

3 December 2019

Santos upgrades 2025 production target to 120 mmboe

Santos today lifted its 2025 production target further to 120 million barrels of oil equivalent (mmboe), more than double 2018's output.

The new target, up from 100 mmboe set in 2018, represents a cumulative annual growth rate in production of over 8% to 2025.

Speaking at the company's Investor Day in Sydney, Santos Managing Director and Chief Executive Officer Kevin Gallagher said the successful execution of Santos' **Transform-Build-Grow** strategy since 2016 has the company positioned for disciplined growth and sustainable shareholder returns.

"Our strategy has been to establish a disciplined low-cost operating model that delivers strong cash flows through the oil price cycle. Our 2019 forecast free cash flow breakeven oil price is now ~US\$29 per barrel," Mr Gallagher said.

"The recently announced acquisition of ConocoPhillips' interests in northern Australia and Timor-Leste¹ will further reduce our breakeven oil price and deliver operating interests in long-life, low-cost conventional natural gas assets and strategic LNG infrastructure."

"We are now positioned for disciplined growth leveraging existing infrastructure in all five of our core assets, which we believe will deliver 120 mmboe by 2025."

This disciplined growth portfolio includes:

- Barossa LNG – targeting FID around the end of Q1 2020
- Dorado liquids – targeting FEED-entry Q2 2020
- PNG LNG expansion – targeting FEED-entry in 2020
- GLNG ramp-up to ~6.2 mtpa sales from 2020
- Cooper Basin production growth.

Mr Gallagher said Santos was well positioned to fund growth out of operating cash flow and debt while maintaining gearing levels within the company's target range through the major growth phase, with rapid de-gearing expected thereafter.

"Natural gas is forecast to supply a quarter of the world's total energy demand by 2040. Through our Energy Solutions business, we are investing in projects to lower emissions and assessing the significant potential for carbon capture and storage in the Cooper Basin," Mr Gallagher said.

¹ Completion of the acquisition is expected in the first quarter of 2020 and is subject to third-party consents and regulatory approvals.

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Guidance

Santos has narrowed 2019 production guidance to 74-76 mmboe (previous 73-77 mmboe) and sales volumes guidance to 93-95 mmboe (previous 90-97 mmboe).

2019 upstream unit production cost guidance is lowered to \$7.25-7.50/boe (previous \$7.25-7.75/boe). Capital expenditure is expected to be approximately \$1 billion (previous \$950 million to \$1,050 million) including major growth.

Guidance	2019	2020		
		Base business	Base business (excl COP acquisition) ¹	COP acquisition (after expected 25% sell-down) ²
Production	74-76 mmboe	73-80 mmboe	6-7 mmboe	79-87 mmboe
Sales volumes	93-95 mmboe	93-100 mmboe	6-7 mmboe	99-107 mmboe
Capex – Base	~\$950 million			~\$950 million
Capex – Major growth ³	~\$50 million			~\$500 million
Unit production costs	\$7.25-7.50/boe	To be provided at 2019 full-year results in February		

¹ Completion of the acquisition is expected in the first quarter of 2020 and is subject to third-party consents and regulatory approvals.

² Assumes completion of the ConocoPhillips acquisition and expected 25% sell-down to SK E&S both occur on 31 March 2020.

³ Major growth comprises Barossa in 2019 and Barossa, Dorado and PNG LNG train 3 in 2020. Assumes sell-down of Barossa to Santos' targeted 40-50% interest range in 2020.

Production in 2020 is expected to increase to between 79-87 mmboe, comprising 73-80 mmboe from the base business (excluding the ConocoPhillips acquisition and expected 25% sell-down to SK E&S) and 6-7 mmboe net from the acquired assets after the sell-down.

Completion of the ConocoPhillips acquisition is expected in the first quarter of 2020, subject to third-party consents and regulatory approvals. At completion of the acquisition and expected 25% sell-down to SK E&S, Santos' interest in Bayu-Undan and Darwin LNG will be 43.4% (11.5% pre-transactions). Santos' incremental 31.9% interest would add approximately 6-7 mmboe production in 2020, assuming completion of both transactions occurs on 31 March 2020.

Capital expenditure in 2020 is expected to include approximately \$950 million sustaining capex in the base business (including all onshore drilling, asset sustaining capex, exploration and corporate) and approximately \$500 million major growth capex for Barossa, Dorado and PNG LNG expansion. Barossa major growth capex assumes sell-down to Santos' targeted 40-50% interest range.

Live webcast

A live webcast of the Investor Day will be available on Santos' website at www.santos.com from 9:00am AEDT today.

Kevin Gallagher

Managing Director and Chief Executive Officer



Santos 2019 Investor Day

3 December 2019

Santos

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 United States currency, unless otherwise stated.

Underlying profit, EBITDAX (earnings before interest, tax, depreciation, depletion, exploration, evaluation and impairment) and free cash flow (operating cash flows, less investing cash flows net of acquisitions and disposals and major growth capex, less lease liability payments) are non-IFRS measures that are presented to provide an understanding of the performance of Santos' operations. The non-IFRS financial information is unaudited however the numbers have been extracted from the financial statements which have been subject to review by the Company's auditor.

This presentation refers to Santos' acquisition of ConocoPhillips' northern Australia interests announced on 14 October 2019. Completion of the acquisition is subject to third-party consents and regulatory approvals. This presentation also refers to estimates of petroleum reserves and contingent resources. Refer to slides 64-66 in the Appendix for cautionary statement regarding reserve and resource estimates.

Agenda

Session 1	Topic	Presenter	Title
9:00	Welcome	Andrew Nairn	Head of Investor Relations
9:05	Driving shareholder value	Kevin Gallagher	Managing Director & CEO
9:45	Offshore	Brett Darley	Executive Vice President Offshore Oil & Gas
10:15	Onshore	David Banks	Executive Vice President Onshore Oil & Gas
10:45	Morning Tea		
Session 2			
11:10	Midstream and Energy Solutions	Naomi James	Executive Vice President Midstream Infrastructure
11:25	Marketing, Trading & Commercial	Petter Udem	Executive Vice President Marketing, Trading & Commercial
11:40	Finance and Capital Management	Anthony Neilson	Chief Financial Officer
12:00	Strategy and wrap-up	Kevin Gallagher	Managing Director & CEO
12:25	Q&A	Kevin Gallagher	Managing Director & CEO
12:45	Lunch	All	

Driving shareholder value

Kevin Gallagher

Managing Director & CEO

Santos

Compelling value proposition

Consistent execution of the Transform Build Grow strategy has delivered a high-graded portfolio of five core long-life asset hubs. Our goal is to drive shareholder value through:

✓ **Disciplined Operating Model**

✓ **Strong stable cash flows**

✓ **Sustainable dividend policy**

✓ **Brownfield growth building on existing infrastructure**

✓ **Utilisation of balance sheet to support strategic growth**

✓ **Focused exploration, acquisitions, farm-outs and disposals**

✓ **Energy Solutions to lower emissions**

✓ **Targeting production of 120 mmbob by 2025**

Clear and consistent strategy since 2016



Transform

- + Diverse and balanced portfolio of five core, long-life natural gas assets
- + Robust balance sheet
- + Lowest cost onshore operator in Australia
- + Disciplined, low cost operating model, portfolio free cash flow breakeven at $\leq \$40/\text{bbl}$ oil price



Build

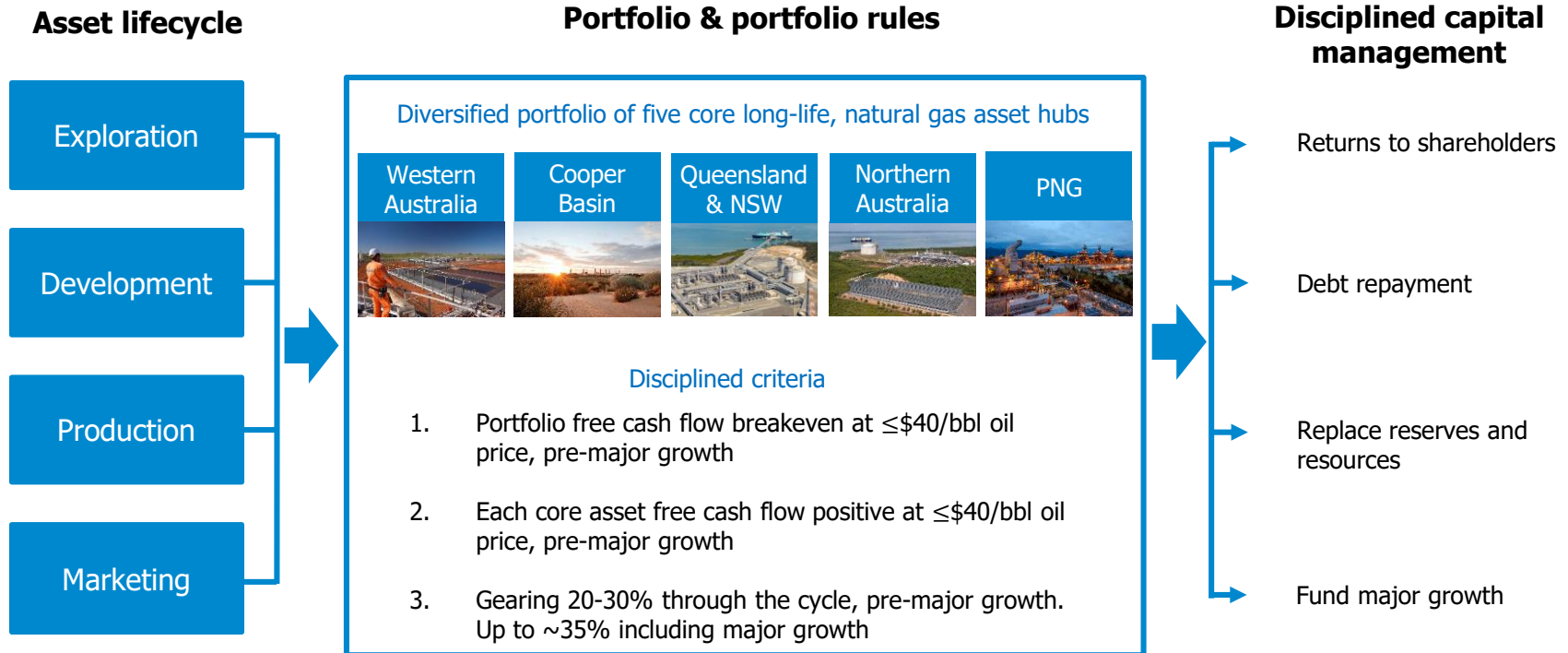
- + Develop low-risk, brownfields growth prospects across the core portfolio
- + Pursue strategically aligned, value accretive acquisition opportunities
- + Leverage facilities and infrastructure operations strategic capability
- + Maximise margin through M&T business



Grow

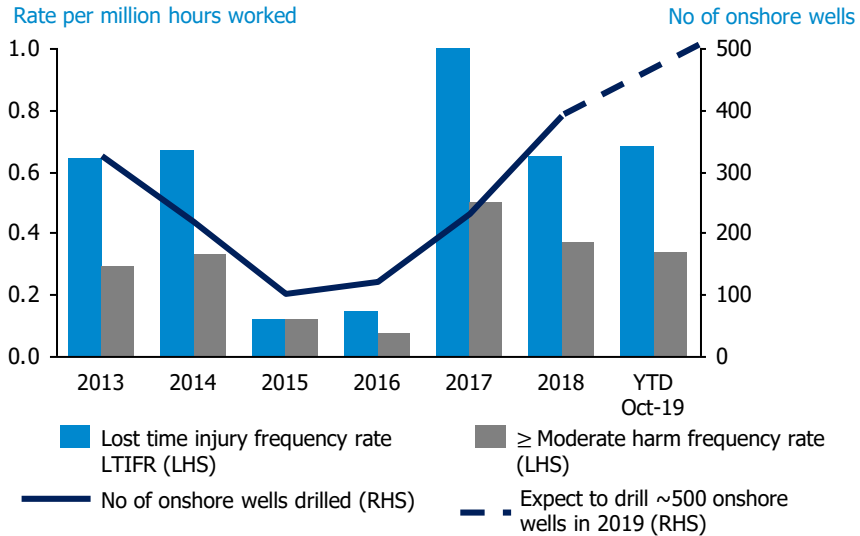
- + Execute and bring on-line growth opportunities across the core portfolio
- + Focused exploration strategy to identify new high-value targets and unlock future core assets
- + Generate new revenue through low-carbon Energy Solutions projects

Santos' disciplined Operating Model provides the framework to drive value



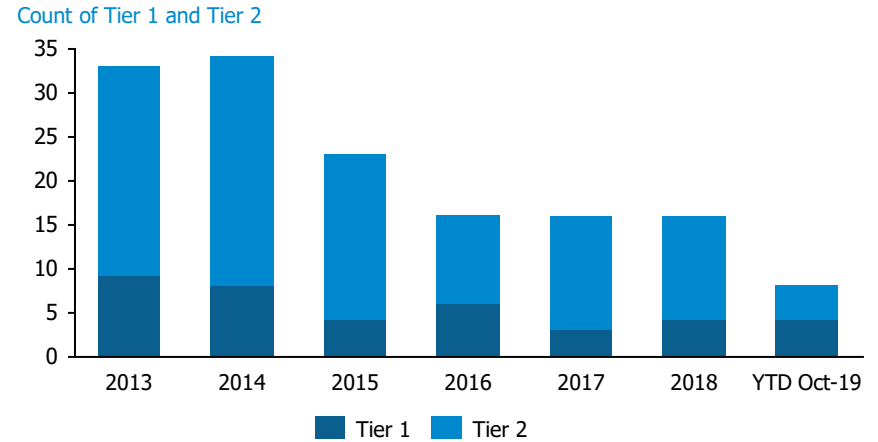
Santos is committed to being the safest oil and gas operator in Australia and preventing harm to people and the environment

Injury frequency rates vs activity levels



+ As activity levels continue to rise, implementation of Santos' Safety strategy is focused on improving capability and learning

Loss of containment incidents



+ Process Safety focus has delivered a decrease in loss of containment incidents in 2019

Disciplined Operating Model drives strong free cash flow

Forecast to generate >\$1 billion in free cash flow in 2019

2016 – 19
FORECAST FREE
CASH FLOW

>\$2.8 billion

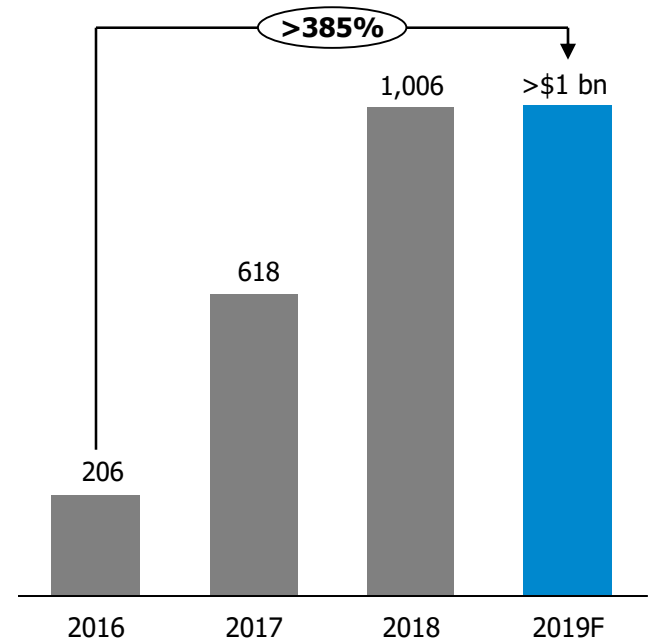
2019 FORECAST
FREE CASH FLOW
BREAK EVEN

\$29 per barrel

2019 FORECAST
FREE CASH FLOW
YIELD

~9%

Free cash flow
\$million



Free cash flow defined as cash flows from operating activities (including hedging) less cash flows from investing activities (excluding asset divestitures and acquisitions and major growth projects).

