To: Company Announcements Office
    ASX Ltd

From: Company Secretary

Date: 3 June 2008

Subject: Santos Investor Seminar Presentation

Please find attached the Santos Investor Seminar Presentation which was given in Sydney today.

James Baulderstone
Company Secretary
Disclaimer & Important Notice

This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

All references to dollars, cents or $ in this document are to Australian currency, unless otherwise stated.
Introduction
Strategy

Base Business
Eastern Australia Gas
Western Australia Oil & Gas
Cooper Basin Oil

LNG
Growth in LNG
CSG Assets
Gladstone LNG
PNG LNG & Darwin LNG

Asia
Asia Growth & Exploration

Outlook

Wrap Up

David Knox
Rick Wilkinson
Roger Kennett
Mark Macfarlane
David Knox
Mark Macfarlane
David Knox
John Anderson
Trevor Brown
Peter Wasow
David Knox
An Australian Company Providing Energy for Asia

Through:

- Delivering the base
- Tapping our resource riches
- Being a great place to work

...and do it all safely and sustainably to deliver a superior shareholder return
Energy World

Fundamentally

- Unprecedented Asian economic growth driving energy demand
- Rising CO₂ emissions
- Security of supply becoming incredibly important

To meet energy needs while reducing emissions...

- **Gas** must have an increasing share of the fuel mix
- **Unconventional** energy supplies must complement conventional
- **Prices** need to remain high to ensure supply/demand equilibrium
Fundamental Shift Globally

An Australian company providing energy for Asia

Growth in Primary Energy Demand (2000 – 07)

Map Source: NASA
Chart Source: BP 2007 Statistical Review
EA CSG: Globally Significant Play in an Access Constrained World

Map: BP statistical review, June 2007, journals
Pie Chart: Adapted from PFC Energy

Proven gas reserves (bboe) Proven oil reserves (bbl) Unconventional gas (bboe) economically recoverable Proven unconventional oil (bbbl)*3P

Partial list for comparison
Expanding on our 10-year presence in Asia,
Santos will help meet the in-country gas needs of Indonesia, Vietnam, and India/Bangladesh (Bay of Bengal) and develop oil for domestic & global markets.

With our emerging presence in LNG,
Santos will deliver reliable LNG from multiple conventional (DLNG, PNG) and CSG (GLNG) sources.

Extending its 50-year history of reliably serving Australia, Santos will in:
- Gas: help meet low emission needs with our conventional and rapidly growing cupboard of unconventional sources
- Oil: supply into global shortage

In Australia
In LNG
In Asia
Will Achieve Strategy Through Delivery

Using quality assets in an extensive footprint, Santos will safely deliver:

**Reliable base business in Australia:**
- **Eastern Australia:** price and volume growth
- **Cooper Oil:** high-value scaleable exploitation opportunity
- **WA:** exploit asset position

**Significant growth in LNG:**
- **GLNG:** transformational growth
- **PNG:** project underpinned by high quality gas reserves
- **DLNG:** brownfield LNG growth

**Focused growth in Asia:**
- **Indonesia:** steady business with incremental growth
- **India/Bangladesh:** Bay of Bengal
- **Vietnam:** first oil by end 2010, expansion opportunities
Delivered into Higher Pricing

Continuing high oil prices
West Texas Intermediate

LNG oil parity in Asia

LNG linked pricing in Western Australia

Closing arbitrage in Eastern Australia gas

Source: Woodmac, Global LNG Tool, Bloomberg, Santos
Track Record in Operational Delivery

Continuous improvement in sustainability scorecard

Total Recordable Case Frequency Rate

Number of wells drilled

Continuous improvement in sustainability scorecard

Santos
Summary: Santos “Beyond the 2P”

Cooper Gas – opportunity from improved recovery as prices re-rate

Cooper Oil – pursue high value scalable exploitation opportunities

Tirrawarra Oil / MCS1 – application of global technology to local opportunity

Cooper Tight Gas – next phase of unconventional growth

Near term oil development in Chim Sao/Dua

Significant oil prospects in Vietnam

Near-term oil and gas development in Oyong and Wortel

Multiple TCF gas prospects in Bay of Bengal

PNG LNG – Expansion opportunities

PNG LNG – significant project underpinned by world class gas reserves

DLNG expansion – multiple pathways for brownfield expansion

Ichthys – good prospect in great neighbourhood

GLNG – continuous multi-TCF reserves bookings, exploiting world class scalable CSG assets with leading LNG partner

Gunnedah – future growth from multi-TCF quality assets

Price growth – arbitrage between domestic and export markets close

Volume growth – gas-fired power generation in CO₂ constrained world

Gunnedah – future growth from multi-TCF quality assets

Volume growth – gas-fired power generation in CO₂ constrained world

Asian Growth

LNG

Australia Base
Delivery of Australian Base Business
Eastern Australia Gas

Rick Wilkinson
Vice President - Commercial
Demand for Eastern Australia Gas

Demand will more than double within 10 years...

