

Fourth Quarter Report

For period ending 31 December 2023

ASX: STO | PNGX: STO | ADR: SSLZY

Santos

25 January 2024

Robust sales revenue, production and free cash flow

- Sales revenue of US\$1.5 billion in the fourth quarter.
- Fourth quarter production of 23.4 mmboe was slightly higher than the prior quarter primarily due to increased sales gas production. FY production of 92.2 mmboe pre-PSC (91.7 mmboe post-PSC) is at the top end of full year guidance.
- Bayu-Undan continuing to produce with gas being delivered into the Australian domestic market until end of field life.
- Strong free cash flow from operations of over \$500 million in the fourth quarter and \$2.1 billion for the full year. Free Cash Flow Breakeven Price of less than \$28/bbl unhedged for the year.
- Net debt of \$4.3 billion and gearing at 18.4 per cent excluding operating leases at 31 December 2023 (21.8 per cent when included).

Development projects progressing well

- The Barossa Gas Project is now 66.4 per cent complete. Following approval of the revised Drilling and Completions Environment Plan on 15 December 2023, drilling has now recommenced.
- The Federal Court discharged the injunction preventing pipelaying along part of the Barossa Gas Export Pipeline route on 15 January 2024. One-third of the pipeline has been installed to date.
- The Darwin Pipeline Duplication Project received Northern Territory Environmental Approval on 22 December 2023. The pipeline will transport Barossa gas to Darwin LNG and free up the existing Bayu-Undan pipeline to transport Barossa reservoir CO₂ for carbon capture and storage in depleted reservoirs at Bayu-Undan.
- The Pikka Project was 37.4 per cent complete at 31 December 2023, progressing on time and on budget. Rig operations were completed on five wells and work is under way on the sixth well. Two wells have been stimulated with one successfully flowed back and one currently undergoing flow back operations. Flow back results are in accordance with prognosis.
- In PNG, the first of two Angore wells was successfully drilled and production liner run to well total depth. Reservoir characteristics align with pre-drill expectations.

Santos Energy Solutions is tapping into strong regional demand for CCS

- The Moomba CCS Project is 80 per cent complete with first injection on track for mid-2024. Moomba CCS is targeting injection costs of ~US\$24 per tonne lifecycle breakeven, putting it at the lower end of the global CCS cost curve. Depending on available CO₂ volumes, Moomba CCS could store up to 1.7 million tonnes of CO₂ per year, equivalent to 10 per cent of the annual average emissions reduction rate needed to meet Australia's 2030 and 2050 emissions targets.
- Flow testing on all four injection wells for Moomba CCS has been successfully completed.
- An MOU was signed with two major Japanese energy companies JX and Eneos to evaluate the potential to capture, transport and sequester emissions from Japan, which could support the expansion of Moomba CCS, with Phase 2 potentially storing third party CO₂ from customers and hard-to-abate industrial sources.
- Bayu-Undan CCS project FEED is 85.5 per cent complete. Legislation passed the Australia Parliament to enable cross-border transfer of CO₂ to and from Australia.
- Four additional nature-based projects registered by Santos and its partners to qualify for generation of emissions reduction units in both voluntary and compliance markets globally. Along with our PNG Markham Valley project, Santos nature-based portfolio now has the potential to generate over 10 million tonnes of emissions reduction.

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Santos Managing Director and Chief Executive Officer Kevin Gallagher said the strong underlying business performance, combined with a disciplined focus on operational excellence, delivered a strong fourth quarter finish for 2023.

“The fourth quarter brought free cash flow for the full year to \$2.1 billion, an outstanding achievement in what has been a challenging year. It positions us well to deliver shareholder returns, backfill and sustain our existing business, complete our major projects, Barossa and Pikka, progress our decarbonisation plans and grow our Santos Energy Solutions business,” Mr Gallagher said.

“I am very pleased to see that the Barossa pipelaying and drilling activities are now fully under way with first gas still expected in 2025. Given the challenges of the past two years, we have updated our cost and schedule guidance for the project. The team has done a great job in keeping Barossa close to the original schedule and managing the costs of delay.

“Our Moomba CCS project is on track for first injection this year and I believe it will be a game-changer for decarbonising Santos and also provide decarbonisation opportunities for other companies and hard-to-abate sectors.

“Our operational focus for 2024 is the execution of the Barossa, Pikka and Moomba CCS projects whilst maintaining a strong balance sheet.

“As previously announced Santos is in early-stage discussions to evaluate the merits of a potential merger with Woodside. The parties have agreed to exchange information to assess the benefits for our shareholders. Santos continues to consider alternative options to accelerate value for shareholders. There is no certainty that any transaction will eventuate from these discussions.” Mr Gallagher said.

Comparative performance

Santos share	Unit	Q4 2023	Q3 2023	Change	2023 YTD	2022 YTD	Change
Production ²	mmboe	23.4	23.3	1%	91.7	103.2	-11%
Sales volume	mmboe	25.3	24.0	5%	96.4	112.3	-14%
Sales revenue	\$million	1,486	1,436	3%	5,889	7,790	-24%
Capital expenditure ¹	\$million	840	649	29%	2,625	2,069	27%

¹ Capital expenditure including restoration expenditure but excluding capitalised interest.