Santos has a long-term aspiration of achieving net-zero emissions by 2050 and in 2020 will release its third annual Climate Change Report consistent with TCFD guidelines

Resilience and opportunity in a lower carbon future

- + Natural gas provides reliable, affordable and cleaner energy and is expected to grow in both absolute terms and in market share out to 2040¹
- + Natural gas combined with carbon capture and storage provides the best opportunity to achieve large-scale emissions reductions at low abatement cost

Climate change governance & risk management

- + Dedicated Environment, Health, Safety and Sustainability Board Committee is responsible for monitoring and reviewing climate change risks
- + Climate change is incorporated into Santos' enterprise risk management processes and practices



Strong and enduring community relationships are fundamental to our social license to operate

Community and social initiatives



- + In 2019 we have invested over \$3 million in our communities

- + Santos supports more than 140 community organisations

Local employment and education



- + 235 people employed in the communities where we operate in 2019

- + Over 800 employment and training opportunities have been created for Indigenous Australians in the past 10 years

Working with landholders



- + 21 Community business partners working with local landholders

- + Over 2,000 active land access agreements are in place across our operations
- + More than \$77 million in revenue to farmers in the past 5 years

¹ International Energy Agency 2018 World Energy Outlook.
Santos 2019 Investor Day

Acquisition of ConocoPhillips' interests in northern Australia & Timor-Leste¹ Santos

Secures operating interests in Darwin LNG, Bayu-Undan, Barossa and Poseidon. On track for completion in 1Q 2020



¹Completion of acquisition subject to third-party consents and regulatory approvals.
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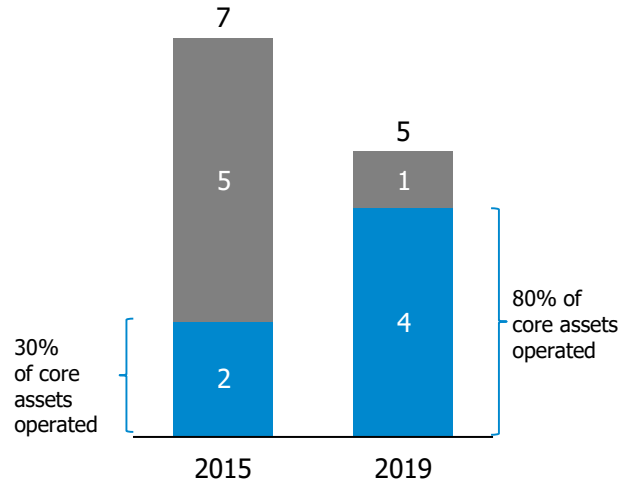
Consistent execution of strategy has transformed Santos

Transform Build Grow strategy has materially improved the portfolio and positioned the company for disciplined growth

Santos today versus 2015

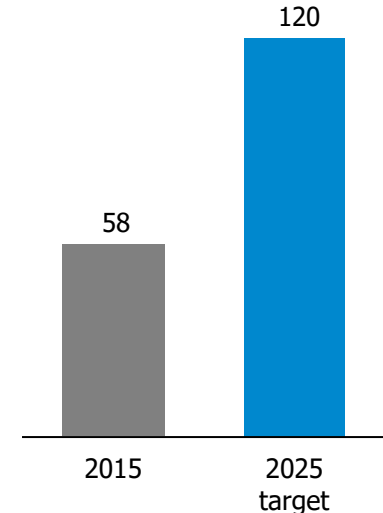
- ✓ Portfolio simplified and high-graded
- ✓ Focused on operating positions across 5 core asset hubs
- ✓ Long-life, low cost assets
- ✓ Balance sheet supportive of growth
- ✓ Building on existing infrastructure around core assets
- ✓ Operatorship of strategically located domestic and LNG hubs
- ✓ Value creation from synergies and operatorship
- ✓ Targeting lower risk, higher returns from upstream brownfield growth projects
- ✓ Energy Solutions business to offset emissions and generate new sources of revenue

80% core asset hubs now Santos operated¹



¹ Following completion of acquisition of ConocoPhillips interests in northern Australia

Production¹ mmbœ



¹ Refer slide 14 for cautionary statements on 2025 production target.

Disciplined Operating Model delivering increased portfolio optionality

Santos operated asset hubs

Western Australia



Cooper Basin



QLD & NSW



Northern Australia¹



Non-operated asset

PNG



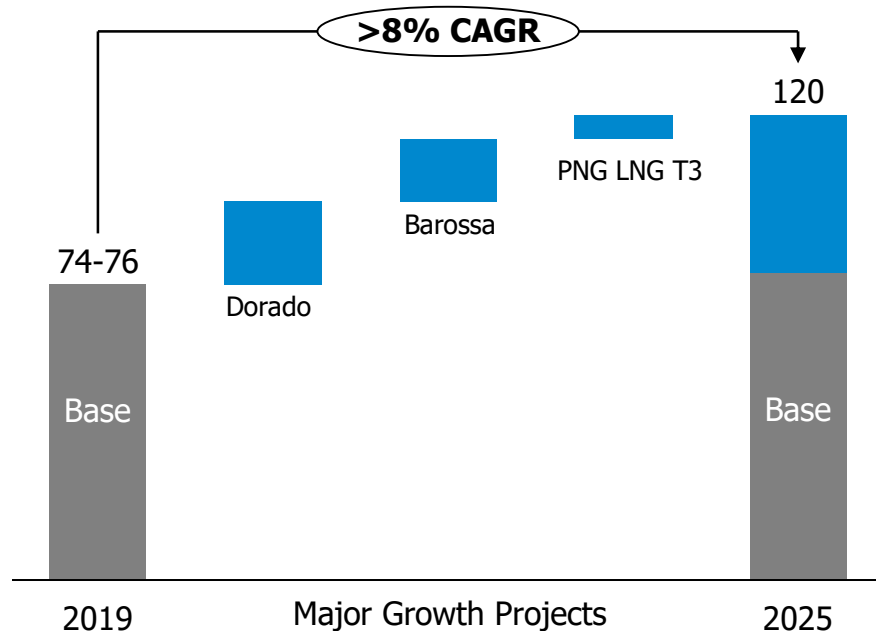
- + Dorado FEED targeted for 2Q 2020. Initial oil production rate capacity 75-100 kbb/d²
- + Advance opportunities to access new markets for gas resources utilising spare capacity and existing infrastructure
- + Grow production to 17-19 mmboe³ by 2025
- + Carbon capture and storage (CCS)
- + GLNG sales expected ~6.2 mtpa⁴ from 2020
- + Secure agreement to access GLNG capacity
- + Identify new resource opportunities
- + EIS decision for Narrabri expected 1Q 2020
- + Barossa backfill to Darwin LNG FID targeted for end-1Q 2020
- + ~3.7 mtpa DLNG capacity
- + Complete ConocoPhillips acquisition 1Q 2020
- + Finalise P'nyang farm-in
- + Targeting FEED entry for PNG LNG expansion in 2020
- + ~2.7 mtpa Train 3 PNG LNG capacity

Targeting portfolio production of 120 mmboe by 2025

Disciplined growth from new upstream projects leveraging existing infrastructure. Target increased to 120 mmboe reflecting higher equity in Barossa and stronger Dorado

Production growth to 2025

mmboe



- + New 2025 production growth target reflects
 - + Stable production from the base business as onshore growth more than offsets Bayu-Undan end of field life
 - + A higher equity share in the Barossa project post the acquisition of ConocoPhillips' northern Australia interests
 - + Dorado oil flow tests indicating the field is capable of producing at the higher-end of expectations
- + Major growth projects include >550 mmboe of 2C resource
- + Targeting free cash flow breakeven oil price ~\$25/bbl in 2025
- + Additional growth opportunities include Narrabri, McArthur, Petrel-Tern-Frigate and the greater Bedout Basin

This chart should not be construed as production guidance from the Company now or into the future. Potential production is subject to a range of contingencies which may affect performance, including necessary permits, regulatory requirements and Board approvals.

Major growth projects included are Barossa (assumes targeted sell-down to Santos ~45% interest) backfill to Darwin LNG, Dorado oil development 75,000 bbl per day gross (Santos 80% interest) and 1 x 2.7 mtpa PNG LNG T3 expansion train (Santos 13.5% interest). Subject to completion of ConocoPhillips acquisition and P'nyang farm-in.

Offshore Division

Brett Darley

Executive Vice President Offshore Oil & Gas

Santos

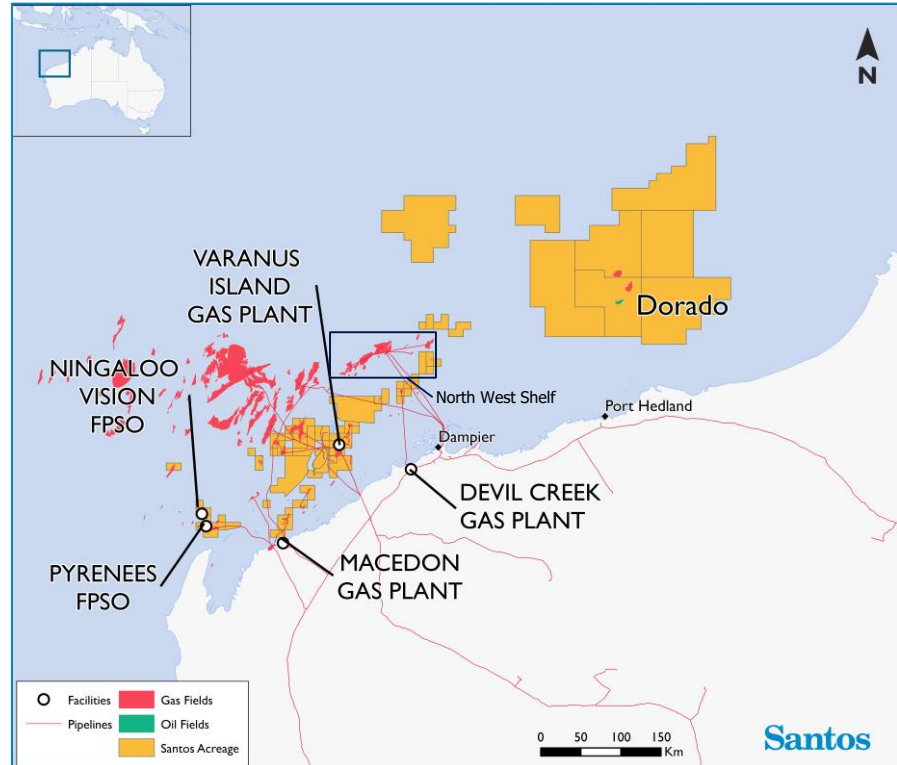
High quality portfolio of operated production and near field development and exploration assets

Strong operating performance

- + Integrated operations across Varanus Island, Devil Creek and Macedon domestic gas hubs
- + High margin with premium to Brent oil production across Van Gogh and Pyrenees

Future exploration and development

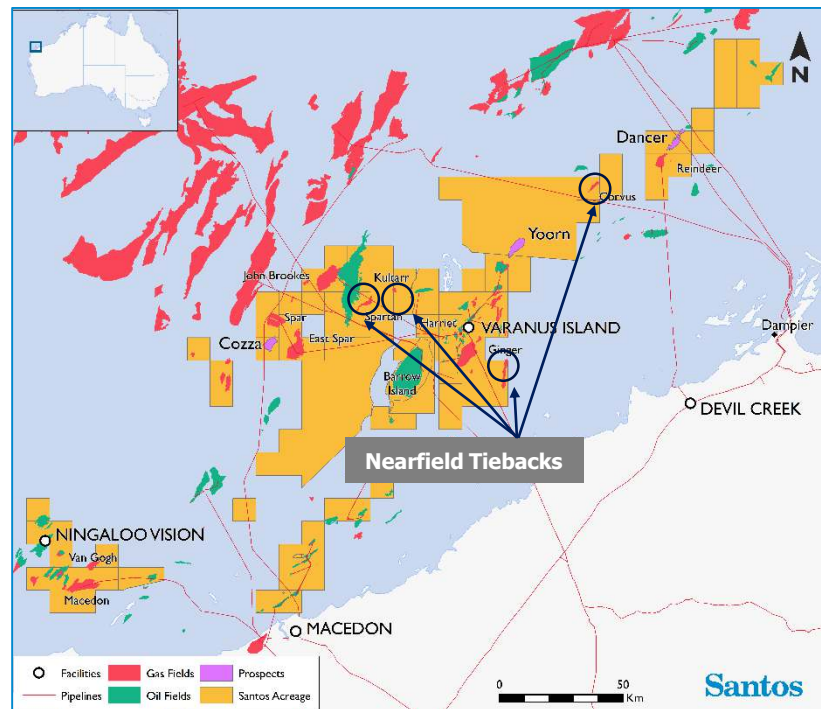
- + Low development cost, high return tie-back opportunities to existing domestic infrastructure
- + Oil infill opportunities in Van Gogh and Pyrenees
- + Dorado major growth development
- + Material exploration opportunities across Carnarvon and Bedout basins



