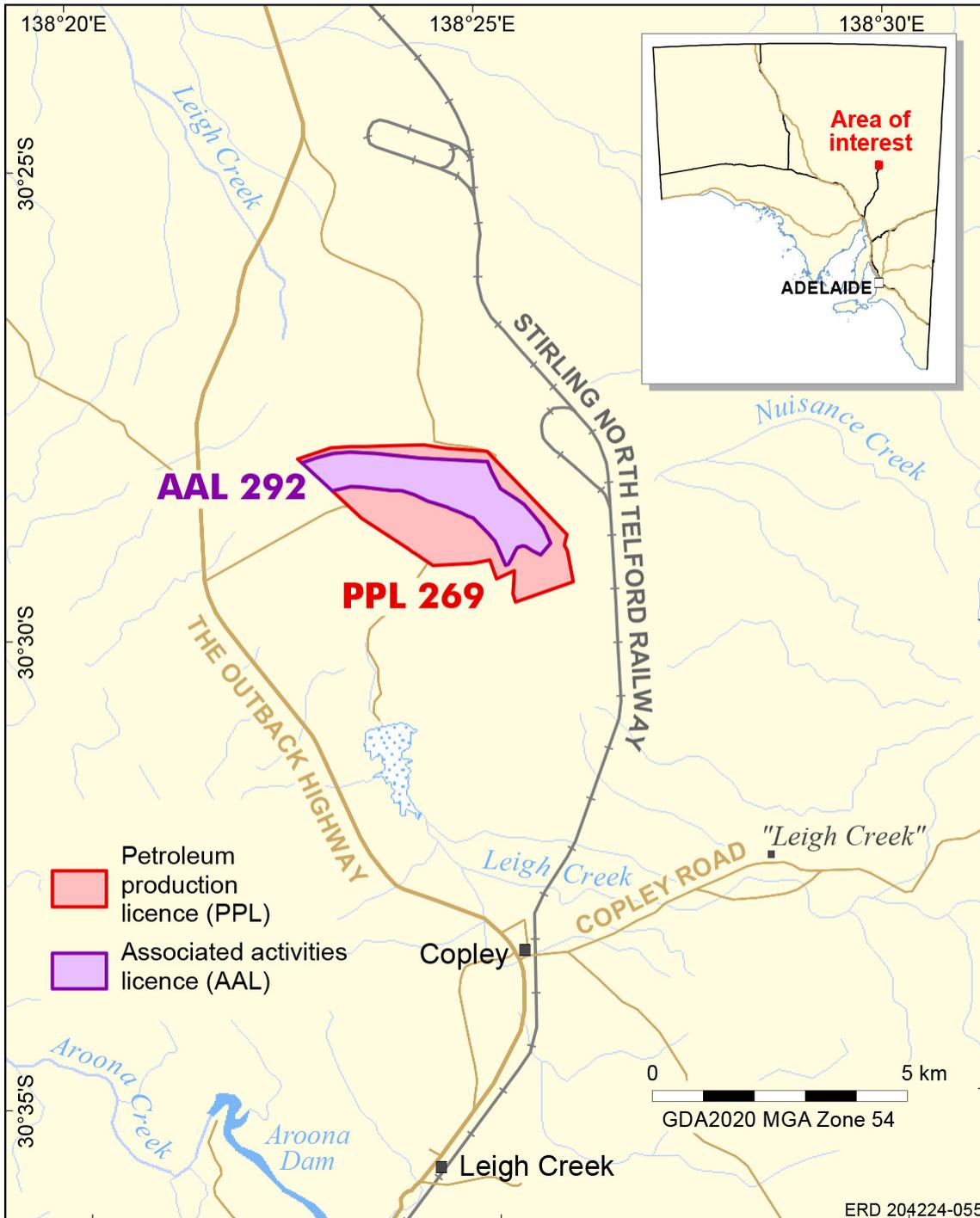


Leigh Creek Energy Limited

Grant of Petroleum Production Licence and Associated Activities Licence

Frequently Asked Questions



Map showing the location of Petroleum Production Licence PPL 269 and Associated Activities Licence AAL 292 (refer Question 6 below)

Q1. What does the grant of a petroleum production licence and associated activities licence mean?

