

Statement from Saul Kavonic, Head of Energy Research, MST Marquee

1. *What hurdles are still in the way before Beetaloo gas becomes competitive?*

Further resource appraisal, funding and infrastructure is required, alongside securing approvals and export market access, before a large scale development can proceed. This will likely require the entrance of larger international gas companies, and expansion of Inpex current interest, to realise, which is far from guaranteed at this stage

2. *How long until Territorians are likely to see the benefits?*

Territorians will see modest benefits imminently from the pilot production, but the real prize of a large scale development is a next decade story.

3. *Is this really the beginning of a shale revolution in the outback?*

The potential scale of the Beetaloo is genuinely huge so the size of the prize is potentially transformational. But there is still lots of investment, risks and hurdles to overcome before that is realised from the 2030s.

4. *Is it a good deal for Territorians?*

The Beetaloo could deliver an economic renaissance for the NT in the future, and the risks involved are being worn largely by private investors, so there is potential benefits for the NT here that should be pursued. Territorians must just be cognisant that it is still early days with lots of risks and time involved before the main benefits can be realised.

5. *What doubt should be cast over these projects and the government and gas companies' PR?*

While it makes sense for the NT Government to promote a potentially large beneficial future gas industry in the Beetaloo, they also need to be clear eyed about the risks, not put all their eggs in one basket and have plans for other gas supply, energy supply and economic options in case the Beetaloo does not develop in the timeframe and manner hoped for.

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I should add that fundamentally the economic viability of a large scale development is yet to be firmed up and will depend upon further appraisal drilling. The fact that the Majors haven't entered the Beetaloo at this stage, that Inpex has also recently pursued alternative gas supply options such as Browse, and that Shell appears focussed on the Taroom Trough in Queensland indicates that there are still doubts by some major gas industry players towards the Beetaloo.