Gas supply growth and market opportunities

Operated gas infrastructure has excess plant capacity and offshore deliverability to meet new domestic contracts and new market opportunities

- + Ullage at Varanus Island (3-train) and Devil Creek (2-train) facilities: 610 TJ/d combined capacity
- + Devil Creek power optimisation project commissioned
- + Exploration opportunities proximal to existing gas infrastructure
- + Evaluating opportunities to expand into new markets including exporting gas to neighbouring regions and east coast markets
- + Small-scale LNG (0.5 to 1.0 mtpa) feasibility study commenced with Clough



Near field tieback and infill opportunities across the gas and oil business offer low-cost, short cycle investment options

Varanus Island compression project

- + Installation of inlet compression to maintain offshore deliverability
- + Recovers low pressure reserves from John Brookes
- + Targeted for 2021 start-up



Van Gogh infill Phase 2

- + Phase 2 infill program currently being planned
- + Three dual laterals targeting undrained parts of the field
- + First oil targeted for late 2021



Spartan subsea tieback

- + Single well subsea development
- + Backfill into Varanus Island
- + Targeted for 2022 startup



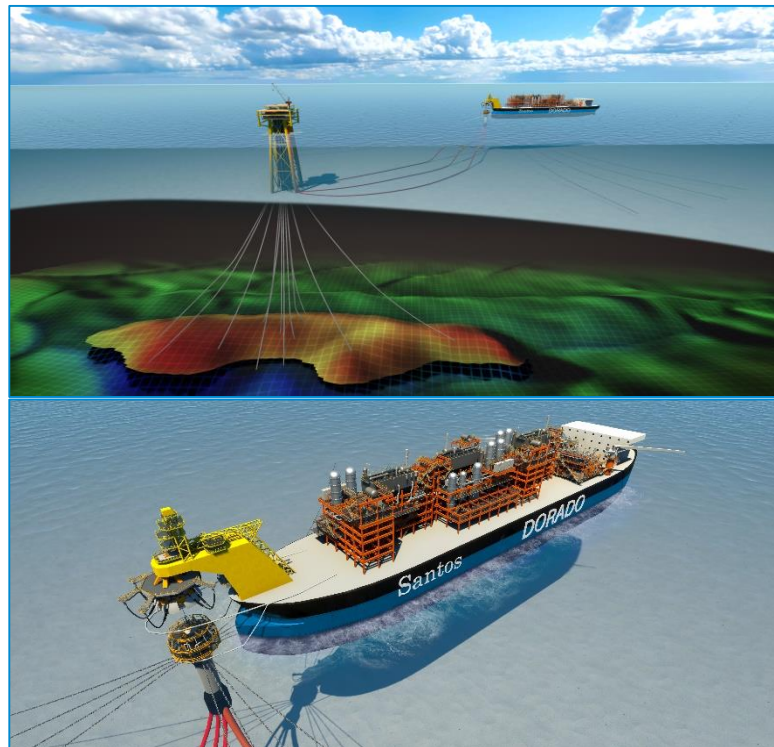
Pyrenees infill Phase 4

- + High uptime and further water handling debottlenecking
- + Select phase studies and further definition underway
- + Combination of side-tracks and new drill options



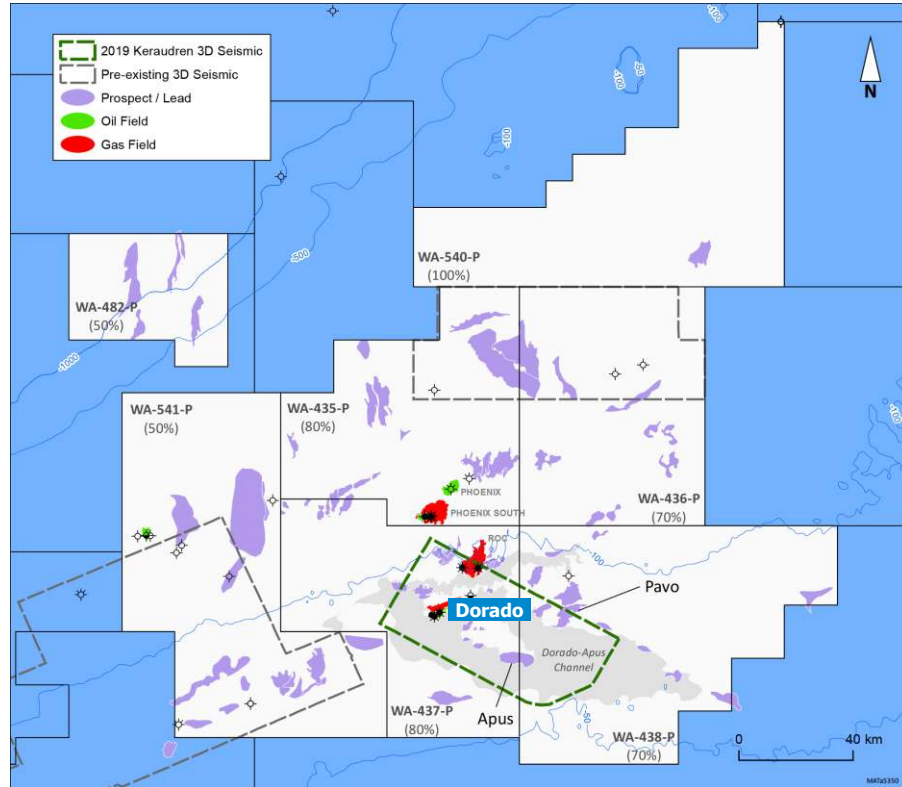
Successful appraisal programme has de-risked development options for the field. Preferred concept is FPSO and wellhead platform development, targeting FEED in 2Q 2020

- + Preferred development concept is an initial phase of oil and condensate development followed by future phase of gas export
- + Recoverable liquids resource 158 mmbbl 2C gross, 126 mmbbl 2C STO net
- + Low CO₂ resource, with gas injection in support of enhanced oil recovery
- + Shallow water depth allows for simple wellhead platform (WHP) and FPSO development
- + 8 to 10 platform wells at start-up (including gas injection wells)
- + FEED targeted for 2Q 2020
- + Based on new build FPSO:
 - + Estimated initial gross oil production rate expected to be between 75-100 kbbl per day¹
 - + Estimated gross capex to first oil expected to be between \$1.9 - 2.2 billion¹
- + FPSO re-deployment and lease options under consideration could reduce capex



¹ Subject to concept select and detailed front-end engineering and design.

Controlling position around the world class Dorado discovery



- + Dorado discovery proves a world class liquids-rich petroleum system with high quality reservoirs
- + Sparsely explored permits contain multiple play types, some of which remain untested
- + Focus on extension of Lower Triassic Dorado play in shallow water southern part of permits
 - + Low cost exploration drilling
 - + Excellent economics for shallow-water tie-backs to a future Dorado hub
- + Santos has a controlling operated position in the basin, augmented by recent capture of WA-541-P
 - + Commitment to acquire 2,950km² of new 3D seismic and drill three wells within three-year primary term
- + Planned 2020-2021 work program includes seismic acquisition and drilling Pavo-1 and Apus-1 subject to joint-venture approval

Reliable LNG production performance from DLNG and liquids production from Bayu-Undan.
Further infill drilling under assessment to extend Bayu-Undan production

Strong operating performance and reliability

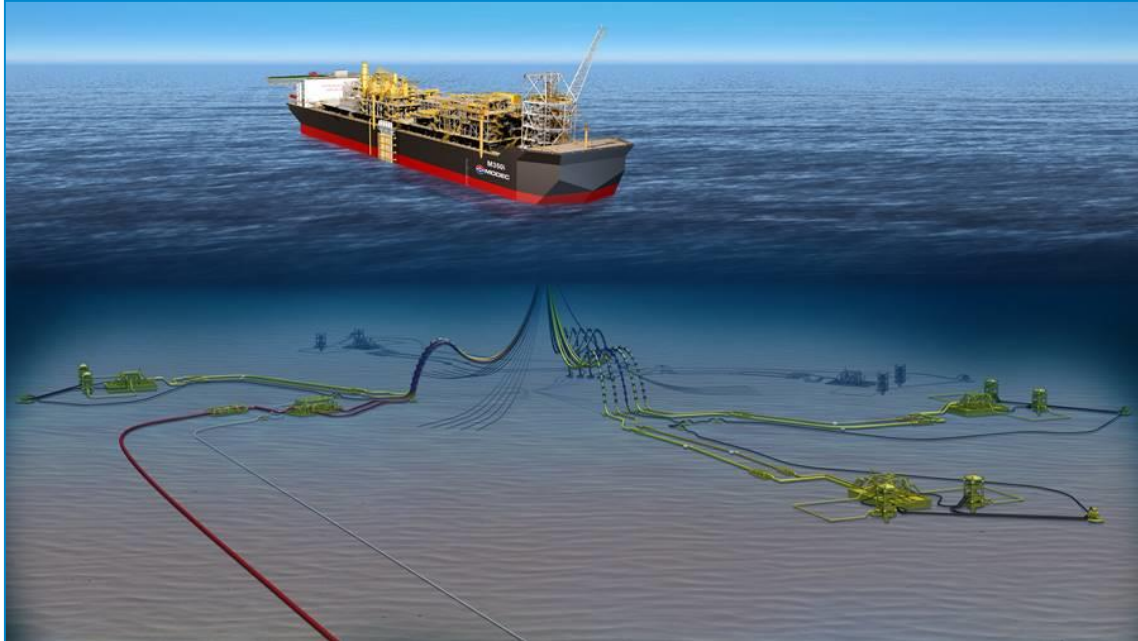
- + Reliable Bayu-Undan and Darwin LNG plant performance and safety record with high availability
 - + Over 700 cargoes delivered to date
- + Liquids production in 2019 is dominated by highly successful 2018 infill drilling program
- + Active program of well interventions in 2019 has maximised offshore well deliverability, maximised liquids production and minimised water production

Future development opportunities

- + Production enhance opportunities continue to be pursued to extend end of field life
- + Another phase of infill drilling under assessment to extend Bayu-Undan production and maximise DLNG utilisation



Barossa project advancing towards FID with a number of material contracts awarded



- + Project has been de-risked and being advanced for FID around end-1Q 2020
- + Advanced stages of finalising LNG SPA
- + Field development plan is a gas/condensate FPSO with an initial phase of 6 subsea wells and export pipeline tie-back to existing Darwin pipeline, supplying backfill to DLNG
- + Major contracts awarded, with Modec FPSO selection offering lower carbon footprint through innovative design
- + Resource upside within Barossa and Caldita tieback (20km south of Barossa FPSO) present opportunity to extend development
- + Capex to first gas estimated to be ~\$4.7 billion (gross)

Northern Australia & Timor-Leste resource

Discovered resource base offers opportunity for expansion at Darwin LNG and access to Northern Territory and east coast markets

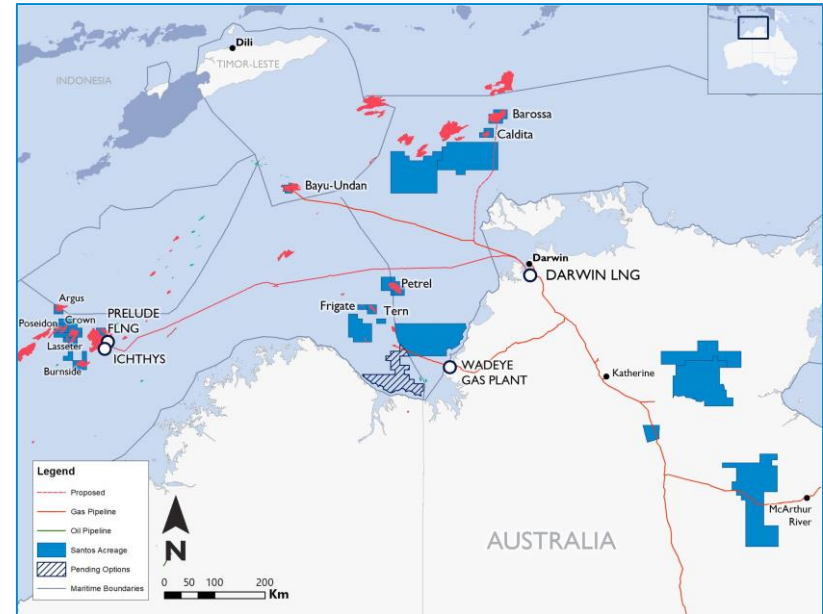
- + Significant discovered resource base supports Darwin LNG expansion and major growth beyond Barossa
- + Opportunity to consider resource aggregation to deliver gas to Darwin and access LNG expansion or domestic NT / east coast markets
- + Petrel, Tern & Frigate: Seismic survey commenced
- + Crown-Lasseter & Greater Poseidon: Opportunity for joint development
- + McArthur Basin: Appraisal campaign planned for 2020

Santos acreage	Raw gross 2C resource	Net 2C resource
Barossa	~5.1 tcf	2,600 PJ
Petrel-Tern-Frigate	~2.6 tcf	970 PJ
Browse Basin ¹	~2.8 tcf	850 PJ
Greater Poseidon	~2.1 tcf	880 PJ
McArthur Basin	Multi-tcf potential	

¹ Includes Lasseter, Crown, Burnside, Argus

² Resource estimates as at 31 December 2018

NOTE: Barossa and Greater Poseidon resources are subject to completion of Santos' acquisition of ConocoPhillips' northern Australia interests.



