

ASX / Media Release

2 September 2024

Santos concludes negotiations for TIMOR GAP's entry into the Bayu-Undan joint venture

Santos today announces the Bayu-Undan Joint Venture (BUJV) and TIMOR GAP have agreed terms of a Sale and Purchase Deed (SPD) to transfer a 16 per cent interest in the Bayu-Undan upstream project to TIMOR GAP, with an economic date of 1 July 2024. Execution of the SPD to effect this transaction is planned to occur in mid-September.

A seventh extension of the Production Sharing Contract to 30 June 2026 has also been confirmed.

The Bayu-Undan upstream project comprises the offshore petroleum field, and offshore production and processing facilities located in Timor-Leste. The joint venture participants prior to TIMOR GAP's entry in to the joint venture are Santos, SK E&S, INPEX, Eni and Tokyo Timor Sea Resources. Following completion of the transaction the working interests in the BUJV will change as follows:

Partner	Prior interest (%)	New interest (%)
Santos	43.4	36.5
SK E&S	25	21
INPEX	11.4	9.6
Eni	11	9.2
Tokyo Timor Sea Resources	9.1	7.6
TIMOR GAP	N/A	16

The Bayu-Undan field is located approximately 500 kilometres northwest of Darwin in Timor-Leste offshore waters. In operation since 2004, it continues to make a significant contribution to Timor-Leste's financial well-being and continues to produce, surpassing original expectations.

The project has provided more than US\$25 billion in revenue for Timor-Leste over its life so far. More than half the offshore workforce at Bayu-Undan is Timorese with the project currently supporting about 350 onshore and offshore jobs in Timor-Leste. One hundred per cent of Santos' workforce in Timor-Leste are locals.

Bayu-Undan continues to produce gas into the Australian domestic market via a Gas Sales Agreement with the Power and Water Corporation of the Northern Territory, as well as producing valuable liquids.

Media enquiries
Samantha Hutchinson
+61 (0) 425 317 171
Samantha.Hutchinson@santos.com

Investor enquiries
Brian Massey
+61 8 8116 7354 | +61 (0) 432 099 391
Brian.Massey@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
santos.com

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the transaction demonstrates the company's commitment to a long-term partnership with Timor-Leste in the development of the country's petroleum resources.

"I have long wanted to see TIMOR GAP as a partner of Santos and I welcome them as a participant in the Bayu-Undan joint venture," Mr Gallagher said.

Santos remains committed to working with Timor-Leste and the joint venture to repurpose Bayu-Undan into a new large-scale, commercial carbon capture and storage project when petroleum production ends. This would create an ongoing source of revenue, local jobs and business opportunities for Timor-Leste by providing carbon management services to the Asian region.