

MEETING MINUTES

Narrabri Gas Project (NGP)

Community Consultive Committee (CCC)

DATE / TIME

17 May 2022
9:40am

LOCATION

Santos Shop Front Conference Room,
Narrabri

FACILITATOR

Garry West

MINUTE TAKER

Lyn Firth (in person)

ATTENDEES

- ◆ Garry West (Independent Chair) (in person)
- ◆ Russell Stewart (Narrabri Chamber of Commerce)
- ◆ Jack Warnock (Landowner)
- ◆ Lyn Trindall (Narrabri LALC)
- ◆ Andrew Snars (Santos)
- ◆ Jocelyn Cameron (CWA)
- ◆ David Scilley (NSW Farmers)
- ◆ Annie McMahon (North West LLS)
- ◆ Tony Pickard (People for the Plains)
- ◆ Cathy Redding (Narrabri Shire Council)
- ◆ Robert Browning (Narrabri Shire Council)

GUESTS

- ◆ Todd Dunn (Santos)
- ◆ Shaun O’Sullivan (Regional NSW)
- ◆ Narelle Sargent, (EPA – Manager Regulatory Operations Regional West)
- ◆ Matt Quinn – (EPA Narrabri)

APOLOGIES

Jocellin Jansson, Rohan Boehm, Annie Moody

Discussions

NO.	DISCUSSIONS
1. Welcome	Chair welcomed and thanked all members for their attendance and acknowledged Gomeroi country on which the meeting was held as well as Elders past, present and future and all Aboriginal persons present.
Recording of Minutes	The chair asked members if there was any objection to the recording of the minutes for secretariat purposes with the minute’s audio being deleted once the minutes were final and approved. There was no objection.
2. Correspondence	<p>From People from the Plains:</p> <p>See attached questions and answers from Todd Dunn (Santos).</p> <p>Questions arising from Q1: <i>Has Santos found a definitive use/market for the sodium/salt that is produced from the extraction of gas?</i> Q (Russell Stewart) Is there an opportunity to make stock blocks from the sodium/salt that is produced from the gas extraction process? A (Todd) No. The material produced is primarily sodium carbonate & bicarbonate. The most common use that people would be used to seeing is in</p>

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	<p>swimming pools. There are several uses being investigated as part of the Produced Salt Beneficial Reuse and Disposal Study.</p> <p>Q. (Annie McMahon) What do other companies involved in the industry do with the sodium/salt?</p> <p>A. (Andrew) Not sure what other companies are doing at this point. To date the quantities produced are not commercial. The technology around this area is growing quickly and there is keen interest to use to the salt for a productive purpose.</p> <p>Q. (Jack Warnock) Is the sodium chloride component of the wastewater in Queensland the same as what is expected to here?</p> <p>A. (Andrew) Queensland is primarily sodium chloride and Narrabri is primarily sodium carbonate / bicarbonate.</p>
<p>3. Minutes of the Previous Minutes</p>	<p>Actions arising</p> <ul style="list-style-type: none"> ◆ GHD to be invited to attend future CCC meeting ◆ Noise Management Plan final draft to be distributed ◆ It is anticipated that the Field Development Plan (FDP) will be available for consultation at the next meeting.
<p>4. Santos Update</p>	<p>Andrew Snars (Santos – Regional Manager)</p> <p>Andrew provided CCC members with a company update via PowerPoint presentation.</p> <p>Note: Minutes are to be read in conjunction with Santos Presentation.</p> <p>Key topics presented included:</p> <ul style="list-style-type: none"> ◆ Merger with Oil Search and recent acquisitions make Santos one of the largest oil producers in Australia ◆ Record production 26 million barrels of oil equivalent ◆ Strong commodity prices producing record quarterly sales revenue ◆ Record “free cashflow” – money available for future growth ◆ Large dividend declared by the board ◆ Barossa project is 33% complete – on schedule and on budget ◆ Moonba carbon capture and storage project is a bit over 14% complete ◆ Discovery offshore Pava field – adjacent to the Darado field but more work to do. ◆ Climate Change Report is on the website – details goals and targets for emission reduction. <p>Narrabri Gas Project – still at preliminary stages. Twenty-five of the twenty-six management plans are progressing through the various stages of consultation and submission. The Field Development Plant (FDB) is the next one to be presented to CCC group and this is expected to be submitted at the next CCC meeting. This will be circulated 2 weeks before that meeting.</p> <p>Tony Pickard referred to a media report from the Santos AGM where it is suggested that gas from the NGP could be exported. Andrew advised the term ‘exported’ was meant to from Narrabri to the domestic market and not the international market which was clarified after the AGM</p> <p>Lyn Trindall reported to the meeting that the Heritage Management plans, which have gone through the advisory group consultive process is attracting personal attacks. There is concern within the Aboriginal community that the Lands Council would not have control of the Cultural Heritage plan. Lyn will follow up with an email to the chairman.</p>

