2013 Full-year results

21 February 2014

Disclaimer and important notice

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 Australian currency, unless otherwise stated. All references to project completion percentages are on a value of work done basis, unless otherwise stated.

This presentation refers to estimates of petroleum reserves and contingent resources contained in Santos' Annual Reserves Statement released to the ASX on 21 February 2014 (Annual Reserves Statement). Santos confirms that it is not aware of any new information or data that materially affects the information included in the Annual Reserves Statement and that all the material assumptions and technical parameters underpinning the estimates in the Annual Reserves Statement continue to apply and have not materially changed.

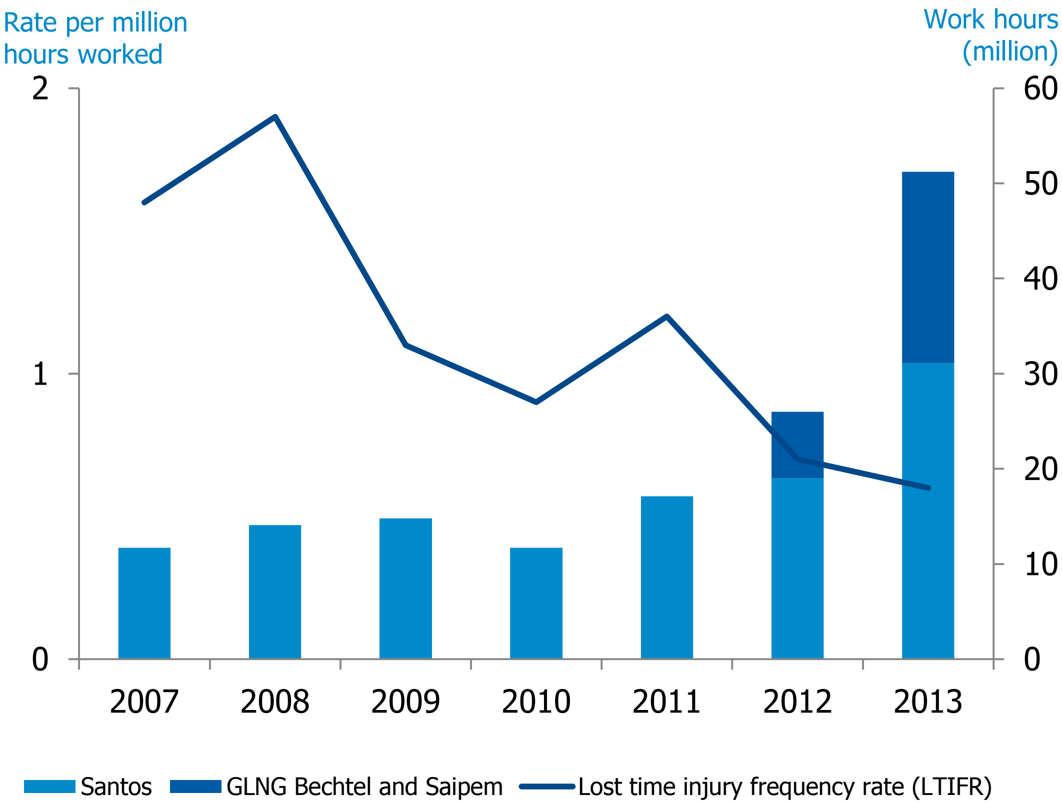
The estimates of petroleum reserves and contingent resources contained in this presentation are as at 31 December 2013. Santos prepares its petroleum reserves and contingent resources estimates in accordance with the Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). Unless otherwise stated, all references to petroleum reserves and contingent resources quantities in this presentation are Santos' net share. Reference points for Santos' petroleum reserves and contingent resources 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 and contingent resources 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 and contingent resources 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.

Santos
We have the energy.

Safety performance

Lost time injury frequency rate of 0.6 per million hours worked

Safety performance (employees and contractors)



- Record hours worked in 2013
- Lost time injury frequency rate of 0.6, 20% below 2012
- TRCFR of 3.8, compared to 5.0 in 2012
- Safety critical maintenance > 98% at operated sites

Santos
We have the energy.

Delivering the strategy in 2013

Strong LNG project delivery in 2013 positions Santos to achieve 80 to 90 mmboe of production by 2020

- Fletcher Finucane first oil ahead of schedule and under budget
- Santos uniquely positioned to meet higher gas demand with critical infrastructure and large resource base
- Exploration success

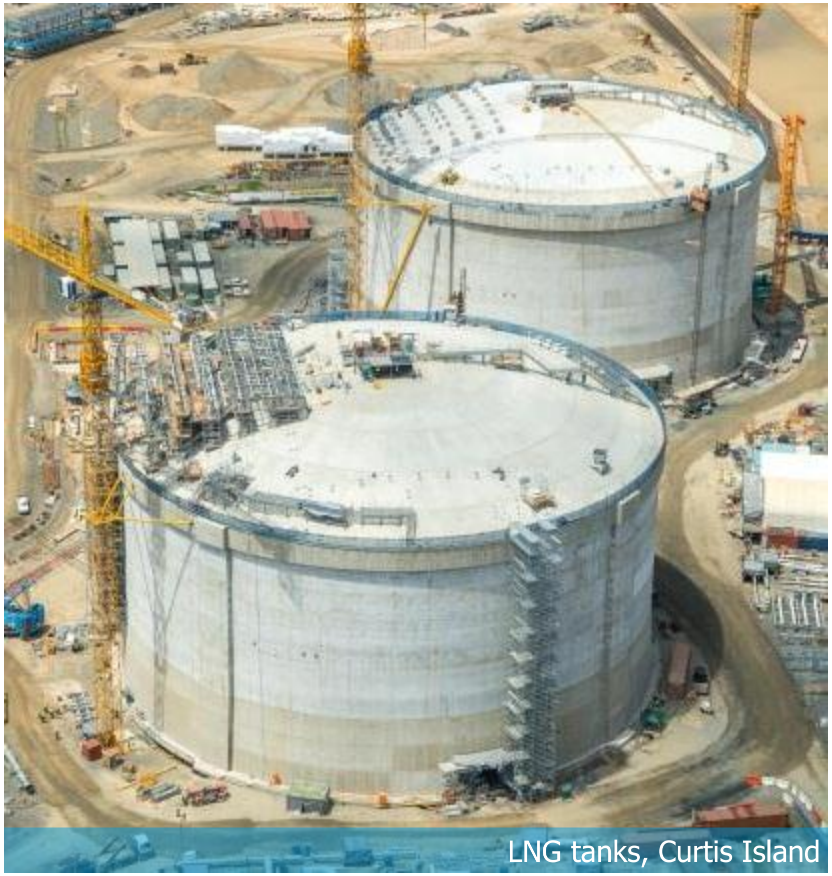
- PNG LNG over 95% complete and on track for first LNG in Q3 2014
- GLNG 75% complete and on track for first LNG in 2015
- Capital cost estimates unchanged

- Dua and Peluang projects on track
- Acquisition of 50% interest in Ande Ande Lumut completed
- Farm-in to exploration licences in PNG Foreland

Santos
We have the energy.

Strong GLNG project delivery in 2013

GLNG is 75% complete and on track for first LNG in 2015


LNG tanks, Curtis Island

- Drilling ahead of plan, 237 wells spudded in 2013
- Dewatering facilities at Fairview and Roma commissioned
- Fairview wells continue to produce strongly (1.8 TJ/day)
- Roma well data supporting predicted capacity
- Collaboration deals signed with QGC and APLNG
- All of the gas transmission pipeline in the ground
- Marine crossing tunnel completed in early-February
- 76 of 82 train 1 modules shipped to site
- On track for 2015 start-up
- Capital cost estimate unchanged

Santos
We have the energy.

2013 Full-year financial results

Andrew Seaton
Chief Financial Officer

Santos
We have the energy.