² Excludes of pre-PSC volumes

Sales volumes

Product	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
LNG	000 t	1,451.7	1,299.5	1,428.0	5,491.3	5,855.4
Domestic sales gas & ethane	PJ	50.1	45.9	57.4	180.4	228.6
Crude oil	000 bbls	1,510.7	2,502.5	1,846.2	7,422.0	9,874.4
Condensate	000 bbls	1,312.6	1,015.3	1,380.4	5,201.5	6,225.4
LPG	000 t	13.0	33.2	35.5	91.7	178.9
Sales						
Own product	mmboe	20.3	20.4	22.2	80.8	93.3
Third-party	mmboe	5.0	3.6	4.7	15.6	19.0
Total sales volume	mmboe	25.3	24.0	26.9	96.4	112.3

Fourth quarter sales volumes were higher than the prior quarter due to higher LNG and condensate volumes, offset by lower crude oil volumes across the portfolio.

Sales revenues

Product	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
LNG	\$million	940	821	1,269	3,668	4,771
Domestic sales gas & ethane	\$million	302	294	322	1,130	1,238
Crude oil	\$million	133	225	175	650	1,087
Condensate	\$million	104	79	96	390	568
LPG	\$million	7	17	22	51	126
Sales						
Own product	\$million	1,245	1,262	1,618	5,084	6,643
Third-party	\$million	241	174	266	805	1,147
Total sales revenue	\$million	1,486	1,436	1,884	5,889	7,790
Third-party purchase costs	\$million	136	99	152	471	757

Fourth quarter sales revenues were higher than the prior quarter primarily due to higher LNG and condensate volumes.

Average realised prices

Product	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
LNG price	US\$/mmBtu	12.33	12.02	16.92	12.71	15.51
Domestic gas price	US\$/GJ	6.02	6.39	5.61	6.26	5.42
<i>East coast domestic¹</i>	<i>US\$/GJ</i>	<i>7.41</i>	<i>8.07</i>	<i>7.74</i>	<i>7.96</i>	<i>7.47</i>
<i>West coast domestic</i>	<i>US\$/GJ</i>	<i>5.02</i>	<i>4.90</i>	<i>4.33</i>	<i>4.95</i>	<i>4.15</i>
Crude oil price	US\$/bbl	88.04	89.97	94.71	87.64	110.09
Condensate price	US\$/bbl	79.17	77.84	70.02	74.96	91.24
LPG price	US\$/t	581.91	508.55	606.36	556.44	703.04

¹ Q4 2023 US\$6.18/GJ for Santos equity volumes and US\$11.91/GJ for third-party volumes.

Average realised LNG prices were slightly higher than the prior quarter, with higher realised prices from Darwin LNG and PNG LNG spot sales, offsetting marginally lower oil linked sales contracts from lagged Japan Customs-cleared Crude (JCC) prices.

Three-month lagged JCC averaged US\$83.08/bbl in the fourth quarter of 2023 compared to US\$84.04/bbl in the third quarter. Santos' LNG projects shipped 60 cargoes in the fourth quarter, of which nine were sold on a JKM-linked basis (Darwin LNG 2, PNG LNG 6, GLNG 1).

The fourth quarter east coast domestic gas price is skewed by third-party gas trading activities, which facilitate the supply to customers. Santos recovers a portion of committed transport costs for this traded gas. These third-party volumes were contracted in 2022 prior to implementation of the Government's Emergency Price Order and subsequent mandatory Gas Code of Conduct.

Production by asset

Asset	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Western Australia	mmboe	5.6	5.2	6.8	21.1	27.8
Cooper Basin	mmboe	3.6	3.4	3.6	13.6	14.0
Queensland & NSW	mmboe	3.5	3.5	3.7	13.9	14.0
PNG	mmboe	10.2	10.6	10.3	40.5	41.9
Northern Australia & Timor-Leste	mmboe	0.5	0.6	1.2	2.6	5.5
Total production¹	mmboe	23.4	23.3	25.6	91.7	103.2

1. Excludes pre-PSC volumes

Production by product

Product	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales gas to LNG plant	PJ	71.4	73.4	76.1	285.7	314.1
Domestic sales gas & ethane	PJ	46.4	42.8	53.1	172.8	203.0
Crude oil	000 bbls	1,920.0	1,923.0	1,800.2	7,533.0	7,648.2
Condensate	000 bbls	1,090.9	1,195.9	1,380.7	4,625.6	5,742.1
LPG	000 t	30.7	28.1	37.4	121.5	148.7
Total production¹	mmboe	23.4	23.3	25.6	91.7	103.2

1. Excludes pre-PSC volumes

Fourth quarter production was consistent with prior quarter primarily due to increased domestic sales gas and ethane production, slightly offset by lower sales gas to LNG production.

