

# Barry Goldstein, Dept of the Premier & Cabinet

## Status of Roundtable and Roadmap – Where to from here?

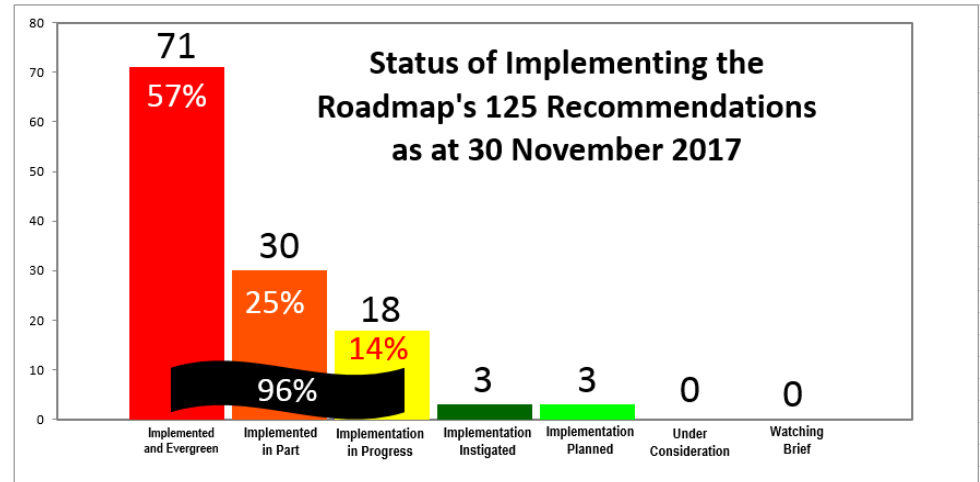
The scope of the Roundtable has expanded to cover onshore and offshore oil and gas projects across South Australia.

Directions will be canvassed ahead of developing a strategy and a deep dive roadmap.

The December 2012 Roundtable has grown from 212 member organisations with 410 representatives to >1,130 organisations and >2000 representatives.

Most (96%) of the 125 recommendations developed by the Roundtable in 2012 are implemented (and evergreen), implemented in part or in progress.

### It is time to reload



# Vision: maximise South Australian's benefit from ownership of petroleum resources

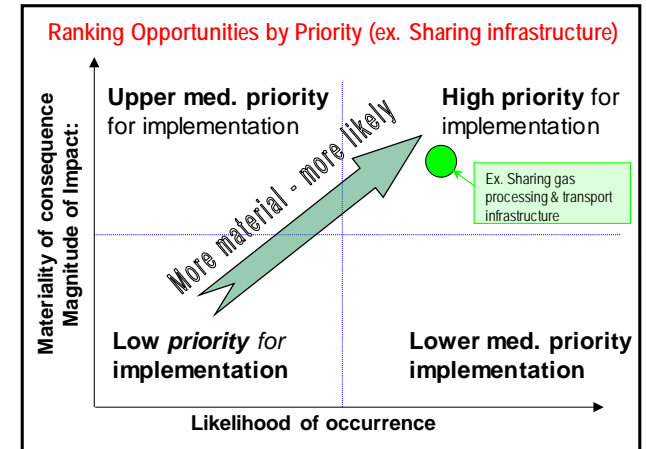
The Roundtable will be asked to inform the path to attain our vision - to maximise South Australian's benefit from ownership of petroleum resources

Adding-to locally-sourced oil and natural gas supplies will be a key factor in growing the public's prosperity and corporate profits. In particular, adding to gas supplies and suppliers will foster energy security, affordability and environmental sustainability.

Growth into value-adding end-products (petrochemicals for advanced manufacturing) will be feasible with the development of large to giant, competitively produced oil and gas reserves.

Expect draft **Directions** for an **Oil and Gas Strategy** and a **Deep-dive Roadmap** that will entail:

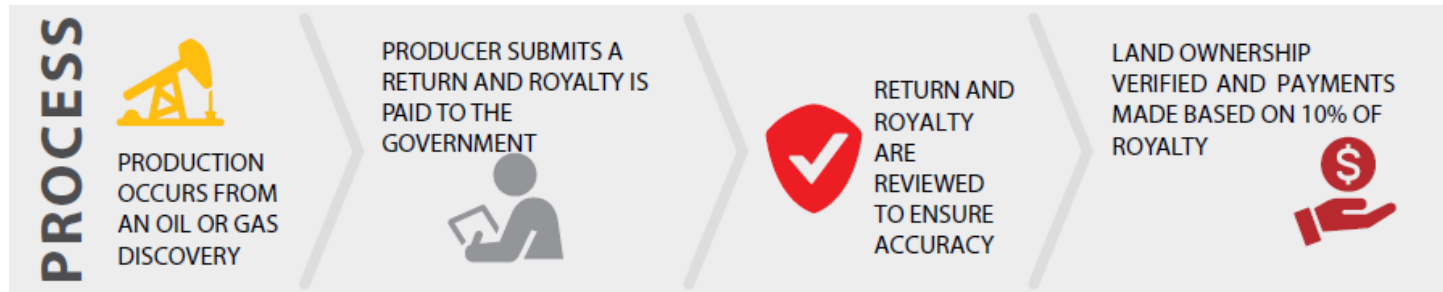
- ✓ Engagement enabling people and enterprises to understand how their rights are supported;
- ✓ Fulsome descriptions of the regulatory and fiscal frameworks that apply in South Australia;
- ✓ Play-by-play characterizations of onshore and offshore South Australian basins;
- ✓ Digital links from basins to plays to licences to licence holders and licence holder's publicly available characterization of prospects;
- ✓ Economic models for commercialisation options; and
- ✓ Prioritized recommendations from stakeholder driven SWOT analysis



