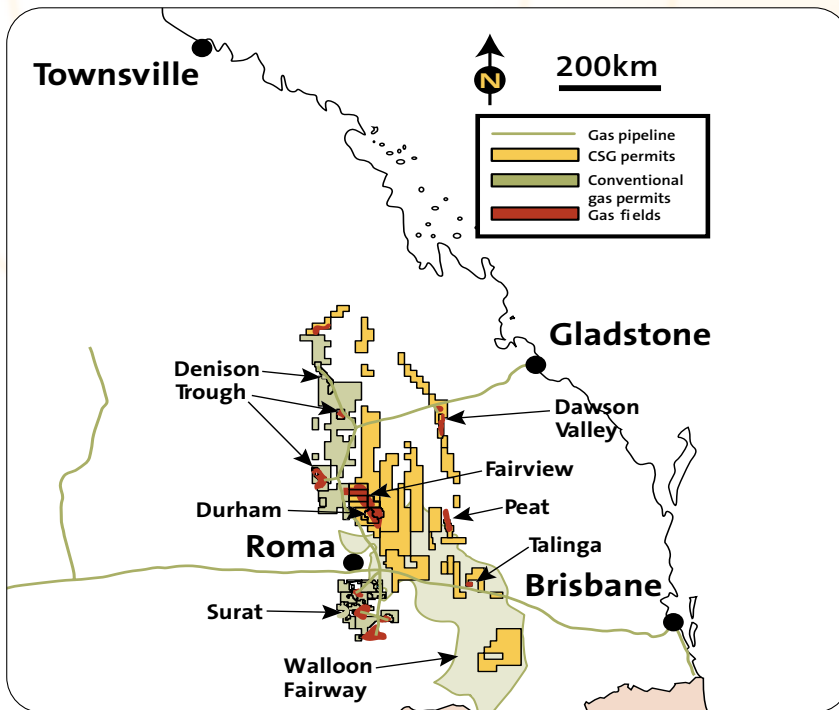


# Coal Seam Gas & Queensland

## Fact Sheet

### Queensland has a major source of CSG



Oil Company of Australia (OCA) is a Queensland-based company, and is Australia's leading producer of coal seam gas (CSG).

Stored within coal seams, CSG is the same as natural gas, and can be utilised in all natural gas appliances and commercial applications.

CSG has the potential to provide significant economic benefits to Queensland. The State has extensive CSG resources with proved plus probable reserves in excess of 1,000 petajoules (PJ), which is enough to supply the current Queensland market for more than 10 years. There is potentially more than 25,000 PJ of recoverable CSG in Queensland. CSG now contributes about 25% of Queensland's gas supply.

Queensland's CSG reserves are located close to growing markets presenting a commercially viable and reliable alternative to importing gas from outside the State.

Queensland's reserves have the following characteristics, which are key to economic success:

- excellent coal characteristics for high reserves and deliverability;
- large resource base to enable large drilling programs and lower costs; and
- shallow and thick coal seams to reduce well drilling and completion costs.

After several years determining the economic viability of CSG reserves in the Bowen Basin, it is now believed Queensland CSG reserves have the

potential to be as large as those found in the USA. CSG accounts for nearly 7% of the USA's total natural gas production, or the equivalent of Australia's entire natural gas output.

#### Oil Company of Australia

Oil Company of Australia, a subsidiary of listed Australian company Origin Energy, has positioned itself to commercialise CSG in Queensland. It is a leader in creating new gas markets in Australia through developing CSG fields including the supply of gas for electricity generation and cogeneration initiatives. Based in Brisbane, OCA has a staff of 130 people, many working on its CSG investment in Queensland.

