

25 June 2010

## **QCLNG Project receives Queensland Government approval**

QGC Pty Limited, a BG Group business, today received Queensland Government approval for the Queensland Curtis LNG (QCLNG) Project.

The approval, which includes conditions under which the project may proceed, covers an expansion of QGC's existing coal seam gas operations in the Surat Basin; development of a 540 km underground pipeline network; and a liquefied natural gas (LNG) plant on Curtis Island, near Gladstone, on the central Queensland coast.

It follows the Queensland Coordinator-General's review of the QCLNG Project's social and environmental impact statement.

The impact statement, which sets out potential social and environmental impacts as well as identifying strategies to maximise benefits and mitigate impacts, was prepared by QGC over two years from detailed studies and direct consultation with more than 1000 stakeholders across the project area.

Federal Government environmental approval is expected around mid year.

QGC is still required to obtain production licences, safety approvals and other environmental permits under various State laws before construction of the LNG plant can start.

QGC Managing Director Catherine Tanna said the BG Group Board would consider a final investment decision on the QCLNG Project later this year subject to acceptable fiscal terms and environmental approvals.

"Approval from the Queensland Government is another important step as we develop the QCLNG Project," Ms Tanna said.

"It follows a rigorous assessment process involving comprehensive scientific environmental studies, 40 public submissions and discussions with hundreds of stakeholders, including individuals, landholders, indigenous and conservation groups, industry bodies, regional councils and government agencies.

"The Queensland Coordinator-General has identified conditions that will apply to the project and we will comply with these as we develop and operate QCLNG.

"Our focus is on developing QCLNG in partnership with communities and government to ensure that the project is environmentally acceptable and benefits as many of our stakeholders as possible," Ms Tanna said.

The multi-billion-dollar QCLNG Project will have an initial production capacity of 8.5 million tonnes of LNG a year with export sales commencing from 2014, underpinned by agreements with China, Japan, Singapore and Chile.

The project is expected to generate more than 5 000 direct jobs during construction and more than 700 during operation. It is estimated QCLNG will generate A\$32 billion in value-added activity for Queensland in its first decade to 2021.

Ms Tanna said QCLNG would help to address climate change as gas offered important greenhouse gas savings when used instead of coal or oil.

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# News Release



## Notes to Editors:

### QGC

QGC Pty Limited (ACN: 089 642 553) is a leading Australian coal seam gas explorer and producer focused on supplying gas to domestic and international markets. QGC is establishing one of Australia's largest capital infrastructure projects to turn Queensland's world-class coal seam gas reserves into liquefied natural gas. Queensland Curtis LNG, a priority project for QGC, involves expanding exploration and development in southern and central Queensland and transporting gas through a 540km underground pipeline network to Curtis Island near Gladstone where it will be liquefied. For further information visit: [www.qgc.com.au](http://www.qgc.com.au) or [www.qclng.com.au](http://www.qclng.com.au)

### BG Group

BG Group plc (LSE: BG.L) is a world leader in natural gas, with a strategy focused on connecting competitively-priced resources to specific, high-value markets. BG Group is active in more than 25 countries on five continents, and has a broad portfolio of exploration and production, liquefied natural gas, transmission and distribution, and power generation businesses. It combines a deep understanding of gas markets with a proven track record in finding and commercialising reserves. For further information go to [www.bg-group.com](http://www.bg-group.com)

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