

3 March 2020

Last major facilities contracts awarded for Barossa

Santos today announced the award of contracts for the supply and installation of subsea infrastructure for the Barossa project, the last major facilities commitments ahead of a Final Investment Decision (FID).

The contract for the transport and installation of all the subsea umbilicals, risers, and flowlines, as well as the supply of the in-field flowlines, has been awarded to Subsea 7, whilst Aker Solutions will supply the umbilicals and National Oilwell Varco Denmark I/S will supply the flexible risers.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said: "These are the final major facilities contracts for Barossa as we get closer to pushing the button on the project's development in the second quarter."

"They follow the award of the FPSO facility, subsea wells and subsea production system, and gas export pipeline tenders, with the contract for the drilling of the production wells to be awarded in the near future."

"They represent the final stages of the front-end engineering design phase and give us greater certainty over cost and schedule for the Barossa development."

The Barossa project area encompasses petroleum permit NT/RL5 located in Commonwealth waters, 300 kilometres north of Darwin, offshore Northern Territory.

The development concept consists of an FPSO, six subsea production wells, supporting in-field subsea infrastructure and a gas export pipeline tied into the existing Bayu-Undan to Darwin pipeline, supplying gas to Darwin LNG.

Santos holds a 25% interest in the Barossa joint venture along with partners ConocoPhillips (37.5% and operator) and SK E&S (37.5%). Santos is also a joint venture partner in Darwin LNG with an 11.5% interest.

On 14 October 2019, Santos announced the acquisition of ConocoPhillips' northern Australia and Timor-Leste portfolio including its interests in Darwin LNG, Bayu-Undan and Barossa. Completion of the transaction and planned sell-down to SK E&S will see Santos' interests in these assets increase to 43.4%, 43.4% and 62.5%, respectively. Santos is prepared to sell down equity in Barossa to a target ownership of 40-50% to achieve increased partner alignment.

Ends.

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

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