

Gorgon Project Overview



The Chevron-operated Gorgon Project is one of the world's largest natural gas projects and the largest single resource development in Australia's history.

The Project is being constructed on Barrow Island, around 60 kilometres off the northwest coast of Western Australia. It includes a three-train, 15.6 million tonnes per annum (MTPA) liquefied natural gas (LNG) facility and a domestic gas plant with the capacity to provide 300 terajoules of gas per day to Western Australia.

The first LNG cargo is due to be loaded in the first quarter 2015. Domestic gas is due to be delivered to the market in 2015.

The Gorgon Joint Venture Participants are progressing with plans for an expansion of the Project with a fourth LNG train.

Project Participants

The Gorgon Project is operated by an Australian subsidiary of Chevron (47.3 percent interest), in joint venture with the Australian subsidiaries of ExxonMobil (25 percent), Shell (25 percent), Osaka Gas (1.25 percent), Tokyo Gas (1 percent) and Chubu Electric Power (0.417 percent).

Upstream - Offshore Wells & Facilities

The Upstream scope of the Project includes:

- Drilling eight high-rate, big-bore development wells at the Gorgon field, and ten at the Jansz-Io field.
- A subsea gas gathering system and subsea pipelines that will deliver gas from the Gorgon and Jansz-Io fields, located between 65 and 130 kilometres respectively off the west coast of Barrow Island.
- Pipelines that run from the shore crossing on the west coast of Barrow Island across to the east coast, where they tie into the gas treatment plant.
- A domestic gas pipeline that runs more than 90 kilometres from Barrow Island to the Western Australian mainland where it will tie-in to the existing Dampier to Bunbury Natural Gas Pipeline.

Downstream - Onshore Facilities

- A three-train, 15.6 MTPA LNG processing plant.
- Domestic gas processing plant.
- LNG and condensate storage.
- Marine facilities including a 2.1 kilometre Materials Offloading Facility (MOF) and 2.1 kilometre long LNG jetty.
- Operations and maintenance buildings.
- Workforce accommodation village and associated infrastructure.

Carbon Dioxide Injection Program

The Gorgon Joint Venture Participants are investing approximately \$2 billion in the design and construction of the world's largest commercial-scale CO_2 injection facility to reduce the Project's overall greenhouse gas emissions by between 3.4 and 4.1 million tonnes per year.

The Australian Government has committed \$60 million to the Gorgon Carbon Dioxide Injection Project as part of the Low Emissions Technology Demonstration Fund.

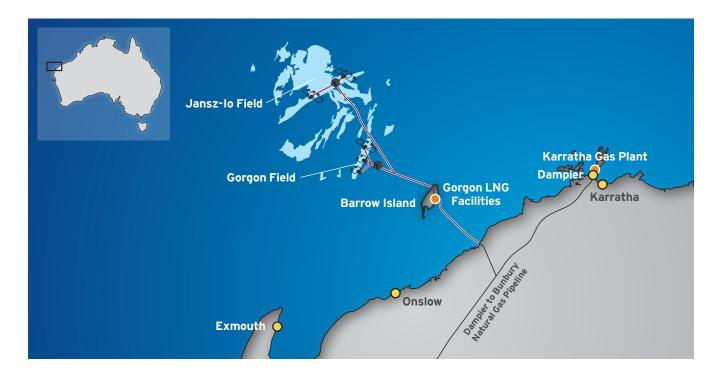
Gorgon Project Snapshot

- Annual production of 15.6 million tonnes of LNG and 300 terajoules of domestic gas per day
- On track to spend \$30 billion on Australian goods and services during the construction phase of the Project
- About \$40 billion to the Australian Government's revenue*
- About \$64 billion to Australia's Gross Domestic Product*

*According to independent research group ACIL Tasman (based on 30 years of operations and an annual production of 15 million tonnes of LNG).

Operated by **Chevron Australia** in joint venture with





LNG Sales and Marketing

The Gorgon Joint Venture Participants have signed a number of sales agreements to market LNG in key customer countries and have adopted a flexible and innovative marketing approach where each participant secures markets for its share of gas.

Domestic Gas Sales

In November 2011, long term contracts were announced with Western Australia's largest energy retailer, Synergy and the State's leading energy generator, Verve Energy for a combined 125 terajoules per day for 20 years commencing in 2015.

Local Benefits

The Gorgon Project will be an important pillar of the Australian economy for decades to come. Already the Project has:

- Committed more than \$20 billion to Australian goods and services, with approximately 90 percent of this flowing to Western Australia.
- Generated more than 10,000 jobs in Australia through the Gorgon Project and its contractors, this includes around 6,000 people working on and around Barrow Island.

Environmental Stewardship

Barrow Island has been a Class A Nature Reserve since 1910. The Gorgon Project is being undertaken in accordance with strict environmental standards to preserve the island's ecology.

Central to the Gorgon Project's commitment to protect the conservation values of Barrow Island is the Quarantine Management System (QMS), which directs the Project's quarantine operations. The QMS is the largest non-government quarantine initiative in the world and was considered to be "likely world's best practice" by the Western Australian Environmental Protection Authority.

The Project's gas processing facilities are being constructed within a 300 hectare ground disturbance limit, which represents 1.3 percent of Barrow Island's uncleared land area.

Where does the name Gorgon come from?

The origin of the Gorgon Project's name can be traced back to a ship named the SS Gorgon. The SS Gorgon (and its 1933 replacement the MV Gorgon) carried passengers, general cargo, sheep, wool and cattle from Perth to Singapore from 1918 through to the 1960s.

During one of the SS Gorgon's voyages, a navigation hazard was located between Onslow and Thevenard Island. The hazard, a gravel patch, came to be known as the "Gorgon Patch". The nearby Gorgon field was subsequently named after this geological feature.

For more information on the Gorgon Project:

Visit our website

www.chevronaustralia.com/ ourbusiness/gorgon

Email

gorgon.info@chevron.com