A data worksheet containing unaudited quarterly sales, revenue, production, and capital expenditure tables in Excel format is available on Santos' website.

2023 Guidance

2023 guidance remains unchanged from updated guidance provided in the second quarter. 2023 production, sales and cost guidance includes PNG LNG at a 42.5 per cent working interest.

2023 Guidance item	Guidance
Production	89-93 mmboe
Sales volumes	90-100 mmboe
Capital expenditure – sustaining including decommissioning	~\$1.1 billion
Capital expenditure – major projects including Santos Energy Solutions	~\$1.5 to \$1.6 billion
Upstream production costs	\$7.25 - \$7.75/boe ¹
Depreciation, depletion and amortisation	~\$1.9 billion

¹ Excludes Bayu-Undan.

2023 Full-year results

Santos will release its results for the year ended 31 December 2023 on Wednesday 21 February 2024. The annual report (incorporating Appendix 4E) and associated investor presentation will be available on Santos' website at www.santos.com. A webcast briefing including investor/analyst questions will also be available on Santos' website from 11:00am AEST on 21 February 2024. Financial information included in this report is unaudited and subject to finalisation of the company's accounting and audit processes, and Board review. As such, actual results for the year ended 31 December 2023 may differ from the information given in this report.

2024 Guidance

2024 Guidance item	Guidance
Production	84-90 mmboe
Sales volumes	87-93 mmboe
Capital expenditure – sustaining including decommissioning	~\$1.25 billion
Capital expenditure – major projects including Santos Energy Solutions	~\$1.6 billion

Barossa Gas Project updated guidance

Following judgement in *Munkara v. Santos NA Barossa Pty Ltd (No. 3)* and NOPSEMA accepting the revised Drilling and Completions Environmental plan, Santos as operator has revised cost and schedule for the Barossa project. It is expected to require an additional \$200-\$300 million in capital expenditure and that first gas is expected in the third quarter of 2025. Total capital expenditure is expected to be \$4.5 to \$4.6 billion for the project (including DPD). The additional capital expenditure will be incurred in calendar year 2025.

2024 Annual General Meeting

The 2024 Annual General Meeting will be held on Thursday 11 April 2024. The closing date for receipt of nominations for persons wishing to be considered for election as director is 6 February 2024.

Western Australia

Santos share	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales volume						
Sales gas	PJ	29.0	24.2	36.3	101.6	142.4
Condensate	000 bbls	306.6	4.0	92.9	890.5	864.6
Crude oil	000 bbls	370.6	1,302.8	370.6	3,089.0	3,550.3
Total sales volume	mmboe	5.7	5.5	6.7	21.4	28.8
Total sales revenue	\$million	206	241	203	849	1,092
Production						
Sales gas	PJ	27.1	23.7	34.3	98.7	137.1
Condensate	000 bbls	214.3	241.1	211.7	849.2	967.0
Crude oil	000 bbls	784.7	859.0	783.6	3,310.5	3,351.1
Total production	mmboe	5.6	5.2	6.8	21.1	27.8
Capital expenditure	\$million	64	50	111	254	384

Upstream Gas and Liquids

Domestic gas production and sales were higher than the prior quarter following the completion of maintenance activities at Varanus Island and Devil Creek facilities during July and August. Reindeer field continues to produce to the Devil Creek facility through the fourth quarter and is expected to reach end of field life in the first half of 2024.

Oil production was lower than the prior quarter due to a 12-day planned maintenance shutdown of Ningaloo Vision FPSO and natural decline from production wells.

Santos Energy Solutions

Santos continues to conduct feasibility studies evaluating opportunities for long term storage of carbon in Santos depleted gas reservoirs at Reindeer targeting FEED entry in 2024.

In addition, Santos is evaluating opportunities for long term CO2 storage in upstream gas reservoirs tied back to Varanus Island gas processing facilities.

Cooper Basin

Santos share	Unit	Q3 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales volume						
Sales gas and ethane ¹	PJ	15.3	15.1	15.3	57.9	59.3
Condensate ¹	000 bbls	73.1	97.1	181.7	596.4	1,007.1
LPG ¹	000 t	9.5	33.5	21.7	88.2	140.0
Crude oil						
Own product	000 bbls	488.2	621.4	795.4	2,331.9	2,424.6
Third-party	000 bbls		-	119.4	-	1,824.5
Total	000 bbls	488.2	621.4	914.8	2,331.9	4,249.1
Total sales volume	mmboe	3.3	3.6	3.9	13.6	16.6
Total sales revenue	\$million	140	164	205	624	974
Production						
Sales gas and ethane	PJ	15.2	14.7	14.5	56.9	57.8
Condensate	000 bbls	167.9	185.7	207.7	695.1	850.3
LPG	000 t	28.5	24.2	30.5	106.8	118.5
Crude oil	000 bbls	585.7	498.0	568.1	2,246.2	2,215.0
Total production	mmboe	3.6	3.4	3.6	13.6	14.0
Capital expenditure	\$million	128	135	143	512	419

¹ Sales volumes include own product and third-party volumes.

