

# Second Quarter Report

For period ending 30 June 2024

ASX: STO | PNGX: STO | ADR: SSLZY

# Santos

18 July 2024

## Strong free cash flow generation and significant progress on major projects

### Strong realised prices support robust free cash flow

- Free cash flow from operations for the half-year expected to be ~US\$1.06 billion, US\$380 million for the second quarter.
- Sales revenue of US\$1.3 billion in the second quarter, consistent with the comparative prior year period.
- Production increased by 2 per cent quarter on quarter, with second quarter production of 22.2 mmbœ.
- Gearing at 19.9 per cent, excluding operating leases (23.5 per cent when included).
- GLNG supporting domestic gas supply through seasonal shaping of projects LNG commitments with 18 PJ of sales gas planned to supply the domestic market across quarters two and three this year.
- Drilling and completion of both Angore wells completed during the quarter, project team commencing tie-in. High compression reliability at Gobe and Kutubu fields is providing additional backfill to the PNG LNG facility.
- WA production volumes increased by 6 per cent compared to the first quarter, following recovery from weather events and planned maintenance in the first quarter.
- Executed a binding long-term LNG Supply and Purchase agreement (SPA) with Hokkaido Gas to provide portfolio LNG of ~0.4 million tonnes per annum for 10 years from 2027.

### Significant development milestones achieved

- The Barossa Gas Project is 77 per cent complete. The Gas Export Pipeline pipelay has been completed. The third well of the six well drill program was spudded in May. All 16 modules have been installed onto the FPSO. Construction activities for the Darwin Pipeline Duplication have commenced.
- The Pikka Project is 56.2 per cent complete. All facility piles are now installed, over 98 per cent of the vertical supports are in place, and 40 miles of pipeline has been completed to date. The drilling program is progressing to plan, with the tenth well currently being drilled. Nine wells have been drilled, including two disposal wells. Six development wells have been stimulated and four have been flowed back, with results comparing favourably with pre-drill expectations.

### Moomba CCS project mechanical completion achieved

- The Moomba phase one Carbon Capture and Storage (CCS) Project is 92 per cent complete. The project achieved mechanical completion on 6 July 2024. The project is in final commissioning phase with well tie-ins currently in progress.
- Initial study completed on CCS pipelines for Moomba CCS phase two.

### Western Australia delivering safe and efficient decommissioning program

- Commenced an eleven well Plug and Abandon (P&A) campaign on the Mutineer Exeter, Fletcher and Finucane asset and awarded contract for the safe removal of subsea assets
- Harriet joint venture has had a successful P&A campaign with nine out of thirteen wells now complete. Campbell offshore platform removal was completed safely and without incident in June.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the business performance reflects a focus on operational excellence and project execution, delivering another strong quarter of production and cash flow.

“First half cash flow of almost US\$1.1 billion positions us well to fund shareholder returns, backfill and sustain our existing business, and grow our Santos Energy Solutions business,” Mr Gallagher said.

“Our major projects continue to deliver to plan. I am very pleased that both the Barossa pipelaying activities and the installation of the modules onto the FPSO in Singapore are now complete and other activities are on track for offshore commissioning to commence in the first quarter of 2025. The Pikka project has had a strong first winter season with the team delivering significant progress on the North Slope, with some pleasing well results.

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“Our Moomba CCS Project is now mechanically complete and is on track to ramp-up injection of Cooper Basin Gas Plant CO<sub>2</sub> throughout the second half of 2024. Work continues on phase two activities with a focus on opportunities for Santos to provide carbon management services to customers and third parties, particularly in hard-to-abate sectors. This is an exciting time for Santos as we are set to deliver on the first of three CCS projects in our portfolio.

“We can now see line of sight to our major projects progressively coming online, putting us in a strong position to deliver sustainable, competitive shareholder returns over the long term.

“Our focus for 2024 is on continuing to drive the disciplined low-cost operating model across the business and the execution of the Moomba phase one CCS project, Barossa Gas Project, and Pikka Project, whilst maintaining a strong balance sheet,” Mr Gallagher said.

## Comparative performance

Santos share	Unit	Q2 2024	Q1 2024	Change	2024 YTD	2023 YTD	Change
Production	mmboe	22.2	21.8	2%	44.0	45.0	(2%)
Sales volume	mmboe	23.2	23.2	0%	46.4	47.1	(1%)
Sales revenue	\$million	1,313	1,398	(6%)	2,711	2,967	(9%)
Capital expenditure <sup>1</sup>	\$million	774	686	13%	1,460	1,136	29%

1. Capital expenditure including restoration expenditure but excluding capitalised interest.

## Sales volumes

Product	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
LNG	000 t	1,264.3	1,352.3	1,332.8	2,616.6	2,740.1
Domestic sales gas & ethane	PJ	48.1	43.9	44.3	92.0	84.4
Crude oil	000 bbls	1,662.4	1,491.8	1,340.3	3,114.2	3,408.8
Condensate	000 bbls	1,274.3	1,094.7	1,411.5	2,369.0	2,873.6
LPG	000 t	11.8	28.0	36.6	39.8	45.5
Sales						
Own product	mmboe	19.9	19.3	20.4	39.2	40.1
Third-party	mmboe	3.3	3.9	2.9	7.2	7.0
<b>Total sales volume</b>	<b>mmboe</b>	<b>23.2</b>	<b>23.2</b>	<b>23.3</b>	<b>46.4</b>	<b>47.1</b>

Second quarter sales volumes were consistent with the prior quarter. Production of domestic sales gas and ethane increased, mainly as a result of assets returning to services following weather outages and planned maintenance activities in the first quarter.