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<p>5. Community Benefit Guideline Update</p>	<p>Shaun O’Sullivan, Acting Director, Regional Development, New England North-West</p> <p>Summary points:</p> <ul style="list-style-type: none"> • There are Regional Development offices in Tamworth, Armidale and Moree and the goal is to engage with the community in an open and transparent way. • Community Benefit Fund (CBF) has been given to the Regional Development to develop guidelines. • The Departments is in the process of producing assessment criteria such as: <ul style="list-style-type: none"> ○ defining eligible applicants. ○ location. ○ what sort of projects are eligible or ineligible? ○ what is the assessment process? • Guidelines will not be 100% finalised until the funds are established. This is likely to take years rather than months. • Shaun would like to attend the next CCC meeting and present a more definitive timeline after more consultation. • Shaun asked that his email address and contact details to be included in the minutes. He is inviting any feedback but is specifically looking for contributions as to who to approach to be on the CBF committee. <p>Q. (Garry West) Have you discussed the process with the NSW Energy Corporation? A. No.</p> <p>Q. (Jocelyn Cameron) – The previous CCC did lots of work and have been addressed before from other government departments. Is this a new scheme or will the previous work carry over? A. The intent is to maintain what has happened in the past, but the guidelines need to be tighter. Information gathered in the past is being collated.</p> <p>Q. (Tony Pickard) – There has always been an argument about money being spent locally or in the area directly affected by the gas project. Is the money only going to be spent in the area most affected by the project? A. Yes – but there are always boundary issues. Need to check commitments made in the past.</p> <p>Q. (Annie McMahon) Who would the committee be made up of? A – This is part of the purpose of consultation. It is important that members can contribute.</p> <p>Russell – Spoke to supporting the model being proposed.</p> <p>Todd – Supported the concept that CBF would be administered by Regional Development New England North West.</p> <p>Cathy Redding – Supportive of the concept. Spoke to the importance of the committee membership, formalising the guidelines and looking to past input.</p> <p>Q Lyn Trindall – What is the time frame? A. The grant programs take time – expectations need to be realistic. The guidelines won’t be locked in until the fund is established, and no one knows when that will be. It will depend on the timing of the agreements.</p>
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	<p>Lyn Trindall - The Aboriginal community has limited income sources and are always working to provide housing for their community members. Local mining companies, to whom they provide protection-of-heritage type services, is a source of income. Once the CBF is established, the two recognised Aboriginal organisations in this community should be provided each year with funding without application. The Aboriginal community do not have the resources to submit submissions.</p> <p>Shaun - Not unreasonable to quarantine some of the funds for Aboriginal specific projects.</p> <p>Q. (Garry West) Is it the brief of the CBF would apply on a regional basis and then to all state significant projects? A. No -specific to this project.</p> <p>Jack Warnock – Business people are often unable to participate in the grants submissions due to time pressures from running a business.</p> <p>Russell Stewart- can organise help with fund applications.</p> <p>Shaun - There is help from the government department available in putting submissions together.</p>
<p>6. EPA</p>	<p>Narelle Sargent, Manager Regulatory Operations Regional West</p> <p>Main Points:</p> <ul style="list-style-type: none"> • Environmental Protection Agency (EPA) was on the former CCC, but not on this CCC- they are an observer. • Looking to create a team based in Narrabri made up of locals. • EPA is the regulator/watchdog. • An Environmental Protection License (EPL) will be issued to Santos once the guidelines have been set down. • EPA work with the council to make healthy environments and communities which also includes cultural environment. • Many EPA Roadshows throughout the state – see the EPA website. <p>Q (Tony Pickard) What happened to the locally based EPA team exclusively formed for the local CSG? A. That team has been wound up but has moved forward to having an office that covers more areas. The coal mines are managed out of the Armidale office. Narrabri is now under the Dubbo auspices.</p> <p>Q. (Tony Pickard) The last EPA used to have a newsletter about what was happening in the gas industry. Do they still have this? A. No.</p>
<p>7. Advisory Group Updates</p>	<p>The Aboriginal Cultural Heritage plan has been approved and is on the Department of Planning and Santos website.</p> <p>Todd – Feedback has been received back on 25 plans and comments have been finalised. These plans have been submitted to the Department of Planning and their comments have been finalised. The advisory groups have played a significant role –particularly the Water group. Phase 1 coming to an end culminating in the FDP. This will be presented and discussed at the meetings in August with the CCC and the advisory groups and other stakeholders.</p> <p>Q. (Jocelyn Cameron) We had been told that the Greenhouse emissions group work would be more important in future phases once production begins. Is that still the case?</p>