Planned LNG Projects

Carbon driven fuel switching

10 Year Historic Average

Source: NEMMCO, Santos, company announcements

...driven by government carbon policy and LNG export

Santos
Increasing Value of Gas due to Carbon

**Impact of carbon cost on electricity prices**

- **Implied gas price increase**
  - CCGT: $+5.00
  - Dry Brown Coal: $+3.50

Source: Santos, SKM
Energy Market Differentials

Prices available in domestic and export markets

- Average Asian LNG Price (1)
- Domestic Australian netback range (2)

Santos average realised gas price

(1) Source: Argus Monthly LNG (average of Japan, Taiwan & South Korea ex-ship spot and contract prices)
(2) Netback determination uses Santos assumed range of costs for shipping and liquefaction
Combination of higher gas price, vast resource volumes and production technology advancement has resulted in substantial growth in North American unconventionals.

Source: Bloomberg, Oil & Gas Journals
Conventional Reserves Grow in Cooper as Prices Rise

Expectation of higher gas prices combined with liquids...

- Cooper gas reserves at commercial not technical recovery limits
- Material reserves growth achieved in analog North American basins
- Critical factors that led to North American success potentially exist in the Cooper Basin
- Program underway to quantify upside reserve potential from Cooper Basin

...could result in material Cooper Basin reserves increase
**Impact on Unconventional Cooper Gas Resources**

**Measured and considered program to define potential**

- USA unconventional gas production has doubled since 1992
- STO mean prospective resource > 7 TCF
- High graded 3 play types coincident with conventional reserves in Moomba
- 5 “tests of concept” projects
  - Gas saturation in all 3 plays
  - Moveable gas in 2 plays - 1 yet to be tested
  - Expenditure to date is $30m
- Deep coal frac flowing gas to surface
- Potential for first contingent resource booking in 2008

Moomba 77 – Coal Frac, 100,000 scf/d, 9000 ft

Gross gas thickness ~ 1600 feet
Capturing the Infrastructure Value

Santos has the premier gas supply infrastructure position to benefit from increasing price volatility

**VENCorp Daily Spot Price**
(1st June 07 – 30 May 08, Interval 2)

Source: VENCorp
Demand for Eastern Australia gas will more than double within 10 years

Prices will increase as:
- Arbitrage closes between domestic and export markets
- Carbon is valued into domestic power generation

This price increase will drive conventional reserves and unconventional resources growth in the Cooper Basin

Santos’ premium infrastructure position is poised to take advantage of increasing price volatility
Western Australia Oil and Gas

Roger Kennett
Vice President - Operations
Exploit favourable asset position...

- 22% 2008-2010 Production
- 22% of Santos YE07 2P Reserves
- Oil:
  - Production and redevelopment options to enhance production (Stag, Barrow and Mutineer - Exeter)
- Gas:
  - John Brookes and Reindeer
Western Australia domestic gas pricing...

**Current Contracting trends**

- No Caps
- No Collars
- No Floors
- Full floating, liquids linkage

**Western Australia Gas Pricing Trend**

Gas Price vs. Time
Reindeer Development

Fast-tracking discovery...

- 45% WI, Apache operator
- FID achieved 2Q08
- CAPEX $379m (net)
- First gas end 2010
- 400-600 bcf resource
- Rate ~90mmscf/d (net)
- Substantial market opportunity

...to exploit current gas price
Cooper Basin Oil

Mark Macfarlane
Vice President - Development
Future scale of program will be determined by economics ...

- Results from low permeability reservoirs disappointing
- Success in deeper / higher rate reservoirs
- Optimising target selection whilst rebuilding inventory
- 2008 drill results substantially better than 2006/7
- 75 wells in 2008, F&D ~$45/bbl
Enhanced Oil Recovery

Application of global technology locally ...

