

GAS WATCH 56.

Pick the Sydney Gas lie.

1. **Sydney Gas has nothing to report. We are still awaiting results of our core hole testing.** Sydney Gas announcement to the Broke Bulga Community Consultative Committee on 25th November, 2008
2. **Sydney Gas has identified 25,000 petajoules of coal bed methane gas valued at about \$10bn in the Hunter.** Sydney Gas press release in time for its Annual General Meeting on 28th November.

You probably can't blame a publicly listed company from trying to ramp up its share price at the time of its Annual General Meeting; to try and make the company look like it is performing better than it is; to try and give shareholders some hope for the future; to be creative in its use of the truth.

Unfortunately for Sydney Gas the press release, and the round of radio and TV interviews arranged by the new Public Relations company employed by Sydney Gas, had the opposite effect with the share price dropping even further.

The share price at the time of the announcement was 18.5 cents. It fell to 16.5 cents the next day, and then to 15 cents the next day, settling at 15.5 cents on 3rd December. A massive volume of nearly 2 million shares were traded on 2nd December, compared to only 160,000 just before the Sydney Gas AGM.

This is the lowest Sydney Gas share prices have been for at least the last year. Could this have something to do with their being a history of Sydney Gas having, from memory, 26 directors since the year 2002, and about 8 CEOs during that time. No real continuity.

Is number 1 the truth? It could be, as even in its media announcement, Sydney Gas has a caveat on the announcement saying that there are still pilot wells to drill before they know whether or not they can extract any gas at all.

Is number 1 a lie? It could be, that is if the caveat in item 2 is a lie and they reckon they have completed their exploration. But why would they say that.

Is number 2 the truth? It could be, that is if it is a lie that Sydney Gas has not completed its exploration.

Is number 2 a lie? It could be, that is if Sydney Gas has really not finished its exploration and identification of flow rates of gas and the porosity and permeability of the coal seams. But we know they haven't finished that because they want to drill 9 test wells over the next couple of years.

Look, just work it out for yourself. It's a confusing mess. No wonder the share price is in turmoil.

What is clear is that Sydney Gas in its most recent advertising release:

- × Has failed to reveal any scientific support for its claim.
- × Has failed to reveal that to access any alleged deposit it must drill through water tables and aquifers, risking contamination and diminution of groundwater, water ways, the Wollombi Brook and possibly the Hunter River itself.
- × Has failed to reveal that it proposes to drill for gas within 300 metres of the Broke primary school.
- × Has failed to reveal that it has warned the Broke community of the risk of explosion from this test well.
- × Has failed to reveal its warning to the Broke community that if there was a gas leak from the well under the village of Broke, it wouldn't be identified until vegetation, lawns and gardens, started to wither and die, that happening about 2 years after the leak.
- × Has failed to report that methane gas has already seeped from wells drilled in Stratford into water bores 300 metres away and they had to be shut down.
- × Has failed to report that it has advised the communities of Broke and Bulga that, in the long term, the only jobs available will be for 1 or 2 nightwatchmen.
- × Has failed to report that the communities of Broke and Bulga are at one in their opposition to drilling through water tables, adjacent to towns and villages.
- × Has failed to reveal that it told the Community Consultative Committee two days before their current advertising, that it had nothing to report and that it was still assessing its core hole samples.

And they still won't agree to an Environmental Assessment of their immediate proposals.

**SYDNEY GAS COULD BE SHORTLY KNOCKING ON YOUR DOOR.
SAY "NO"**

**Free legal advice is available in relation to any proposals put to you by
Sydney Gas.**

Contact HB GAG Hunter Bulga Gas Action Group Inc. PO Box 120, BROKE 2330
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Share prices resulting from Sydney Gas announcement.

Date	Last	% Chan ge	High	Low	Vol *
02 Dec 2008	0.155	- 6.06%	0.165	0.150	1,979,983
01 Dec 2008	0.165	- 10.81 %	0.185	0.165	1,375,165
28 Nov 2008	0.185	0%	0.200	0.185	934,400
27 Nov 2008	0.185	12.12 %	0.195	0.165	749,853
26 Nov 2008	0.165	3.13%	0.165	0.160	160,000