

## PRESS RELEASE

**Veolia Water wins €650 million coal gas contract**

Paris, April 15, 2013 – QGC, a 100% subsidiary of BG Group, has just signed a 20-year contract with Veolia Water to manage the three water treatment plants at its coal gas production sites in the Surat Basin, southeast Queensland (Australia).



Following the international call for proposals published by QGC, a 100% subsidiary of BG Group, one of the world's leading oil and gas companies, Veolia Water won an estimated cumulated total turnover of €650 million contract to treat and recycle the water from the coal gas wells. This 20-year contract also includes an option for a five-year extension.

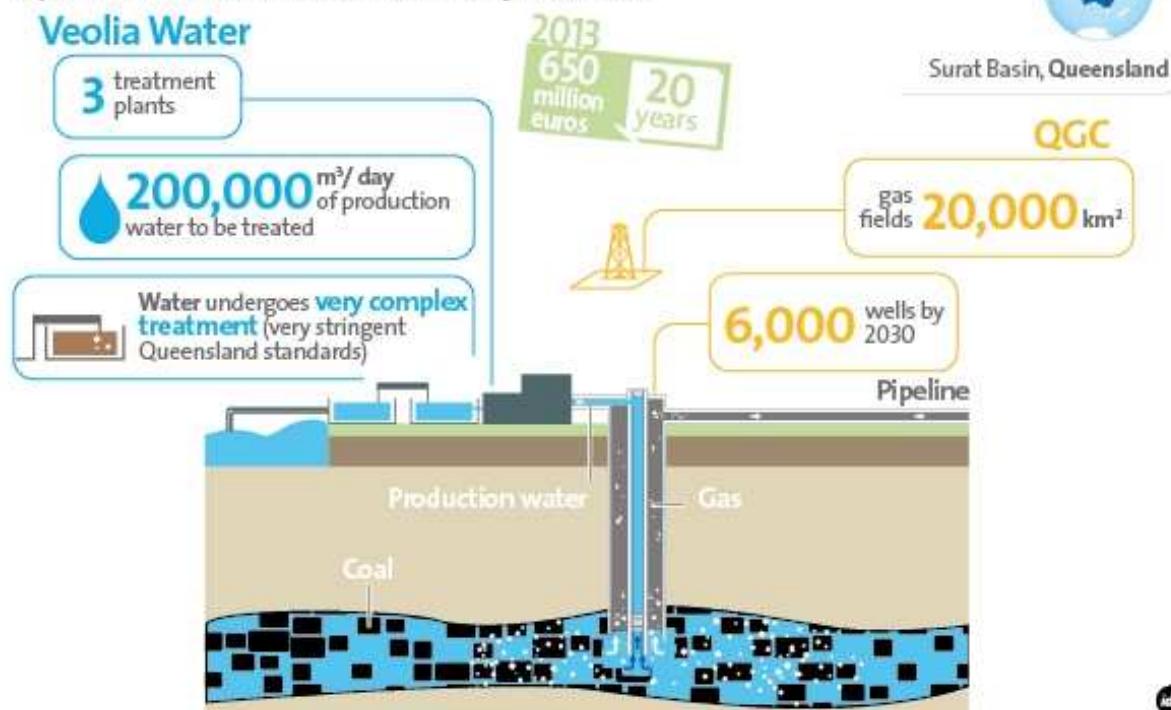
Competing against three other service companies, Veolia Water was selected by QGC because of its unique expertise in managing the complete production water treatment cycle in the complex area of non-conventional hydrocarbons. Veolia Water's solid presence in Queensland was also a deciding factor in winning this contract.

Starting in June 2013, Veolia Water will be responsible for managing the three water treatment plants at the Surat Basin coal gas extraction site. The gas field operated by QGC covers an area of 20,000 km<sup>2</sup> and includes plans for drilling 6,000 wells by 2030. Veolia Water will treat the production water from these 6,000 wells as they enter production. In all, almost 200,000 m<sup>3</sup> of production water will be treated each day with the ongoing guarantee of very high quality at the plants' outlets.

With a high salt content, the production water – pumped up from the wells together with the methane – must undergo complex treatment before being reused by industrial or agricultural applications. The waters must comply with the stringent standards applied by the Queensland government.

## Veolia Water: a major contract in Australian coal gas sector

QGC has chosen Veolia Water over three other companies because of its unique expertise in the area of non-conventional hydrocarbons



"For Veolia Water, the non-conventional gas market will be one of the most active segments in the coming years," says Régis Calmels, Senior Executive Vice President in charge of Asia. "There will be major opportunities in Australia which has the world's third largest coal; gas deposits after the United States and Canada. In Australia, the Queensland deposits are among the biggest of any of the continent country's states."

QGC which has already invested a lot in Australia since 2008, is stepping up a gear. It intends financing a project to extend coal gas extraction in the Surat Basin and build a gas liquefaction plant on the east coast 540 kilometers away. Called the Queensland Curtis LNG Project, it will convert the coal gas into liquefied natural gas. This LNG will then be exported to the Asian (Japan, China and Singapore) and Chilean markets, where the demand for energy is constantly on the rise.

"This operation contract is one of the largest we have ever signed with an industrial concern," says Jean-Michel Herrewyn, Chief Executive Officer of Veolia Water. "It is recognition of our expertise in the highly technical area of non-conventional gases and gives a major boost to our new strategy of achieving 50% of our revenues with industry clients. Given growing energy needs and increasing awareness of environmental responsibility, I have no doubt that, Veolia will be signing more and more contracts of this type."



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**Veolia Water**, the water division of Veolia Environnement, is the world leader in water and wastewater services. Specialized in outsourcing services for municipal authorities, as well as industrial and service companies, it is also one of the world's major designers of technological solutions and constructor of facilities needed in water and wastewater services. With 89 094 employees, Veolia Water provides water service to 100 million people and wastewater service to 71 million. Its 2012 revenue amounted to € 12,078 billion. [www.veoliawater.com](http://www.veoliawater.com)

**Veolia Environnement** (Paris Euronext: VIE and NYSE: VE) is the worldwide reference in environmental solutions. With 220,000 employees\*, the company has operations all around the world and provides tailored solutions to meet the needs of municipal and industrial customers in three complementary segments: water management, waste management and energy management. Veolia Environnement recorded revenue of €29.4 billion\* in 2012. [www.veolia.com](http://www.veolia.com)

(\* ) Excluding VeoliaTransdev employees and revenues currently under divestment

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