



Media Release

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Santos expands carbon capture and storage acreage in Cooper Basin

Santos and joint venture partner Beach Energy have secured significant additional carbon storage acreage after being awarded a Gas Storage Retention Licence west southwest of Moomba.

The Licence was awarded under the South Australian Petroleum and Geothermal Energy Act by the SA Department for Energy and Mining.

Under the Licence, the joint venture is authorised to carry out activities to establish the nature and extent of natural reservoirs, test the reservoirs for storage of CO₂ and establish the commercial feasibility of CO₂ storage and storage techniques.

The Licence area is near Santos' flagship Moomba carbon capture and storage (CCS) project which is on track for startup next year. The Moomba CCS project could safely and permanently store up to 1.7 million tonnes of CO₂ per annum in reservoirs which have previously stored oil and gas for tens of millions of years.

Santos has already booked 100 million tonnes of carbon storage resource in the Cooper Basin in South Australia. Once evaluations are completed, Santos will report the carbon storage resource volumes associated with this additional acreage.

Santos Managing Director and CEO Kevin Gallagher said the new Licence area could enable cost-effective carbon capture and storage beyond the initial phase of Moomba CCS phase for decades to come.

"This is a potential opportunity for low-cost abatement of emissions for nearby customers in hard-to-abate sectors such as steel, cement and metals manufacturing. Our customers in Asia are also looking to CCS in Australia to help their economies decarbonise," Mr Gallagher said.

"The technology exists and is increasingly cost-competitive to capture large-scale industrial CO₂ sources and transport the CO₂ long distances by ship and pipeline to locations such as Moomba.

"This is an exciting new industry for South Australia and for Santos, providing potential new revenue streams for our business. It offers a new lease of life for the Cooper Basin and the jobs and businesses it supports in South Australia.

"Santos has the technology, existing infrastructure and know-how to be able to deliver low-cost CCS competitively on a global scale and we are doing it right here in South Australia.

"Australia's competitive advantage in CCS is well recognised by the International Energy Agency. In its 2023 Energy Policy Review released recently, the IEA states that *'Australia is well-suited to large-scale deployment of CCS to facilitate domestic CO₂ abatement and support regional emissions reductions.'*

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“This is an opportunity – and an obligation –that Australia should be grabbing with both hands. Australia has been a reliable energy-producing nation for the giant energy-consuming economies of Asia for more than half a century.

“By developing a new CCS-based industry, Australia could play a critical role in helping our whole region decarbonise while also delivering the energy security and affordability that underpins stability in the Asia-Pacific.”

Beach Energy Interim CEO Bruce Clement said that natural gas paired with CCS will help Australia to achieve its emissions reduction objectives, while providing a reliable and affordable source of energy.

“For Beach, Moomba CCS will abate a significant proportion of our company’s emissions, and the future opportunities for third party CO2 abatement are very exciting,” Mr Clement said.