Hides Gas Conditioning Plant, PNG LNG

2013 Full-year financial result

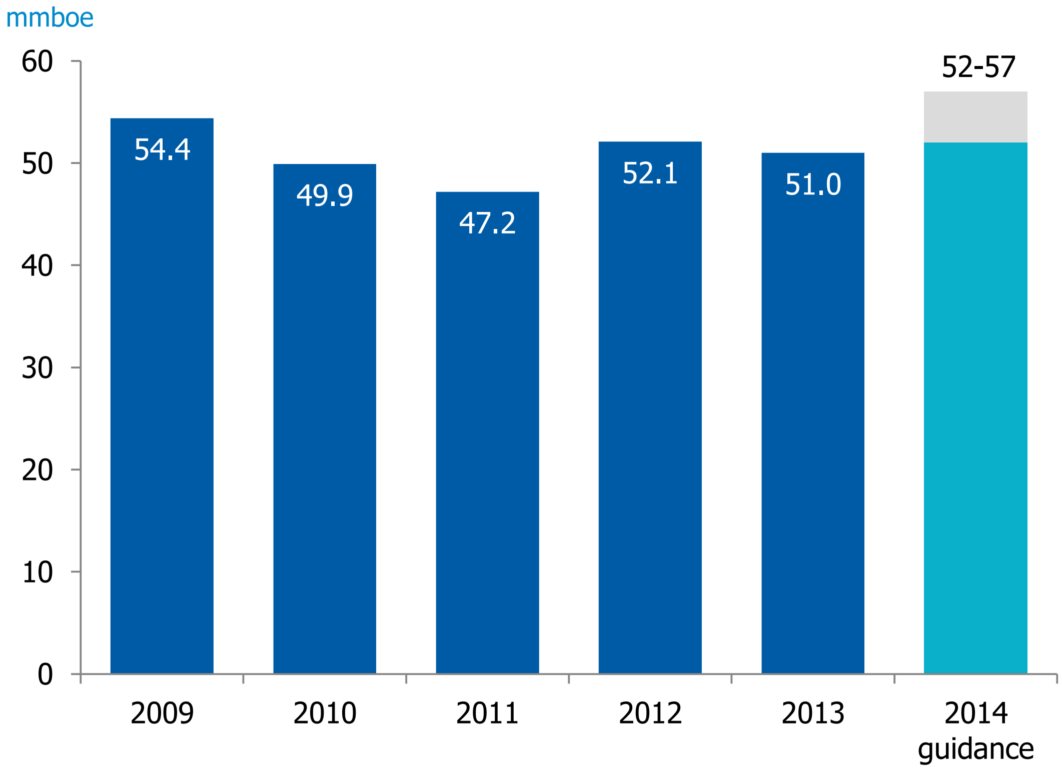
Growth in sales revenue, EBITDAX and EBIT. Net profit after tax of $516 million in line with 2012

	2013 Full-year		Change on 2012
Production	51 mmboe	↓	-2%
Sales revenue	$3,602 million	↑	+12%
EBITDAX	$1,992 million	↑	+7%
EBIT	$886 million	↑	+6%
Net profit after tax	$516 million		-0%
Underlying net profit after tax	$504 million	↓	-17%
Operating cash flow	$1,628 million	↓	-1%
Final dividend	15 cents per share		-

Production

2013 production of 51 mmboe.
2014 production guidance unchanged at 52–57 mmboe, growth driven by PNG LNG start-up in Q3 2014

Production



Drivers of 2014 production guidance:

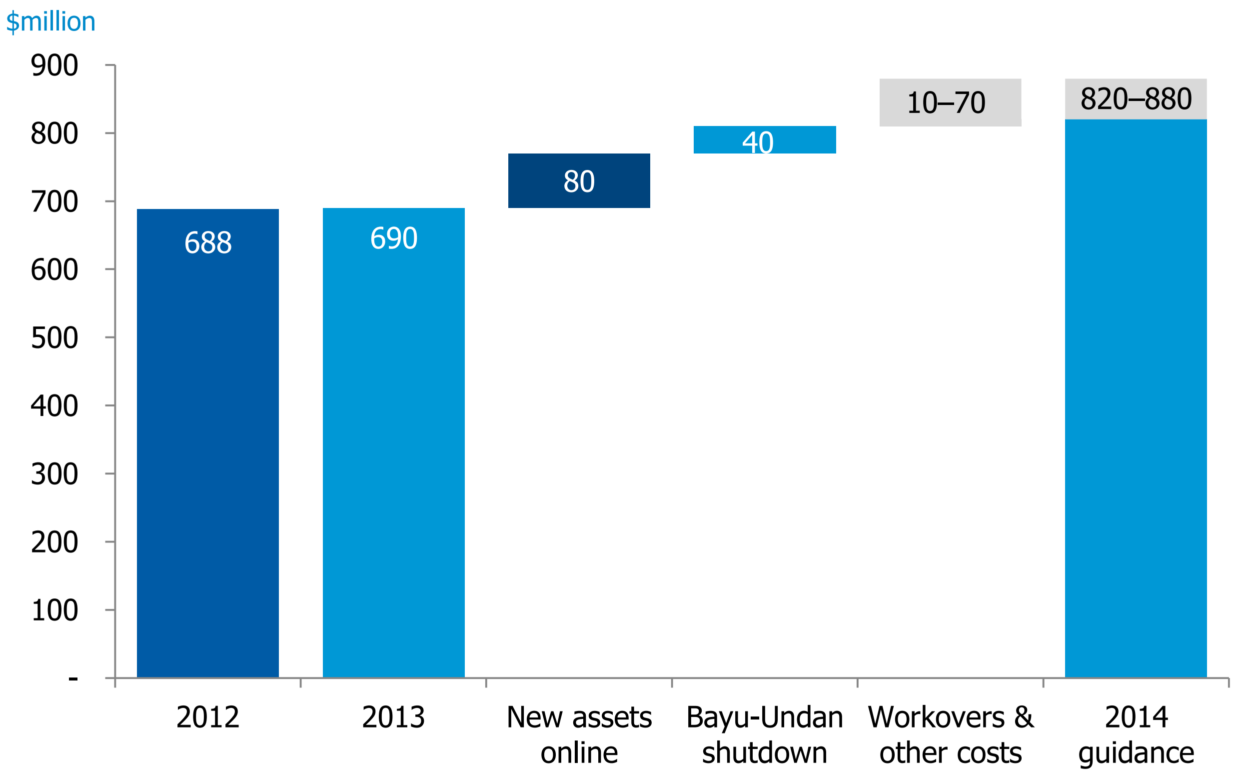
- PNG LNG first cargo in Q3 2014
- Start-up of Dua and Peluang projects
- Major scheduled maintenance outages
  - 35-40 day Bayu-Undan/Darwin LNG shutdown in Q3
  - Cooper gas planned downtime to prepare plant for 2015 demand
- Forecast lower CITIC nominations

Santos
We have the energy.

Production costs

2013 production costs held flat.
2014 guidance reflects start-up of PNG LNG, Dua and Peluang, and planned shutdowns and workovers

Production costs



2013 production costs held flat at $690 million; reflecting:

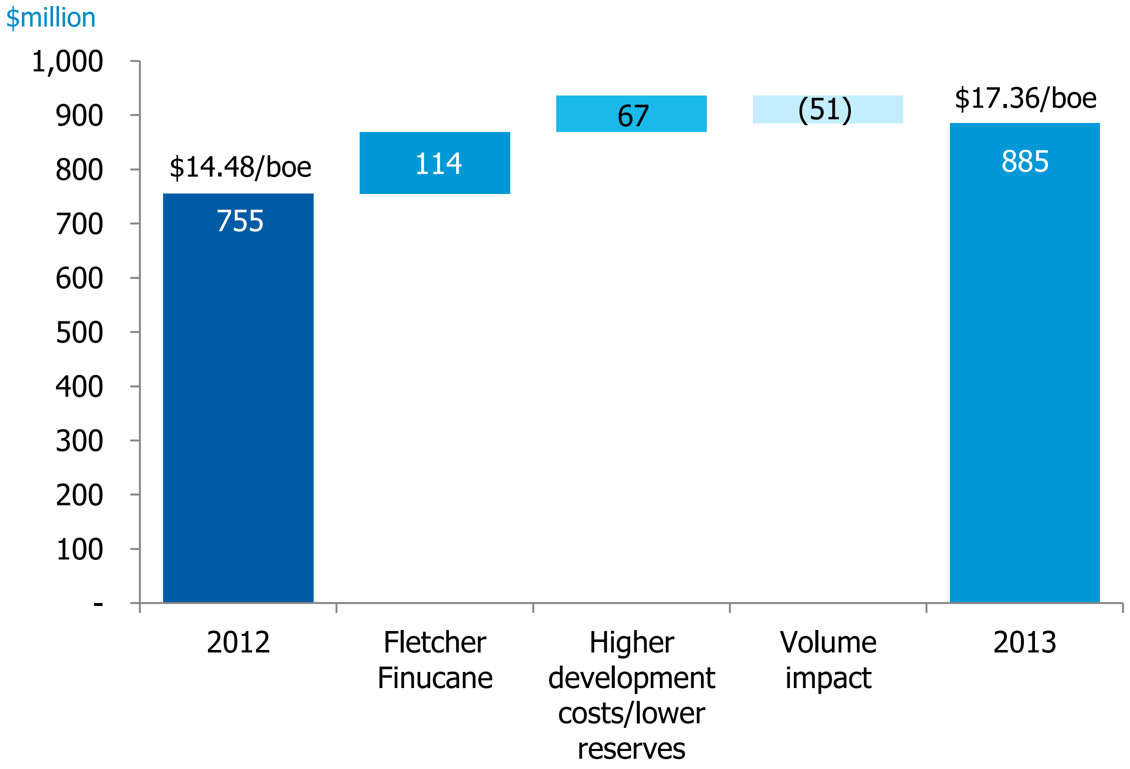
- Cost savings in the Cooper Basin operations
- Costs of new oil production from Fletcher Finucane
- Higher costs in Vietnam due to repairs on the Chim Sáo gas export pipeline and FPSO power export systems

Santos We have the energy.

