

## INDEX OF DOCUMENTS HELD ON THE PUBLIC REGISTER FOR PETROLEUM EXPLORATION LICENCE PEL 127

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1. 16 June 2005      Memorandum entering PEL 127 on the public register.
2. 16 June 2005      Petroleum Exploration Licence PEL 127  
  
Interest:      Strike Oil Limited      100%
3. 23 June 2005      Gazettal of Grant of PEL 127
4. 3 May 2006      Notation of registrable dealing as evidenced by Deed of  
Assignment and Assumption dated 7 November 2005 between  
Strike Oil Limited and Kingston Energy Pty Ltd is hereby entered  
on the public register.  
Ref:      SA 2006-18
5. 3 May 2006      Notation of registrable dealing as evidenced by Transfer dated 5  
December 2005 transferring licence from Strike Oil Limited to  
Kingston Energy Pty Ltd is hereby entered on the public register.  
Ref:      SA 2006-19  
  
Interest:      Kingston Energy Pty Ltd      100%
6. 24 November 2006      Variation of licence conditions.
7. 24 November 2006      Memorandum entering variation of licence conditions  
on the public register.
8. 22 August 2007      Change of name from Kinston Energy Pty Ltd to Hybrid Energy SA  
Pty Limited.
9. 11 July 2008      Memorandum entering amended description of the licence area on  
the public register.
10. 16 June 2009      Suspension of licence from 8 June 2009 to 7 June 2010  
  
Expiry date of PEL 127 is now 14 June 2011
11. 16 June 2009      Memorandum entering suspension on public register
12. 25 June 2009      Gazettal of suspension
13. 13 May 2011      Suspension of licence from 12 May 2011 to 11 August 2011  
  
Expiry date of PEL 127 is now 14 September 2011
14. 13 May 2011      Memorandum entering suspension on public register
15. 19 May 2011      Gazettal of suspension

16. 16 May 2011 Memorandum entering notation of change of company name on the public register.
- From: Hybrid Energy SA Pty Limited  
To: Hybrid Energy Australia Pty Ltd
17. 16 May 2011 Certificate of Registration on Change of Name.
18. 3 August 2011 Renewal of licence
- Expiry date of PEL 127 is now 14 September 2016
- Interest in the licence:
- |                                 |      |
|---------------------------------|------|
| Hybrid Energy Australia Pty Ltd | 100% |
|---------------------------------|------|
19. 3 August 2011 Memorandum entering renewal of licence, effective from 15 September 2011 on the public register
20. 4 February 2014 Surrender of licence with effect from 14 September 2014.
21. 4 February 2014 Memorandum entering surrender of licence on the public register.
22. 12 February 2014 Gazettal of surrender of licence.

## PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

*Surrender of Petroleum Exploration Licence—PEL 127*

NOTICE is hereby given that I have accepted the surrender of the below-mentioned Petroleum Exploration Licence under the provisions of the Petroleum and Geothermal Energy Act 2000, pursuant to delegated powers dated 21 March 2012.

No. of Licence	Licensee	Date of Surrender	Reference
PEL 127	Hybrid Energy Australia Pty Ltd	14 September 2014	27/2/609

Dated 4 February 2015.

N. PANAGOPOULOS,  
Acting Executive Director,  
Energy Resources Division,  
Department of State Development,

***Petroleum and Geothermal Energy Act 2000***  
**S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. Surrender of Petroleum Exploration Licence PEL 127 with effect from 14 September 2014 is hereby entered on the public register.

A handwritten signature in black ink, appearing to read 'N Panagopoulos', enclosed within a hand-drawn circle.

**NICK PANAGOPOULOS  
A/Executive Director  
Energy Resources Division  
Department of State Development  
Delegate of the Minister for Mineral Resources and Energy**

Date: 4 February 2015

Ref: 27/2/209

***Petroleum and Geothermal Energy Act 2000***

**SURRENDER OF  
PETROLEUM EXPLORATION LICENCE  
PEL 127**

I, NICK PANAGOPOULOS, Acting Executive Director, Energy Resources Division, Department of State Development, in the State of South Australia, pursuant to the provisions of section 89(2) of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources and Energy (Minister), pursuant to delegated powers dated 21 March 2012 –

- a) hereby accept the surrender of Petroleum Exploration Licence PEL 127 in the name of Hybrid Energy Australia Pty Ltd with effect from 14 September 2014.

Dated: 4 February 2015

A handwritten signature in black ink, appearing to read 'N Panagopoulos', enclosed within a large, hand-drawn oval.

**NICK PANAGOPOULOS  
A/Executive Director  
Energy Resources Division  
Department of State Development  
Delegate of the Minister for Mineral Resources and Energy**

***Petroleum and Geothermal Energy Act 2000***  
**S.115**

**MEMORANDUM**

**RENEWAL OF  
PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. Renewal of this licence, effective from 15 September 2011 is hereby entered on the public register.

