

18 February 2019

Santos boosts operated position across offshore Northern Australia

Santos today announced it had reached an agreement to align the company's interests, under Santos operatorship, across four exploration permits in the Bonaparte Basin offshore Northern Australia adjacent to a large existing contingent resource.

Santos' position in the Bonaparte Basin already includes an 11.5% interest in the Bayu-Undan gas-condensate field and the Darwin LNG plant, as well as a 25% interest in the Barossa field, which is currently in front end engineering and design and is the leading candidate to backfill Darwin LNG.

Today's transaction with Beach Energy will see the companies become 50/50 joint venture partners across NT/P82, NT/P85, NT/P84 and WA-454-P. Santos will operate all four permits. Map attached.

Permits NT/P82 and NT/P85 are located immediately to the south of the Barossa project area, where Santos acquired the 4,347 km² Bethany 3D seismic survey in 2018.

NT/P84 and WA-454-P are proximal to the Petrel/Tern/Frigate field complex in the Petrel sub-basin, where separate agreements with Neptune Energy see Santos move to 100% operated interest in the Tern and Frigate fields and a 40.25% interest in the Petrel field, subject to customary approvals.

Santos Managing Director and Chief Executive Officer Mr Kevin Gallagher said: "This alignment of equity and operatorship will allow for a more strategic approach to the next phase of exploration in the region."

"It also reinforces Santos' significant exploration and existing substantial resource position in offshore Northern Australia and is a good example of industry collaboration aimed at doing things smarter."

"We continue to chase material resource opportunities offshore Northern Australia to support our established infrastructure position at Darwin, with an eye to both export and domestic markets."

"The next step for these permits is to evaluate new and existing seismic data to build inventory and define potential targets for drilling within the next few years. Permits NT/P82 and NT/P85, which are located immediately south of our Barossa project, will be a key focus for this work," Mr Gallagher said.

Santos also holds 100% of WA-459-P and has an option to acquire a 40% operated interest of WA-488-P, where processing of a new 3D seismic survey over the large Beehive prospect is nearing completion.

Media enquiries

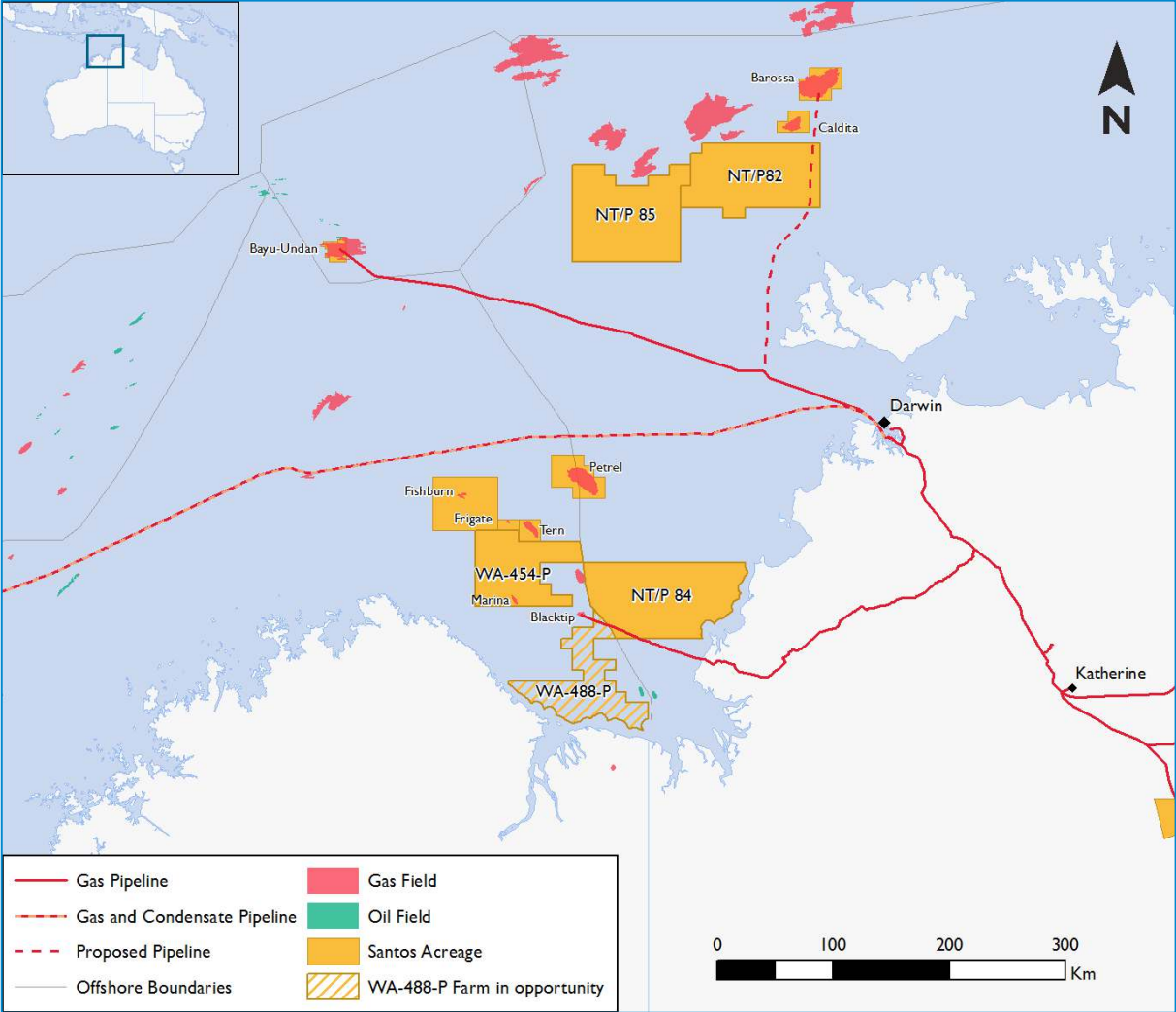
Daniela Ritorto
+61 8 8116 5167 / +61 (0) 455 319 770
daniela.ritorto@santos.com

Investor enquiries

Andrew Nairn
+61 8 8116 5314 / +61 (0) 437 166 497
andrew.nairn@santos.com

Santos Limited ABN 80 007 550 923
GPO Box 2455, Adelaide SA 5001
T +61 8 8116 5000 F +61 8 8116 5131
www.santos.com

Bonaparte Basin, Northern Australia



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