

Santos Limited ABN 80 007 550 923



Notice of Annual General Meeting

Notice is hereby given that the 2014 Annual General Meeting of members of Santos Limited will be held at Hall F, Plaza Level, Adelaide Convention Centre, North Terrace, Adelaide, South Australia on Friday 16 May 2014 at 10.00 am.

Santos
We have the energy.

Notice of Annual General Meeting

ORDINARY BUSINESS

1. Financial Report

To receive and consider the Financial Report for the year ended 31 December 2013 and the reports of the Directors and the Auditor, as set out in the 2013 Annual Report.

2. To elect or re-elect Directors

- (a) Mr Peter Roland Coates AO retires by rotation in accordance with Rule 34(c) of the Company's Constitution and, being eligible, offers himself for re-election.
- (b) Mr Scott Douglas Sheffield, who was appointed a Director on 24 February 2014, retires in accordance with Rule 34(b) of the Company's Constitution and, being eligible, offers himself for election.

3. Remuneration Report

To consider, and if thought fit, pass the following non-binding resolution as an ordinary resolution:

That the Remuneration Report for the year ended 31 December 2013 be adopted.

SPECIAL BUSINESS

4. Grant of Share Acquisition Rights to Mr David Knox

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That approval is given for the Company to grant to the Company's Managing Director and Chief Executive Officer, Mr David Knox, Share Acquisition Rights under the Santos Employee Equity Incentive Plan on the terms set out in the Explanatory Notes to this Notice of Meeting.

5. Resolution requisitioned by shareholders – not supported by the Board

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That the Narrabri Gas Project in North West NSW be withdrawn from Santos' portfolio.

Note: This resolution was proposed by a group of 161 Santos shareholders (representing approximately 0.0475% of the Company's shares on issue) with the support of The Wilderness Society. The resolution is not endorsed by the Board of Directors of Santos. The Board unanimously recommends that shareholders vote against this resolution for the reasons set out on pages 10 and 11 of the Explanatory Notes accompanying this Notice of Meeting. The Chairman of the meeting intends to vote undirected proxies **AGAINST** this resolution.

VOTING ENTITLEMENT

The Board has determined in accordance with the Company's Constitution and the Corporations Regulations that a person's entitlement to vote at the Annual General Meeting will be taken to be the entitlement of that person shown in the Register of Members at 6.30 pm (Adelaide time) on Wednesday, 14 May 2014.

Voting restrictions apply to the Company's key management personnel and their closely related parties, which also affect proxy voting. Full details are included in the Notes Relating to Voting commencing on page 11. In particular, please note that if the Chairman of the meeting is appointed as your proxy, and you have not directed him how to vote, then by completing and returning the proxy form you will be expressly authorising the Chairman of the meeting to exercise your undirected proxy on resolutions 3 and 4 even though the resolutions are connected with the remuneration of the Company's key management personnel.

The Explanatory Notes and Notes Relating to Voting form part of this Notice of Meeting.

By Order of the Board

David Lim
Company Secretary

Ground Floor
Santos Centre
60 Flinders Street
Adelaide, South Australia, 5000

2 April 2014

EXPLANATORY NOTES

1. FINANCIAL AND STATUTORY REPORTS

As required by section 317 of the *Corporations Act 2001* (Cth) (Corporations Act), the Financial Report and the reports of the Directors and the Auditor for the financial year ended 31 December 2013 will be laid before the Annual General Meeting.

During this item of business, shareholders will be given a reasonable opportunity to ask questions and make comments about the reports and the business and management of the Company. Shareholders will also be given a reasonable opportunity to ask a representative of the Company's Auditor, Ernst & Young, questions in relation to the conduct of the audit (including the independence of the Auditor), and the accounting policies adopted by the Company.

2. RE-ELECTION AND ELECTION OF DIRECTORS

Rule 34 of the Company's Constitution specifies that at every Annual General Meeting of the Company, one third of the Directors (disregarding any fractions) who have been longest in office since the date of their last election or appointment (excluding the Managing Director and any Director not yet elected) must retire. No Director may hold office without re-election beyond the third Annual General Meeting following the meeting at which the Director was last elected or re-elected.

Accordingly, Mr Peter Roland Coates AO will retire and seek re-election. As previously announced, Mr Richard Michael Harding will retire with effect from the end of the Annual General Meeting and is not seeking re-election.

Following a recommendation from the Nomination Committee of the Board, the Board appointed Mr Scott Douglas Sheffield as a Director on 24 February 2014. Mr Sheffield is now standing for election at the first Annual General Meeting since he was appointed, in accordance with Rule 34 of the Company's Constitution.

