

## **Narrabri Gas Project Community Consultative Committee Meeting 39 – July 2019**

### **Action Item 39.4\_PFTP Question to Santos – ammonium nitrate plant and payment of royalties**

#### **Question 1:**

People for the Plains member referred to the Santos media release from February 2019 in relation to potential supply of appraisal gas to an ammonium nitrate plant and requested information on payment of royalties.

#### **RESPONSE:**

Santos has entered into a non-binding memorandum of understanding and subsequent heads of agreement to supply Narrabri gas to Perdaman, a fertiliser producer looking to build a new plant in the region and create hundreds of construction and ongoing local jobs and small business opportunities.

Gas extracted during appraisal activities will be beneficially used in accordance with all relevant regulatory requirements including those relating to the payment of royalties.

If approved, the Narrabri Gas Project is expected to contribute around \$1.2 billion in royalty payments to the NSW Government to help deliver hospitals, schools, roads, police services, and other state-based infrastructure and public services.

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ENDS