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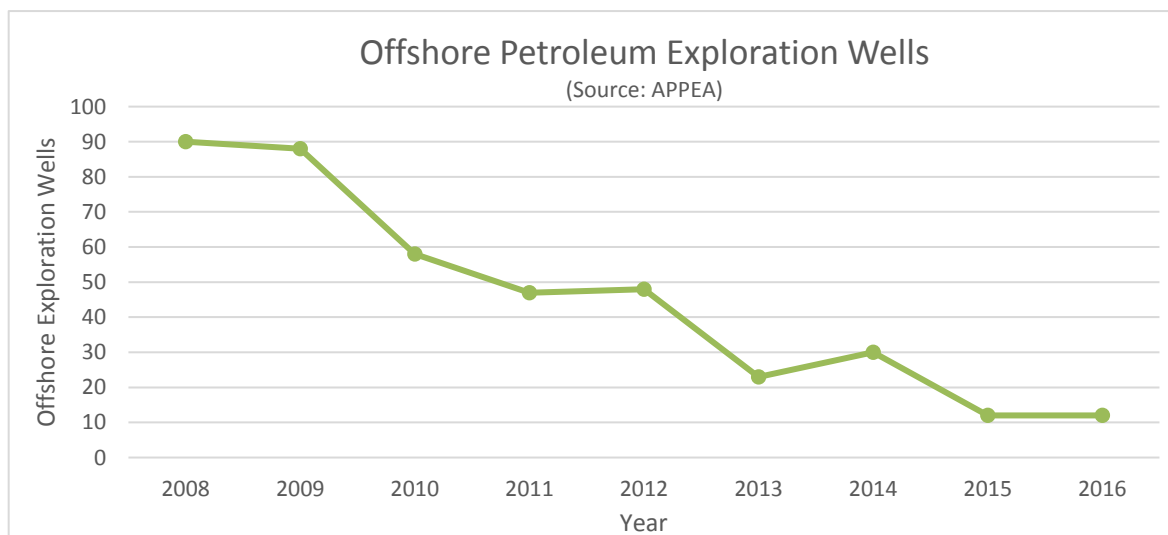
## Disturbing trend of falling exploration continues

The results from the latest rounds of bidding for offshore petroleum exploration acreage, released today, confirm a deepening problem for Australia.

“The results announced today will surprise and alarm people across the industry,” said APPEA Chief Executive Dr Malcolm Roberts.

“With just one bid in the first round of releases in 2016, offshore exploration is in dire straits.

“We are witnessing something more fundamental than just a passing, cyclical downturn. Offshore exploration has been in steady decline for many years, despite strong commodity prices until recently.



“We are already feeling the effects of this decline. Australia’s oil production is at its lowest level since the 1960s.

“A combination of pressures is stifling the exploration needed to keep Australia’s oil and gas industry growing and competitive. Urgent action is needed to reverse this trend.

“Containing unnecessary regulatory costs and time delays is essential.

“Policymakers should not lose sight of the fact that investment capital is scarce and will always go to the best commercial prospects. Australia needs to maintain a stable, attractive policy environment in key areas such as tax and environmental regulation.

“As a starting point, the Commonwealth should quickly implement the key findings from its Offshore Resource Management Review. APPEA supports further work to develop practical options to promote exploration in promising underexplored and frontier areas.

“There are no easy solutions that will deliver a quick turnaround. But governments must recognise that business as usual will not deliver the new reserves needed to sustain and grow one of Australia’s most important industries.”

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