- Successful CO$_2$ flood analogies
  - North/South Cross, USA
  - Incremental 30-40% Recovery Factor

- Santos Tirrawarra field
  - Similar permeability range, better oil properties
  - Wider spaced wells, twice the depth
  - Lower recovery factor

Complexity/Cost

North Cross CO$_2$ Flood
Moomba Carbon Storage (MCS) Phase 1

Ability to inject to 1 mmtpa CO$_2$ ... 

- Previous experience with successful ethane injection in Tirrawarra
- Raw gas injection pilot in Fly Lake to start in 2H 2008
- Current Tirrawarra recovery factor low
- Potential incremental 10-50 mmboe including gas/gas liquids from EOR
- Dedicated team working pre-FEED now
  - Drawing on international expertise

... is the beginning of the MCS journey
## Eastern Australia Gas - Milestones

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<td>Fairview CSG 115 TJ/Day</td>
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- **Pre-production**: Blue line
- **Production**: Green line
- **Milestone**: Yellow diamond

### Project Milestones
- **Fairview CSG 115 TJ/Day**
  - Discovered July 2005
  - FEED
  - FID
  - Startup
- **Henry (VIC/P44 Stage 2)**
  - Discovered 1986
  - FEED
  - FID
  - Startup
- **Kipper**
  - Discovered 1986
  - FID
  - Startup
- **Patricia-Baleen Plant Upgrade**
  - Pre-FEED
  - FEED
  - FID
  - Startup
- **Exploration**
  - Jarver & Pecten East Wells
  - Netherby Well
## WA & Cooper Oil - Milestones

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</table>

- **Reindeer**: Discovered 1997, FEED, FID, Startup
- **Cooper Oil**: Pre-FEED, FEED, FID, Startup
- **Jackson to Moomba Pipeline**: Pre-FEED, FEED, FID, Startup
- **Exploration**: Charon Well

### Milestones

- **Pre-production**
- **Production**
- **Milestone**
Growth in LNG

David Knox
Acting CEO
2020 LNG Growth Aspiration

Legend
- LNG Plant
- STO Relative Size
- Exploration
- Development
- Production

Aspirational LNG Production by 2020:

<table>
<thead>
<tr>
<th>LNG Type</th>
<th>Gross (Mtpa)</th>
<th>STO (Mtpa)</th>
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<tbody>
<tr>
<td>GLNG</td>
<td>10</td>
<td>6</td>
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<tr>
<td>PNG LNG</td>
<td>10</td>
<td>1.8</td>
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<tr>
<td>DLNG</td>
<td>6</td>
<td>&lt; 2</td>
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<tr>
<td>Browse LNG</td>
<td>10</td>
<td>&lt;0.5</td>
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## Santos Operations

**DLNG1 & Bayu-Undan**
- Santos: 11.4%

**DLNG2**
- Santos (Op): Petrel, 95%
- Santos (Op): Tern, 100%
- Santos (Op): Evans Shoal, 40%
- Santos: Barossa Caldita, 40%

**Browse LNG**
- Santos (Op): WA-274-P, 30%
- Santos (Op): WA-281-P, 47.83%

**PNG LNG**
- Santos: 17.7%

**GLNG**
- Santos (Op): 60%
Burgeoning Australian CSG Industry

Australian CSG production growth is following a similar pathway to the more established CSG resources in the USA

- Key metrics of the USA CSG industry include:
  - 20 producing basins
  - 40,000 producing wells
  - Average 0.1 mmscf/d/well
  - 9% of USA production
  - San Juan producing for 20 years (14 Tcf recovered to date)

- Australian CSG is on the same journey although with better quality assets
  - 3 producing basins
  - Average 0.7 mmscf/d/well
  - 25% of the Eastern Australian gas market
  - The limiting factor on Australian production to date has been the size of the domestic market
Santos CSG Assets are World Class

Fairview, Roma and Scotia rank them amongst the world’s best CSG assets

<table>
<thead>
<tr>
<th>Field</th>
<th>Gas Content</th>
<th>Permeability</th>
<th>Saturation</th>
<th>Flow Rate</th>
<th>Spacing</th>
<th>GIP/Well</th>
<th>Coal Thickness</th>
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- Continued development at Fairview and Roma may indicate there is more to come