Low carbon emission initiatives

Advancing projects and opportunities to reduce carbon footprint for existing and future operations. Savannah burning will be an important offset program for Barossa

Devil Creek power project



- + Replacing existing power generation turbines with higher fuel efficiency ones to result in a 25% reduction in power generation carbon emissions
- + Carbon credits generated as project is registered with the Emission Reduction Fund

Darwin LNG battery bank



- + Battery project to reduce power generation carbon emissions by 20%
- + Lower fuel gas consumption and operating costs
- + Project expected to complete mid-2020

Savannah burning abatement



- + Project established 2007 with more than 2 million tonnes of CO₂ offset resulting in:
 - + Increased biodiversity and return of threatened species
 - + Protected cultural sites and supported 300 indigenous jobs
 - + Delivered IPCC accredited offsets
- + Barossa offset strategy includes an expansion of savannah burning abatement

High quality portfolio of operated production and near field development and exploration assets

Strong cash margin, low-cost operating business

Portfolio of high quality, low-cost near-field gas and oil tieback opportunities

Conventional low-cost of supply growth through Barossa and Dorado

Onshore Division

David Banks

Executive Vice President Onshore Oil & Gas

Santos

Onshore assets connected to domestic gas markets and strong Asian demand for LNG

Australia's lowest cost onshore operator

- + Growth self-funding within the low cost disciplined Operating Model
- + Driving capital efficiency to unlock additional resources

Cooper Basin high value swing producer

- + Targeting >150% reserve replacement in 2019

GLNG 6 mtpa run-rate target achieved in October 2019

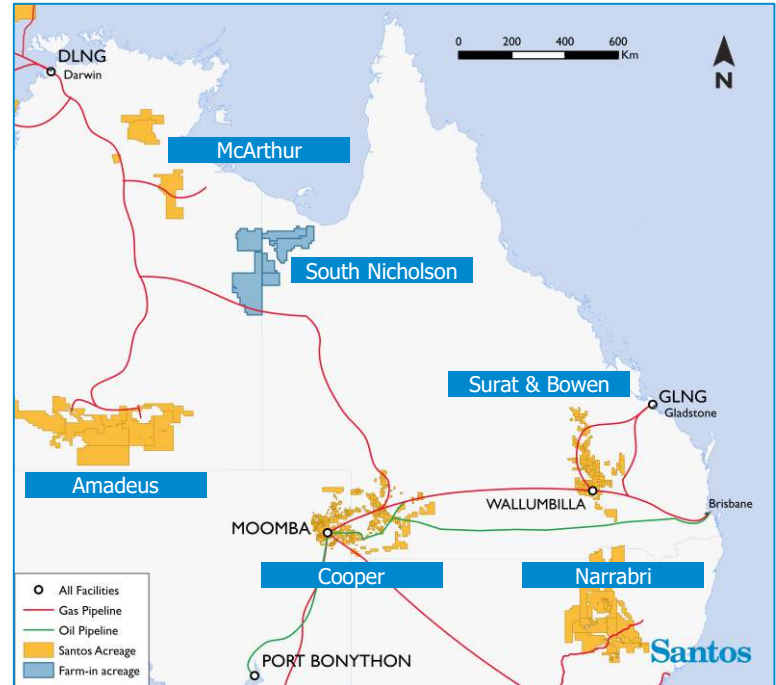
- + Now expecting ~6.2 mtpa from 2020 due to strong upstream field performance

Narrabri EIS decision expected 1Q 2020

- + 100% gas earmarked for the domestic market

Northern Territory

- + Strong exploration and appraisal inventory
-

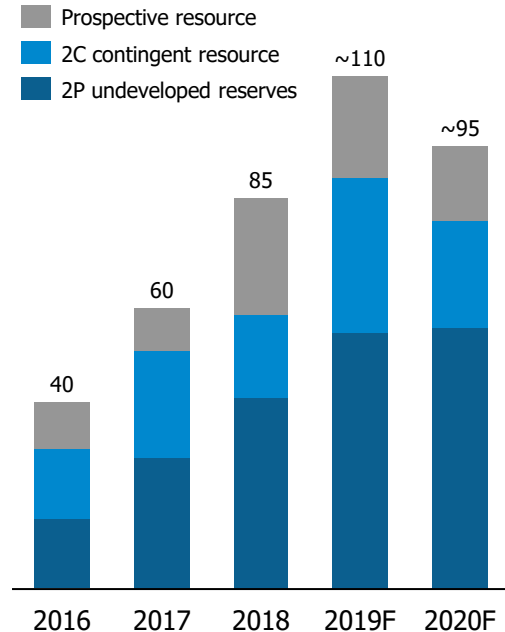


Cooper Basin targeting >150% reserve replacement in 2019 Santos

Horizontal well program in 2020 expected to deliver greater efficiencies and unlock further resources

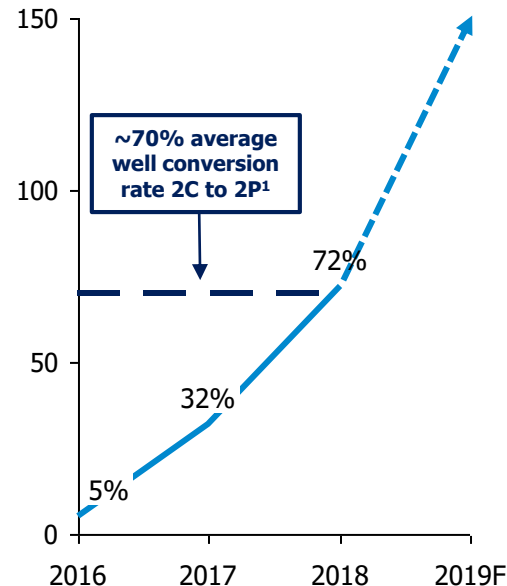
Wells drilled Targeting 6 horizontal wells in 2020

No of wells per year



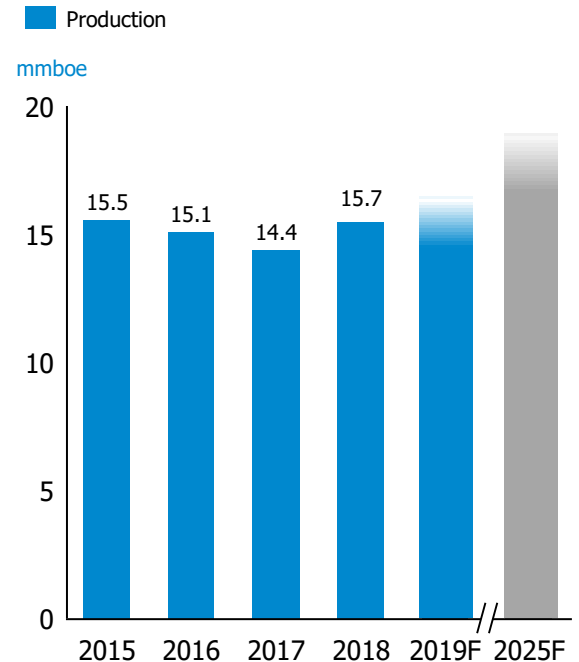
2P reserves replacement ratio Targeting >150% RRR in 2019

%



¹ Average annual appraisal well success rate over 2016-18

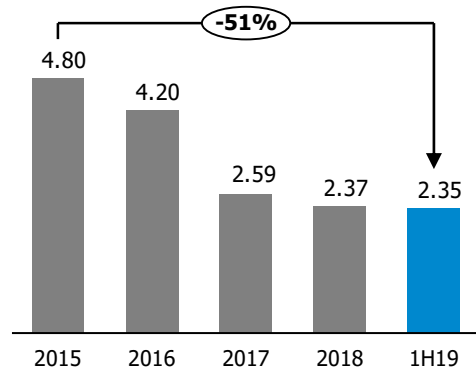
Production Targeting ~17-19 mmboe by 2025



Improved capital efficiency to unlock additional resources

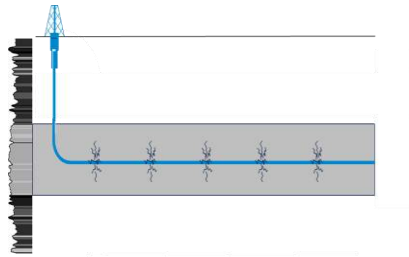
Low cost operations and advances in drilling technology delivering greater efficiencies

Cooper Basin well cost¹
\$million



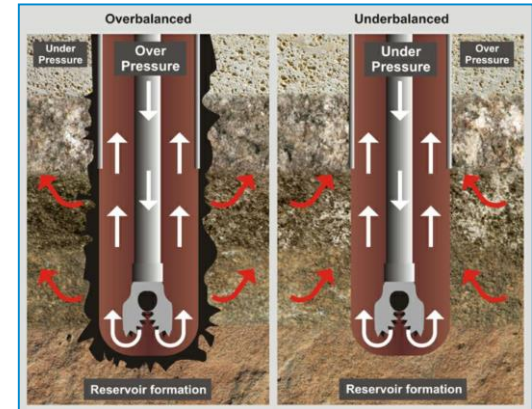
- + Australia's lowest cost onshore operator
- + Expect to drill 90-110 wells per annum between 2020-25

Horizontal drilling program



- + Driving down \$/boe development cost
- + Potential to unlock oil and previously uneconomic contingent gas resources
- + 6 pilot horizontal drills in 2020 (subject to JV approvals)

Underbalanced drilling 'UBD'



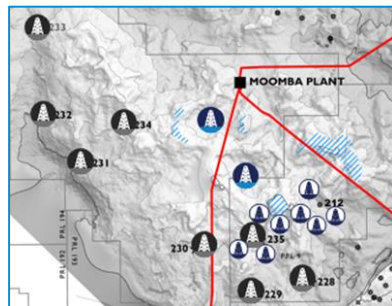
- + UBD drilling enhances reservoir deliverability
- + Project cycle time improvement – stimulation not required
- + Opportunity to infill depleted fields to increase recovery

¹Vertical and deviated gas development wells (drill stimulate complete)
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Significant opportunities to increase production and drive value

Moomba South appraisal expected to result in reserve upgrade at year-end

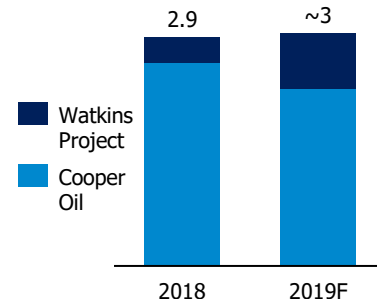
- + Expect to drill 8-well pilot development program in 2020 to validate optimal field development plan
- + Granite Wash upside. Expect to drill 2 vertical appraisal wells in 2020



Successful NFE and oil program

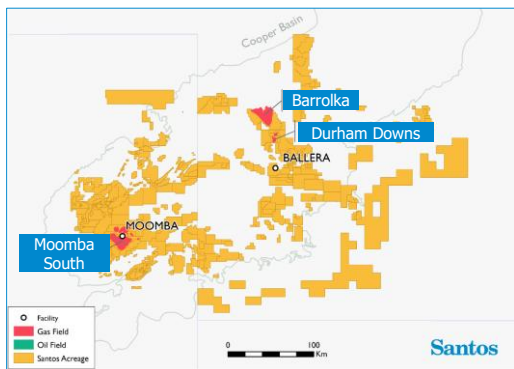
- + NFE program delivering high rate wells
- + Watkins project success a significant contributor to 2019 oil production
- + EOR Tirrawarra horizontal well test planned for 2020

Cooper oil production (net) mmboe



Significant Barroka Durham Downs development program

- + 12 development wells drilled in 2019
- + Underbalanced drilling campaign unlocking higher initial rates



Optimisation and reliability program expected to grow production

- + Increase reliability through fewer, centralised, standardised, modular compressors
- + Electric drive compression to reduce fuel gas use
- + Expected to deliver an additional 5-7 TJ/d



GLNG 6.2 mtpa annualised sales expected from 2020

Strong upstream field performance delivered 6 mtpa annualised sales run-rate in October

Strong upstream well delivery and performance

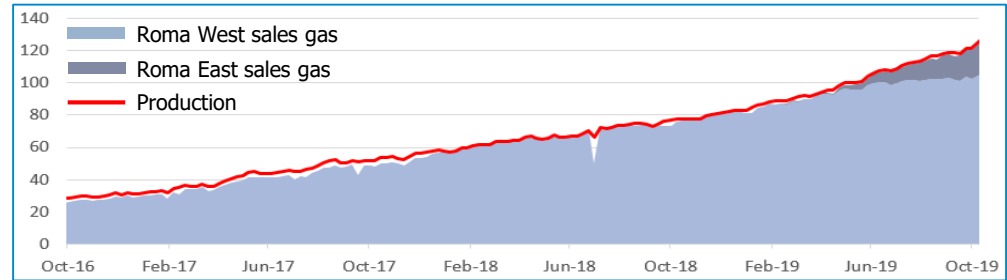
- + Roma East first gas February 2019 and new compression hub online March 2019
 - + Next phase of development sanctioned ~250 wells
- + Arcadia production growing and dewatering as expected
 - + Compression hub delivered within 12 months. ~15% cost improvement¹

Exploration – new sources of equity growth

- + Queensland acreage releases
- + New Santos / Shell JV (ATP 2040 & 2045), >1600km², multi-TCF prospective tight gas resource
- + Successful bidder for 2 blocks in Roma; ATP award anticipated in 2020
- + Active pursuit of 2020 releases

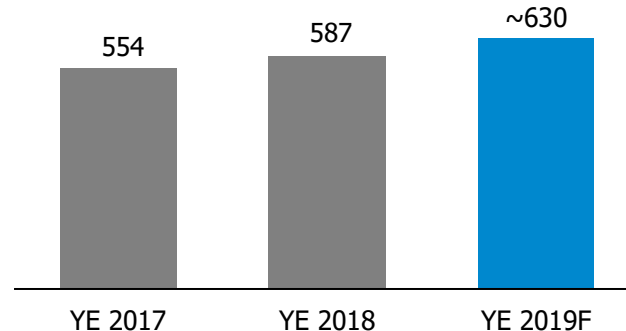
Roma East production continues to build

Average weekly sales gas rate TJ/d



GLNG equity gas production continues to ramp-up

TJ/d gross



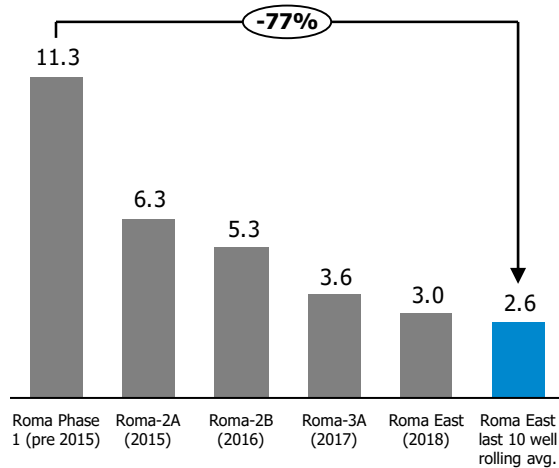
¹ Compared to Scotia facility installed on a \$/horsepower installed basis
Santos 2019 Investor Day

