

-----Original Message-----

From: Duke, Rod

Sent: Tuesday, 19 March 2013 14:01

To: 'barry.broe@coordinatorgeneral.qld.gov.au'

Cc: Cheverton, Daniel

Subject: Local Content

Dear Barry,

Further to our letter to you of 17 March 2013 regarding local content conditions, Santos GLNG is aware that Queensland Government will shortly approve the new QRC Resource and Energy Sector Code of Practice for Local Content. As such, Santos GLNG is seeking a project change to have "condition 15 -Local industry and participation program" withdrawn from the Project's conditions.

This change will maintain consistency with Government policy as well as being consistent with practices of other resource and energy proponents who are seeking a similar change from the Coordinator-General. It will also make reporting arrangements more efficient and effective with one reporting arrangement through QRC.

Santos GLNG already has a strong record of working with local suppliers and businesses and implementing our approved Australian Industry Participation Plan and Local Industry Participation Plan. Santos GLNG will continue to provide full, fair and reasonable opportunities to local industry to tender for work.

Instead of complying with condition 15, Santos GLNG will commit to adopt the QRC Resources and Energy Sector Code of Practice for local content, which is administered by the QRC.

Santos GLNG also requests that the Coordinator-General waive the fee for the project change

With kind regards,

Rod Duke