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	<p>A. Yes. The plan will go out to advisory groups and so that the feedback can be received.</p> <p>Q (Tony Pickard) It appears that Santos has put an application into the Department of Planning to modify when certain plans must be submitted. It has been approved. Can you tell us what plans relate to what phases?</p> <p>A. There have been no modifications applied for. Through the consent conditions, there have been time frames.</p>
8. Member Updates	<p>Peter Brookhouse has retired from the Bushfires Service and is no longer available to CCC. Resigned. Valuable insights and a disappointing resignation. Garry West will advise the department.</p>
9. General Business	<p>Russell – Spoke about a recent interview he heard on the ABC radio from a member of the CWA regarding CSG and Santos moving into the Liverpool Plains. The fear was that misinformation was coming from a reputable body. Could the President/CEO of the CWA be invited to the meeting to be informed about Santos activities.</p> <p>Jocelyn – The official policy of the CWA is anti CSG. Members speaking to the media is touchy and generally will require presidential approval.</p> <p>Chairperson - Not the role of CCC to engage in public relations. This more a Santos issue.</p> <p>Andrew – The NSW govt released future of gas statements. These are public documents and do detail future exploration areas, two of which were on the Liverpool Plains. Santos are bound by government policy as to how to proceed in their exploration activities including community consultation.</p> <p>Russell - Thank you to Santos for attending the Chamber of Commerce meeting.</p> <p>Tony Pickard – Has further questions but due to time constraints will forward them to Santos via the Chairperson.</p> <p>Cathy Redding – Can the questions raised at CCC meetings be limited to the Phase that Santos is in? The questions need to be relevant.</p> <p>Closed: 11:50pm</p>

Actions

NO.		ACTION BY	DUE DATE
1	Email to Garry West from Lynn Trindall re confidentiality breach	Lynn Trindall	ASAP
2	Noise Management Plan final draft to be distributed	Garry West	ASAP
3	Suggestions for groups to provide feedback to Shaun O'Sullivan, Regional Development New England North West (see email)	Group Participants	ASAP

Next Meeting: 16th August 2022

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NGP CCC – Response to Questions

1. Has Santos found a definitive use/market for the sodium/salt that is produced from the extraction of gas?

Response:

At this stage Santos has not finalised its preferred beneficial use.

Consistent with the The Waste Avoidance and Resource Recovery Act 2011 (NSW), Santos will focus its effort on options relating to reuse of byproducts.

