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GLNG[®] marketing update

GLNG[®] announced on 18 June 2009 that it had entered a binding Heads of Agreement to sell 2 million tonnes per annum (mtpa) of liquefied natural gas to PETRONAS with an option for an additional 1mtpa on the same terms should GLNG elect to supply. The Agreement with PETRONAS underpins the volumes for the first train of the GLNG project.

GLNG remains in detailed ongoing discussions with a number of Asian LNG buyers in relation to potential sales from the GLNG project. These discussions include the potential for buyers to purchase an equity stake in GLNG from Santos. GLNG anticipates making further announcements on marketing prior to the final investment decision which is due mid-2010.

Due to these ongoing discussions with potential buyers, GLNG advises that the timeframe for GLNG to exercise the option to supply PETRONAS with the additional 1mtpa has been extended to the final investment decision on the first train.

About GLNG

GLNG is an integrated development that includes coal seam gas production and processing facilities, onshore pipelines and LNG plant facilities. Santos has a 60% interest in GLNG. PETRONAS, Malaysia's national oil company and third largest LNG producer in the world, owns the remaining 40%.

Ends.