



Australian Energy & Minerals Investor Conference

Richard Cottee
Executive Chairman

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ASX:GAS



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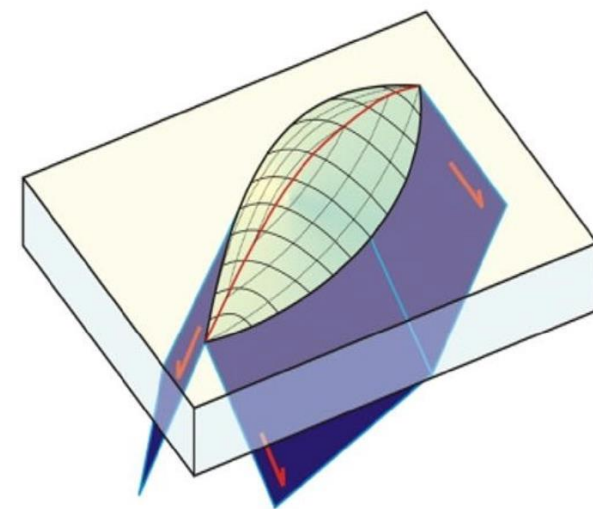
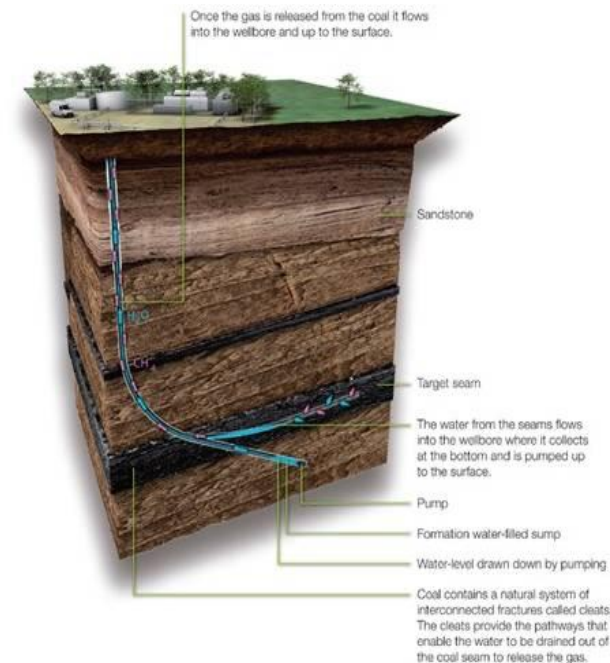
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The material in this presentation has been previously released to the ASX in QUPEX Presentation 8.10.2019; Announcement dated 4.10.2019 and Announcement dated 18.10.2019

CSG Fundamentals

- In Coal Seam Gas (CSG), coal is both the source and the trap
- With increasing depth, coal permeability generally decreases (the coal becomes tighter) whilst gas content (saturation) increases
 - shallower coal → easier for gas to escape from its cleats **but** there is less gas
- Recent production techniques used by the industry focus on extraction from reservoirs with high gas content but low natural productivity, hence artificial stimulation and horizontal drilling which adds to costs.
- **The Reid's Dome Coal Beds** are relatively brittle & have been the subject of geological disturbance. So the State Gas thesis is:
 - The brittleness of the coal, impacted by geological disturbance (**lifting of the Dome**) has created fault zones and natural fractures through the coal
 - These fractures provide pathways for extraction of the gas, in addition to the inherent permeability
 - Nature has done the job of modern technology, but cost free.
- Flow rates at Nyanda 4 corroborate this thesis and the image logs at Nyanda 7 & 8 confirm a lot of fractures. These natural fractures were evident in the cores sampled from Nyanda 4 and Aldinga.



