

FOR IMMEDIATE RELEASE

**EPIK’s Newcastle GasDock LNG Import Terminal Declared
Critical State Significant Infrastructure by NSW Government**

- Declared Critical by NSW Minister for Planning and Public Spaces, Hon Rob Stokes MP
- CSSI status recognizes importance of Newcastle GasDock to the State of New South Wales
- Newcastle GasDock would provide long-term, competitive gas supply ensuring security of supply and facilitating economic growth throughout the State
- Decision represents significant project milestone and provides greater timeline certainty

SYDNEY, Australia (14 August 2019) – EPIK Co. Ltd. (EPIK), a liquefied natural gas (LNG) project development company, announced today that the Government of New South Wales (NSW) has declared EPIK’s Newcastle GasDock LNG import terminal project as Critical State Significant Infrastructure (CSSI), recognizing the project for its crucial role in the long-term economic future of the region and representing a major milestone for the project.

The Newcastle GasDock project, to be located at the Port of Newcastle – an industrial hub home to major gas and power users – is ideally suited to provide competitive gas supply to users in the Hunter Valley as well as the broader NSW region, fueling economic growth while driving prices down for all.

“We are thrilled by the NSW Government’s decision to award CSSI status to the Newcastle GasDock project,” said Jee Yoon, EPIK’s Founder and Managing Director. “EPIK’s primary objective is to deliver the most competitive infrastructure solution for natural gas imports into NSW. With CSSI status in hand, we are a considerable step closer to delivering the critical infrastructure needed to bring new energy to NSW, providing access to long-term, competitive gas supply to the region, safely powering our homes, driving industry forward and keeping prices low for everyone to enjoy.”

The Newcastle GasDock terminal will be capable of supplying more than 80% of NSW’s current gas demand, with the potential to increase throughput as demand requires. Existing domestic gas supply and pipeline constraints compound the need for the Newcastle GasDock terminal in NSW, which currently imports approximately 95% of its current gas consumption at considerable expense from other States.

Port of Newcastle CEO Craig Carmody said, “We welcome the NSW Government’s support for this important project, which will provide reliable and competitive energy for the Hunter as the region diversifies its economy. Port of Newcastle has been a global trade gateway for more than 220 years and is proud to be diversifying its role as Australia’s leading energy port. Newcastle has much to offer, including a deepwater shipping channel operating at 50% of its capacity, significant port land available and enviable access to national infrastructure such as rail and road. It is



pleasing to see EPIK poised to take advantage of the benefits of locating its critical State significant infrastructure project at Port of Newcastle.”

CSSI designation is awarded to projects that are deemed to be essential to the State for economic, environmental and social reasons, and sets out a clear pathway to planning approvals, providing greater timeline certainty. Subject to receiving all regulatory and planning approvals, the project is anticipated to begin operations in the first half of 2021 and represents a potential direct investment of approximately AUD\$250M in NSW in addition to the value of the FSRU to be utilized by the project.

Natural gas remains a crucial baseload provider of electricity in the energy mix; especially as NSW transitions away from coal to a lower-carbon economy. As recently as March 2019, the Australian Energy Market Operator (AEMO) in its *Gas Statement of Opportunities* reaffirmed its position that without greater diversification, insufficient gas supply would pose a significant challenge to the region.

“We look forward to continuing discussions with major gas and power users throughout the State as they seek long-term, competitive solutions to their gas supply and power needs,” said EPIK Executive Director, James Markham-Hill.

“We greatly appreciate the support of the NSW Government as we work together, in consultation with the local community, relevant stakeholders, as well as industrial and commercial users, to bring the project to fruition.”

In July, EPIK announced that it had engaged industry-leading energy consulting experts, Wood Mackenzie, to conduct a comprehensive analysis of the southeast Australian gas market in parallel with EPIK’s commercial efforts seeking terminal capacity subscribers. EPIK will make a summary of the Wood Mackenzie market analysis available to qualified 3rd parties that sign a non-disclosure agreement and submit an expression of interest in taking capacity at the proposed Newcastle GasDock terminal. More information can be found on its website at epiklng.com.

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About EPIK Co. Ltd.

EPIK is an LNG project development company focused on originating and developing FSRU project opportunities across the globe, including its flagship Newcastle GasDock LNG terminal project at the Port of Newcastle, NSW. With LNG increasingly becoming the fuel of choice in today’s environmentally conscious market, global LNG trade is at an all-time high, and with continued positive market growth projections spanning well into the 2030s, EPIK specializes in the origination and development of floating LNG regasification projects in regions with high natural gas demand. EPIK’s Newcastle GasDock project, critical to NSW’s future security and reliability of gas supply, is being developed by wholly-owned EPIK subsidiary Newcastle GasDock Company Pty. Ltd. and is proposed to include a 170,000m³ class FSRU and associated on-shore infrastructure. For more, visit www.epiklng.com

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