

22 February 2022

Milestone gas agreement executed for P'nyang Project

Santos has today joined the Papua New Guinea Government and P'nyang project participants (affiliates of ExxonMobil and JX Nippon) to execute a gas agreement that provides a clear framework for P'nyang's future development.

The signing of the gas agreement marks a major milestone for the project, setting out the fiscal framework and supporting project scoping and evaluation.

Subject to a final investment decision by the P'nyang participants, the ExxonMobil-operated P'nyang project would deliver LNG through new upstream facilities in Western Province linked to existing infrastructure, including our world-class PNG LNG plant near Port Moresby.

Upon completion, up to five per cent of P'nyang gas produced would also be made available to support the government's electrification efforts in Western Province or another agreed location.

Santos Managing Director and Chief Executive Officer, Kevin Gallagher, said he welcomes today's gas agreement and looks forward to supporting the operator to develop this valuable resource for the region and as long-term backfill for existing LNG infrastructure.

"The signing of the P'nyang project gas agreement demonstrates the commitment of all parties to the project and will bring economic benefits for the people of PNG when the project is developed," Mr Gallagher said.

"I thank the PNG Government and the government of Western Province for their partnership with the P'nyang participants to move towards P'nyang project development, which is proposed to commence following delivery of the Papua LNG project.

"The P'nyang project will provide landowner benefits under a benefit sharing agreement to be negotiated in the future. Development of P'nyang will create local and regional jobs and business opportunities, provide training and skills development opportunities and help build stronger communities."

The P'nyang gas field is within PRL3, located in the Western Province of Papua New Guinea. Santos has a 38.5 per cent interest in P'nyang.

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

Media enquiries

Claire Hammond
+61 (0) 401 591 488
claire.hammond@santos.com

Investor enquiries

Andrew Nairn
+61 8 8116 5314 / +61 (0) 437 166 497
andrew.nairn@santos.com

Santos Limited ABN 80 007 550 923
GPO Box 2455, Adelaide SA 5001
T +61 8 8116 5000 F +61 8 8116 5131
www.santos.com