Expiry date: 14 September 2016

2. Interests in the licence are:

Hybrid Energy Australia Pty Ltd 100%



**BARRY A. GOLDSTEIN**  
**Executive Director**  
**Petroleum and Geothermal Division**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources**  
**Development**

Date: 3 August 2011

File: 27/2/209

# ***Petroleum and Geothermal Energy Act 2000***

## **FIRST RENEWAL OF PETROLEUM EXPLORATION LICENCE PEL 127**

I, BARRY ALAN GOLDSTEIN, Executive Director Petroleum and Geothermal, Minerals and Energy Resources, Primary Industries and Resources, in the State of South Australia pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 1 October 2009, HEREBY GRANT to:

**Hybrid Energy Australia Pty Ltd**  
ACN 106 092 504

(hereinafter referred to as the Licensee) an Exploration Licence in relation to all regulated resources except a source of geothermal energy in respect of the area set out below, to have effect from 15 September 2011 and to expire on 14 September 2016 and carrying the right to one further renewal subject to the provisions of the *Petroleum and Geothermal Act 2000*.

### **DESCRIPTION OF AREA**

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto being:

- (a) land that now is or was formerly the subject of a grant of a freehold estate or of a perpetual Crown lease where such an estate or lease was first granted before 31 December 1993,
- (b) land (other than any reserve under the *National Parks and Wildlife Act 1972*) which has been, before 31 December 1993, reserved or dedicated for a public purpose and used before that date for that purpose in a manner wholly inconsistent with the continuing existence of common law native title rights.

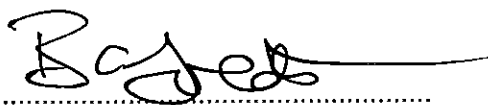
### **CONDITIONS**

1. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Years one and two exploratory operations are guaranteed, and any subsequent licence year work program becomes guaranteed upon entry into any such licence year. These exploratory operations shall include but *not* necessarily be limited to –

<b>Year of Term of Licence</b>	<b>Minimum Work Requirements</b>
One	<ul style="list-style-type: none"><li>• Feasibility studies.</li></ul>
Two	<ul style="list-style-type: none"><li>• Feasibility studies.</li></ul>
Three	<ul style="list-style-type: none"><li>• Feasibility studies.</li></ul>
Four	<ul style="list-style-type: none"><li>• Feasibility studies.</li></ul>
Five	<ul style="list-style-type: none"><li>• Feasibility studies.</li></ul>

2. In the event that the Licensee during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force) fails to comply with the work program requirements of this licence, it is an express term of this licence that the Minister may, at his discretion, either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.
3. The Licensee shall during periods determined by the Minister lodge and maintain with the Minister in the form acceptable to the Minister, for the satisfaction of obligations arising under the Act or this licence, a security of \$50,000 (fifty thousand dollars) or such greater sum as specified by the Minister from time to time.
4. The Licensee must:
  - (a) upon commencement of regulated activities under this licence, maintain in force during the term of this licence public liability insurance to cover regulated activities under this licence (including sudden and accidental pollution) in the name of the Licensee for a sum not less than twenty million dollars (\$20,000,000.00) or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
  - (b) maintain in force during the drilling of any well or operation in any well, control of well insurance in the name of the Licensee for a sum not less than ten million dollars (\$10,000,000.00) or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
  - (c) upon request by the Minister, provide the Minister with a cover note or certificate of currency of each insurance policy referred to in paragraphs (a) and (b).
5. The Minister in specifying the levels of insurance accepts no liability for the completeness of their listing, the adequacy of the sum insured, the limit of liability, the scoped coverage, the conditions or exclusions of these insurances in respect to how they may or may not respond to any loss, damage or liability.
6. The Licensee will ensure, when preparing an Environmental Impact Report under Part 12 of the *Petroleum and Geothermal Energy Act 2000*, that the report also includes an assessment of the potential economic consequences for other Licensee under the *Petroleum and Geothermal Energy Act 2000* or *Mining Act 1971* and owners of land, arising out of proposed regulated activities to be carried out in the licence area.
7. A contract or agreement entered into by the Licensee to transfer or accept liability for any well or facility constructed for the purpose of undertaking a regulated activity under the *Petroleum Act 1940* or the *Petroleum and Geothermal Energy Act 2000* cannot transfer, limit or exclude liability under the *Petroleum and Geothermal Energy Act 2000* unless written consent of the Minister is obtained.

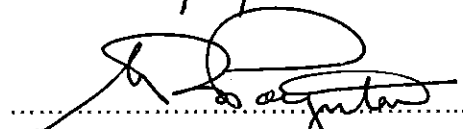
Date: 3/8/11 .....2011



.....  
**BARRY A. GOLDSTEIN**  
**Executive Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