Source: JPT February 2008, Santos
CSG Reserve Development – Key Milestones

PROPECTIVE RESOURCE
- Geological review

CONTINGENT RESOURCE
- Core holes
- Geological review
- Seismic

1P
- Development wells

2P
- Pilot wells
- Development wells
- Field development

3P
- Core holes
- Pilot wells

Qld
- 21,000 PJ
- 7,523* PJ
- 2,911* PJ
- 1,035* PJ
- 427* PJ

GD
- 40,000 PJ

GD: Gunnedah

*Adjusted for 40% Sell Down
Santos’ Leading CSG Acreage Position

**Denison**
- 0.8 million acres (net)
- Exploration stage
- Same coals as Fairview

**Greater Roma**
- 1.4 million acres (net)
- High quality resource
- Active pilot program

**Gunnedah**
- 5.1 million acres (gross)
- 20 core holes in 18 months
- Leverage to NSW markets or potential longer term LNG

**Greater Scotia**
- 0.5 million acres (net)
- 27 TJ/d production
- Production since 2002

**Greater Fairview**
- 0.8 million acres (net)
- 72 TJ/d production
- Wells up to 10 TJ/d

Santos has captured 50-70 Tcf of potential resource
Production Delivery

CSG production capacity is not constrained by well capacity

Total Santos Operated CSG Sales Capacity Growth (gross)

- Santos is on target to deliver 145 TJ/d CSG sales by Jan 2009
Recently Drilled Fairview Wells

Gas flows from recently drilled wells delivering world class rates

Fairview Wells Max Rate > 1mmcf/d
Outstanding Drilling Performance

Since Q3 2007 drilling time has halved

![Diagram showing drilling time over the quarters from Q3 2007 to Q2 2008. The drilling time has shown a steady decrease, halving by Q2 2008.]
We have what’s Needed for Success

Santos has the rigs, equipment and the crews required to execute the field appraisal and development plan

- We have the rigs required to meet our target wells forecast
- The first of three new CSG drilling rigs
Diversified water management strategy is being implemented

- **Reverse Osmosis**
- **Injection Well**
- **Cropping**
- **Community Use**
Gunnedah Basin

40TCF prospective resource...

- Santos has secured access to majority acreage positions (up to 21,000 km² gross)
- Quality and material land position to allow building of major new business
- All Santos operated
- Up to 20 coreholes in next 18 months
- Contingent gas resource, first booking expected in 2009
GLNG™: Responds to Observable Trends

GLNG™

- World class unconventional reserves to fulfil
- Growing Asia Pacific demand for LNG
- From a secure supply source in Australia
- To capture rising price of scarce energy

Curtis Is. Proposed LNG Facility

Gladstone 5 km

Scotia

Fairview

Roma

Queensland

Brisbane
## The Transaction Announced

<table>
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<th>Partner</th>
<th>PETRONAS a global top 3 LNG producer with more than US$50 billion in annual revenue</th>
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<tbody>
<tr>
<td>Amount</td>
<td>US$2.508 billion consisting of US$2.008 billion plus US$500 million upon FID of GLNG™ Train 2 using JV gas</td>
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<td>Participation</td>
<td>40% interest in Integrated Project</td>
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<td>Alignment</td>
<td>Santos and PETRONAS fully aligned across the value chain: upstream resource, development, operation and LNG marketing</td>
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<td>Operator</td>
<td>Santos to continue as upstream operator Joint operating company will develop and operate the pipeline and LNG plant and undertake marketing</td>
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<td>Assets</td>
<td>Structure ensures assets and revenues held directly by Santos and PETRONAS</td>
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<td>Completion</td>
<td>Expected to close within 3 months</td>
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GLNG™ JV - Upstream Assets

GLNG JV Acreage

Fairview (PLs 90, 91, 92, 99, 100 & 232)
- Santos operated with a 79.5% working interest decreasing to 68.5% after project payout
- Acquired by Santos in 2005 with an established production history of over 14 years

Greater Fairview (Arcadia) (PLs 233, 234, 235 & 236; ATPs 526P and 653P)
- PLs 233, 234, 235, 236; ATP 526P: 79.5% working interest decreasing to 68.5% after project payout

Roma (PLs 3, 4, 5, 6, 7, 8, 9, 13 & 93; PLAs 250 & 251; ATP 336P (Roma South) & ATP 631P (North))
- Up to 100% Santos owned and operated
- Direct access to gas market via Wallumbilla hub
GLNG™ 2 Train Gas Profile: 10,830 PJ