# Oil and Gas Royalty Return Program

**Oil and Gas Royalties Return Program** provides 10% of the State's royalties to freehold landowners and perpetual leaseholders with properties that overlay the extent of relevant petroleum discoveries.

- No worse-off policy prevails. Compensation agreements remain in parallel.
- Relevant land title and entitlement to a share of the State royalty cannot be separated.
- If a PGE Act licensee is (or becomes) the property owner, the sharing arrangement does not apply.



# Plan for Accelerating Exploration (PACE) Gas

## \$48 million PACE Gas Program

Will secure new gas supplies to South Australian customers by end 2019 (Round 1) and 2020 (Round 2); and accelerating new technology deployment to lift productivity

### Round 1 – Grants \$24m

- Senex-Santos Cooper Basin pipelines \$5.82m
- Beach Energy Otway Basin exploration well \$6m
- Santos Cooper Basin re-frac stimulation \$3.96m
- Santos Cooper Basin underbalanced drilling \$6m
- Strike Energy Cooper Basin deep coal pilot \$2m

### Round 2 – Grants \$24m

- 15 Applications
- From 11 Companies
- Final Decision Dec 17



### Vision

To source, generate and control more of South Australia's energy supplies – increase self reliance and provide reliable, competitive and clean power for all into the future

# Advancing Aboriginal participation in oil & gas ventures

The Cooper-Eromanga Basins Aboriginal forum was created in 2015 and has convened 3 annual conferences to date. A focused Project Manager is being recruited. Its members include:

## Indigenous Parties

The Dieri People

The Wangkangurru / Yarluandi People

The Yandruwandha / Yawarrawarrka People

## Government

DPC

DSD

DEWNR

## Industry

Beach Energy

Senex Energy

Cooper Energy

Saxon Energy Services

Santos Limited

Schlumberger

Condor Energy

Compass Group

Terrex Group

Strike Energy

Fyfe

Halliburton

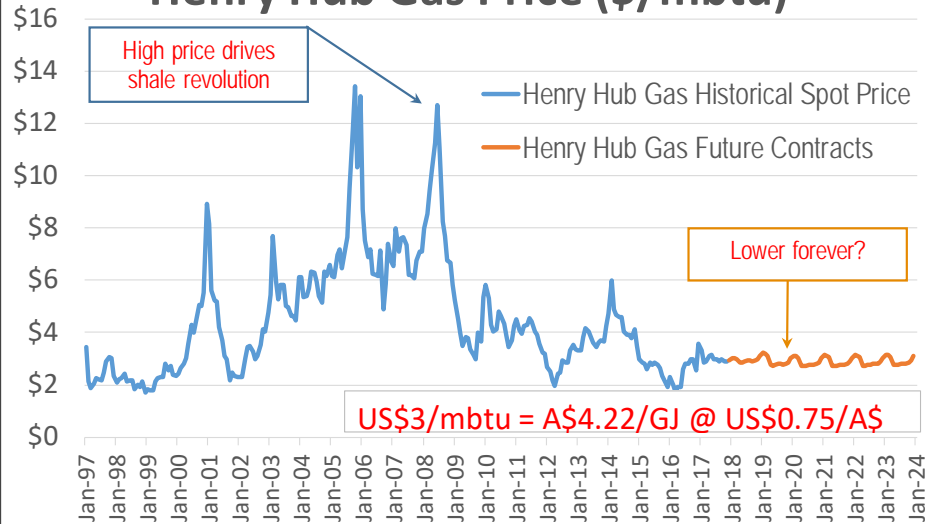
The purpose of this forum is to:

- Increase mutual understanding, awareness and respect between the people who work in the oil and gas industry and the Dieri, the Wangkangurru/Yarluandi and the Yandruwandha/Yawarrawarrka Peoples
- Increase awareness of opportunities for employment and contract services / supplies from Aboriginal-owned enterprises; and
- Increase awareness and understanding of Aboriginal culture and heritage amongst the people who work in the oil and gas industry in the Cooper-Eromanga basins region.

# Recap action items, new recommendations & closing remarks

## Barry Goldstein – Department of the Premier and Cabinet

### Henry Hub Gas Price (\$/mbtu)



### Brent Crude (USD)