Signed by the said LICENSEE

Date: 25/7/2011

  
Authorised Representative

Donald J Poynton  
Name

Manager - Exploration & Environment  
Position

Hybrid Energy Australia Pty Ltd.  
Company

# PETROLEUM EXPLORATION LICENCE

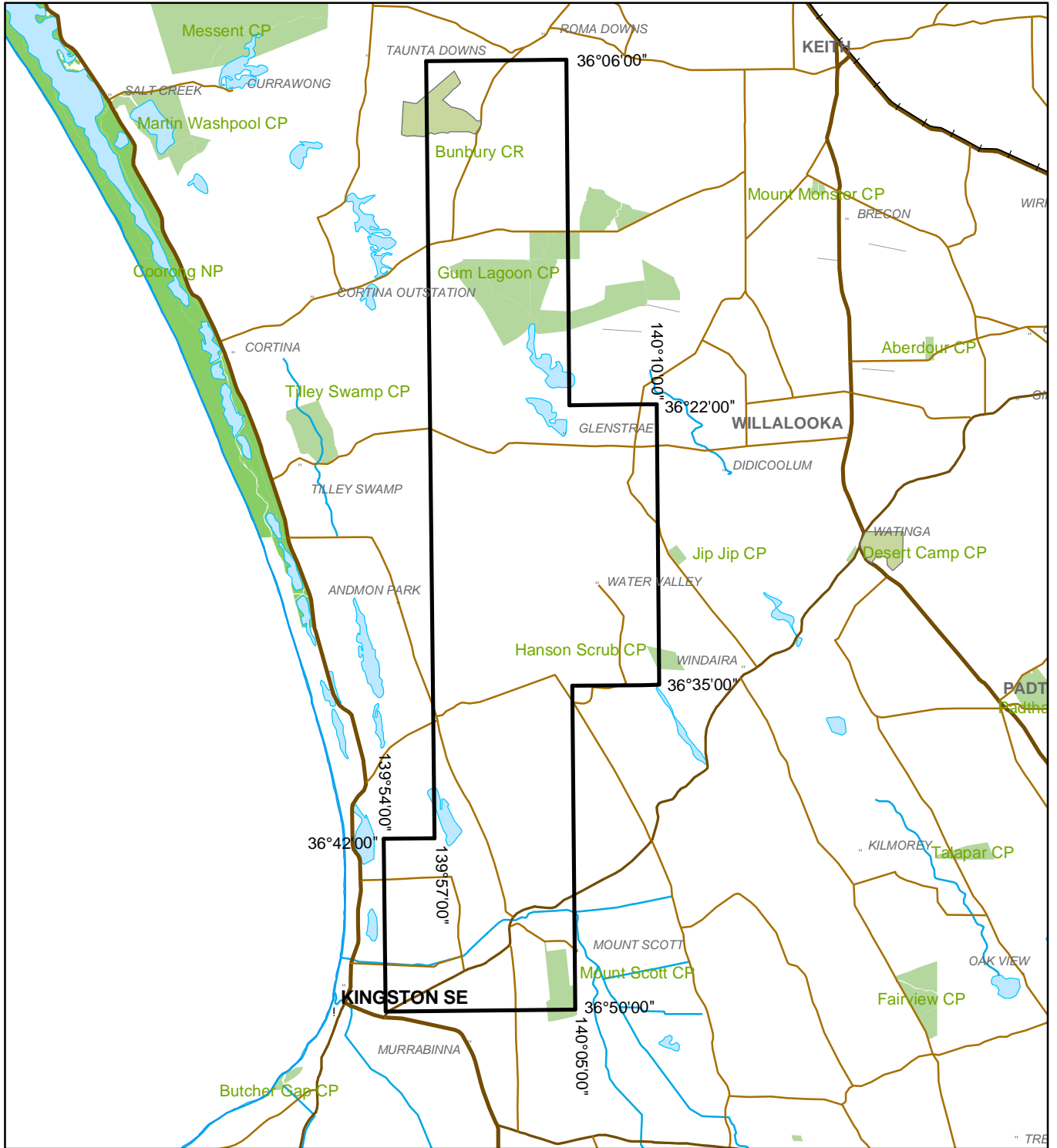
PEL 127

## DESCRIPTION OF AREA

All that part of the State of South Australia, bounded as follows:-

Commencing at a point being the intersection of latitude 36°06'00"S GDA94 and longitude 139°57'00"E GDA94, thence east to longitude 140°05'00"E GDA94, south to latitude 36°22'00"S GDA94, east to longitude 140°10'00"E GDA94, south to latitude 36°35'00"S GDA94, west to longitude 140°05'00"E GDA94, south to latitude 36°50'00"S GDA94, west to longitude 139°54'00"E GDA94, north to latitude 36°42'00"S GDA94, east to longitude 139°57'00"E GDA94, and north to the point of commencement, but excluding Gum Lagoon Conservation Park, Mount Scott Conservation Park and Hanson Scrub Conservation Park.

AREA: **1153** square kilometres approximately.



SCALE 1:500 000



Note: There is no warranty that the boundary of this licence is correct in relation to other features of the map. The boundary is to be ascertained by reference to the Geocentric Datum of Australia (GDA94) and the schedule.

THE PLAN HEREINBEFORE REFERRED TO

**PETROLEUM EXPLORATION LICENCE NO: 127**



**Petroleum and Geothermal Energy Act 2000  
S.115**


**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. Notation of change of company name –

From: Hybrid Energy SA Pty Ltd  
To: Hybrid Energy Australia Pty Ltd

is hereby entered on the public register.



**BARRY A. GOLDSTEIN  
Executive Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources  
Development**

Date: 16 May 2011

File: 27/2/209

HYBRID ENERGY SA PTY LIMITED  
'Wesfarmers House' Level 9  
40 The Esplanade  
PERTH WA 6000

Remove this top section if desired before framing.