Notice of Annual General Meeting (continued)

Brief biographical details of each Director standing for re-election or election follow on pages 4 and 5:



MR PETER ROLAND COATES AO

BSc (Mining Engineering), FAICD, age 68

Peter Coates has been an independent non-executive Director since 18 March 2008. He is a member of the Nomination Committee of the Board and was previously the Chairman of the Board from 9 December 2009 to 9 May 2013.

Mr Coates has been non-executive Chairman of Sphere Minerals Ltd since May 2013. He was also a non-executive director of Glencore plc from its float in April 2011 until its merger with Xstrata plc in May 2013 and joined the Board of the merged company in June 2013. During this appointment he worked as an executive director assisting with the integration of Glencore plc and Xstrata plc before resuming a position as non-executive director from 1 January 2014.

Other current positions held by Mr Coates include non-executive director of Amalgamated Holdings Limited since July 2009 and Chair of the Sydney North West Rail Link Advisory Board since December 2012.

Previous positions held by Mr Coates include non-executive Chairman of Xstrata Australia Pty Limited and former Chairman and non-executive director of Minara Resources Limited, Chief Executive of Xstrata Coal (global coal business of Xstrata plc) and Chairman of Minerals Council of Australia, NSW Minerals Council and Australian Coal Association.

Mr Coates was made an Officer of the Order of Australia in June 2009 and was awarded the

Australasian Institute of Mining and Metallurgy Medal in 2010.

Mr Coates says:

It has been a great privilege to serve as a non-executive director of Santos since 18 March 2008 and a further honour to serve as your Chairman in the period from 9 December 2009 until 9 May 2013.

During that period a number of significant investment decisions were made by the Company including the commitment to PNG LNG, the commitment to GLNG and the further investment in the Gunnedah Basin. These have been important strategic decisions by the Company which, I believe, will ensure we have a long term prosperous future.

I have been very pleased to be part of that decision making process and I am very keen to remain involved to see the projects through to the point where all shareholders are clearly benefiting from those investment decisions.

Whilst my heavy outside work commitments during the latter part of 2013 necessitated me relinquishing the Chair and handing over to our current and very capable Chairman, Ken Borda, I can assure you that the changeover was accomplished with no disruption to the Company and I feel that Ken has already made a significant contribution in that role. I am pleased to say that I have now finished my short term assignment as a full time executive of Glencore and will continue to devote the appropriate amount of energy to my role as a Director of your Company.

The experience I have gained in the past 50 years in the resource industry and most particularly my experiences over the last 15 years, both as a senior executive and at Board level, will continue to directly benefit Santos. The experiences associated with being a non-executive director of Glencore and Amalgamated Holdings, Chairman of Sphere Ltd and Chairman of the NSW North West Rail

Link Advisory Board, directly enhance my ability to contribute to Santos.

I seek your support to continue for another 3 year term as a Director of Santos.

Recommendation

The Board (with Mr Coates abstaining) recommends that shareholders vote **IN FAVOUR** of the re-election of Mr Coates.



MR SCOTT DOUGLAS SHEFFIELD

BSc (Petroleum Engineering), age 61

Scott Sheffield was appointed as an independent non-executive Director on 24 February 2014.

Mr Sheffield has extensive experience in the energy industry and markets in the United States of America. He has held the positions of Chairman and Chief Executive Officer of Pioneer Natural Resources, which is listed on the New York Stock Exchange and included in the S&P 500 Index, since 1997 and 1999 respectively.

Mr Sheffield serves on various industry and education-related boards, including the National Petroleum Council, America's Natural Gas Alliance and the Maguire Energy Institute of the SMU Cox School of Business. Mr Sheffield is a recipient of the Permian Basin Association's Top Hand award, which recognises individuals who have demonstrated exceptional leadership within the oil and gas industry and the Permian Basin community. He is also a 2013 inductee into the Permian Basin Petroleum Museum Hall of Fame.

Previous positions held by Mr Sheffield include Chairman, Chief Executive Officer and President – Engineering of Parker & Parsley Petroleum

Company and production and reservoir engineer for Amoco Production Company.

Mr Sheffield says:

With 30 years as the Chief Executive Officer of Pioneer Natural Resources and its predecessor, and building the company into one of the largest public independent oil and gas companies in the United States, I have extensive experience with strategic oversight and execution of oil and natural gas operations in a broad range of economic and geopolitical environments. For more than 23 years, as the CEO of a publicly-traded company, I have had the privilege of serving public shareholders entrusting me and my team with growing shareholder value while upholding high standards.

