

15 June 2005

## Kipper partners apply for a production licence

Santos Limited is pleased to confirm that an application has been made to the Victorian government for a production licence over the Kipper gas field in Bass Strait, offshore eastern Victoria.

This application follows the resolution of access arrangements for the processing of the gas and liquids from the Kipper field through Esso and BHPB infrastructure and processing facilities in Gippsland, Victoria.

Non binding Memoranda of Understanding have been signed between the RL2 joint ventures and the Gippsland Basin Joint Ventures to unitise the Kipper field; provide operating services and for transportation and the processing of the gas and liquids.

Subject to corporate funding and approval processes, production from the Kipper field is expected to commence in 2009. The field's proven plus probable reserves comprise approximately 620 billion cubic feet of recoverable gas and 30 million barrels of condensate and LPG.

"The Kipper production licence signals a significant step forward for this important project and adds to Santos' growing Victorian operations," said Santos' Managing Director, Mr John Ellice-Flint.

"Santos now has interests in four offshore south-eastern Australian projects: Casino and Minerva offshore western Victoria and Patricia-Baleen and Kipper offshore eastern Victoria.

The interests in Kipper field after unitisation will be:	
Crusader (Victoria) Pty Ltd (a Santos Ltd subsidiary)	9.07%
Santos Offshore Pty Ltd (a Santos Ltd subsidiary)	4.93%
Esso Australia Resources Pty Ltd (operator)	32.5%
BHP Billiton Pty Ltd	32.5%
Woodside Energy Ltd	21%

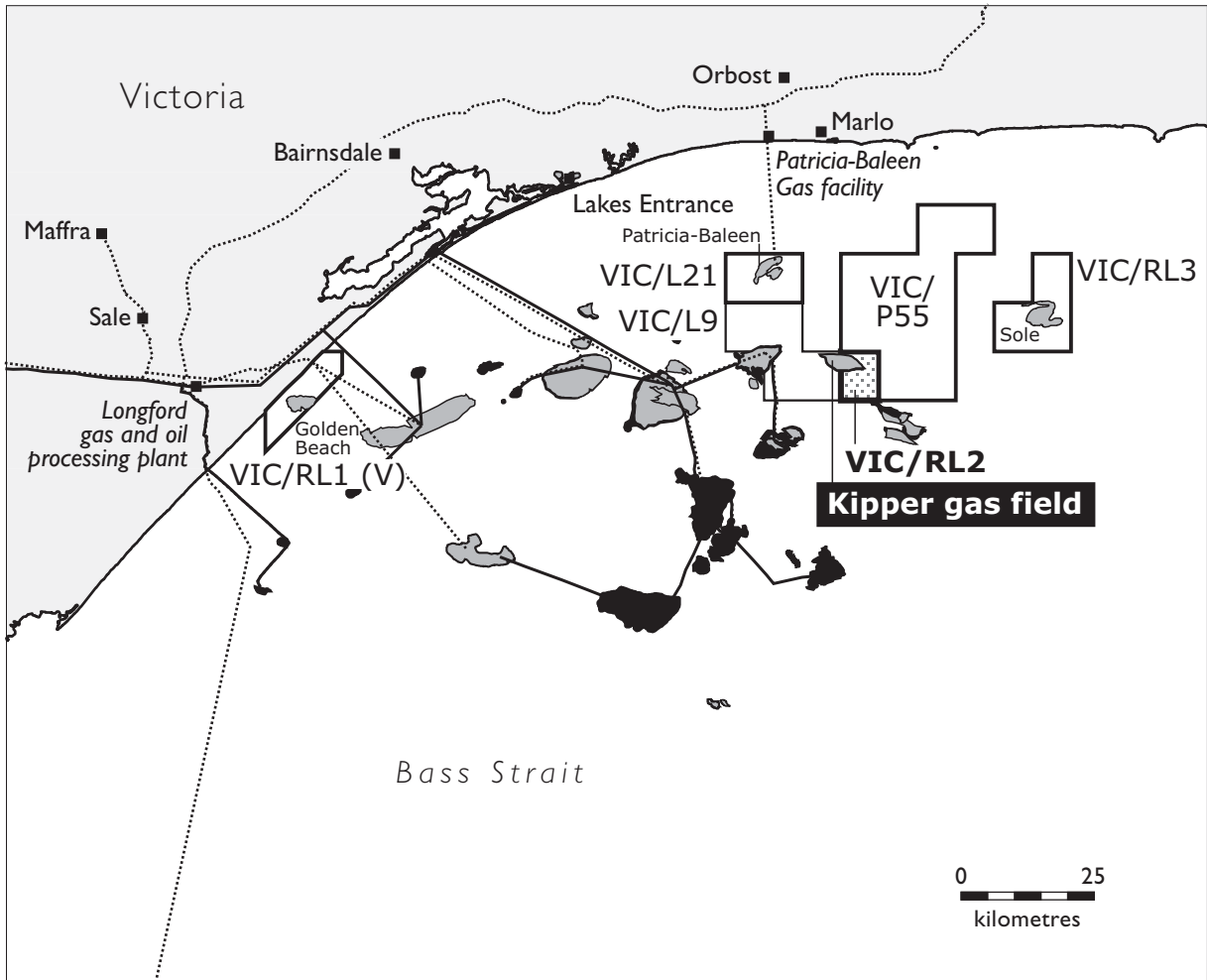
### FOR FURTHER INFORMATION PLEASE CONTACT:

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**Santos stock symbols: STO (Australian Stock Exchange), STOSY (NASDAQ ADR), Ref #82-34 (Securities Exchange Commission)**

Map attached.

# Kipper Gas Field



**LEGEND**

- Santos Acreage
- ESSO/BHP Acreage
- Kipper PL Application
- Oil Field
- Gas Field
- Oil Pipeline
- .... Gas Pipeline