Upstream Gas and Liquids

Cooper Basin overall production increased from the last quarter. Gas production remained steady and Oil production increased through strong new well performance and stable operations.

24 wells were drilled, and 20 wells (13 Gas and 7 Oil) were connected across the Cooper Basin in the fourth quarter, bringing the year end totals to 108 drills and 96 new wells connected (78 Gas and 18 Oil).

Further encouraging results from the latest granite wash horizontal well, currently producing 4.5mmscf/d.

Santos Energy Solutions

Execution and construction of the ~\$220m Moomba CCS project continued throughout the quarter with 80 per cent of works complete. Site construction for the facility continues to progress well and early-stage commissioning activities have begun, with the project on track for mid-2024 start-up.

To support the expansion of the Moomba CCS project (phase 2) to capture and store third party and customer CO2 emissions, Santos has signed an MOU with two major Japanese companies, ENEOS Corporation and JX Nippon Oil & Gas Exploration Corporation to evaluate the potential to capture, transport and sequester emissions from Japan targeting up to 5Mtpa by 2030, 10Mtpa by 2025 and 20 Mtpa by 2040.

Santos has also signed an MOU with the APA Group to collaborate on the potential development of CO2 infrastructure throughout Eastern Australia.

The 0.25 tonne per day Direct Air Capture (DAC) unit site preparatory works completed at Moomba during this quarter. Field trials are progressing.

The Construction for Moomba Phase 1 Upstream Satellite Electrification project is now complete with commissioning underway, targeting energisation and start up of Low Low Pressure electric driven compressors (LLP's), replacing old well head screw compressors in Q1 2024.

Queensland & NSW

Santos share	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales volume						
GLNG Joint Venture						
LNG	000 t	523.7	391.2	493.6	1,774.7	1,836.5
Domestic contracts	PJ	0.7	4.5	0.1	7.4	1.6
Eastern Qld (non-GLNG) ¹	PJ	2.8	3.7	4.2	14.1	17.1
Total sales volume²	mmboe	5.5	5.0	5.4	20.3	20.4
Total sales revenue²	\$million	344	312	430	1,316	1,509
Production						
GLNG Joint Venture						
	PJ	16.3	16.2	17.4	63.7	63.9
Eastern Qld (non-GLNG) ¹	PJ	3.7	4.0	4.0	15.8	16.2
NSW	PJ	0.4	0.3	0.3	1.5	1.3
Total production²	mmboe	3.5	3.5	3.7	13.9	14.0
Capital expenditure	\$million	72	79	84	274	213

¹ Combabula, Scotia (Santos legacy domestic volumes), and Spring Gully.

² Total sales volume, sales revenue and production include sales gas from NSW assets.

GLNG operational data (gross)	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales gas to domestic market ¹	PJ	11	19	10	58	50
LNG produced ²	000 t	1,499	1,370	1,620	5,677	6,115
Sales gas to LNG plant						
GLNG equity gas	PJ	54	45	54	196	213
Santos portfolio gas	PJ	14	15	15	57	56
Third-party	PJ	35	23	32	102	102
Total sales gas to LNG plant	PJ	103	83	101	355	372
LNG cargoes shipped		29	22	28	100	104

¹ Includes APLNG equity share of Fairview, Arcadia and Roma East.

² Includes LNG produced from GLNG equity gas, Santos portfolio gas and third-party quantities.

Gross GLNG operated upstream gas production increased by 4TJ/day to an average rate of 704TJ/day for the quarter. In the Fairview field, production has continued to increase quarter on quarter with an average rate of 316TJ/day. Scotia has continued to deliver above expectation with facility optimisation supporting an average production rate of 91TJ/d. Arcadia and Roma continue to remain steady at rates of ~100TJ/day and ~200 TJ/day, respectively.

LNG production increased compared to previous quarter as seasonal shaping of GLNG's domestic gas commitment over the winter months (Q2/Q3) had been fulfilled for 2023. Full-year LNG sales were in-line with guidance of around 6mtpa.

85 wells were drilled, and 113 wells were connected across the GLNG acreage in the fourth quarter bringing the year end totals to 356 drills and 455 new connections.

Recent horizontal drilling results in Fairview continue to support the upcoming developments in Fairview and Arcadia. Production results for the horizontal wells have been increasing with current single well rates of up to 8TJ/d. The recent drilling results have included wells extending over 2.6 kilometres through the coal seam.

The Arcadia Valley Phase 2 project continued to progress with 129 wells drilled out of a total of around 200 wells. The new gas compression facility reached a significant milestone with all 4 compressors now operational.

Santos' share of non-operated Eastern Queensland production was consistent with the prior quarter.

In December 2022, the Narrabri Gas Project received a positive determination from the National Native Title Tribunal. A Notice of Appeal was received in January 2023 and was heard by the Federal Court in August 2023, with a decision now expected early 2024.

