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Santos wins new \$90 million Newmont gas supply contract

Santos today announced that it had secured a new gas contract valued in excess of \$90 million with Newmont Australia in Western Australia.

Under the contract, Santos will supply gas over three years to Newmont's existing operations at the Jundee gold mine and the Parkeston power station in central Western Australia.

The gas will be supplied from the offshore John Brookes gas field, processed at the East Spar gas processing facilities on Varanus Island, and then transported to the mine and power plant via the Goldfields Gas Transmission Pipeline.

The contract came into effect on 1 January 2007.

"Santos is pleased to be awarded our first contract with Newmont Australia to support two important operations in regional Western Australia," Santos' Managing Director, Mr John Ellice-Flint, said today

"It is a significant contract that has met the customers requirements and commenced deliveries in a relatively tight timeframe, allowing Newmont to continue its operations uninterrupted," Mr Ellice-Flint said.

"The contract was awarded as part of a competitive tender and builds on previous WA contracts secured for the John Brookes gas field, including Newcrest's Telfer gold mine, the new Wesfarmers LNG plant at Kwinana and the various power generation requirements of Energy Developments in the West Kimberley region," he said.

Ends

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