

15 May 2018

Santos notes media speculation

On 3 April 2018, Santos announced the receipt of an unsolicited, non-binding, indicative and conditional proposal (Harbour Proposal) from Harbour Energy (Harbour) to acquire 100% of Santos shares for US\$4.98¹ per share. Santos agreed to engage further with Harbour and allowed it the opportunity to undertake confirmatory due diligence.

Santos notes media speculation that ENN Ecological Holdings (ENN) will enter a trading suspension on the Shanghai Stock Exchange in connection with a preliminary agreement with Harbour in relation to the Harbour Proposal.

Santos confirms it has not received a notification of any agreement between Harbour and ENN or any change in substantial holding in relation to its shares.

There is no certainty at this time that the Harbour Proposal will result in an offer for Santos that is capable of being considered by shareholders.

Santos continues to advise that its shareholders take no action in relation to the Harbour Proposal at this time.

Regardless of the outcome of engagement with Harbour, the Board and management remain focused on continuing to deliver shareholder value through the transformation of Santos into a low cost, reliable and high performance business with strong growth potential.

Ends.

¹ Equivalent to A\$6.50 per share at the AUD/USD exchange rate of 0.7662 referenced in Harbour's proposal dated 29 March 2018

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