Government of **Western Australia**
Department of **State Development**

Western Australia: Think Big

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Snapshot of Western Australia

- Resilient multi-sector economy with an export focus.
- Nearly half of Australia's exports, but one-tenth of national population.
- Record-breaking merchandise exports, exceeding $100b in 2010.
- Strategically positioned to access world's fastest growing markets.
- Leads in resource investment - at 62% of national total.

Big Projects, Big Thinking

Major resource projects by type(a): May 2011 Source: DSD/DMP	
Project type	Project value ($b)
Alumina	2.5
Infrastructure	8.8
Iron ore	54.9
Mineral Sands	0.25
Nickel	0.2
Oil and gas	127.6
Other*	104.5
Total	298.75

(a) Committed, under construction or undertaking approvals
(b) *Comprises of other commodities , and 67 projects in planned or possible category

Top ten export destinations 2010-11

Source: Australian Bureau of Statistics

Presentation Outline

- Right place, right time
- Western Australia's Energy Policy and Regulations
- Outlook for WA's Energy Sector
- Investment Opportunities

Right place, right time

A very positive outlook:

- Demand and supply
  - location matters
- LNG projects in the pipeline
- State Government role in supporting development

Western Australia's edge

- Western Australia has the highest number of listed companies on the ASX – at 830 companies with a combined market capitalisation of $220b.
- The majority of mining and metals companies listed on the ASX have their HQ in Western Australia – at 68%.

Export-focused economy 2010-11

A$111.7 billion total merchandise exports

46 per cent of the national total

Source: Australian Bureau of Statistics

Energy Policy and Regulations

Clear Distinction:

