

26 September 2018

Santos targets production of more than 100 mmboe by 2025

Santos today outlined its plans to grow production to more than 100 million barrels of oil equivalent (mmboe) by 2025, almost doubling current levels of production.

Speaking at the company's Investor Day in Sydney, Santos Managing Director and Chief Executive Officer Kevin Gallagher said the successful delivery of the **Transform-Build-Grow** strategy presented to the market in 2016 had now positioned the company for disciplined growth.

Mr Gallagher said since the beginning of 2016, Santos' strategy has delivered:

- A diversified portfolio of five long-life natural gas assets generating free cash flow at <\$40 per barrel oil price.
- Australia's lowest-cost onshore operations.
- A strong balance sheet to support growth.
- The reinstatement of shareholder dividends.
- The sale of non-core assets.

"Our strategy has been to establish a disciplined low-cost operating model that delivers strong cash flows through the oil price cycle," Mr Gallagher said.

"Subject to regulatory approvals, the recently announced acquisition of Quadrant Energy will further reduce our breakeven oil price and deliver operatorship of a high quality portfolio of low-cost, long-life conventional Western Australian natural gas assets.

"It would also give us a leading position in the highly prospective Bedout Basin, including the recent significant oil discovery at Dorado.

"We are now positioned for disciplined growth leveraging existing infrastructure in all five of our assets in the portfolio and are targeting production of more than 100 mmboe by 2025."

This disciplined growth portfolio includes:

- Barossa backfill to Darwin LNG – targeting FID by the end of 2019.
- PNG LNG expansion and proposed farm-in to P'nyang.
- Cooper Basin, GLNG and Eastern Queensland growth.
- Quadrant acquisition, including Dorado oil.

Live webcast

A live webcast of the Investor Day will be available on Santos' website at www.santos.com from 9am AEST today.

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Santos 2018 Investor Day

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Santos



This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

All references to dollars, cents or \$ in this document are to United States currency, unless otherwise stated.

Conversion factors: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe; 1 barrel of condensate equals 0.935 boe; 1 barrel of crude oil equals 1 boe.

This presentation includes references to Quadrant Energy (Quadrant). Santos announced the acquisition of Quadrant on 22 August 2018. The acquisition is subject to customary consents and regulatory approvals and is expected to complete by the end of 2018.

This presentation refers to estimates of petroleum reserves and contingent resources. Refer to slides 86-87 in the Appendix for cautionary statement regarding reserve and resource estimates.

Session 1	Topic	Presenter	Title
9:00	Welcome	Andrew Nairn	Head of Investor Relations
9:05	Strategy	Kevin Gallagher	Managing Director & CEO
9:50	Marketing, Trading & Commercial	Philip Byrne	Executive Vice President Marketing, Trading & Commercial
10:05	Finance & Capital Management	Anthony Neilson	Chief Financial Officer
10:25	Morning Tea		
Session 2			
10:45	Upstream Onshore Development	David Banks	Vice President Onshore Upstream Projects
		Chad Wilson	Vice President Upstream Cooper Basin
		Rob Simpson	Vice President Upstream Queensland
11:30	Conventional Oil & Gas	Bruce Clement	Executive Vice President Conventional Oil & Gas
11:45	Operations	Vince Santostefano	COO Operations
12:00	Exploration & New Ventures	Bill Ounden	Executive Vice President Exploration & New Ventures
12:15	Wrap-up	Kevin Gallagher	Managing Director & CEO
12:20	Q&A	All	
12:45	Lunch		

Strategy

Kevin Gallagher

Managing Director & CEO

Santos

Compelling value proposition

Santos has transformed into a low-cost, reliable and high performance business. Our goal is to drive shareholder value through:

Diversified and balanced portfolio of long-life assets

Strong stable cash flows

Disciplined Operating Model

Sustainable dividends

Platform for growth - targeting production of >100 mmboe by 2025

Clear and consistent strategy



Transform

- + Diverse and balanced portfolio of five core, long-life natural gas assets
- + Robust balance sheet
- + Lowest cost onshore operator in Australia
- + Disciplined, low cost operating model, portfolio free cash flow breakeven at $\leq \$40/\text{bbl}$ oil price



Build

- + Develop low-risk, brownfields growth prospects across the core portfolio
- + Pursue strategically aligned, value accretive acquisition opportunities
- + Leverage facilities and infrastructure operations strategic capability
- + Maximise margin through M&T business



Grow

- + Execute and bring on-line growth opportunities across the core portfolio
- + Focused exploration strategy to identify new high-value targets and unlock future core assets
- + Generate new revenue through low-carbon Energy Solutions projects

Successfully delivering the strategy

Strategy supportive of Santos' purpose to provide sustainable returns for our shareholders

Transform



- ✓ Balance sheet repaired
- ✓ Dividend reinstated
- ✓ Five core, long-life natural gas assets generating free cash flow at $\leq \$40/\text{bbl}$ oil price
- ✓ Australia's lowest cost onshore operations
- ✓ Non-core assets sold

Build & Grow



- ✓ Quadrant Energy acquisition announced. Dorado oil development
- ✓ Barossa backfill to Darwin LNG. FEED entry supports FID late 2019
- ✓ PNG LNG expansion. Proposal received to farm-in to P'nyang
- ✓ Cooper Basin production decline arrested and growing again
- ✓ GLNG sales ramping-up to ~ 6 mtpa run-rate by YE 2019

Our vision is to be the safest and lowest-cost operator

Safety & Environment

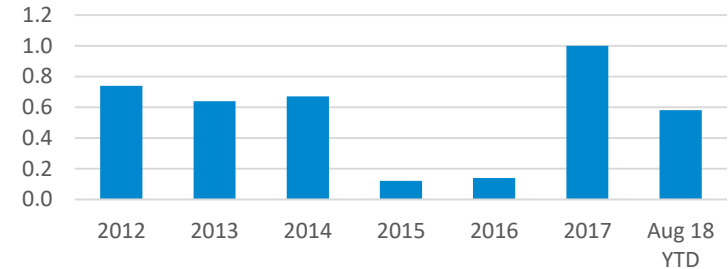
- + 'Mining the Diamond' to focus on eliminating incidents with potential for significant harm to people, assets or environment
- + Roll-out Santos Safe in 2019
- + Minimise waste from our operations
 - + Zero waste well reducing cost and environmental impact
- + Demonstrate effective controls for high risk exposures
- + Build a learning organisation culture

Sustainability

- + Commitment to transparent, external reporting
 - + Consistently reported our greenhouse gas emissions and sustainability data since 2004
 - + Climate Change Report consistent with TCFD Guidelines published February 2018 - to include additional information on mid-term targets and emissions management in 2019
- + Energy Solutions matching proven technologies with Santos' capabilities and existing footprint to increase production and reduce emissions
 - + Sanction of economic emissions reduction and energy savings projects in 2018
 - + Pipeline of opportunities for further emissions reductions

Lost time injury frequency rate (LTIFR)

Rate per million hours worked



Solar project - Cooper Basin

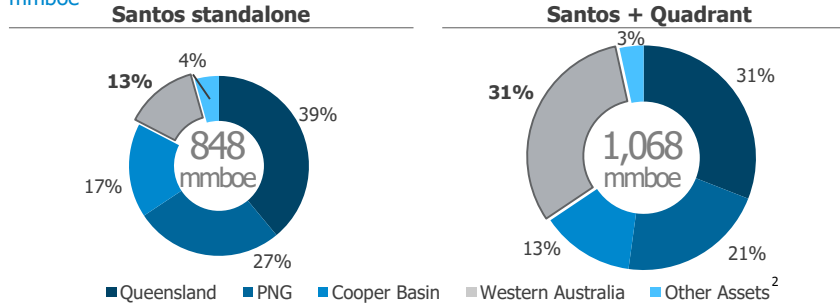


Diversified and balanced portfolio

Diversified and balanced portfolio generates strong stable cash flows that are leveraged to oil price upside

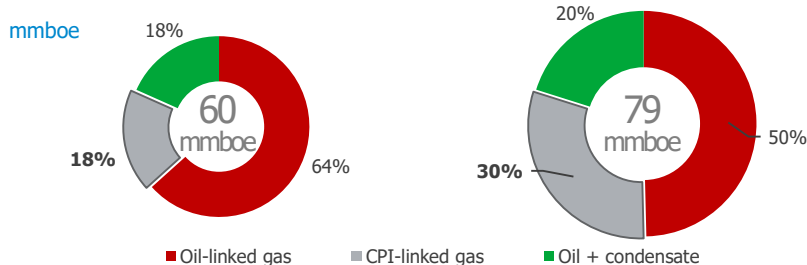
2017 Reserves¹

mmboe



2017 Production¹

mmboe

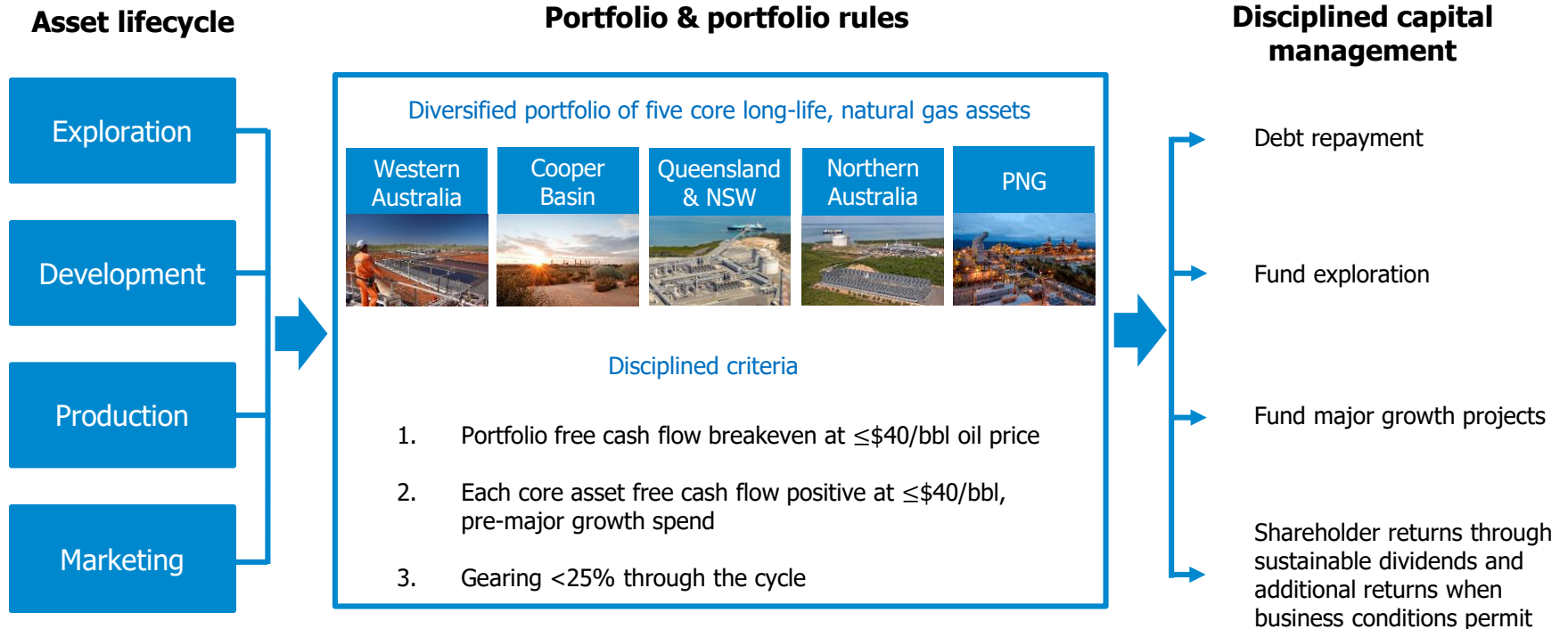


- + Diversified and balanced portfolio of 5 core long-life natural gas assets
 - + Assets: mix of conventional and unconventional resources; natural gas and liquids
 - + Markets: domestic CPI-linked contracts and LNG oil-price linked contracts
 - + Growth: portfolio of significant development and exploration targets that build on existing infrastructure positions around core assets

- + Quadrant Energy acquisition provides revenue diversification and increased exposure to high margin, CPI-linked contracts during period of major growth project delivery

¹ Year ended 31 December 2017. Quadrant Energy acquisition is subject to customary consents and regulatory approvals and is expected to complete by the end of 2018
² Other Assets includes Northern Australia, Western Australia oil and Indonesia and Vietnam. Santos announced the completion of the sale of its Asian assets on 7 September 2018.

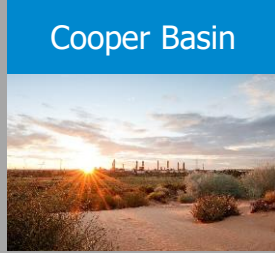
Santos' disciplined Operating Model provides the framework to drive value



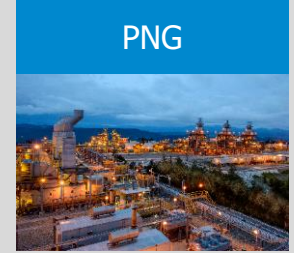
Platform for growth

Significant growth opportunities in all five core assets

Santos operated assets



Non-operated assets



Dorado oil development

- + 2-3 well appraisal program in 2019; FEED targeted for 2020
- + Shallow-water, jack-up drilled deviated wells tied-back to an FPSO

Growth self-funding within the disciplined Operating Model

- + 4th rig added Q3 2018
- + 2019-20 capex ~\$300 million per annum¹

GLNG growth self-funding within the disciplined Operating Model

- + Ramp-up GLNG sales to ~6 mtpa run-rate by YE 2019
- + 2019-20 GLNG capex ~\$200 million per annum¹

Barossa backfill to Darwin LNG

- + FID targeted late 2019; First gas expected late 2023
- + Capex ~\$1-1.2 billion to first gas phased over 4 years¹

PNG LNG expansion

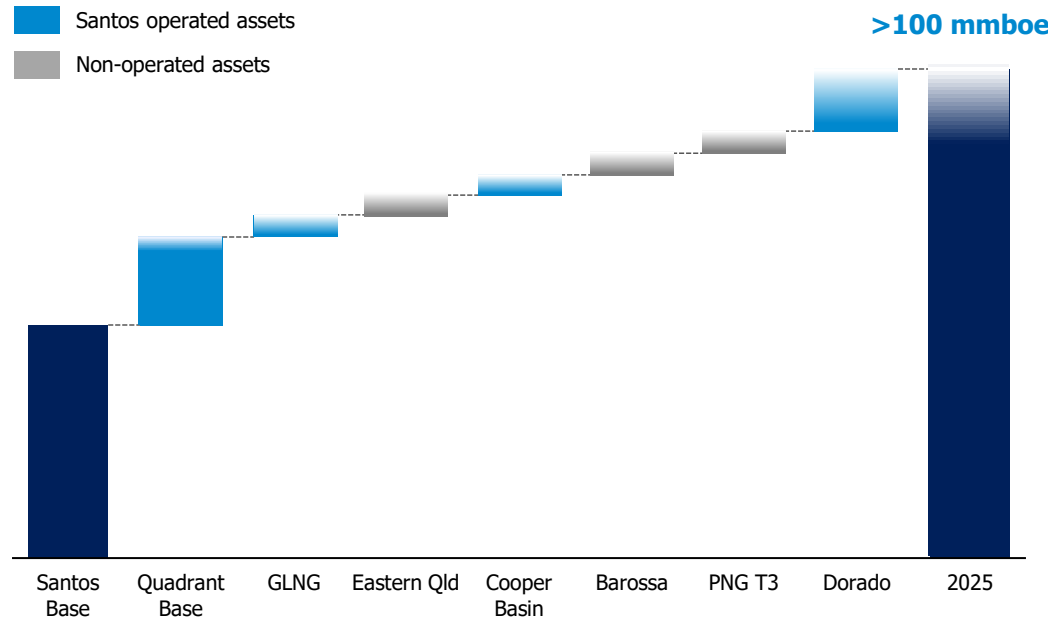
- + P'nyang farm-in proposal received
- + Train 3 capex ~\$300-400 million over 3 years; ~60-70% expected to be project financed¹

¹ Capex estimates are Santos' net share

Targeting portfolio production >100 mmboe by 2025

Disciplined growth from new upstream projects leveraging-off existing infrastructure

Diversified and disciplined production growth to 2025



- + Strong growth outlook across all 5 core assets
- + Santos operated assets account for ~80% of projected production growth (including Quadrant)
- + Able to fund growth out of free cash flow at a US\$65/bbl long-term oil price
 - + Targeting gearing levels of <25% through the cycle
 - + Includes all sustaining capex and dividends
- + Additional growth opportunities include Narrabri, McArthur, Petrel-Tern-Frigate and the greater Bedout Basin

This chart should not be construed as production guidance from the Company now or into the future. Potential production is subject to a range of contingencies which may affect performance, including necessary permits, regulatory requirements and Board approvals.

Growth projects include 1 x 2.7 mtpa PNG LNG T3 expansion train (Santos 13.5%), Barossa (Santos 25%) backfill to Darwin LNG, Dorado oil development 50,000 bbl per day gross (Santos 80%), Eastern Queensland non-operated projects, and Cooper Basin and GLNG growth. Barossa growth shown is net of Bayu Undan reaching end of field-life.