Depreciation, depletion and amortisation

2013 DD&A reflects start-up of Fletcher Finucane. 2014 guidance of $18.50/boe

DD&A costs



Drivers of 2014 DD&A guidance:

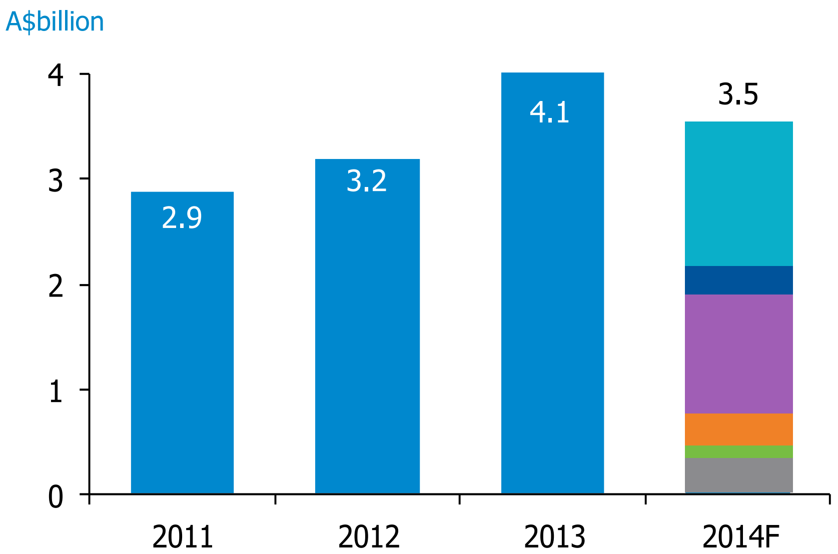
- PNG LNG start-up
- Dua start-up
- Cooper Basin infrastructure investment
- WA offshore costs

Santos We have the energy.

Capital expenditure

2013 was peak year for capex.
2014 guidance unchanged at $3.5 billion

Capital expenditure
(excludes capitalised interest)



- 2014 guidance of $3.5 billion (excluding capitalised interest)
  - GLNG $1.4 billion
  - PNG LNG $0.3 billion
  - Eastern Australia $1.1 billion
  - WA&NT $0.3 billion
  - Asia Pacific $0.1 billion
  - Exploration $0.3 billion
- 2014 capitalised interest forecast at approximately $0.25 billion

Santos
We have the energy.

GLNG capex

US$18.5 billion GLNG gross capital cost estimate unchanged

	2013 capex	FID to Dec 2013 capex	Capex estimate from FID until the end of 2015	
$billion	A$[1]	A$[1]	US$[2]	A$[3]
LNG project capex (100%)	5.7	13.7	18.5	20.7
Santos 30% share	1.7	4.1	5.6	6.2

Non-LNG project capex (Santos 30% share):			
Domestic	0.06	0.14	Stay in business capex associated with GLNG's domestic operations, including Santos-only costs
Exploration, appraisal & capitalised restoration	0.11	0.27	Reserves maturation, resource evaluation and capitalised restoration
Santos capitalised interest	0.13	0.29	Capitalised borrowing costs
Total Santos GLNG segment capex	2.0	4.8	

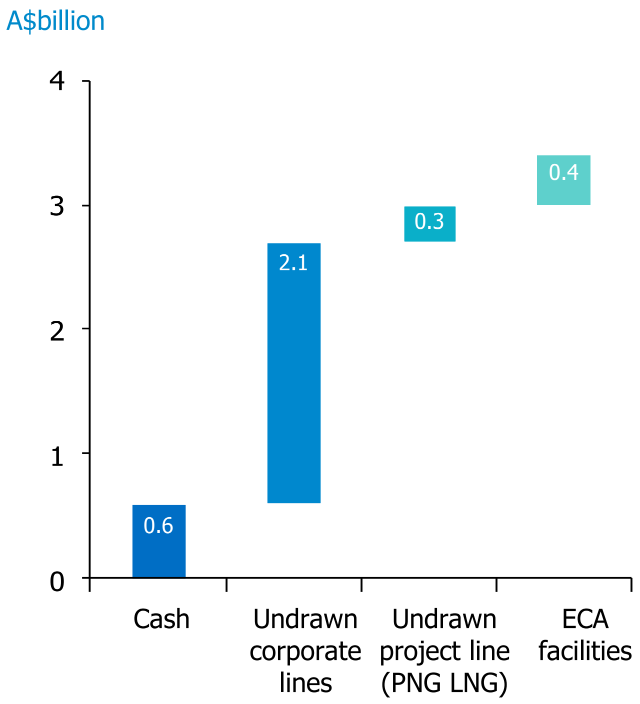
1 Actual realised FX.
2 FID average exchange rate assumptions (A$/US$ 0.87 and US$/€0.76) over 2011-2015.
3 Average realised FX rates for 2011-2013 (A$/US$1.01 and US$/€0.75) and assumes average rates of A$/US$0.87 and US$/€0.80 over 2014-2015.

Santos
We have the energy.

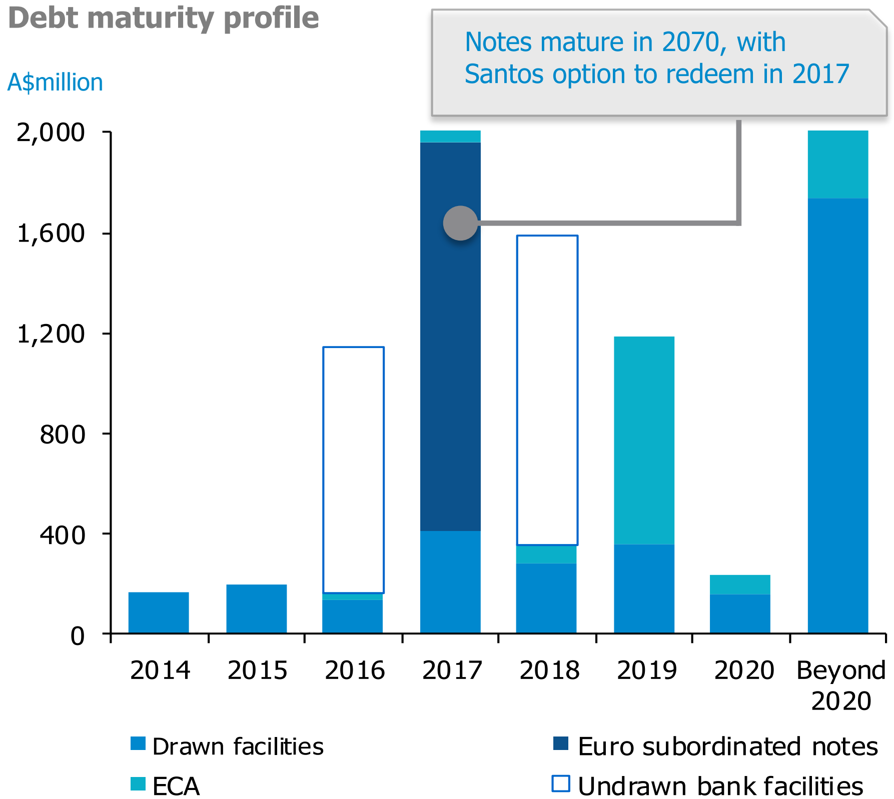
Strong funding position

$3.4 billion in balance sheet capacity to fund execution of business strategy and minimise financing risk. Minimal debt maturities to 2016