GLNG cost out and efficiencies drive accelerated development plan **Santos**

Well cost performance delivered at long-term target activity pace

Days - development drilling

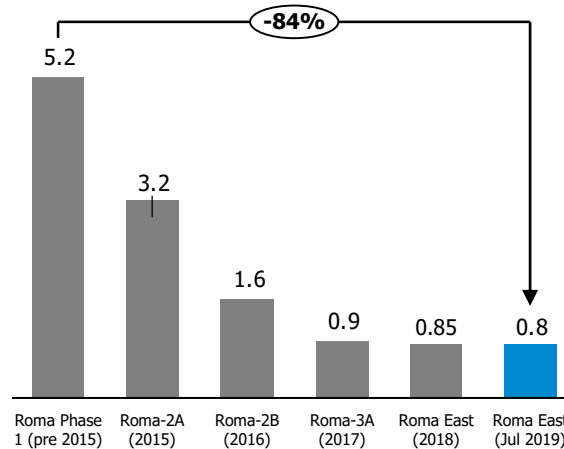
Average days rig release to rig release



- + Right rigs, experienced crews
- + High volume, sequential and repeatable scope
- + Technical limit focus

Well cost¹

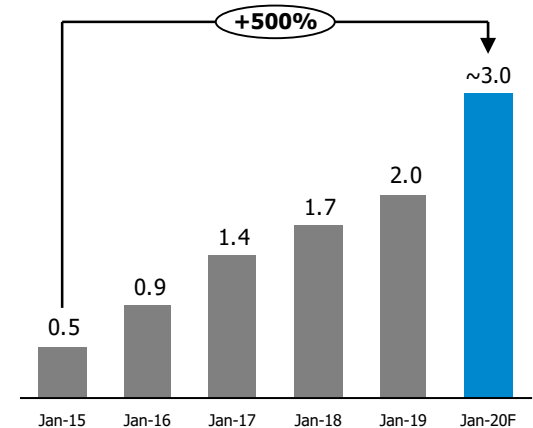
\$million per well



- + Cost improvement framework and culture
- + Relentless focus on lowering well cost
- + Expect to drill 350-400 wells per annum between 2020-25

Mean time between failure

Years (Roma)

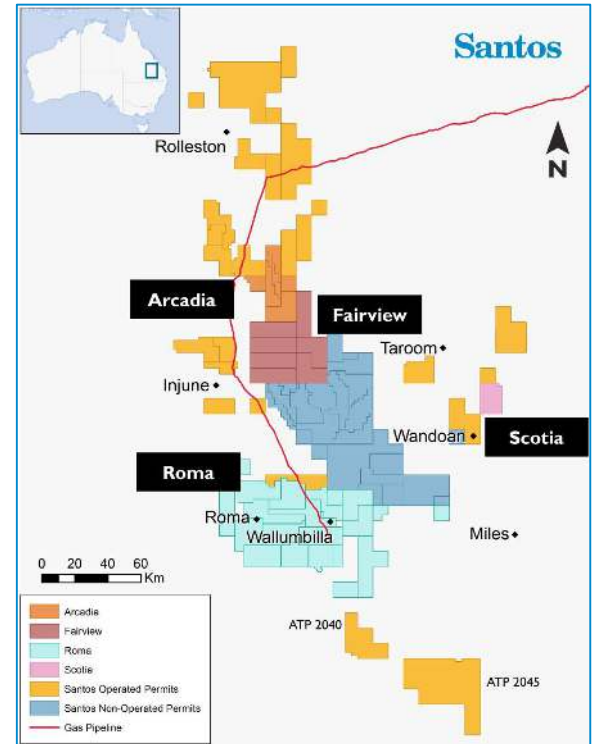


- + Driving down operating cost of growing production
- + Mature solids mitigation strategies
- + Proven new well design
- + Pursuit of new MTBF improvement technologies

Leveraging the low cost disciplined Operating Model to deliver additional growth opportunities

Maximising value using our regional expertise and low cost Operating Model

- + Towrie block (west of Arcadia)
 - + Rapid, low-cost commercialisation, leveraging nearby GLNG infrastructure
- + Exploration drilling in Tardrum (ATP 685)
 - + Testing scheduled for early 2020
- + Appraisal drilling in Warrinilla (PL 451) targeting Mantuan tight gas sands
 - + Potential for 2C booking from attractive secondary Bandanna coal seam target
- + Planning for Mahalo development



Strong demand for natural gas in New South Wales

100% of Narrabri gas earmarked for the domestic market

- + Gas supply MOUs signed with Perdaman, Brickworks and Weston Energy
- + Near-term supply to local industry
- + Current Narrabri production supplies Wilga Park Power Station

EIS approval process nearing completion

- + EIS determination expected 1Q 2020

Appraisal plans defined

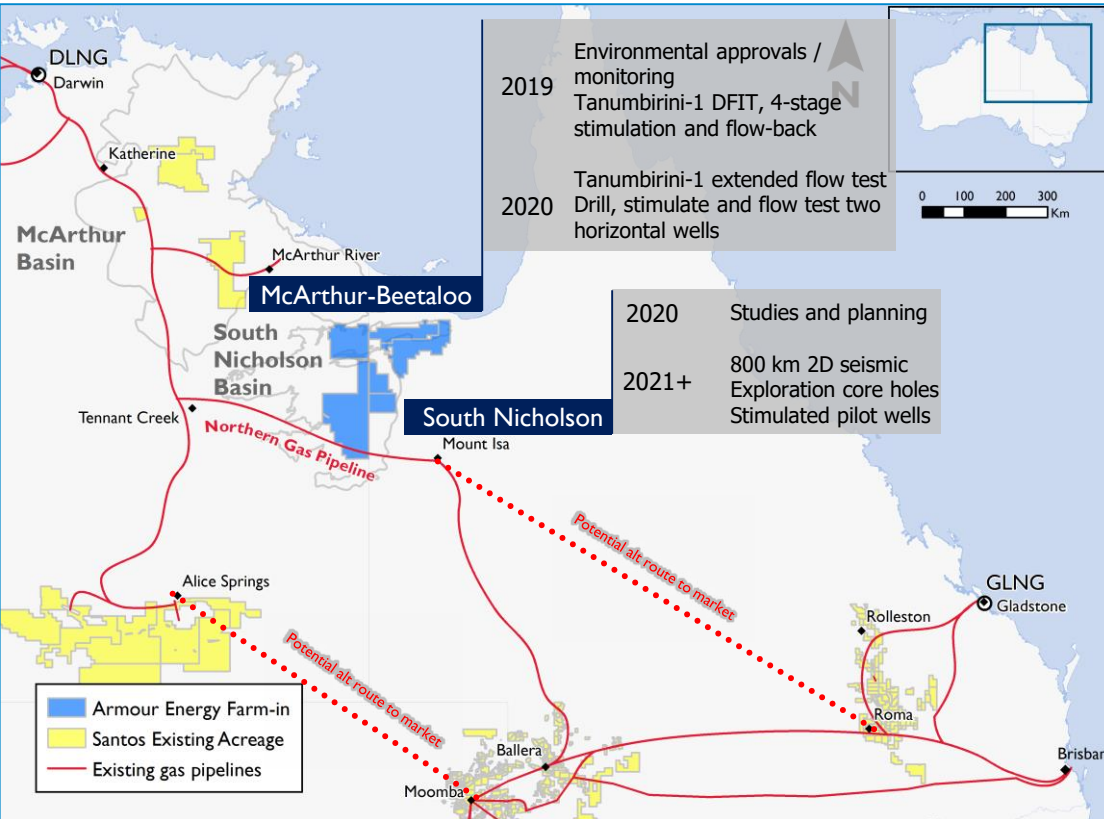
- + Ready to drill
- + Commenced appraisal planning in support of 150 TJ/d phased development
- + Application of Santos' disciplined low-cost operating model leveraging onshore development experience to create additional value

Wilga Park Power Station capacity 22MW



McArthur-Beetaloo and South Nicholson projects

Multi-TCF shale gas plays targeting LNG export and domestic market opportunities



Opportunities

- + Shale gas prospective resource with proven flow
- + Stacked targets: Lawn Hill and Riversleigh shales (South Nicholson) & Velkerri A, B & C shales (McArthur)
- + Potential off-take routes north and east

McArthur / Beetaloo project

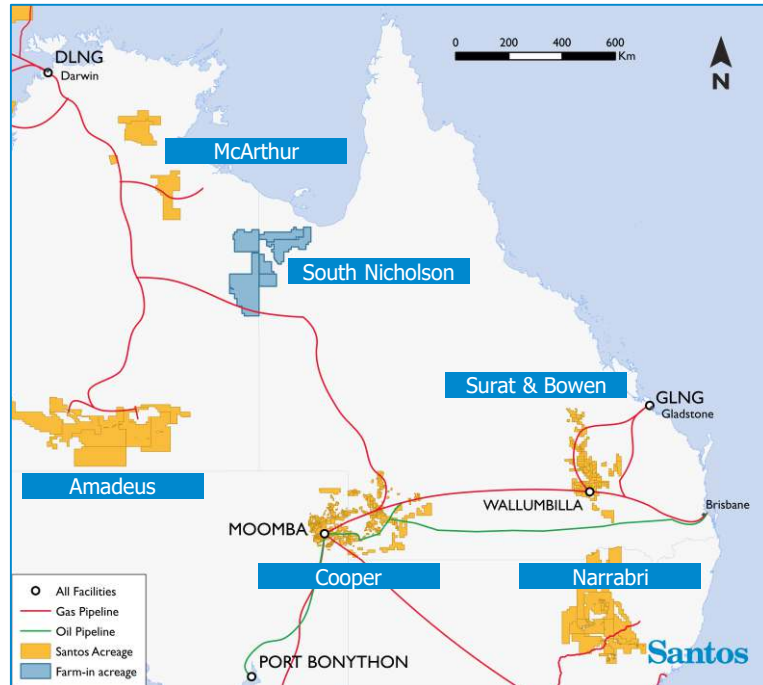
- + 75% equity and operator of EP161
- + Multi-TCF OGIP play potential
- + Tanumbirini-1 4-stage stimulation complete and well on flow-back

South Nicholson project

- + 70% equity and operator of 6 permits (subject to farm-in, regulatory approval)
- + Multi-TCF OGIP play potential
- + Play fairways and permits straddle QLD and NT border

Integrated onshore business with market optionality

Onshore assets connected to domestic gas markets and strong Asian demand for LNG



Low-cost, cash generative, short cycle business

Domestic, GLNG and Darwin LNG routes to market

Leveraging our disciplined, low-cost Operating Model to grow our business

Midstream Infrastructure and Energy Solutions

Naomi James

Executive Vice President Midstream Infrastructure

Santos

Focused on unlocking value and increasing returns from our unique portfolio of assets

Run assets more efficiently and at lower cost

- + Unique portfolio of oil, gas, LNG assets
- + Focussed cost management and improved reliability

Increase utilisation

- + Maximise utilisation of existing infrastructure including third party use
- + Additional capacity available at low incremental cost

Support expansion around our core asset hubs

- + Building partner alignment to increase existing utilisation
- + Growth potential in gas and LNG infrastructure

Transition to low carbon future

- + Energy Solutions business to offset emissions and generate new sources of revenue

Portfolio of strategic infrastructure assets

A unique portfolio of processing, storage, transport and liquefaction assets with existing unutilised capacity and expansion opportunities to match indigenous and third party demand

Moomba & Pt Bonython



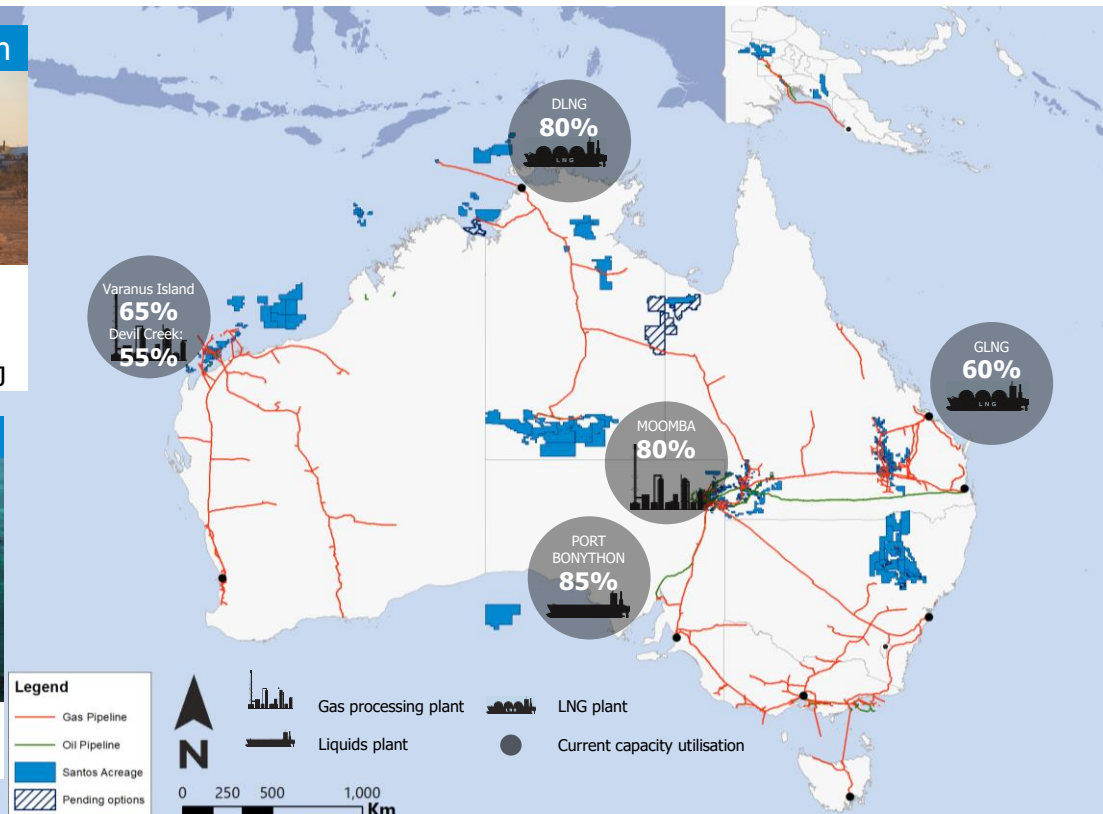
Gas capacity: 400 TJ/d
 Oil & condensate capacity:
 20 mmoepa
 Gas storage capacity: 70 PJ

