

Information Notice to the Resident

30th May 2008

Dear Sir/Madam,

Re: Sydney Gas Exploration Activity---Wollombi 01

3211 Great North Road ,South of Wollombi

I am writing to advise you that Sydney Gas will soon be conducting gas exploration work in your area and to invite you to a "Community Presentation" to explain the activities and address any questions you may have.

Sydney Gas is currently exploring the Hunter for coal seam gas reserves. As part of the exploration program, we will be drilling a core hole in the above-mentioned area. To explain what a core hole is, we have enclosed the latest copy of our community newsletter. On page 3, you will find a description and the process involved. To view a map of the area, you can visit our website:

www.sydneygas.com (Exploration/Field Activities/Wollombi 01)

In the coming days we will commence preparation of this site to accommodate the arrival of the drilling rig. This will include activities such as building a temporary road to the site. We expect that the drilling will take less than nine weeks.

It is unlikely that you will hear any noise from the site, but to insure that the drilling process is not disruptive to neighbours, the drilling will be confined to:

7:00am to 6:00pm, Monday—Friday

7:00am to 1:00pm, Saturday

Community Presentation

We hope you are able to attend. Colin Stace, our Land and Community Officer will provide an overview of the activities and answer any questions.

Time: 2:00pm to 3:30pm

Date: Saturday, June 7th, 2008.

Venue: Wollombi Community Hall
Wollombi.

RSVP: Hayley Moffitt (02) 9253-5555 or office@sydneygas.com

Colin will also be available to personally visit local property owners to answer any questions you may have. His mobile number is 0448 453 310. Alternatively, Sydney Gas' 24 hour, 7 days a week-community number is (02) 9751 2067.

We look forward to meeting you on Thursday evening.

Yours sincerely,

Sydney Gas Operations Pty Ltd

Dana Hollis

Manager, Landholder Relations

(02) 9253 5555