Santos is continuing to progress land access agreements and environmental surveys to finalise the Hunter Gas Pipeline route alignment and have commenced preliminary works on supporting infrastructure. On 17 November 2023, Santos was advised by the Department of Climate Change, Energy, the Environment and Water (DCCEEW) that two valid reconsideration requests had been received regarding the federal government's decision on the Hunter Gas Pipeline (HGP) under the Environment Protection Biodiversity Conservation (EPBC) Act 1999. Santos is actively participating in the process.

PNG

Santos share	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales volume						
PNG LNG						
LNG ¹	000 t	880.6	866.8	845.9	3,492.9	3,542.9
Condensate	000 bbls	831.5	888.5	896.6	3,304.7	3,583.6
Crude oil	000 bbls	651.9	578.3	560.7	2,001.0	2,078.5
Total sales volume	mmboe	9.9	9.8	9.4	38.8	39.4
Total sales revenue	\$million	722	678	871	2,855	3,427
Production						
PNG LNG ¹						
Sales gas to LNG ¹	PJ	53.0	54.4	53.5	210.3	214.8
Condensate	000 bbls	608.1	637.8	723.6	2,569.9	3,124.9
Crude oil	000 bbls	549.7	565.9	448.5	1,976.4	2,082.1
Total production	mmboe	10.2	10.6	10.3	40.5	41.9
Capital expenditure	\$million	158	119	95	477	300

¹ Includes SE Gobe.

PNG LNG operational data (gross)	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Production						
LNG	000 t	2,115	2,111	2,143	8,429	8,567
Sales gas to LNG plant	PJ	124	125	127	495	506
Condensate ¹	000 bbls	1,430	1,500	1,701	6,043	7,345
Sales gas (SE Gobe) ²	PJ	5	4	4	18	12
LNG cargoes shipped		30	28	29	113	114

¹ Measured at the Kutubu entry point.

² Purchased by PNG LNG.

Steady production continued at PNG LNG and was supported by strong production from Santos-operated fields. In the fourth quarter, 30 cargoes were shipped including 6 spot cargoes. Reliable oil and gas production rates continued from the Santos-operated fields due to sustained high compression reliability and field performance.

Safe execution of the ADT 5 development well continued in the Agogo Field along with progressing facilities work to tie-in the recently drilled and completed Moran 17 well for production planned in Q1 2024.

Angore well successfully drilled and production liner run to well total depth. Reservoir characteristics align with pre-drill expectations.

As previously announced, Santos has executed a binding sale agreement to deliver Kumul Petroleum Holdings Limited a 2.6 per cent participating interest in PNG LNG with an option to acquire a further 2.4 per cent expiring on 30 June 2024. It was announced on 29 December 2023 that funding for the 2.6 per cent transaction has been secured by Kumul and approval by the PNG independent Consumer and Competition Commission (ICCC) for the transaction has been received, satisfying the only condition precedent to the transaction. For further information, refer to Santos' ASX release of 1 September 2023 and 29 December 2023.

FEED work continues on Papua LNG with the project expected to be FID ready in 2024.

Northern Australia & Timor-Leste

Santos share	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Sales volume						
Darwin LNG						
LNG	000 t	47.3	41.6	88.5	223.6	476.0
Bayu-Undan						
Condensate	000 bbls	107.1	29.5	258.8	469.1	820.7
LPG	000 t	3.7	-	13.9	4.1	39.2
Total sales volume	mmboe	0.6	0.4	1.2	2.6	5.6
Total sales revenue	\$million	31	27	148	141	629
Production						
Darwin LNG						
Sales gas to LNG	PJ	2.1	2.8	5.3	11.7	26.1
Bayu-Undan						
Condensate	000 bbls	100.6	130.9	237.7	511.1	799.9
LPG	000 t	2.2	3.7	6.9	14.6	30.2
Total production¹	mmboe	0.5	0.6	1.2	2.6	5.5
Capital expenditure	\$million	187	107	146	517	549

1. Excludes pre-PSC volumes

DLNG operational data (gross)	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Production						
LNG	000 t	43	91	222	409	1,347
Sales gas	PJ	5	7	13	31	82
Condensate	000 bbls	245	363	597	1,521	2,892
LPG	000 t	5	10	18	41	100
LNG cargoes shipped		1	1	3	6	19

Upstream Gas and Liquids

The Bayu-Undan field continued to produce through the fourth quarter. Gross gas and liquids production was lower than prior quarter due to expected natural field decline. Gas supply to the Darwin domestic gas market commenced this quarter, following the successful lifting of the last LNG cargo of Bayu-Undan gas from the Darwin LNG facility in November 2023. The field has produced more than 20 per cent more gas than originally forecast, with a total of 835 LNG cargoes delivered to Asian markets. Bayu-Undan is expected to reach end of field life in the first half of 2024.

The Barossa gas and condensate project to backfill Darwin LNG is 66.4 per cent complete, including the Darwin Pipeline Duplication (excluding Darwin Pipeline Duplication is 72.3 per cent).

