



Anthony Roberts
Minister for Industry, Resources and Energy

MEDIA RELEASE

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NSW GOVERNMENT NEGOTIATIONS WITH METGASCO

The NSW Government today announced that it had concluded good-faith negotiations with Metgasco, with an agreement to acquire the company's three Northern Rivers petroleum exploration licences and resolve all legal disputes.

The agreement is subject to the approval of Metgasco's shareholders. The agreement will be presented to shareholders with a unanimous recommendation of support by the Metgasco board.

Representatives of the Department of Industry conducted the negotiations with assistance from NSW Treasury and oversight by an independent probity adviser.

Consistent with the recommendation of its negotiators, the NSW Government has agreed to pay \$25 million to Metgasco to acquire:

- Petroleum Exploration Licence (PEL) 13;
- Petroleum Exploration Licence (PEL) 16;
- Petroleum Exploration Licence (PEL) 426;
- Petroleum Production Licence Application (PPLA) 9; and
- Resolution of all disputed matters.

The NSW Government believes this is a fair and reasonable offer, which balances the interests of NSW taxpayers and Metgasco's shareholders.

Minister for Industry, Resources and Energy, Anthony Roberts, said that this acquisition continues the NSW Government's approach to reducing the footprint of possible CSG activity from more than 60 per cent of the state to less than 8 per cent.

"Going forward our new Strategic Release Framework, outlined in the NSW Gas Plan, will ensure that areas will only be released for exploration following an assessment of economic, social and environmental factors, with community consultation conducted upfront," he said.

For more information visit: www.resourcesandenergy.nsw.gov.au