



*The Hon Ian Macfarlane, Minister for Industry,
Tourism and Resources*



Australian Government supports petroleum exploration

Dear Petroleum Explorer,

There are many sound commercial reasons to Explore Australia.

The Australian Government is a long-time champion of the petroleum exploration industry and recognises that national economic, regulatory and policy settings are often critical to petroleum exploration decision-making and planning.

Exploration, especially for oil in frontier areas, is a priority for Australia.

In August 2006, the Prime Minister announced important new funding to foster frontier petroleum exploration, including:

- \$76 million over five years to expand Geoscience Australia's Big New Oil program of seismic acquisition, data enhancement and access. This frontier effort will cover more than 2 million square kilometres; a three-fold expansion of the former program; and

- \$59 million over five years to identify potential onshore energy sources.

Petroleum explorers will continue to benefit from other important initiatives.

Geoscience Australia will continue to provide explorers with access to up-to-date, high-quality pre-competitive geoscientific datasets for prospective offshore areas.

To encourage exploration in frontier areas, pre-appraisal exploration expenditure in Designated Frontier Areas continues to attract a 150 per cent deduction for Petroleum Resource Rent Tax determination.

The Australian Government encourages foreign investment for exploration and is committed to the creation of a prosperous exploration industry.

I welcome you to Explore Australia.

**The Hon Ian Macfarlane
Minister for Industry,
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