



The Hon Anthony Roberts MP

Minister for Resources & Energy Special Minister of State

MEDIA RELEASE

Thursday, 15 May 2014

METGASCO DRILLING APPROVAL SUSPENDED

Minister for Resources and Energy Anthony Roberts has today announced the suspension of petroleum exploration and production company Metgasco Limited's right to drill an exploration well at the Rosella site, near Bentley in Northern NSW.

Mr Roberts said the Office of Coal Seam Gas (OCSG) has informed Metgasco of the suspension on the grounds that it did not fulfil a condition of its exploration licence, namely to undertake genuine and effective consultation with the community as required.

"OCSG is conducting an ongoing audit of all Petroleum Exploration Licences and is focused on ensuring company compliance with title conditions," Mr Roberts said.

"I have been advised by OCSG that fundamental concerns have been expressed by members of the effected community about the way in which Metgasco has characterised its activities.

"On 13 May 2014 the Director of OCSG and the NSW Land and Water Commissioner held a meeting with local landholders, at which matters of consultation between the community and Metgasco were raised.

"The Director of OCSG has now suspended the approval to construct the Rosella E01 gas exploration well."

Mr Roberts pointed out that this suspension refers to Petroleum Exploration Licence 16 (PEL 16) which covers the Bentley site near Lismore and was originally granted by the Carr Labor Government in 1996.

"Metgasco must now demonstrate to OCSG that it has complied with this fundamental condition of its licence," he said.

Separately, Mr Roberts also announced that he has written to the Commissioner of the Independent Commission Against Corruption following receipt of information concerning shareholdings and interests in Metgasco Limited.

"In accordance with Section 11 of the *Independent Commission Against Corruption Act*, I have referred this to the Commissioner to ensure that any decisions pertaining to PEL 16 have been made entirely properly and without any undue interest or influence."