Consistent with condition B69 of the conditions of consent Santos is required to undertake a Produced Salt Beneficial Reuse and Disposal Study to the satisfaction of the Planning Secretary, prior to commencement of Phase 1. No salt will be produced during Phase 1 and Phase 2 of the NGP, and this report identifies the strategy for maximising potential beneficial reuse and disposal options for the brine and salt that will be produced during Phase 3. It also describes the progress reporting of the various trials, pilot studies and research programs, which are planned to continue during the next 2 years. Once approved this will be published on the NGP website.

2. With regard to the GISERA Presentation, these questions centre around the geo faults found through seismic testing.
 - a. Did Santos have prior knowledge of the faults, if so, why did Santos not disclose these?
 - b. Given Santos and ESG have undertaken many Seismic Surveys, can we be advised how many more faults have been located, and their locations?
 - c. Santos is about to embark on more Seismic Surveys around the Dewhurst South and nearby gas fields, so will Santos release and declare any more faults if found?

Response to (a), (b) and (c)

There is currently a lack of evidence that there are any significant connectivity pathways between the target coal seams and the surface or shallow high value aquifers.

The NGP EIS acknowledges that faults are present. However, it is the characteristics of these faults (e.g., fault type, depth, orientation, and size) that suggest they do not provide connectivity pathways between shallow aquifers in the Great Artesian Basin and deep coal seams of the Gunnedah Basin. Multiple supporting and independent lines of evidence, such as groundwater quality and groundwater pressures, also indicate that there is general absence of connectivity between shallow aquifers of deep coal seams in the Gunnedah Basin.

GISERA studies acknowledge that historic seismic data was assessed by Santos for the NGP EIS.

Santos will periodically assess new information provided by its own seismic or other data acquisition programs or made available through third-party studies such as that reported by GISERA. Santos is required under the CoC to periodically assess and report on the adequacy of groundwater impact modelling considering such new information and in accordance with NGP conditions of approval. Santos is required to do this in consultation with the Water Technical Advisory Group throughout the life of the project.

- d. What notice, if any, has Santos provided to any NSW Government Authority or interested body of finding more 'faults' or suspected weakness in the geological strata between the

surface and the last coal seam that Santos shall target for gas or other fossil fuel extraction? Gas supply to NSW from the NGP, its timing and how will it put downward pressure on cost of living, also the modeled wholesale cost of the gas to the end supplier, pipeline charges are beyond Santos' control.

Response:

As well as ongoing review and reporting of new information and studies as they become available throughout the life of the Project, coal seam and groundwater monitoring will be used to test the validity of groundwater connectivity assumptions throughout the life of the project. Trigger monitoring and reporting requirements to government are described in the NGP Water Management Plan. Santos will assess groundwater monitoring data as it becomes available and as required under NGP conditions of consent. Santos is required to do this in consultation with the Water Technical Advisory Group throughout the life of the project.

- e. Regarding GISERA Ground Water flow rates as shown in the Presentation, can the area indicated by the wording "Data Gap" be identified?

Response:

This question relates to research conducted by GISERA and any questions relating to the research or its findings should be directed to the author.

- f. As we have been advised in the EIS and other reports over time, water flow rates are influenced by both strata type and water extraction, to name the main ones. What is the strata type and what was the extraction rate of the water in the area and at the depth of these bores at the time of the groundwater flow recordings.

Response:

In terms of strata type and water extraction, this has been covered through the EIS and other NSW Government reporting requirements.

Santos will continue to monitor and report coal seam gas water production rates in accordance with NGP Water Management Plan commitments. Santos will periodically assess this information, including comparison against relevant coal seam water production monitoring trigger values. Santos is obligated to periodically assess and report on the adequacy of groundwater impact modelling considering such new information and in accordance with NGP conditions of approval. Santos is required to do this in consultation with the Water Technical Advisory Group throughout the life of the project.

- 3. With regards to the electricity generated from Wilga Park, can Santos explain to the community how this electricity is generated using Royalty free exploration gas, and what is the annual electricity generated 2020-2021 in terms of megawatt-hours at the Wilga Park generation facility?

Response:

STO submits royalty returns to NSW Government monthly. Based on the way royalties are calculated, to date royalties have not been payable. An audit of these royalty returns was completed by NSW Government in Nov 2018. 22MW generation capacity currently installed at WPPS.