## Certificate of Registration on Change of Name



This is to certify that

**HYBRID ENERGY SA PTY LIMITED**

**Australian Company Number 106 092 504**

did on the twenty-ninth day of February 2008 change its name to

**HYBRID ENERGY AUSTRALIA PTY LTD**

**Australian Company Number 106 092 504**

The company is a proprietary company.

The company is limited by shares.

The company is registered under the Corporations Act 2001 and is taken to be registered in Western Australia and the date of commencement of registration is the twenty-eighth day of August, 2003.

Issued by the  
Australian Securities and Investments Commission  
on this twenty-ninth day of February, 2008.

A handwritten signature in black ink, appearing to be 'RMA'.

Anthony Michael D'Aloisio  
Chairman

CERTIFICATE

## PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

*Suspension of Petroleum Exploration Licence—PEL 127*

PURSUANT to Section 90 of the Petroleum and Geothermal Energy Act 2000, notice is hereby given that the abovementioned Petroleum Exploration Licence has been suspended for the period from and including 12 May 2011 until 11 August 2011, under the provisions of the Petroleum and Geothermal Energy Act 2000, pursuant to delegated powers dated 1 October 2009.

The expiry date of PEL 127 is now determined to be 14 September 2011.

Dated 13 May 2011.

B. A. GOLDSTEIN,  
Executive Director  
Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral  
Resources Development

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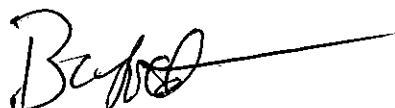
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**Petroleum and Geothermal Energy Act 2000  
S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. Suspension of petroleum exploration licence PEL 127 from and including 12 May 2011 to 11 August 2011 is hereby entered on the public register.
2. The expiry date of PEL 127 is now determined to be 14 September 2011.



**BARRY A. GOLDSTEIN  
Executive Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development**

Date: 13 May 2011

Ref: 27/2/209

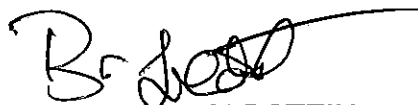
***Petroleum and Geothermal Energy Act 2000***  
**S.90**

**SUSPENSION OF  
PETROLEUM EXPLORATION LICENCE  
PEL 127**

I, BARRY ALAN GOLDSTEIN, Executive Director Petroleum and Geothermal, Minerals and Energy Resources, Department of Primary Industries and Resources, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 1 October 2009 hereby –

- (a) Suspend petroleum exploration licence PEL 127 for the period from and including 12 May 2011 to 11 August 2011.
1. No regulated activities are permitted to be carried out during the period of the suspension.
  2. The expiry date of PEL 127 is now determined to be 14 September 2011.

Dated: 13 May 2011



**BARRY A. GOLDSTEIN**  
**Executive Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

## PETROLEUM ACT 2000

*Suspension of Petroleum Exploration Licence—PEL 127*

PURSUANT to section 90 of the Petroleum Act 2000, notice is hereby given that the abovementioned Petroleum Exploration Licence has been suspended under the provisions of the Petroleum Act 2000, for the period from and including 8 June 2009 to 7 June 2010, pursuant to delegated powers dated 28 March 2002, *Gazetted* 11 April 2002, page 1573.

The expiry date of Petroleum Exploration Licence PEL 127 is now determined to be 14 June 2011.

Dated 16 June 2009.

B. A. GOLDSTEIN,  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral  
Resources Development

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***Petroleum Act 2000***  
**S.90**

**SUSPENSION OF  
PETROLEUM EXPLORATION LICENCE  
PEL 127**

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Resources, Department of Primary Industries and Resources, in the State of South Australia, pursuant to the provisions of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 28 March 2002, Gazetted 11 April 2002, page 1573 –

(a) suspend petroleum exploration licence PEL 127 for the period from and including 8 June 2009 to 7 June 2010.

1. No regulated activities are permitted to be carried out during the period of the suspension.
2. The expiry date of PEL 127 is now 14 June 2011.

Dated: 16 June 2009



**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

***Petroleum Act 2000***  
**S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. Suspension of licence from and including 8 June 2009 to 7 June 2010 is hereby entered on the public register.
2. The expiry date of PEL 127 is now 14 June 2011.



**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

Date: 16 June 2009

Ref: 27/2/209

***Petroleum Act 2000***  
**S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE**  
**PEL 127**

1. An amended description of the licence area of PEL 127 as per the attached schedule and map is hereby entered on the public register.



**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Delegate of the Minister for Mineral Resources**  
**Development**

