

29 August 2022

## Darwin Pipeline Duplication Project go-ahead

Santos, as operator of the Barossa joint venture, today announced a final investment decision (FID) has been taken to proceed with the Darwin Pipeline Duplication Project, located offshore the Northern Territory.

The decision will extend the Barossa Gas Export Pipeline to the Santos-operated Darwin LNG (DLNG) facility and allow for the repurposing of the existing Bayu-Undan to Darwin pipeline to facilitate carbon capture and storage (CCS) options.

Gas from the Barossa field, located 300 kilometres north of Darwin, is intended to replace the current supply from the Bayu-Undan facility located in Timor-Leste. First gas production at DLNG using Barossa gas is targeted for the first half of 2025.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the DLNG Life Extension, Darwin Pipeline Duplication and Bayu-Undan CCS projects would promote sustainable development and jobs growth in the Northern Territory and Timor-Leste, while building momentum for a whole of region carbon reduction solution.

“Taking FID on the Darwin Pipeline Duplication Project will allow for the Barossa project to be CCS ready,” Mr Gallagher said.

“The Bayu-Undan CCS project has the potential to capture and store up to 10 million tonnes of carbon dioxide per annum, equivalent to about 1.5 per cent of Australia’s carbon emissions each year from other projects, customers and other hard to abate industries and has the potential to be the largest CCS project in the world.”

Adding the Darwin Pipeline Duplication project is estimated to increase Santos’ share of capital expenditure for the Barossa project by approximately US\$311 million.

The Barossa joint venture has agreed with the DLNG joint venture partners to terminate the toll arrangement for using the original Bayu-Undan to DLNG pipeline, reducing operating expenses for Barossa.

Work is scheduled to commence on the Darwin Pipeline Duplication project in 2023, subject to Commonwealth and NT regulatory approvals.

A final investment decision on Bayu-Undan CCS is targeted for 2023. Santos continues to work with Australian and Timor-Leste governments to establish regulatory frameworks to support future CCS operations.

Ends.

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

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