

## Gas Boom!

The view from the south-western corner of Curtis Island, just off the coast of Gladstone, could be picture postcard from an average Queensland seaside holiday. The intertidal

wetlands, which this anonymous strip of land may appear like any other of the hundreds of islands scattered along the Queensland coast, except for the fact that in five years time it could be the epicenter of a \$50 billion liquefied natural gas industry.

And there's no one more hopeful than Queensland Premier Anna Bligh, who estimates at least 6000 jobs will be created through the seven competing projects. "Even if only one of those

projects comes off in that time frame- some companies are talking about \$12 billion to \$14 billion over the next five to six years – that is a massive investment into both central Queensland and south-west Queensland," she tells *The Australian Financial Review*.

The seven competing proposals involve converting coal-seam methane from gas fields near Roma and Chinchilla, 500 kilometers south-west of Gladstone, to LNG processing plants on Curtis Island and then for export to international customers in Asia.

And while there are many who reckon it's all a pipedream, the doubters were shushed a little this week when BG Group signed a deal worth up to \$US45 billion (\$60 billion) to sell gas and stake in the British group's proposed Curtis Island facilities to China National Offshore Oil Corp (CNOOC).

Bligh, who has positioned the state government as a facilitator rather than a financier of the new LNG industry, admits there has been a fair bit of hype about the industry, but most of it has been justified.

"The economic spin-off... into the broader economy, particularly at a time when other markets are struggling, can't be underestimated and we have an obligation to pursue it," she says.

And they have pursued it with vigour. Virtually every parliamentary speech Bligh or Treasurer Andrew Fraser have given on the Queensland economy in the past six months has talked up the potential of the LNG industry. The state has long benefited from the royalties and

business investment flowing from its abundant coal, and doesn't want to miss out on the next big industry boom.

The reserves of coal-seam gas in the Surat and Bowen basins- one of the largest deposits in the world- could deliver up to 50 million tones of LNG each year if all the projects are delivered, as well, as well as hundreds of millions of dollars of royalties into state and federal coffers.

The Bligh government has declared the south-western tip of Curtis Island – the majority of the island, 50 kilometers long and 10 kilometers wide, is a national park- as a state development area, with a number of sites being negotiated for long-term contracts.

Two of the three main consortiums- BG Group (Queensland Curtis LNG or QCLNG) and Santos/Petronas (Gladstone LNG) – have already started some preliminary surveying work on their sites on Curtis Island. The Shell Oil & Gas (Arrow Energy), Origin Gas/

ConocoPhillips (Australian Pacific LNG) and Southern Cross LNG (LNG Impel) consortiums are still scoping sites on the Curtis Island foreshore. The corporate jostling and deal-making over the past 12 months to take advantage of the potentially lucrative LNG industry has changed the face of Queensland's coal-seam gas industry.

Gladstone, a proud industrial city based around the world's largest natural harbour, has largely welcomed the potential new industry to its town.

*The Australian Financial Review, Friday 15 May 2009*

Newsletter  
June 2009

### Thought of the Month

*"There are only  
two ways to  
get  
anything in life:  
either it's  
going to  
happen or, you  
have to make it  
happen."*

### FREE Sales Appraisals!

Would you like an update on the value of your investment property? A quick call to our office and we can arrange for one of our experienced salespeople to give you an appraisal. No Obligation.

# Are you prepared for the end of financial year?

Wow, It's the end of May and another Financial year is almost over! It is timely to start planning now for taxation and like all investments, your investment property is no different.

It is good financial management to contact your accountant/taxation advisor to obtain important information on how to maximize the return on your investment property.

Is your paper work in order? Do you need to spend money on your investment? Are you entitled to a tax rebate? Should I do any repairs that are necessary before the end of June?

Just a quick call or visit to your accountant/taxation adviser could save you money as well as allowing you to obtain valuable advice about what you can and can't claim for 2009.

## Office News

The Staff at Raine & Horne Gladstone would like to congratulate property manager Natalie Godfrey and partner Mark on the safe arrival of baby boy Hayden.

Congratulations Natalie & Mark!



## GREAT INVESTMENT BUYS

3 Earls Court



\$439,000



20 Mellefont Street



\$385,000

DUPLEX

36 Sandpiper Avenue



\$355,000



5/45 O'Connell Street



\$219,000



15 Camille Street



\$339,000



102 Col Brown Avenue



\$450,000



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