2018-19 strategic priorities

Business focus aligned to the core strategy

Complete P'nyang farm-in in PNG and enter FEED for expansion

FID Barossa backfill to Darwin LNG

Complete Quadrant acquisition and realise synergies

Ramp-up GLNG sales to ~6 mtpa run-rate by 2019 year-end

Deliver Dorado appraisal program

Optimise portfolio through aligned acquisitions, farm-outs and disposals

Marketing, Trading & Commercial

Philip Byrne

Executive Vice President Marketing, Trading & Commercial

Santos

A leading domestic gas provider

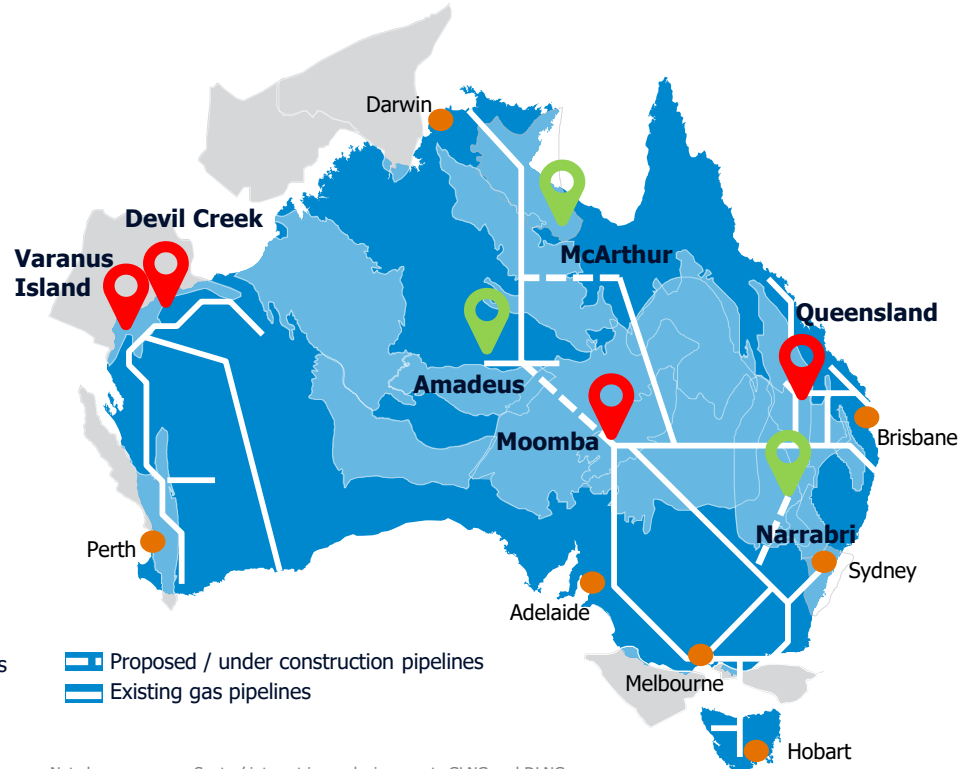
Santos continues to demonstrate its commitment to the domestic gas market with supply exceeding 120 PJ in 2018

WEST COAST

Expect to supply > 50 PJ of domestic sales gas in 2018

EAST COAST

Expect to supply > 70 PJ of domestic sales gas and ethane in 2018



- Capital cities
- 📍 Santos gas resources / opportunities
- 📍 Santos domestic gas infrastructure

- ▬ Proposed / under construction pipelines
- ▬ Existing gas pipelines

Not shown on map: Santos' interest in producing assets GLNG and DLNG

The WA market is well-supplied in the near-term but significant long-term opportunities present as a result of contract roll-offs



- + Santos expects to supply over 50 PJ of sales gas to the west coast domestic market in 2018
- + Incremental growth from mining (lithium, gold and iron ore) plus chemical manufacturing could add ~100 PJ/annum to the market by 2030
- + Acquisition of Quadrant Energy enhances the scale of our core WA business
- + Expanded footprint and operatorship of multiple production hubs provides opportunity to add value
 - + Backfill, third party gas and flexible products
- + Quadrant's 2017 portfolio WA gas price of US\$4.90/GJ exceeded Santos' 2017 average portfolio gas price with further upside from Alcoa contract pricing already in place from 2020

AEMO forecast no supply gaps before 2030 under expected market conditions

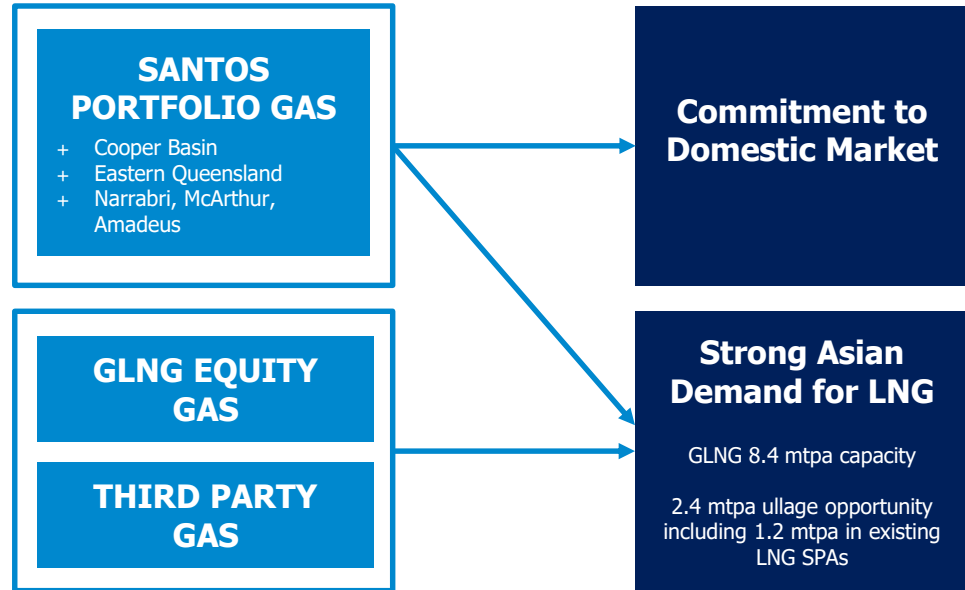
- + Santos expects to supply over 70 PJ of sales gas and ethane to the east coast domestic market in 2018
- + Santos is committed to ensuring that the East Coast domestic market is well supplied and industry is supported
 - + 4th rig in the Cooper Basin and development opportunities in Eastern Queensland expected to deliver additional supply to a finely balanced Eastern Australia market
 - + Continued focus on utilising infrastructure and transport positions to ensure that gas is available where it is most needed by the market
 - + Increasing direct sales to end-users (Qenos, Brickworks Limited, Visy, New Century Resources Limited)
- + East Coast exposure to the global LNG market, with netback pricing influencing domestic gas prices



East coast dual-market strategy

Santos positioned to benefit from commitment to domestic natural gas markets and strong Asian demand for LNG

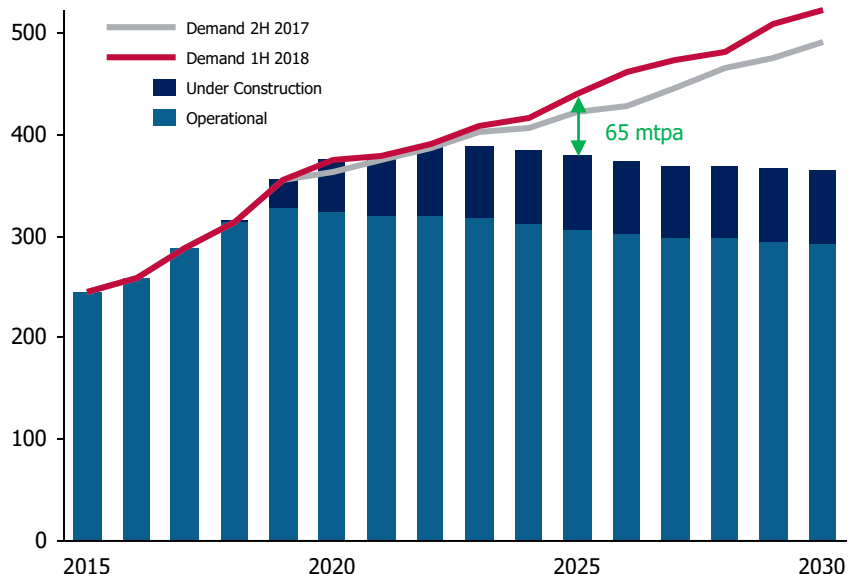
- + Australia's lowest-cost onshore operations focused on freeing-up reserves for the domestic market and increased throughput at GLNG
- + Horizon contract obligations increasingly being met by Eastern Queensland gas liberating the Cooper Basin as a high value swing producer
- + Santos portfolio gas currently provides ~20% of GLNG feed gas
- + GLNG equity gas expected to grow over time as third party gas contracts roll-off
- + Developing new sources of indigenous supply capable of meeting domestic commitments and export demand
- + Seeking to capture gas trading opportunities between demand centres



The LNG market needs new supply from 2022. Supply gap of 65 mtpa forecast in 2025, aligning with Santos' LNG portfolio growth opportunities

Global LNG supply and demand

mtpa



- + Demand has strengthened between 2H 2017 and 1H 2018
- + Only 10 projects (36 mtpa) have reached FID since 2015¹ – insufficient to meet forecast demand
- + China's demand is expected to grow at a rate of 9.3% CAGR between 2015-2030² to 75 mtpa, driven by expanding coal to gas policies
- + Asia's demand is expected to grow at a rate of 14.3% CAGR between 2015-2030² to 61 mtpa
- + Santos' opportunities are timed to meet this demand
 - + Barossa backfill to DLNG in 2023
 - + T3 expansion in PNG in mid-2020s
- + Brownfield projects will be competitively placed due to lower capital expenditure and support from existing buyers

Source: Wood Mackenzie Global gas markets long-term outlook H1 2018: Base Case

¹Wood Mackenzie LNG FID tracker Q2 2018

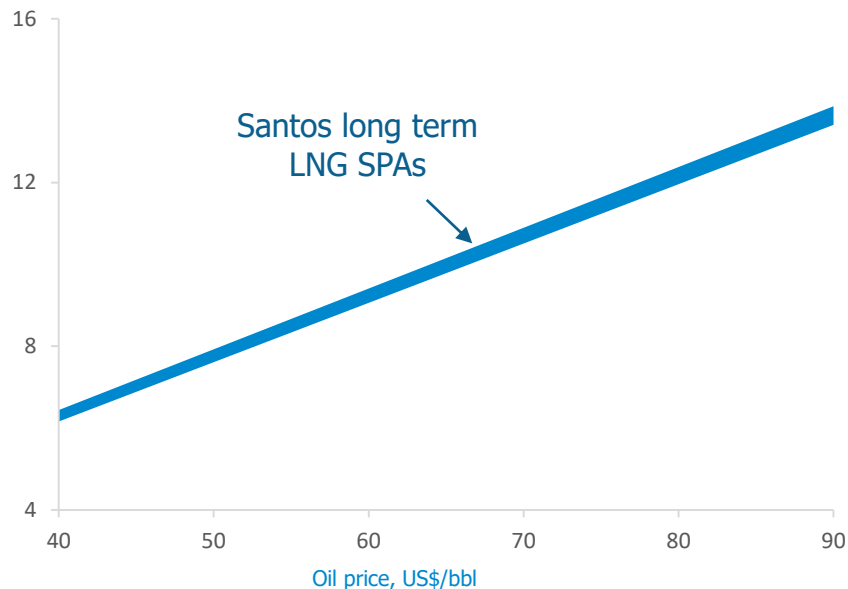
²Wood Mackenzie LNG Tool Q2 2018 Data

Strong contracted LNG position

90% of 2019 LNG portfolio linked to long-term contracts with strong slopes

Santos LNG contract pricing

US\$/mmBtu FOB



- + Q2 2018 realised LNG price of US\$9.74/mmBtu¹
- + Minimum exposure to volatile pricing
- + PNG LNG entered mid-term sales agreements with PetroChina and BP:
 - + combined 0.9 Mtpa for 5 years
 - + negotiations ongoing to finalise third mid-term agreement
- + PNG LNG achieved record daily production rates following plant optimisation and upgrades
- + Asian buyers continue to show strong support for oil-linked contract pricing for LNG from the region

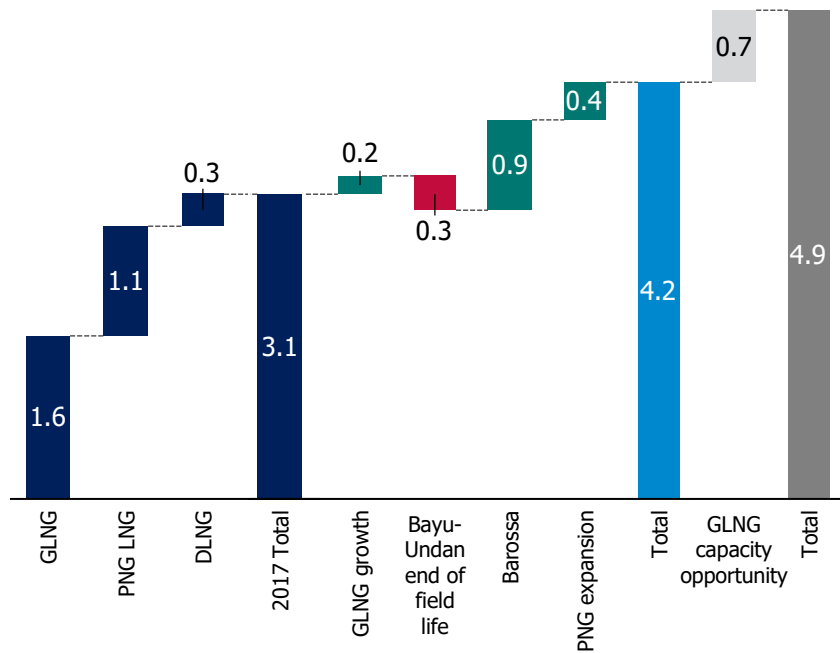
Source: Wood Mackenzie LNG Tool Q2 2018 Data

¹ Sales through long term contracts, spot cargoes and any adjustments due to net entitlement calculations

Opportunities to increase Santos equity LNG sales to ~5 mtpa by mid-2020s

Santos LNG portfolio growth

mtpa



GLNG growth

- + GLNG sales to ramp-up to ~6 mtpa run-rate by the end of 2019¹
- + Opportunity to utilise incremental plant capacity up to 8.4 mtpa

Barossa to DLNG

- + Entered FEED in Q2 2018
- + LNG marketing commenced with roadshow in Asia
- + FID targeted towards the end of 2019

PNG LNG

- + Third train with 2.7 mtpa capacity expansion proposed for PNG LNG

¹ LNG sales includes LNG cargoes that have been redirected to the domestic market

Santos LNG netback advantage

Santos' assets take advantage of lower shipping costs to supply the Asian market with cost competitive LNG

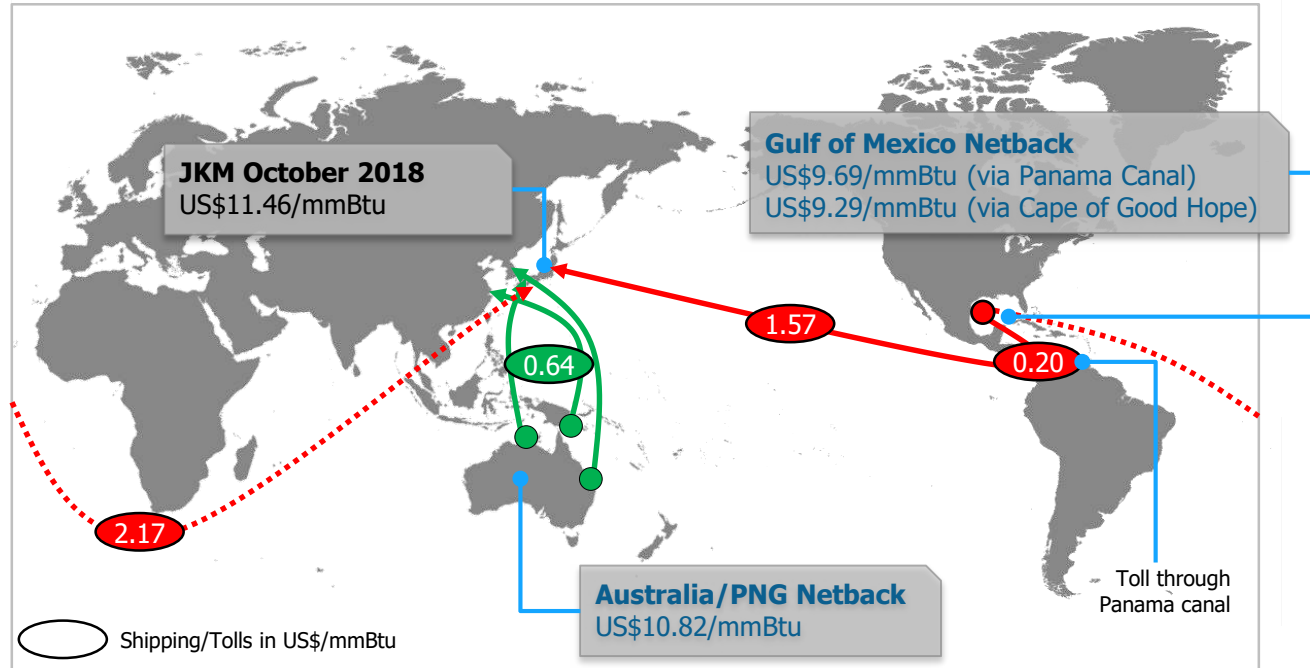
Geographical Advantages

- + Reduced shipping costs due to proximity to end users
- + Risks of delays associated with longer journeys and Panama Canal scheduling
- + Geopolitical issues
- + Asian buyers seeking Australian LNG to hedge their US LNG positions

ENN/Santos Trading JV

- + Progress continuing with ENN/Santos trading JV
- + Opportunity for Santos to access growing Chinese LNG market

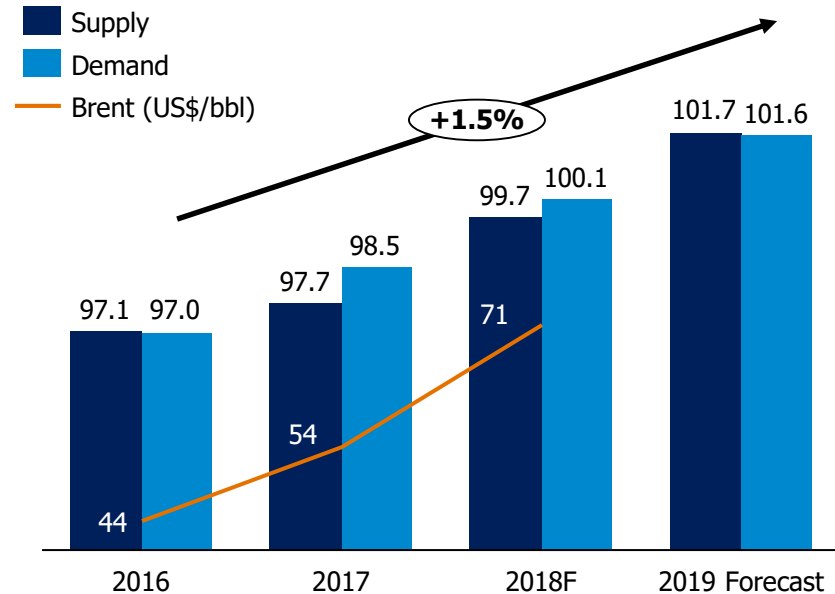
Shipping costs from Australia/PNG to Asia are 60-70% less than shipping from the Gulf of Mexico¹



