

NARRABRI REGION

Community News

Issue 1 | 2020

[santos.com](https://www.santos.com)

COVID-19 response and business update

Welcome to the first edition of our community newsletter! We hope this finds you and your family well during this difficult time. It has been good to see the continued decline in new cases of COVID-19 reported in Australia. This crisis has impacted our livelihoods, communities and businesses in several ways.

One of the early impacts was the cancellation or postponement of many community events due to COVID-19, including many Santos sponsored community favourites. Now more than ever Santos is committed to supporting communities and maintaining strong relationships with our suppliers and local businesses as they face the effects of COVID-19.

The health and safety of our people and communities where we operate is and has always been our priority. In these unprecedented times, Santos has worked with governments and health authorities and introduced a range of health and safety measures and policies that restrict non-essential travel for our staff and contractors into regional towns.

In addition to protecting local communities, these strict measures have been implemented by Santos to protect our people who continue to work in essential roles that are critical to maintaining

energy supply to hospitals, manufacturers of medical supplies, food processors and more.

During the midst of this crisis we released our 2020 First Quarter Activities Report and are pleased to report a strong free cash flow of US\$265m and liquidity of over US\$3bn at the end of the quarter.

We are mindful that the COVID-19 crisis continues to put demand pressure on industries across the globe and Santos is not immune. We remain confident our disciplined, low-cost operating model is built to see Santos through such challenging periods.

In other news, Santos' AGM was held by webcast in April out of the Perth and Adelaide offices, and streamed live to shareholders. We encourage you to view the Santos 2020 AGM video on our website.

Finally, we hope that you and your families stay healthy and safe during this period. To those working on the front line, thank you! Your efforts over the past month in the face of the current challenges have been incredible.

Community update

Local operations

Santos has submitted the Narrabri Gas Project Development Application, including the Environmental Impact Statement (EIS) and associated documentation to the NSW Government for assessment.

The assessment of the project is continuing through the State Significant Development planning framework. On 12 March 2020, the NSW Minister for Planning referred the project to the Independent Planning Commission (IPC) for determination.

This is a key milestone in the independent approvals process. The next step is for the NSW Department of Planning to complete its assessment report and provide the report to the IPC for its consideration.

The Minister has requested that the IPC hold public hearings and make a determination regarding the Narrabri Gas Project within 12 weeks of receiving the Department’s assessment report. The EIS and associated documents are available on the NSW Government Major Projects website.

With NSW importing around 96 percent of its gas, Santos’ Narrabri Gas Project could supply up to half of the state’s needs, supporting more than one million homes, 33,000 businesses and 300,000 jobs that rely on natural gas. Santos has given an undertaking that 100 percent of Narrabri gas will go to the domestic gas market.

The Bibblewindi East, Bibblewindi West and Dewhurst South pilot wells are online. The Tintfield pilot remains offline to reduce flaring until additional gas is required.

Wilga Park Power Station

Gas from pilot wells in the Narrabri Gas Project area supply gas to the Wilga Park Power Station.

The installation of two new 3MW generators to increase capacity at the power station from 16MW to 22MW has been completed. The generators will be commissioned for full operation in agreement with the Australian Energy Market Operator.

Electricity from the power station goes into the main electrical transmission network that powers northwest NSW.

Leewood

Water produced from the operation of pilot wells is stored in the holding ponds at Leewood. Santos has reverse osmosis water treatment facilities installed at Leewood to desalinate the water and beneficially re-use it through a 50-hectare centre-pivot irrigation system on the property.

Santos does not need to irrigate at this time and the water is stored in the holding ponds at Leewood that remain well below capacity.

Local engagements

Narrabri Gas Project Community Consultative Committee

The Narrabri Gas Project Community Consultative Committee (CCC) brings together community, industry, local and state governments to explore and discuss issues relating to the exploration and extraction of natural gas in the Narrabri Gas Project area.

The committee meets around six times each year and members of the committee include Narrabri Shire Councillors, independent community members, Santos representatives and senior agency officers from the Department of Planning, Industry and Environment and the Environment Protection Authority. Communiques and presentations from previous CCC meetings are available from the Narrabri Gas Project website.

Santos Community Cup



The Santos Community Cup was held in Narrabri on 14 March, with a pre-season Rugby game played between the Narrabri Blue Boars and the Roma Echidnas being the main part of the day.

The event brought members of two key communities that host Santos operations together for a family friendly afternoon. Fundraising efforts on the day raised \$2,000 for the Narrabri Country Education Foundation.

Santos has been long-term sponsors of both Clubs and while the results were close, congratulations go to the Narrabri Blue Boars who took out both the Men’s and Women’s Cups. We’d like to thank everyone who contributed to making the day a success and look forward to a reciprocal visit to Roma next season.

Westpac Rescue Helicopter Service



Santos has proudly sponsored the Westpac Rescue Helicopter Service again in 2020, an annual sponsorship that has been in place for nine years. Santos appreciates the vital aeromedical services provided by the service to our communities in North West New South Wales.

Narrabri and District Cricket



Santos has been a long-term sponsor of the Narrabri and District Cricket Association and would like to congratulate Tatts Cricket Club as First Grade Premiers and RSL Cricket Club as Second Grade Premiers for the 2019/20 Season following their win at Grand Finals held on 14 March.

Virtual reality with Narrabri High School



Santos proudly provided funding to the Narrabri High School to assist with the purchase of a set of virtual reality goggles for students in years' 7 to 12.

The equipment that was purchased in January will assist students to virtually experience a variety of functions undertaken in different industries, viewing work sites in 360 degrees and providing simulation for real job training. Virtual reality facilities provide access to work environments that students may not otherwise be able to experience due to the logistics involved or those industries not being available in the local area.

Sponsorship applications

Santos has sponsored a number of community organisations where events have been postponed to minimise the risk of COVID-19 transmission. We're looking forward to some of these events being held later in the year.

In consideration of the Australian and State Government restrictions for group gatherings and social distancing protocols relating the COVID-19, Santos has placed the assessment of further sponsorship applications for community or sporting events on hold with the exception of initiatives focused on supporting our communities deal with the effects of COVID-19.

Applicants may still apply for sponsorship through the online portal on the Santos website, and applications that meet the Santos Guiding principles and CSR Pillars will be retained for consideration later when the current restrictions conclude.