



8 March 2016

Santos receives resolution from shareholders for consideration at AGM

On Thursday 3 March 2016, Santos received a notice requesting a resolution for consideration at the Company's Annual General Meeting on 4 May 2016. Of the 104 signatories, 98 have been verified as shareholders, representing approximately 0.019% of the Company's shares on issue. A copy of the notice is attached.

Santos advises that it will not be putting the proposed resolution to the AGM for the following reasons:

- the requisition fails to satisfy the requirements of section 249N of the Corporations Act;
- a similar resolution was the subject of extensive debate at the 2014 AGM and overwhelmingly rejected by shareholders with 99.2% of the vote cast against the resolution; and
- the proposed resolution would not have been a legally binding resolution and the Board would not have been required to include it on the AGM agenda.

Ends.

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**NOTICE OF RESOLUTION FOR CONSIDERATION AND PASSING AT
THE ANNUAL GENERAL MEETING OF SANTOS MAY 2016**

Resolution:

As Santos shareholders, we are concerned by the current financial state of the company and any further spending on the risky and marginal Narrabri Gas Project. The 'writing off' of the project and reclassification of the gas reserves in the Gunnedah Basin to 'Contingent' demonstrates the high level of uncertainty around this project.

Recently AGL has withdrawn from coal seam gas development in NSW and made room for increased investment in traditional and large-scale renewables.

We move that the Narrabri Gas Project in North West NSW be withdrawn from Santos' portfolio and Santos begin a process for investigating renewable energy investment options.

The Santos Narrabri Gas Project is facing sustained community opposition and a legal challenge in the NSW Land and Environment Court over the approval of a wastewater treatment facility in the Pilliga forest.

The Narrabri Gas Project threatens Santos' reputation and now that it is the sole coal seam gas project proposed for NSW makes Santos look like a rogue operator.

The project no longer has bipartisan support in NSW with Labor reconfirming its position for a State-wide moratorium on coal seam gas and a permanent ban in the Pilliga at its February State conference.

We believe that Santos is best to walk away from the controversial Narrabri Gas Project and rebuild investor confidence with established business priorities and by looking forward to new opportunities in the renewable energy sector. Santos is of great value to the Australian Public and this resolution aims to strengthen its financial standing and give greater potential for Santos to increase value to us as shareholders.