



## Media Release

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### Site latest milestone for \$35 billion Australia Pacific LNG project - analysis predicts major jobs boost

The Queensland Government and Australia Pacific LNG today announced Laird Point on Curtis Island at Gladstone as the site for Australia Pacific LNG's proposed Liquefied Natural Gas (LNG) plant.

Australia Pacific LNG is a 50:50 coal seam gas (CSG) to LNG joint venture between Origin and ConocoPhillips.

Minister for Infrastructure and Planning Stirling Hinchliffe signed the contract on the 230 hectare site on behalf of the Queensland Government this morning.

Australia Pacific LNG also today released results from a detailed independent analysis of the economic benefits of the project by KPMG Econtech which highlights the significant number of jobs the project would create.

The analysis found that an average of 10,300 jobs would be created during the 10-year construction period of the project, reaching a peak of 18,600 direct and indirect jobs nationally during the four peak years of construction (2012 to 2015).

Australia Pacific LNG Project Director Todd Creeger said the KPMG Econtech analysis demonstrated the Australia Pacific LNG CSG to LNG project would provide a substantial and ongoing boost to the continued economic development of Queensland.

"The KPMG analysis highlights the potential job creation from the Australia Pacific LNG project. By selecting its preferred site, Australia Pacific LNG has reached another milestone with its \$35 billion investment in Queensland," Mr Creeger said.

Of the 18,600 jobs created on average during the 4-year peak construction period, 13,200 jobs will be in the Queensland regions of Mackay-Fitzroy-Central west and Darling Downs-West.

Mr Creeger said the selection of Laird Point as the site for the CSG to LNG plant was a key milestone for the Australia Pacific LNG project.

"The selection of Laird Point on Curtis Island is the next major step forward for the Australia Pacific LNG project and reinforces that the project is on schedule for selling its first LNG to international markets in 2014," he said.



"After completing extensive engineering and shipping studies, we have confirmed that Laird Point is an excellent location to meet our long-term plans for our world class project.

"Laird Point offers sufficient land for our proposed production plant, good port facilities and Gladstone offers access to a skilled workforce," Mr Creeger said.

Mr Creeger said Australia Pacific LNG would reinforce its commitment to the Gladstone area through a \$5 million contribution to the management of the Curtis Island Environmental Management Precinct.

"Our contribution to the continued environmental management of Curtis Island will provide ongoing benefits to the local community in partnership with other LNG operators," he said.

The site forms part of the Curtis Island LNG precinct, which is specifically designated for the LNG industry. The acquisition will be finalised when State Government conditions are met.

The CSG to LNG project comprises the further development of CSG fields in Queensland's Surat and Bowen Basins, a 400 kilometre pipeline from the gas fields to Gladstone and an LNG plant at Laird Point on Curtis Island.

Australia Pacific LNG is expected to lodge its Environmental Impact Statement early in 2010 with the Final Investment Decision proposed for the end of 2010 and the first production train is planned to be completed by the end of 2014.

A report on the economic and employment impact will be included in Australia Pacific LNG's Environmental Impact Statement.

The KPMG analysis found that, once fully operational, Australia Pacific LNG would:

- Create, directly and indirectly, an average of 10,300 jobs nationally during the full 10-year development phase - reaching as high as 18,600 direct and indirect jobs nationally during the four peak years of construction (2012 to 2015)
- Create 14,600 direct and indirect jobs in Queensland during the four peak years of construction (2012 to 2015)
- Be responsible for the creation of 9,000 new jobs, direct and indirect, on average after the construction period that would not have existed without the project.



The analysis also found that, once fully operational, the project would contribute:

- An increase of \$2 billion (0.9%), on average, to Queensland's annual Gross State Product; and
- An increase in real Gross Domestic Product (GDP) of \$1.3 billion (0.12%) a year; and
- Add \$573 million a year, on average, to living standards (consumer welfare) over the life of the project.

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*Origin and ConocoPhillips are leaders in the development of CSG and Australia Pacific LNG is already producing more than one third of Australia's total CSG production to meet domestic market requirements.*

*ConocoPhillips is a leader in the development of LNG projects and three major CSG to LNG projects being proposed in Gladstone plan to use ConocoPhillips technology for their LNG plants.*

## Australia Pacific LNG's site - Laird Point

