

OPERATIONS BULLETIN

ISSUE #22 APRIL 2017



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INVESTING IN EAST COAST GAS SUPPLY



Minister for State Development and Minister for Natural Resources and Mines Anthony Lynham, Premier of Queensland Annastacia Palaszczuk and former Shell Australia Country Chair Andrew Smith recently announced new jobs and investment for Queensland at Parliament house.

QGC is continuing its investment in Queensland with the drilling of up to 161 additional wells – a move that enables further supply to both domestic customers and natural gas exports.

“Project Ruby” expands on QGC’s operations in the Surat Basin, and will underpin 350 new and existing jobs in regional Queensland during the 16 month construction, and sustain QGC’s gas production as older wells decline.

Former Shell chairman Andrew Smith said this latest project was the company’s way of continuing to supply gas into the east coast market whilst protecting valuable export jobs in regional Australia.

“This is the next significant milestone for the QGC project and a further vote of confidence in Queensland’s onshore gas industry,” he said.

“We are proud to be investing in regional Queensland, where state and local government have had the vision to establish the rules for a gas industry that creates jobs and supports farmers by providing water, building new roads and paying taxes.

“During construction the Queensland gas industry created more than 40,000 jobs, and even today after construction has been completed it employs 13,000 people.

“Queensland has shown itself to be a leader in creating an onshore gas industry, creating valuable export jobs, and today’s announcement shows the industry is growing and creating more jobs.

“Local gas production also means Queensland customers will pay less for gas than those in southern states. This is a competitive advantage for Queensland business in attracting manufacturing jobs from Victoria where gas customers will be forced to pay more for political reasons.”

“QUEENSLAND HAS SHOWN ITSELF TO BE A LEADER IN CREATING AN ONSHORE GAS INDUSTRY, CREATING VALUABLE EXPORT JOBS, AND TODAY’S ANNOUNCEMENT SHOWS THE INDUSTRY IS GROWING AND CREATING MORE JOBS.

The new wells will be drilled in 2017 and 2018 in QGC’s existing tenements in south-west Queensland.

New jobs associated with the project will be advertised in the Surat Basin – and will provide local people an opportunity to find well paid jobs in their communities.

QGC supplies more than 10% of Australia’s east coast gas demand and 40% of Queensland’s demand.

CHARLIE PROJECT UPDATE



The first phase of commissioning the Charlie project for operations is underway.

Electrical testing has been completed for the high voltage overhead power line, Charlie Substation and Charlie pump station, which are now connected and energised.

The Charlie pond is receiving water from operating wells. The Charlie and Philip ponds are connected via a water pipeline to Woleebee Creek where the water will be processed at the Northern Water Treatment plant. The processed water will be supplied for beneficial use via the Glebe Weir Water Supply Scheme.

The staff at Charlie conducted a litter pick-up campaign along the roads leading to the construction site.

QGC UPGRADES ROADS

QGC is upgrading various roads, some of which are currently being worked on, and other upgrades will start in coming weeks. Road upgrades are summarised below:

PERRETS ROAD

Upgrading and gravel surfacing on Perrets Road is complete. Due to recent dry conditions the road has become dusty. QGC has arranged for dust to be controlled however drivers should reduce speed and stay to the left when travelling through dusty areas.

RYALS ROAD

Further sealing of Ryals Road was completed in late-March 2017. Speed restrictions and traffic controls will continue to be in place.



Planning for the construction of the floodway across Horse Creek has been delayed and these works will be constructed by Western Downs Regional Council later this year. Further notice on road closures will be provided prior to the works commencing.

BUNDI ROAD

The Western Downs Regional Council has lifted the five tonne load restriction on the Sundown Creek Bridge. A 42.5 tonne load restriction is now in place. Vehicles above this mass are required to use the side-track around the bridge.

Weather conditions and unforeseen events, may impact dates and timings. All works will be performed in accordance with a council approved traffic management plan. Please adhere to the advisory traffic signage installed before and during the closure periods. We thank you for your patience and encourage all drivers to keep safe and drive to conditions.

Increased traffic to the Charlie project is expected as construction progresses. QGC's detailed transport management plan for the project includes In-vehicle Monitoring System tracking for all QGC vehicles and traffic controls in affected areas. For any concerns please phone the QGC Community Information Line on 1800 030 443.

Although it may be frustrating for some drivers, QGC's people are required to comply with advisory speed signs when driving for QGC. Penalties for not adhering to road rules can include dismissal.

QGC also advises not to overtake road-trains, particularly as dry weather means dust will reduce visibility.

FOR LANDHOLDERS

Landholders planning to do any digging around buried pipelines should call 'Dial Before You Dig' (call 1100, www.1100.com.au) to obtain the specific location of the pipelines and associated infrastructure.

Call the QGC Operations Centre (1800 77 88 98) to report any emergencies, damage or vandalism, flooding, subsidence, washouts or erosion, unauthorised access to easement facilities or uncontrolled fires.

