

Good morning all,

For the month of November 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 Monday the 25<sup>th</sup> of October, 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 Tuesday the 26<sup>th</sup> of October and complete contracts from the 26<sup>th</sup> to the 31<sup>st</sup> of October.

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 15<sup>th</sup> of October we are on track to trade over 390 TJ of gas (On Market), and 350 TJ (Off Market), for the month of October 2021. Traded volumes have increased this month. The October On Market volumes are up 7% on September's final On Market trading volume (365 TJ) and down 5% on the anticipated October sales volume of 407 TJ. Off Market sales volumes have increased relative to last month (see table below) and are expected to continue at current levels in the second half.

The market is still looking for direction. Demand remains strong, although we have now passed beyond the winter peak demand for gas. Traded volumes are down a little as a result of unplanned outages. With the end of the winter peak, On Market traded volumes have returned to the lower end of the 400 TJ to 500 TJ per month range.

The sellers continue to influence the direction of the market. The recent price rises have impacted market confidence. All of the difference between offers to purchase and contracted volumes for October (50 TJ) is explained as a response to current higher prices.

The supply constraints in the middle of the year are no longer influencing the market. The market remains sensitive to price and gas plant outages (Note planned outage report below.)

## Planned Outages

Prod.Facility	Start Date	End Date	Available Capacity (TJ/d)	Nameplate Capacity (TJ/d)	Description
Macedon	1-Oct-21	31-Oct-21	194	213	Change to capacity
Devil Creek	23-Oct-21	28-Oct-21	140	220	planned maintenance
Pluto	14-Nov-21	17-Nov-21	0	25	planned maintenance
Varanus Island	18-Oct-21	31-Oct-21	265	265	well constraint
Varanus Island	1-Nov-21	7-Nov-21	0	265	planned maintenance
Xyris Production Facility	1-Oct-21	31-Oct-21	27	28	"None"

Source: WA AEMO GBB – Data Downloaded at 10 AM Monday 18 October 2021

Macedon has reported a slight capacity reduction, to 194TJ per day, down from 213 TJ per day, for October. Devil Creek is forecasting reduced capacity of 140 TJ per day for six days in late October. Varanus Island is showing a minor constraint for most of the remainder of October, however, there is a complete of Varanus Island in early November for seven days. Pluto is reporting an outage for four days in mid-November, however, the outage is not anticipated to affect the market significantly. Xyris is showing a minor reduction over October which is not significant.

The Varanus Island outage, for the first 7 days of November, can be expected to impact the market and put pressure on prices and supply, as Varanus Island buyers look to the spot market to manage supply.

Pipeline	Start Date	End Date	Available Capacity (TJ/d)	Nameplate Capacity (TJ/d)	Description
Goldfields Gas Pipeline	28-Oct-21	28-Oct-21	186	202.5	Planned Maintenance at Paraburdoo CS
Goldfields Gas Pipeline	29-Oct-21	29-Oct-21	177	202.5	Planned Maintenance at Neds Creek CS
Goldfields Gas Pipeline	30-Oct-21	30-Oct-21	177	202.5	Planned Maintenance at Neds Creek CS

Source WA AEMO GBB - Data Downloaded at 10 AM Monday 18 October 2021

Goldfields Gas Pipeline capacity reductions will only apply on select days in late October. There are no declared pipeline capacity reductions reported for November.

The Offer Price range increased in October, to \$ 1.88 per GJ, with the range from \$3.39 to \$5.27 per GJ. All bids were offered supply at the Bidding Round Price of \$5.27 per GJ. One bidder declined the Bidding Round price during the month. No contract came into effect in October at a price below \$5.27 per GJ. The Back Up Gas Price for October is \$ 5.37 per GJ. The difference between the Back Up Gas Price of \$5.37 per GJ and the Bidding Round price of \$5.27 per GJ reflects the fact that gas available to meet sales above the Bidding Round quantities is more expensive.

The currently anticipated average October On Market price is \$ 5.27 per GJ (as at the 15<sup>th</sup> of October). This average is the same as the \$5.27 per GJ average September price and is the October 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 response of increased prices, turning instead to other supply portfolio options. For now, this reduction has been offset by new buyers entering 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 November market. Current feedback indicates the purchasing behaviour of major buyers is being significantly affected by the relatively high spot price. We anticipate that the Back Up Gas Price has stabilised but that 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 November with the Bidding Round Results Summary.

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

	<b>On Market</b>	<b>Off Market</b>	<b>Total</b>	
<b>Month</b>	<b>(TJ)</b>	<b>(TJ)</b>	<b>(TJ)</b>	<b>Comment</b>
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	612.600	271.305	883.905	
Sep-21	335.076	248.300	583.376	
Oct-21	184.200	175.700	359.900	<i>:to 15 October</i>

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 October. We anticipate there will be two sellers in the market in November.

We will publish the summary results of the November **Bidding Round** as soon as possible but no later than the 29th of October on the web site link below.

### **Market Update**

The results of the October **Bidding Round**, and the gasTrading Spot Market™ history to September 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 \$5.20 per GJ although buyers may lead the market in November as Varanus Island buyers join the bidding for available volumes.

The indicated daily volumes available for November 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 October 2021, to the 15<sup>th</sup>, 100% of daily contract volumes were filled in all price quartiles of the market.

<b>Gas Available November 2021</b>	
<b>Date</b>	<b>Quantity TJ</b>
1/11/2021	18.00
2/11/2021	18.00
3/11/2021	18.00
4/11/2021	18.00
5/11/2021	18.00
6/11/2021	18.00
7/11/2021	18.00
8/11/2021	18.00
9/11/2021	18.00
10/11/2021	18.00
11/11/2021	18.00
12/11/2021	18.00
13/11/2021	18.00
14/11/2021	18.00
15/11/2021	18.00
16/11/2021	18.00
17/11/2021	18.00
18/11/2021	18.00
19/11/2021	18.00
20/11/2021	18.00
21/11/2021	18.00
22/11/2021	18.00
23/11/2021	18.00
24/11/2021	18.00
25/11/2021	18.00
26/11/2021	18.00
27/11/2021	18.00
28/11/2021	18.00
29/11/2021	18.00
30/11/2021	18.00
NA	

---

**540.00**

Regards  
Mike Lauer