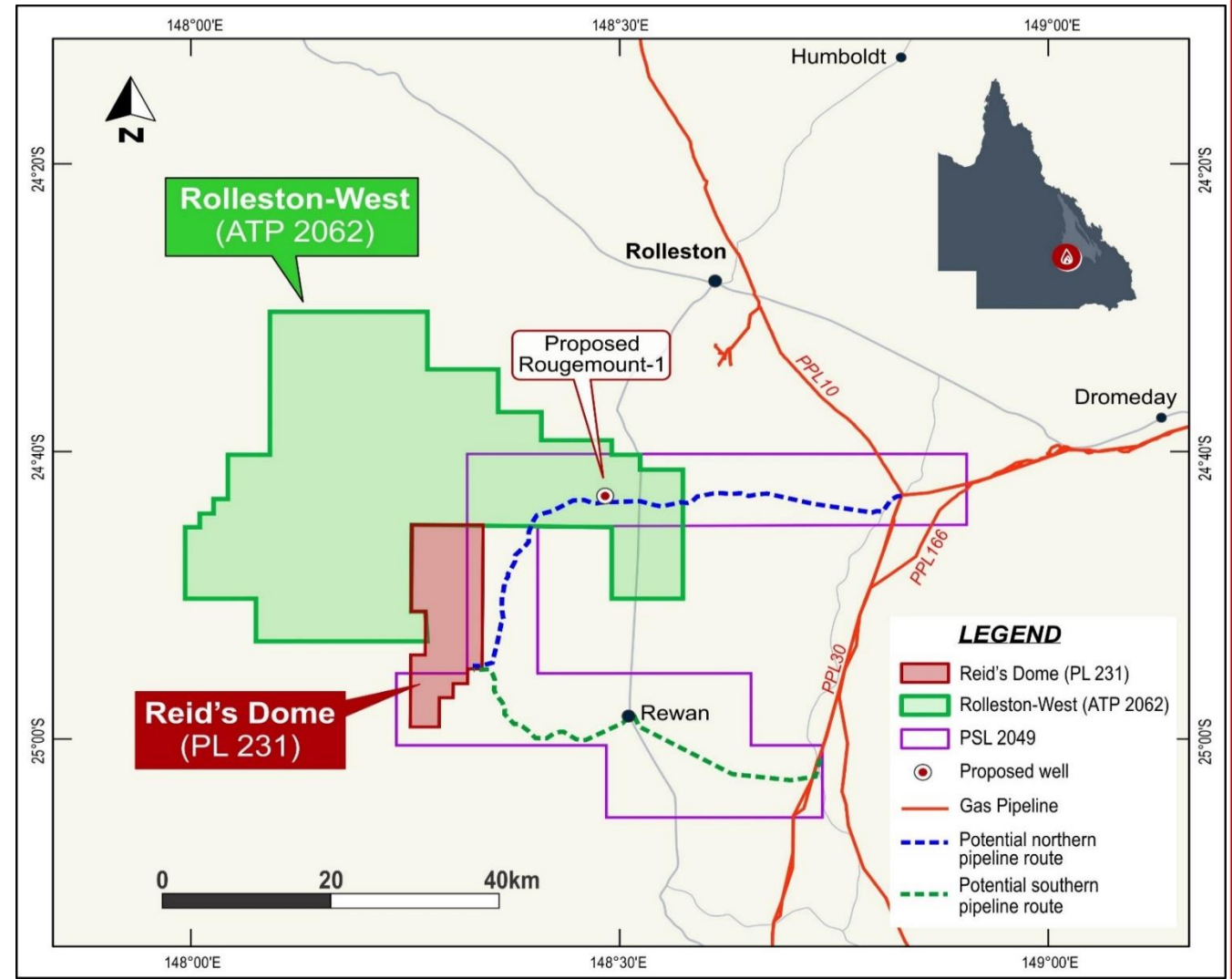
State Gas Project Areas

PL 231

- 181 km², 100% owned
- Reid's Dome Beds CSG + Conventional gas
- Simple path to commercialization
- Freehold grazing land, no native title

ATP 2062 (granted in Oct. 2020)

- 1413 km², 100% owned
- Bandanna CSG + Conventional gas
- Option for conversion to PL after discoveries
- Freehold grazing and cropping land, no native title