SURAT BASIN

This section features information about activities in our natural gas development areas that cover more than 4,900 square kilometres and span from south of Tara to north-west of Wandoan.

WELL SITE INSPECTIONS

A team of 50 operators inspect each of QGC's more than 2,500 wells once a fortnight. Operators are required to adhere strictly to land access and weed management rules for individual properties. This team, who drive utility vehicles, represent a major proportion of our light vehicle movements around the region.

PIPELINE INSPECTIONS

QGC operators work in small teams to inspect the 543km Wallumbilla Gladstone Pipeline easement to monitor the infrastructure and progress of vegetation rehabilitation.

In March, the following activities will occur:

- Aerial inspections from west of Dalby (Ruby Jo site) to west of Wandoan (Woleebee Creek site) and between Chinchilla and Gladstone during the first half of the month.
- Daily, on-ground easement inspections from west of Dalby (Ruby Jo site) to Gladstone.

WATER TREATMENT

The Northern Water Treatment Plant, at Woleebee Creek south-west of Wandoan, and the Kenya Water Treatment Plant, south-west of Chinchilla, are successfully processing water produced in the surrounding gas fields for beneficial use within these regions.

These two water treatment plants enable QGC to make available 97% of produced water for beneficial use.

The following table summarises the average daily production at each water treatment plant and the total volume of water beneficially used to date in 2017.

WATER TREATMENT PLANT	AVERAGE DAILY PRODUCTION (MARCH 2017)	2017 YEAR TO DATE PRODUCTION FOR BENEFICIAL USE (AS AT 20 MARCH 2017)
Kenya	40 ML/d	2,841 ML
Northern	15 ML/d	1,061 ML

BECOMING A SUPPLIER

QGC supports the long-term, economic sustainability of the regions in which we operate through providing the opportunity to supply the business with competitively priced goods and services.

Our Local Content Policy targets four goals: supporting competitive procurement, facilitating job creation, promotes reconciliation and builds economic sustainability.

We actively encourage our employees and contractors to source quality, cost-effective goods and services locally, based on full, fair and reasonable opportunities.

This is in line with our participation in the voluntary Queensland Resources and Energy Sector Code of Practice for Local Content administered by the Queensland Resources Council and as required, project-based Australian Industry Participation Plans.

Visit www.bg-group.com/807/sustainability/becoming-a-supplier/ to register your interest in becoming a supplier or for a fact sheet on how to access our supply chain.

GLADSTONE

GLADSTONE LOCAL ON A NEW CAREER PATHWAY WITH LNG PROCESS OPERATOR TRAINING

The ten Gladstone locals embarking on the innovative LNG Process Operator Training Program are excited to start their studies and enter a new career pathway in the LNG industry.

Amy Varker, one of QGC's six LNG Operator trainees is a Gladstone local, raised in Calliope and completed her studies at Gladstone State High School in 2010. Amy finished high school and became a travel agent for five years. She then went on to work at the Gladstone Airport for Qantas Link, which is where she realised she would like a hands-on role.

After seeing the 2016 trainees start their new careers in the LNG industry, Amy applied for the 2017 intake.

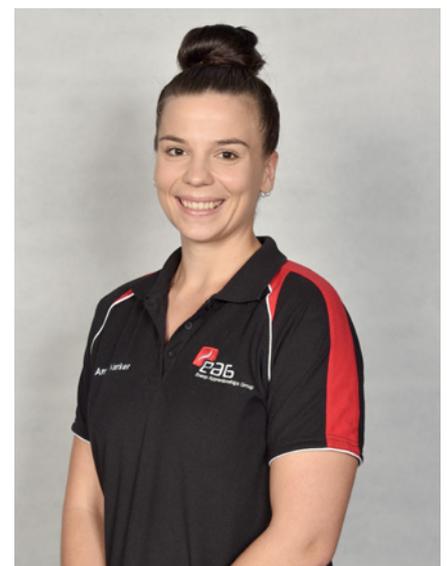
"After my first interview, I knew for sure this was the industry I wanted to be immersed into, not just for the career progression in my home town, but because the more I researched, the more interesting the LNG process became to me," she said.

"I can't wait to create a future in this industry, alongside all of my fellow trainees."

The LNG Process Operator trainees began their studies February, embarking on the program which enables Gladstone locals with no LNG experience to start gaining qualifications to apply for LNG Process Operator roles.

They will follow in the footsteps of the 2016 trainees who comprised the first intake and are now either employed full-time or completing their on-the-job experience on Curtis Island.

The 2017 trainees will study at Central Queensland University and gain practical, first-hand experience at QGC and Australia Pacific LNG downstream operator ConocoPhillips' facilities, who are jointly funding and supporting the program.



Amy Varker is embarking on a new career pathway, leaving the travel industry to join five other Gladstone locals undertaking QGC's LNG Process Operator traineeship.