While the market appears well-supplied, the potential impact of geopolitical issues may result in tighter markets

Global oil supply and demand

million barrels per day



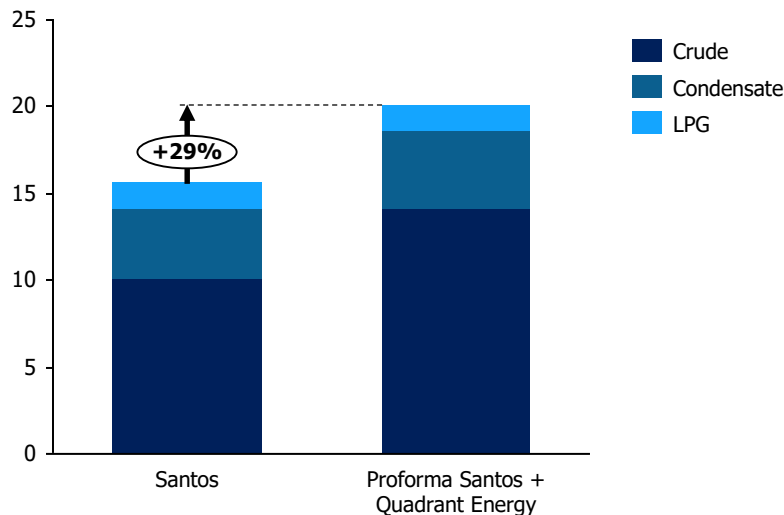
- + While global oil demand continues to grow, the market is expected to remain tightly balanced
- + OECD inventories remain lower than the five-year average
- + Continuing tight market in 2019
 - + Impending sanctions on Iran
 - + Continued production declines in Venezuela
 - + Risk of other supply disruptions remain high
- + OPEC and its allies appear to have ruled out any immediate supply increase
 - + Any such increase would come at the expense of spare capacity

Valuable and growing liquids sales portfolio

High-value liquids portfolio at premium prices

2017 Liquids sales¹

mmbœ



- + Santos crude oil sales attract a premium to Brent prices
- + Portfolio realised oil price in H1 2018 of \$75/bbl a ~7% premium to Brent
- + Proposed Quadrant Energy acquisition will increase liquids sales volumes by ~30%¹
- + Port Bonython Processing Facility continues to upgrade liquid hydrocarbon feedstock into high value saleable products
- + Cooper Basin 2018 third party oil volumes ~50% above forecast
- + Decreases unit processing costs and increases tolling revenue
- + 2019 Cooper crude and naphtha term and Barrow crude term contracting has started

¹ Sales volumes for calendar year 2017. Assume Quadrant Energy production equals sales.

A leading provider of domestic gas in Australia with 120 PJ supply expected in 2018

Brownfield LNG volumes available in mid 2020s when market is under-supplied

Valuable and growing liquids portfolio trading at a premium to Brent

M&T organisation resourced to meet the challenges of this growing product mix

Finance & Capital Management

Anthony Neilson
CFO

Santos

Strong financial and operating performance driving shareholder value

Continued cost efficiencies and savings being delivered through lean operations and cost control

- + Excluding the impact of shutdowns, production costs \$7.79/boe in 1H18
- + Cooper Basin production costs continue to decline to \$8.42/boe in 1H18
- + Capex costs in onshore drilling also continue to decline

Strong free cash flow generation continues, driven by disciplined Operating Model

- + Free cash flow \$367 million in 1H18, despite ~\$70 million impact of PNG LNG shutdown
- + 2018 forecast free cash flow breakeven ~\$35/bbl¹
- + Quadrant acquisition lowers forecast free cash flow breakeven to ~\$32/bbl (proforma 2018)

Balance sheet strengthened, debt target achieved and supportive of growth strategy

- + Current gearing pre-Quadrant acquisition ~24% (Aug 2018)
- + Post Quadrant Energy acquisition, gearing ratio expected to be ~34% at year-end 2018 and decline to <30% by the end of 2019². Target medium term gearing ratio of <25% post Quadrant acquisition
- + US\$3.5cps interim dividend

¹ Free cash flow breakeven is the average annual oil price at which cash flows from operating activities (including hedging) equals cash flows from investing activities. Forecast methodology uses corporate assumptions. Excludes one-off restructuring and redundancy costs, and asset divestitures and acquisitions.

² Assumes \$65 per barrel oil price in 2019 and full year of ownership

Our Operating Model in action

Disciplined process around cost savings and efficiencies

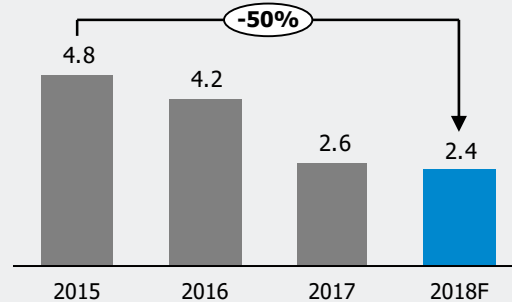
DISCIPLINED OPERATING MODEL

+ Core portfolio free cash flow breakeven at $\leq \$40/\text{bbl}$ oil price through the oil price cycle

+ Each core asset free cash flow positive at $\leq \$40/\text{bbl}$, pre-major growth spend

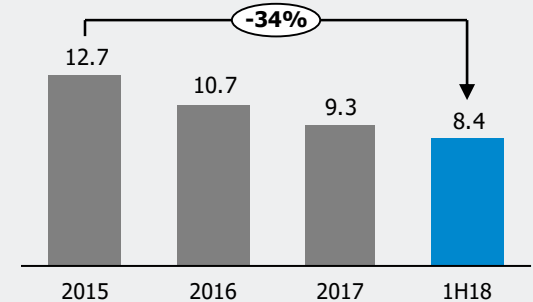
Cooper Basin well cost¹

\$million



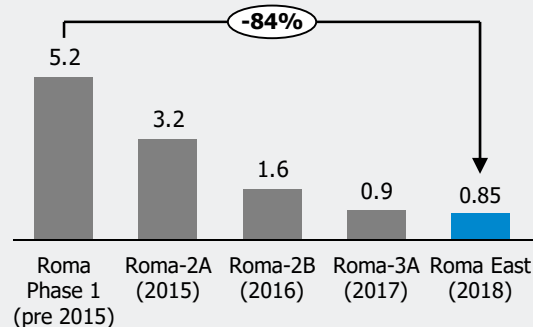
Cooper Basin unit production cost

\$/boe



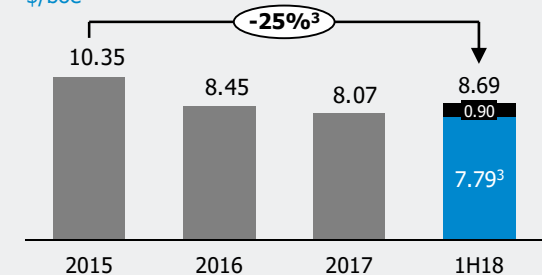
Roma well cost - GLNG²

\$million



Upstream unit production costs

\$/boe



¹ Vertical and deviated gas development wells (drill stimulate complete)

² Drill, complete, connect

³ Excludes impact of major shutdown and PNG earthquake of \$0.90/boe in 1H 2018

2018 capex guidance \$775-825 million. Activity is increasing and we are doing more for less

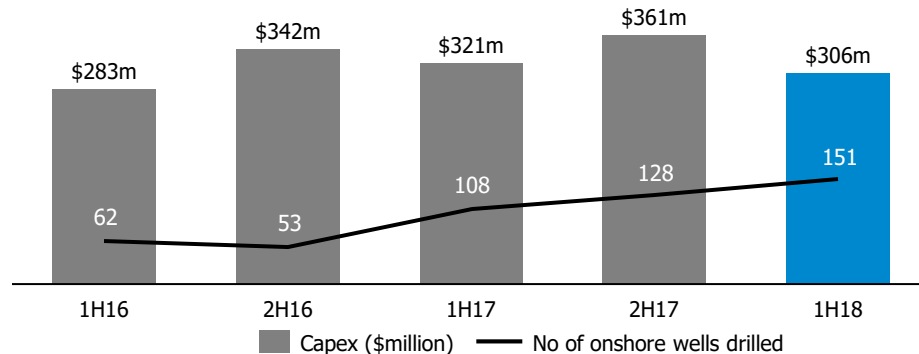
2018 capital expenditure guidance \$775-825 million¹

- + Cooper Basin 4-rig program drilling 85-90 wells
- + GLNG drilling ~300 wells
- + PNG LNG Angore pipeline and surface facilities
- + Northern Australia Bayu-Undan 3-well infill program and Barossa FEED

Capex activities looking ahead

- + Activity levels increasing to a new stable level consistent with our Operating Model
- + Cooper Basin increased to 4 rigs. Expect to drill ~100 wells pa. in 2019-20
- + GLNG activity is increasing with drilling in Roma and Arcadia projects, expect to drill ~350-400 wells pa. in 2019-20
- + The Quadrant acquisition will also bring growth expenditure, in particular appraisal of the Dorado oil discovery

Capital expenditure and number of operated onshore wells drilled¹



¹ Capital expenditure incurred includes abandonment expenditure but excludes capitalised interest. Wells drilled include Development and Appraisal wells across the Cooper Basin & GLNG. Guidance excludes any impact of Quadrant Energy acquisition. Santos 2018 Investor Day

Strong free cash flow generation

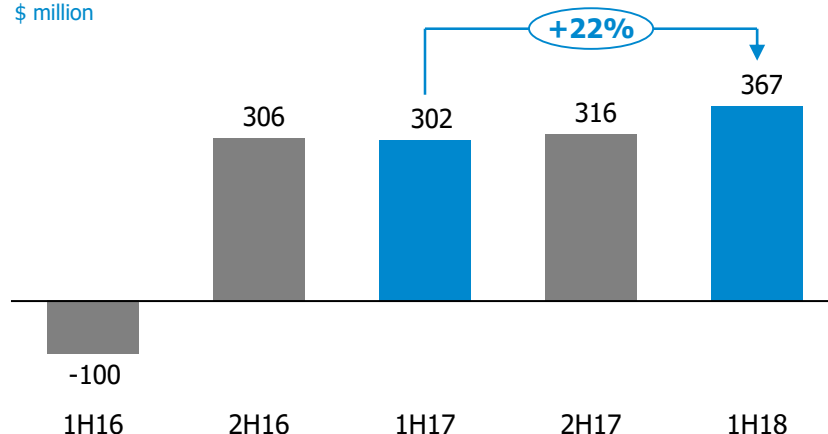
Diversified portfolio with strong free cash flow and EBITDAX margin across all our assets

2018 Half-year segment results summary

\$million	Cooper Basin	QLD & NSW	PNG	Northern Australia	Western Australia
Revenue	529	469	217	75	172
Production costs	(63)	(38)	(31)	(40)	(50)
Other operating costs	(31)	(38)	(22)	-	(8)
Third party product purchases	(200)	(120)	-	-	-
Other	(6)	12	1	-	-
EBITDAX	229	285	165	35	114
EBITDAX margin	43%	61%	76%	47%	66%

Free cash flow¹

\$ million



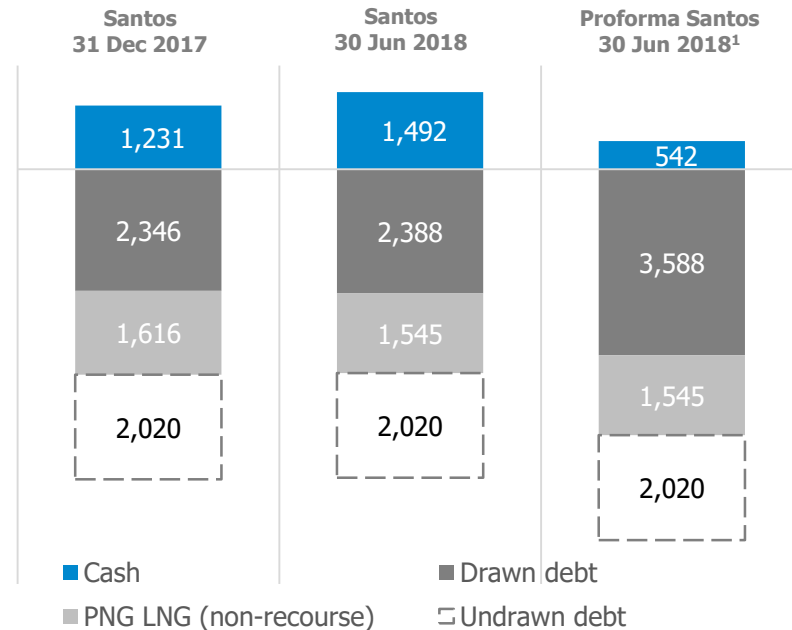
- + All assets are free cash flow positive at \$40/bbl
- + All assets currently have strong EBITDAX margins of >40%
- + PNG was impacted by earthquake in 1H18 yet still had strong margin
- + Quadrant acquisition further increases our exposure to the strong stable margins in our WA business

Strong liquidity maintained to provide flexibility

Liquidity of ~\$2.5 billion expected at completion of Quadrant acquisition

Cash, debt and undrawn debt facilities

\$million



- + Net debt reduced to \$2.2 billion at end August. Sale proceeds of \$144m from Asia received in Sept. Net debt reduction target achieved, >1 year ahead of schedule
- + Gearing ~24% (August 2018)
- + S&P BBB- (stable) credit rating reaffirmed
- + ~\$2.5 billion liquidity post Quadrant Energy acquisition based on proforma 30 June 2018¹
 - + Existing \$2.0 billion in undrawn bi-lateral bank facilities
 - + Cash >\$500 million from existing cash and free cash flow
- + Proforma net debt of \$4.6 billion (\$3.0 billion excluding PNG LNG project finance)¹
- + ~40% of Santos' debt outstanding pre-Quadrant acquisition (as at 30 June 2018) is the non-recourse PNG LNG project finance facility which is repaid from project cash flows

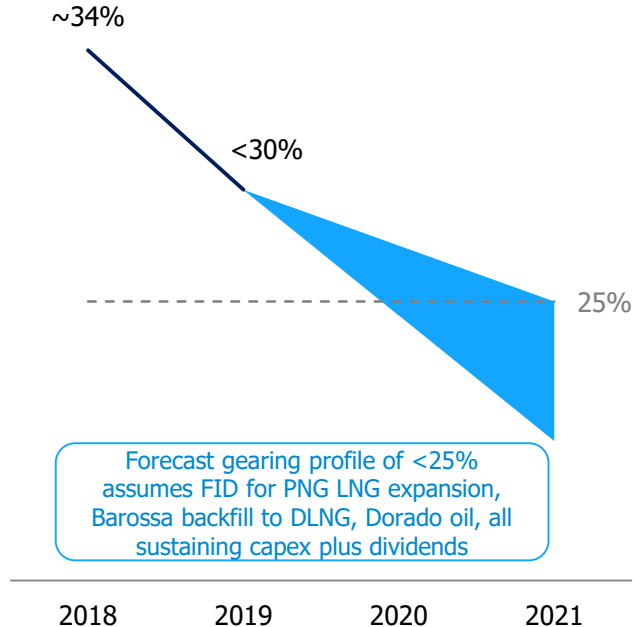
¹ Proforma assuming acquisition of Quadrant occurred on 30 June 2018. Does not include Quadrant cash on hand.

Rapid de-gearing profile post Quadrant acquisition

Strong stable cash flows underpin rapid de-gearing. Targeting medium-term gearing ratio of <25% addressing all future capital expenditure requirements for the combined business and dividends

Gearing post growth funding and dividends¹

Net debt / (Net debt + Equity)



¹ Assumes US\$65 per barrel flat real oil price (2018 real) and full year of ownership in 2019. Range shown is indicative only
Santos 2018 Investor Day

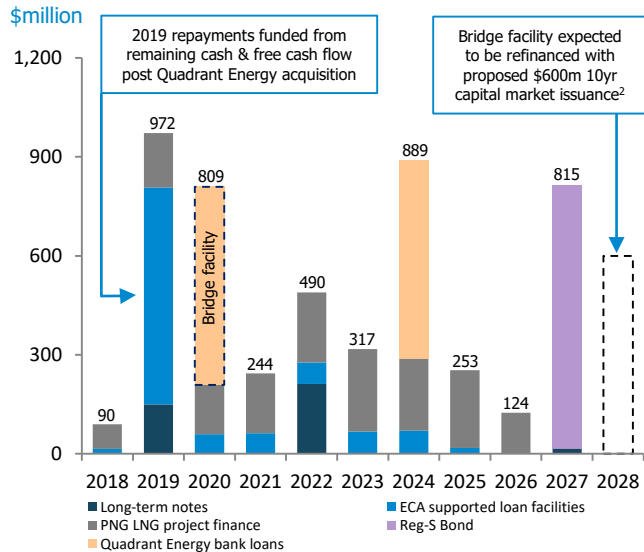
Disciplined capital management

- + Gearing ratio target of less than 25% in the medium-term
- + Priorities for cash allocation remain unchanged
 - + Debt repayment
 - + Fund exploration
 - + Fund major growth projects
 - + Shareholder returns through sustainable dividends and additional returns when business conditions permit
- + Current funding plan addresses all future requirements for the combined business
 - + Funding capex and exploration activity across our core assets and growth projects that meet our disciplined investment criteria
 - + Dividends in the range of 10% to 30% of free cash flow
- + Quadrant Acquisition delivers stable free cash flows underpinned by CPI-linked contracts allowing for a rapid de-gearing profile
 - + Gearing of ~34% expected at end of 2018 and expected to decline to <30% by the end of 2019¹
- + Quadrant portfolio provides flexibility to divest a minority stake in certain Quadrant assets for value

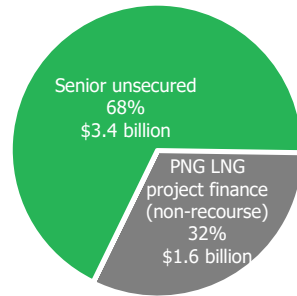
Proforma drawn debt maturity profile

Proforma gross debt \$5.1 billion at 31 August 2018 including new committed debt facilities associated with Quadrant Energy acquisition (subject to completion)

Proforma drawn debt maturity profile as at 31 August 2018¹

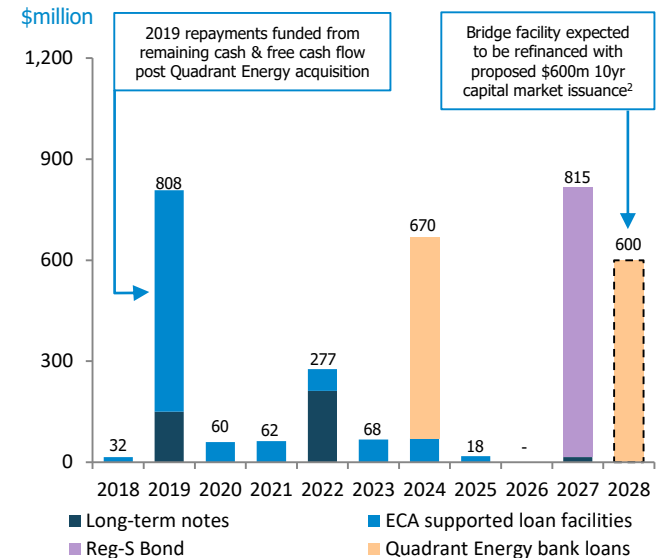


Proforma breakdown of drawn debt facilities as at 31 August 2018¹



+ Weighted average term to maturity ~5.4 years

Proforma drawn debt maturity profile excluding PNG LNG as at 31 August 2018¹ post Quadrant Bridge refinancing



¹ Excludes finance leases and derivatives.