Available liquidity



Debt maturity profile



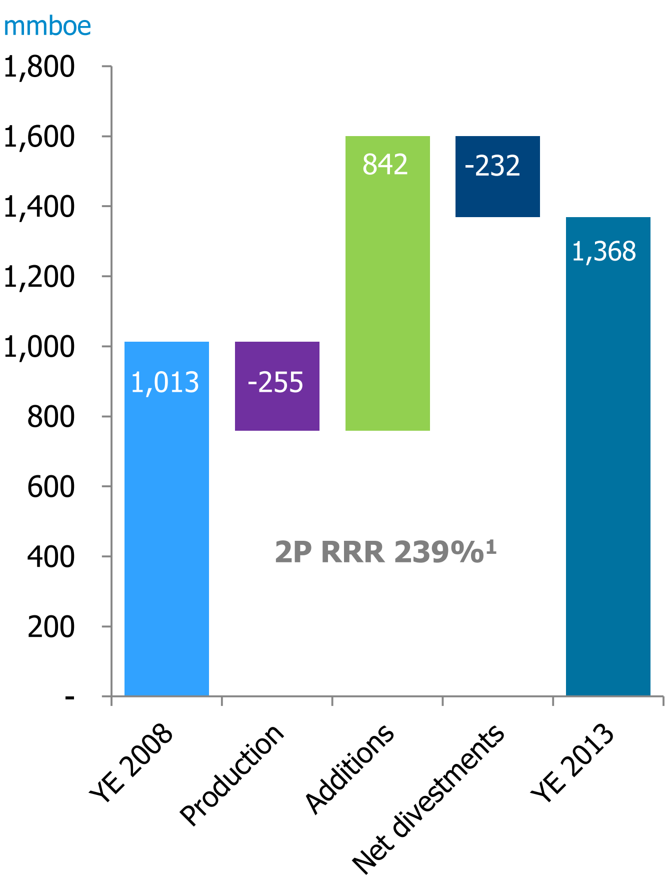
Charts as at 31 December 2013.

Santos
We have the energy.

Strong reserves and resource base

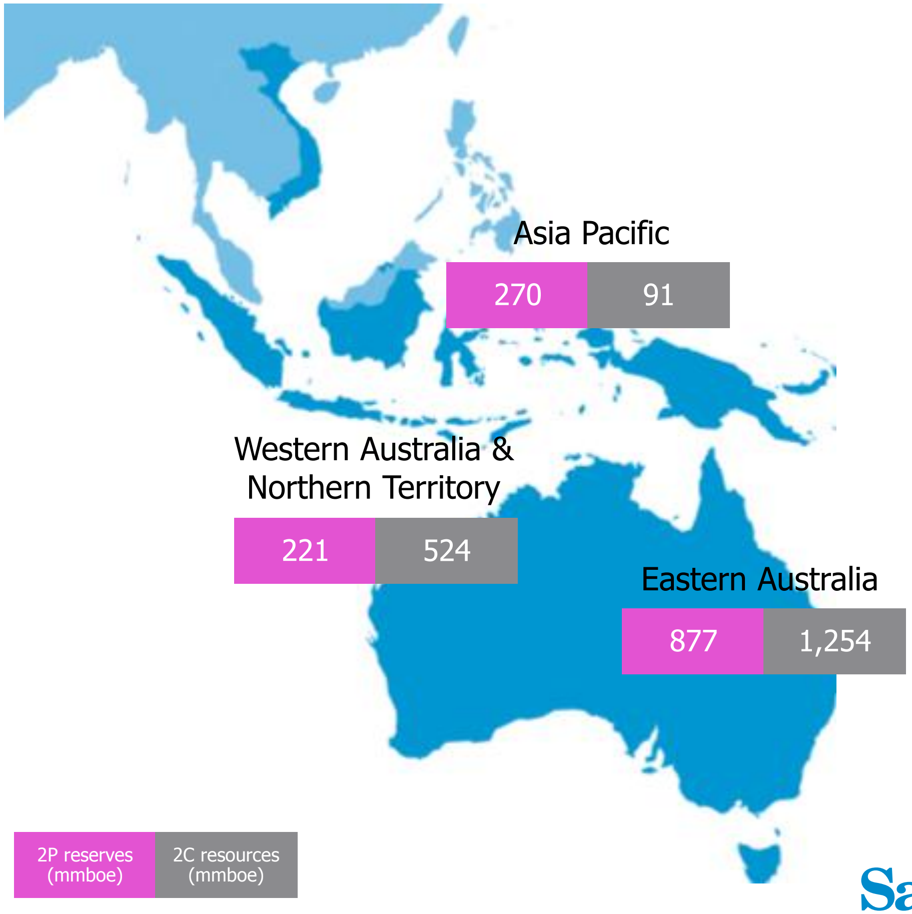
Well positioned to meet growing energy demand with 1.4 billion boe of 2P reserves and 1.9 billion boe of 2C contingent resources in Australia and Asia.

2P reserves 2008-13



1 Petroleum reserves replacement ratio is the change in petroleum reserves (excluding production) divided by production

2013 2P reserves and 2C contingent resources (mmboe)



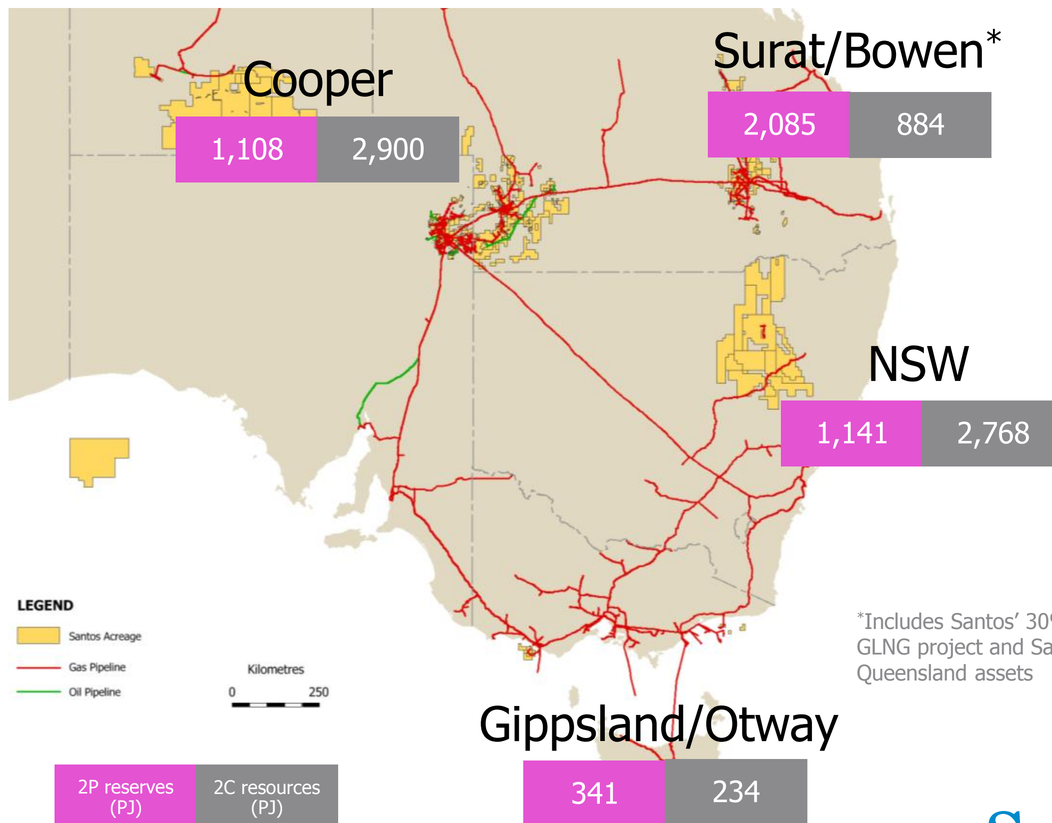
Santos
We have the energy.