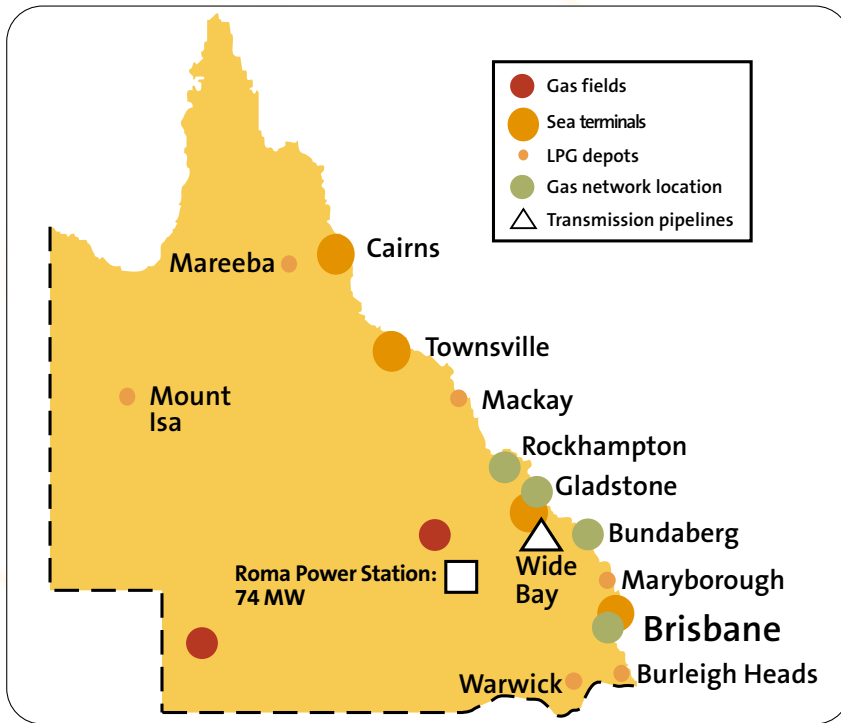
OCA has interests in the following CSG projects:

- Dawson Valley (100%)
- Peat (100%)
- Fairview (7%)
- Durham (64% - 98%)
- NE Bowen (50%)
- Walloon (50% - 100%)

OCA is the largest CSG producer in Australia supplying in excess of 25 TJ/day or 60% of Queensland's current CSG sales. Last financial year the company contributed \$7.6 million in royalties to the Queensland Government.

In February 2002, OCA acquired major interests in the Fairview and Durham CSG Projects and in exploration permits over the Walloon Coals in central Queensland.

OCA expects to significantly increase the level of CSG output over the next 10 years. To achieve this, the company plans to invest \$200 million for the development of each 20 PJ of CSG.



Located on the outskirts of Roma, Origin Energy's Roma Power Station helps meet the State's electricity demand during peak periods.

### Origin Energy in Queensland

Origin Energy is leading the development of CSG as a viable additional energy source for eastern Australia through its majority owned subsidiary Oil Company of Australia (OCA).

Listed on the Australian Stock Exchange, Origin Energy operates across most segments of the energy supply chain in Queensland. This includes gas exploration and production; electricity generation; network management and energy retailing.

Origin Energy has a long history in Queensland, which dates back to the inception of the Brisbane Gas Company in the 1860s. Formerly Boral Energy, Origin Energy was formed in February 2000 when Boral demerged its energy business to form Origin Energy. Over the last five years, Origin Energy has invested more than \$250 million in Queensland including:

- \$70 million acquiring and developing Peat and Moura CSG Projects.
- \$20 million constructing the Wide Bay natural gas pipeline.

- \$5 million installing Queensland's first cogeneration plant at Redcliffe public hospital.
- \$30 million constructing the Roma Power Station.
- \$75 million acquiring a 50% share of the Bulwer Island Cogeneration Plant.
- \$10 million for the Central Energy Facility in the Townsville Hospital.
- \$50 million acquiring CSG interests in central Queensland.

#### Key Facts

Downstream Energy Sales (2001)	
• Natural Gas	13 PJe
• Electricity	1 PJe
• LPG	4 PJe
Natural Gas & LPG customers (including those served by distributors)	165,650
Employees	540

#### Upstream Gas and Liquid Sales (2001)

Asset	Volume (PJe)
SWQ Cooper Basin	23*
Surat / Denison	12
Coal Seam Gas	8
Eromanga	3
Total	46

\* Includes Interstate sales

### Community Support

Origin Energy and OCA support many community activities in areas where they operate including:

- The Queensland Theatre Company's 2002 production of Bag O'Marbles, which draws on and supports the development of artistic talent in regional areas.
- Vehicle wash down facilities in Roma and Injune to contain the spread of weed in these shires. Water used in each facility is recycled.
- Donation to a Parthenium Group to assist in developing biological controls and agents to destroy the weed, Parthenium, which has health implications to some individuals and destroys the potential of grazing land in the area.
- Restoration of a T32 rotary rig on display at Roma's Big Rig Discovery Centre.

### For further information:

Oil Company of Australia Limited ABN 68 001 646 331  
Telephone 07 3858 0600 • [www.originenergy.com.au](http://www.originenergy.com.au)