² Quadrant debt subject to completion and successful capital markets issuance

Strongly value accretive acquisition

PURCHASE PRICE & EFFECTIVE DATE	MATERIAL COMBINATION SYNERGIES	STRONG FINANCIAL ACCRETION
<ul style="list-style-type: none">+ Effective date 1 January 2018+ Purchase price of \$2.15 billion is Enterprise Value and includes net debt of \$388 million as at 1 January 2018+ Final settlement is expected by the end of 2018+ 2018 financials will only be impacted by Quadrant post completion+ 2018 cash flows accrue to Santos	<ul style="list-style-type: none">+ Targeting combination synergies of \$30-50 million per annum (pre-tax)¹+ Removal of duplication from acquisition of existing JV partner and operator+ Optimise operations across the combined asset footprint+ Corporate and overhead savings+ Full synergy potential to be assessed during integration+ Wholly-owned assets and infrastructure provides opportunity to create value through strategic partnering and portfolio optimisation	<ul style="list-style-type: none">+ Materially accretive on all key valuation metrics+ ~17% expected free cash flow per share accretion in 2019²+ ~5% expected earnings per share accretion in 2019²+ ~30% expected EBITDAX accretion in 2019²+ No change to stated dividend policy, targeting range of 10% to 30% payout of free cash flow generated per annum

¹ Excluding integration and other one-off costs

² Assumes US\$65 per barrel oil price in 2019 (2018 real) and full year of ownership

Morning Tea

Santos

Onshore upstream development

David Banks

Vice President Onshore Upstream Projects

Santos

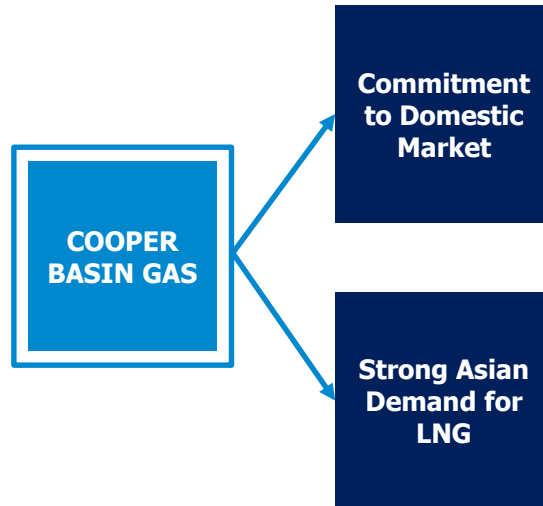
Cooper Basin - a new era and focus

Strong fundamentals supportive of Cooper Basin growth as a high-value swing producer

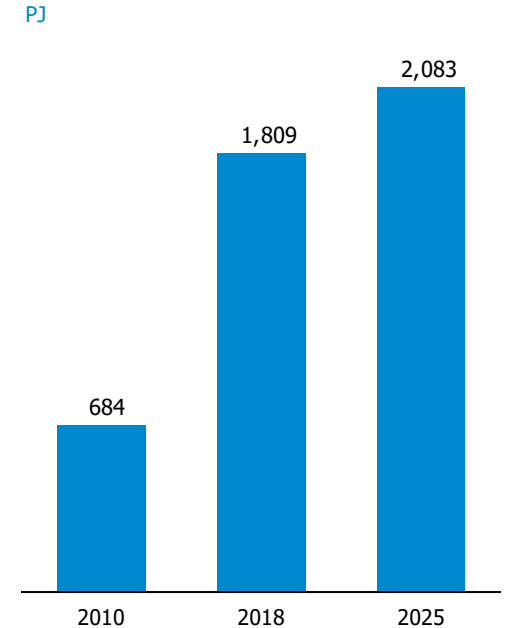
Cooper Basin growth enablers

- ✓ Basin master position; Australia's lowest-cost onshore operator
- ✓ 'Super basin'¹ hydrocarbon resource potential
- ✓ Disciplined US\$40/bbl Operating Model
- ✓ Renewed focus on exploration & appraisal
- ✓ Application of new North American technology
- ✓ Established regulatory regime
- ✓ Existing gas processing infrastructure
- ✓ Best-in-class Operational Services
- ✓ Strong market demand and price signal
- ✓ Strong infrastructure position and pipeline connections to major demand centres

Dual-market east coast strategy



Growing east coast market demand¹



¹ AEMO GSOO 2018

Cooper Basin transformation to growth

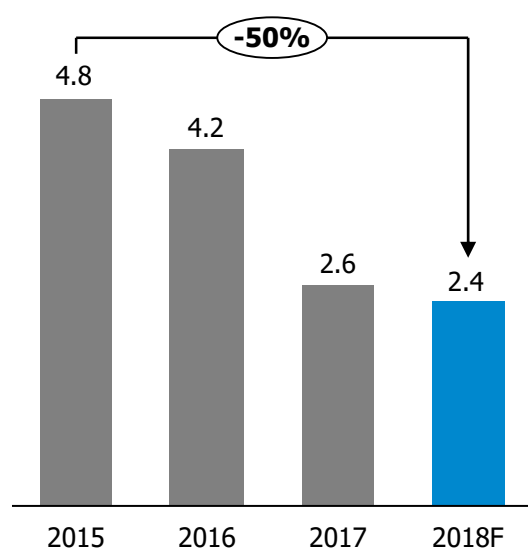
Low-cost, efficient drilling enables.....

improved capital efficiency and more wells leading to.....

higher production and reserves additions over time.

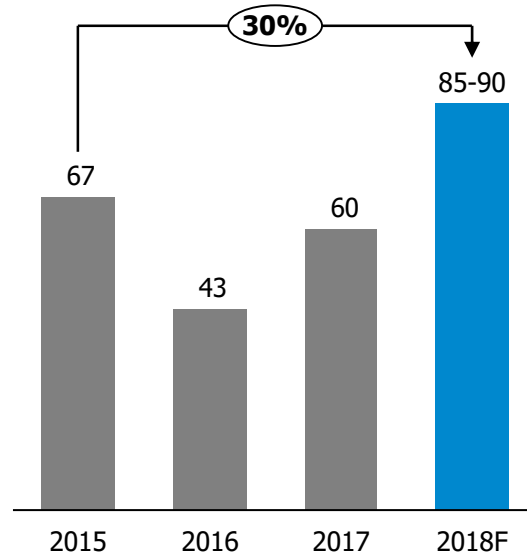
Well cost¹

\$ million



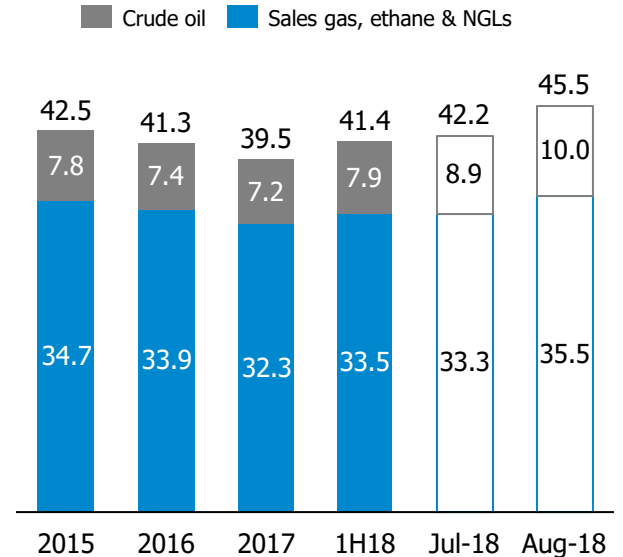
Wells drilled

no of wells



Production

kboe/d



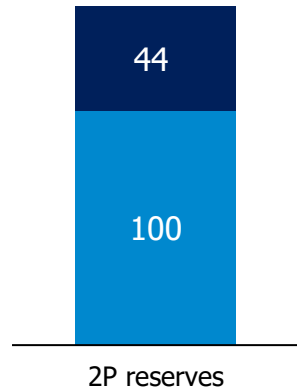
¹ Vertical and deviated gas development wells (drill stimulate complete)

Cooper Basin – more than 2P

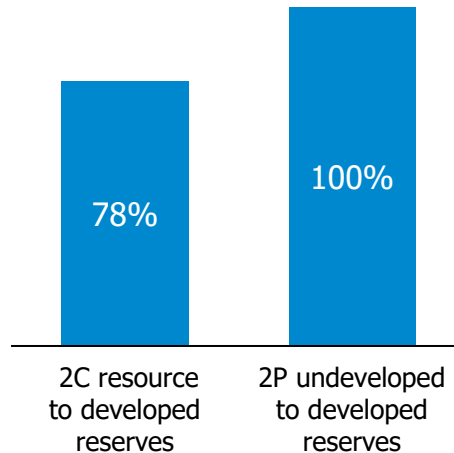
Strong resource and reserve position supports future growth



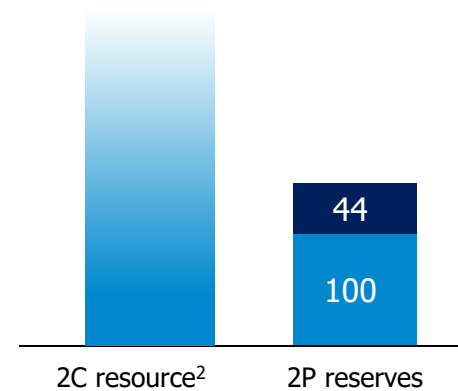
mmboe



%



mmboe



■ Undeveloped ■ Developed

Reserve estimates are as at 31 December 2017

Santos 2018 Investor Day

¹ % of wells connected and on production from 2017 program

² Estimated contingent resource subject to finalisation of Santos' annual reserves and resource reporting process

Targeting ~17-19 mmboe production by 2025

Low-cost operating model and efficiencies underpin a focused program expected to deliver increased production and resource conversion over time

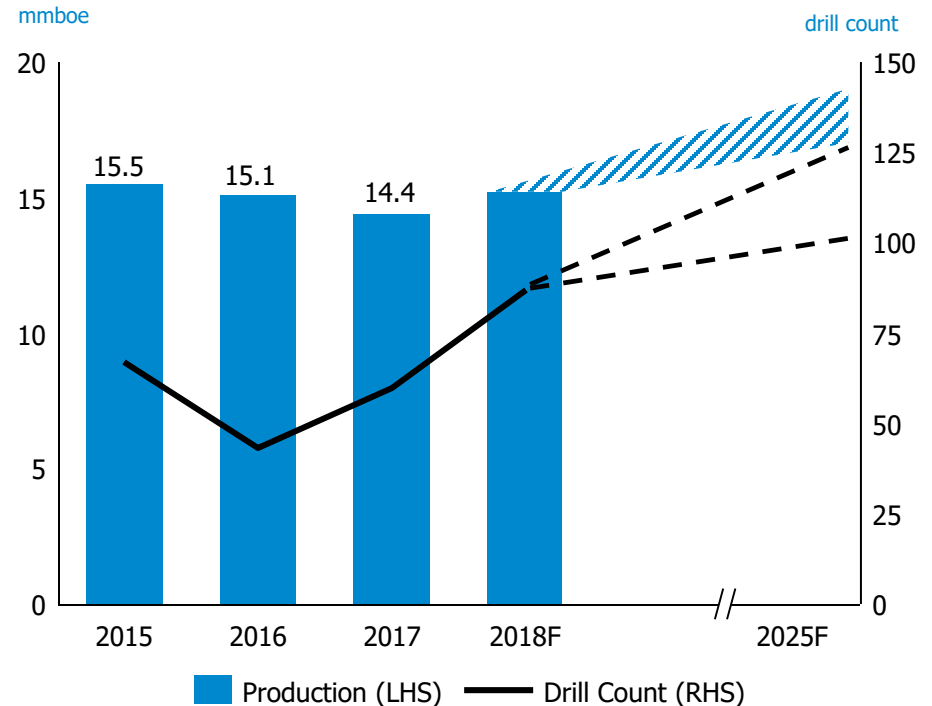
Strong dual-market demand

Technical expertise and renewed sub-surface focus delivering resource conversion

Activity levels increasing. Fourth rig commenced drilling Q3 2018

Disciplined Operating Model to generate free cash flow at US\$40/bbl oil price every year

Cooper Basin production



Cooper Basin

Chad Wilson

Vice President Upstream Cooper Basin

Santos

Delivering on our commitments

Ambitious plans to further transform and grow the Cooper Basin were articulated at the 2017 Investor Day

Long term production decline arrested and now growing again



Drilling activity increased to 85-90 wells in 2018



Well costs reduced to \$2.4 million¹



Unit production costs reduced to \$8.42/boe



Oil production increased to highest daily rates since 2009



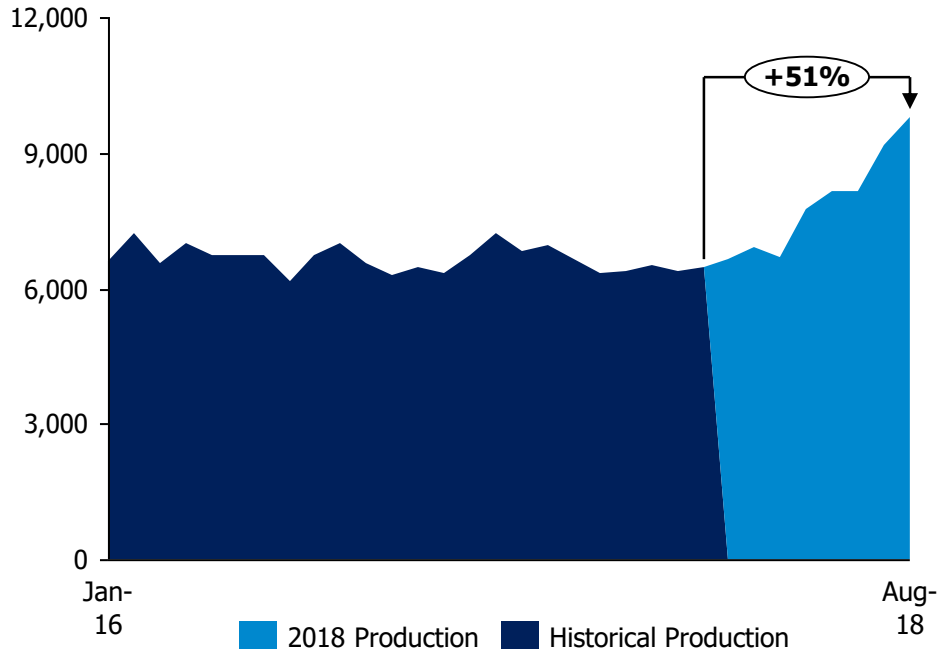
¹ Drill-stimulate-complete

Cooper Basin oil growth

Oil production at levels not seen since early 2009

Cooper oil

Daily production bopd (month average)

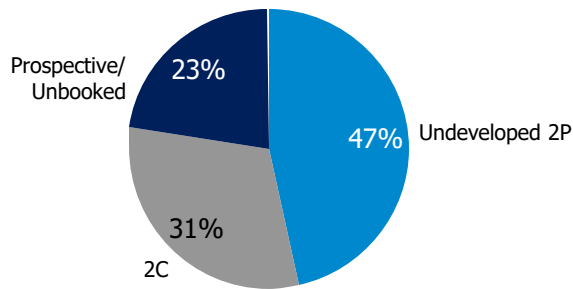


- + Santos' ~150 oil fields continue to deliver upside results through innovation and low costs
- + 20 oil wells drilled in 2017
 - + only 32% of volume developed booked as reserve prior to drilling
- + Horizontal oil wells becoming base business, further lowering our development unit costs
- + Fit for purpose rigs delivering low cost shallow oil wells
 - + minimum economic pool size now <40kbbbl
- + Strong production from recently connected Watkins wells in South-West Queensland