My experience includes success in many basins, in a number of countries with projects large and small under varied levels of risk tolerance. For the past 7 years, Pioneer has focused on unconventional liquids-rich shales onshore U.S., building a leadership position with tremendous success.

I would be honored to continue to offer my experience to Santos shareholders through continued board service. In addition to general strategic direction and insight, my goal is to bring this vast experience in the public markets and with unconventional shale development specifically to Santos, allowing it to tap into the large resource potential of the Cooper Basin.

I seek your support as a Director and would be pleased to work in the shareholders' best interest to maximise the value of Santos.

Recommendation

The Board (with Mr Sheffield abstaining) recommends that shareholders vote **IN FAVOUR** of the election of Mr Sheffield.

Notice of Annual General Meeting (continued)

3. REMUNERATION REPORT

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out on pages 48 to 65 of the 2013 Annual Report and is also available from the Company's website, www.santos.com

The Remuneration Report:

- outlines the key developments that impacted on Santos' remuneration strategy during 2013;
- explains the Board's policies in relation to the objectives and structure of remuneration;
- highlights the links between the Company's performance and the remuneration received by Directors and senior executives;
- provides a detailed summary of the components of remuneration for Directors and senior executives, including relevant performance conditions;
- sets out the remuneration details for the Directors and other key management personnel (KMP) of the Group; and
- gives a brief overview of various changes to Santos' short-term incentive and long-term incentive programs for 2014.

A reasonable opportunity for discussion of the Remuneration Report will be provided at the Annual General Meeting.

The shareholder vote on the Remuneration Report is advisory only and does not bind the Directors or the Company, in accordance with section 250R of the Corporations Act. Voting restrictions apply in relation to this resolution and are described in the Notes Relating to Voting on page 11.

Recommendation

The Board recommends that shareholders vote **IN FAVOUR** of adopting the Remuneration Report.

4. GRANT OF SHARE ACQUISITION RIGHTS TO MR DAVID KNOX

The Company is seeking the approval of shareholders for the grant of Share Acquisition Rights (SARs) to the Managing Director and Chief Executive Officer (Managing Director), Mr David Knox, under the Santos Employee Equity Incentive Plan (SEEIP) on the terms set out below.

SEEIP terms and conditions

The SARs will be granted in accordance with the terms of the SEEIP (formerly known as the Santos Employee Share Purchase Plan (SESPP)). The SESPP was approved by shareholders at the Annual General Meeting held on 5 May 2000.

Extension of performance period to 4 years

The Board has approved a number of changes to the Company's Long-Term Incentive (LTI) program, namely:

- extending the performance period applicable to LTI grants from 3 to 4 years;
- introducing the S&P Global 1200 Energy Index as a second relative TSR comparator group for 25% of the grant in addition to the ASX 100 for the remaining 75%; and
- amending the LTI vesting scale such that vesting commences at the 51st percentile of relative TSR performance (instead of the 50th) and maximum vesting occurs at the 76th percentile (instead of the 75th).

The extension of the performance period from 3 to 4 years will result in a 'gap year' in 2017 when, in the absence of transitional arrangements, no LTI awards would be due to be performance tested (and potentially vest if the performance conditions are achieved). In order to address the 'gap year' a once-off transitional LTI grant with a 3 year performance period is necessary in addition to a grant with a 4 year performance period, as illustrated in the diagram on the next page.

Vesting Year										
Grant Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
2009		x								
2010			x							
2011				x						
2012					x					
2013						x				
2014 (3 year grant)							(x)			
2014 (4 year grant)								x		
2015									x	
2016										x



Performance period



Vesting (subject to performance)

No LTI vesting opportunity in 2017 without this 3 year transitional grant.

Grant of SARs

It is proposed that Mr Knox be granted 277,665 SARs comprising a three year transitional LTI grant from 1 January 2014 to 31 December 2016 and 283,264 SARs comprising a four year LTI grant from 1 January 2014 to 31 December 2017. The calculation used to determine the number of SARs to be granted is explained further on page 8 under the heading 'Quantum of award.'

The SARs will be granted at no cost to Mr Knox, and no amount is payable on vesting of the SARs if the performance conditions are met. Each SAR entitles Mr Knox to one fully paid ordinary share in the Company which, when issued, will rank equally with shares in the same class. At Santos' election, cash to the same value can be paid as an alternative to providing shares.

If approval is obtained, the SARs will be granted to Mr Knox as soon as practicable after the Annual General Meeting. In any event, they will not be granted more than 12 months after the date of the Annual General Meeting.

