



14 April 2016

Manager Companies  
Companies Announcements Office  
Australian Stock Exchange Limited

**LEIGH CREEK ENERGY LIMITED**

**ASX ANNOUNCEMENT**

## **LCK Granted a Gas Storage Exploration Licence**

Leigh Creek Energy (**LCK**) is pleased to announce that it has been granted a Gas Storage Exploration Licence GSEL 662 for an initial period of 5 years. This is an important step in the licencing process and is another step forward for LCK in South Australia. It is another example of the effort the South Australian Government make in enabling projects in South Australia.

The Gas Storage Exploration Licence overlaps LCK's Petroleum Exploration Licence 650 at Leigh Creek. Upon progression of the Gas Storage Exploration Licence to a Gas Storage Licence, LCK will be able to store gas at the Leigh Creek Site. The ability to be able to store gas rather than simply transport gas in a pipeline as contemplated in the APA Group Heads of Agreement (refer ASX announcement dated 15 December 2015), or to use our gas in the proposed Gas Fired Power Station the subject of the agreement with Shanghai Electric (refer to ASX announcement dated 6 April 2016) gives LCK far greater optionality.

The value of the ability to be able to store gas was recently demonstrated when QIC Ltd agreed to buy Energy Australia's Iona Gas plant for AUD\$1.782 billion. Iona is a 23-pj plant and one of only three gas storage sites available for use by third parties in an east-coast market where gas demand is set to triple within two years because of the start-up of LNG exports from Gladstone (refer Australian Financial Review 8<sup>th</sup> of October 2015).

The Executive Chairman of LCK Justyn Peters said

"The granting of this licence is important to LCK. It gives us the flexibility to sell into a pipeline, to use our gas for power generation or for us to potentially store gas at Leigh Creek. It complements the work we are undertaking with APA and the proposed Gas Fired Power Station with Shanghai Electric."

**For further information  
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**About Leigh Creek Energy**

*Leigh Creek Energy Limited (LCK) is an emerging gas company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value products such as methane and fertiliser from the remnant coal resources at Leigh Creek utilising In Situ Gasification technologies, and will provide long term growth and opportunities to the communities of the northern Flinders Ranges and South Australia.*

*The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks to as low as can be reasonably achieved.*

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