

Good afternoon All,

For the month of February 2021 we anticipate having the quantities of gas set out below available for sale. You are invited to submit your offer, before close of business (Perth Time) on Monday the 25th of January, if you would like to offer to purchase all or part of this gas, quoting the indicative daily volumes of gas that you wish to purchase and the Offer Price at which you are prepared to complete the purchase. We will advise successful buyers by midday (Perth Time) on Wednesday the 27th of January and complete contracts from the 27th to the 31st of January.

Buyers, please note that offers should be directed only to Spot_Market_Offers@gastrading.com.au.

Market Dynamics

As at the 15th of January we are on track to trade over 508 TJ of gas (On Market), and 90 TJ of gas (Off Market), for the month of January 2021. The increase in traded volumes over December reflects the organic behaviour of the market. The January On Market volumes are up 60% on December's final On Market trading volume (318 TJ) and up 19% on the anticipated January sales volume of 430 TJ. Off Market sales volumes have increased over December (see table below) and are expected to continue at the same rate in the second half.

Traded volumes have stabilised in the range around 400 to 500TJ per month. It is still not clear whether buyers or sellers will be driving the market in coming months.

We continue to anticipate that traded volumes will remain around the current levels but will be subject to market conditions.

The recent supply side constraints on the market continue and were particularly pronounced in the first half of January. There are indications of supply constraints at Macedon and Varanus Island on the WA Gas Bulletin Board, however, inconsistency between the Capacity Outlook Report data and the Medium Term Capacity Report data makes a clear definition of the problem difficult. The market remains hypersensitive to gas plant outages and uplift in demand for "as available" supply.

Planned Outages

Facility	Start Date	End Date	Nameplate Capacity (TJ/d)	Description
Beharra Springs	05-Feb-21	14-Feb-21	9	3M compressor service and plant outage for
Dongara	01-Feb-21	28-Feb-21	7	"None"
Pluto	22-Feb-21	23-Feb-21	25	planned maintenance
Varanus Island	25-Jan-21	25-Jan-21	345	planned maintenance
Xyris Production Facility	01-Feb-21	28-Feb-21	[9.6]	"None"

Source WA AEMO GBB - Data Downloaded at 18:26 on Monday 18 January 2021

There is maintenance planned for Varanus Island production facilities on the 25th of January 21 with expected reduction of capacity down to 120 TJ per day. Apart from this, there are no other reported major gas production supply outages. Over February, some Perth Basin production facilities will have reduced capacity however, this is not a significant shortfall and should not affect the market. Pluto is

expected to reduce capacity for two days in February 21. This capacity reduction is both temporary and relatively small and is not expected to significantly impact the market.

The Offer Price range increased in January, to \$ 0.66 per GJ, with the range from \$3.25 to \$3.91 per GJ. All bids below \$3.90 per GJ were offered supply at the Bidding Round price of \$3.98 per GJ. One bidder declined the Bidding Round price and consumption dropped by around 3% as a result. No contract came into effect in January at a price below \$3.90 per GJ. The Back Up Gas Price for January is \$ 4.06 per GJ. The difference between the Back Up Gas Price of \$4.06 per GJ and the Bidding Round price of \$3.98 per GJ reflects the fact that gas available to meet sales above the Bidding Round quantities is more expensive.

The currently anticipated average January On Market price is \$ 3.93 per GJ (as at the 15th of January). This average is significantly above the \$3.75 per GJ average December price and is one cent below the January average price anticipated at the start of the month.

Some buyers in the market have reduced their reliance on the gasTrading Spot Market™, turning instead to other supply portfolio options but new buyers continue to enter the market. Where the demand side of the gasTrading Spot Market™ trends in 2021 will depend on the spot price path, on how other short contract gas sellers engage the market and the purchasing behaviour of major buyers.

Agora Gas continues to engage the market and will seek additional Back Up Gas for the February market. This process of re-contracting, to top up supplies of Back Up Gas saw a reduction in the Back Up Gas Price from \$3.65 per GJ in February 2018 to a low of \$2.10 per GJ in February 2020 with a recent rebound back to \$4.06 per GJ in January 2021. Current feedback indicates the purchasing behaviour of major buyers is being significantly affected by the increase in price. It is clear that constraints in supply are putting upward pressure on the market and on the Back Up Gas Price. We anticipate that the Back Up Gas Price will remain above recent levels for the moment. The quantity of gas available at the current Back Up Gas Price is sufficient to meet the market requirement although the situation is under constant review. We will publish the Back Up Gas Price for February with the Bidding Round Results Summary.

The table below summarises Agora Gas' On Market and Off Market spot gas sales since January 2020. (See web site for the traded volumes for the market as a whole and for data over a longer period.)

Agora Gas continues to seek the most attractive sources of Back Up Gas to ensure the market remains liquid and competitively priced. Although Agora is the principal seller in the market, it is, at this time, one of two gas sellers in the market in January. There may be two sellers in the market in February, but that is not clear.

We will publish the summary results of the February **Bidding Round** as soon as possible but no later than the 29th of January on the web site link below.

Market Update

The results of the January **Bidding Round**, and the gasTrading Spot Market™ history to December, can be found at <http://www.gastrading.com.au/spot-market/historical-prices-and-volume>

We have continued strong supply side support for the market. At this time, we expect that market support will be looking to buyers at or above \$4.05 per GJ.

The indicated daily volumes available for February 2021 represent recent market trading volumes. Given that this gas will largely be procured for the market by Agora Gas' Off Market purchases, these volumes are very price sensitive and will increase or decrease in response to Offers received from buyers and the daily availability of supply.

	On Market	Off Market	Total	
Month	(TJ)	(TJ)	(TJ)	Comment
Jan-20	275.160	1.760	276.920	
Feb-20	289.014	15.800	304.814	
Mar-20	339.020	0.000	339.020	
Apr-20	326.117	63.080	389.197	
May-20	725.120	95.300	820.420	
Jun-20	656.481	71.179	727.660	
Jul-20	346.450	150.800	497.250	
Aug-20	607.991	517.900	1125.891	
Sep-20	218.800	171.900	390.700	
Oct-20	303.100	142.850	445.950	
Nov-20	465.350	88.235	552.585	
Dec-20	305.800	99.000	404.800	
Jan-21	259.300	45.400	304.700	<i>:to 15 January</i>

In January 2021, to the 15th, 100% of daily contract volumes were filled in all price quartiles of the market.

Gas Available February 2021	
Date	Quantity TJ
1/02/2021	20.00
2/02/2021	20.00
3/02/2021	20.00
4/02/2021	20.00
5/02/2021	20.00
6/02/2021	20.00
7/02/2021	20.00
8/02/2021	20.00
9/02/2021	20.00
10/02/2021	20.00
11/02/2021	20.00
12/02/2021	20.00
13/02/2021	20.00
14/02/2021	20.00
15/02/2021	20.00
16/02/2021	20.00
17/02/2021	20.00
18/02/2021	20.00
19/02/2021	20.00
20/02/2021	20.00
21/02/2021	20.00
22/02/2021	20.00
23/02/2021	20.00
24/02/2021	20.00
25/02/2021	20.00
26/02/2021	20.00
27/02/2021	20.00
28/02/2021	20.00
NA	
NA	
NA	

Regards
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