

## Blue Energy has gas assets in Bowen, Galilee and Beetaloo Basin's as the Federal Government targets fast tracked domestic gas supply

Blue Energy Limited (ASX: "BLU") is delighted to learn that the Prime Minister has identified the North Bowen and Galilee Basins in Queensland and the Beetaloo Basin in the Northern Territory from which new gas supply will be prioritised by the Federal Government to underpin the Post COVID national economic recovery and secure the future of manufacturing jobs in Australia through the provision of reliable and plentiful long term gas supplies.

Low priced gas to consumers relies on large scale gas developments, low operating costs, low corporate overheads, and low processing and transportation costs.

Blue has acreage positions in all three nominated basins (see Figure 1), certified gas reserves and resources in the North Bowen Basin (3,000 PJ Resources; 298 PJ 3P reserves) and Galilee Basin (838 PJ Gas Resource), and has been a long-time advocate for the development of these critical gas resources, which have been hamstrung by the lack of critical gas infrastructure.

Blue Energy, an Australian, Brisbane based ASX listed company, stands ready to work with domestic manufacturers and gas users who require long term stable gas supply and to develop our gas resource for the East Coast domestic market.

The Prime Minister's announcement on the North Bowen Basin is doubly satisfying as it comes so soon after the announcement by the Palaszczuk Government that they will invest \$5 million on a pipeline route study from the North Bowen Basin to the east coast designed to bring the 15,000 PJ of un-contracted North Bowen gas to the East Coast Market.

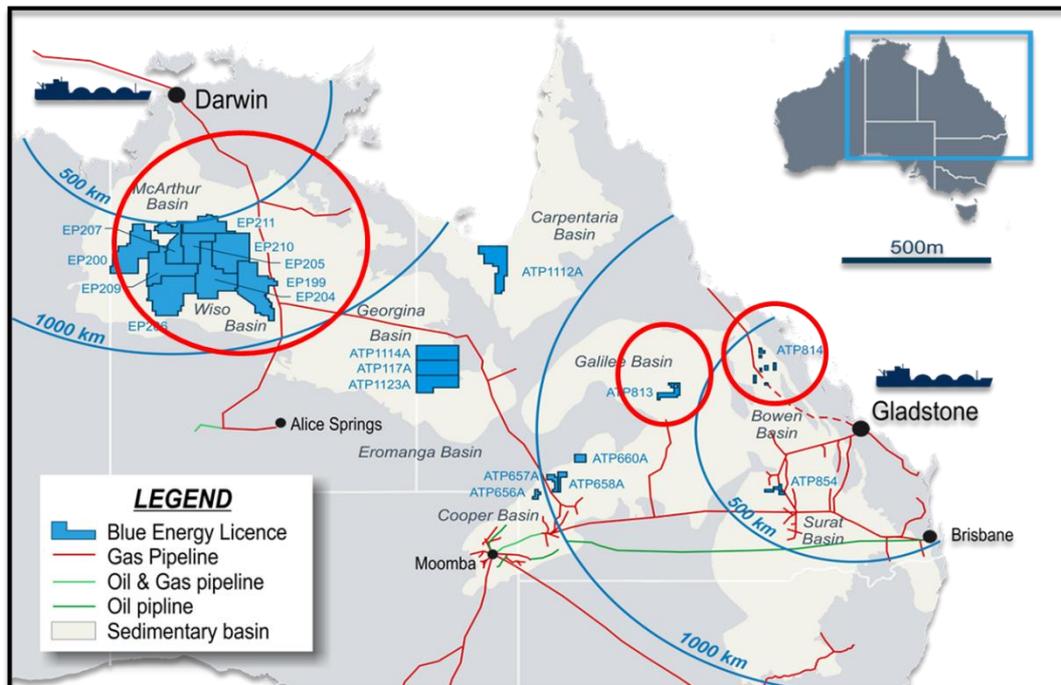


Figure 1: Blue's acreage position in the North Bowen, Galilee and Beetaloo/McArthur Basins being targeted by the Federal Government for new gas supply

Blue has regularly commented on the enormous gas resource that has already been discovered in the North Bowen Basin. This Basin has been producing and sending gas north to Townsville manufacturers and electricity generators via the 273mm diameter North Queensland Gas Pipeline since 2005.