Integrated east coast portfolio

Santos is well placed to meet increased east coast gas demand with over 4,600 PJ of net 2P reserves, 6,700 PJ of 2C resources and existing infrastructure

- East coast gas demand is expected to triple leading to higher prices
- Santos ideally placed to benefit by leveraging its portfolio of resources and infrastructure
- Santos' NSW position critical to east coast energy security

Santos east coast sales gas net 2P reserves and 2C contingent resources (PJ)



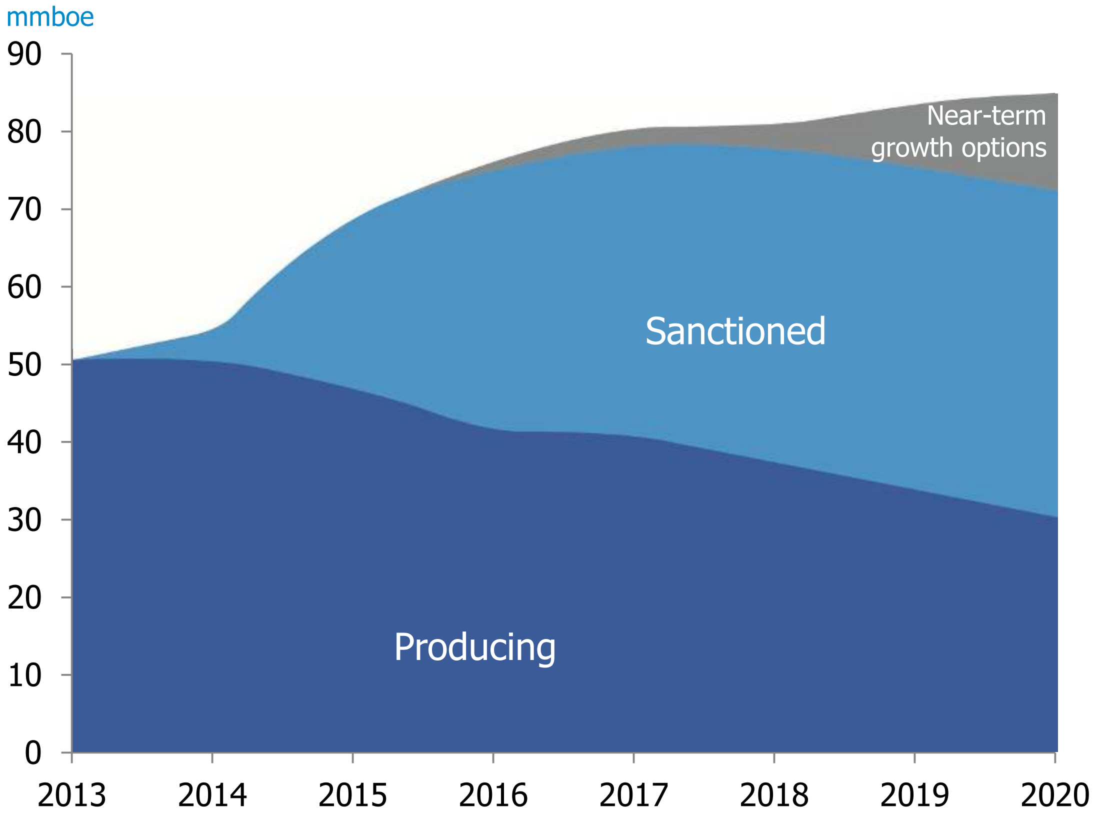
*Includes Santos' 30% interest in the GLNG project and Santos' other Queensland assets

Santos
We have the energy.

Production growth

Delivering 80-90 mmboe of production by 2020 from already captured opportunities

Santos production



Upside potential
Aust: Cooper shale, Cooper tight gas, Zola, Winchester, Amadeus, McArthur
LNG: PNG LNG expansion, Darwin expansion, Browse
Asia: Vietnam, Indonesia CSG

Near-term growth options
Aust: Narrabri
LNG: Bonaparte LNG
Asia: Ande Ande Lumut

Sanctioned
Aust: Cooper infill, Kipper
LNG: PNG LNG, GLNG
Asia: Dua, Peluang

Producing
Aust: Cooper Basin, Carnarvon Basin, Queensland CSG, offshore Victoria, Mereenie
LNG: Darwin LNG
Asia: Chim Sáo, Indonesia, SE Gobe

Santos
We have the energy.

Strong business outlook

Operating cash flow is expected to double by 2016, providing the foundation for further growth and increased shareholder returns

Clear production growth outlook

Growing margins

Robust funding position provides the capacity to fund execution of strategy

Committed to increasing returns to shareholders

Santos will adopt a progressive dividend policy

Santos
We have the energy.

Delivering major projects

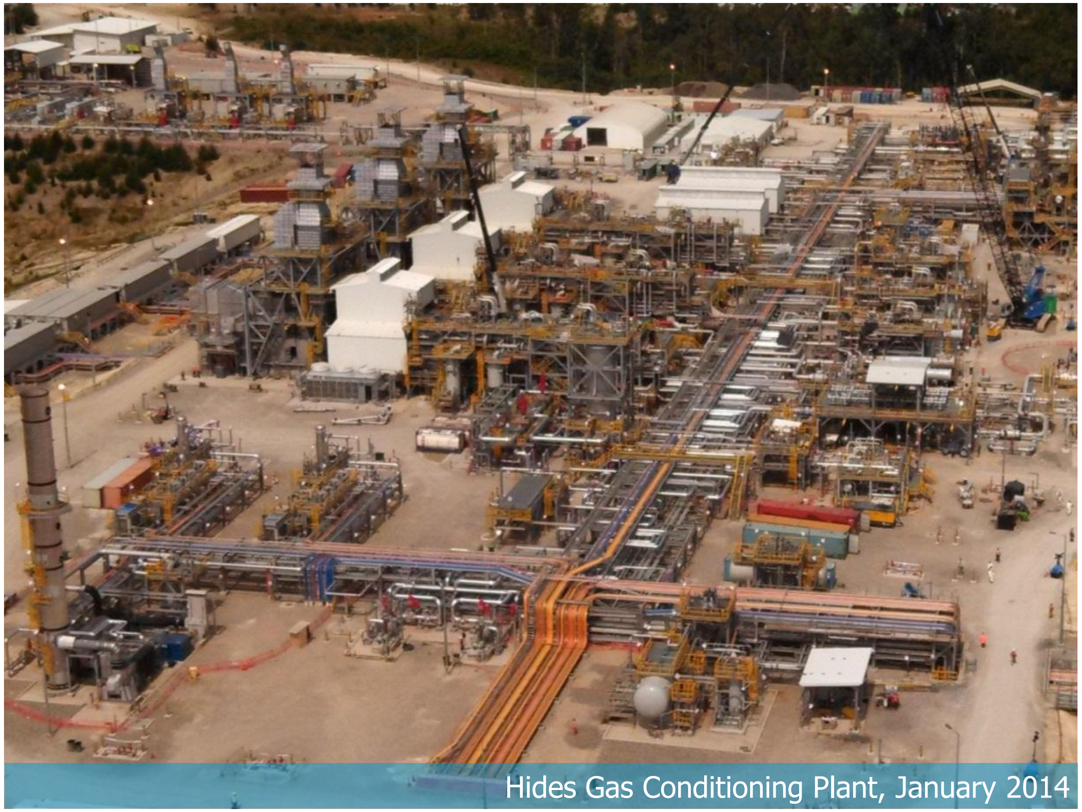
David Knox
Managing Director and Chief Executive Officer

Santos
We have the energy.

Inside LNG tank B, Curtis Island

PNG LNG project nearing completion

PNG LNG is more than 95% complete and on track for first LNG in Q3 2014



Hides Gas Conditioning Plant, January 2014

- Commissioning gas introduced to the Hides Gas Conditioning Plant in December
- Offshore pipeline, onshore condensate and onshore gas pipelines complete
- Four of eight production wells complete
- Commissioning is ramping up at the LNG plant with gas circulating in train 1 and the refrigeration compressors being test run
- LNG loading jetty and LNG tanks complete
- Gross capital cost estimate of US$19 billion is unchanged

Santos
We have the energy.

PNG LNG potential expansion

Existing infrastructure can support potential future expansion. As an owner of the foundation project infrastructure, Santos is well placed

PNG LNG plant

Multiple options for potential expansion of foundation 2-train project

- Hides 3P potential within base project
- Hides Deep (Santos 24%)
  - Exploration prospect beneath the existing Hides field
  - Constrained anticline approximately 700 metres below the proven Toro reservoir
  - Drilling approach and timing currently being considered
- Utilise ownership in foundation project for other sources of gas
- Longer term exploration potential in Western Province

Santos
We have the energy.