SARs granted under the SEEIP do not carry any dividend or voting rights until they vest.

Performance conditions

The Board has determined that the SARs under both grants are to be divided into two tranches. Tranche 1 will comprise 75% of the SARs and will be subject to the Company's Total Shareholder Return (TSR) performance relative to the TSR performance of the companies comprising the ASX 100 index (as at 1 January 2014). Tranche 2 will comprise 25% of the SARs and will be subject to the TSR performance of the Company relative to the performance of the companies comprising the S&P Global 1200 Energy Index (as at 1 January 2014).

Notice of Annual General Meeting (continued)

Broadly, TSR is the growth in share price, plus dividends reinvested. The TSR:

- in relation to the 3 year grant, is measured over a three-year performance period starting on 1 January 2014 and ending on 31 December 2016; and
- in relation to the 4 year grant, is measured over a four-year performance period starting on 1 January 2014 and ending on 31 December 2017.

At the end of the relevant performance period, the performance conditions are tested and the Company's relative ranking is determined.

For each grant of SARs, the percentage of SARs in each tranche that vests after the relevant performance period will be determined in accordance with the scale set out below.

Relative TSR ranking against ASX 100 or S&P Global 1200 Energy Index	The percentage of SARs which will vest is:
Does not reach the 51st percentile	0%
Equals the 51st percentile	50%
Reaches or exceeds the 52nd percentile but does not exceed the 75th percentile	2% incremental vesting per percentile
Reaches or exceeds the 76th percentile	100%

The SARs lapse if the performance conditions are not met. There is no re-testing.

Quantum of award

The number of SARs for each grant has been determined by dividing an amount equivalent to 100% of Mr Knox's total fixed remuneration (i.e. \$2,421,787.50) by the "fair value" of the relevant SARs. The "fair value" amounts are the same as the "fair value" amounts that were used to calculate the number of SARs awarded to other senior executives in March 2014 as part of the Company's 2014 LTI program and are based on the share price on 31 December 2013. The fair values were determined by an independent party using the same method as is used to determine the value of the rights for expensing in the Company's accounts and are set out below:

	Fair Value of Tranche 1 (ASX 100) (for 75% of the grant)	Fair Value of Tranche 2 (S&P Global 1200 Energy Index) (for 25% of the grant)
3 Year Grant	\$8.63	\$9.01
4 Year Grant	\$8.46	\$8.83

Other information

- Mr Knox is the only Director entitled to participate in SEEIP.
- The ASX Listing Rules require this Notice of Meeting to state the number and price of securities received by Mr Knox since the last shareholder approval. 243,652 SARs were issued to Mr Knox (at no cost) pursuant to the shareholder approval obtained at the 2013 AGM.
- Details of Mr Knox's total SARs holdings are provided in the Remuneration Report for the financial year ended 31 December 2013.
- If this grant is approved, some or all of the SARs granted to Mr Knox may vest or lapse on cessation of employment, subject to the Board's discretion as described in the Remuneration Report. Under the SEEIP, the Board also has discretion to vest or lapse the Managing Director's SARs if there is a change of control.

Voting restrictions apply in relation to this resolution and are described in the Notes Relating to Voting on page 11.

Recommendation

The non-executive Directors consider the grant of SARs to Mr Knox to be reasonable and appropriate in all the circumstances. The non-executive Directors recommend that shareholders vote **IN FAVOUR** of resolution 4.

5. RESOLUTION REQUISITIONED BY MEMBERS AND SUPPORTED BY THE WILDERNESS SOCIETY

A group of 161 shareholders representing approximately 0.0475% of the Company's shares on issue have proposed a resolution that the Narrabri Gas Project in North West New South Wales be withdrawn from the Company's portfolio.

The Board understands that the resolution was promoted by the Wilderness Society as part of its anti-fossil fuels campaign. The Wilderness Society's website, www.wilderness.org.au/campaigns/fossil-fuels, states:

Our fossil fuels campaign seeks to keep globally significant reserves of oil, gas and coal in the ground by halting new large projects proposed in marine and terrestrial wilderness areas throughout Australia.

The notice of resolution provided by the 161 shareholders to Santos under section 249N of the Corporations Act included the following supporting text:

As Santos shareholders, we are concerned by the ongoing reputational, regulatory and investment risks associated with our company's Narrabri Gas Project (Gunnedah Basin Project). We move that the Narrabri Gas Project in North West NSW be withdrawn from Santos' portfolio.

Santos has built a strong and positive brand over many years. The Narrabri coal seam gas project presents too many risks to that brand and to investors' confidence in our company's portfolio. Concerns include unacceptable risk to the region's groundwater and the Great Artesian Basin.