Date: 11 July 2008

File: 27/2/209

# PETROLEUM EXPLORATION LICENCE

PEL 127

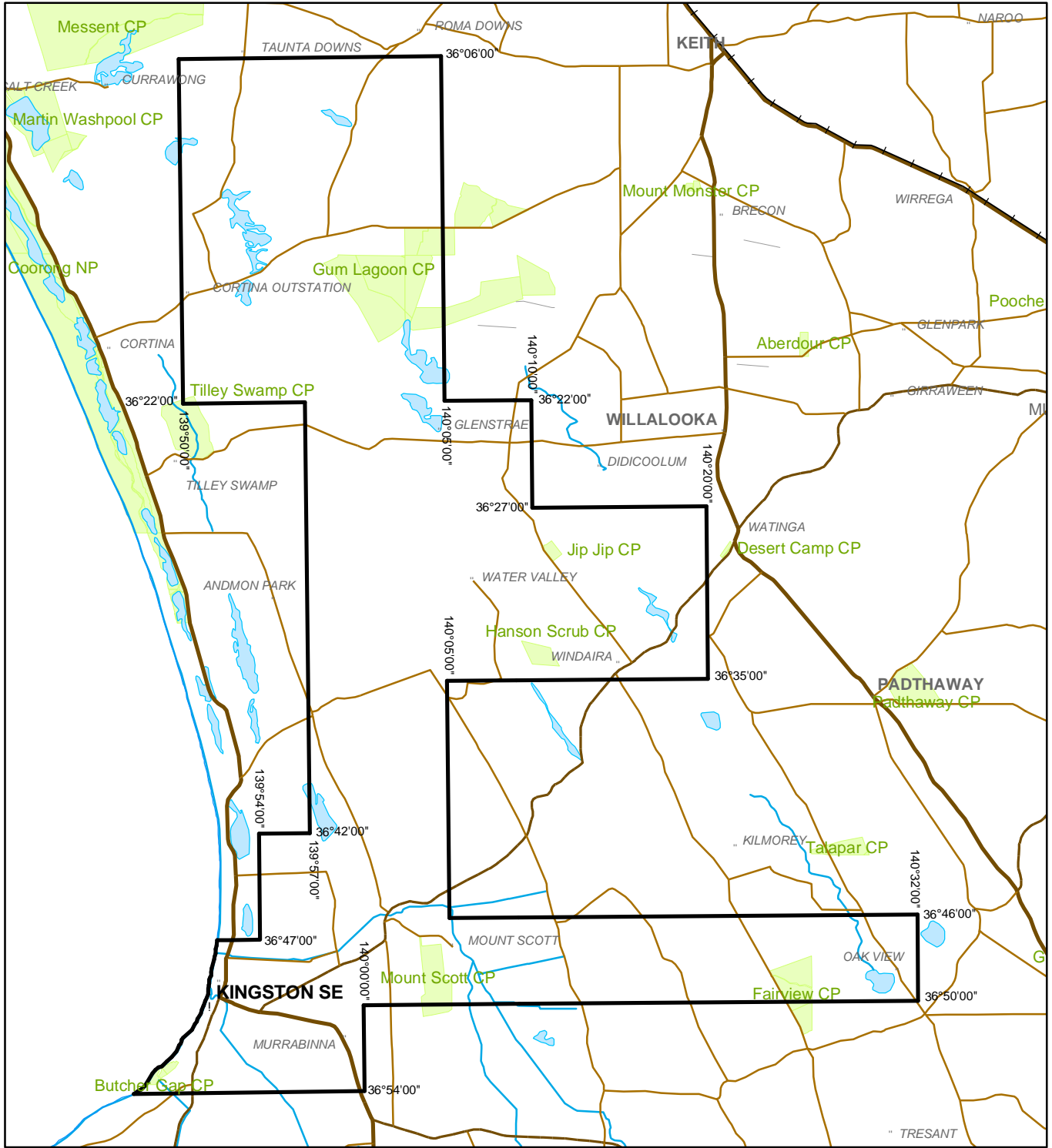
## THE SCHEDULE

### Description of Area

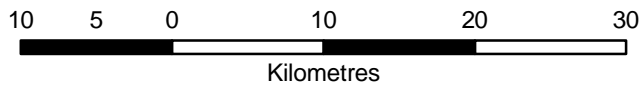
All that part of the State of South Australia, bounded as follows:-

Commencing at a point being the intersection of latitude 36°06'00"S GDA94 and longitude 139°50'00"E GDA94, thence east to longitude 140°05'00"E GDA94, south to latitude 36°22'00"S GDA94, east to longitude 140°10'00"E GDA94, south to latitude 36°27'00"S GDA94, east to longitude 140°20'00"E GDA94, south to latitude 36°35'00"S GDA94, west to longitude 140°05'00"E GDA94, south to latitude 36°46'00"S GDA94, east to longitude 140°32'00"E GDA94, south to latitude 36°50'00"S GDA94, west to longitude 140°00'00"E GDA94, south to latitude 36°54'00"S GDA94, west to Territorial Sea Baseline at low water mark, Southern Ocean, thence generally northeasterly along the said Baseline to latitude 36°47'00"S GDA94, east to longitude 139°54'00"E GDA94, north to latitude 36°42'00"S GDA94, east to longitude 139°57'00"E GDA94, north to latitude 36°22'00"S GDA94, west to longitude 139°50'00"E GDA94, and north to point of commencement, but excluding Tilley Swamp Conservation Park, Gum Lagoon Conservation Park, Jip Jip Conservation Park, Mount Scott Conservation Park, Fairview Conservation Park, Butcher Gap Conservation Park and Hanson Scrub Conservation Park.

AREA: **2098** square kilometres approximately.



SCALE 1:500 000



Note: There is no warranty that the boundary of this licence is correct in relation to other features of the map. The boundary is to be ascertained by reference to the Geocentric Datum of Australia (GDA94) and the schedule.