As Blue identified previously, **the Bowen Basin contains independently verified (ACCC Jan 2020) gas resources of up to 15,000 PJ, which, if fully developed via a new southern pipeline, could supply the East Coast domestic gas market for up to 30 years.** In doing so, it would act to lower east coast gas prices to end users, and importantly, enable manufacturers and gas users to enter long term gas contracts and give certainty of gas supply and price, for decades. This in turn would encourage expansion and growth of existing manufacturers and the entry of new manufacturers to establish themselves in Queensland. This will mean more jobs in Queensland.

Gas is not only used for low emission electricity generation, but is **essential as a feed stock for the manufacture of pharmaceuticals, plastics, explosives, bricks, glass, fertilizer, PPE,** and many more products, all of which are integral parts of Australia's modern economy.

Gas is also critical for residential heating, cooking and hot water, which many people take for granted (80% of houses in Victoria have mains gas connected).

Along with extending a lifeline to struggling Australian east coast manufacturers and assisting in rebuilding our economy, long term gas supply from the Bowen Basin will be critical to firm up large renewable energy projects to meet Queensland's mandated 50% renewables target by 2030. This will provide reliable, dispatchable, synchronous, firming electricity generation and has the potential to provide a significant portion of the remaining 50% of electricity generation and provide a just transition for the workers currently employed in the coal-fired generation sector.

Blue looks forward to working further with State, Federal and Territory Governments to assist in bringing the significant gas potential of these large resource areas to market in a timely manner.

**By Authority of the Board per:**

**John Phillips**  
**Managing Director**  
Blue Energy Limited

Permit	Block	Assessment Date	Announcement Date	Methodology	Certifier	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		30/06/2012	19/03/2013	SPE/PRMS	NSAI	0	22	0	47	0	101
ATP813P		29/10/2014	30/10/2014	SPE/PRMS	NSAI	0	0	0	61	0	830
ATP814P	Sapphire	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	66	59	108	216	186
ATP814P	Central	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	50	12	99	75	306
ATP814P	Monslatt	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	0	0	619	0	2,054
ATP814P	Lancewood	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	5	0	23	1	435
ATP814P	Hillalong	6/02/2019	7/02/2019	SPE/PRMS	NSAI	0	0	0	182	0	237
ATP814P	South	30/06/2013	29/07/2013	SPE/PRMS	NSAI	0	15	0	27	6	30
<b>Total (PJ)</b>						<b>0</b>	<b>158</b>	<b>71</b>	<b>1,166</b>	<b>298</b>	<b>4,179</b>
<b>Total</b>						<b>0</b>	<b>27</b>	<b>12</b>	<b>199</b>	<b>51</b>	<b>714</b>

Table 1: Blue Energy's Gas Reserve and Resource position

### \*Listing Rule 5.42 Disclosure for Reserves and Resources

The estimates of Reserves and Contingent Resources noted throughout this Announcement have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements:

- 21 July 2011 (Maiden Reserves for ATP 814P)
- 13 December 2011 (Monslatt Resource Upgrade);
- 25 January 2012 (Reserves Upgrade for ATP 814P);
- 26 February 2013 (CSG Reserves Boost for Blue Energy's key Bowen Basin Project – ATP 814P),
- 19 March 2013 (Major Queensland Gas Resources for Blue Energy – ATP 814 & ATP 854);
- 8 December 2015 (Significant increase in Gas Reserve for key Bowen Basin permit); and
- 28 February 2019 (New gas resource upgrade – ATP 814 – Hillalong Block).

The Reserves and Contingent Resources information for the Company's interests in ATP 854, ATP 813 and ATP 814 referred to in this Presentation has been issued with the prior consent of Mr John Hattner of Netherland, Sewell and Associates Inc in the form and context in which they appear.

Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in this Presentation or any of the previous listed announcements referred to relating to ATP 813P, 814P or 854P and that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.