The Santos Narrabri Gas Project is facing continued community opposition and according to Australian Mining, protests at the site remain commonplace with locals regularly blockading company access roads. Santos has been forced to face court and plead guilty in NSW regarding the legacy of environmental damage in the Pilliga forest.

Aboriginal Traditional Owners have rejected unconventional coal seam gas drilling in the Narrabri region and the Gomeroi Native Title

Notice of Annual General Meeting (continued)

claimants currently refuse to sign off on the project.

The Narrabri Gas Project threatens Santos' reputation and makes our company look like a rogue operator.

Significant and ongoing community and scientific concern threatens not just our reputation, but also adds regulatory risk in a State that has maintained a flip-flop approach to coal seam gas and has shown significant responsiveness to community objections.

We believe the long term success of our company is best served by returning to a portfolio of investments focused on environmentally, socially and economically acceptable projects and growth strategies. Our company is now in its 60th year and we have a great legacy to respect.

We believe our company's success is linked to its strong standing in the Australian community and that it is important that our company demonstrates that it will not pursue projects in the absence of a strong social licence from relevant local communities.

We feel it would be a powerful statement by our company to walk away from this contentious Narrabri Gas Project and return to a more conservative portfolio.

The Board respects the right of shareholders to requisition a resolution which seeks to move that the Company withdraw from the Narrabri Gas Project. However, the Board does not consider the resolution to be in the best interests of the Company and is recommending that shareholders vote **AGAINST** the resolution.

In accordance with the Company's Constitution, decisions to pursue or not pursue a commercial opportunity are decisions about the business and affairs of the Company that are made by Santos management under the supervision of the Board.

The Directors have a duty to act in the best interests of all shareholders, not just the interests of a special interest shareholder group, and the Directors consider that it is in the best interests of the Company to continue with the Narrabri Gas Project, for reasons which include the following:

- natural gas is a safe and sustainable source of energy that is vital to the Australian economy and Santos has a proud 60 year history of extracting natural gas in a safe and responsible manner. Santos has environmental plans in place to protect the Pilliga and to ensure that the Narrabri Gas Project is developed in accordance with industry leading standards;
- the Narrabri Gas Project is an important part of Santos' future pipeline of projects, providing an additional source of domestic gas supply, revenue and ultimately returns to shareholders;
- development of new supplies of natural gas from coal seams (CSG) is an important part of the Company's future growth plans with the great majority of existing natural gas reserves on the east coast of Australia being CSG. Failure to develop additional supplies of CSG will result in increased energy pricing to homes and businesses with a flow on impact on everyday standards of living and manufacturing competitiveness and sustainability to the detriment of NSW residents;
- Santos is, and continues to seek to remain, a leading supplier of natural gas to the domestic market. The Narrabri Gas Project is a key element of this strategy as it endeavours to supply between 25% and 50% of the natural gas used in NSW by homes, small businesses, major industries and electricity generators;
- the Narrabri Gas Project will generate significant revenue and value for shareholders as well as substantial economic

benefits to Narrabri and the region through the creation of jobs, royalty payments to the State and via a Regional Community Benefit Fund that will invest millions of dollars in regional programs and infrastructure;

- Santos has broad support in the Narrabri region due to the community's increased understanding of our ability to operate this project in a way that minimises the impact on both the environment, landowners and the broader community while delivering real benefits to the State and the region. The Narrabri Gas Project has been designated a 'Strategic Energy Project' by the New South Wales Government recognising its importance to the New South Wales' economy; and
- the Narrabri Gas Project is currently subject to a substantial fear and misinformation campaign. The recent legacy holding pond incident at Bibblewindi is an example where the NSW Government and the EPA found that the leak was 'small, localised and contained' and there was no harm to either humans or animals yet the incident has been portrayed as a major pollution event threatening drinking and irrigation water supplies. The NSW Government's summary of the incident and its impacts can be found on its website, www.csg.nsw.gov.au/__data/assets/pdf_file/0018/41535/FactSheet.pdf

In light of the Company's Constitution, the nature of this resolution, if passed, would be advisory rather than binding. However, the Board would obviously have due regard to the wishes of the shareholders as reflected in any resolution passed at the Annual General Meeting.

Recommendation

For the reasons outlined above, the Board recommends that shareholders vote **AGAINST** resolution 5.

NOTES RELATING TO VOTING

1. ENTITLEMENT TIME

The Board has determined in accordance with the Rules of the Company's Constitution and the Corporations Regulations that a person's entitlement to vote at the Annual General Meeting will be taken to be the entitlement of that person shown in the Register of Members as at 6.30 pm Adelaide time on Wednesday, 14 May 2014.

