



ASX/MEDIA RELEASE

21 SEPTEMBER 2010

TERMINATION OF DISCUSSIONS WITH BOW ENERGY LIMITED

As previously communicated to shareholders, in the Company ASX release dated 2 August 2010, the Company has been exploring, and is continuing to explore, various gas supply and strategic partner options in relation to the Company's Gladstone "Fisherman's Landing" LNG Project, in the Port of Gladstone, Queensland ("Gladstone LNG Project"). These activities included discussions on potential transactions with Bow Energy Limited.

The Company informs that such discussions with Bow Energy Limited have ceased. Based on recent developments in the coal seam gas industry in Queensland and our work on gas supply and strategic partner options, the Directors consider that the nature of the potential transactions with Bow Energy Limited would not recognise the full value of the Gladstone LNG Project site or the advanced nature of the project.

The Company is in discussions with several parties on gas supply and strategic investments opportunities and will appropriately inform the Company's shareholders when such opportunities are sufficiently advanced and defined.

The Company wishes Bow Energy Limited every success with its coal seam gas activities and considers there will remain opportunities for the two companies to work together in the future, to deliver their respective business models.

The Company will continue to keep the market updated.

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