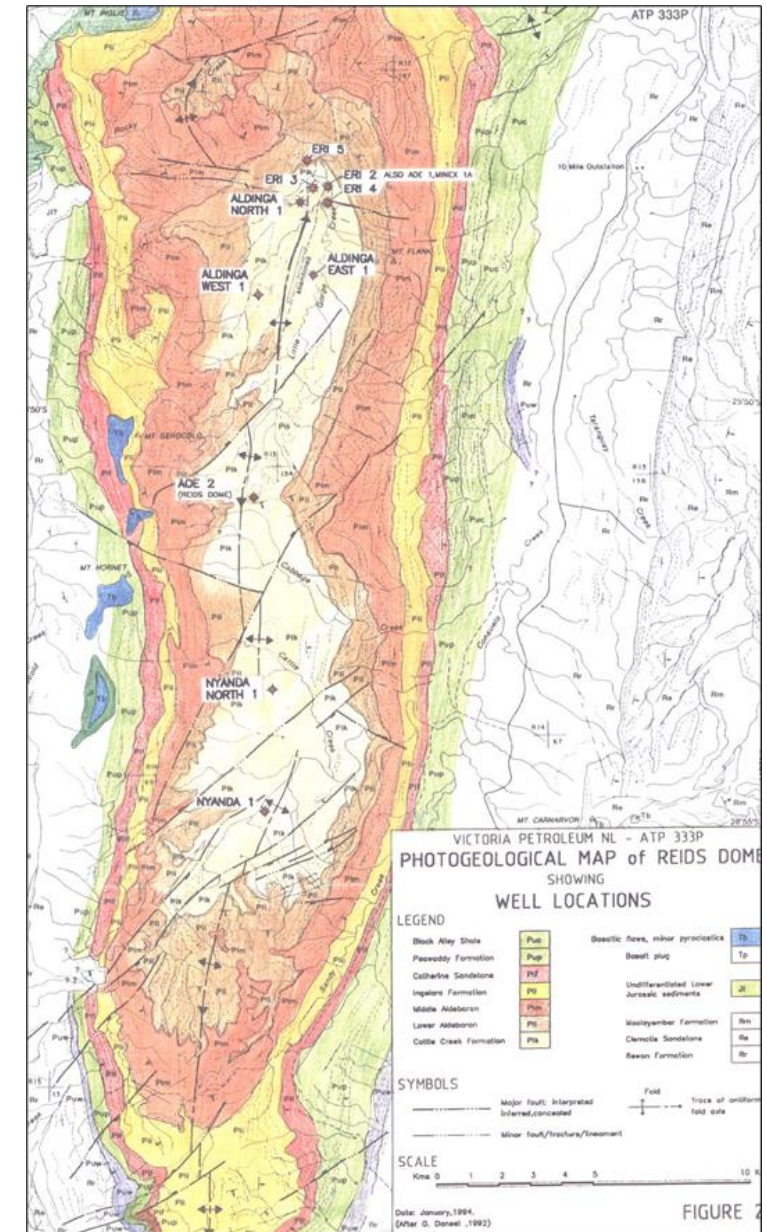
Reid's Dome Beds CSG (PL 231)

Key Facts

- Numerous stacked coals over 800+ metre section
- Reid's Dome Beds coal measures are correlative from north to south throughout PL 231
- Doubly plunging anticline with natural fractures and enhanced permeability in the coals
- Mature, well cleated coal with high gas saturations
- Low water production compared with Walloons CSG