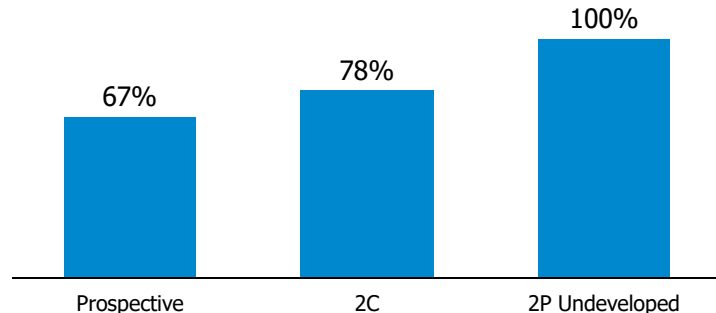
High success rate from non-2P drills

Drilling program project composition

2018F



Conversion program success rate¹



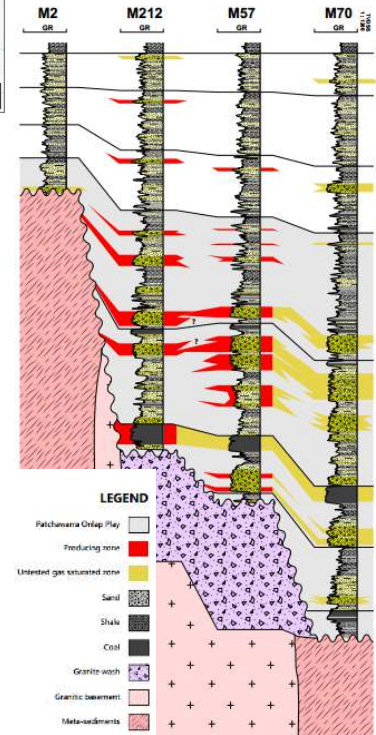
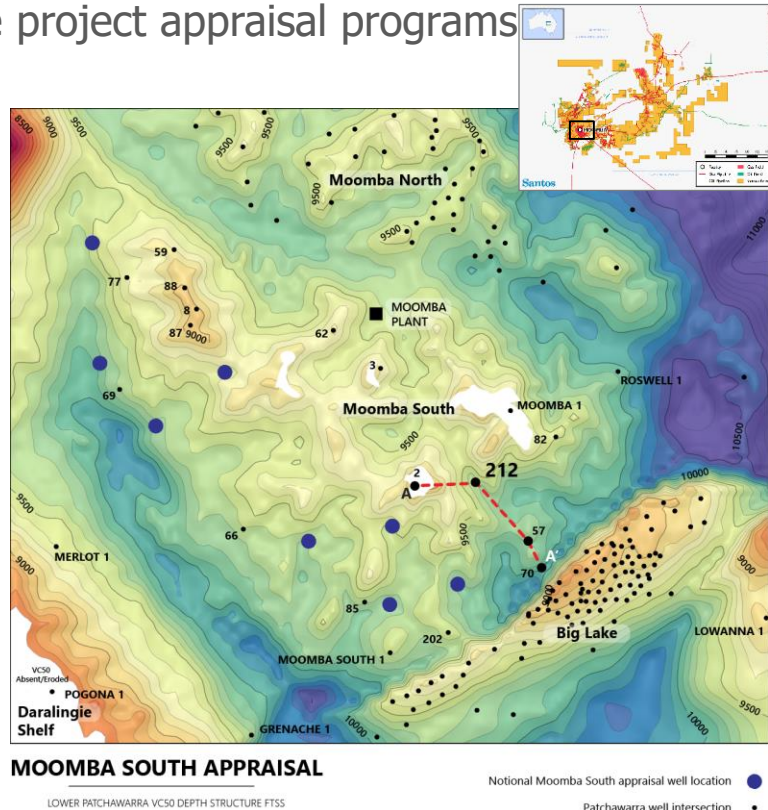
- + Reserve replacement ratio growing YOY
 - + ~50% of 2018 program targeting Prospective & 2C project opportunities
 - + ~75% of our 2017 prospective and 2C projects were connected, adding 2P developed reserves¹
- + Refocus on wildcat exploration and appraisal in 2018
 - + Building & maturing pipeline of exploration & appraisal opportunities
 - + >400 (+120% YOY) risked commercially viable projects identified in addition to 2P locations
- + Ability to prioritise capital to deliver a balanced program mix of
 - + Near-term production growth
 - + Accelerated resource maturation
 - + Diverse and growing portfolio of exploration and appraisal project opportunities
- + Applying successful Jurassic Oil horizontal well technology to gas program to continue development unit cost reductions

¹ % of wells connected and on production from 2017 program

Moomba South Patchawarra update

First of several available large scale project appraisal programs

- + Moomba South appraisal program was the first large scale appraisal program selected given scale and proximity
- + Moomba 212 success has provided line of sight to commercial development of up to 42 mmboe net 2C contingent resource in the Patchawarra play
- + 8 well appraisal program to commence drilling 2H 2018 targeting initial phase of resource maturation



Matching proven technologies with Santos' capabilities and existing footprint to develop opportunities that boost oil sales, drive productivity and economically reduce emissions

Enhanced oil recovery using CO₂

- + Pathway defined to assess incremental recovery from CO₂ miscible enhanced oil recovery (EOR) of Jurassic Hutton target
- + Concept studies, miscibility assessment and static reservoir modelling complete
- + Appraisal program commenced and set to continue in 1H 2019

15% incremental recovery	\$1.0 (+/- \$0.3)	0.3 mtpa
Estimated incremental EOR recovery vs 10-18% observed from US CO ₂ EOR projects	Cost per thousand cubic feet CO ₂ delivered at pressure to field vs US screening benchmark ~\$2/mscf	CO ₂ emissions reduction potential from Moomba Gas Plant (22 mmscf/d CO ₂) through injection and recycle

Cost and efficiency setting the stage for future growth

Lowest cost onshore operations

- + Free cash flow positive at \leq \$40/bbl oil price
- + Well costs down 50% since 2015 to \$2.4 million (drill-stimulate-complete)
- + Fastest ever gas well drilled - 3.1 days from spud to rig release
- + Longest well ever drilled - 14,029' MD
- + Spud to online times beating forecasts by ~20 days

Develop and appraise

- + Production growing year on year
- + Sustainable activity ramp
- + Mature vast resource base to reserves
- + Horizontal gas wells drilled, building on oil success
- + Highest daily oil production since 2009
- + 4th rig commenced drilling in Q3 2018
- + Expect to drill ~85-90 wells in 2018 and ~100 wells in 2019-20

Explore and grow

- + Renewed focus on high graded exploration
- + 20 exploration wells in 2018 with ongoing program planned
- + 2 wildcats drilled in 1H18; first wildcats since 2006
- + Commercialising new plays

Queensland

Rob Simpson

Vice President Upstream Queensland

Santos

Delivering on our commitments

Strategy in place to grow equity gas production and unlock further resources

Ramp-up GLNG sales to ~6 mtpa run-rate by YE2019	✓
Drilling activity increased to ~300 wells in 2018	✓
Roma well costs reduced to \$0.85 million ¹	✓
Equity gas production growing	✓
Increase Fairview production to 500 TJ/day	X

¹ Drill-complete-connect

GLNG ramp-up on track

GLNG on track to meet ~6 mtpa annualised sales run-rate including LNG volumes redirected to the domestic market

Building equity gas supply

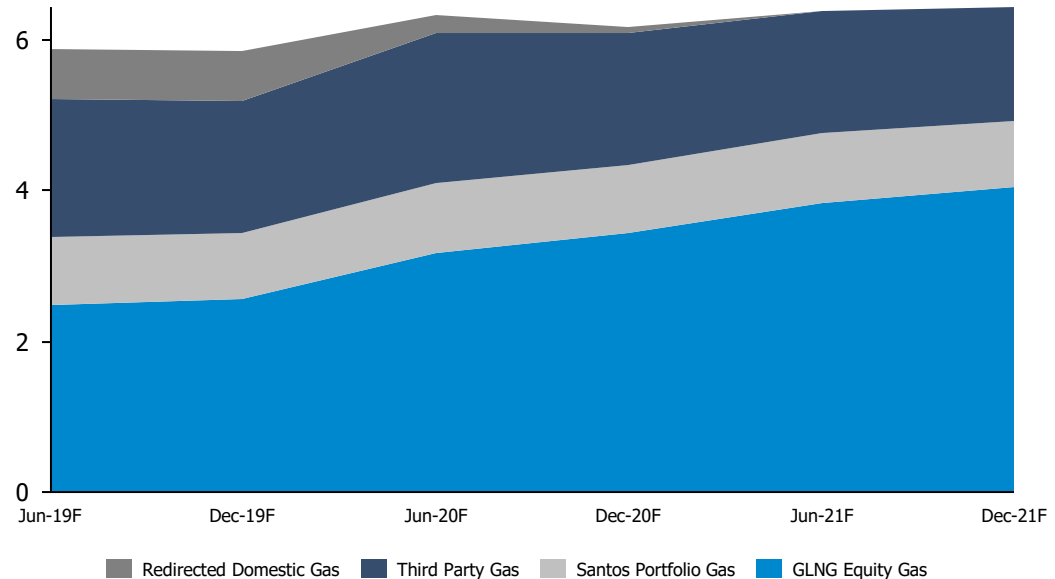
- + Increasing drilling activity consistent with the Santos disciplined operating model; expect to drill 350-400 wells per annum in 2019-20
- + Equity gas production growing year-on-year

On track to ramp-up GLNG sales to ~6 mtpa run-rate by the end of 2019

- + Including LNG volumes redirected to the domestic market for 2018-19

GLNG ullage to 8.4 mtpa capacity provides opportunity for organic and inorganic growth

GLNG LNG equivalent sales by gas supply source
mtpa

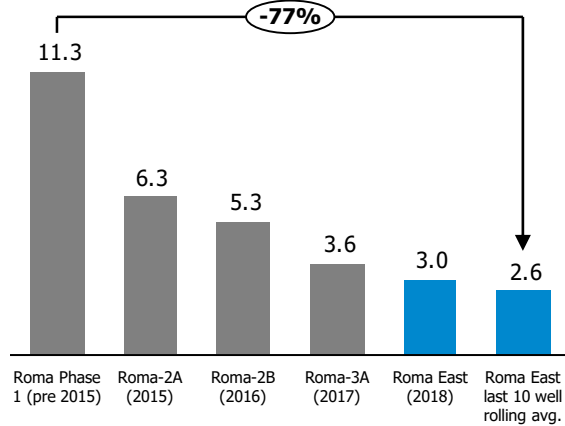


Activity ramping-up and lower unit costs maintained

Cost out and efficiencies underpin an accelerated development plan to unlock more gas over time

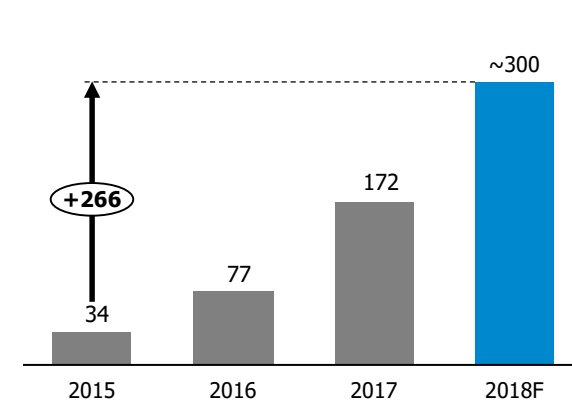
Days - development drilling

Average days rig release to rig release



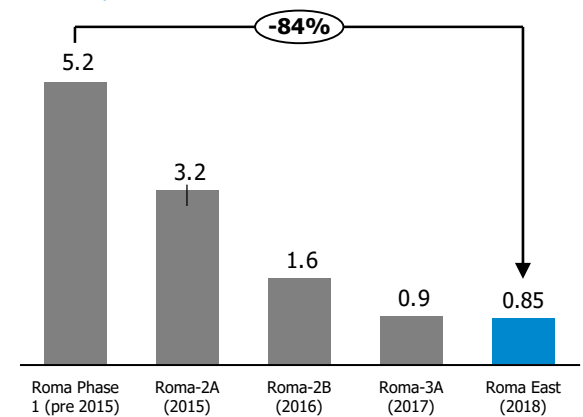
Wells drilled

No of wells



Well cost¹

\$million per well



- + Right rigs, experienced crews
- + High volume, sequential and repeatable scope
- + Technical limit focus

- + 75% more wells than 2017
- + Ability to drill more wells achieved by;
 - + Rig count increase (2.1 to 3.4 rigs)
 - + Execution efficiency improvements

- + Three year planned approach – factory execution
- + Efficiencies and structural improvements embedded

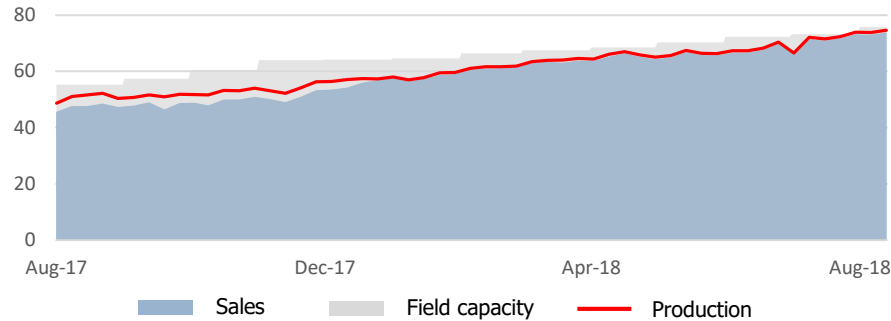
¹ Drill, complete, connect

Roma – strong production growth

Roma production continues to ramp-up

Roma production

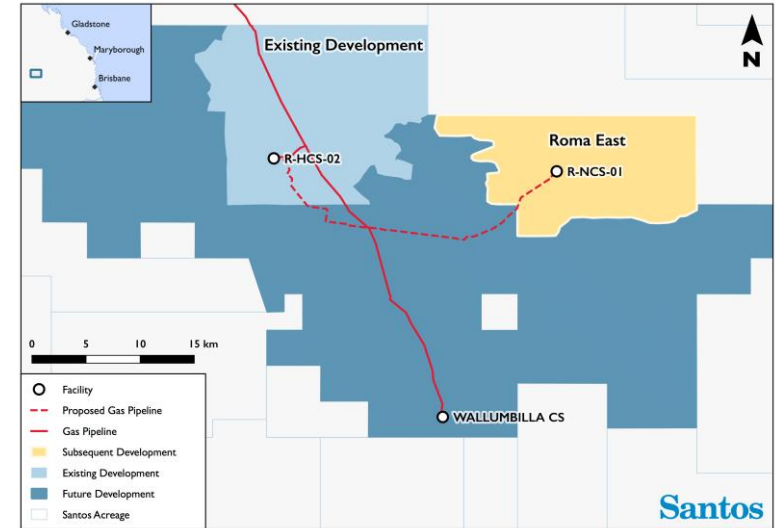
Average weekly sales gas rate (TJ/d)



- + Roma production continues to ramp-up
 - + ~30% higher YTD August
 - + Well count growth of >20% over last 12 months
 - + Reservoir dewatering as expected
- + Well availability focus yielding significant results
 - + 98% well availability achieved
 - + Targeted well trip count reduction
 - + New proven well design
- + Electric drive compression online January 2018

Santos 2018 Investor Day

Roma development



~480-well Roma East development sanctioned

- + Drilling ~440 new wells and connecting ~40 existing appraisal wells
- + 87 wells drilled and 6 wells now online
- + Net coal >30% better than Roma West; gas content >35% higher than Roma West
- + Continuous forward program of expanding appraisal and development

Roma East development well-progressed



Roma East well lease



Trunk line



Roma nodal compressor station

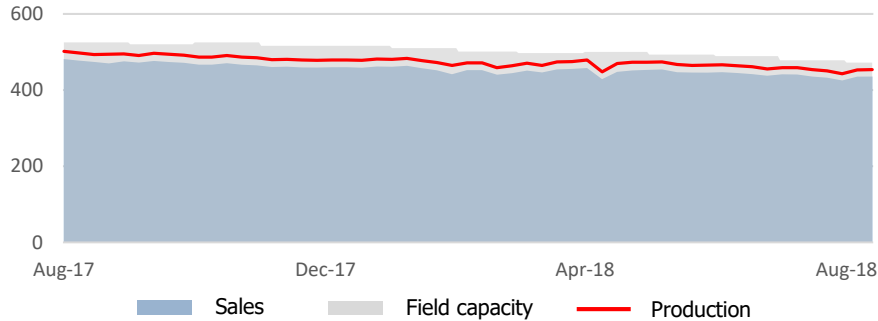


Coiled tubing drilling rig

Focus on well availability

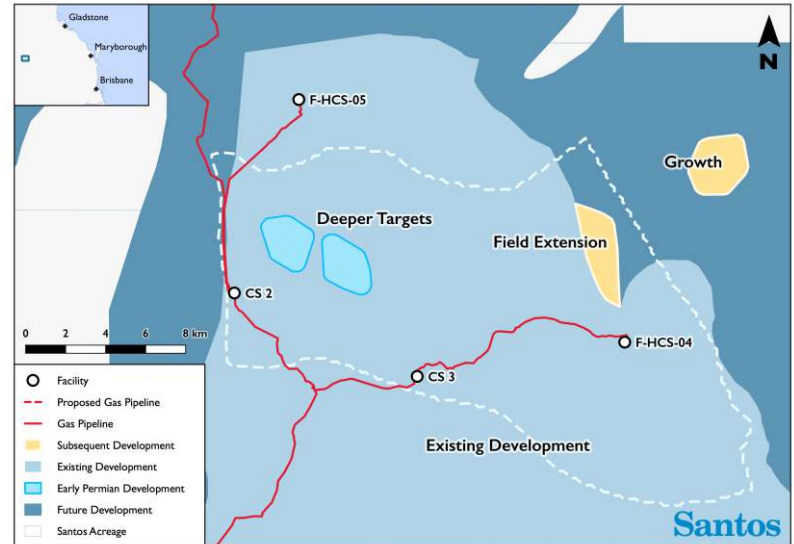
Fairview production

Average weekly sales gas rate (TJ/d)



- + World-class CSG reservoir
- + Well availability focus
 - + Pump installations in free-flow wells
 - + Redrilling wells with new well design
 - + >50 redrills over 2018 / 2019
 - + 2x dedicated work-over rig program
- + No reserve impact – volumes will still be produced

Fairview development

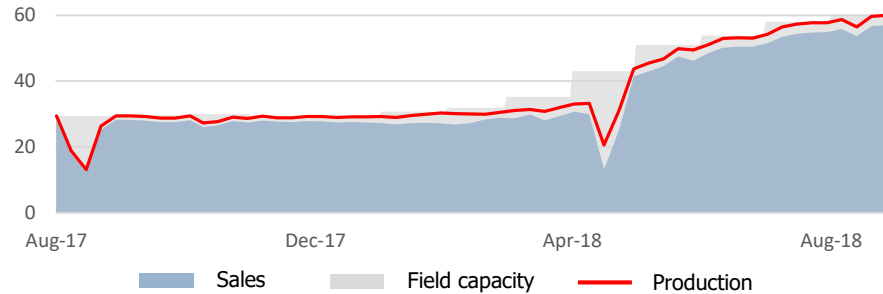


- + Significant development activity in forward program
 - + 1 dedicated drilling rig
 - + 15% growth in field well count
- + Field extension, deeper targets, growth opportunities
- + Focus on production optimisation