Fuel Gas 1080 PJ

2 Train Gas Sales 8500 PJ

PJ/y

Domestic Contracts
LNG Exports
New Domgas
Pipe / LNG Plant Fuel
3.0 Mtpa
6.0 Mtpa

Santos
Transaction Underpins Santos’ CSG Value

Santos’ Coal Seam Gas Reserves and Resources

<table>
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<th>PJ (as of end 2007)</th>
<th>2P</th>
<th>3P</th>
<th>Contingent resource¹</th>
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<td>YE 2007 total CSG reserves</td>
<td>1,573</td>
<td>4,511</td>
<td>10,492</td>
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<td>Sold to PETRONAS</td>
<td>538</td>
<td>1,600</td>
<td>2,969</td>
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<td><strong>Remaining CSG reserves</strong></td>
<td><strong>1,035</strong></td>
<td><strong>2,911</strong></td>
<td><strong>7,523</strong></td>
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</table>

¹ Contingent resource is defined as the high side (3C) contingent resource estimate

- Transaction value US$2.508 billion
- Santos retains approximately 70% of its CSG reserves and resources
- Santos retains approximately 89% of its total 2P oil and gas reserves
## Creating Significant Value for Santos

| ✓ | Validates GLNG Project Leading CSG to LNG project |
| ✓ | Re-rates existing CSG resource |
| ✓ | Enhances GLNG™ project delivery via PETRONAS strength of technical expertise and market position |
| ✓ | Simple deal structure – 60/40 alignment across the integrated project |
| ✓ | Enhances LNG marketing strategy – PETRONAS has delivered 5,500 on-time cargoes |
| ✓ | New valuation benchmark for gas in Eastern Australia |
PETRONAS: A Leader in LNG

Number 3 globally in LNG and number 1 in Asia

- PETRONAS operates the PETRONAS LNG complex, the world’s largest single integrated LNG facility with a total capacity of 23mtpa from 8 LNG trains.
- PETRONAS is also a partner in the ELNG Project in Egypt with a capacity of 7.2mtpa from 2 LNG trains.
- PETRONAS has delivered over 5,500 cargoes from the PETRONAS LNG complex in Malaysia.
- PETRONAS is the world’s largest owner-operator of LNG ships.

Source: PETRONAS
### GLNG™ Project Progress Summary

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>2008</td>
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<td>2009/10</td>
<td>FID</td>
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<tr>
<td>2014</td>
<td>First Gas</td>
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- ✓ Freehold land acquired for liquefaction facilities
- ✓ Significant project status awarded
- ✓ Environmental applications lodged
- ✓ Pre-FEED by Foster Wheeler and Bechtel
- ✓ PETRONAS selected as partner
Santos: Leading the way in CSG to LNG

- PETRONAS selected as partner, acquires 40% interest in GLNG™ for up to US$2.508 billion
- Sets new valuation benchmark for gas in Eastern Australia
- PETRONAS is the leading Asian LNG company
- Gladstone LNG is the leading LNG project in Queensland
- Choice of leading Asian company for flagship project is tangible demonstration of Santos’ vision
- Santos is positively positioning itself to work with Asian NOC’s
PNG LNG & Darwin LNG

John Anderson
Vice President - Strategic Projects
PNG LNG Builds Momentum

PNG LNG is moving toward final investment decision...

- Pre FEED work on two train 6.3 mtpa plant
- Marketing Representative Agreement
- Coordinated Development and Operating Agreement
- Gas Agreement
- FEED Entry Decision
- Marketing commenced
- Finance strategy 4Q 08
- Buyer Heads of Agreement 4Q 08
- Final Investment Decision 4Q 09

Legend:
- Gas processing facility
- Oil pipeline
- Gas pipeline
- Condensate pipeline
PNG LNG Expansion Options

- **De-bottlenecking expected:**
  - Typically 8 - 15% capacity increase

- **Train 3 of 3.15 mtpa:**
  - Existing pipeline, roads, bridges
  - Existing LNG site and jetty
  - Hides is key supply source for T3
  - T3 is a real project opportunity

...an important project to Santos’ growth story
Bayu-Undan and Darwin LNG

Base project continues to deliver with potential upside unfolding...