Reid's Dome Beds coal sample, Nyanda-4 showing fractures & cleating



Historic geological map of Reid's Dome showing anticlinal shape

Reid's Dome (PL 231) Results so far

Achieved

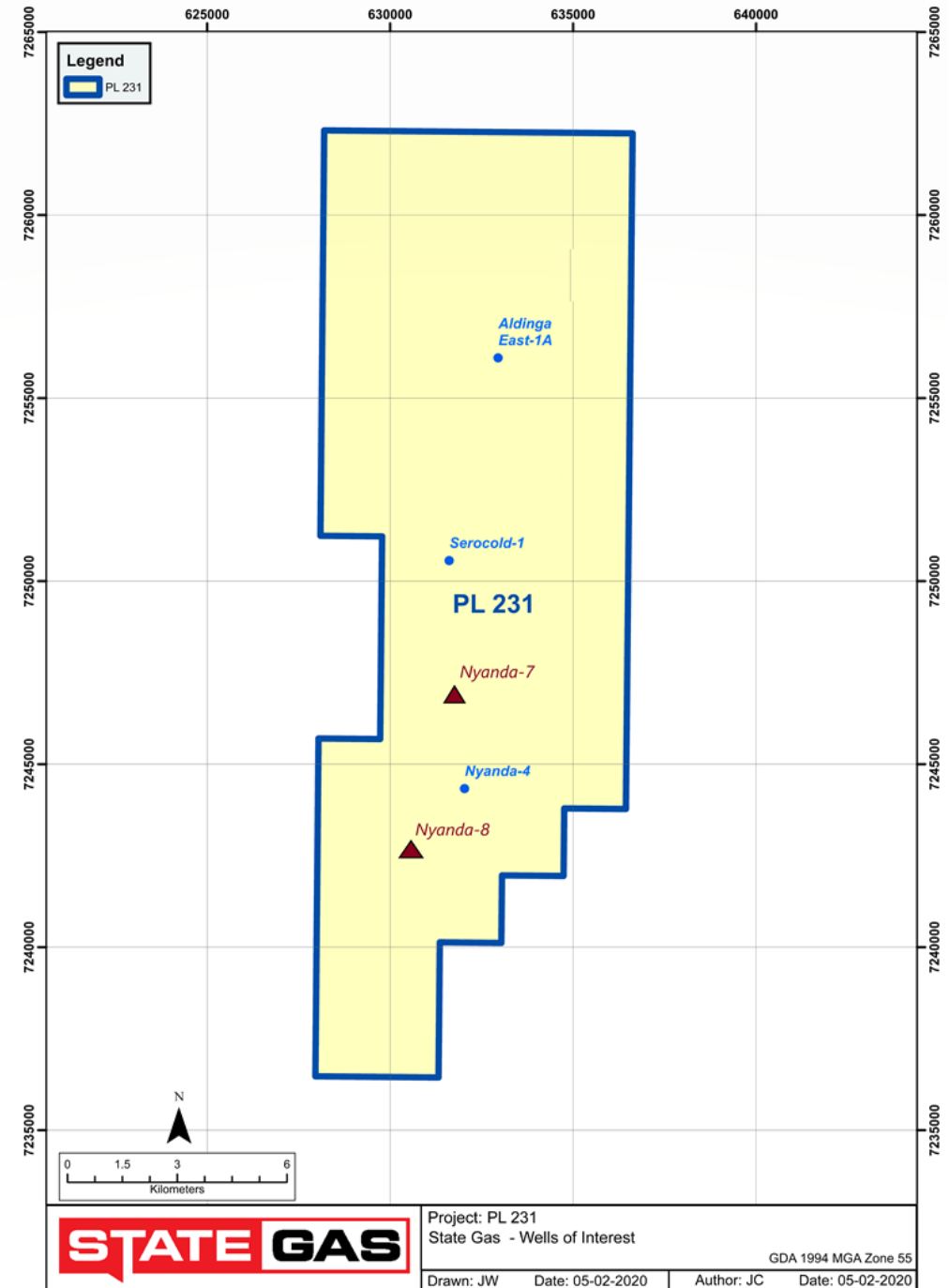
- CSG confirmed to extend from south (Nyanda) to north (Aldinga) of PL231 ☒
- Producibility of Nyanda area confirmed (Nyanda 4, 7 & 8) ☒
- Confirmed successful well construction techniques ☒
- Conventional gas confirmed in north (Primero West 1 & Aldinga East 1A) ☒

In Progress

- Obtain indicative gas & water production metrics
 - Through pilot testing on several wells
- Confirm Nyanda area for early development ☒