Disciplined execution

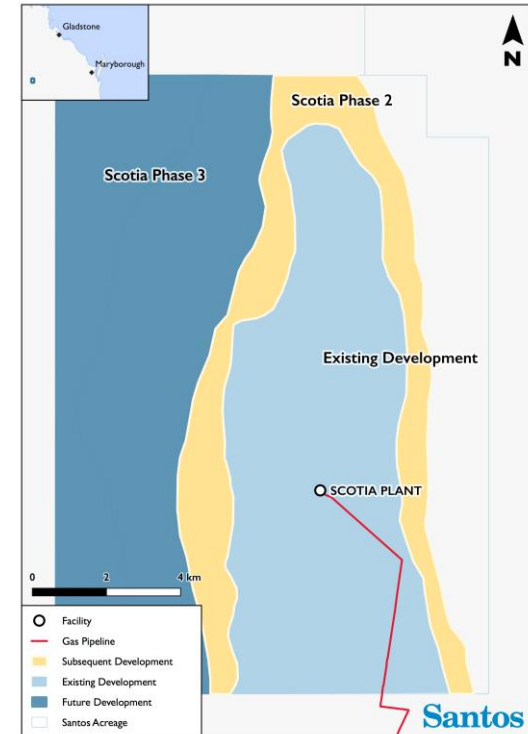
Scotia Production

Average weekly sales gas rate (TJ/d)



- + Disciplined execution and cost management of recent development program
 - + 85 wells
 - + Delivered 16% under budget
 - + Plant commissioned 2 months ahead of schedule
 - + Final well online 1 year ahead of plan
- + Scotia Phase 2
 - + 50 wells – drilling to commence in 2021

Scotia Development



Scotia CF1 project delivered ahead of schedule and under budget **Santos**

Scotia production facility - before



28 TJ/d

Scotia production facility - after



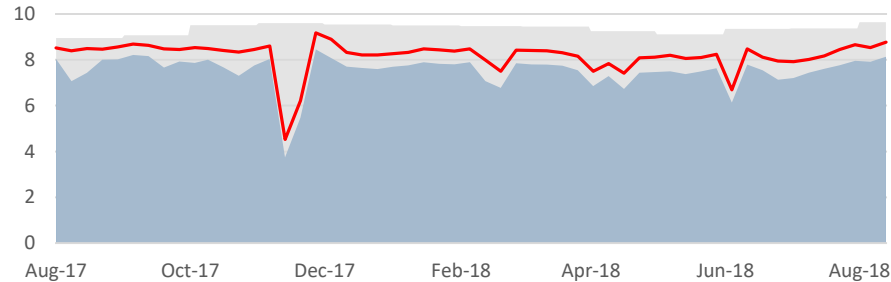
>55 TJ/d and growing

Arcadia – Our latest development

Arcadia Phase 1 development sanctioned May 2018

Arcadia

Average weekly sales gas rate (TJ/d)



Steady production from existing Accelerated Depletion Pilot (ADP)

Arcadia Phase 1

- + Sanctioned May 2018
- + 148 wells
- + Land access secured
- + Drilling to start in September
- + First well online Q1 2019

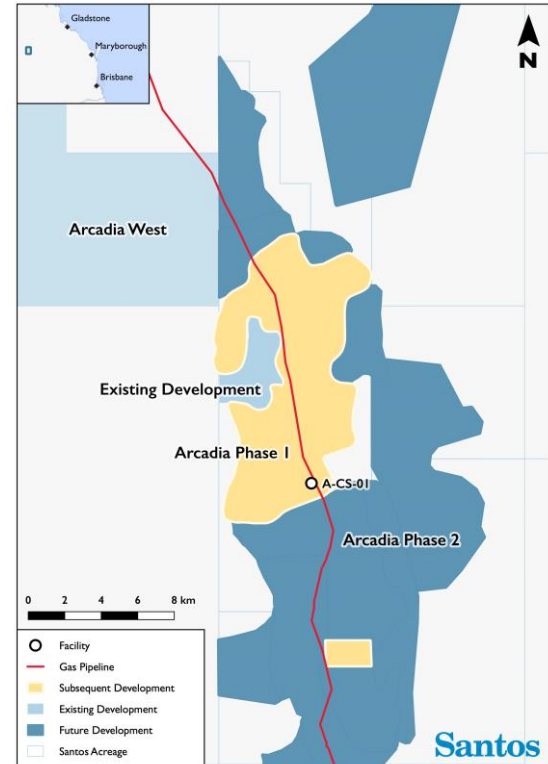
Arcadia Phase 2

- + Development expected 2021-23

Arcadia West

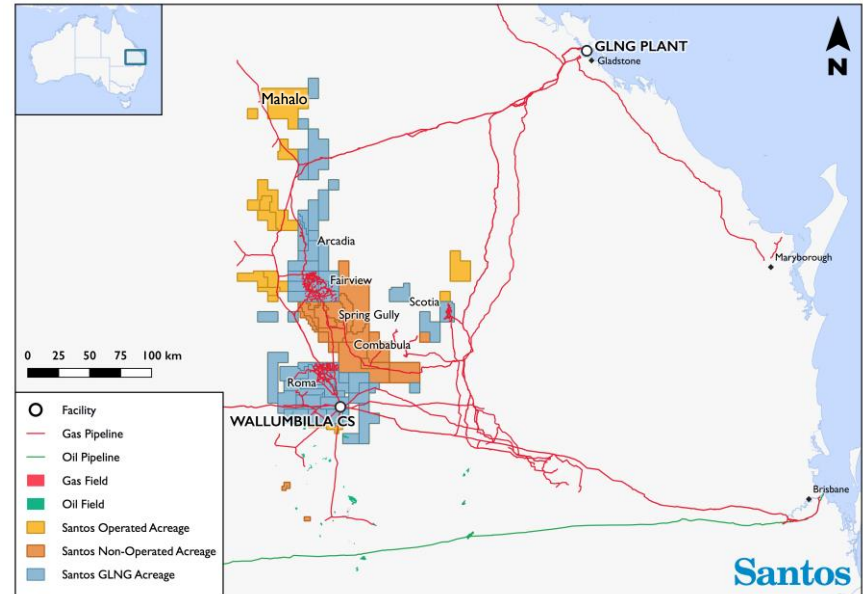
- + Successful bid
- + 86km² adjacent existing development
- + Significant area for future growth
- + Leverage existing infrastructure

Arcadia development



Eastern Queensland portfolio to capture domestic gas opportunities while maintaining gas supply to GLNG

- + Continued focus on a disciplined low cost operating model
 - + Realising value from previously marginal project areas
 - + Santos aims to be the operator of choice, enabling inorganic growth
- + Exploration and inorganic growth (GLNG & Eastern Queensland)
 - + GLNG awarded tender block PLR2016/17-1A (directly west of Arcadia) by Queensland Government in a joint bid with APLNG
 - + Santos increased working interest in Tardrum (ATP 685) from 50% to 100%
 - + Actively pursuing upcoming Queensland acreage releases (29 blocks in 2018/19)
- + Mahalo appraisal acceleration
 - + Initial gas flow rates have exceeded expectations
 - + Further appraisal drilling in Q4 2018 to underpin future reserves bookings



Santos holds a strong acreage footprint in Eastern Queensland in addition to the GLNG acreage. Approximately 20% of Santos' Eastern Queensland 2P Reserves are held in non-GLNG acreage.

Proven cost performance allows higher activity and future growth

Lowest cost onshore operations

- + Free cash flow positive at \leq \$40/bbl oil price
- + Roma well cost down 84% to \$0.85 million (drill-complete-connect)¹
- + Average days rig release to rig release down 77% to 2.6 days¹

Develop and appraise

- + Equity gas production growing year on year
- + 440-well Roma East development commenced with first wells online
- + Scotia CF-1 project delivered ahead of schedule and under budget
- + Initial Arcadia development sanctioned
- + Robust inventory of projects
- + Expect to drill ~300 wells in 2018 and 350-400 wells per annum in 2019-20

Explore and grow

- + Develop new plays
- + Progress exploration and inorganic growth opportunities
- + Actively pursue upcoming Queensland acreage releases

¹ Pre 2015 vs 1H 2018

Conventional Oil & Gas

Bruce Clement

Executive Vice President Conventional Oil & Gas

Santos

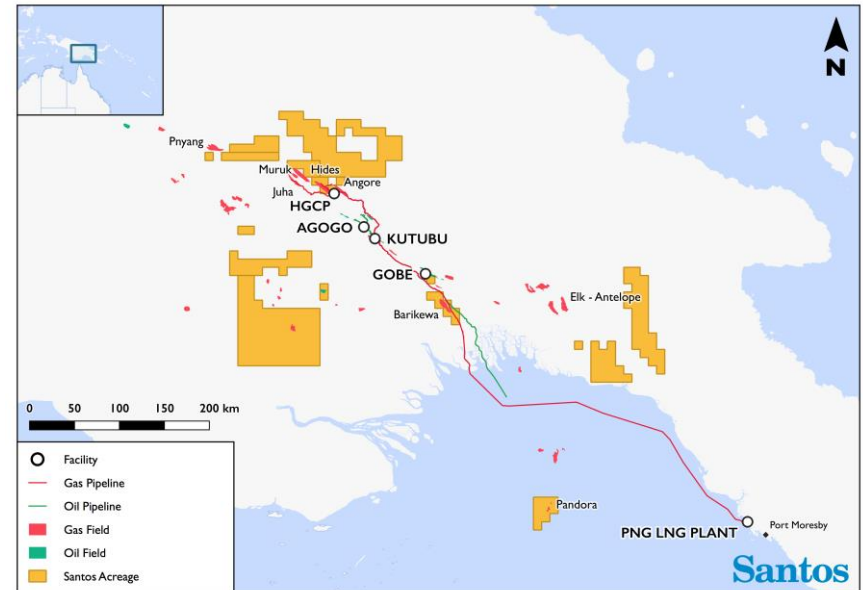
Strong acreage position in highly prospective region. Santos' strategy is to build partner alignment and participate in expansion opportunities at PNG LNG

PNG LNG

- + Continued optimisation of the facilities has resulted in record instantaneous rates >9 mtpa
- + Partner alignment continues to strengthen along the Hides-P'nyang trend
 - + P'nyang farm-in proposal received and under negotiation
 - + Muruk-2 appraisal well expected spud Q4 2018
- + Barikewa-3 appraisal well success

PNG LNG mid-term sales agreements

- + Three-year sale and purchase agreement (SPA) signed with PetroChina for ~0.45 mtpa
- + Five-year SPA signed with BP Singapore for ~0.45 mtpa for the first three years rising to ~0.9 mtpa for the final two contract years
- + Total PNG LNG contract volumes now 7.5 mtpa
- + Negotiations ongoing to finalise third mid-term agreement



PNG LNG expansion and upstream opportunities being progressed

Upstream opportunities

- + P'nyang farm-in proposal received and under negotiation
 - + Potential P'nyang development could utilise existing PNG LNG infrastructure plus proposed Train 3
- + Opportunity to utilise capacity from existing PNG LNG fields in early years
 - + Pre-FEED underway to determine optimised development phasing
- + Muruk appraisal plus future exploration in the Western Foldbelt could add further resources to maintain plateau

Brownfield LNG plant expansion

- + Three ~2.7 mtpa trains proposed for the PNG LNG plant site
- + One train for PNG LNG (T3)
 - + Santos' share of capex estimated to be ~\$300-400 million over 3 years, of which ~60-70% is expected to be project financed
- + Two trains for Papua LNG (T4-5)
 - + Discussions underway regarding access fee for use of existing PNG LNG infrastructure



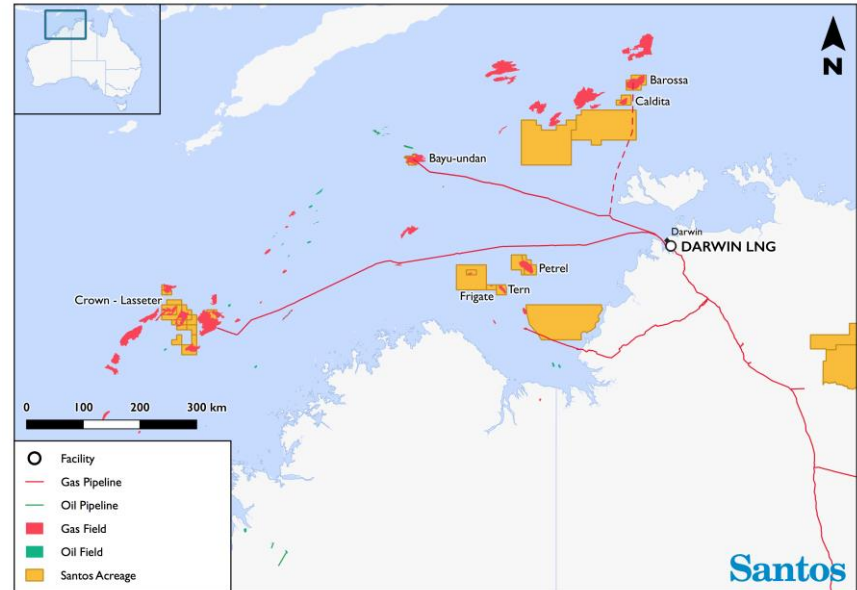
Bayu Undan infill well project underway and Barossa enters FEED

Excellent DLNG plant performance and progress with Bayu Undan infill project

- + Darwin LNG plant performance continues to be excellent, with gross production exceeding plan
- + Successful completion of major shutdown at the offshore Bayu Undan and onshore Darwin LNG facilities
- + Bayu Undan Infill Well project advancing ahead of schedule and costs tracking below budget
 - + First well, W12-ST1, delivered ahead of schedule with better condensate yield and reservoir quality than expected. Currently producing at 150 mmscf/d
 - + Second well, DS05 completed ahead of schedule and cleaned up at 150 mmscf/d. Awaiting subsea flowline installation and hookup ahead of first gas in early November.
 - + Third well, D10 drilling commenced

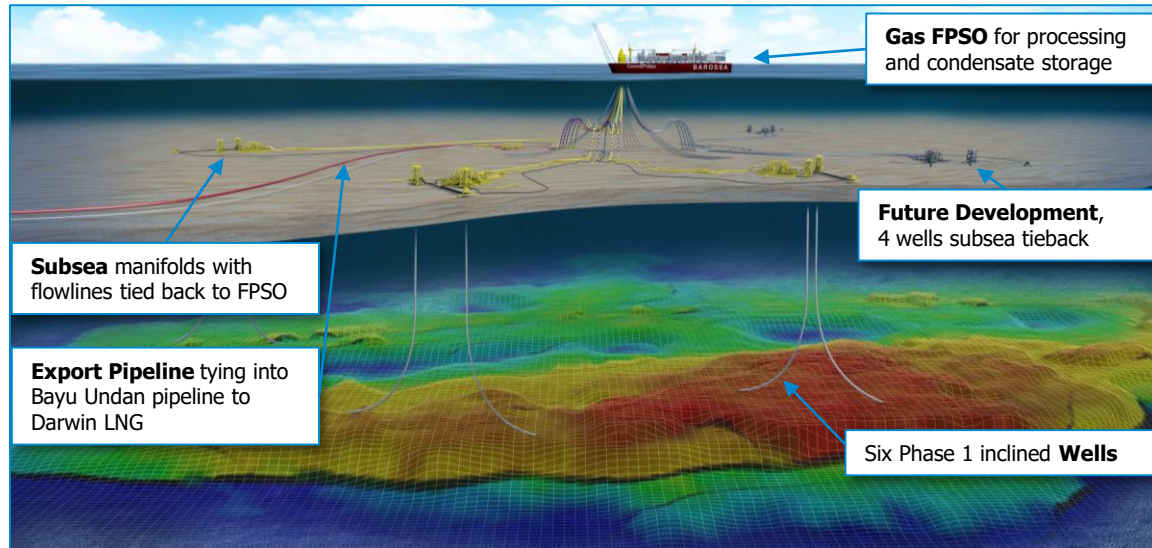
Northern Australia growth

- + Significant resource base well-positioned for backfill or expansion of existing infrastructure
- + Barossa development moving forward with FEED, regulatory approvals and commercial discussions with DLNG progressing well



Northern Australia – Barossa Project (Santos 25%)

Barossa to be developed using subsea wells tied back to an FPSO for gas processing and condensate export. 260 km export pipeline to transport gas to existing Bayu Undan pipeline



- + Major growth opportunity expected to deliver ~9 mmboe average annual production Santos net
- + Santos' share of capex to first gas estimated to be ~\$1.0 to 1.2 billion phased over 4 years
- + Utilising existing DLNG infrastructure delivers competitive upstream project and extends DLNG asset life
- + Darwin LNG expected to deliver average annualized production of ~3.5 mtpa with potential for future debottlenecking
- + Resource upside within Barossa and late life tiebacks present opportunity to extend development
 - + Caldita field located 20km south of the Barossa FPSO location

Low-cost, high margin conventional domestic gas assets generating strong free cash flow

Strong operating performance

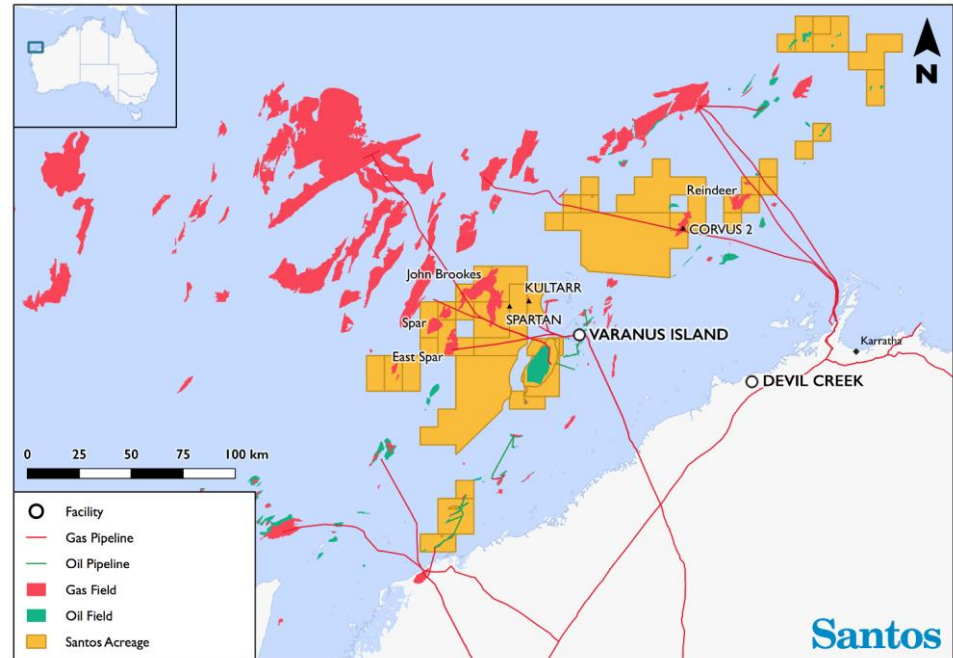
- + Collaborative joint-venture engagement has resulted in greater efficiencies, higher production and lower upstream unit production costs in 2018

