

29 June 2004

Santos divests Magellan shareholding

Santos Limited advises that it has sold a total of 4,723,095 fully paid ordinary shares in Magellan Australia Petroleum Limited at \$1.25 per share.

This sale represents Santos' entire remaining holding in Magellan and follows the sale of 3.8 million shares in February 2004.

The divestment is in line with the Company's policy to divest non-core assets.

FOR FURTHER INFORMATION PLEASE CONTACT:

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