Otway Exploration Drilling Program



Historical Military Ordnance Risks

(Unexploded Ordnance)

ConocoPhillips Australia is planning to undertake exploration activities in offshore permits VIC/P79 and T/49P located in Commonwealth waters. The proposed activities are a continuation of ConocoPhillips Australia's exploration program in the offshore Otway Basin which aims to identify commercially viable natural gas reserves to help meet Australia's energy needs.

About the Otway Exploration Program

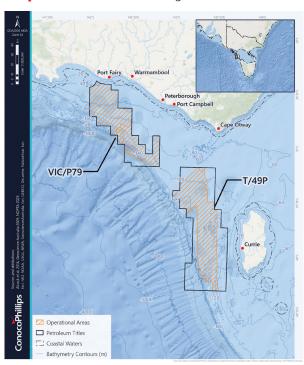
ConocoPhillips Australia is proposing to undertake an exploration program that consists of seabed surveys and the drilling of up to six exploration wells in exploration permits VIC/P79 and T/49P located in Commonwealth waters offshore of Victoria and King Island, Tasmania.

ConocoPhillips Australia has commenced preparation of an Environment Plan (EP) that will seek approval for this exploration drilling program to be undertaken

Drilling commencement is dependent on regulatory approval and drilling rig availability. The initial activity will be seabed assessments which will commence no earlier than January 2024.

This information sheet summarises the ongoing assessment of the risk of interaction between vessels or equipment associated with the Otway exploration drilling program and any historic defence activities in the operational area. Figure 1 shows the proposed location of the program.

Map of Permit Areas Figure 1



KEY INFORMATION

- ConocoPhillips Australia is planning to undertake an exploration program in the Otway Basin and is preparing an Environment Plan which will be submitted to the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for public comment and assessment. Any decision to proceed to development will be dependent on a conducive investment environment.
- The EP will include an assessment of impacts and risks associated with historical defence activities in the area, including the potential presence of unexploded ordnance.
- Both permit areas overlap a historic air-to-air firing range which the government has classified as having a Slight Potential for unexploded ordinance (UXO) presence, with most ammunition used in this area being considered low risk.
- There is no overlap between the permit areas and historic offshore UXO sea dumping sites. The closest sea dumping site to either permit area is located 21 km from T/49P.

Unexploded Ordnance Explained

Unexploded ordnance (UXO) is ammunition which has been previously fired but was defective and did not function correctly at the time of use. These objects still have the potential to explode and therefore pose a risk to any person or object that comes into contact with them. UXO presence in offshore areas of Australia is a result of past military training activities that used live ammunition or the disposal (sea dumping) of waste materials into the marine environment.

The Federal Government Department of Defence classify offshore areas based on their potential to contain UXO. Both permit areas within the Otway exploration drilling program overlap with a historic air-to-air firing range which is now classified by the government as having a Slight Potential for UXO presence. Most ammunition used in this area are not highly explosive and considered low risk. Further, there is no overlap between the permit areas and offshore UXO sea dumping sites. The closest sea dumping site to either permit area is located 21 km from T/49P.

Risk Assessment

The risks associated with UXO were assessed to establish a 'UXO Risk Profile' for the permit areas. This risk profile considers the probability of encountering UXO, the probability of UXO detonation, and the consequence of detonation.

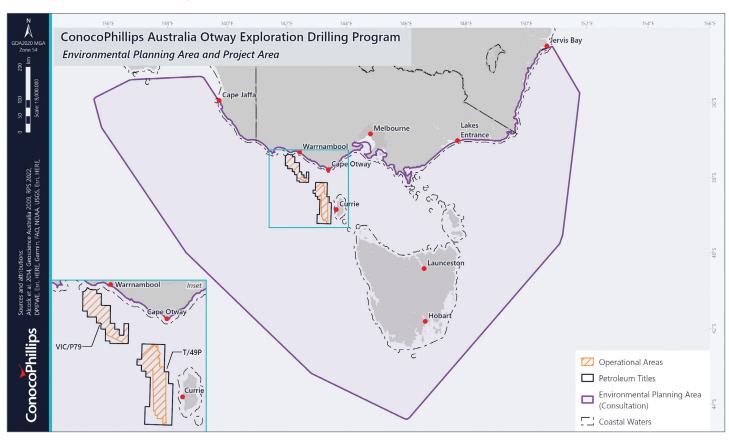
Encountering UXOs within the permit areas is considered low risk for all activities, except for some activities involving subsea equipment. The risk of a UXO being snagged by equipment, for example when collecting seabed samples, and subsequently being brought onto a vessel was assessed as Moderate.

Reducing Impact and Risk

ConocoPhillips Australia is taking action to reduce the risk of encountering UXOs and to minimise any impact in the unlikely event of interaction. Mitigation measures which will be evaluated in the Environment Plan include:

- Conducting seabed surveys using speciality equipment to detect the presence of metals and collect seabed images, to inform activities that interact with the seafloor or sediments.
- Delivering an explosives safety awareness briefing to personnel carrying out seabed survey and exploration drilling activities, and
- Maintaining on-call access to an explosives engineer to provide specialist advice in the unlikely event of UXO encounter.

Environmental Planning Area Map



Questions

and Answers

How will ConocoPhillips Australia determine when and where drilling will occur?

Drilling commencement is dependent on regulatory approval and drilling rig availability. The initial activity will involve seabed surveys and will commence no earlier than January 2024.

Specific locations for seabed surveys and exploration drilling are yet to be confirmed. ConocoPhillips Australia has undertaken to assess the environmental impacts and risks associated with seabed surveys and drilling activities that may occur anywhere within broader operational areas within petroleum titles T/49P and VIC/P79. This ensures that the impacts and risks associated with all potential survey and drilling locations are assessed.

ConocoPhillips Australia continues to interpret available data to prioritise and select final drilling locations with the highest likelihood of success. This process involves a careful balance of science, economics, and risk management to ensure that drilling efforts are safely executed with minimal impact to the environment.

What happens if ConocoPhillips Australia finds a UXO during the seabed surveys?

Prior to commencing work, ConocoPhillips Australia will ensure that an explosives safety and awareness briefing is provided to personnel carrying out seabed survey and exploration drilling activities. The briefings will allow the project team to plan the proposed works and deal with a suspicious item or UXO discovery incident.

In addition, ConocoPhillips Australia will maintain on-call access to explosives engineer who can provide real time assistance to drilling rig and vessel personnel in dealing with a potential UXO encounter.

What happens to marine life if a UXO is detonated?

The Department of Defence has advised that most of the ammunition used in this area are not highly explosive and the risk from this ammunition is negligible.

How does ConocoPhillips Australia work with the Department of Defence to ensure the safety of other marine users?

The Department of Defence has been identified as a relevant authority for the purposes of consultation during Environment Plan development. ConocoPhillips provides information on the type of activity and the locations and requests advice from the Department to inform their risk assessment process. This information has been supported by an additional military and UXO desktop study and risk assessment conducted for ConocoPhillips Australia by RPS Explosives Engineering Services in 2022, which assessed the risk associated with each type of munition that may be present and each pathway to exposure and confirmed a low risk of encountering UXOs within the operational areas.

Contact us

ConocoPhillips Australia values consultation and feedback and invites consultation with individuals, groups and organisations potentially affected by the proposed activities to help inform the development of the EP.

You are invited to provide feedback, request a meeting and ask questions on the proposed activity by contacting us in one of the following ways:

E: otway@conocophillips.com T: 07 3182 7122 PO BOX 1243, MILTON, QLD, 4064 conocophillips.com.au



