

Good afternoon All,

For the month of June 2021 we anticipate having the quantities of gas set out below available for sale. You are invited to submit your offer, before close of business (Perth Time) on Wednesday the 26th of May, if you would like to offer to purchase all or part of this gas, quoting the indicative daily volumes of gas that you wish to purchase and the Offer Price at which you are prepared to complete the purchase. We will advise successful buyers by midday (Perth Time) on Thursday the 27th of May and complete contracts from the 28th to 31st of May.

Buyers, please note that offers should be directed only to [Spot Market Offers@gastrading.com.au](mailto:Spot_Market_Offers@gastrading.com.au).

Market Dynamics

As at the 15th of May we are on track to trade over 458 TJ of gas (On Market), and 90TJ (Off Market), for the month of May 2021. Traded volumes have bounced back after a decline in April. The May On Market volumes are up 15% on April's final On Market trading volume (400 TJ) and down 10% on the anticipated May sales volume of 506 TJ. Off Market sales volumes have held steady relative to March (see table below) and are expected to continue at current levels in the second half.

Traded volumes have stabilised at around 400 to 500TJ per month. It is still not clear whether buyers or sellers will be driving the market in coming months although some buyers are considering a reduction in their reliance on the spot market given recent price increases, however, this is not currently reflected in trading volumes and is taking time to manifest. The price rise in the first quarter that spooked the market is still impacting market confidence.

We anticipate that traded volumes will reflect recent levels, but it remains to be seen whether price rises since January cause the market to contract further. Recent price increases have focused attention on the fact that the true strength of the market is not to be found in low gas prices but in the absence of strict take or pay obligations.

The market has been free of recent supply side constraints in May. However, the market remains hypersensitive to gas plant outages.

Planned Outages

We are not reporting the anticipated state of production for June at this time due to the status of the WA GBB reporting. We will have a discussion with AEMO tomorrow and we will issue an update to this invitation once the situation becomes clearer.

The Offer Price range increased in May, to \$ 1.23 per GJ, with the range from \$3.39 to \$4.62 per GJ. All bids below \$4.60 per GJ were offered supply at the Bidding Round Price of \$4.70 per GJ. One bidder declined the Bidding Round price and another buyer found supply elsewhere during the month. No contract came into effect in May at a price below \$4.60 per GJ. The Back Up Gas price for May is \$ 4.96 per GJ. The difference between the Back Up Gas Price of \$4.96 per GJ and the Bidding Round price of \$4.70 per GJ reflects the fact that gas available to meet sales above the Bidding Round quantities is more expensive.

The currently anticipated average May On Market price is \$ 4.64 per GJ (as at the 15th of May). This average is eleven cents above the \$4.53 per GJ average April price and is the May average price anticipated at the start of the month. Prices appear to be moving in a range around \$4.50 to \$4.60 per GJ but do not show an underlying trend.

Some buyers in the market have recently reduced their reliance on the gasTrading Spot Market™ in light of increased prices, turning instead to other supply portfolio options, but new buyers continue to enter the market. Where the demand side of the gasTrading Spot Market™ trends in coming months will depend on the perceived spot price path, on how other short contract gas sellers engage the market and the appetite of buyers to move to take or pay contracts.

Agora Gas continues to engage the market and will seek additional Back Up Gas for the June market. Current feedback indicates the purchasing behaviour of major buyers is being significantly affected by the increase in the spot price. We anticipate that the Back Up Gas Price will remain around recent levels for the moment. The quantity of gas available at the current Back Up Gas Price is sufficient to meet the market requirement although the situation is under constant review. We will publish the Back Up Gas Price for June with the Bidding Round Results Summary.

The table below summarises Agora Gas' On Market and Off Market spot gas sales since May 2020. (See web site for the traded volumes for the market as a whole and for data over a longer period.)

	On Market	Off Market	Total	
Month	(TJ)	(TJ)	(TJ)	Comment
May-20	725.120	95.300	820.420	
Jun-20	656.481	71.179	727.660	
Jul-20	346.450	150.800	497.250	
Aug-20	607.991	517.900	1125.891	
Sep-20	218.800	171.900	390.700	
Oct-20	303.100	142.850	445.950	
Nov-20	465.350	88.235	552.585	
Dec-20	305.800	99.000	404.800	
Jan-21	503.500	100.500	604.000	
Feb-21	378.920	66.300	445.220	
Mar-21	448.725	77.200	525.925	
Apr-21	400.065	87.600	487.665	
May-21	254.300	39.700	294.000	:to 15 May

Agora Gas continues to seek the most attractive sources of Back Up Gas to ensure the market remains liquid and competitively priced. Although Agora is the principal seller in the market, it is, at this time, one of two gas sellers in the market in May. There may be two sellers in the market in June.

We will publish the summary results of the June **Bidding Round** as soon as possible but no later than the 31st of May on the web site link below.

Market Update

The results of the May **Bidding Round**, and the gasTrading Spot Market™ history to April 2021, can be found at <http://www.gastrading.com.au/spot-market/historical-prices-and-volume>

We have continued strong supply side support for the market. At this time, we expect that market support will be looking to buyers at or above \$4.60 per GJ.

The indicated daily volumes available for June 2021 represent recent market trading volumes. Given that this gas will largely be procured for the market by Agora Gas' Off Market purchases, these volumes are very price sensitive and will increase or decrease in response to Offers received from buyers and the daily availability of supply.

In May 2021, to the 15th, 100% of daily contract volumes were filled in all price quartiles of the market.

Gas Available June 2021

Date	Quantity TJ
1/06/2021	17.00
2/06/2021	17.00
3/06/2021	17.00
4/06/2021	17.00
5/06/2021	17.00
6/06/2021	17.00
7/06/2021	17.00
8/06/2021	17.00
9/06/2021	17.00
10/06/2021	17.00
11/06/2021	17.00
12/06/2021	17.00
13/06/2021	17.00
14/06/2021	17.00
15/06/2021	17.00
16/06/2021	17.00
17/06/2021	17.00
18/06/2021	17.00
19/06/2021	17.00
20/06/2021	17.00
21/06/2021	17.00
22/06/2021	17.00
23/06/2021	17.00
24/06/2021	17.00
25/06/2021	17.00
26/06/2021	17.00
27/06/2021	17.00
28/06/2021	17.00
29/06/2021	17.00
30/06/2021	17.00

NA

510.00

Regards
Mike Lauer