- A. The grant of a production licence provides Leigh Creek Energy with rights to develop the resource at Leigh Creek within the licence footprint only.

The granting of the production licence does not, in itself authorise Leigh Creek Energy to undertake any in- situ gasification activities on the ground.

In order to begin activities on the ground, Leigh Creek Energy must address a number of matters including, but not limited to, relevant heritage clearances or approvals and a new Environmental Impact Report and Statement of Environmental Objectives for any proposed gasification operations.

Q2. What are the next regulatory steps that Leigh Creek Energy must undertake?

- A. Before Leigh Creek Energy can carry out activities to develop the resources at Leigh Creek, they will need to:

- Develop and submit a new Environmental Impact Report and Statement of Environmental Objectives for proposed gasification operations under the *Petroleum and Geothermal Energy Act 2000*. This process will include public consultation including engagement with the local community, and potential referral under the Commonwealth Government *Environment Protection and Biodiversity Conservation Act 1999*;
- Demonstrate, as a part of the process for developing a Statement of Environmental Objectives, how any proposed operations will address how critical factors for the safe and environmentally acceptable operations will be managed and monitored;
- Obtain relevant Work Area Clearances from the Adnyamathanha Traditional Lands Association, or obtain approval under section 23 of the *Aboriginal Heritage Act 1988* that will authorise Leigh Creek Energy to potentially damage, disturb or interfere with Aboriginal Heritage sites;
- Depending on the proposed activities – such as the manufacture of products not covered under the *Petroleum and Geothermal Energy Act 2000* – additional licencing may be required.

Q3. What other activities can Leigh Creek Energy carry out under the production licence?

- A. Leigh Creek Energy have indicated they intend to conduct additional geophysical surveys and exploration drilling. These activities are required to gain a better

understanding of subsurface conditions to inform any further proposed operational activities. These are common activities within production licences to plan safe, efficient and effective operations.

Leigh Creek Energy has an existing and approved Statement of Environmental Objectives for both Exploration Drilling Operations and Geophysical Operations.

Prior to conducting any geophysical surveys or exploration drilling activities Leigh Creek Energy will be required to submit activity specific notifications for approvals by the Department for Energy and Mining. In addition to this approval, Leigh Creek Energy either gaining relevant Work Area Clearances with the Adnyamathanha Traditional Lands Association or approval under section 23 of the *Aboriginal Heritage Act 1988* authorising them to potentially damage, disturb or interfere with Aboriginal Heritage sites.

Q4. Why has Leigh Creek Energy been granted a petroleum production licence?

- A. On 10 June 2020 Leigh Creek Energy applied for a petroleum production licence in accordance with Section 35 of the *Petroleum and Geothermal Energy Act 2000*. The application has been assessed by the Department for Energy and Mining as meeting the requirements under Regulation 4 and 8 of the Petroleum and Geothermal Energy Regulations 2013 for the grant of a petroleum production licence. Independent expert advice was sought by the Department for Energy and Mining in its assessment of the technical components of the application. Having satisfied the relevant criteria under the *Petroleum and Geothermal Energy Act 2000*, Leigh Creek Energy are entitled to the granting of a production licence.

Q5. Why has the Government made a regulation under the Electricity Corporations (Restructuring and Disposal) Act 1999?

- A. The Electricity Corporations (Restructuring and Disposal) (Mining at Leigh Creek) Variation Regulations 2020 were made under the *Electricity Corporations (Restructuring and Disposal) Act 1999*. The change was made to allow the granting of a right to mine coal at Leigh Creek to Leigh Creek Operations Pty Ltd.

Q6. Why has Leigh Creek Energy also been granted an Associated Activities Licence and what is it for?

- A. The Associated Activities Licence allows Leigh Creek Energy to conduct ancillary activities associated with the production licence operations and includes seismic surveys, the drilling of wells, ground water and geotechnical monitoring and the construction and use of access roads.

Additional information on Underground Coal Gasification in South Australia can be found in the FAQ Brochure linked below:

https://www.energymining.sa.gov.au/petroleum/projects/prj_leigh_creek_energy_isg#FAQ