

**ASX ANNOUNCEMENT  
24 January 2005**

**Kogan North First Gas Sales  
First Surat Basin Coal Seam Gas Sales**

The Directors of Arrow Energy NL (Arrow) are pleased to advise that Arrow achieved its first sale of gas yesterday after gas was compressed, metered and delivered into the Roma to Brisbane pipeline at a rate of approximately 2 TJ/day from the Kogan North field yesterday afternoon.

This highly significant milestone for the Company, and the Surat Basin Coal Seam Gas (CSG) industry was achieved as part of the final commissioning of the Kogan North Central Gas Processing Facilities (CGPF). The sale was made to Queensland government owned CS Energy two months ahead of Arrow's contractual obligation to supply first gas. CS Energy is also a 50% upstream owner in the Kogan North field. The Kogan North Joint Venture has an agreement to supply 4 PJ per annum of gas to CS Energy from the Kogan North field for 15 years.

CSG production from the Kogan North field continues to ramp up. This field is currently producing over 2,000,000 cubic feet per day (2.11 TJ/d) with a progressive trend of production increase.

Arrow has achieved its first gas sale revenues just over 12 months from committing to the development of the Kogan North field and is the first company to commercialise CSG from the Surat Basin. Arrow continues to lead the industry in this basin with the most gross sales contracted, most gross sales Memoranda of Understanding and greatest number of identified potential projects.

This first revenue represents a major step forward towards Arrow's goal to become Australia's No.1 CSG producer with targeted gross sales of 45 PJ per annum by 2010.

For and on behalf of the Board of Directors

**JPK Marshall**  
Company Secretary

*This announcement has been approved by the board of Arrow and the technical information herein has been provided by a consultant (Dr R W Day) with more than 25 years experience in petroleum exploration.*

**For further information contact:**

Stephen Bizzell or Nick Davies

Phone (07) 3105 3400

Fax: (07) 3105 3401

E-Mail: [info@arrowenergy.com.au](mailto:info@arrowenergy.com.au)

Website: [www.arrowenergy.com.au](http://www.arrowenergy.com.au)

**Arrow Energy NL**

ACN 078 521 936

Level 13, 10 Eagle Street, Brisbane QLD 4000, Australia

GPO Box 5262, Brisbane QLD 4001, Australia

Telephone: 07 3105 3400 Facsimile: 07 3105 3401 Email: [info@arrowenergy.com.au](mailto:info@arrowenergy.com.au)