

3 May 2021

Santos and Eni sign MOU to collaborate in northern Australia and Timor-Leste

Santos and Eni have signed a Memorandum of Understanding (MOU) to cooperate on opportunities in northern Australia and Timor-Leste.

The areas of cooperation include assessing the synergies of sharing possible infrastructures associated with gas field developments around Barossa and Evans Shoal, pipeline to Darwin and onshore associated gas processing leading to LNG expansion developments.

This also includes investigating options to re-purpose the Bayu-Undan facilities to extend the life of the project, including a carbon capture and storage project, subject to the agreement of the Timor-Leste government.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the MOU built on the momentum for development of northern Australia following Santos' FID announcement of the Barossa gas and condensate project and life extension for Darwin LNG for the next 20 years.

"Eni are already a highly valued partner in the Bayu-Undan project and this MOU strengthens our collaboration and cooperation," Mr Gallagher said.

"CCS opportunities at Bayu-Undan are extremely exciting for Santos and Eni and today we are saying, we would like to be open for business to take your CO2.

"In 2019 the London Convention was amended to allow CO2 to be transported across jurisdictions to enable the establishment of storage hubs.

"A CCS project at Bayu-Undan could provide a new job-creating and revenue-generating industry for Timor-Leste with quality carbon credits increasing in both demand and value internationally.

"Capturing and storing CO2 from industries in the Northern Territory will help it meet its net-zero emissions by 2050 target. That's good for the environment, good for local jobs, good for local investment and good for regional development."

Other areas of cooperation include the possible development of Petrel and Tern through Blacktip/Yelcherr gas plant facilities.

"As I said when I was in Darwin to announce our FID decision for Barossa, we have approval for two more trains at DLNG and we are open to third party gas opportunities," Mr Gallagher said.

The non-binding agreement is a demonstration of intent by both parties to collaborate together and with other parties in the region to use existing infrastructure more efficiently,

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
T +61 8 8116 5000 F +61 8 8116 5131
www.santos.com

unlock the wealth of regional gas resources, and create new low-carbon business opportunities for both northern Australia and Timor-Leste.

Ends.

This ASX announcement was approved and authorised for release by Kevin Gallagher, Managing Director and Chief Executive Officer.