



25 March 2013

Our Reference: APLNG – PGV - 0004945
Your Reference: WR13/201

Mr Barry Broe
Coordinator-General
PO Box 15517
CITY EAST QLD 4002

Dear Mr Broe

Conditions Regarding the Local Industry Participation Plan (LIPP)

Thank you for your letter of 1 March 2013 concerning the conditions imposed on Australia Pacific LNG (APLNG) regarding the Local Industry Participation Plan (LIPP) and subsequent conversations on this matter between Origin Energy's Mr Martin McVicar (on behalf of APLNG) and Mr Mick Lord, Director Coordinated Project Delivery.

Australia Pacific LNG has developed and committed to a local content strategy in accordance with the Australian Industry Participation Plan. Over and above the requirements of this we are actively, through our social impact management plan, working to provide genuine opportunities for capable local businesses, and to build capability in all relevant businesses in the region.

I draw your attention to condition 2C of Appendix 1, Part 3 of the Coordinator General's report on the Australia Pacific LNG project referencing the Australian Industry Participation Plan. Six monthly reports are also provided to the Regional Community Consultative Committees on performance. APLNG is aware that the Queensland Government has recently endorsed the Queensland Resources and Energy Sector; Code of Practice for Local Content.

In light of the above APLNG requests a project change to the Coordinator- General's evaluation report for the APLNG Project. Specifically APLNG seeks the removal of the condition 2C of Appendix 1, Part 3 relating to Local Industry Participation. APLNG welcomes the opportunity to report in accordance with the Queensland Resources and Energy Sector; Code of Practice for Local Content and take up the option of deletion and/or amendment of the condition requiring APLNG to report on Local Content Strategies. Given that APLNG has been implementing the existing conditions (which have included placing obligations on APLNG's contractors), we would welcome further discussions with you with a view to agreeing appropriate transitional arrangements.

APLNG also requests that you waive the applicable fee for the Project Change.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Page Maxson".

Page Maxson
Chief Executive Officer
Australia Pacific LNG Pty Ltd

commercial-in-confidence