

Media enquiries

Matthew Doman
+61 8 8116 5260 / +61 (0) 421 888 858
matthew.doman@santos.com

Investor enquiries

Andrew Nairn
+61 8 8116 5314 / +61 (0) 437 166 497
andrew.nairn@santos.com

25 March 2008

Managing Director Retires

Santos today announced that Managing Director and Chief Executive, John Ellice-Flint will step down from his role effective immediately. He will continue with the Company until 30 June 2008 in a consulting capacity. Executive Vice President, David Knox, has been appointed Acting Chief Executive Officer until the completion of an international search for a successor to Mr Ellice-Flint.

Santos Chairman, Stephen Gerlach, said Mr Knox's extensive industry experience and existing senior role within Santos meant he was very well placed to step into the Acting CEO position.

"The Board has total confidence that David has the necessary skills and experience to lead the Company while we undertake a comprehensive selection process for John's successor. We expect that Mr Knox will be a strong candidate for that role," Mr Gerlach said.

Mr Gerlach thanked Mr Ellice-Flint for his very significant contribution to Santos, and said that his extensive experience and industry knowledge have been of crucial importance to the Company.

Since his appointment in 2000, Mr Ellice-Flint has led Santos through a period of significant growth and development. His achievements include taking the Company from a domestic onshore oil and gas producer to become a leading regional oil and gas field operator as well as a producer of LNG and CSG.

Mr Ellice-Flint has also been responsible for key projects such as the development of the Mutineer and Exeter offshore oil fields, the Bayu Undan LNG field, and recent initiatives such as the Gladstone LNG project, the Moomba Carbon Storage project and the agreement of the South Australian Government to repeal the 15% shareholding cap.

"John has driven the transformation of Santos' reserves position and operations to underwrite a very promising long term growth outlook. He has also brought about a remarkable cultural change throughout the Company to make it far more innovative and regionally focused," Mr Gerlach said.

"For several years, the Board has been working to identify and attract industry leading professionals to both the Board and executive management team.

“Over recent months we have been discussing the best timing for the identification and appointment of the CEO to lead the Company’s next phase of growth. With the shareholding cap soon to be removed and the increasing pace of planning for the Gladstone LNG project, we came to the view that we should implement the orderly transition process announced today.

“John’s successor will inherit a Company well placed to embark on the next phase of its expansion, as it pursues strategic growth opportunities in new markets,” Mr Gerlach said.

Mr Ellice-Flint said: “I feel privileged to have served as Managing Director of such a dynamic and promising organisation. I am proud of Santos’ achievements to date and have great confidence in the team we have assembled to lead Santos into the future.”

“The Company has an excellent portfolio of quality assets with depth. I am very pleased with the transformation that we have put in place and I feel that it is the right time to move on to other opportunities,” he said.

Biographical notes for David Knox

- Joined Santos in September 2007 as Executive Vice President, Growth Businesses, responsible for growth in Santos’ emerging new businesses including LNG, Geoscience and New Ventures, Indonesia and other strategic projects.
- Extensive global experience in the petroleum industry. Previously Managing Director for BP Exploration and Production in Australasia from 2003 to 2007.
- During 25 year career held senior positions with BP in Australia, United Kingdom and Pakistan. Previously worked for ARCO and Shell in the United States, Netherlands, United Kingdom and Norway.
- Holds a first class honours degree in Mechanical Engineering from Edinburgh University and a Masters of Business Administration.

A photograph of Mr Knox is available.

Ends

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