COMMUNITIES

DATE	LOCATION	ACTIVITY
6 April	Gladstone	Gladstone Engineering Alliance Supply Chain Expo, 9am – 2pm. Leo Zussino Building, CQ University, Bryan Jordan Drive, Gladstone. Free. For more information: www.gea.asn.au/events/gea-supply-chain-expo-2017-visitors
12 – 16 April	Gladstone	Gladstone Harbour Festival. Free. Various events held across the festival: gladstonefestival.com/harbourfestival
16 April	Gladstone	QGC Festival Finale! Gladstone Harbour Festival concert from 7pm. GPC Marina Main Stage. Free. Various events held across the festival: gladstonefestival.com/harbourfestival
21 – 22 April	Wandoan	Wandoan Show. 92 Roche Creek Road, Wandoan. \$25 family, \$13 single. For more information: www.wandoanshow.com.au/
25 April	Various	Anzac Day services For more information: www.rslqld.org/
28 – 30 April	Gladstone	Boyne Tannum Hookup. Bray Park, Wyndham Avenue, Boyne Island, Queensland. Free For more information: boynetannumhookup.com.au/

CHINCHILLA STATE HIGH SCHOOL STUDENTS INSPIRED ON POSSIBLE CAREER PATHWAYS

Chinchilla State High School students heard from a panel of experts on possible career pathways from studying science, technology, engineering and math (STEM) during a visit to the Queensland Museum for the Hadron Collider exhibit earlier this year.

QGC's Principal Water Operations Engineer Mike Sudmalis, Brownfields Project Engineer, Neil Meade and Production Excellence Manager, Katrina Mullin, spoke to the students about their career journey and how STEM education had played a role in developing their careers.

The students asked questions such as what they should look for in future employers, what they could do to increase their likelihood of getting a job and what other careers QGC offers. QGC's Future Makers partnership aims to create a whole-of-life approach to STEM education.

The Future Makers program is being delivered to six pilot schools in Chinchilla, Gladstone and Brisbane in years six and nine. The program focuses on four key areas of raising awareness of STEM subjects through direct engagement, teacher development, public engagement and research.

The program is shaping and changing the way teachers teach these vital subjects by

using real industry professionals to bring STEM subjects to life.

The program is allowing schools to track increased uptake and performance of STEM subjects. The University of Queensland's School of Education is studying the benefits to student learning.

The program was launched in 2015 with QGC and the Queensland Museum Network.



Chinchilla State High School students hear from QGC panellists on the possible career pathways by studying science, technology, engineering and maths subjects.

NEW YORK'S WORLD SCIENCE FESTIVAL IN REGIONAL QUEENSLAND

QGC has brought the wonders of science to over 4,000 people in Gladstone and 1,500 people in Chinchilla with the World Science Festival Brisbane Regional Program on tour during March.

QGC supports The World Science Festival Brisbane Regional Program as part of the Future Makers partnership with the Queensland Museum Network.

Queensland Museum Network CEO and Director and Queensland Chief Scientist Professor Suzanne Miller thanked QGC for bringing the event to the regions.

"We have been able to expand our Regional Program for 2017 and bring this incredible, free event to Gladstone for the first time, thanks to the support from our community partner QGC," she said.

Vice President QGC, Tony Nunan, said the festival was a fantastic opportunity for young people, families and the Central Queensland community to be inspired about the possibility of a future career in science, technology, engineering and maths (STEM).

"Encouraging young people to follow a career in STEM has proven to be one of the greatest challenges of our day," Mr Nunan said.

"Through our Future Makers partnership with Queensland Museum Network we hope to help inspire students, teachers and whole communities to take a keen interest in STEM, and leave a lasting legacy of improved performance and participation in these fields."

The regional tour in Gladstone and Chinchilla included a schools event where students heard from industry professionals from STEM related fields.

Gladstone local, John Meenan, QGC's Optimisation Engineer, spoke to 200 students about how his studies in STEM and engineering led him to a career in the LNG industry working on QGC's LNG plant for the last four years.

John held a captive audience using the QGC LNG site model as a prop, to explain to the students the science and engineering behind the liquefaction process of onshore natural gas.

The community events in Chinchilla and Gladstone featured a variety of STEM topics from prehistoric palaeontology exhibitions, spider talks, robotics workshops and presentations on drones.



Gladstone students learn how studies in science, technology, engineering and maths (STEM) can lead them to a career in the LNG industry. QGC's Optimisation Engineer, John Meenan, spoke to over 200 students about his studies in STEM leading to a career at QGC's LNG plant during the World Science Festival Brisbane Regional Program.

This Operations Bulletin is designed to provide communities in the Surat Basin and Gladstone with a variety of information about our activities. It has been developed in response to feedback from community members interested in understanding what to expect from our operations.

We look forward to your feedback at community@qgc.com.au

ENQUIRIES

For all general enquiries, please call 1800 030 443 (24 hour toll free) or email community@qgc.com.au

Visit our information centres at:

Chinchilla

Woolworths Complex,
Shop 18-20 Nrll Dytry,
Chinchilla, QLD 4413

Gladstone

72 Goondoon Street,
Gladstone, QLD 4680

Wandoan

27 Royd Street,
Wandoan, QLD 4419