Future Varanus Island and Devil Creek backfill

- + Low development cost, high return opportunities in tie-back distance to existing infrastructure
- + Spartan/Kultarr discoveries being assessed for development
- + Corvus-2 appraisal well to be drilled in 2019
- + Further exploration being assessed

Quadrant acquisition

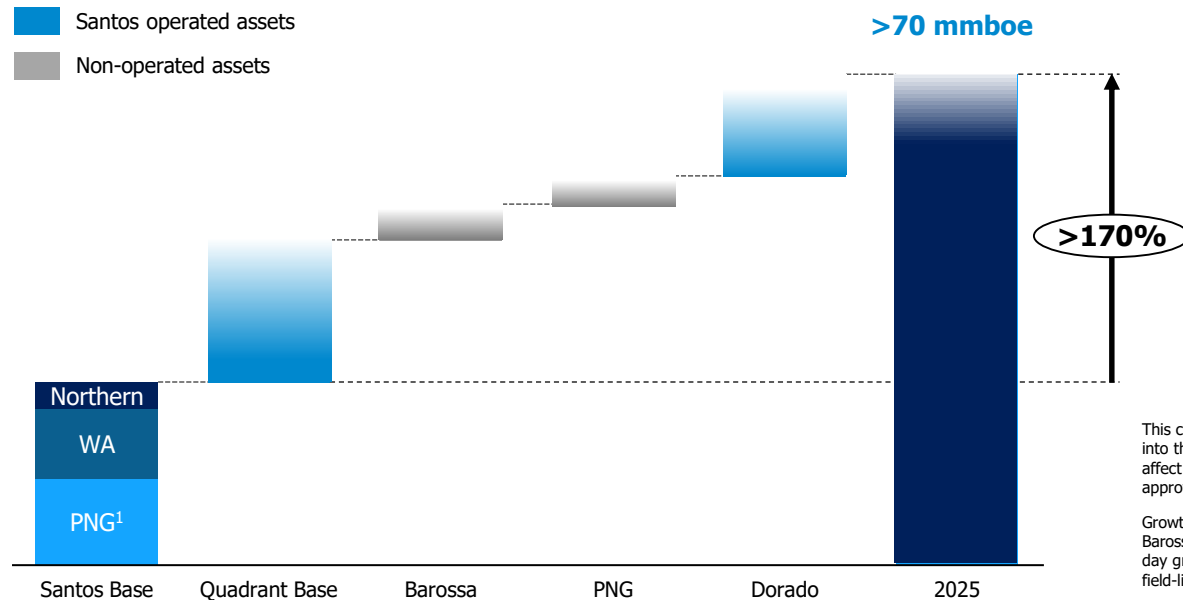
- + Aligned with Santos' growth strategy to build on existing core assets and infrastructure
- + Provides substantial increase in production
- + Delivers additional operational flexibility
- + Adds exciting Dorado oil discovery and Bedout Basin play



Conventional Oil and Gas assets delivering growth

Rebalancing the portfolio to high margin conventional production

Conventional assets production growth to 2025



+ **Targeting 170% growth in three core assets by 2025**

+ Quadrant acquisition provides Santos with a substantial increase in production plus control over growth plans through operatorship

+ Barossa more than doubles existing Northern Australia production

+ PNG LNG expansion adds over 30% to existing project production

This chart should not be construed as production guidance from the Company now or into the future. Potential production is subject to a range of contingencies which may affect performance, including necessary permits, regulatory requirements and Board approvals.

Growth projects include 1 x 2.7 mtpa PNG LNG T3 expansion train (Santos 13.5%), Barossa (Santos 25%) backfill to Darwin LNG and Dorado oil development 50,000 bbl per day gross (Santos 80%). Barossa growth shown is net of Bayu Undan reaching end of field-life.

¹ PNG normalised for impact of earthquake

Operations

Vince Santostefano
COO Operations

Santos

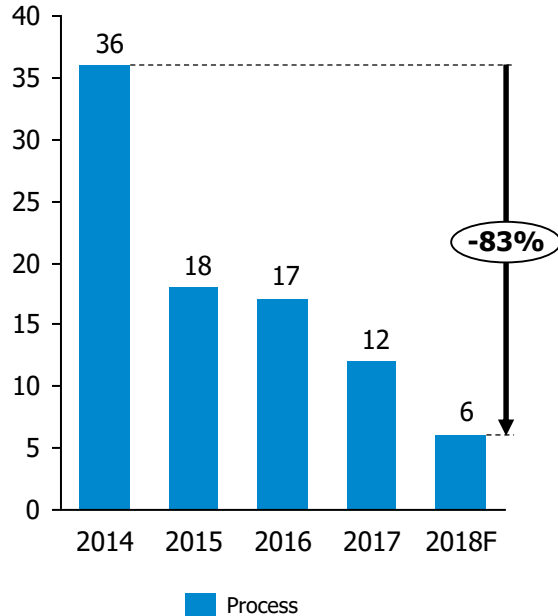
Safer, better, cheaper



Process safety is integral to our journey to be the safest onshore operator in Australia

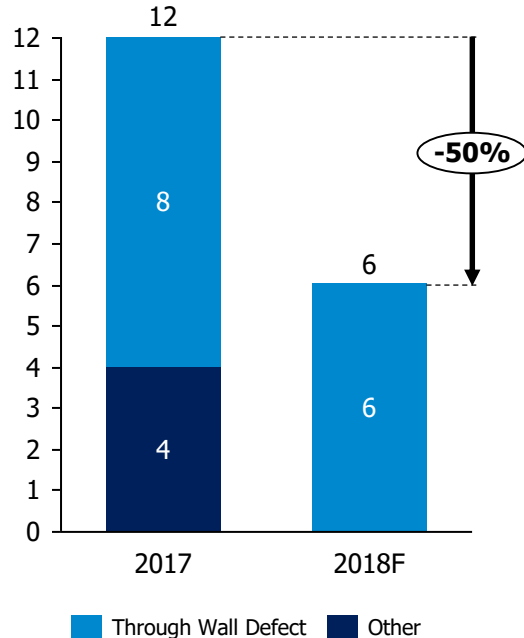
Major process loss of containment

Count



Loss of containment categorisation

Count



- + Major process loss of containment events actively reduced within Operations since 2014
- + Through wall defect reduction a current focus to reduce process related loss of containment incident rate through 2018
- + Zero tolerance to through wall defect from a process safety and technical integrity perspective

Actively managing the integrity and value of our facilities

- + We are continuing to invest in activities that create a safe and resilient operation
- + Shut down activity has included Cooper Train 7, 2 LRPs and GLNG propane exchanger
- + Continuing to manage reliability and integrity across assets
- + Centralised and integrated maintenance



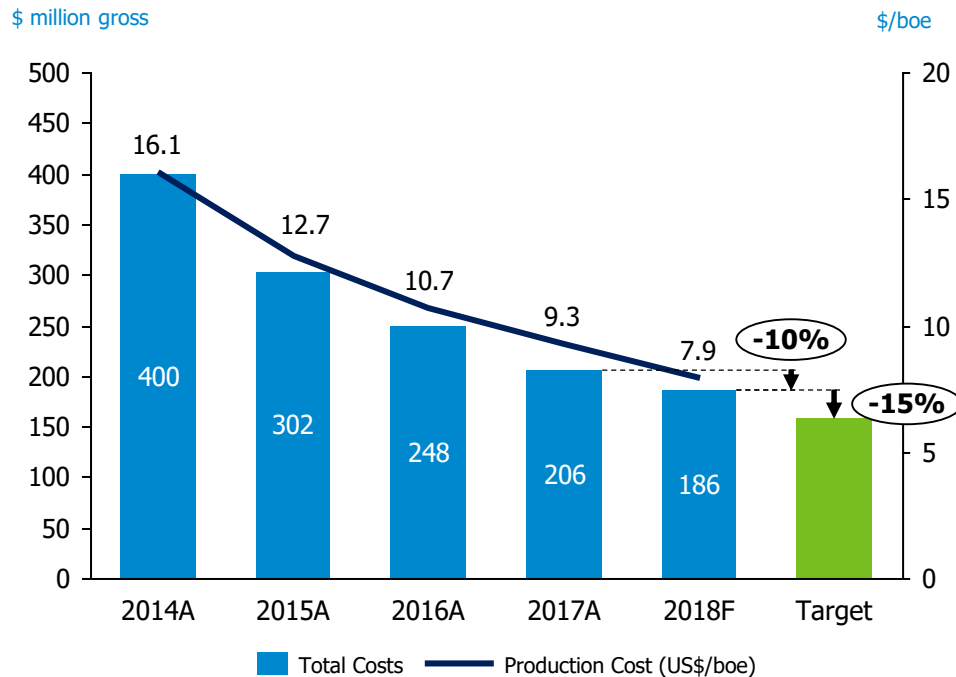
LRP remediation work

Upgraded lighting, fixed insulation and cladding, performing critical function testing and rectified additional reliability issues

Disciplined focus on continuous cost efficiencies

Total production costs

\$ million gross



- + On track to deliver \$20 million (10%) reduction in production cost over 2017 actual
- + Demonstrated step-change in production cost across Cooper
 - + Contractor collaboration
 - + Santos-wide approach
- + Structural changes in place to sustain cost out through the cycle

Curtis Island performance

Disciplined focus on continuous cost efficiencies



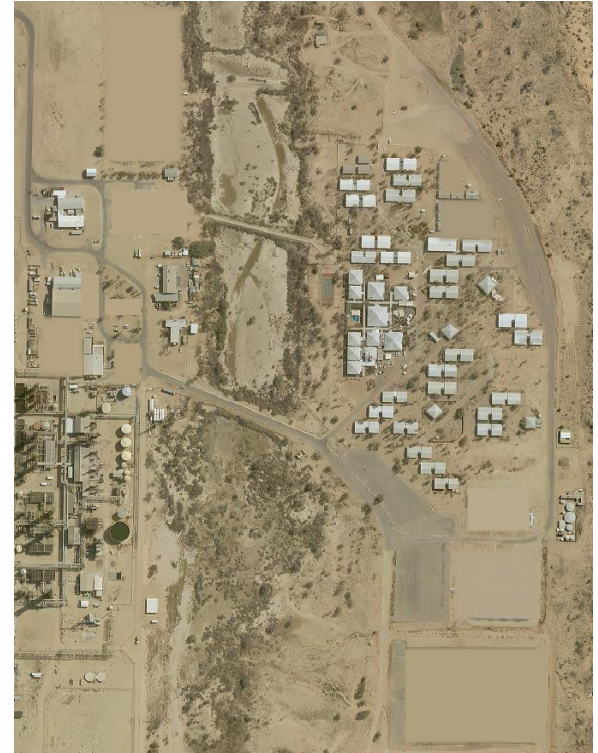
- + Disciplined focus on continuous improvement and lean operations
- + 10% improvement in conversion costs in 2018 on historical performance
- + GLNG costs reducing in absolute terms, which together with volume increase will drive down unit costs

Operational Excellence framework in place to deliver best in class levels of performance

- + Continuing to reduce production cost in a systematic way by eliminating waste and inefficiency
- + Setting standards and establishing new ways of working
- + Reducing our footprint
- + Controlled demand management



Moomba area prior to reset



Moomba area following reset

Safer, better, cheaper



Exploration and New Ventures

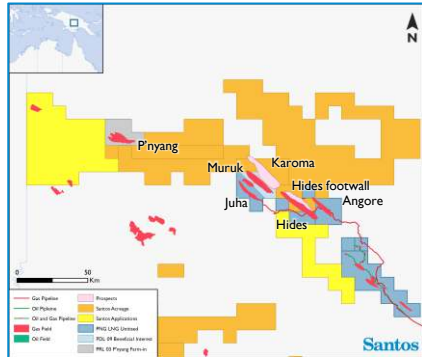
Bill Ovenden

Executive Vice President Exploration & New Ventures

Santos

Papua New Guinea exploration and appraisal

PNG LNG upstream growth alignment with key partners in the western foldbelt; new eastern foldbelt exploration presence



Western Foldbelt acreage alignment (Santos 20%)

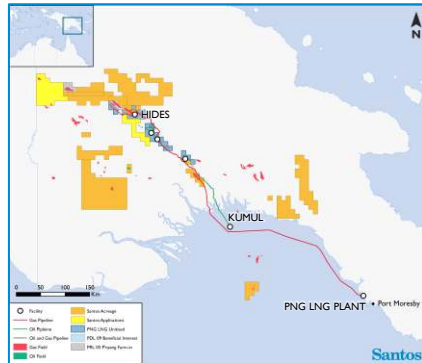
- + Joint-venture alignment in highly prospective fold belt acreage from Hides to P'nyang (Muruk trend)

Eastern Foldbelt entry (Santos 20%)

- + Farm-in to PPL 339 south-east of Elk-Antelope
- + Material exploration opportunity in an emerging province

Barikewa 3 successful appraisal (Santos 40%)

- + DST flowed at ~35 mmscf/d from excellent quality Toro sands (perm / poro)
- + Adjacent to Kopi



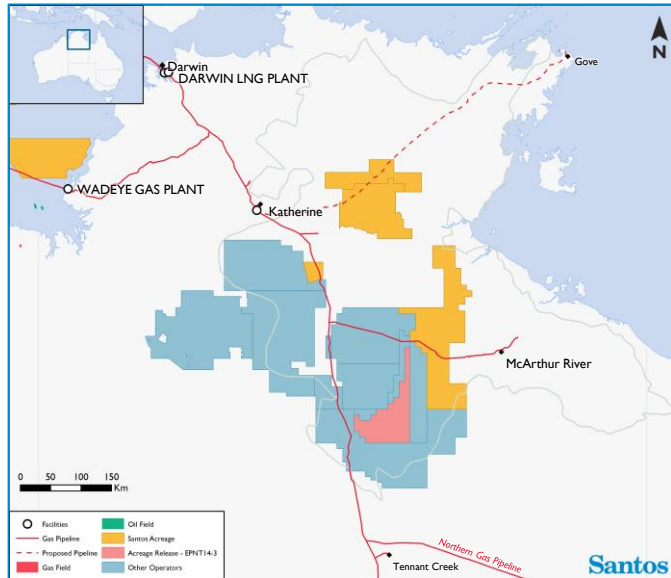
Forward plan

- + P'nyang farm-in under negotiation
- + Muruk-2 appraisal Q4 2018 / Q1 2019
 - + ~10km step-out
 - + Multi-TCF contingent resource potential adjacent Hides
- + 2D seismic acquisition at Hides, Muruk & Karoma
- + Mature multi-TCF Hides footwall prospect

Onshore Northern Australia – McArthur Basin

Deliverability test of multi-TCF McArthur shale gas play.

Target Northern Australian and East Coast export and domestic market opportunities



- + Largest and most promising shale gas opportunity in Australia
 - + +/- 500 TCF OGIP potential (NTGS) with rapidly expanding market opportunities
- + EP 161 has multi-TCF prospective resource potential (Santos 75% and operatorship)
- + Moratorium lifted and the transition to a new regulatory framework underway

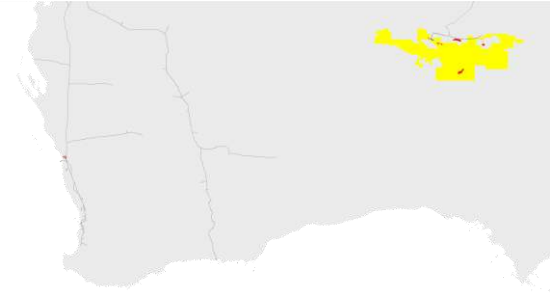
Forward plan

- + 2019-20 exploration drilling program designed to establish line-of-sight to play viability: volumes and deliverability, subject to regulatory approval

Conventional sub-salt play with material running room

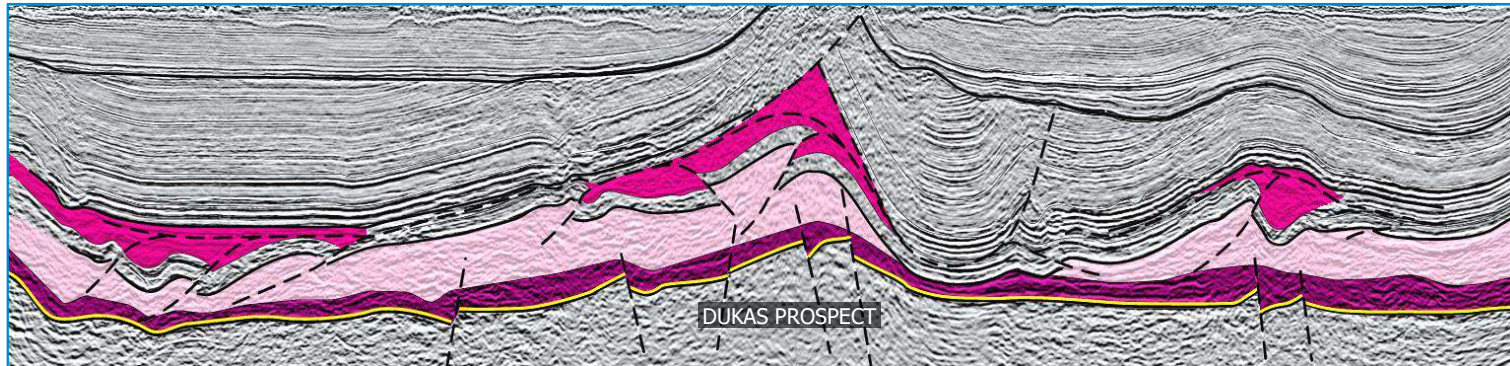
Southern Amadeus

- + Wildcat test of regional sub-salt play: multi-TCF potential
- + Proven hydrocarbon system (Mt Kitty 1, Magee 1)
 - + Presence of elemental He and H offers potential value-add
- + Extensive play running room on success
- + Success facilitates potential McArthur / Moomba infrastructure linkage