Varanus Is & Devil Creek



Varanus Island: 390 TJ/d
 Devil Creek: 220 TJ/d

Santos 2019 Investor Day



DLNG



LNG capacity: 3.7 mtpa
 Approvals for up to 10 mtpa

GLNG



LNG capacity: 8.6 mtpa
 Gas storage capacity: 54 PJ

Unlock value through improved efficiency

Utilisation of Moomba and Port Bonython is at multi-year highs, with further growth potential and building partner alignment to increase LNG utilisation



Positioning Cooper midstream for long term operations

- + Focus on utilising and expanding capacity limits in both Port Bonython and Moomba plants
- + Well established third-party processing business
- + Strategically important underground storage – largest in Australia
- + Positioning Moomba as hub for future Cooper Basin and Northern Territory growth, and carbon capture and storage

Building partner alignment to increase LNG utilisation

- + GLNG partner support for a framework to access unutilised capacity
- + Barossa and DLNG partners working to finalise the processing agreement for Barossa gas to support an FID decision in 1Q 2020
- + DLNG environmental approvals in place for expansion up to 10 mtpa capacity

Future natural gas infrastructure

Santos' operatorship of strategic infrastructure enables low-cost and low-carbon future gas development

LEGACY MODEL		FUTURE STATE
Greenfield projects	▶	Low risk, low-cost brownfield projects, backfill
Fully integrated upstream & downstream assets	▶	Multi-user, open access infrastructure
Large scale 'mega project' developments	▶	Modular, scalable infrastructure solutions
Capital recovered from single project	▶	Relocatable and reusable infrastructure
Long term off-take contracts	▶	Access to multiple more liquid markets
Significant investment pre-FID	▶	Self-funding appraisal and early stage development
Take or pay commitments for infrastructure	▶	Infrastructure providers taking upstream & market risk
Domestic over-capacity: customers pay for usage only	▶	Domestic under-capacity: customers pay to secure capacity as well as usage
Carbon abatement or offset to meet baseline targets	▶	Low-carbon Energy Solutions projects

Energy Solutions low-carbon emission initiatives

Over 100,000 tonnes of annual CO₂ emissions reduction delivered, with many more opportunities identified

Solar-powered beam pumps

- + 23 wells expected to be converted to solar power and batteries by YE 2019
- + Beam pump generator OPEX and fuel consumption eliminated
- + A further 34 wells to be converted in 2020



Port Bonython solar installation

- + 2MW solar array integrated within a brownfield site
- + Contract award to start up 9 months
- + Represents over 6% of electricity used at the plant, with potential to expand



Moomba Heat Recovery Steam Generator project

- + Utilises waste heat from power generation to produce steam for the Moomba gas plant
- + Will reduce boiler fuel gas consumption by 1 TJ/d and emissions by 17,000 tonnes of CO₂ annually



GLNG refrigerant compressor seal recovery

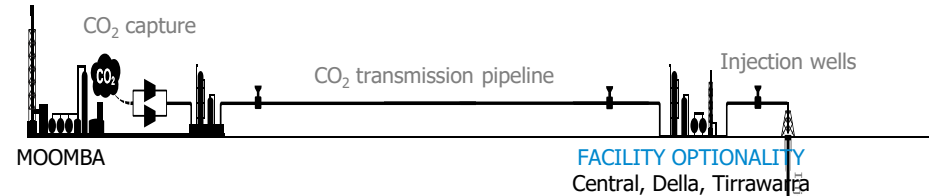
- + 8 skids installed to recover seal gas from each liquefaction refrigerant compressor circuit
- + Reduced flaring recovered 0.7 TJ/d of refrigerant gas and reduced emissions by 13,000 tonnes of CO₂ annually



Cooper Basin Carbon Capture and Storage (CCS)

Scalable opportunity up to ~20 mtpa CO₂ storage potential

Targeting 2020 FEED on 1.7 mtpa CCS project



Cooper Basin uniquely placed for CCS

- + Existing separated industrial CO₂ source – Moomba gas plant
- + Long-term experience with gas injection
- + Depleted reservoirs with proven rock seal
- + Pre-FEED completed on modular components for phase 1 CO₂ plant
- + Santos is collaborating with Occidental Petroleum (OXY), a world-leader in CO₂ injection

Potential value uplift

- + Offset emissions from other projects through carbon credits
- + Hydrogen industry expressing interest in CCS

Focused on unlocking value and increasing returns from our unique portfolio of assets

Run assets more efficiently and at lower cost

Increase utilisation

Support expansion around our core asset hubs

Transition to low carbon future

Marketing, Trading & Commercial

Petter Undem

Executive Vice President Marketing, Trading & Commercial

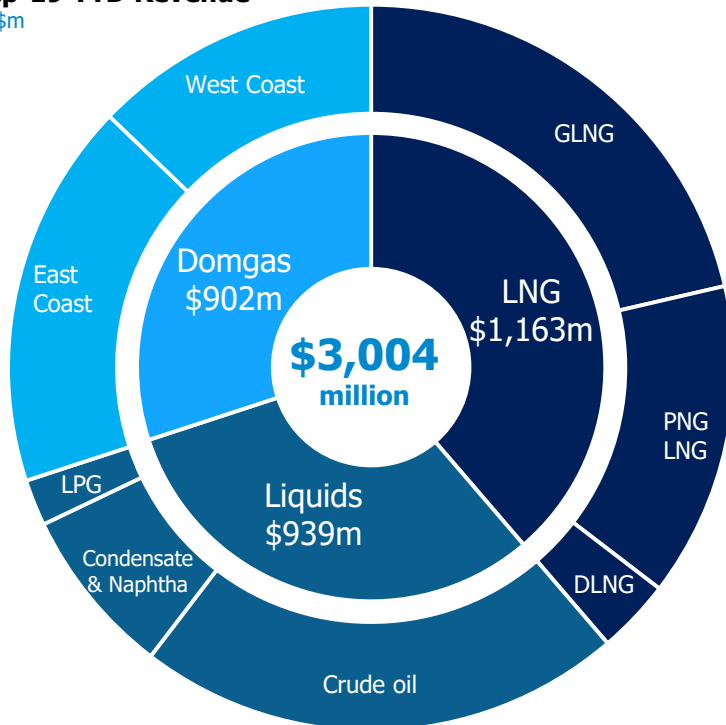
Santos

Santos sales overview

Diversified and balanced portfolio providing strong, sustainable revenue with 35% of sales volumes sold at fixed-priced contracts

Sep-19 YTD Revenue

US\$m



LNG

- + Portfolio realised LNG price YTD Sept 2019 US\$10/mmBtu
- + Minimal exposure to volatile spot prices with >95% of volumes in mid or long-term oil linked contracts

Domestic Gas

- + Strong infrastructure position and multiple delivery points
- + Supplied 207PJ of sales gas and ethane YTD Sept 2019
- + Portfolio realised average domestic gas price YTD Sept 2019 at US\$4.35/GJ

Liquids

- + High value, low sulphur portfolio trading at premium to Brent
- + Portfolio realised oil price YTD Sept 2019 US\$71.4/bbl, a ~10% premium to Brent

Strong global LNG demand growth driven by Asia

Lower risk brownfield LNG growth projects, which leverage existing infrastructure, are well placed to meet contestable LNG demand

Forecasts for global LNG demand in 2030 have been revised upwards by ~20% in past 4 years

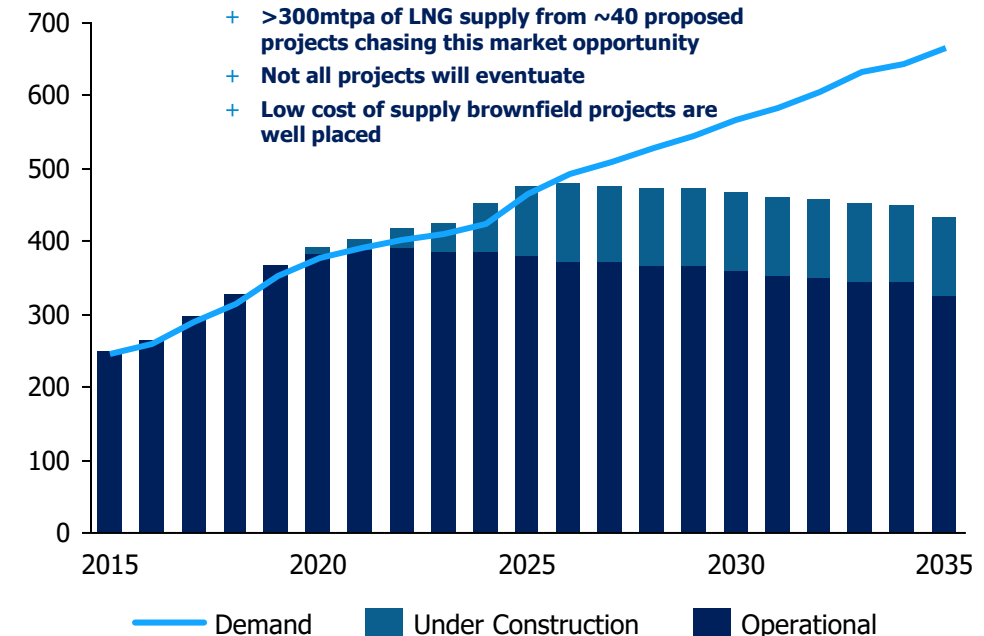
- + ~9% p.a. LNG demand growth experienced in period 2015-18
- + Asian region forecast to make up 65% of global LNG growth to 2030

Santos positioned as a regional Asian supplier

- + Strong relationships with long-term Asian customers and joint-venture partners
- + Some price review discussions on existing contracts continue with buyers, but are limited by contract terms
- + Santos' equity LNG sales expected to grow to ~5 mtpa by mid-2020s

Global LNG demand growth

mtpa



Supporting Domestic Gas Supply

Santos is a leading supplier of Australian domestic gas

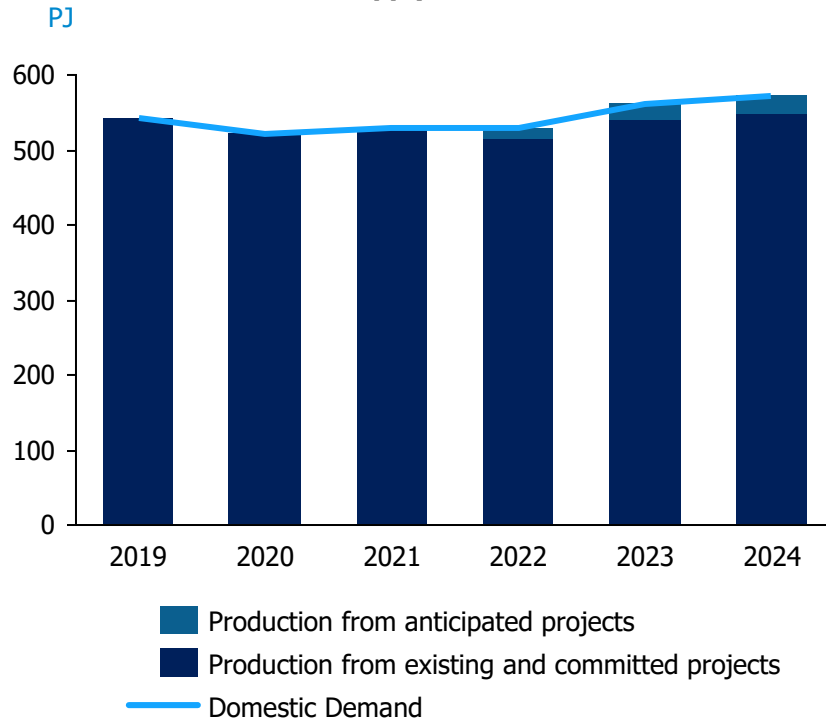
East coast gas market

- + Santos to supply ~70PJ of gas in 2019, approximately 14% of demand
- + AEMO forecasts no domestic market shortfall until ~2024
- + Recent gas sales contracts to major industrial customers: Orica, OneSteel and Adelaide Brighton
- + Santos continuing to invest in several east coast gas supply opportunities and 100% of the Narrabri Gas Project gas committed to the domestic market

West coast gas market

- + Santos to supply ~140PJ of gas in 2019, >35% of demand
- + Currently balanced market but new supply required from mid-2020s to meet demand
- + Long term industrial contracts with major industrial customers: Yara, Citic Pacific Mining and Alcoa
- + 12-year Alcoa contract for 120 TJ/d commences mid-2020 at favourable pricing

AEMO East Coast Gas Supply & Demand Forecast



Finance & Capital Management

Anthony Neilson
CFO

Santos

Strong financial and operating performance driving shareholder value

Record underlying earnings and free cash flow

- + Free cash flow \$852 million for the first nine months of 2019
- + 2019 forecast free cash flow breakeven reduced to ~\$29 per barrel¹

Continued cost out and efficiency gains

- + 2019 unit production cost guidance lowered to \$7.25-7.50 per boe including all shutdowns and PNG earthquake recovery costs
- + Disciplined Operating Model driving operated asset unit production costs lower

Balance sheet supportive of growth strategy

- + Gearing ratio expected to be ~35% following completion of the acquisition of ConocoPhillips' northern Australia interests
- + Gearing of ~25-30% expected during 2021-24 capex growth phase, post expected sell-down of interests in Barossa and Darwin LNG to between 40-50%²
- + Rapid de-gearing expected from 2025 onwards

¹ Free cash flow breakeven is the average annual oil price at which cash flows from operating activities (including hedging) equals cash flows from investing activities. Forecast methodology uses corporate assumptions. Excludes one-off restructuring and redundancy costs, and asset divestitures and acquisitions.