GLNG project summary

The GLNG project is 75% complete and on track for first LNG in 2015


GLNG plant site, February 2014

Location	Queensland, Australia
Project partners	Santos (30% and operator), PETRONAS, Total and KOGAS
LNG plant capacity	7.8 mtpa of LNG; 7.2 mtpa has been sold to PETRONAS and KOGAS
Gross capital cost estimate	US$18.5 billion[1] from FID to the end of 2015 when the second train is expected to be ready for start-up
LNG train ramp-up	Train 1 first LNG expected in 2015; LNG production expected to ramp-up over 3-6 months Train 2 first LNG expected 6-9 months after train 1; LNG production expected to ramp-up over 2-3 years

[1] Based on foreign exchange rates which are consistent with the assumptions used at FID (A$/US$ 0.87 average over 2011-15).

Santos
We have the energy.

GLNG upstream

237 wells drilled in 2013.
Continued focus on field development optimisation

Savannah 67 rig in Fairview field

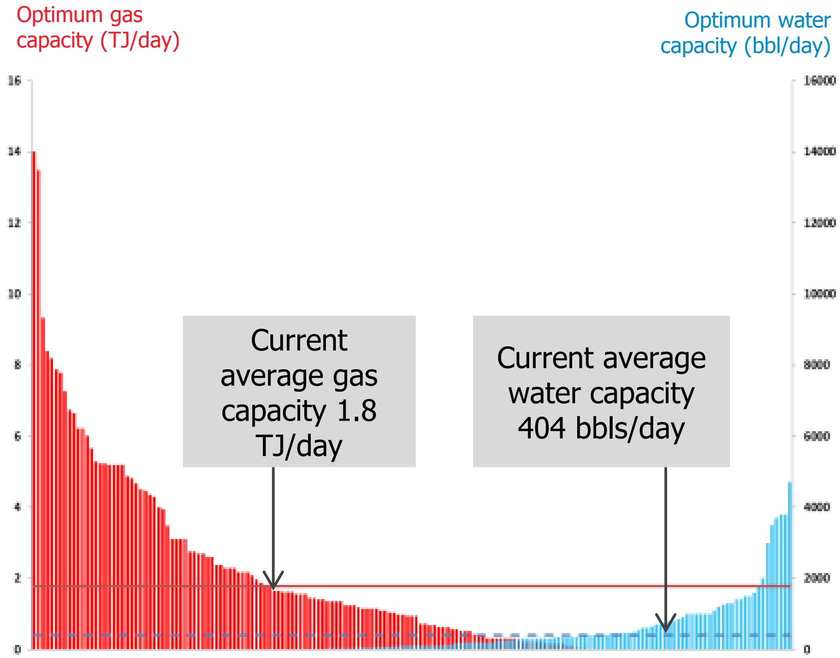
- Drilling performance in 2013 exceeded expectations
  - 237 wells drilled in the GLNG acreage in 2013; 500 wells drilled since project FID
  - Average 2013 drilling and completion costs of $1.35 million per development well
- First new development wells are on line and dewatering at Fairview and Roma
- Continued field development optimisation, including:
  - Additional development focused on Fairview infill, Eastern Flank and Roma
  - Third party gas purchases
  - Collaboration with upstream proponents
- Expect to drill ~300 wells over 2014-15
- Expect to drill 200-300 wells per annum post 2015

Santos
We have the energy.

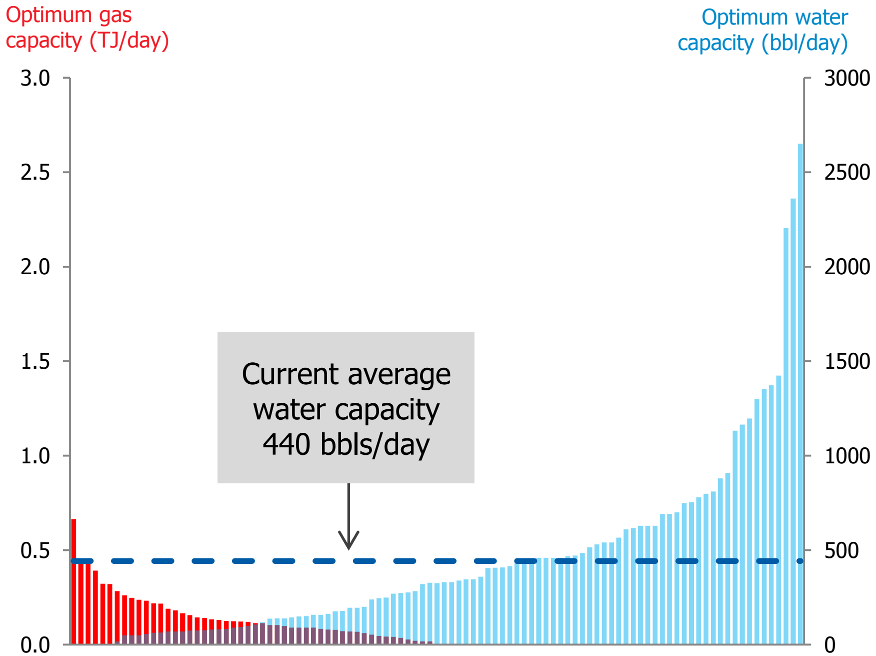
Fairview & Roma field development

Performance of Fairview wells continues to exceed expectations - average gas capacity of 1.8 TJ/day per well. Roma performing in line with expectations

Fairview well performance as at 1 February 2014 (171 producing wells)



Roma well performance as at 1 February 2014 (50 producing wells)



Santos
We have the energy.

Upstream hub construction

Construction of three hubs progressing well, with first new development wells at Fairview and Roma on-line and dewatering

Water treatment facility, Fairview Hub 4

Santos
We have the energy.

Gas transmission pipeline

Marine crossing tunnel completed in early-February; pipeline remains on track for completion in Q2 2014

Marine crossing tunnel break-through on 3 February 2014

- Marine crossing tunnel construction is complete:
  - Tunnel preparation works for pipe installation have commenced
  - Preparation at the launch shaft yard for inserting pipe-string is underway
- All of the pipeline is in the ground
  - Reinstatement complete for 288 kilometres of the pipeline route
- Pipeline pre-commissioning is well-underway:
  - Over 55% of the pipeline has been cleaned and gauged
  - Hydrotesting complete for over 25% of the pipeline

Santos
We have the energy.

LNG trains

76 of 82 train 1 modules shipped to site; all train 2 modules are under construction

Train 1 in foreground, Train 2 in background

LNG plant site

Excellent construction progress over the last 12 months

GLNG plant site, Curtis Island

Santos
We have the energy.

Asian growth

Peluang and Dua projects on track. Acquisition of 50% operated interest in Ande Ande Lumut oil field completed in November 2013

