

22 December 2005

Moomba insurance claim settled

Santos Limited today announced that it will recover \$149 million following the successful conclusion of the insurance claim relating to the January 2004 incident at the Moomba liquids recovery plant (LRP) in central Australia.

This amount represents Santos' share of the total of \$231 million which will be received for Property Damage and Business Interruption on behalf of the Cooper Basin Producers, and is net of the policy deductible.

A pre-tax profit of \$33 million will be booked by Santos in its financial result for the full year ending 31 December 2005, which represents the excess of the final settlement over the \$116 million accrued during the 2004 financial year.

A proportion of the funds totalling \$54 million have already been received by Santos, and the outstanding balance of \$95 million is expected to be received during the first quarter of 2006.

A deed of release has been executed between Santos and the lead insurer which agrees the amounts payable and effectively concludes the claim for the LRP incident.

The interests of the Cooper Basin Producers are:

Santos Limited (operator)	66.60%
Delhi Petroleum Pty Ltd	20.21%
Origin Energy Resources	13.19%

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)