- WA's energy exports
- Domestic needs

Role of State Government: *Facilitating Responsible Development*

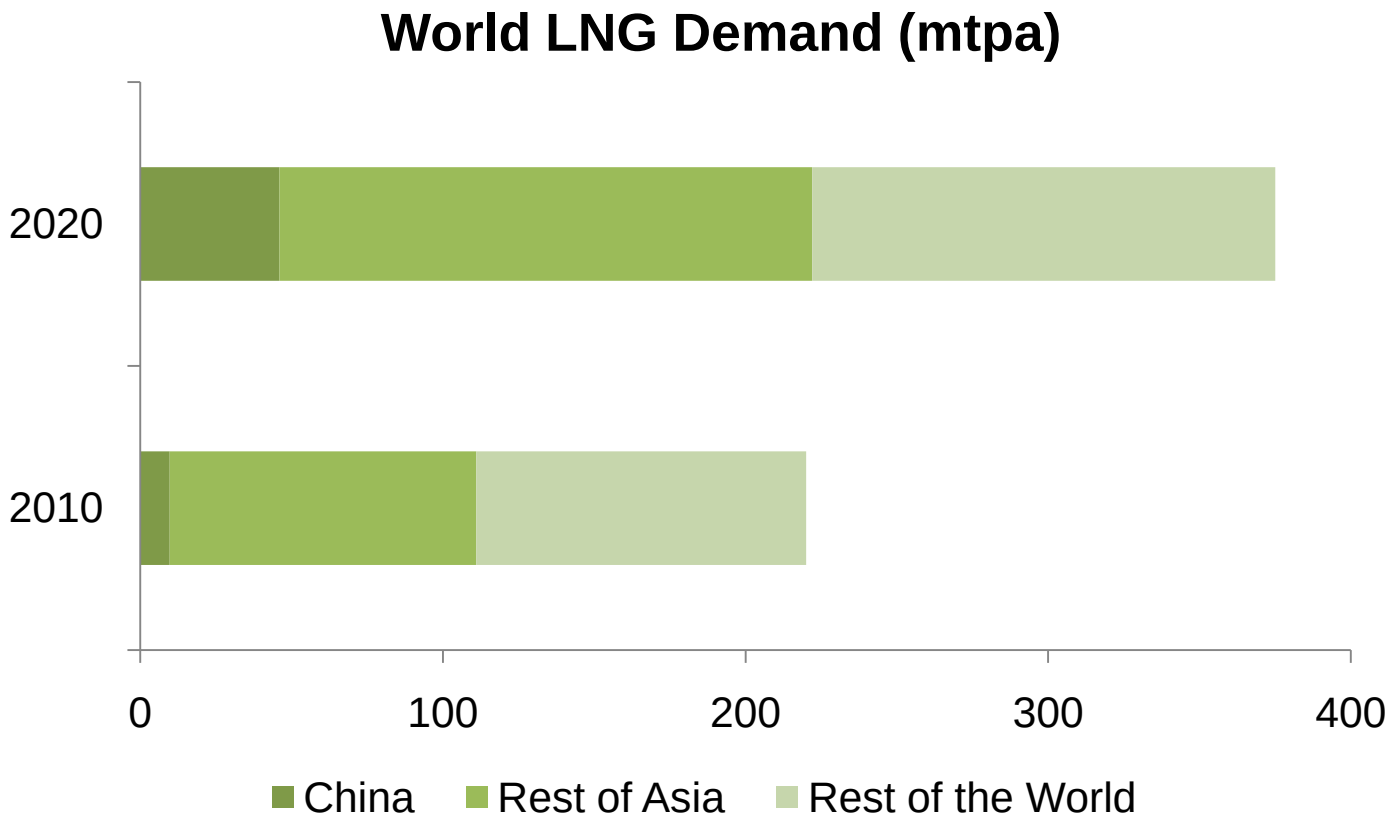
Domestic Gas Reservation Policy

- "*Secure Domestic gas commitments up to the equivalent of 15% of LNG production from each export gas project*".
- Negotiated on a case-by-case basis
- Offsets permissible
- Price a matter for negotiation

Current Energy Mix

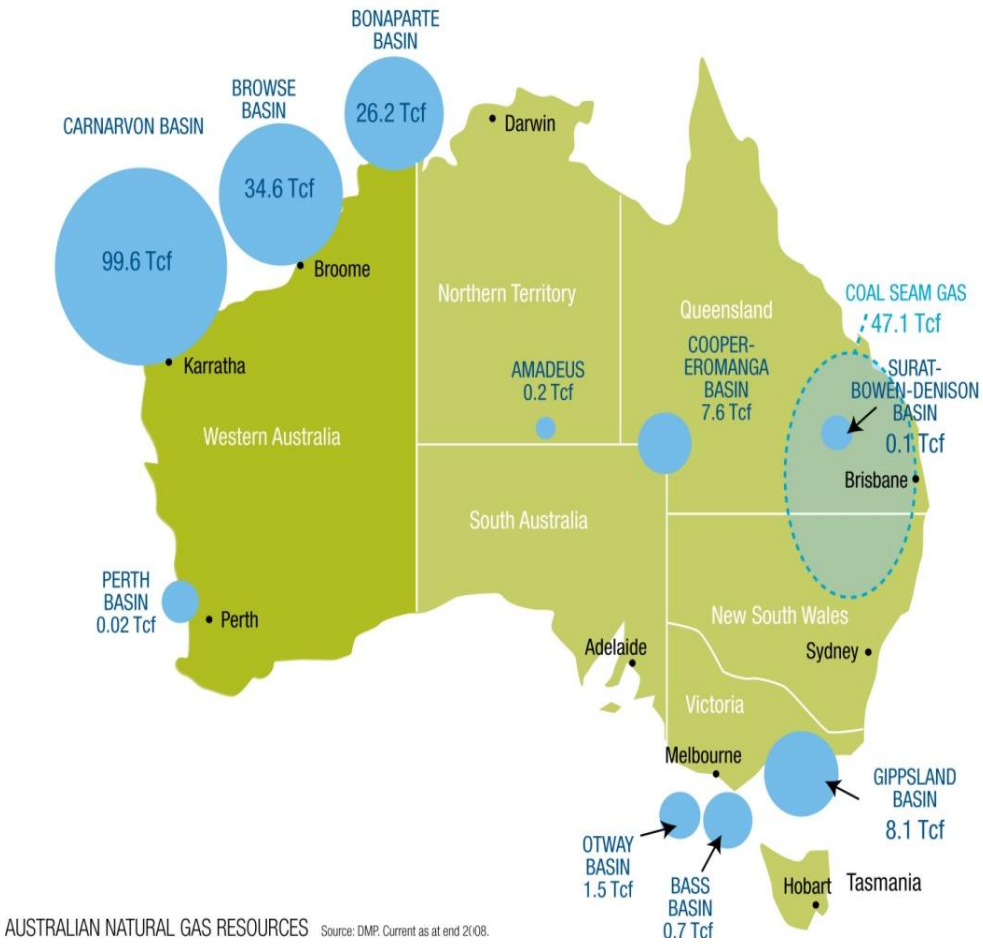
- 53% natural gas
- 33% petroleum products
- 12% black coal
- 2% renewables

Outlook: *Asia drives LNG Demand*



Source: The LNG Review 2010, Wood MacKenzie and Facts Global Energy

Australia's Natural Gas Resources



Dominated by
Western Australia

Total
178.62 Trillion cubic feet
(5059.5 Billion cubic meter)