To Come

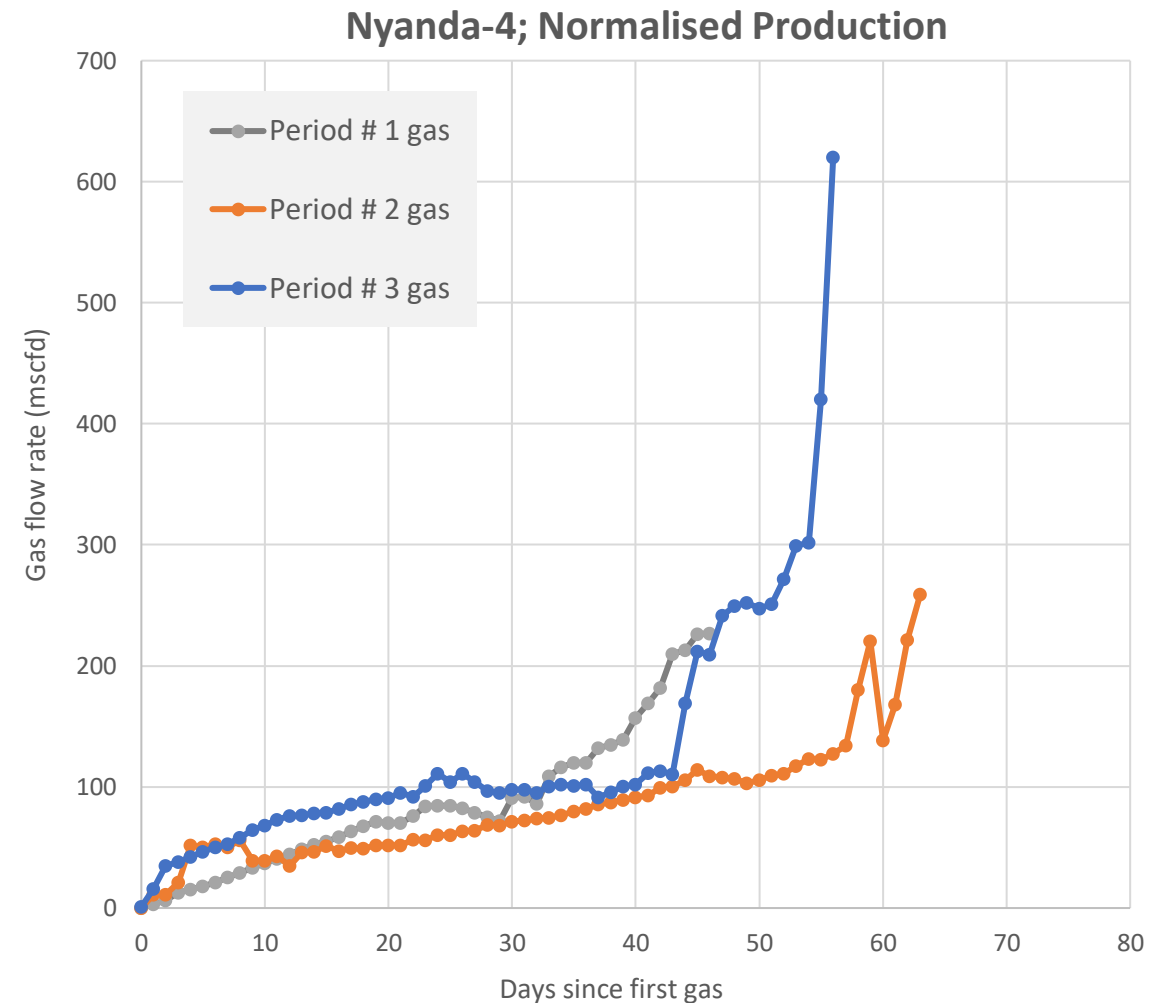
- Resources certification ☒
- Confirm production potential of centre & north
 - Pilot testing well in north & central areas



Latest Gas Flow Rates highly encouraging

3 Nyanda wells are currently on production test

- Latest production over prior 24 hours (to 6am 16 March 2021):
 - Nyanda 4 producing 620,000 cubic ft per day – a stellar result, over double previous maximum
 - Nyanda 7 producing 5,000 cubic ft per day– gas coming in as water levels drop
 - Nyanda 8 producing 31,000 cubic ft per day– steadily building
- Provides strong confidence that early development at Nyanda area will be commercial
- Suggests limited or no impact from turning wells off – which will provide the flexibility to optimize supply to a volatile market



Nyanda 4 gas flow rates over the 3 periods of production testing, normalised to commencement of gas

ATP 2062 Rolleston-West

- Contiguous with Reid's Dome – synergistic development
- Proposed Rougemont wells are into known Bandanna coals, with analogues under development/production to north and south-east of ATP 2062
- Target coals are:
 - between 350m and 600m (depths suggest good gas content)
 - on a plunging nose – indicating formations have been bent, likely opening natural cleating
 - strong prospects for good gas saturation & enhanced permeability
- Drilling of coreholes to commence April



Silver City Rig 25 at PL231 Nov 2018. its sister Rig 23 is to drill at Rougemont in April 2021



Contact

Level 8
46 Edward Street
Brisbane QLD 4000
Australia

Email
info@stategas.com

stategas.com