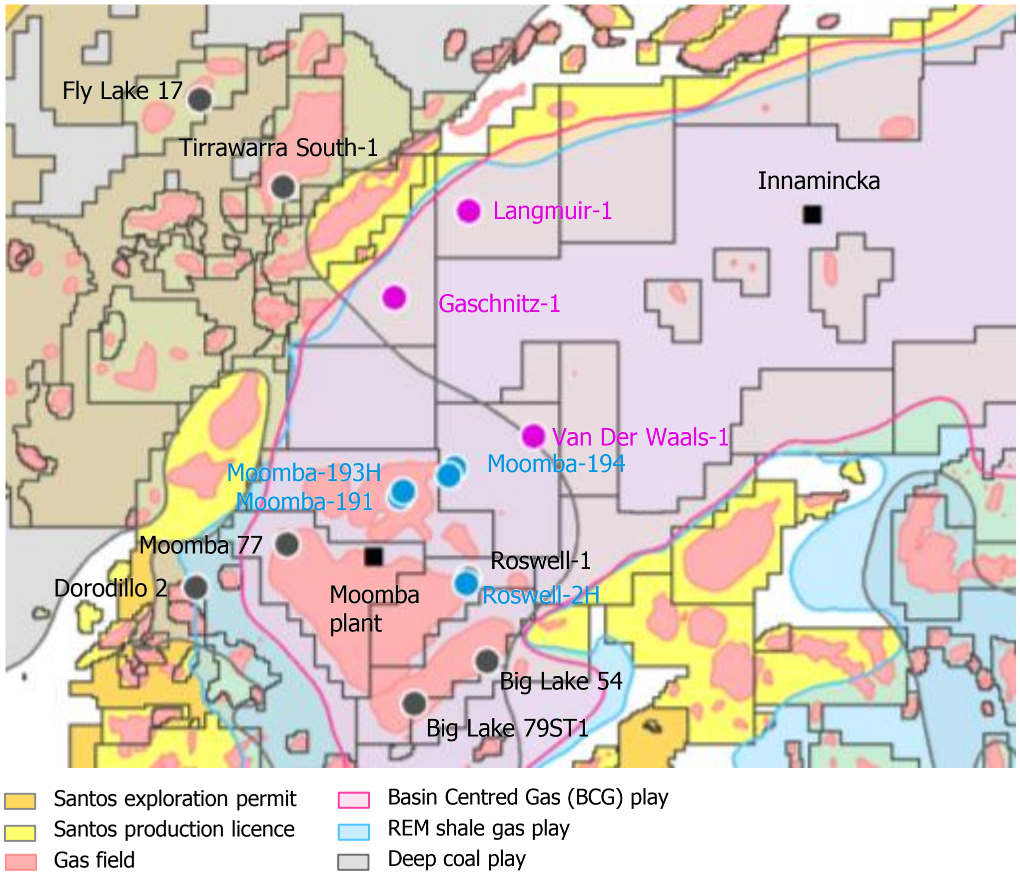
Peluang wellhead platform

- Peluang, Indonesia (Santos 67.5%)
  - 94% complete and on track for first gas in 1H 2014
  - Development drilling and well completion works have been completed
  - Tie-in and early commissioning works are now underway
  - Expected gross production rate of 25 mmscf/day
- Dua, Vietnam (Santos 31.875%)
  - Over 67% complete and on track for first oil in mid-2014
  - FPSO modifications, riser pull-in and tie-in activities complete
  - Development drilling underway
  - Expected gross production rate of 8,000 barrels per day
- Ande Ande Lumut, Indonesia (Santos 50%)
  - Focus on FPSO tender and detailed field development planning

Santos
We have the energy.

Cooper Basin unconventional exploration program

Significant activity during 2013 across the REM shale play, BCG play and deep coal play



Cooper Basin, South Australia

REM shale gas play

- Moomba-194 flowed at 3.1 mmscf/day from shale, tight sand and coal targets
- Moomba-191 continues to flow at 1.8 mmscf/day
- Roswell-2H horizontal well drilled, 550 metre horizontal lateral achieved, stimulation is underway
- Moomba-193H horizontal well drilled, 1,000 metre horizontal lateral achieved, casing underway

Basin Centred Gas play

- Proven play with large resource, +1,000 metre gas saturated section
- Langmuir-1 has been stimulated and cleaned-up
- Fracture stimulation of Van der Waals-1 commenced

Deep coal play

- Innovative stimulation approach delivering flow rates per frac stage of ~0.3 mmscf/day

Santos
We have the energy.

Narrabri Gas Project

Strong Narrabri stakeholder support; appraisal drilling program underway

Leewood water treatment plant

- Largely completed remediation of legacy issues and rehabilitation program
- State of the art water treatment facilities under construction
- 110 individual community consultation events

Appraisal program

- 16-well appraisal program now underway
- Five core and appraisal wells completed with results in line with expectations
- Field development planning and sub-surface modelling in progress

Leewood water treatment plant

Drilling rig, Narrabri gas project

Santos
We have the energy.

Summary

Consistent execution of our strategy positions Santos for growth and increased returns to shareholders

LNG projects nearing completion

Clear production growth outlook to 2020

Progressive dividend policy

Robust funding position provides the capacity to fund execution of strategy

Santos
We have the energy.

2013 Full-year results

21 February 2014

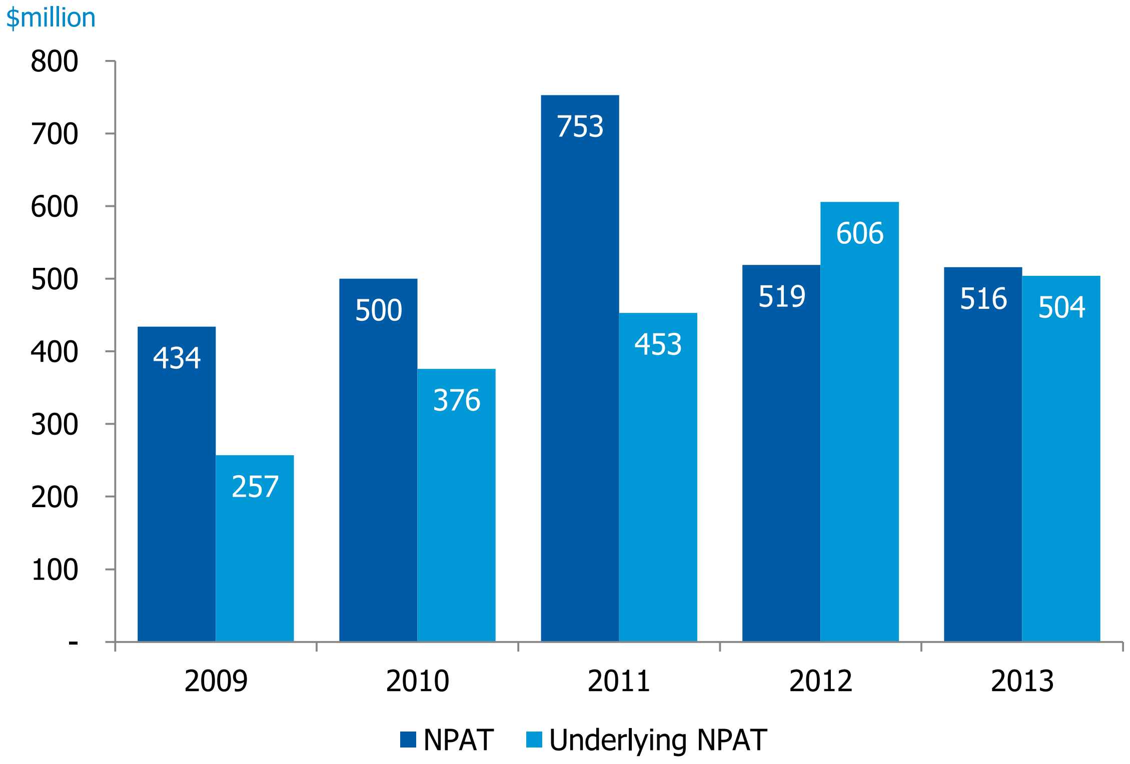
Santos
We have the energy.

Net profit after tax

Net profit in line with 2012.

Higher volumes and prices offset by lower interest income, higher DD&A, exploration and other expenses

Net profit after tax (NPAT) and underlying NPAT



Reported NPAT in line with 2012

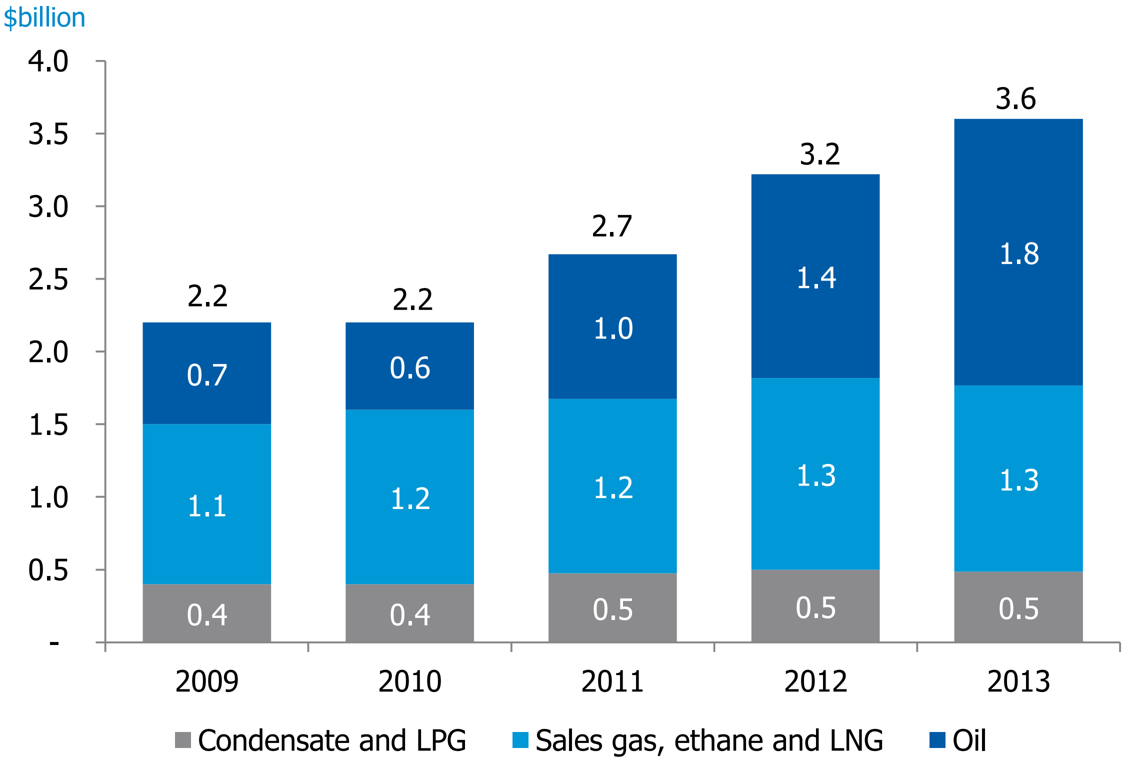
- Higher sales volumes and higher oil and gas prices
- Lower interest income
- Higher DD&A, exploration and other expenses

