

24 December 2004

## Santos sells its Carpentaria Gas Pipeline interest for A\$59million

Santos Limited in conjunction with Origin Energy and Delhi Petroleum announced today that they had entered into an agreement with Australian Pipelines Trust (APT) to sell their combined 30% interest in the Carpentaria Gas Pipeline (CGP) for a total cash consideration of A\$98 million.

Santos' interest in the CGP is approximately 18% and its share of the total cash consideration is A\$ 59 million. This is expected to result in Santos being able to book a profit in the current financial year ending 31 December 2004.

The CGP is a 840 km sales gas trunk pipeline from the South West Queensland Producers' (Producers) Ballera gas processing plant in south west Queensland to Mt Isa.

The sale does not affect the existing shipping rights of Santos and the other Producers on the CGP.

APT and the Producers have also agreed to hold future discussions concerning a new delivery point into the CGP which may assist in commercialising a number of smaller gas fields to the north of the Ballera gas plant.

"This sale represents a continuation of Santos' strategy to dispose of non core assets said Santos' Managing Director, Mr John Ellice-Flint.

"Notwithstanding the sale, Santos will continue to maintain a close relationship with APT on the CGP and in other APT gas pipelines transporting gas produced by Santos."

Participating interests in the Carpentaria Gas Pipeline Joint Venture are:

	<b>New</b>	<b>Old</b>
Australian Pipeline Trust	100%	70%
Santos Group	-	18.02%
Delhi Petroleum	-	6.96%
Origin Energy	-	5.02%

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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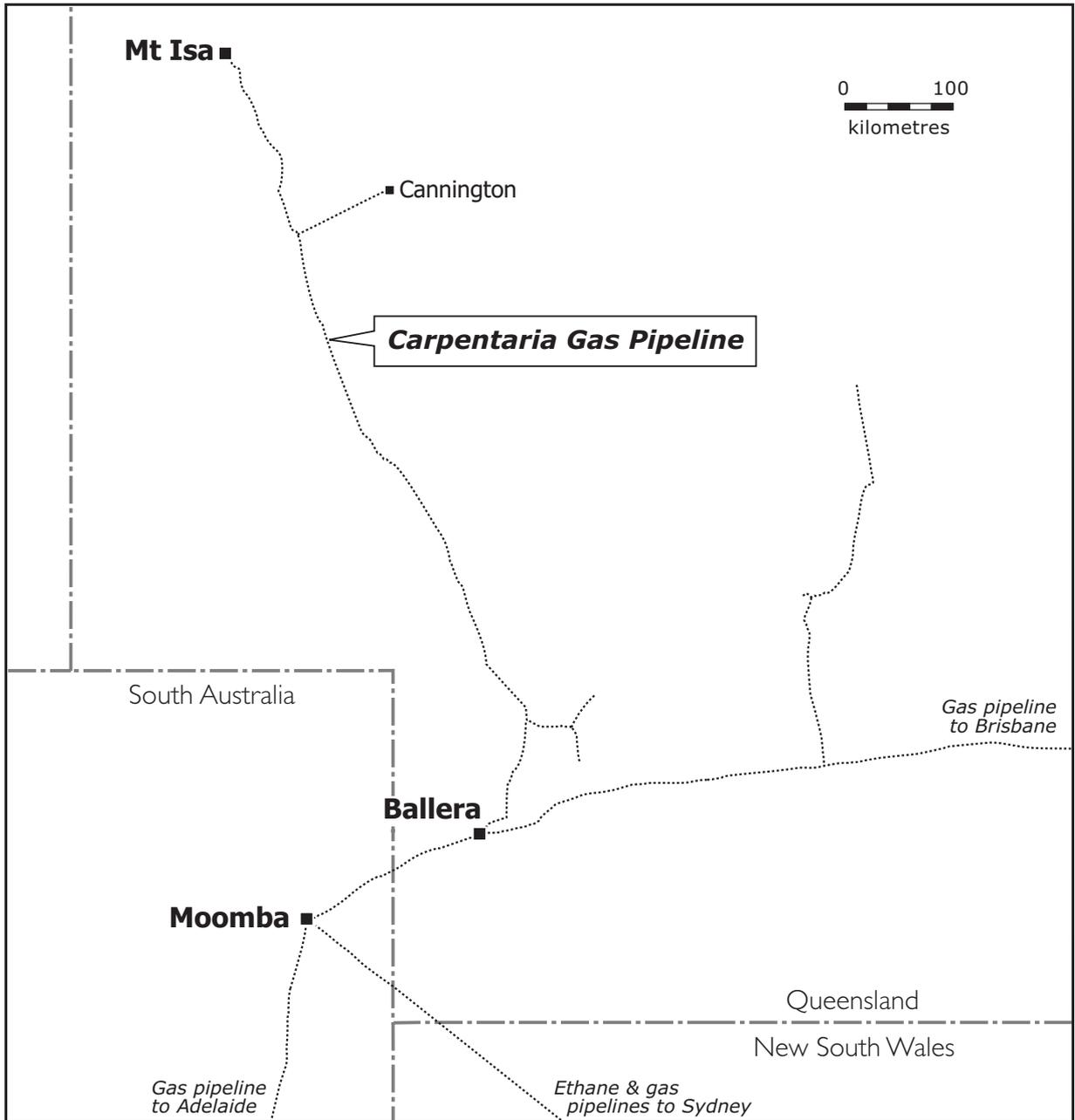
**Santos stock symbols: STO (Australian Stock Exchange), STOSY (NASDAQ ADR)**

Map attached

**Fact Sheet  
Carpentaria Gas Pipeline**

- Commissioned in 1998
- 12 inch (305 millimetres) diameter pipeline
- 840 kilometres
- Transports sales gas to commercial and industrial customers in Mt Isa, one of Australia's key resource provinces
- Pipeline currently running close to capacity at 30 PJ per annum
- Gas transportation agreements in place with Zinifex, SWQ Producers and BHP Billiton.
- Gas used for electricity generation, mineral processing and extraction, and fertiliser production.

# Carpentaria Gas Pipeline ('CGP')



**LEGEND**

.... Gas pipeline

