$20 MILLION INVESTMENT IN CENTRAL AUSTRALIA

12 May 2014

The first sod has been turned on Central Petroleum’s new $20 million Dingo Gas Field development just outside Alice Springs.

“The Dingo project is a massive boost for the Central Australian economy and proves once, again, that the Territory is open for business under the Giles Government,” Chief Minister Adam Giles said.

“My government is committed to developing our regions and partnerships with companies like Central Petroleum are crucial to bringing investment and jobs to the bush. This is a big vote of confidence in Central Australia as a future energy hub that could one day supply the east coast via a gas pipeline.

“The Territory’s huge onshore oil and gas reserves have the potential to generate jobs for our children, as well as guarantee local and national energy security for decades to come. But these reserves have to be unlocked and we are delighted to have offered Central Petroleum a 25 year production licence for the Dingo Gas Field to make that happen.”

This is only the second onshore production licence the Department of Mines and Energy has issued in more than three decades. The first was also issued to Central Petroleum in February this year for the Surprise oilfield development near Kintore.

“Central Petroleum has a gas supply and purchase agreement with the Power and Water Corporation to develop the Dingo Field,” Minister for Mines and Energy, Willem Westra van Holthe said.

“The gas will be used for power generation to the Owen Springs Power Station, at the Brewer industrial estate, near Alice Springs.”

In February 2014, Central Petroleum acquired Magellan Petroleum’s onshore Australian assets, including the Palm Valley and Dingo Gas Fields in the Amadeus Basin, which are both conventional sources of gas.

“Magellan has previously reported that the Palm Valley and Dingo Fields contain independently certified 2P reserves of around 53 Billion cubic feet of gas, which is the equivalent of about 10 million barrels of oil,” Mr Westra van Holthe said

“We’re very excited that Central Petroleum is fast tracking this project with the first gas sales from the field expected to be in the first quarter of next year.”

The Dingo development will consist of a field gathering system connecting the Dingo wells to a central processing plant, with a 45km long pipeline from the field to the City Gate Gas Treatment Facility at Brewer Estate.

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