sa.gov.au.

Yours sincerely

Michael Malavazos
Director Energy Resources
Department for Energy and Mining
Delegate of the Minister for Energy and Mining