2. VOTING EXCLUSIONS

Resolution 3

The Company will disregard any votes cast on resolution 3:

- by or on behalf of a member of the Company's KMP named in the Company's Remuneration Report for the year ended 31 December 2013 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Annual General Meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on resolution 3:

- in accordance with a direction in the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy.

Resolution 4

The Company will disregard any votes cast on resolution 4:

- by or on behalf of Mr Knox and any of his associates, regardless of the capacity in which the vote is cast; or

Notice of Annual General Meeting (continued)

- as a proxy by a person who is a member of the Company's KMP at the date of the Annual General Meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on resolution 4:

- in accordance with a direction in the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy.

3. VOTING ENTITLEMENT ON A POLL

On a poll, every member has one vote for every fully paid ordinary share held.

4. PROXIES

The following information is relevant if you wish to appoint a proxy to vote on your behalf on resolutions at the Annual General Meeting.

The Chairman of the Annual General Meeting acting as proxy

You may appoint the Chairman of the Annual General Meeting as your proxy. In addition, the Chairman is deemed to be appointed where a signed proxy form is returned which does not contain the name of the proxy or where the person appointed on the form is absent.

If a member directs the Chairman how to vote on an item of business, the Chairman must vote in accordance with the direction.

For proxies without voting instructions that are exercisable by the Chairman, the Chairman intends to vote all available proxies in favour of each resolution, except resolution 5. The Chairman intends to vote undirected proxies **AGAINST** resolution 5.

In relation to each of the remuneration-related resolutions (being resolutions 3 and 4), if the Chairman is appointed as your proxy, and you have not directed your proxy how to vote

on the relevant resolution, please note that by completing and returning the proxy form accompanying this Notice of Meeting you will be expressly authorising the Chairman to exercise your undirected proxy on these resolutions even though they are connected with the remuneration of the Company's KMP.

Directing your proxy how to vote

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form.

If you mark the abstain box for a particular item you are directing your proxy not to vote on your behalf and your shares will not be counted in computing the required majority on a poll.

If you do not mark a voting instructions box in respect of a resolution, your proxy can vote as he or she decides, subject to any voting exclusions that apply to the proxy.

Does the proxy you appoint need to be a member?

A proxy may be an individual or a body corporate, and need not be a member of the Company.

Appointing two proxies

A member entitled to attend and vote is entitled to appoint not more than two proxies. If you wish to appoint two proxies please obtain a second proxy form by telephoning the Share Registry on 1300 017 716 (within Australia) or +61 3 9938 4343 (outside Australia) or by sending a fax to 1800 763 447. Both forms should be completed specifying the nominated percentage or number of your votes given to each proxy. If the appointment does not specify the proportion or number of your votes, each proxy may exercise half of the votes. Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands. Please return both proxy forms together.

Appointment of a body corporate representative as a proxy

Where a member appoints a body corporate as proxy, that body corporate will need to ensure that:

- it appoints an individual as its corporate representative to exercise its powers at the Annual General Meeting, in accordance with section 250D of the Corporations Act (the 'Appointment of Corporate Representative' form can be used for this purpose and can be obtained from Computershare or online at www.investorcentre.com via the 'Help' tab under 'Printable Forms'); and
- the instrument appointing the corporate representative is received by the Company at its registered office by 10.00 am Adelaide time on Wednesday, 14 May 2014.

Completing the proxy form

A proxy form must be signed by the member or his/her attorney or, in the case of a corporation, executed in accordance with section 127 of the Corporations Act or signed by an authorised officer or attorney. If the proxy form is signed by an attorney or by the authorised officer of a corporation, the power of attorney or other authority (or a notorially certified copy) must accompany the form unless it has previously been provided to the Company. If the proxy form is sent electronically or by fax, any accompanying power of attorney or other authority must be certified.

Lodgement of proxy forms

Proxy forms must be received by the Company by 10.00 am Adelaide time on Wednesday, 14 May 2014. You may lodge your proxy form:

- electronically via www.inverstorvote.com.au;
- by hand delivery to Computershare Investor Services Pty Ltd, 452 Johnson Street, Abbotsford, Victoria 3067;

- by post to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne, Victoria 8060; or
- by fax to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

5. APPOINTING AN ATTORNEY TO VOTE ON YOUR BEHALF

Where a member appoints an attorney to act on his/her behalf at the Annual General Meeting, such appointment must be made by a duly executed power of attorney. The power of attorney must be received by the Company at Computershare Investor Services by hand or post as set out in section 4 above, by the time referred to in section 4 above.