Santos commenced installation of the northern section of the Gas Export Pipeline (GEP) in November 2023, and following a decision of the Federal Court of Australia on 15 January 2024, will continue to install the remainder of the GEP pipeline in accordance with the Environment Plan in force for the activity. Approximately one-third of the GEP has been completed to date.

The Barossa Drilling and Completions Environment Plan (Rev 6) was accepted by the National Offshore Petroleum Safety and Environment Management Authority on 15 December 2023. Mobilisation activities commenced immediately and drilling activities recommenced in the field on 13 January 2024.

The FPSO hull was delivered to Singapore from Korea on 15 November 2023. The integration phase has commenced, with six (6) topside modules loaded onto the FPSO hull by the end of December 2023.

Santos Energy Solutions

The Bayu-Undan CCS project continues to progress toward a final investment decision in 2025 and first injection by 2028. Legislation was passed by the Australia Parliament on amendments to London Protocol's for cross border provisions for CO2 export and geological sequestration. Santos and joint venture partners continue to engage on regulatory and commercial frameworks with Timor-Leste to enable to project to proceed.

Corporate, exploration and eliminations (including Alaska)

Santos share	Unit	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Total sales volume	mmboe	0.3	(0.3)	0.3	(0.3)	1.5
Total sales revenue	\$million	43	14	27	104	159
Capital expenditure	\$million	231	159	96	591	204

Sales volumes and revenues in the corporate segment represent gas trading activities.

The Pikka Phase 1 project remains on schedule to deliver first oil in 2026 and is tracking within budget. All materials have been received to support the 2023/2024 winter season pipeline installation and ice road construction is underway ahead of wide scale mobilisation. Fabrication activities for fluid processing, seawater treatment, drill site, camp and grind and inject facilities are on track to meet the first oil target.

The drilling program continues as planned, with rig operations completed on five wells (including a disposal well used for drill cuttings) and underway on the sixth well. Two wells have been stimulated with one flowed back and the other undergoing flow back operations per plan.

FX hedges were executed during the quarter, A\$860 million of 2024 forward contracts were entered into at an all-in rate of 0.6458. In total for 2024, the company has entered into forward contracts totalling A\$1,260 million at an average all-in rate of 0.6480

During the quarter Santos continued portfolio marketing its equity entitlements from PNG LNG and expansion Papua LNG projects. Santos has received strong customer interest and is in long-term LNG contract negotiations with a range of established Asian customers, in Japan and South Korea. Buyers are attracted to Santos' diverse, Australasian-sourced high quality LNG portfolio supply. In addition, Santos complemented its existing Japan office by establishing and staffing a Singapore trading hub to support portfolio marketing, carbon trading and associated shipping activities. PNG LNG project participant's executed agreements to enable equity lifting of spot LNG commencing January 2024. These volumes are excess to the foundation long term contracts, which remain jointly sold. Santos will now sell its equity share of PNG LNG spot volume directly into the market.

Capital expenditure

Total exploration, evaluation and development expenditure is summarised in the table below.

\$million	Q4 2023	Q3 2023	Q4 2022	2023 YTD	2022 YTD
Capital expenditure					
Exploration	17	17	36	79	176
Evaluation	64	47	45	173	164
Development and other capex (incl restoration)	759	585	594	2,373	1,729
Capital expenditure excl capitalised interest	840	649	675	2,625	2,069
Capitalised interest	93	53	40	243	139
Total capital expenditure	933	702	715	2,868	2,208
Exploration and evaluation expensed					
Exploration	15	16	28	75	138
Evaluation	3	3	(3)	11	10
Total current year expenditure	18	19	25	86	148
Write-off of amounts capitalised in prior years		-	-		-
Total expensed	18	19	25	86	148

Capital expenditure in the fourth quarter comprised US\$314 million sustaining capital (including \$48 million for decommissioning costs) and US\$526 million for major projects.

Oil price hedging

Oil hedges were executed in October 2023. 13mmbbl of Cal 2024 zero cost collars were executed at a floor price of \$75/bbl and an average cap of \$90.94 and 5mmbbl were executed at a floor price of \$80/bbl and an average cap of \$90.15.

Seismic activity

In Q4 2023 one 3D seismic survey was acquired in the Cooper Basin (Kita 3D) and one 2D survey in the Bowen Basin (ATP 631 2D). The objectives of the Kita 3D are to delineate the upper Toolachee formation along the NE flank of the Patchawarra Trough and to image the main Napowie thrust fault trend. The ATP 631 2D survey has infilled existing sparse 2D seismic to enable evaluation of Bowen Tight Gas potential. Seismic processing of these data has commenced, and it is anticipated that ATP 631 processing will extend into Q1 2024, and Kita 3D processing will extend into Q3 2024.

Drilling summary

Exploration / Appraisal wells

TOOLACHEE 58	SA	66.60%	C&S, Successful
TOOLACHEE 59	SA	66.60%	C&S, Successful

Cooper Basin gas

Well name	Area	Santos	Well status
KAPPA 3	QLD	60.06%	Drilling
ADZUKI 1	SA	66.67%	C&S, Successful
KAPPA 3	QLD	60.06%	P&A, Unsuccessful
MOOMBA 304	SA	66.60%	C&S, Successful
TINDILPIE 19	SA	66.60%	C&S, Successful
TINDILPIE 20 *	SA	66.60%	Drilling

*Spud in Q4 completed in Q1 2024.

