

Santos Ltd
A.B.N. 80 007 550 923
Ground Floor, Santos Centre
60 Flinders Street
Adelaide South Australia 5000
GPO Box 2455
Adelaide South Australia 5001
Telephone: 08 8116 5000
International: +61 8 8116 5000
Company Secretary
Facsimile: 08 8116 5623

11 May 2009

Justin Nelson
Manager, Issuers (Adelaide)
ASX Limited
Justin.Nelson@asx.com.au

Dear Justin

Santos Limited – Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Santos Limited (ABN 80 007 550 923) (**Santos**) under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Act**) as notionally modified by Australian Securities and Investments Commission Class Order 08/35 (CO 08/35).

Santos has announced on 11 May 2009 an accelerated non-renounceable entitlement offer (**Entitlement Offer**) of 2 fully paid Santos ordinary shares (**New Shares**) for every 5 Santos ordinary shares held as at 7:00 pm (AEST) on 14 May 2009 by eligible shareholders with a registered address in Australia or New Zealand and any other jurisdictions in which Santos has decided to make offers.

Santos advises that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Act as notionally modified by CO 08/35;
- (b) this notice is being given under section 708AA(2)(f) of the Act as notionally modified by CO 08/35;
- (c) as at the date of this notice, Santos has complied with:
 - 1) the provisions of Chapter 2M of the Act as they apply to Santos; and
 - 2) section 674 of the Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act as notionally modified by CO 08/35; and
- (e) the issue of New Shares pursuant to the Entitlement Offer is not expected to have any material effect or consequence on the control of Santos.

Yours sincerely



James Baulderstone
Company Secretary
Santos Limited