

5 March 2018

PNG LNG update

Santos has been advised by the PNG LNG operator that following the earthquakes in the Southern Highlands and Hela Provinces during the week of 26 February 2018, preliminary assessments of damage to PNG LNG facilities indicate it may take approximately eight weeks to complete repairs and restore production.

Santos has a 13.5% interest in PNG LNG which is one of Santos' five core long-life natural gas assets.

All Santos' and PNG LNG project personnel are safe and accounted for.

Santos is deeply saddened by the loss of life and personal injury suffered by communities in Papua New Guinea and will donate US\$200,000 to aid agencies to provide assistance to isolated communities who urgently need food, water and medical supplies.

PNG LNG expertise and resources have already been deployed to assist the humanitarian relief and recovery effort, including assessing impacted communities and delivering immediate resource needs.

Recovery work at the Hides Gas Conditioning Plant is focused on restoring camp and associated facilities. While the plant is safely shut in, there has been some damage to various pieces of equipment and foundation supports that is yet to be fully inspected and repaired. Initial visual inspections of the major processing equipment indicate they have not been significantly impacted.

Surveillance of the pipeline has confirmed it has not been damaged.

Production wells remain safely shut in. A detailed inspection of some well pads has been hampered due to earthquake-related impacts to the roads. It is hoped this work can be completed within the next week.

Komo airfield will remain closed and options are being developed to return the airfield to service as soon as possible.

In addition, the operator has brought forward scheduled maintenance activity at the LNG Plant and has redeployed maintenance and support staff from the Hides Gas Conditioning Plant to assist.

ENDS.

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