- De-bottlenecking/mini LNG expansion (studies underway)
- Commercial tolls on any infrastructure used by 3rd party projects
- Santos’ uncontracted reserves to potentially play into new LNG projects
- Spot cargo opportunities
- Enhanced liquids recoveries through 2nd phase drilling campaign (2009-10)

Santos equity increased to 11.39% in 2007
Multiple Pathways to Growth

Timor Bonaparte
- A new LNG train in Darwin - 3-4 mtpa
- Floating LNG - 1-2 mtpa

Browse
- Ichthys North Q3 2008 drill
- Unitisation with existing LNG plans a real possibility
Recent Activity Confirms Acreage Scarcity

Major parties enter Timor Bonaparte/Browse confirming LNG scarcity...

Legend
- Santos acreage
- Other acreage
- Oil field
- Gas field
- Oil pipeline
- Gas pipeline

Santos
## LNG Growth - Milestones

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</table>

- **Gladstone LNG**
  - Hides Field Discovered 1987
  - Pre-FEED: 2005
  - FEED: 2006
  - FID: 2008
  - Startup: 2015

- **PNG LNG**
  - Hides Field Discovered 1987
  - Pre-FEED: 2005
  - FEED: 2006
  - FID: 2008
  - Startup: 2015

- **DLNG 1 (Bayu Undan)**
  - Discovered 1995
  - Startup: 2015

- **Browse**
  - Ichthys North 1 Well Drilled: 2005

Legend:
- Pre-production: Blue
- Production: Green
- Milestone: Yellow Diamond

**Santos**
Asia Growth & Exploration

Trevor Brown
Vice President – Geoscience and New Ventures
Global Acreage Position & Production Base

2004
- Net Area: 92,000 km²
- Exploration: 4 Countries
- Production: 3 Countries

2008
- Net Area: 130,000 km²
- Exploration: 8 Countries
- Production: 4 Countries

Increasing Asia Focus
Execution of Focused Strategy

Legend
- Expl/Prodn
- Material gas and growth markets

- Expl/Dev/Prodn
- Near-medium term oil and gas

2008

Egypt
Kyrgyzstan
India
Bangladesh
Vietnam
Indonesia
PNG
Australia

Exploration
Production
Vietnam

- Prospective, lightly explored basins
- Multiple, material play types
- Oil and gas potential
- Rapidly growing markets
- Strong regulatory regime

Legend
- Santos acreage

Song Hong Basin
- 101-100/04 PSC

Phu Khanh Basin
- 123 PSC

Nam Con Son Basin
- 12W PSC
Vietnam – Nam Con Son Basin

Two oil discoveries, with follow-on opportunities

- Chim Sao/Dua (STO 37.5%)
  - Reservoir and facilities studies underway
  - Project sanction in 2H 2008
  - Expression of interest prepared for FPSO supply
  - Target first oil in 2010

- Exploration wells commence June 2008
Bay of Bengal – India / Bangladesh

- Material Gas targets
- Enormous, underexplored, prospective tertiary delta near rapidly emerging markets
- India
  - PSC’s signed March 2007
  - 17,250 line km seismic survey completed – currently processing
- Bangladesh
  - Acquisition of interests Oct 2007
  - Production optimisation at Sangu
  - Appraisal planning for gas discoveries
  - Bids submitted for offshore blocks
Indonesia

- Stable base production
  - Oil (Oyong)
  - Gas (Maleo)
- Near field development opportunities
- Strengthening domestic gas market
- Exploration upside
Indonesia – Oyong & Wortel

- **Oyong Phase 1 (oil)**
  - First oil achieved in September 2007 at ~8,000 bopd
- **Oyong Phase 2 (gas and oil)**
  - 60km pipeline to Grati
  - Gas sales to PT Indonesia Power
  - Engineering and construction in progress
  - First gas Q3 2009
- **Potential Wortel synergies**
  - Infill seismic acquired in 2007
  - Development planning in progress – potential tie back to Oyong
  - First gas targeted in 2010
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</table>

**Legend:**
- **Pre-production**
- **Production**
- **Milestone**

**Santos**
Banjar-Panji Update

- Area impacted remains ca. 650 hectares

- Current funding
  - **Infrastructure:**
    - Government of Indonesia
  - **Land and buildings:**
    - Minarak Lapindo Jaya
  - **Santos PSC spend:**
    - US$29.4m
  - WALHI legal case rejected (being appealed)
  - Santos provision: US$79.0m
2008 Guidance