6. APPOINTING A CORPORATE REPRESENTATIVE

Where a member that is a corporation appoints a representative under section 250D of the Corporations Act, appropriate evidence of the appointment must be produced. The 'Appointment of Corporate Representative' form will need to be completed prior to the Annual General Meeting and presented at the registration desk on the day of the meeting. (This form can be obtained from Computershare or online at www.investorcentre.com via the 'Help' tab under 'Printable Forms'.)

7. CUSTODIAN VOTING

For intermediary online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Notice of Annual General Meeting (continued)

AGM VENUE

The Santos AGM will be held in Hall F of the Adelaide Convention Centre, North Terrace, Adelaide. Enter through Foyer F. Registration in Foyer F.

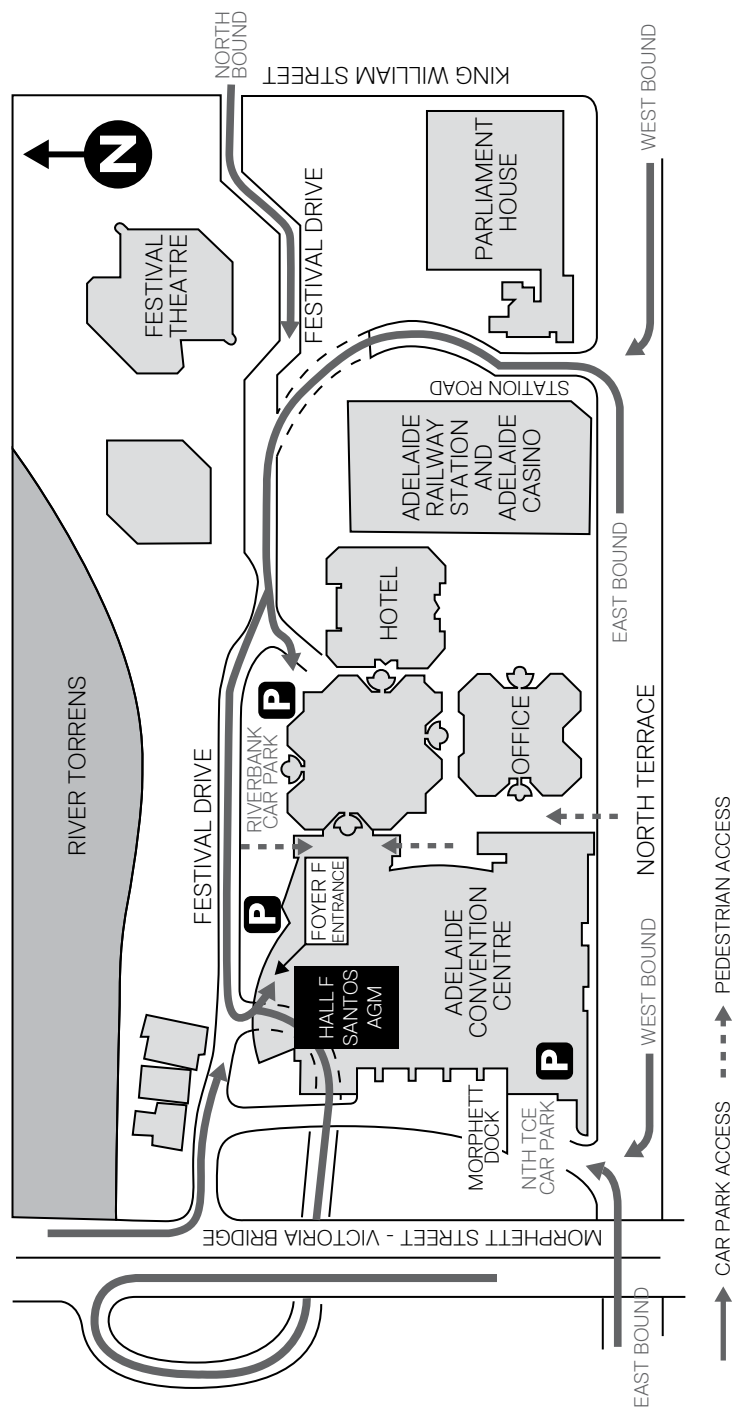
Car Parking

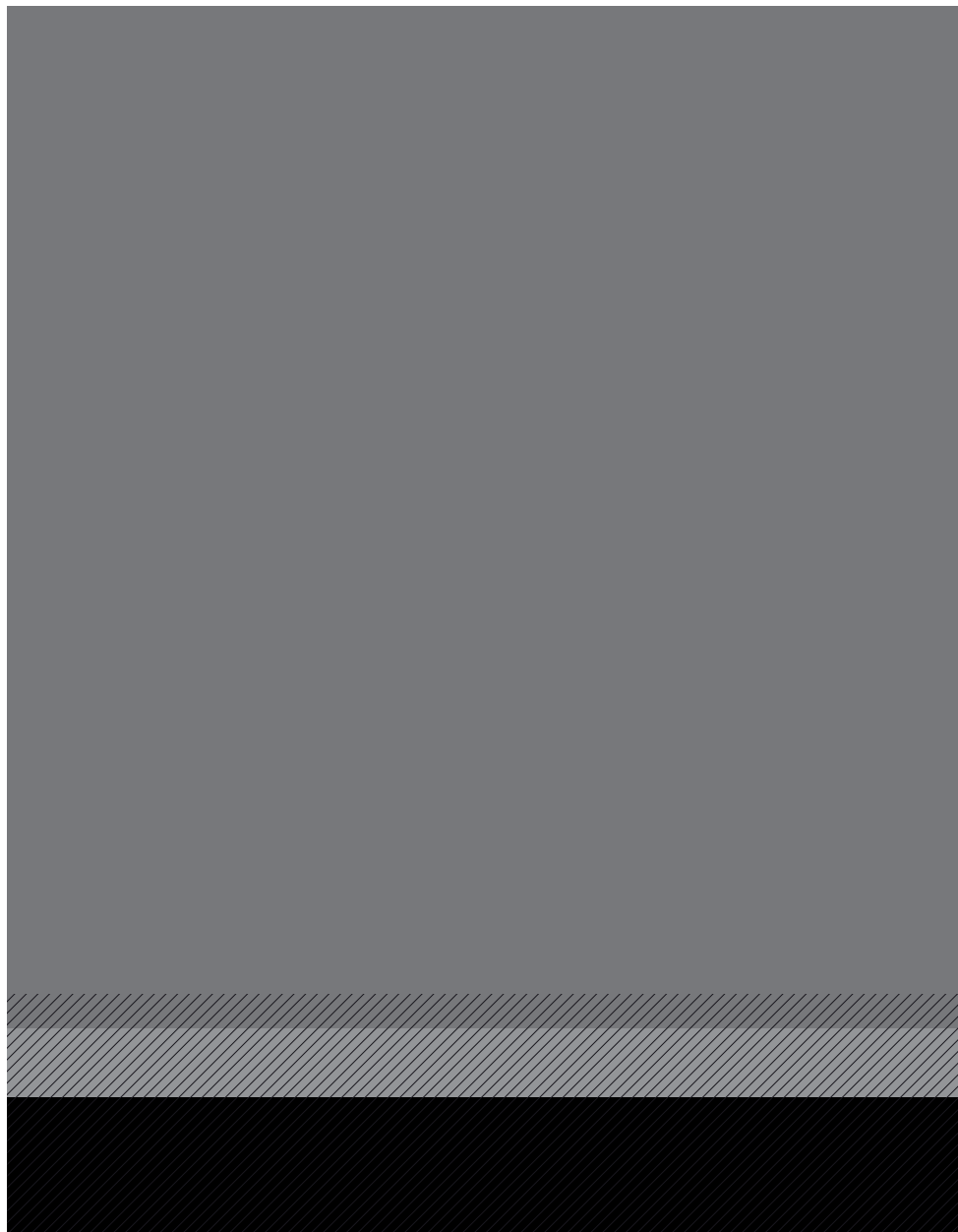
Car parking is available in the Riverbank Car Park and the North Terrace Car Park, but please note that due to construction works, access to the North Terrace Car Park is limited. The map on the following page shows access routes to car parking facilities.

Public transport:

- Bus Stops D (northern side of North Terrace in front of Adelaide Railway Station) and W2 (southern side of North Terrace)
- Free City Loop (99C) stops at Bus Stops D1 (northern side of North Terrace – Adelaide Railway Station) and W2 (southern side of North Terrace, west of Adelaide Convention Centre)
- Tram Stop on North Terrace near Adelaide Convention Centre – Adelaide Railway Station
- Taxi Rank in front of Adelaide Railway Station
- Noarlunga, Tonsley and Belair train line replacement buses stop at Bus Stops X2 (King William Street, southern side of North Terrace) and Z3 (King William Street, northern side of North Terrace)

AGM VENUE LOCATION





Santos
We have the energy.