THE PLAN HEREINBEFORE REFERRED TO

**PETROLEUM EXPLORATION LICENCE NO: 127**



***Petroleum Act 2000***  
**S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE**  
**PEL 127**

1. Notation of change of company name –

From: Kingston Energy Pty Ltd  
To: Hybrid Energy SA Pty Limited

is hereby entered on the public register of licences.



**B A GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Office of Minerals and Energy Resources**  
**Delegate of the Minister for Mineral Resources**  
**Development**

Date: 22 August 2007

File: 27/2/209

**Petroleum Act 2000  
S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. Variation of licence conditions is hereby entered on the public register.



**BARRY A. GOLDSTEIN  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development**

Date: 24 November 2006

Ref: 27/2/209

# Petroleum Act 2000

## VARIATION OF PETROLEUM EXPLORATION LICENCE PEL 127

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Division, Department of Primary Industries and Resources in the State of South Australia, pursuant to section 25 of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 28 March 2002, Gazetted 11 April 2002, page 1573 vary the conditions of petroleum exploration licence PEL 127, held by -

Kingston Energy Pty Ltd

Condition 1 of the licence is omitted and the following substituted:

- “ 1. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Year one exploratory operations area guaranteed and any subsequent year becomes guaranteed upon entry into that licence year. These exploratory operations shall include but not necessarily be limited to:-

Year of Term of Licence	Minimum Work Requirements
One	Conduct evaluation of existing coal geology and hydrogeological data.
Two	Conduct geotechnical studies
Three	Conduct geotechnical studies
Four	Conduct review of technical data, economics and markets, and development options.
Five	Drill two (60 metre depth) evaluation holes to determine coal gas concentrations and permeabilities. Conduct pilot project if warranted.

Dated: 24 November 2006



BARRY A. GOLDSTEIN  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development

***Petroleum Act 2000***  
**S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE**  
**PEL 127**

SA 2006-18      Notation of registrable dealing as evidenced by Deed of Assignment and Assumption dated 7 November 2005 between Strike Oil Limited and Kingston Energy Pty Ltd is hereby entered on the public register.

SA 2006-19      Notation of registrable dealing as evidenced by Transfer dated 5 December 2005 transferring licence from Strike Oil Limited to Kingston Energy Pty Ltd is hereby entered on the public register.

Interests in PEL 127 are:

Kingston Energy Pty Ltd      100%



**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources**  
**Development**

Date: 3 May 2006

27/2/209

## PETROLEUM ACT 2000

*Grant of Petroleum Exploration Licence PEL 127*

NOTICE is hereby given that the undermentioned Geothermal Exploration Licence has been granted under the provisions of the Petroleum Act 2000, pursuant to delegated powers dated 28 March 2002, *Gazetted* 11 April 2002, page 1573.

No. of Licence	Licensee	Locality	Area in km <sup>2</sup>	Reference
PEL 127	Strike Oil Limited	Otway Basin of South Australia	2 102	27/02/209

*Description of Area—PEL 127*

All that part of the State of South Australia, bounded as follows:

Commencing at a point being the intersection of latitude 36°06'00"S GDA94 and longitude 139°50'00"E GDA94, thence east to longitude 140°05'00"E GDA94, south to latitude 36°22'00"S GDA94, east to longitude 140°10'00"E GDA94, south to latitude 36°27'00"S GDA94, east to longitude 140°20'00"E GDA94, south to latitude 36°35'00"S GDA94, west to longitude 140°05'00"E GDA94, south to latitude 36°46'00"S GDA94, east to longitude 140°32'00"E GDA94, south to latitude 36°50'00"S GDA94, west to longitude 140°00'00"E GDA94, south to latitude 36°54'00"S GDA94, west to Territorial Sea Baseline at low water mark, Southern Ocean, thence generally north-easterly along the said Baseline to latitude 36°47'00"S GDA94, east to longitude 139°54'00"E GDA94, north to latitude 36°42'00"S GDA94, east to longitude 139°57'00"E GDA94, north to latitude 36°22'00"S GDA94, west to longitude 139°50'00"E GDA94, and north to the point of commencement, but excluding Tilley Swamp Conservation Park, Gum Lagoon Conservation Park, Jip Jip Conservation Park, Mount Scott Conservation Park, Fairview Conservation Park and Butcher Gap Conservation Park.

Area: 2 102 km<sup>2</sup> approximately.

Dated 15 June 2005.

B. A. GOLDSTEIN, Director Petroleum  
Minerals and Energy Division  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development

**Petroleum Act 2000  
S.115**

**MEMORANDUM**

**PETROLEUM EXPLORATION LICENCE  
PEL 127**

1. This Licence granted on 15 June 2005 is hereby entered on the public register.
2. Interests in the licence are:-

Strike Oil Limited

100%



**BARRY A. GOLDSTEIN  
Director Petroleum  
Minerals and Energy Division  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development**

Date: 15 June 2005

Ref: 27/2/209

# Petroleum Act 2000

## PETROLEUM EXPLORATION LICENCE

### PEL 127

I, BARRY ALAN GOLDSTEIN, Director Petroleum, Minerals Petroleum and Energy, in the State of South Australia pursuant to the provisions of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegation dated 28 March 2002, (refer Government Gazette dated 11 April 2002 page 1573), HEREBY GRANT to:

**Strike Oil Limited**  
ACN 078 012 745

(hereinafter referred to as the Licensee) an Exploration Licence in relation to all regulated resources except a source of geothermal energy in respect of the area set out below, to have effect for a term of five years and to expire on 14 June 2010 and carrying the right to two further renewals subject to the provisions of the *Petroleum Act 2000*.