Peter Wasow
Chief Financial Officer
Outlook for 2008

Initial guidance maintained

- **Production**
  - Initial 2008 guidance maintained at 56-58mmboe
  - Assuming GLNG sale is effective 31 Aug -0.5mmboe
  - Guidance including sale 55.5-57.5mmboe

- **Costs**
  - Initial production cost guidance maintained at $60 million more than 2007
  - Assuming GLNG sale is effective 31 Aug $57 million more than 2007
  - DD&A guidance maintained at $12.30/boe (no change)

- **Capital expenditure**
  - Initial capital expenditure guidance maintained at $1,500 million
  - Assuming GLNG sale is effective 31 Aug -$75 million
  - Guidance including sale $1,425 million
Wrap up

David Knox
Acting CEO
Santos “Beyond the 2P”

- **Tirrawarra Oil / MCS1** - application of global technology to local opportunity
- **Cooper Oil** - pursuit high value scalable exploitation opportunities
- **Cooper Gas** - opportunity from improved recovery as prices re-rate
- **Cooper Tight Gas** - next phase of unconventional growth
- **Infrastructure** - utilising footprint as gas market decouples
- **Near term oil and gas development in Oyong and Wortel**
- **Near term oil development in Chim Sao/Dua**
- **Significant oil prospects in Vietnam**
- **Multiple TCF gas prospects in Bay of Bengal**
- **PNG LNG** - expansion opportunities
- **PNG LNG** - significant project underpinned by world class gas reserves
- **GLNG** - continuous multi-TCF reserves bookings, exploiting world class scalable CSG assets with leading LNG partner
- **Ichthys** - good prospect in great neighbourhood
- **DLNG expansion** - multiple pathways for brownfield expansion
- **Gunnedah** - future growth from multi-TCF quality assets
- **Price growth** - arbitrage between domestic and export markets close
- **Volume growth** - gas-fired power generation in CO₂ constrained world
- **Volume growth** - near-term oil and gas development in Oyong and Wortel
- **Volume growth** - significant oil prospects in Vietnam
- **Volume growth** - PNG LNG - significant project underpinned by world class gas reserves
- **Volume growth** - Ichthys - good prospect in great neighbourhood
- **Volume growth** - DLNG expansion - multiple pathways for brownfield expansion
- **Volume growth** - Cooper Oil - pursue high value scalable exploitation opportunities
- **Volume growth** - Cooper Gas - opportunity from improved recovery as prices re-rate
- **Volume growth** - Cooper Tight Gas - next phase of unconventional growth
- **Volume growth** - Infrastructure - utilising footprint as gas market decouples
- **Volume growth** - Tirrawarra Oil / MCS1 - application of global technology to local opportunity
- **Volume growth** - Santos "Beyond the 2P"
An Australian Company Providing Energy for Asia

Through:

- Delivering the base
- Tapping our resource riches
- Being a great place to work

...and do it all safely and sustainably to deliver a superior shareholder return
Reference Slides
## 2008 Forward Exploration Schedule

<table>
<thead>
<tr>
<th>Well Name</th>
<th>Basin / Area</th>
<th>Target</th>
<th>Upside Resource Potential (mmboe)</th>
<th>Santos Interest</th>
<th>Timing</th>
<th>Comments</th>
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The exploration portfolio is continuously being optimised therefore the above program may vary as a result of rig availability, drilling outcomes and maturation of new prospects.
Contact Information

Registered and head office
Share Register
Adelaide
Ground Floor, Santos Centre
60 Flinders Street
Adelaide, South Australia 5000
GPO Box 2455
Adelaide, South Australia 5001
Telephone: +61 8 8116 5000
Facsimile: +61 8 8116 5050

Useful email contacts
Share register enquiries:
share.register@santos.com

Investor enquries:
investor.relations@santos.com

Andrew Nairn
Group Executive Investor Relations
Level 10, Santos Centre
Direct: + 61 8 8116 5314
Facsimile: +61 8 8116 5131
Email: andrew.nairn@santos.com

Brooke Pedersen
Investor Relations Analyst
Level 10, Santos Centre
Direct: + 61 8 8116 7227
Facsimile: +61 8 8116 5131
Email: brooke.pedersen@santos.com

Website:
www.santos.com