Forward plan

- + Drill Dukas-1 Q1 2019

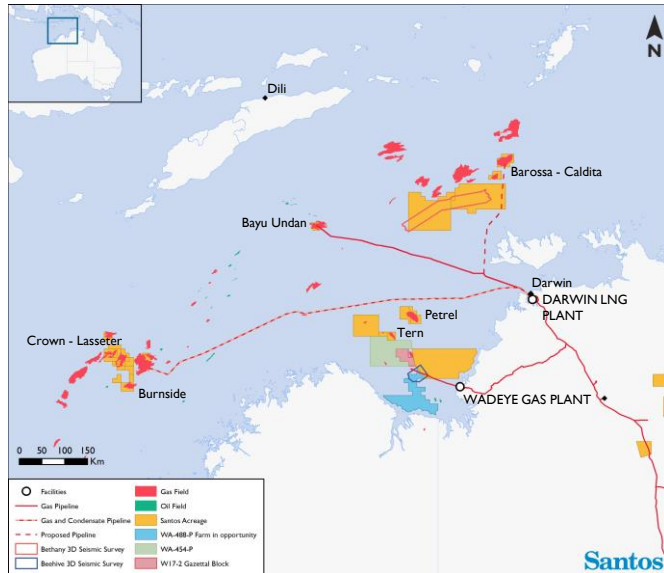


0 5 Km

- Diparic Salt
- Salt / Anhydrite
- Anhydrite / Dolomite Target
- Basal Clastic Target

Offshore Northern Australia exploration

Emerging NT domestic gas and LNG ullage markets. Oil upside potential



Discovering new resources to complement potential new production hubs

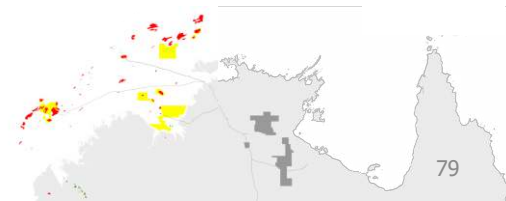
- + Consolidation of operated exploration acreage footprint across multiple plays
- + Complements commercialisation plans for material static discovered gas ownership (Petrel-Tern-Frigate, Barossa)
- + Beehive prospect farm-in option WA-488-P (Santos operator)
 - + Option with Total and INPEX
 - + Multi-TCF gas / large light oil prospect in new play

Bonaparte 3D Seismic Acquisition

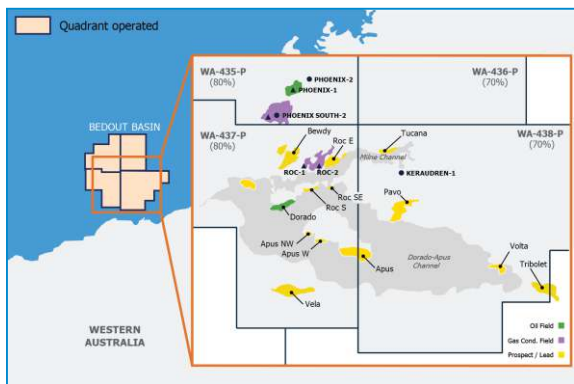
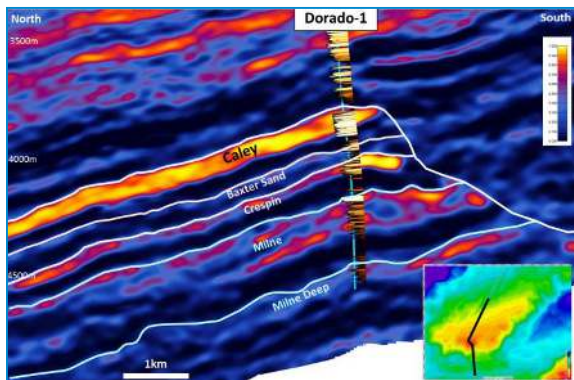
- + Inventory build driven by high quality 2018 3D seismic acquisition (5000km²)

Forward plan

- + Mature inventory from Bethany, Beehive 3Ds to build on 2020 drill options



Consolidated domestic gas operatorship, new oil and running room



Santos Evaluation

- + 2018 high value inventory build in the Carnarvon underpin 2019, 2020 NFE drill programme targeting Varanus Island and Devil Creek back-fill

Quadrant Acquisition

- + Consolidates exploration inventory
- + Operatorship and majority ownership in Dorado oil discovery
- + Potential new Bedout gas production hub
- + Basin-master footprint in emerging oil and wet gas Bedout province – significant exploration running room identified

Forward plan

- + Acquisition transition processes in train
- + Drill Corvus-2 appraisal, a Reindeer backfill candidate H1 2019
- + Execute Dorado appraisal programme (2-3x drill and development spec 3D)
- + Bedout 3D reconnaissance acquisition
- + Prepare for 2020 Bedout and Carnarvon Basin exploration drilling campaigns



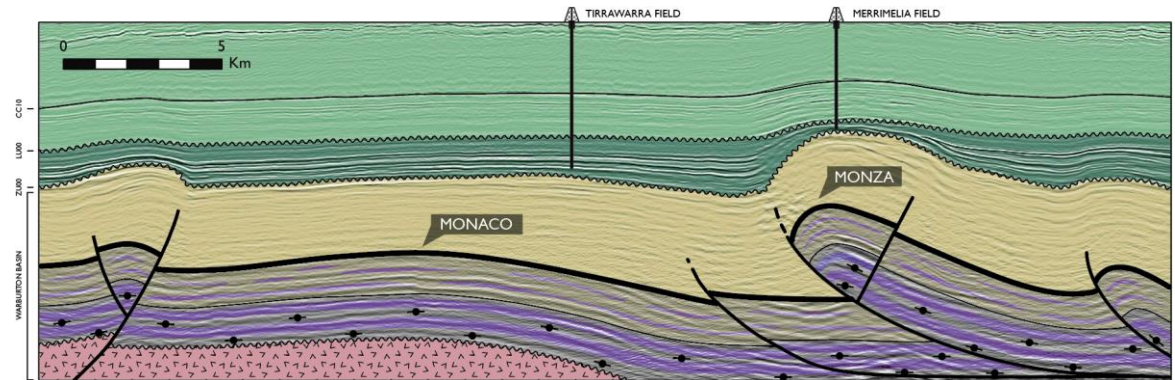
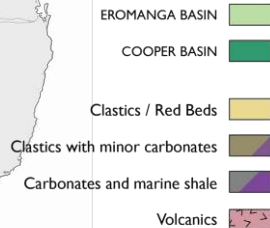
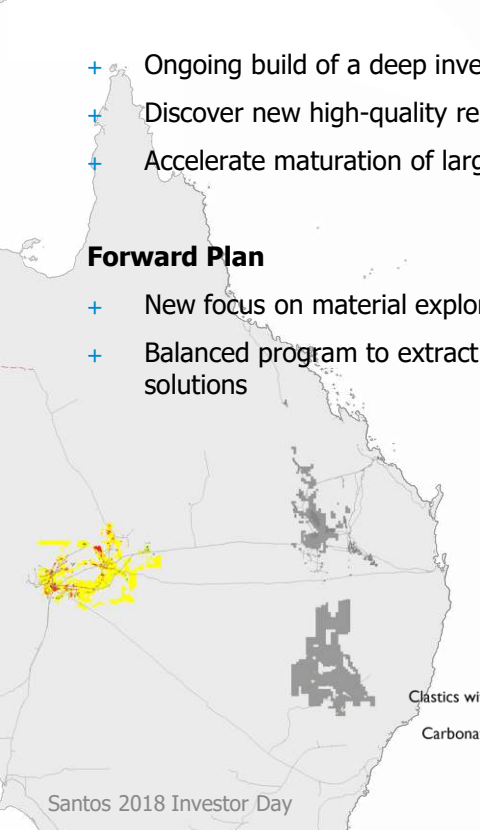
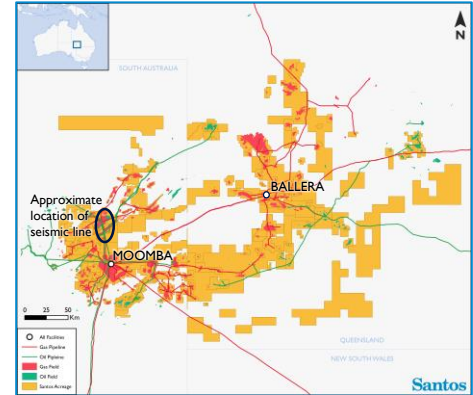
Cooper growth escalation

Leverage experienced, low cost operatorship to exploit deep resource opportunity inventory

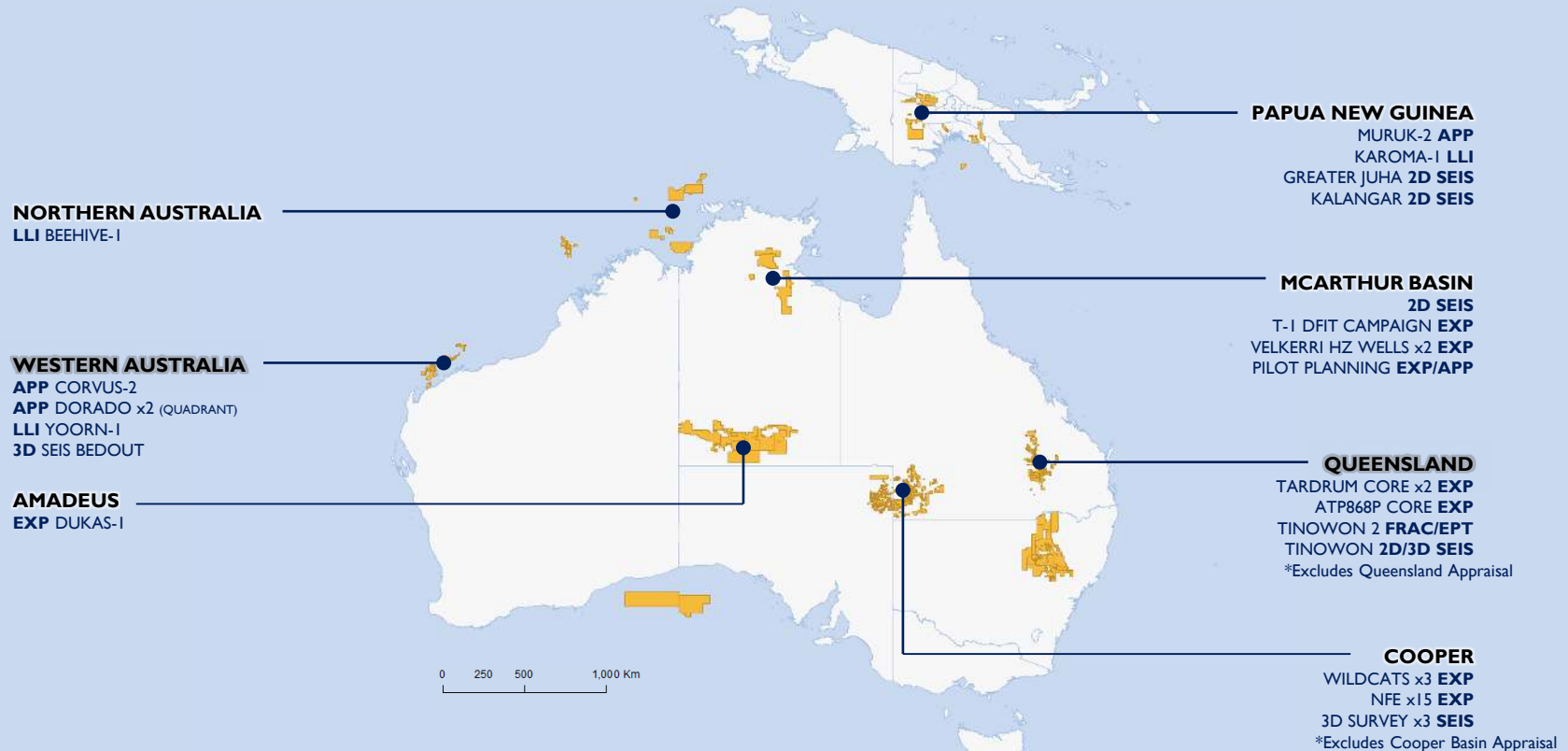
- + Ongoing build of a deep inventory of wildcat, NFE and high-impact appraisal opportunities
- + Discover new high-quality resource options
- + Accelerate maturation of large contingent resource base to production

Forward Plan

- + New focus on material exploration opportunities in existing and new plays – key wildcats in 2019
- + Balanced program to extract high value, short term on-line production metrics and material growth solutions



2019 Exploration and appraisal program summary



Wrap-up

Kevin Gallagher

Managing Director & CEO

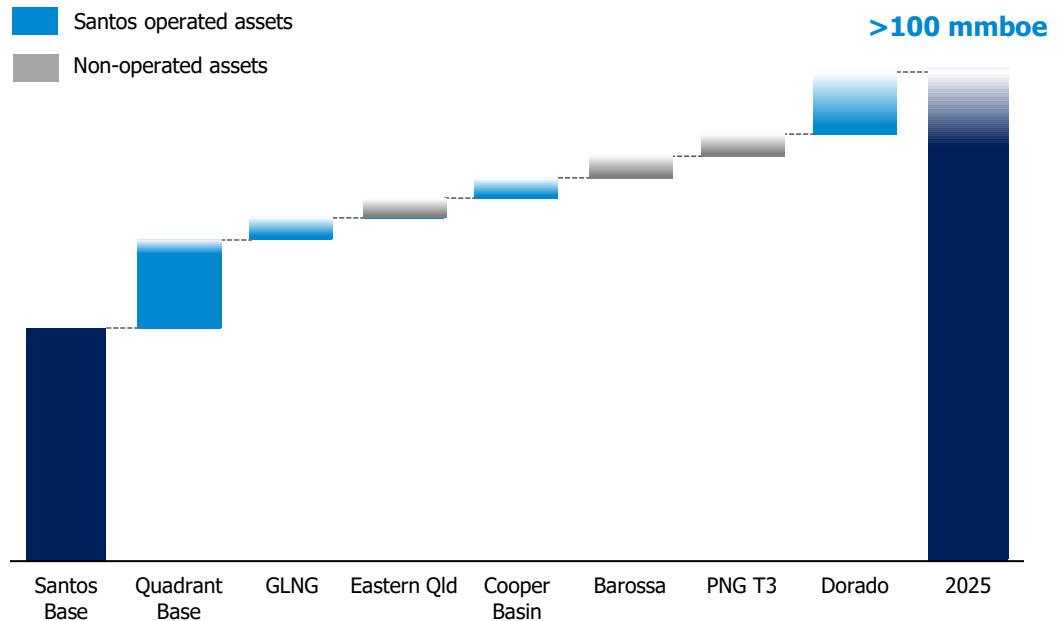
Santos

Targeting portfolio production >100 mmboe by 2025

Disciplined growth from new upstream projects leveraging-off existing infrastructure

- Diversified and balanced core asset portfolio
- Disciplined Operating Model
- Significant Santos-operated growth
- Strong balance sheet to support growth

Diversified and disciplined production growth to 2025



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Appendix

Santos

Cautionary statement regarding reserve estimates

This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

Notes on reserve statements

The estimates of petroleum reserves and contingent resources have been prepared in accordance with the Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). All estimates of petroleum reserves and contingent resources reported by Santos are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator (QPRRE).

Unless otherwise stated, references in this presentation to reserves are as at 31 December 2017. The estimates of reserves included in this presentation are an aggregate of both developed and undeveloped reserves. Information on petroleum reserves quoted in this presentation is rounded to the nearest whole number. Some totals may not add due to rounding. Petroleum reserves replacement ratio is the ratio of the change in petroleum reserves (excluding production) divided by production.

Notes on reserves and resources statements – Santos

The estimates of petroleum reserves and contingent resources in the presentation are based on and fairly represent information and supporting documentation prepared by, or under the supervision of Ms. Barbara Pribyl who is a full time employee of Santos and a member of the SPE. Ms. Pribyl meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this presentation.

Unless otherwise stated, all references to petroleum reserve quantities in this presentation are Santos' net share. Reference points for Santos' petroleum reserves and production are defined points within Santos' operations where normal exploration and production business ceases, and quantities of produced product are measured under defined conditions prior to custody transfer. Fuel, flare and vent consumed to the reference points are excluded. Petroleum reserves are aggregated by arithmetic summation by category and as a result, proved reserves may be a very conservative estimate due to the portfolio effects of arithmetic summation. Petroleum reserves are typically prepared by deterministic methods with support from probabilistic methods.

Conversion factors: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe; 1 barrel of condensate equals 0.935 boe; 1 barrel of crude oil equals 1 boe.

Cautionary statement regarding reserve estimates

Notes on reserves statements – Quadrant Energy

Information on the reserves in this presentation relating to the Quadrant Energy assets are based and fairly represent an independent assessment conducted by RISC Advisory in July 2018. The assessment was carried out in accordance with the SPE Reserves Auditing Standards under the supervision of Mr. Peter Stephenson, an employee of RISC Advisory and a member of the SPE and the Society of Petroleum Evaluation Engineers. Mr. Stephenson meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this presentation. Mr. Stephenson is independent with respect to Quadrant Energy and Santos.

Petroleum reserves estimates of Quadrant Energy have been prepared using a combination of deterministic and probabilistic methods. The reference point for reserves determination is the custody transfer point for the products. Fuel, flare and vent consumed to the reference points are excluded. Petroleum reserves are aggregated by arithmetic summation by category.

Conversion factors used by RISC Advisory to evaluate oil equivalent quantities for the Quadrant Energy reserves are 1PJ of sales gas and ethane equals 162,293 boe; 1 barrel of condensate equals 1 boe; 1 barrel of crude oil equals 1 boe.

In accordance with ASX Listing Rules, Santos expects to announce its assessment of reserves attributable to the Quadrant Energy assets after completion of the acquisition. Differences in assumed heating values, energy equivalents, and fuel, flare and vent assumptions between RISC Advisory and Santos could result in changes in reserves estimates.