



Annual Report

Licence Term 2 Year 1

5th Feb 2021 – 4th Feb 2022

GSEL 662

Document: GSEL 662 Annual Report 2022

Prepared for:
Leigh Creek Operations Pty Ltd

Rev	Date	Purpose	Prepared	Reviewed	Authorised
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1 Introduction

Gas Storage Exploration Licence (GSEL 662) was granted to Leigh Creek Operations Pty Ltd (LCO, a wholly owned subsidiary of Leigh Creek Energy Ltd, LCK) on 5 February 2016 and renewed on 5 February 2021 for a period of 5 years. The licence is located in the Telford Basin, South Australia. This report details the work conducted during Year 1, Term 2 of the licence (5th February 2021 to 4th February 2022 inclusive), in accordance with Regulation 33 of the Petroleum and Geothermal Energy Regulations 2013.

2 Permit Summary

For the duration of the licence year, licensees for Gas Storage Exploration Licence (GSEL 662) were:

Leigh Creek Operations Pty Ltd (ACN: 146 966 305) 100%.

The current work commitments associated with GSEL 662 can be seen in Table 1.

Table 1 - Current Work Commitments by licence year

Licence Year	Licence Dates	Minimum Work Requirements
One	5 Feb 2021 – 4 Feb 2022	Geological and Geophysical studies
Two	5 Feb 2022 – 4 Feb 2023	Geological and Geophysical studies
Three	5 Feb 2023 – 4 Feb 2024	Geological and geophysical studies
Four	5 Feb 2024 – 4 Feb 2025	Geological and Geophysical studies
Five	5 Feb 2025 – 4 Feb 2026	Geological and Geophysical studies

Licence Year one, term 2 concluded on 4th February 2022. The following table displays the minimum work program and the actual work completed up until the end of the current licence period.

Table 2 - Final work program and work completed (as of end of current reporting period) by licence year

Licence Year	Minimum Work Program	Actual Work
One	Geotechnical and Geological studies.	Geotechnical and Geological studies.
Two	Geotechnical and Geological studies.	N/A
Three	Geotechnical and Geological studies.	N/A
Four	Geotechnical and Geological studies.	N/A
Five	Geotechnical and Geological studies.	N/A

3 Regulated Activates

Pursuant to Regulation 33(3) (a) of the Regulations, an annual report must include:

“a summary of the regulated activities conducted under the licence during the year.”

3.1 Drilling and Related Activities

No Regulated activities in the licence reporting period.

3.2 Seismic Data Acquisition

No Regulated activities in the licence reporting period.

3.3 Seismic Data Processing and Reprocessing

No Regulated activities in the licence reporting period.

3.4 Geochemical, Gravity, Magnetic and other surveys

No Regulated activities in the licence reporting period.

3.5 Production and Processing

No Regulated activities in the licence reporting period.

3.6 Pipeline Construction and Operation

No Regulated activities in the licence reporting period.

3.7 Preliminary Survey Activities

In licence year one, term 2, desktop geological studies continued for the ISG project. Preliminary Geological studies were completed to identify the potential of storing CO₂ underground on GSEL 662. LCK continued with the commitment to its stakeholder engagement program related to GSEL 662, in Leigh Creek, and the surrounding region of the Flinders Ranges and the Far North of South Australia.

4 Compliance

Pursuant to Regulations 33(3) (b) & (c), an annual report must include:

“a report for the year on compliance with the Act, these regulations, the licence and any relevant statement of environmental objectives;” and

“a statement concerning any action to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, and to minimise the likelihood of recurrence of any such non-compliances.”

4.1 Licence non-compliance

There were no instances of non-compliance identified for GSEL 662 for the licence period.

4.2 Compliance with SEO (Statement of Environmental Objectives)

There were no instances of non-compliance identified for GSEL 662 for the licence period.

4.3 Management Systems Audits

Pursuant to Regulation 33(3) (d) under the Act, an annual report must include:

“a summary of any management system audits undertaken during the relevant licence year including information on any failure or deficiency identified by the audit and any corrective actions that has, or will be taken”.

No Management systems audits were conducted during the licence year.

4.4 Report and Data Submissions

Pursuant to Regulation 33(2) (e) under the Act, an annual report must include:

“a list of all reports and data relevant to the operation of the Act generated by the licensee during the licence year”.

Table 3 - List of technical reports generated during the licence Term 2 year 1.

Description of Report/Data	Date Due	Date Submitted	Compliant Non- Compliant
2021 (Term 1 Year 5) GSEL 662 Annual Report	04/04/2021	05/03/2021	Compliant

4.5 Incident Report

Pursuant to Regulation 33(3) (f), an annual report must include:

*“in relation to any incidents reported to the Minister under the Act and these Regulations during the relevant licence year –
(i) an overall assessment and analysis of the incidents, including the identification and analysis of any trends that have emerged; and
(ii) an overall assessment of the effectiveness of any action taken to rectify non- compliance with obligations imposed by the Act, these regulations or the licence, or to minimise the risk of recurrence of any such non-compliance”.*

No reportable incidents occurred during the licence period

4.6 Threat Prevention

Pursuant to Regulation 33(3) (g) under the Act, an annual report must include:

“a report on any reasonably foreseeable threats (other than threats previously reported on) that reasonably presents, or may present, a hazard to facilities or activities under the licence, and a report on any corrective action that has, or will be taken”.

There were no threats perceived that would present a hazard to exploration activities, and no action was taken.

4.7 Future Work Program

Pursuant to Regulation 33(3) (h) under the Act, an annual report must include:

“Unless the relevant licence year is the last year in which the licence is to remain in force – a statement outlining operations proposed for the ensuing year”

Ongoing geological and geophysical appraisal work will be continued as part of the Leigh Creek Energy Project.

5 Expenditure Statement

Pursuant to Regulation 33(4) under the Act, an annual report must contain:

“An annual report must be accompanied by a statement of expenditure on regulated activities conducted under the licence for the relevant licence year.