

Office of the President

Thursday 23 March, 2006

Mr Shane Stone
Decket Pty Ltd
GPO Box 559
Darwin NT 0801

Dear Shane

Thank you very much for your report sent to me on 12th March 2006. The report along with the file left behind by my predecessors provides a helpful and fascinating insight into how Team Australia won in Guangdong.

Those associated with the NWS Venture recognise that the deal struck has had an impact at many points in the relationship with China. In particular, this year will see the historic first deliveries of LNG to China and the events around those deliveries will attract significant attention from the political leadership in both countries. At a different level we at the NWS must ensure that the contract operates successfully for mutual benefit.

Your report was reviewed by seniors within the Venture and we came to the conclusion that the Venture has established the relationships and achieved the profile necessary to ensure the successful execution of the agreement over its 25 year life. I believe we owe you a great deal in helping the Venture navigate its way around China in the early years. Whilst we do see added value in what you could continue to provide, we have concluded that our current activities do not warrant retaining you on an exclusive basis. For this reason, I believe it is in our mutual interest to terminate your current agreement effective 30th June 2006. I will be happy to attend to your invoice covering the period to that date.

As you point out you have a history in this deal unmatched by anyone else and you have a profile in China that can only be envied. There may come a time after 30th June when we need to consult with you on an ad hoc basis. As discussed with you we believe it is best to talk to you at the time to discuss availability and terms.

Regardless of any future arrangement I would like you to know that your significant contribution to the Venture's success in China is recognised and appreciated. I do hope that we have some significant events – these are still in preliminary planning

North West Shelf Australia LNG Pty Ltd.

A.B.N. 68 079 410 414

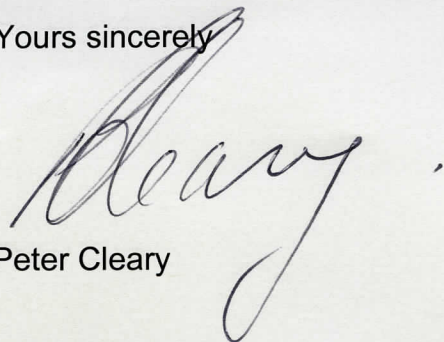
QV1 Building Level 29 250 St George's Terrace Perth Western Australia 6000

Telephone: (61 8) 9213 4670 Facsimile: (61 8) 9213 4671

E-mail: companyinfo@nwsalng.com URL: www.nwsalng.com

stages - to celebrate the first deliveries this year and I hope to be able to extend you an invitation to one of them. In the meantime I plan to find my way to Darwin so we have the opportunity to meet again.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Cleary', with a large, sweeping flourish extending downwards and to the right.

Peter Cleary