



06 AUG, 2019

Santos, Perdaman chiefs advance fertiliser plant

Narrabri Courier, Narrabri

Santos

Page 1 of 3

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The founding chairman and managing director of the multi-billion dollar international Perdaman Group, Vikas Rambal, visited Narrabri last week to advance the proposal for development of a billion dollar fertiliser plant.

Santos managing director and CEO Kevin Gallagher and Mr Rambal signed a Heads of Agreement on Friday for the 'further study and design of Perdaman's new ammonia production facility using Narrabri natural gas.'

The proposed fertiliser plant is expected to support at least 700 jobs during construction, and sustain 100 direct and 100 indirect ongoing jobs during operations, Santos and Perdaman said in a statement.

The Narrabri plant would reportedly represent an investment of \$1.44 billion.

Friday's Heads of Agreement signing at The Crossing Theatre was attended by the mayor Cathy Redding, Narrabri Shire council general manager Stewart Todd and senior council staff.

"The signing of this agreement between Perdaman and Santos is significant for our Shire," said Cr. Redding. "This presents a once in a generation opportunity to buck the trend of regional Australia and set our Shire on a trajectory for further growth and prosperity.

"We will continue to value and support our existing industries while enabling new industries that diversify and strengthen our economy. There is a huge potential for increased jobs, growth and diversification.

"Narrabri Shire Council is supportive and encourages new ventures to the Shire."

In February Santos and Perdaman signed a non-binding agreement for the supply of 14.5 petajoules of natural gas per year over 20 years, subject

to a final investment decision for the Santos Narrabri Gas Project.

"The pre-FEED (front-end engineering and design) study is the next step in the development of a chemical and fertiliser facility near Narrabri, which will use appraisal and early development gas," Santos and Perdaman said. "It will also further define hybrid power facility options, a combination of gas-fired power generation integrated with renewable power generation to provide electricity to both the Narrabri Gas Project and the ammonium nitrate plant."

If the Santos project, now awaiting a decision by the NSW Planning Commission, is given the green light, the development of the fertiliser plant

would add significantly to employment and infrastructure opportunities in the Narrabri Shire.

The jobs which would be created by the Narrabri fertiliser facility would be in addition to the hundreds of jobs Santos has earlier announced would be supported by the Narrabri Gas Project during both construction and operations, the statement said.

Continued page 3



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MAYOR CATHY REDDING



06 AUG, 2019

Santos, Perdaman chiefs advance fertiliser plant

Narrabri Courier, Narrabri

Santos

Page 2 of 3

Narrabri fertiliser facility plans

Continued from page 1

Santos CEO Kevin Gallagher said the two projects, gas and fertiliser facility, would be a boost for small businesses and the communities in and around Narrabri.

"The project will generate substantial economic revenue and employment opportunities for NSW, Narrabri and the surrounding region," Mr Gallagher said.

"The Narrabri Gas Project could produce enough gas to supply up to half NSW's needs, with more and more manufacturers supporting it because they recognise the advantages of having a reliable and competitively-priced source of gas in NSW."

Narrabri Shire Council has actively promoted Narrabri as an ideal location for new manufacturing with nearby access to the new Inland Rail linking key east coast ports and the national highway system.

"The Narrabri Gas Project is currently being assessed by the NSW Department of Planning ahead of a decision by the Independent Planning Commission," Mr Gallagher said.

"It's very important to us that the environment and water resources are protected, and NSW has very strong environmental regulation to provide

the community with confidence that Narrabri can be developed safely and sustainably."

Mr Rambal said new industries like Perdaman's would help support small businesses and growth in the communities in and around Narrabri.

"I hope the Narrabri Gas Project will proceed to a final investment decision as soon as possible to give certainty to this project and attract more to the region," Mr Rambal said.

"If our plant goes ahead it will not only bring new jobs but competition, which is always good for prices, to the market in NSW and that will be good for farmers in the region.

"The cheapest gas for manufacturing projects like ours is always going to be available close to the supply source so you don't have to pay for long-distance transport and unnecessary processing," Mr Rambal said.

"And new industries will help support small businesses, better infrastructure, better health and education services, and growth in the communities in and around Narrabri," Mr Rambal said.



ABOVE: Perdaman, Santos and Narrabri Shire Council representatives at Friday's Heads of agreement signing, from left, council's general manager Stewart Todd, Santos vice president Development, Brett Woods, Executive vice president Onshore Upstream, David Banks, Mayor Cathy Redding, Perdaman Group managing director Vikas Rambal, Santos managing director and CEO Kevin Gallagher, Perdaman Project Engineer Ishan Rambal, Narrabri Shire Economic Development manager Bill Birch and Santos Energy Solutions and Technology manager Rowan Mackay.



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Mayor Cathy Redding, Santos CEO Kevin Gallagher, Perdaman general manager Vikas Rambal , Perdaman project engineer Ishan Rambal and shire general manager Stewart Todd.