Santos

Media Release

Santos powering 32,000 homes: "Just the start"

Santos' Wilga Park Power Station is now producing enough electricity to power 32,000 homes in New South Wales and it's all being done using locally-sourced natural gas.

Santos is pumping around 4TJ/day of natural gas to Wilga Park, where it's converted to electricity for the state's power grid.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said 4 TJ/day is just the start of the region's energy generating potential.

"The gas is coming from our appraisal wells near Narrabri, which were drilled to help determine how much natural gas is right under our feet, here in NSW," Mr Gallagher said.

"It turns out there's a lot. The Narrabri Gas Project could produce up to 150TJ a day – that's thirty-seven times more than what's currently being produced – and almost half the state's gas demand," he said.

"We know energy bills are putting a huge stress on Australian families, so we are working to secure approvals as soon as possible to be able to unlock local gas resources and pump every single molecule into the domestic market, putting downward pressure on gas and electricity prices.

"With <u>forecast shortfalls predicted</u> to hit as soon as next year, we need to be working towards a solution that will help plug gaps in the short term but also ensure we have reliable power for the long term, to support renewable energy when it is unavailable."

The gas produced for Wilga Park comes from appraisal wells which were established by Santos as part of the planning and preliminary works for the Narrabri Gas Project.

Santos has invested more than \$1.5 billion into the Narrabri Gas Project and is committed to developing it as quickly as possible but complex and lengthy approvals and appeals processes have significantly delayed the project. This has locked the people of NSW out of access to the gas resources under their feet that could provide affordable and reliable gas as shortfalls are forecasted.

"Despite this, we are determined to get on with the job," Mr Gallagher said.

"We have a team of 16 people who live and work in Narrabri, with another eight land access experts dedicated to progressing the Hunter Gas Pipeline, which will connect Narrabri with the east coast domestic market."

The approved 200 metre corridor gives landowners and Santos some flexibility in the positioning of the Hunter Gas Pipeline. In many cases, Santos has been able to work with landowners to realign the easement along fence lines, access roads and boundaries. The pipeline is approximately 20 inches in

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diameter which is not much bigger than the size of a football and buried approximately 1 metre below ground.

"We're currently working to finalise the exact location of the pipeline and are seeking feedback from landholders along the route so that we can take into consideration their preferences, as well as potential technical constraints, environmental and cultural heritage considerations," Mr Gallagher said.

"Our first laydown yard is almost finished and we're about to start work on a second laydown yard nearby once approvals are in place."

Santos works with communities in a partnership model and is equally committed to working with local suppliers and businesses to amplify the economic generation potential of the Narrabri Gas Project. The business spent \$10 million with local businesses in the last year alone. Mr Gallagher said this will grow as the project enters construction and production.

"This is a huge local economic generator for the region. In the past year alone, we've spent \$10 million with local businesses in Narrabri and Gunnedah – that's money in the pockets of local contractors, suppliers and landholders. And that's before we even start construction."

The Narrabri Gas Project together with associated projects including the Hunter Gas Pipeline and the Narrabri Lateral Pipeline to connect the two, will create up to 1700 jobs in the construction phase, and 200 jobs ongoing. This involves a significant local workforce as part of a local employment strategy which Santos is committed to in its operations around the country.

"We have a local employment strategy because it's great for the business, but it's an even bigger advantage for the community," Mr Gallagher said.

"That's families in local homes, kids in local schools and sports clubs, workers buying coffees from local cafes and sharing meals at local restaurants – members of the community supporting hospitality venues and joining clubs."

Santos NSW Community and Stakeholder Advisor Abby McClure was born and raised in Narrabri and now works between the Santos shopfront and office in Narrabri, with travel to community events and engagements across the region.

"Having the Narrabri Gas Project in Narrabri is essential for our community. It not only brings vital economic growth but also creates job opportunities that allow locals to build careers right here at home. It's about supporting our families, strengthening our town and investing in the future of Narrabri," she said.

"Having worked for Santos for 10 years, I've seen first hand the meaningful impact we have on the community, from creating jobs to supporting local initiatives, contractors and suppliers.

"Living and working locally means I've been able to grow professionally and I've also been able to give back to the Narrabri community that means so much to me. I've been able to actively participate in various committees and sporting groups, and I know that contributes to Narrabri's vibrancy and resilience."

ENDS.