

Good afternoon All,

For the month of September 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 25th of August, 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 26th of August and complete contracts from the 26th to the 31st of August.

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 August we are on track to trade over 586 TJ of gas (On Market), and 220 TJ (Off Market), for the month of August 2021. Traded volumes have increased this month. The August On Market volumes are up 8% on July's final On Market trading volume (545 TJ) and up 20% on the anticipated August sales volume of 491 TJ. Off Market sales volumes have almost halved relative to last month (see table below) and is expected to continue at the same level in the second half.

The market is still looking for direction. The continuing strong demand again reflects a complex mix of unanticipated operating requirements, peak winter demand for gas and the entry of new buyers into the market. We will not be able to identify the underlying trend in the market until the winter peak has ended and demand returns to more normal levels. At that time, are unable to assess whether there is an underlying increase in demand and, or, demand volatility.

Traded volumes have remain out of the 400 to 500TJ per month range, but this may only reflect short run circumstances. It is becoming clear that sellers are influencing the direction of the market presently. The continuing price rise is impacting market confidence. All of the difference between offers to purchase and contracted volumes for August (100 TJ) is explained as a response to increased price.

Although the market was supply constrained at the end of June, those constraints have not limited market traded volumes in July or August. The market remains sensitive to price and gas plant outages.

Planned Outages

Prod. Facility	Start Date	End Date	Nameplate Capacity (TJ/d)	Description	Available Capacity (TJ/d)
Dongara	01-Aug-21	31-Aug-21	0	"None"	0
Karratha Gas Plant	09-Aug-21	19-Sep-21	630	Planned maintenance	450
Macedon	01-Aug-21	31-Aug-21	213	Change to capacity	195.7
Varanus Island	09-Aug-21	20-Aug-21	260	planned maintenance	260
Xyris Production Facility	01-Aug-21	31-Aug-21	28	"None"	28

Source WA AEMO GBB - Data Downloaded at 11:52 on Monday 16 August 2021

For the month of September, Varanus Island has had its quoted nameplate capacity (on the GBB) reduced to 260TJ per day from 345 TJ per day and will be running at the new nameplate level over most of August. The average production for Varanus Island over the last three months has been 270 TJ per day. The Karratha Gas Plant is expected to reduce capacity during its planned maintenance period to 450TJ per day but has been contributing at about 25TJ per day on average and peaking up to 40TJ per day, this reduction is not expected to affect supply. Macedon will have a reduction of capacity from 213 TJ per day nameplate to 195.7 TJ per day which is around an 8% reduction. Despite the reduction in production capacity at Varanus Island, Karratha Gas Plant and Macedon, there is significant unutilised production capacity in the market.

Pipeline	Start Date	End Date	Nameplate Capacity (TJ/d)	Description	Available Capacity (TJ/d)
Goldfields Gas Pipeline	15-Aug-21	30-Sep-21	190	Planned Maintenance at Paraburdoo, Wyloo West CS	192

Source WA AEMO GBB - Data Downloaded at 11:52 on Monday 16 August 2021

Goldfields Gas Pipeline capacity reductions will only apply to select days during the outage period. Pipeline capacity should be largely unaffected apart from a slight reduction in capacity on the GGP for 7 days in August and 4 days in September.

The Offer Price range increased in August, to \$ 1.81 per GJ, with the range from \$3.39 to \$5.20 per GJ. All offers above \$5.00 per GJ were offered supply at their offer price and offers below \$5.00 per GJ were offered supply at the Bidding Round Price of \$5.14 per GJ. Three bidders declined the Bidding Round price during the month. No contract came into effect in August at a price below \$5.00 per GJ. The Back Up Gas price for August is \$ 5.42 per GJ. The difference between the Back Up Gas Price of \$5.42 per GJ and the Bidding Round price of \$5.14 per GJ reflects the fact that gas available to meet sales above the Bidding Round quantities is more expensive.

The currently anticipated average August On Market price is \$ 5.04 per GJ (as at the 15th of August). This average is ten cents below the \$5.14 per GJ average July price and is the August average price anticipated at the start of the month.

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 September 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 stabilise or fall but it will not return to historically low levels in the foreseeable future. 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 September with the Bidding Round Results Summary.

The table below summarises Agora Gas' On Market and Off Market spot gas sales since August 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
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	442.650	141.800	584.450	
Jun-21	425.200	162.800	588.000	
Jul-21	534.800	407.300	942.100	
Aug-21	295.400	110.287	405.687	:to 15 August

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 August. We anticipate there will be two sellers in the market in September.

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

Market Update

The results of the August **Bidding Round**, and the gasTrading Spot Market™ history to July 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 above \$5.00 per GJ.

The indicated daily volumes available for September 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 August 2021, to the 15th, 100% of daily contract volumes were filled in all price quartiles of the market. There was tightness in the market at the end of June and beginning of July but the supply situation has improved.

Gas Available September 2021

Date	Quantity TJ
1/09/2021	20.00
2/09/2021	20.00
3/09/2021	20.00
4/09/2021	20.00
5/09/2021	20.00
6/09/2021	20.00
7/09/2021	20.00
8/09/2021	20.00
9/09/2021	20.00
10/09/2021	20.00
11/09/2021	20.00
12/09/2021	20.00
13/09/2021	20.00
14/09/2021	20.00
15/09/2021	20.00
16/09/2021	20.00
17/09/2021	20.00
18/09/2021	20.00
19/09/2021	20.00
20/09/2021	20.00
21/09/2021	20.00
22/09/2021	20.00
23/09/2021	20.00
24/09/2021	20.00
25/09/2021	20.00
26/09/2021	20.00
27/09/2021	20.00
28/09/2021	20.00
29/09/2021	20.00
30/09/2021	20.00
NA	

600.00

Regards
Mike Lauer