Cooper Basin oil

Well name	Area	Santos	Well status
COCINERO 14	QLD	25.00%	C&S, Successful
COCINERO 15 *	QLD	25.00%	Drilling
HOBBS 6	SA	66.60%	C&S, Successful
STIMPEE 6	SA	66.60%	C&S, Successful
STIMPEE 7	SA	66.60%	C&S, Successful

*spud in Q4 completed in Q1 2024

Cooper Basin oil

Well name	Area	Santos	Well status
HOBBS 5	SA	66.60%	C&S, Successful

Queensland GLNG gas

Well name	Area	Santos	Well status
LONGVALE 1 *	QLD	100.00%	Drilling
RLHML 01 **	QLD	30.00%	Observation Well
RLHGWG 01 **	QLD	30.00%	Observation Well

*Spud in Q4 completed in Q1 2024

**Waterbore

Papuan Basin oil

Well name	Area	Santos	Well status
ADT 5 *	Southern Highlands	49.39%	Drilling
MORAN 17	Southern Highlands	49.39%	C&S, Successful

*spud in Q4 completed in Q1 2024

Alaska oil

Well name	Area	Santos	Well status
DW-02*	Pikka	51.0%	C&C, successful
NDBi-043	Pikka	51.0%	C&C, successful
NDB-032	Pikka	51.0%	C&S, successful
NDB-024	Pikka	51.0%	C&C, successful
NDBi-044	Pikka	51.0%	C&S, successful
NDBi-014	Pikka	51.0%	Drilling

*Cuttings disposal well.

Queensland GLNG gas

Well name	Area	Santos	Well status
BUNDALEER 2	QLD	22.85%	C&C, Successful
BUNDALEER 3	QLD	22.85%	C&C, Successful
BUNDALEER 4	QLD	22.85%	C&C, Successful
BUNDALEER 5	QLD	22.85%	C&C, Successful
BUNDALEER 6	QLD	22.85%	C&C, Successful
BUNDALEER SOUTH 1	QLD	22.85%	C&S, Successful
CASTLE HILL 90	QLD	22.85%	C&S, Successful
FV06-61-1	QLD	22.85%	C&S, Successful
FV13-77-1	QLD	22.85%	C&S, Successful

Development wells

Cooper Basin gas

Well name	Area	Santos	Well status
KAPPA 4	QLD	60.06%	C&S, Successful
MOOMBA 307	SA	66.60%	C&C, Successful
MOOMBA 308	SA	66.60%	C&S, Successful
MOOMBA 313	SA	66.60%	C&S, Successful
MOOMBA 314	SA	66.60%	C&S, Successful
MOOMBA 317	SA	66.60%	C&S, Successful
MOOMBA 318	SA	66.60%	C&S, Successful
MOOMBA 330	SA	66.60%	C&S, Successful
MOOMBA 331	SA	66.60%	C&S, Successful
MOOMBA 332	SA	66.60%	C&S, Successful
NEPHRITE SOUTH 14	SA	66.60%	C&S, Successful
NEPHRITE SOUTH 15	SA	66.60%	P&A, Unsuccessful
NEPHRITE SOUTH 16	SA	66.60%	C&S, Successful
TARWONGA 8	SA	66.60%	C&S, Successful
TOOLACHEE 57	SA	66.60%	C&S, Successful

