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## Santos and Brickworks agree binding terms to extend domestic gas supply to 2035

Santos is pleased to announce it has agreed binding terms to extend its current gas supply agreement with Brickworks, with the new long term agreement commencing January 2025 for another 11 years with the potential for further extensions beyond that. The agreement will provide long-term security of affordable gas supply for Brickworks and support Santos' investment in more gas supply for the east coast market.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the deal would see Santos supplying up to 35 petajoules of natural gas to Brickworks at competitive, stable, CPI-linked prices for 11 years from 2025, with an option to further extend the contract.

"As the largest brickmaker, Brickworks has more than 1,100 employees in Australia producing around 500 million bricks per annum on the east coast, or enough to build approximately 50,000 houses. This deal locks in affordable, reliable, long-term gas supply security for this important supplier of building materials," Mr Gallagher said.

"The deal is important to Santos because it provides long-term cash flows that will support our ability to fund future drilling and development in the Cooper Basin, Eastern Queensland, and at Narrabri, which will bring desperately needed new gas supplies to the east coast domestic market. The deal provides critical energy security to Brickworks and the broader construction industry because it has no technically or economically feasible option on the horizon for electrification or conversion to zero-emission fuels such as hydrogen, so that without gas these products would not be able to be manufactured here in Australia.

"Santos and Brickworks share an ambition towards decarbonisation and intend to collaborate on exploring net-zero energy transition opportunities, potentially including post-combustion capture, and carbon capture and storage.

"Brickworks is a loyal, long-standing and highly-valued customer of Santos, which recognises that more investment in new domestic gas supply sources is the only sustainable way to put downward pressure on gas prices and secure reliable, long-term gas supply.

"Santos' Narrabri Gas Project is 100 per cent committed to the domestic gas market and is a vitally important project to free up Cooper Basin gas for South Australian customers and increase gas supply for east coast customers, particularly in New South Wales. The Hunter Gas Pipeline is just as important to get Narrabri gas to market and potentially provide a second pathway to move Queensland gas south.

"If governments are serious about getting gas prices down, they must allow the private sector to get on with the job of bringing more gas supply to market and all governments should have their shoulders to the wheel to remove barriers and accelerate investment in these projects."

Ends.

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

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