



Media Release

22 November 2023

Santos and APA sign MoU to collaborate on transforming Moomba into an international decarbonisation hub

Santos will work with leading energy infrastructure business APA Group through a Memorandum of Understanding (MOU) to collaborate on the potential development of CO₂ infrastructure throughout eastern Australia.

The scope of the MOU is to assess potential decarbonisation opportunities by working jointly to link heavy CO₂ emitters and/or CO₂ import locations to the Santos-operated carbon capture and storage (CCS) facility in Moomba, South Australia.

The collaboration will include an assessment of CCS pipeline transport routes from key emission sources in Gladstone, Port Bonython and Greater Sydney to the Moomba CCS facility in the Cooper Basin. These opportunities are subject to necessary internal and external approvals and a longer-form project agreement being negotiated and finalised by the parties.

The Moomba CCS project is the most advanced of Santos's three planned CCS hubs in Australia, with the potential for Phase 1 to store up to 1.7 million tonnes of CO₂ per year. This is an annual volume equivalent to more than a quarter of the emissions reduction achieved in Australia's electricity sector over the full year to March 2023.

Actual volumes stored at Moomba CCS will depend on gas production levels in the Cooper Basin which in turn will determine the volume of CO₂ available for storage. First injection is on track to commence in 2024.

Santos Energy Solutions Executive Vice President Alan Stuart-Grant said working with APA, a leading energy infrastructure provider and Australia's largest pipeline developer, will put Santos in a leading position to accelerate delivery of large-scale, low-cost CCS services to domestic and international emitters.

"I am very excited about the growth potential for carbon storage services at Moomba. Santos has already booked 100 million tonnes of carbon storage resource in the Cooper Basin in South Australia. The Cooper and Eromanga Basins have enormous carbon storage capacity, with the potential to store up to 20 million tonnes of CO₂ per year for up to 50 years," Mr Stuart-Grant said.

"The world simply cannot achieve net zero by 2050 without a large scale-up of CCS and Santos has the expertise and infrastructure to be able to deliver low-cost, large-scale CCS and decarbonisation technologies.

"Santos is seeing surging international and domestic demand for our CCS capabilities in the Cooper Basin and this new partnership will put us in a leading position in what is essentially a new industry which will help drive the decarbonisation of our region. Importantly, it is an industry that can utilise the skills of our existing workforce and secure their jobs for decades to come.

Media enquiries

Ken McGregor
+61 (0) 401 037 140
Ken.McGregor@santos.com

Investor enquiries

Brian Massey
+61 8 8116 7354 | +61 (0) 432 099 391
Brian.Massey@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
santos.com

“Beyond the near-term carbon abatement opportunity, this MOU also paves the way for Moomba to become a low carbon fuels hub as technology is unlocked and market demand continues to increase through the energy transition. We are determined to deliver reliable, affordable, lower-carbon energy to our customers.”

The International Energy Agency 2023 Net-zero update assumes about 6 gigatonnes per year of storage from CCS will be required by 2050 – over 100 times more than today’s operational capacity. It has also recognised Australia’s competitive advantage in CCS, saying earlier this year that, “Australia is well-suited to large-scale deployment of CCS to facilitate domestic CO2 abatement and support regional emissions reductions.

Santos is investing its own capital in pursuing this important decarbonisation pathway in Australia to expand the CO2 storage infrastructure needed to significantly and responsibly reduce CO2 emissions from industrial sources, as well as potentially from legacy emissions in the atmosphere through direct air capture.

Santos is forging ahead with plans for decarbonisation and new fuel technologies through the signing of MOUs with various strategic partners.

APA is a prominent Australian energy infrastructure business which owns, and/or manages and operates a diverse portfolio of energy assets worth about A\$25 billion.