

12 June 2020

Santos welcomes handover of Narrabri assessment report to IPC

Santos welcomes the release of the New South Wales Department of Planning's final assessment report on the Narrabri Gas Project and its recommendation that the project is capable of approval with conditions.

The report will now be considered by the New South Wales Independent Planning Commission (IPC) which has been asked by Planning Minister Stokes to conduct public hearings and make a final determination within 12 weeks of receiving the Department's assessment report.

Santos accepts the conditions proposed by the New South Wales Department of Planning and will now participate constructively and transparently in the Independent Planning Commission's hearings and deliberations over the next 12 weeks.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said a decision on Narrabri is 'more important than ever' as the economy comes out of hibernation from COVID-19 restrictions.

"Narrabri means more jobs and more investment in New South Wales and the local region, and lower gas and electricity prices for customers in the state," Mr Gallagher said.

"We welcome the positive recommendation from the New South Wales Department of Planning and the sensible, independent planning process the project is going through.

"Santos already has appraisal wells powering the equivalent of 23,000 households in north-west New South Wales from Wilga Park Power Station, there are 16 Santos people living and working in Narrabri, we're buying goods and services locally, and we're in a position to ramp up our activity and get back to drilling more appraisal wells as soon as a decision is taken.

"We are confident that we have relied upon the best science to confirm that the Narrabri Gas Project can be developed safely and sustainably, without harm to water resources or the environment. However, a consent decision is one for an independent umpire, the IPC, and we're looking forward to its decision within the next few months.

"Narrabri is the cheapest source of gas for NSW customers, and without NSW developing its own gas resources, its businesses and households will continue to face higher energy costs than across the border in Queensland.

"Santos has committed 100 per cent of Narrabri gas to the domestic gas market. Developing local gas supplies in NSW means commercial bakers in Sydney will no longer pay \$26,400 more for gas every year than similar businesses in Brisbane."

The Narrabri Gas Project has the potential to supply enough natural gas to meet up to half of NSW's natural gas demand where more than one million family homes, ~33,000 businesses and ~300,000 jobs rely on natural gas as a source of energy. With the commercial and industrial sector currently making up almost 50 per cent of total gas consumption in NSW, reliable and competitively-priced natural gas is essential for a strong NSW economy.

Media enquiries

James Murphy
+61 (0) 478 333 974
james.murphy@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
+61 8 8116 5000
www.santos.com

“The time for political games is over. We want to get on with creating jobs in New South Wales and Narrabri and making a real difference to people’s lives in rural and regional communities,” Mr Gallagher said.

“COVID-19 has refocussed all of us on the importance of driving investment and doing everything we can to create more local jobs and business opportunities.”

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About Santos Ltd

A proudly Australian company, Santos is a leading supplier of natural gas, a fuel for the future providing clean energy to improve the lives of people in Australia and Asia. Santos is already Australia’s biggest supplier of domestic gas and aims to be a leading Asia-Pacific LNG supplier. For more than 65 years, Santos has been working in partnership with local communities, providing Australian jobs and business opportunities, safely and sustainably developing Australia’s natural gas resources, and powering Australian industries and households. For more information visit www.santos.com