North and North West
160.4 Trillion cubic feet
(4542.5 Billion cubic meter)

LNG Developments in WA:
LNG Production and Expansion

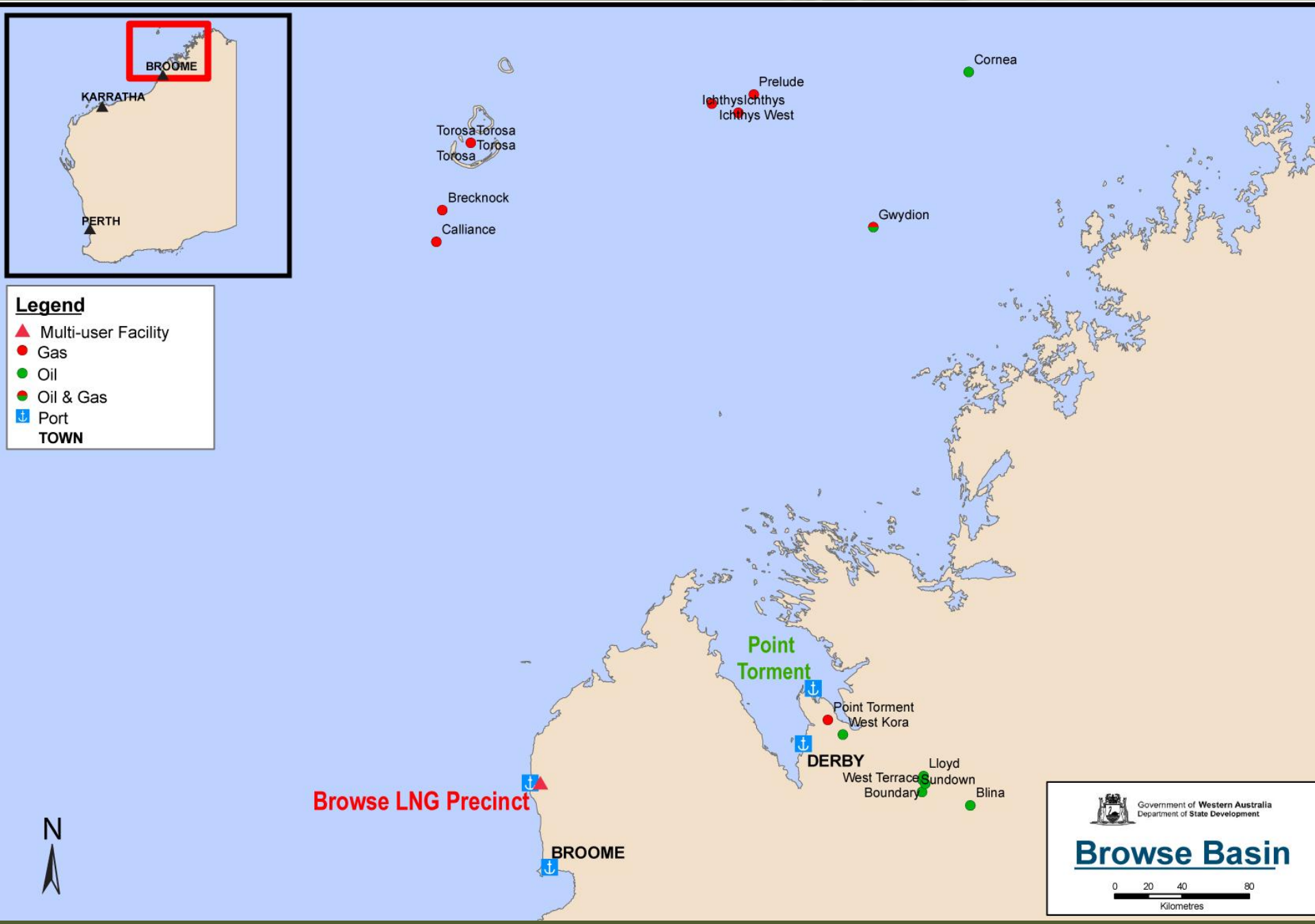
LNG Developments in WA :
Projects Under Construction

Project	Capacity (mtpa)	Capex (A$b)	Startup
Pluto train 1	4.3	14.9	First LNG cargo expected early 2012
NWS Life Extension	-	5	U/C until 2013
Gorgon	15	43	First LNG expected in 2014
Wheatstone	8.9	29	2016
Prelude	3.5	(float)	2015
Total Under Construction	**31.7**	**91.9**	