- a. Can the CCC be provided with quarterly Interval Data (30minute intervals) on generation at Wilga Park as a regular report to the CCC?

Response:

No.

4. We understand that brine from the NGP water treatment is to be used by a Copper mine. When will the supply of brine to the copper mine start and approximately much be used annually and for how long? Is Santos liable for any environmental damage from this usage by the mine, should any occur?

Response:

Covered in the Produced Salt Beneficial Reuse and Disposal Study which will be published on the website once approved. Field trial was subject to relevant regulatory approvals. Trial is only intended to proceed for 12 months.

5. When will Santos act upon approvals already given and build the infrastructure, add extra levels of horizontal wells to existing wells, to allow the start-up of all the gas wells to appraise the gas in the area of the Dewhurst North and Dewhurst 8 pilots?

Response:

Santos has no plans to drill the additional laterals at Dewhurst 8, approved as part of the Dewhurst Pilot Expansion Project (SSD-6038), at this stage. Santos' current focus is planning for Phase 1 of the Narrabri Gas Project (exploration and appraisal activities), including obtaining approval of management plans required under the Narrabri Gas Project development consent (SSD-6456) prior to the commencement of appraisal activities.

6. When will Santos start the upgrade of the Bibblewindi Gas and water gathering area especially the relining of the storage pond?

Response:

Will not be considered prior to Phase 2.

7. New exploration information is with the Department now, based on that, when will Santos start upgrading the Newell Highway XLine road junction as required in the approval given for any new exploration in the Dewhurst South Gas field?

Response:

Santos' current focus is planning for Phase 1 of the Narrabri Gas Project (exploration and appraisal activities) and has submitted management plans required under conditions of SSD-6456 to the Department of Planning and Environment for approval. Phase 1 of the project is expected to commence in Q4 2022 for a period of approximately 18 months. The upgrade of the Newell Highway's intersections with Old Mill Road and X-Line Road are required prior to commencing Phase 2 of the project in accordance with condition of consent B63.

8. In relation to the Inland rail route along Kiandool lane that intersects with the Wilga Park floodway area, and Santos provide detail to the community in respect to any adverse effect (flooding and interruptions) on both the existing and planned storage ponds and the gas line infrastructure should the railway restrict the overland flow and cause a 'backup' on Wilga Park.
 - a. Will any overland flow back up and impact on the safe operation of the Wilga Park power station and its potential expansion to the maximum capacity of 42 MW.

- b. How would Santos plan to access Wilga Park to carry out service work including emergencies in all weather conditions including when there is overland flow
- c. Is Santos concerned about these possible impacts sufficiently to have the current railway route changed?
- d. This question can also be related to the Leewood facility and the Power Station - as referred to in the EIS.

Response:

Questions relating to Inland Rail route and should be referred to the proponent.

- 9. Would Santos update the community in respect of the proposed Narrabri Inland Port and any commitments made to potential gas offtake locally?
 - a. In relation to Perdaman, it is noted that the company recently announced a 1.5mtonne Urea facility at Geraldton WA. Does Santos still have an expectation that an ammonium / urea facility shall be constructed at the Narrabri Inland Port should the company decide to proceed with NGP?
 - b. Does Santos have any further MOUs or agreements in place that could be noted for the community?

Response:

Santos would support the supply of gas to the proposed Narrabri Inland Port and in particular support further regional development, jobs creation and investment. At the moment there are no agreements in place as the Inland Port has not been approved by NSW Government.

Perdaman remains an option to supply gas.

Number of announcements previously made in relation to MOU's. Santos will continue to work with all potential customers for future opportunities.

- 10. In relation to the statements made to the ASX in advance of the merger with Oil Search in 2021, is Santos in agreement with the Oil Search statement to the ASX that the amount of marketable gas provided by the NGP where the project delivers 50% of NSW's gas consumption, would amount to a project life of up to 7 to 8-years?

Response:

Santos remains confident in our resource reserves assessment. The project is able to supply NSW domestic market for the life of the project.