

10 September 2018

Santos signs new gas supply deal with Visy

Santos is pleased to announce it has entered into a new gas supply agreement with Visy to supply wholesale gas for its New South Wales operations.

The agreement starts on 1 January 2019 and was awarded following a competitive process.

"The new gas supply agreement with Santos provides certainty of gas supply in 2019 for our energy-intensive operations in NSW," Visy Chief Operations Officer Mark De Wit said.

"We appreciate the strong and continuing relationship between Santos and Visy," Mr De Wit said.

Santos Managing Director and CEO Kevin Gallagher said Santos is committed to working with Australian industry to deliver competitively priced domestic gas.

"We're drilling about 87 wells in the Cooper Basin this year – more wells in a single year since 2014. We've arrested production decline in the Cooper and production is actually growing again, which is great news for the east coast gas market."

"We're also drilling a record 300 GLNG wells in Queensland."

"Since 2015, we've reduced our completed well costs by 50 per cent in the Cooper Basin and connected well costs by a phenomenal 84 per cent in Queensland, locking in our position as Australia's lowest cost onshore gas developer," Mr Gallagher said.

"Drilling more wells and lowering production costs – extracting more gas for less money – is the best way to keep downward pressure on gas prices. Santos is on track to supply about 70 PJ of gas to the east coast market in 2018, which is almost 13 per cent of expected demand this year."

Ends.

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