

10 February 2010

QGC lodges response to public comments on EIS

QGC, developer of the Queensland Curtis LNG Project, has lodged its response to stakeholder comments about the project's draft environmental impact statement.

The response is contained in a supplementary environmental impact statement and follows QGC's draft environmental assessment, issued last August, and discussions with more than 800 stakeholders including individuals, community groups, councils and government agencies.

QGC, a BG Group business, received 40 public submissions on its plans to expand coal seam gas production in southern Queensland for export from Gladstone as liquefied natural gas.

The QCLNG Project includes transporting gas from the Surat Basin through a 540km underground pipeline network, which includes a 340km export trunk line, to a processing plant on Curtis Island, near Gladstone.

The project is expected to provide more than 5000 direct jobs during construction and more than 700 direct positions during operation. It is estimated that the project will generate A\$32 billion in value-added activity for Queensland in its first decade to 2021.

Taking into account comments received during the public review, QGC has made several changes that will lessen the project's environmental impact.

These include reducing the impact of plant noise on neighbouring residents with clearly defined site selection processes, the use of electric drive machines and enclosures around engines and compressors.

The project's gas field development plans have been refined to provide greater certainty for landholders about QGC's intentions for the next five years and beyond, and a significant amount of work has been done on plans for beneficial use of water produced in the extraction of coal seam gas.

QGC is continuing to work with the Queensland Government and other companies on options for water use and will build reverse osmosis plants to ensure the water is treated to acceptable standards, including for use in agriculture.

Over the coming months, Queensland and Commonwealth agencies will review the environmental impact statement before determining whether the project may proceed.

QGC intends to make a final investment decision on the QCLNG Project this year, subject to environmental approval.

The supplementary environmental impact statement is available at www.qclng.com.au.

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News Release



Notes to Editors:

QGC

QGC Pty Limited (ACN: 089 642 553) is a leading Australian coal seam gas explorer and producer focused on supplying gas to domestic and international markets. QGC is establishing one of Australia's largest capital infrastructure projects to turn Queensland's world-class coal seam gas reserves into liquefied natural gas. Queensland Curtis LNG, a priority project for QGC, involves expanding exploration and development in southern and central Queensland and transporting gas through a 540km underground pipeline network to Curtis Island near Gladstone where it will be liquefied. For further information visit: www.qgc.com.au or www.qclng.com.au

BG Group

BG Group plc (LSE: BG.L) is a world leader in natural gas, with a strategy focused on connecting competitively-priced resources to specific, high-value markets. BG Group is active in more than 20 countries on five continents, and has a broad portfolio of exploration and production, liquefied natural gas, transmission and distribution, and power generation businesses. It combines a deep understanding of gas markets with a proven track record in finding and commercialising reserves. For further information go to www.bg-group.com

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