² Assumes \$65 per barrel flat real oil price.

Our Operating Model in action

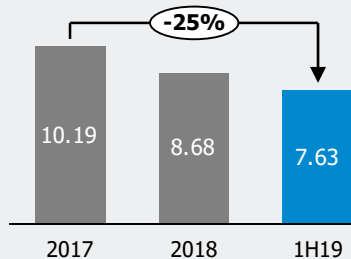
2019 upstream unit production cost guidance lowered to \$7.25-7.50 per boe including all shutdown and PNG earthquake recovery costs

DISCIPLINED OPERATING MODEL

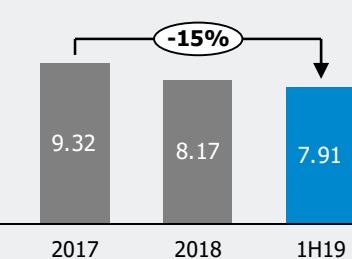
+ Core portfolio free cash flow breakeven at $\leq \$40/\text{bbl}$ oil price through the oil price cycle

+ Each core asset free cash flow positive at $\leq \$40/\text{bbl}$, pre-major growth spend

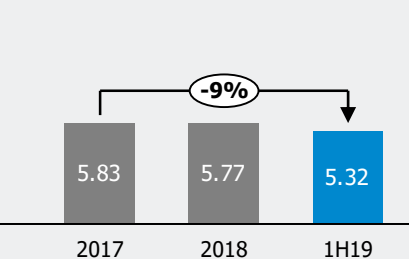
Western Australia production cost
\$/boe



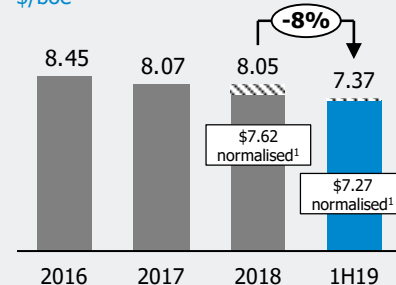
Cooper Basin production cost
\$/boe



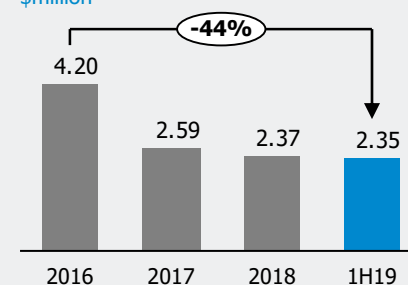
Queensland & NSW production cost
\$/boe



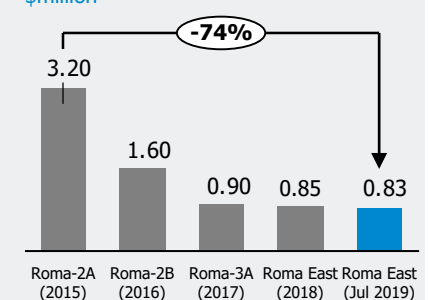
Total unit production cost
\$/boe



Cooper Basin well cost²
\$/million



Roma well cost - GLNG³
\$/million



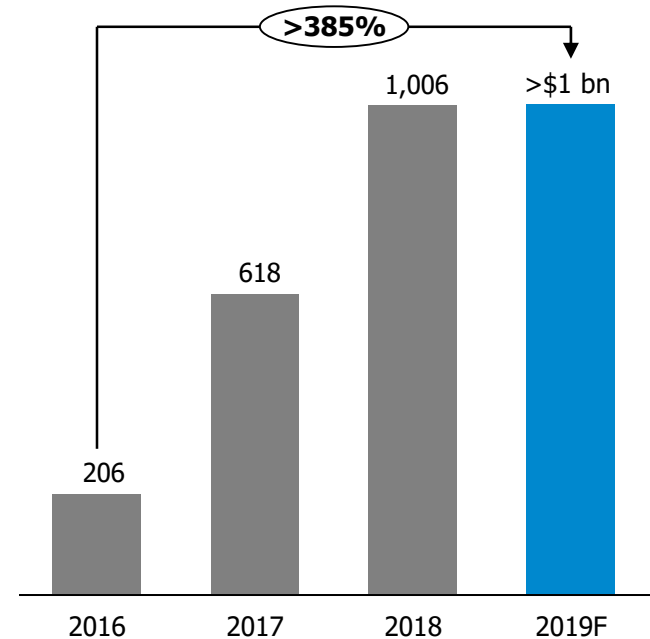
Strong free cash flow generation

Diversified and balanced portfolio providing strong free cash flow

- + Portfolio sales volumes balanced between
 - + CPI-linked gas contracts – ~35% of 1H19 sales volumes
 - + Oil-linked liquids and gas contracts – ~65% of 1H19 sales volumes
- + 12-year Alcoa contract in Western Australia commences mid-2020 for an initial supply of 120 TJ/day at favourable pricing
- + 2019 forecast free cash flow breakeven ~\$29 per barrel
- + Forecast 2019 free cash flow yield ~9%¹
- + Free cash flow \$852 million YTD 30 September 2019
 - + On track for >\$1 billion free cash flow for the full-year

Free cash flow

\$million



¹ Free cash flow defined as cash flows from operating activities (including hedging) less cash flows from investing activities (excluding asset divestitures and acquisitions and major growth projects).

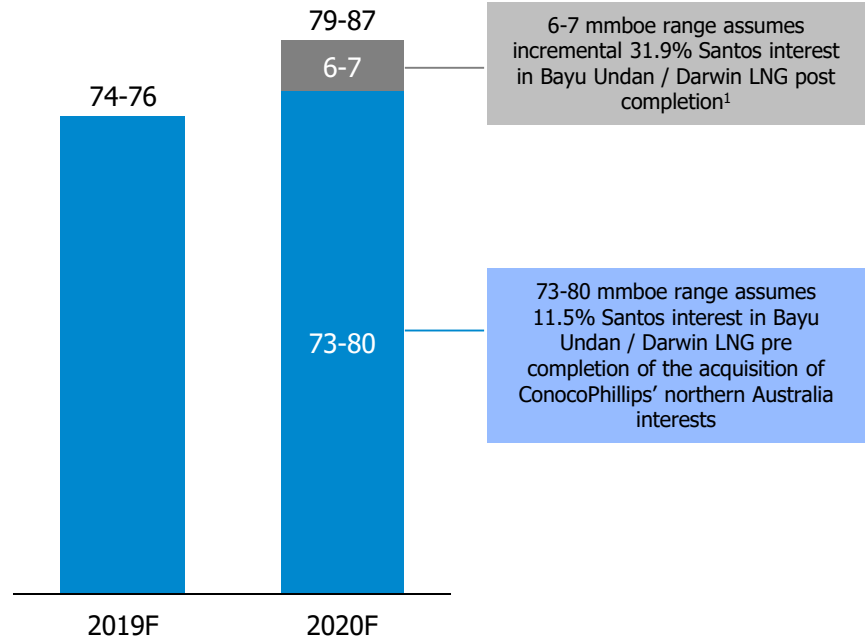
Production and sales volumes

2019 production guidance narrowed to 74-76 mmboe and sales volumes to 93-95 mmboe
Acquisition of ConocoPhillips' northern Australia interests to drive production higher in 2020

- + 2019 production guidance narrowed to 74-76 mmboe
 - + Major WA gas customer unplanned outage in Nov-Dec 2019
- + Factors influencing 2020F production
 - + Acquisition of ConocoPhillips' northern Australia interests and targeted sell-down to SK expected to deliver incremental production of 6-7 mmboe post completion¹
 - + Stronger production expected from GLNG indigenous fields
 - + Higher gas production in Western Australia following commencement of Alcoa contract in mid-2020
 - + Ningaloo Vision FPSO planned shipyard maintenance commencing April 2020
- + 2020 sales volume guidance 93-100 mmboe excluding ConocoPhillips acquisition and sell-down to SK E&S
 - + 99-107 mmboe post-completion¹

Production volumes guidance

mmboe



¹ Assumes completion of both ConocoPhillips acquisition and expected 25% sell-down to SK E&S on 31 March 2020.

Capital expenditure

2019 capex guidance ~\$1 billion.

Base business sustaining capex expected to be stable at \$0.9-1.0 billion per annum to 2025

- + Base business sustaining capex stable year on year at \$0.9-1.0 billion to 2025
 - + Includes Cooper Basin and Queensland drilling, Western Australia, Northern Australia and PNG sustaining capex, exploration and corporate
 - + Expect to drill 90-100 wells in the Cooper Basin and 350-400 wells across GLNG per annum
- + 2020F major growth capex ~\$500 million includes Barossa (~45% Santos interest), Dorado and PNG expansion

Capex guidance by asset (Santos share)

Western Australia	Cooper Basin	QLD & NSW	Northern Australia	PNG
2020 Dorado FEED, Van Gogh infill and Spartan capex ~\$60 million	Sustaining capex ~\$300 million per annum 2020-25	Sustaining GLNG capex ~\$200 million per annum 2020-25	Barossa capex ~\$2.1 billion to first gas ¹ Darwin LNG life extension capex ~\$260 million ²	Train 3 capex ~\$300-400 million over 3 years; ~60-70% expected to be project financed

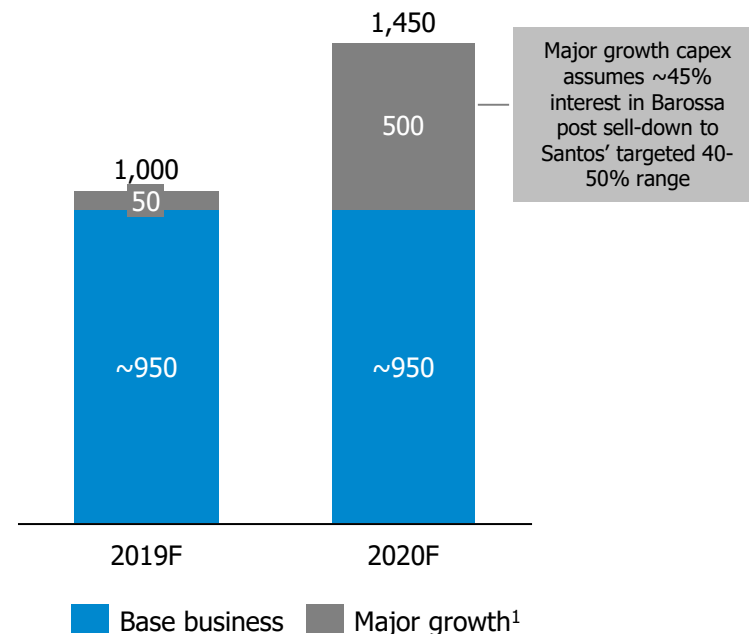
¹ Barossa assumes sell-down to Santos' targeted ~45% interest.

² DLNG after expected 25% sell-down to SK E&S.

Santos 2019 Investor Day

Capital expenditure guidance

\$ million



¹ Major growth includes Barossa, Dorado & PNG expansion

Strongly value accretive acquisition

PURCHASE PRICE & EFFECTIVE DATE

- + Effective date 1 January 2019
- + Purchase price of \$1.39 billion plus a contingent \$75 million on Barossa FID
- + Expected to complete 1Q 2020 subject to third party consents and regulatory approvals
- + Financials will only be impacted post completion in 2020
- + Net funding requirement expected to be approximately \$775-825 million post the benefit of cash flows generated from the acquired business from the effective date of 1 January 2019 to completion with customary adjustments and proceeds realised from expected sell-down to SK E&S

MATERIAL COMBINATION SYNERGIES

- + Targeting combination synergies of \$50-75 million per annum (pre-tax)
- + Leverage experience from Quadrant acquisition which has delivered \$50-60 million run-rate per annum in synergies
- + Removal of duplication from acquisition of existing JV partner and operator
- + Optimise operations across the combined asset footprint
- + Corporate and overhead savings
- + Full synergy potential to be assessed during integration
- + Opportunity to create value through strategic partnering and portfolio optimisation

Diversified and balanced portfolio delivering strong margins **Santos**

All assets free cash flow positive at <US\$40/bbl and EBITDAX margins >50%

- + Diversified and balanced portfolio
- + Northern Australia pro-forma 2019 first-half results post ConocoPhillips acquisition:
 - + Revenue up by \$236 million
 - + EBITDAX up by \$147 million
 - + EBITDAX margin 61%
- + All assets free cash flow positive at <US\$40/bbl
- + All assets have EBITDAX margins >50%

Pro-forma 2019 First-half results summary¹

	Cooper Basin	Qld & NSW	PNG	WA	Nth Aust	Nth Aust (pro-forma) ²	Santos	Santos (pro-forma) ²
Total revenue \$million	568	522	328	437	85	→ 321	2,043	→ 2,279
EBITDAX \$million	291	321	283	314	50	→ 197	1,260	→ 1,407
EBITDAX margin	51%	61%	86%	72%	59%	→ 61%	62%	→ 62%