FV13-80-1	QLD	22.85%	C&S, Successful	RM90-133-1	QLD	24.57%	C&C, Successful
FV13-86-1	QLD	22.85%	C&S, Successful	RM90-142-1	QLD	24.57%	C&C, Successful
FV13-87-1	QLD	22.85%	C&S, Successful	RM90-36-1	QLD	24.57%	C&C, Successful
FV13-88-1	QLD	22.85%	C&S, Successful	RM90-37-1	QLD	24.57%	C&C, Successful
FV13-89-1	QLD	22.85%	C&S, Successful	RM90-47-1	QLD	24.57%	C&S, Successful
FV18-101-1	QLD	22.85%	C&S, Successful	RM90-48-1	QLD	24.57%	C&C, Successful
FV18-109-1	QLD	22.85%	C&S, Successful	RM90-54-1	QLD	24.57%	C&C, Successful
FV18-110-1	QLD	22.85%	C&S, Successful	RM90-55-1	QLD	24.57%	C&C, Successful
FV18-110-2	QLD	22.85%	Drilling	RM90-58-1	QLD	24.57%	C&S, Successful
FV18-122-1	QLD	22.85%	C&S, Successful	RM90-59-1	QLD	24.57%	C&C, Successful
FV18-128-1	QLD	22.85%	C&C, Successful	RM90-60-1	QLD	24.57%	C&C, Successful
FV18-129-1A	QLD	22.85%	C&S, Successful	RM90-64-1	QLD	24.57%	C&S, Successful
FV18-130-1*	QLD	22.85%	C&C, Successful	RM90-65-1	QLD	24.57%	C&S, Successful
FV18-132-1	QLD	22.85%	C&S, Successful	RM90-66-1	QLD	24.57%	C&C, Successful
FV18-133-1	QLD	22.85%	C&C, Successful	RM90-67-1	QLD	24.57%	C&S, Successful
FV18-134-1	QLD	22.85%	C&S, Successful	RM90-68-1	QLD	24.57%	C&S, Successful
FV18-135-1	QLD	22.85%	C&S, Successful	RM90-74-1	QLD	24.57%	C&S, Successful
FV18-136-1	QLD	22.85%	C&S, Successful	RM90-75-1	QLD	24.57%	C&S, Successful
FV18-137-1	QLD	22.85%	C&S, Successful	RM90-77-1	QLD	24.57%	C&S, Successful
FV18-138-1	QLD	22.85%	C&S, Successful	RM90-78-1	QLD	24.57%	C&C, Successful
FV18-139-1	QLD	22.85%	C&S, Successful	RM90-84-1	QLD	24.57%	C&C, Successful
FV18-140-1	QLD	22.85%	C&S, Successful	RM90-85-1	QLD	24.57%	C&S, Successful
FV18-140-2	QLD	22.85%	C&S, Successful	RM90-86-1	QLD	24.57%	C&S, Successful
FV18-19-2	QLD	22.85%	C&S, Successful	RM90-87-1	QLD	24.57%	C&S, Successful
FV18-80-1	QLD	22.85%	C&C, Successful	RM90-93-1	QLD	24.57%	C&S, Successful
FV18-82-1	QLD	22.85%	C&S, Successful	RM90-95-1	QLD	24.57%	C&C, Successful
FV18-85-1	QLD	22.85%	C&S, Successful	RM90-97-1	QLD	24.57%	C&S, Successful
FV18-88-1	QLD	22.85%	C&S, Successful	RM90-98-1	QLD	24.57%	C&S, Successful
LINGA LONGA 4	QLD	23.87%	C&C, Successful	RM90-99-1	QLD	24.57%	C&S, Successful
OKSGWBA 01 **	QLD	22.85%	C&C, Successful	SUNNYHOLT 51	QLD	23.87%	C&S, Successful
OKSGWP 06 **	QLD	22.85%	C&C, Successful	SUNNYHOLT 57	QLD	23.87%	C&S, Successful
RM14-08-1	QLD	30.00%	C&C, Successful	SUNNYHOLT 58	QLD	23.87%	C&S, Successful
RM14-18-1	QLD	30.00%	C&C, Successful	SUNNYHOLT 59	QLD	23.87%	C&S, Successful
RM14-19-1	QLD	30.00%	C&C, Successful	SUNNYHOLT 60	QLD	23.87%	C&S, Successful
RM14-29-1	QLD	30.00%	C&C, Successful	SUNNYHOLT 61	QLD	23.87%	C&S, Successful
RM14-60-1	QLD	30.00%	C&C, Successful	SUNNYHOLT 64	QLD	23.87%	C&S, Successful
RM90-100-1	QLD	24.57%	C&S, Successful	SUNNYHOLT 65	QLD	23.87%	C&S, Successful
RM90-105-1	QLD	24.57%	C&S, Successful				

*Spud in Q4 completed in Q1 2024

**Waterbore

Abbreviations and conversion factors

Abbreviations		Conversion factors	
C&C	cased and completed	Sales gas and ethane, 1 PJ	171.937 boe x 10 ⁹
C&S	cased and suspended	Crude oil, 1 barrel	1 boe
gas	natural gas	Condensate, 1 barrel	0.935 boe
DES	delivered ex-ship	LPG, 1 tonne	8.458 boe
FEED	front-end engineering and design	LNG, 1 PJ	18,040 tonnes
FID	final investment decision	LNG, 1 tonne	52.54 mmBtu
FPSO	floating production, storage and offloading		
GJ	gigajoules		
JCC	Japan Customs-cleared Crude		
JKM	Japan Korea Marker		
kbbbls	thousand barrels		
kt	thousand tonnes		
LNG	liquefied natural gas		
LPG	liquefied petroleum gas		
m	million		
mmbbl	million barrels		
mmboe	million barrels of oil equivalent		
mmBtu	million British thermal units		
mmscf	million standard cubic feet		
mt	million tonnes		
mtpa	million tonnes per annum		
NFE	near-field exploration		
mBRT	metres below rotary table		
P&A	plugged and abandoned		
pa	per annum		
PJ	petajoules		
PSC	production sharing contract		
t	tonnes		
TJ	terajoules		

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All references to dollars, cents or \$ in this document are to United States currency, unless otherwise stated. Totals in the tables may not add due to rounding. The symbol "~" means approximately and the symbol "-" means zero.

Free cash flow (operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments) is a non-IFRS measure that is presented to provide an understanding of the performance of Santos' operations.

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