

From: Mike Lauer
Sent: Thursday, 17 August 2017 12:54 PM
Subject: Gas Available September 2017

Good afternoon all,

For the month of **September** 2017 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 **Thursday the 24th of August**, if you wish to purchase all or part of this gas quoting the volume of gas that you wish to purchase and the price at which you are prepared to complete the purchase. We will advise successful buyers by **COB** (Perth Time) on **Friday the 25th of August** at the latest and complete contracts from the **25th** to the **31st** of **August**.

Market Dynamics

As at the 15th of **August** we are on track to trade 215 TJ of gas (On Market) for the month of **August**. This volume is in line with the final volumes traded in **July** 2017 (215 TJ) and is up over 10% on the anticipated **August** sales volume of 190 TJ. There have been no Off Market sales in **August**. Agora Gas is the only seller active in the market in **August**.

The sales volumes in **August** continue to reflect the “shoulder season” market conditions which emerged in April. We anticipate traded volumes will continue to hover around 200 TJ per month and, given the current market balance, prices are expected to remain relatively stable. There are no supply side disturbances anticipated in **September** of which we are currently aware.

The offer price range in **August** was \$0.15 per GJ, from \$4.15 to \$4.30 per GJ. This narrow offer price range is a feature of periods of market stability. The Back Up Gas Price was not called in **August**. No contract was written in **August** below \$4.15 per GJ. The **August** Back Up Gas Price is \$4.30 per GJ. There were no buyers expecting/bidding to pick up cheap gas in **August**.

The currently anticipated average **August** On (Spot) Market price is \$4.25 per GJ (as at the 15th of **August**). This average is down on the \$4.27 per GJ average **July** price and is one cent up on the anticipated **August** average price.

Buyers and sellers appear to be using the gasTrading Spot Market as part of their everyday gas supply planning. In the foreseeable future the average spot market price looks stable. Market disruptions, such as the sudden tightening of the supply side of the market in September and October 2016 and the unexpected demand contraction over Christmas and New Year are still likely to destabilise the market.

The table below summarises Agora Gas’ On Market and Off Market spot gas sales since **August** 2016. As noted above, recent market traded volumes reflect the mild shoulder season weather conditions.

Month	On (Spot) Market (TJ)	Off Market (TJ)	Total (TJ)	Comment
Aug-16	186.240	144.356	330.596	
Sep-16	232.338	115.235	347.573	
Oct-16	332.791	45.284	378.075	
Nov-16	359.063	109.425	468.488	
Dec-16	370.279	43.200	413.479	

Jan-17	196.744	0.000	196.744
Feb-17	258.818	0.000	258.818
Mar-17	308.747	0.000	308.747
Apr-17	190.083	0.000	190.083
May-17	173.800	0.000	173.800
Jun-17	237.450	0.000	237.450
Jul-17	214.600	0.000	214.600
Aug-17	106.200	0.000	106.200 :to 15 August

Agora Gas will continue to seek out the most attractive sources of Backup Gas to ensure the market remains liquid. Agora Gas is currently expected to be the only market seller in **September** as a result of changes to seller participation in the market in the first half of the year.

We will publish the summary results of the **September 2017 Bidding Round** on or before the 6th of **September** on the web site link below.

Market Update

The results of the **August 2017 Bidding Round**, and the gasTrading Spot Market history to **July 2017**, can be found at <http://www.gastrading.com.au> and at <http://www.gastrading.com.au/spot-market/historical-prices-and-volume.html> in particular.

We have continued strong supply side support for the market. This support is now looking for Buyer offer prices at and above \$4.30 per GJ.

At this time the indicated volumes available for **September 2017** are comparable to the volumes offered in the **August 2017** Invitation. Given that most of this gas will 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.

The table below shows the percentage of the daily contract volumes for the period 1 **August** to 15 **August** filled in each price quartile of the market.

The Spot Market

Highest Price	\$4.30 per GJ	Percentage of Contracts filled From 01 Aug 17 to 15 Aug 17
Price Quartile 4	From \$4.27 to \$4.30 per GJ	100%
Price Quartile 3	From \$4.24 to \$4.26 per GJ	100%
Price Quartile 2	From \$4.20 to \$4.23 per GJ	100%
Price Quartile 1	From \$4.15 to \$4.19 per GJ	100%
Lowest Price	\$4.15 per GJ	

Gas Available September 2017	
Date	Quantity TJ
1/09/2017	9.00
2/09/2017	9.00
3/09/2017	9.00
4/09/2017	9.00

5/09/2017	9.00
6/09/2017	9.00
7/09/2017	9.00
8/09/2017	9.00
9/09/2017	9.00
10/09/2017	9.00
11/09/2017	9.00
12/09/2017	9.00
13/09/2017	9.00
14/09/2017	9.00
15/09/2017	9.00
16/09/2017	9.00
17/09/2017	9.00
18/09/2017	9.00
19/09/2017	9.00
20/09/2017	9.00
21/09/2017	9.00
22/09/2017	9.00
23/09/2017	9.00
24/09/2017	9.00
25/09/2017	9.00
26/09/2017	9.00
27/09/2017	9.00
28/09/2017	9.00
29/09/2017	9.00
30/09/2017	9.00
NA	

270.00

Regards
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