#### DESCRIPTION OF AREA

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto being:

- (a) land that now is or was formerly the subject of a grant of a freehold estate or of a perpetual Crown lease where such an estate or lease was first granted before 31 December 1993,
- (b) land (other than any reserve under the *National Parks and Wildlife Act 1972*) which has been, before 31 December 1993, reserved or dedicated for a public purpose and used before that date for that purpose in a manner wholly inconsistent with the continuing existence of common law native title rights.

#### CONDITIONS

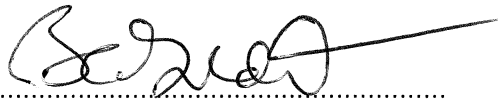
1. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Year one exploratory operations are guaranteed and any subsequent licence year work program becomes guaranteed upon entry into that licence year. These exploratory operations shall include but not necessarily be limited to -

Year of Term of Licence	Minimum Work Requirements
One	Conduct evaluation of existing coal geology and hydrogeological data.
Two	Drill two (60 metre depth) evaluation holes to determine coal gas concentrations and permeabilities.
Three	Drill four (60 metre depth) evaluation holes, and conduct flow testing of the coals.
Four	Conduct review of technical data, economics and markets, and development options.
Five	Conduct pilot project.

2. In the event that the Licensee during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force) fails to comply with the work program requirements of this licence, it is an express term of this licence that the Minister may, at his discretion, either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.
3. The Licensee shall during periods determined by the Minister, lodge and maintain with the Minister, for the satisfaction of obligations arising under the Act or this licence, a security of \$50,000 (fifty thousand dollars) or such greater sum as specified by the Minister from time to time ("the Security").
  - 3.1 The Security shall be lodged in the form of either;
    - (a) cash; or
    - (b) an unconditional, irrevocable bank guarantee or letter of credit in a form, and from a financial institution, approved by the Minister,
  - 3.2 Interest will not be payable by the Minister to the Licensee on any cash Security.
  - 3.3 All charges incurred by the Licensee in obtaining and maintaining the Security shall be met by the Licensee.
  - 3.4 If upon expiry, this Licence is not renewed and the Minister is satisfied that there are no further obligations under this Licence or the Act, the Minister will return the Security to the Licensee.
4. The Licensee must:
  - (a) upon commencement of regulated activities under this licence, maintain in force during the term of this licence public liability insurance to cover regulated activities under this licence (including sudden and accidental pollution) in the name of the Licensee for a sum not less than twenty million dollars (\$20,000,000.00) or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
  - (b) maintain in force during the drilling of any well or operation in any well, control of well insurance in the name of the Licensee for a sum not less than ten million dollars (\$10,000,000.00) or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
  - (c) upon request by the Minister, provide the Minister with a cover note or certificate of currency of each insurance policy referred to in paragraphs (a) and (b).
5. The Minister in specifying the levels of insurance accepts no liability for the completeness of their listing, the adequacy of the sum insured, the limit of liability, the scoped coverage, the conditions or exclusions of these insurances in respect to how they may or may not respond to any loss, damage or liability.
6. The Licensee will ensure, when preparing an Environmental Impact Report under Part 12 of the *Petroleum Act 2000*, that the report also includes an assessment of the potential economic consequences for other licensees under the *Petroleum Act 2000* or *Mining Act, 1971* and owners of land, arising out of proposed regulated activities to be carried out in the licence area.

7. A contract or agreement entered into by the licensee to transfer or accept liability for any well or facility constructed for the purpose of undertaking a regulated activity under the *Petroleum Act 1940* or *2000* cannot transfer, limit or exclude liability under the *Petroleum Act 2000* unless written consent of the Minister is obtained.

Date:.....15 June.....2005



.....  
**BARRY A. GOLDSTEIN**  
**Director Petroleum**  
**Minerals and Energy Division**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources**  
**Development**

Signed by the said LICENSEE

Date:.....3 JUNE 2005.....



.....  
Authorised Representative

.....SIMON ASHTON.....

Name

.....MANAGING DIRECTOR.....

Position

.....STRIKE OIL LIMITED.....

Company



.....  
Witness

.....JAMES M. DURRANT.....

Name

.....TECHNICAL DIRECTOR.....

Position

.....STRIKE OIL LIMITED.....