¹ Corporate segment not shown

² Assumes STO interest in Bayu Undan / DLNG of 43.4% post sell-down to SK E&S

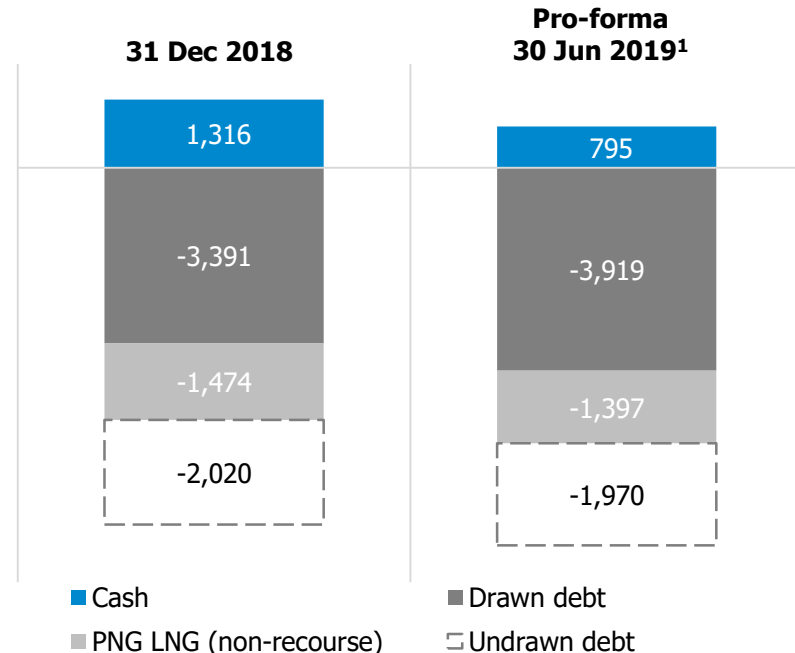
Pro-forma debt and liquidity

Pro-forma net debt \$4.5 billion and ample liquidity of \$2.8 billion after including ConocoPhillips acquisition

- + Strong free cash flows. Pro-forma net debt of \$4.5 billion (includes \$750 million ConocoPhillips acquisition facility and \$359 million AASB 16 Lease liabilities) as at 30 June
- + Pro-forma gearing ratio ~35% (including AASB 16) assuming acquisition occurred as at 30 June
- + Ample liquidity retained:
 - + \$795 million in cash
 - + \$1,970 million in committed undrawn debt facilities
- + Flexibility to optimise the broader Santos asset portfolio through strategically aligned farm-outs and disposals
- + S&P Global Ratings affirmed Santos' BBB- (stable) long-term issuer credit rating on 13 October 2019 noting that the company's current balance sheet capacity can accommodate the ConocoPhillips acquisition

Cash, debt and undrawn debt facilities

\$million



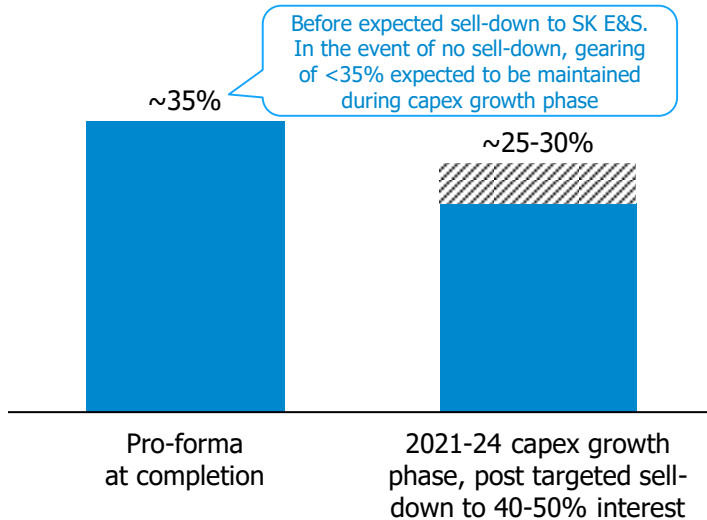
¹ Pro-forma drawn debt includes acquisition purchase price (including Barossa FID contingent payment), derivatives and \$359 million AASB 16 Lease liabilities standard adopted 1 January 2019

Stable cash flows underpin strong de-leveraging and liquidity Santos

Targeting medium term gearing ratio of 25-30%, with sufficient flexibility to address all future capital expenditure requirements and maintain sustainable dividend

Gearing post growth funding and dividends¹

Net debt / (Net debt + Equity)



Disciplined capital management

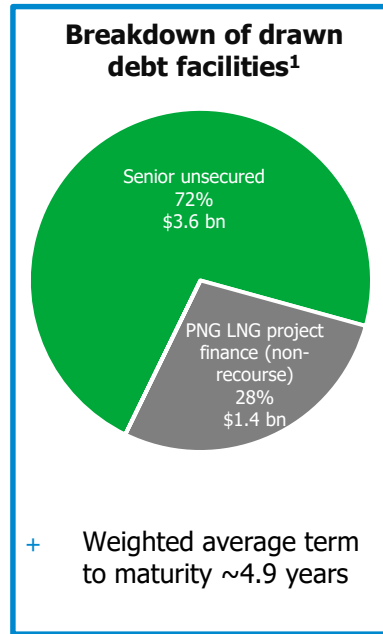
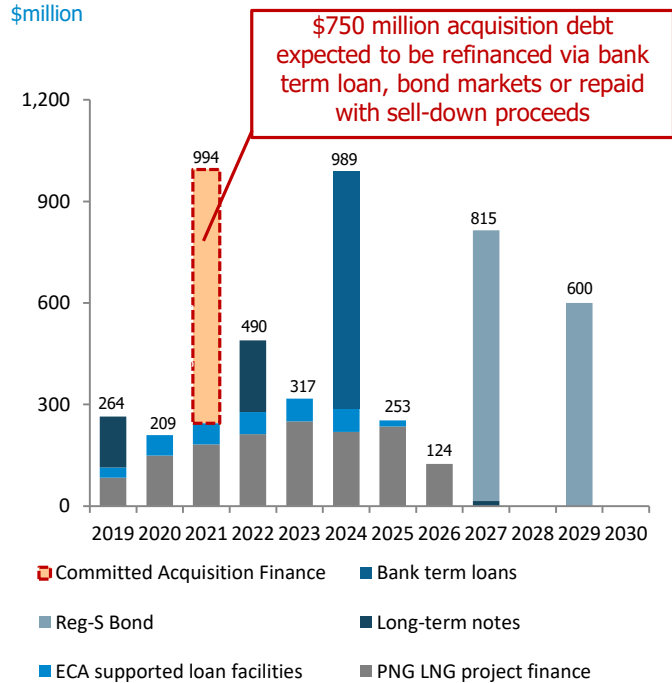
- + De-gearing supported by Santos' strong free cash flow profile and through a potential sell-down of interests in the acquired ConocoPhillips assets
- + Gearing of ~25-30% expected during 2021-24 capex growth phase, post expected sell-down of interests in Barossa and Darwin LNG to Santos' targeted 40-50% interest
- + Major growth capex and dividend to be fully-funded from operating cash flow and debt
 - + Dividend to be maintained through the major growth capex phase, consistent with the sustainable dividend policy
- + Rapid de-gearing expected from 2025 onwards
- + Gearing of <35% expected to be maintained during capex growth phase at US\$60/bbl oil price even in the event of no sell-downs of northern Australia interests
- + Flexibility to optimise the broader Santos asset portfolio through strategically aligned farm-outs and disposals

¹ Assumes US\$65 per barrel flat real oil price and full-year of ownership of the acquired interests in 2019.

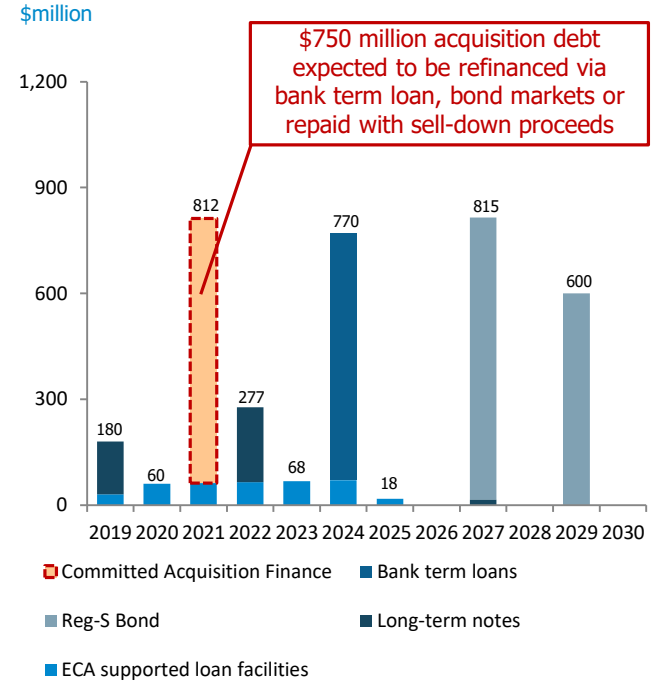
Pro-forma drawn debt maturity profile

\$750 million committed acquisition debt to be repaid with sell-down proceeds or refinanced post completion in 2020

Pro-forma drawn debt maturity profile¹



Pro-forma drawn debt maturity profile excluding PNG LNG project finance¹



¹ Pro-forma assuming acquisition occurred on 30 June 2019. Excludes leases and derivatives. Santos 2019 Investor Day

Strategy & Wrap-Up

Kevin Gallagher

Managing Director & CEO

Santos

Clear and consistent strategy since 2016



Transform

- + Diverse and balanced portfolio of five core, long-life natural gas assets
- + Robust balance sheet
- + Lowest cost onshore operator in Australia
- + Disciplined, low cost operating model, portfolio free cash flow breakeven at $\leq \$40/\text{bbl}$ oil price



Build

- + Develop low-risk, brownfields growth prospects across the core portfolio
- + Pursue strategically aligned, value accretive acquisition opportunities
- + Leverage facilities and infrastructure operations strategic capability
- + Maximise margin through M&T business



Grow

- + Execute and bring on-line growth opportunities across the core portfolio
- + Focused exploration strategy to identify new high-value targets and unlock future core assets
- + Generate new revenue through low-carbon Energy Solutions projects

Business focus aligned to the core strategy

Complete COP acquisition and realise synergies

FID Barossa

Dorado into FEED

Complete P'nyang farm-in and PNG LNG expansion into FEED

Deliver GLNG sales of ~6.2 mtpa

Optimise portfolio through aligned acquisitions, farm-outs and disposals

Appendix

Santos

Cautionary statement regarding reserve and resource estimates

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.

Notes on reserves and resources statements

The estimates of petroleum reserves and contingent resources have been prepared in accordance with the 2007 Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE).

All estimates of petroleum reserves and contingent resources reported by Santos are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator (QPRRE). Unless otherwise stated, references in this presentation to reserves (other than pro forma statements incorporating ConocoPhillips reserves) are as at 31 December 2018, as contained in the Santos 2018 Annual Report.

Information on petroleum reserves and contingent resources quoted in this reserves statement is rounded to the nearest whole number. Some totals may not add due to rounding.

Conversion factors: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe, 1 barrel of condensate equals 0.935 boe; 1 barrel of crude oil equals 1 boe.

Unless otherwise stated, all references to petroleum reserve and contingent resource quantities in this presentation are Santos' net share. Reference points for Santos' petroleum reserves and production are defined points within Santos' operations where normal exploration and production business ceases, and quantities of produced product are measured under defined conditions prior to custody transfer. Fuel, flare and vent consumed to the reference points are excluded. Petroleum reserves are aggregated by arithmetic summation by category and as a result, proved reserves may be a very conservative estimate due to the portfolio effects of arithmetic summation. Petroleum reserves are typically prepared by deterministic methods with support from probabilistic methods.

Cautionary statement regarding reserve and resource estimates

Notes on reserves and resources statements – Barossa

The estimates of petroleum reserves and contingent resources in the presentation are based on and fairly represent information and supporting documentation prepared by, or under the supervision of Mr Nick Pink who is an employee of Santos and a member SPE. Mr Pink meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this presentation.

Notes on reserves statements – Poseidon

Information on the reserves in this presentation relating to the Poseidon assets is based on an independent assessment conducted by RISC Advisory as at 31 December 2018. The audit was carried out in accordance with the SPE Reserves Auditing Standards under the supervision of Mr Peter Stephenson, an employee of RISC Advisory and a member of the SPE and SPEE. Mr Stephenson meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this presentation. Mr Stephenson is independent with respect to ConocoPhillips and Santos.

Cautionary statement regarding Dorado contingent resources estimates

Dorado is located in WA-437-P in which Santos is operator and holds an 80% interest. Dorado-1 confirmed the basis of the discovery by demonstrating the existence of a significant quantity of potentially moveable hydrocarbons in the Caley, Baxter Crespin and Milne reservoirs by sampling, testing and logging procedures. Dorado-2 successfully appraised the down-dip extent of the field and reaffirmed the basis of discovery and updated estimates of moveable hydrocarbons with further sampling, testing and logging. Dorado-3 successfully flow tested the primary Caley oil reservoir in the Dorado field and results may alter the estimates contained herein.

In estimating the contingent resources, standard industry techniques combining geophysical and geological modelling and interpretation with reservoir engineering modelling have been applied. 2019 compositional simulation studies have modelled miscible flood with LPG rich gas injection. This provides a gas handling solution and has had a positive impact on the Caley oil recovery factor range and condensate recovery from secondary gas reservoirs (Baxter, Crespin and Milne). There is remaining uncertainty in some of the input parameters and these have been incorporated in the range of outcomes. The key contingencies to prevent classification of reserves are completion of the appraisal program, final development plan and investment decision. Following the Dorado-3 appraisal well, all results will be analysed and expected recoverable volumes reassessed and incorporated into the year-end 2019 annual reserves and resources statement. Firm intention to progress the project will be based on the results of the appraisal program and confirmation of the development concept. Fuel, flare and vent has not been excluded.

Santos prepares its petroleum reserves and contingent resources estimates in accordance with the 2007 Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). Unless otherwise stated, all references to petroleum reserves and contingent resources quantities in this presentation are Santos' net share. Reference points for Santos' petroleum reserves and production are defined points within Santos' operations where normal exploration and production business ceases, and quantities of produced product are measured under defined conditions prior to custody transfer. Petroleum resources are typically prepared by deterministic methods with support from probabilistic methods.

Conversion factors: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe; 1 barrel of condensate equals 0.935 boe; 1 barrel of crude oil equals 1 boe.

All estimates of petroleum reserves and contingent resources reported by Santos are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator (QPRRE). References in this presentation to Dorado contingent resources represent an interim estimate as at 30 June 2019. Estimates will be updated as part of the Santos annual reserves process as at 31 December 2019. The estimates of petroleum contingent resources for Dorado in this presentation are based on and fairly represent information and supporting documentation prepared by, or under the supervision of Mr Nick Pink who is a full time employee of Santos and a member of Society of Petroleum Engineers (SPE). Mr Pink meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this presentation.