Santos
We have the energy.

Sales revenue

Record sales revenue of $3.6 billion in 2013, 12% higher than 2012

Sales revenue



Record sales revenue driven by:

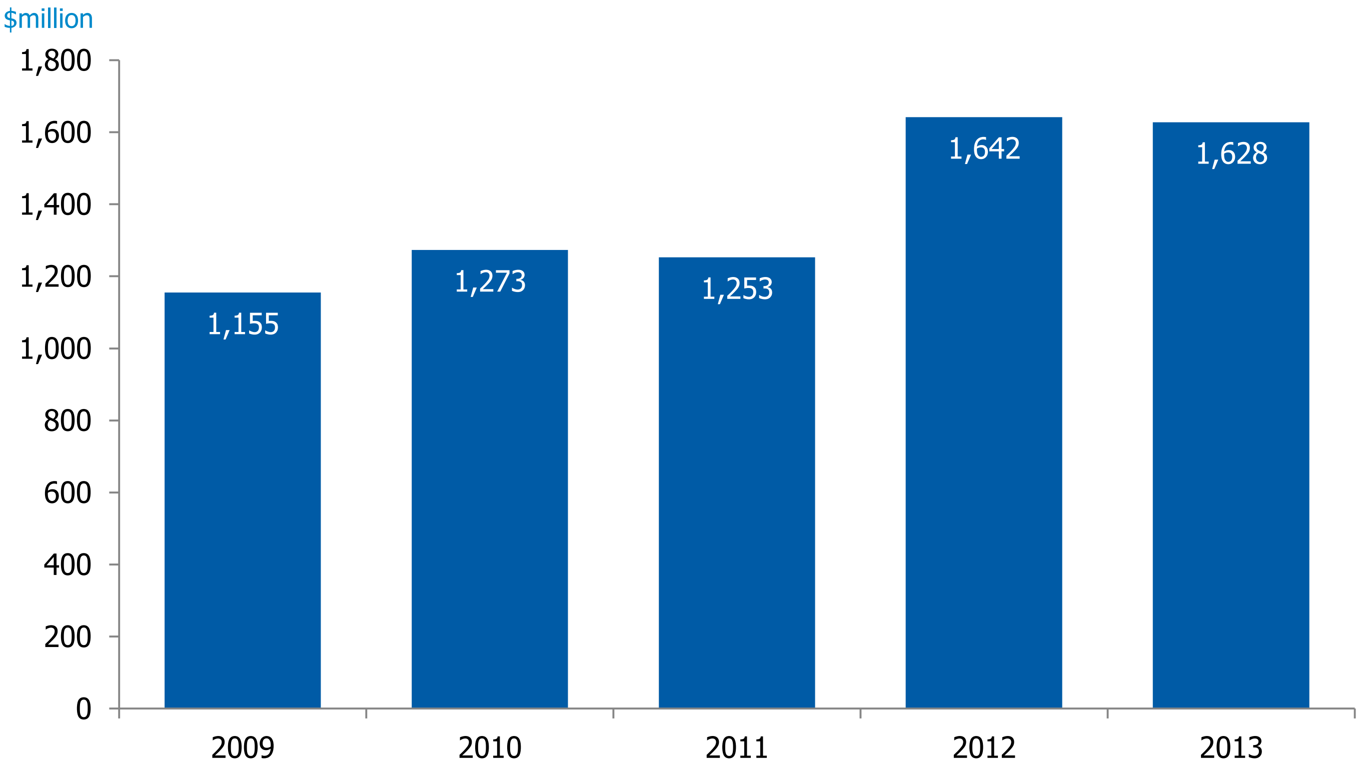
- Highest oil production in six years
- Average realised oil price of A$121 per barrel
- Higher third party product sales, with $830 million sales revenue in 2013

Santos
We have the energy.

Strong operating cash flow

Operating cash flow of $1.6 billion reflects higher volumes and prices offset by lower interest received and higher tax payments

Operating cash flow



Santos
We have the energy.

Significant items after tax

$million	Full-year 2013	Full-year 2012
Net profit after tax	**516**	**519**
Add/(deduct) significant items		
Net gains on asset sales	(10)	(8)
Net impairments	28	77
Foreign currency (gains)/losses	(17)	1
Other	(13)	17
Underlying net profit after tax	**504**	**606**

Santos
We have the energy.

2014 guidance

Item	2014 guidance
Production	52-57 mmboe
Production costs	$820-880 million
DD&A expense	$18.50/boe
Royalty related taxation expense[1] (after tax)	$60 million
Capital expenditure (including exploration & evaluation)[2]	$3.5 billion

[1] Royalty related taxation expense guidance based on an average realised oil price of A$110 per barrel

[2] Capital expenditure guidance excludes capitalised interest, which is forecast at approximately $250 million in 2014

Santos
We have the energy.

2014 full-year sensitivities

Sensitivity	Change	NPAT impact (A$million)
US$ oil price	+/-US$1/bbl	+/-15
A$ gas price	+/-10 cents/GJ	+/-14
A$/US$ exchange rate	+/-1 cent	-/+15

Santos
We have the energy.

2014 exploration schedule

Delivers on our exploration strategy across super basins, frontier basins and unconventional basins

Well Name	Basin / Area	Target	Santos Interest %	Timing
Manta-1	PNG	Gas	30[1]	C&S pending further evaluation
South Sumatra CSG wells	Sumatra	CSG	10[2]	1H 2014
Mt Kitty-1	Amadeus	Gas	70	Q1 2014
NW Koko-1	PNG	Oil / gas	30[1]	Drilling
Vanuatu-1	Carnarvon	Oil	37.5	Q1 2014
Lasseter-1	Browse	Gas	30	Q1 2014
Hon Khoai-1	Nam Con Son	Oil	45[1]	Q2-3 2014
McArthur unconventional well	McArthur	Shale oil / gas	50	Q3 2014
Hides Deep	PNG	Gas	24	Q4 2014

The exploration portfolio is continuously being optimised, therefore the above program may vary as a result of farmout, rig availability, drilling outcomes and maturation of new prospects

[1] Subject to Government approval
[2] Current interest is 10% but have the right to increase to 60%

Santos
We have the energy.

2013 Full-year results

Contact information

Fletcher Finucane, Carnarvon Basin

Head Office Adelaide

Ground Floor, Santos Centre
60 Flinders Street
Adelaide, South Australia 5000
GPO Box 2455
Adelaide, South Australia 5001
Telephone: +61 8 8116 5000

Useful email contacts

Share register enquiries:
web.queries@computershare.com.au

Investor enquiries:
investor.relations@santos.com

Website:
www.santos.com

Andrew Nairn

Group Executive Investor Relations
Direct: + 61 8 8116 5314
Email: andrew.nairn@santos.com

Andrew Hay

Manager Investor Relations
Direct: + 61 8 8116 7722
Email: andrew.hay3@santos.com

Nicole Walker

Investor Relations Manager
Direct: + 61 8 8116 5302
Email: nicole.walker@santos.com

Santos
We have the energy.