Company

# PETROLEUM EXPLORATION LICENCE

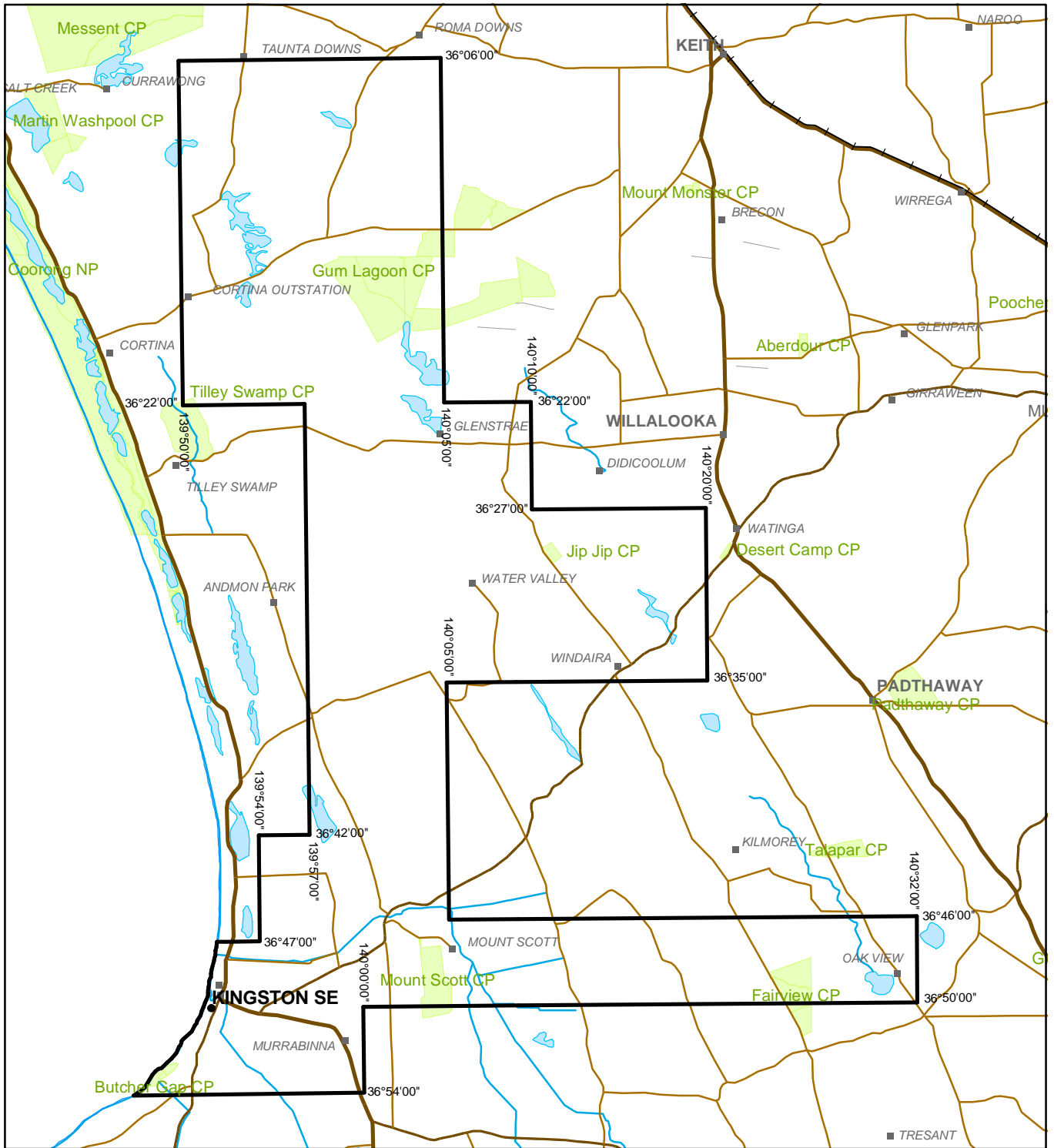
PEL 127

## DESCRIPTION OF AREA

All that part of the State of South Australia, bounded as follows:-

Commencing at a point being the intersection of latitude 36°06'00"S GDA94 and longitude 139°50'00"E GDA94, thence east to longitude 140°05'00"E GDA94, south to latitude 36°22'00"S GDA94, east to longitude 140°10'00"E GDA94, south to latitude 36°27'00"S GDA94, east to longitude 140°20'00"E GDA94, south to latitude 36°35'00"S GDA94, west to longitude 140°05'00"E GDA94, south to latitude 36°46'00"S GDA94, east to longitude 140°32'00"E GDA94, south to latitude 36°50'00"S GDA94, west to longitude 140°00'00"E GDA94, south to latitude 36°54'00"S GDA94, west to Territorial Sea Baseline at low water mark, Southern Ocean, thence generally northeasterly along the said Baseline to latitude 36°47'00"S GDA94, east to longitude 139°54'00"E GDA94, north to latitude 36°42'00"S GDA94, east to longitude 139°57'00"E GDA94, north to latitude 36°22'00"S GDA94, west to longitude 139°50'00"E GDA94, and north to point of commencement, but excluding Tilley Swamp Conservation Park, Gum Lagoon Conservation Park, Jip Jip Conservation Park, Mount Scott Conservation Park, Fairview Conservation Park and Butcher Gap Conservation Park.

AREA: **2102** square kilometres approximately.



Note: There is no warranty that the boundary of this licence is correct in relation to other features of the map. The boundary is to be ascertained by reference to the Geocentric Datum of Australia (GDA94) and the schedule.

THE PLAN HEREINBEFORE REFERRED TO

## PETROLEUM EXPLORATION LICENCE NO: 127