LNG Developments in WA: *Projects Under Consideration*

Projects	Capacity (mtpa)	Capex ($b)	Year of expected FID
Pluto Train 2	4.3	10	2012+
Pluto Train 3	4.3	10	2012+
Browse	12	30	2012
Total	**20.6**	**50**	

Capital expenditure figures are DSD estimates

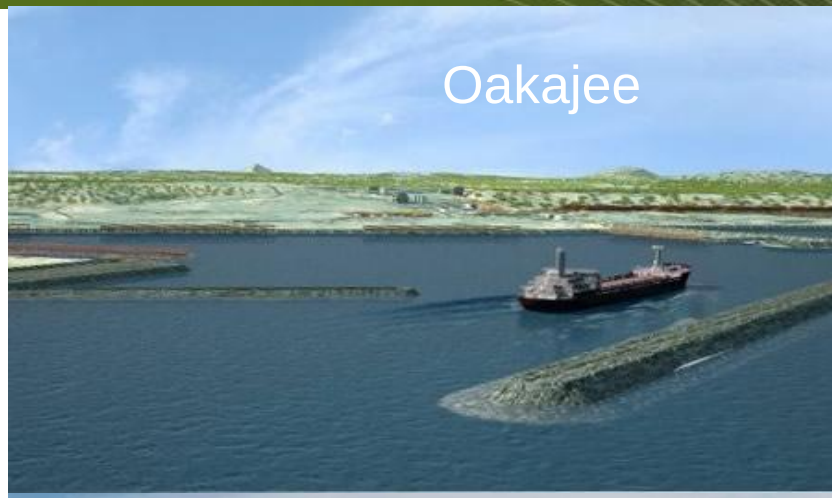

BROOME
KARRATHA
PERTH
Legend
Multi-user Facility
Gas
Oil
Oil & Gas
Port
TOWN
Torosa
Torosa
Torosa
Torosa
Brecknock
Calliance
Prelude
Ichthys
Ichthys
Ichthys West
Cornea
Gwydion
Point Torment
Point Torment
West Kora
DERBY
West Terrace
Boundary
Lloyd
Sundown
Blina
Browse LNG Precinct
BROOME
N
Government of Western Australia
Department of State Development
Browse Basin
0 20 40 80
Kilometres

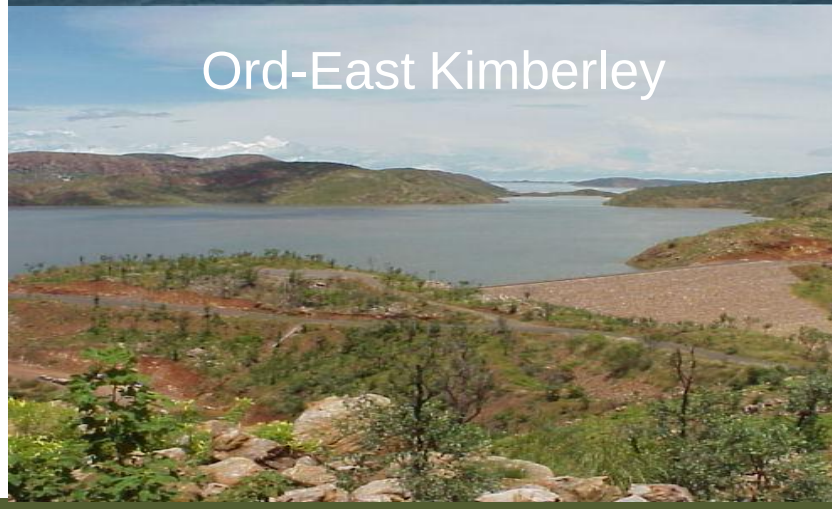
LNG Developments in WA: Future Prospects

Future Prospects	Capacity (Mtpa)
Scarborough	6
Gorgon trains 4 and 5	10
Pluto trains 4 and 5	8.6
Wheatstone trains 3, 4 and 5	12.9
Bonaparte LNG	2
Total	**39.5**

Major Projects

- Oakajee Mid West Development
- Anketell
- Ashburton North
- Ord-East Kimberley





Role of State Government: *Facilitating Responsible Development*

- Dept of State Development - a lead agency
- Market development
- State Agreements
- Strategic precincts
- Communities
- Skilled workforce

Role of State Government:
Facilitating Responsible Development

PILBARA CITIES cultural and social destinations woven into city fabric

Perth Waterfront Project

Further information

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