## Sales revenues

Product	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
LNG	\$million	762	901	838	1,663	1,907
Domestic sales gas & ethane	\$million	296	261	270	557	534
Crude oil	\$million	145	133	111	278	292
Condensate	\$million	102	85	97	187	207
LPG	\$million	8	17	20	25	27
Sales						
Own product	\$million	1,177	1,211	1,186	2,388	2,577
Third-party	\$million	136	187	150	323	390
<b>Total sales revenue</b>	<b>\$million</b>	<b>1,313</b>	<b>1,398</b>	<b>1,336</b>	<b>2,711</b>	<b>2,967</b>
Third-party purchase costs	\$million	69	87	88	156	236

Second quarter sales revenues were slightly lower than the prior quarter, primarily due to lower LNG and crude oil volumes, which were offset by higher realised prices for domestic gas, crude oil, condensate and LPG.

## Average realised prices

Product	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
LNG price	US\$/mmBtu	11.47	12.68	11.96	12.10	13.24
Oil indexed <sup>1</sup>	US\$/mmBtu	12.05	13.23	12.38	12.69	13.11
JKM indexed <sup>1</sup>	US\$/mmBtu	9.62	9.68	10.08	9.95	14.10
Domestic gas price	US\$/GJ	6.17	5.95	6.11	6.07	6.34
East coast domestic <sup>2</sup>	US\$/GJ	6.78	6.68	7.97	6.73	8.22
West coast domestic	US\$/GJ	5.33	5.32	4.87	5.33	4.94
Crude oil price	US\$/bbl	89.48	89.14	82.91	89.32	85.75
Condensate price	US\$/bbl	79.36	78.00	68.61	78.73	72.01
LPG price	US\$/t	669.59	604.85	540.48	624.01	584.16

1. There is a combination of DES and FOB shipping in these contracts

2. Q2 2024 US\$6.32/GJ for Santos equity volumes and US\$6.91/GJ for third-party volumes.

Average realised LNG prices were slightly lower than the prior quarter, with lower realised prices from oil-linked sales contracts reflecting lagged Japan Customs-cleared Crude (JCC) prices and the impact of lower spot market prices.

Three-month lagged JCC averaged US\$84.19/bbl in the second quarter of 2024 compared to US\$92.30/bbl in the first quarter. Santos' LNG projects shipped 45 cargoes in the second quarter, of which five were PNG LNG cargoes. The PNG LNG spot cargoes have been equity lifted since March 2024.

## Production by asset

Asset	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
Western Australia	mmboe	5.2	4.9	5.5	10.1	10.2
Cooper Basin	mmboe	3.4	3.2	3.3	6.6	6.6
Queensland & NSW	mmboe	3.6	3.6	3.5	7.2	6.9
PNG	mmboe	9.8	9.8	9.7	19.6	19.8
Northern Australia & Timor-Leste	mmboe	0.2	0.3	0.8	0.5	1.5
<b>Total production</b>	<b>mmboe</b>	<b>22.2</b>	<b>21.8</b>	<b>22.8</b>	<b>44.0</b>	<b>45.0</b>

## Production by product

Product	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
Sales gas to LNG plant	PJ	66.4	66.8	69.8	133.2	140.9
Domestic sales gas & ethane	PJ	47.1	44.2	44.0	91.3	83.6
Crude oil	000 bbls	1,532.0	1,559.3	1,915.0	3,091.3	3,690.0
Condensate	000 bbls	1,027.0	1,023.0	1,170.6	2,050.0	2,338.8
LPG	000 t	23.6	25.3	32.4	48.9	62.7
<b>Total production</b>	<b>mmboe</b>	<b>22.2</b>	<b>21.8</b>	<b>22.8</b>	<b>44.0</b>	<b>45.0</b>

Second quarter production was higher than the prior quarter primarily due to maintenance and weather events impacting the Western Australian assets production in the first quarter.

A data worksheet containing unaudited quarterly sales, revenue, production and capital expenditure tables in Excel format is available on Santos' website.

## 2024 Guidance

2024 Guidance item	Guidance
Production	84-90 mmboe
Sales volumes	87-93 mmboe
Capital expenditure – sustaining including decommissioning	~\$1.25 billion
Capital expenditure – major projects including Santos Energy Solutions	~\$1.6 billion
Unit production costs	\$7.45 - \$7.95 per boe

## 2024 Half-year results

Santos will release its results for the half-year ended 30 June 2024 on Wednesday 21 August 2024. The first-half report (incorporating Appendix 4D) and associated investor presentation will be available on Santos' website at [www.santos.com](http://www.santos.com). A webcast briefing including investor/analyst questions will also be available on Santos' website from 11:00am AEST on 21 August 2024. Financial information included in this report is unaudited and subject to finalisation of the company's accounting and audit processes, and Board review. As such, actual results for the half-year ended 30 June 2024 may differ from the information given in this report.

## Western Australia

Santos share	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Sales volume</b>						
Sales gas	PJ	27.4	26.9	26.5	54.3	48.4
Condensate	000 bbls	329.1	268.9	273.4	598.0	579.9
Crude oil	000 bbls	458.0	596.8	426.0	1,054.8	1,415.6
<b>Total sales volume</b>	<b>mmboe</b>	<b>5.4</b>	<b>5.5</b>	<b>5.2</b>	<b>10.9</b>	<b>10.2</b>
<b>Total sales revenue</b>	<b>\$million</b>	<b>215</b>	<b>220</b>	<b>182</b>	<b>435</b>	<b>402</b>
<b>Production</b>						
Sales gas	PJ	25.9	24.5	25.7	50.4	47.9
Condensate	000 bbls	225.4	229.1	229.2	454.5	393.8
Crude oil	000 bbls	541.0	452.0	920.6	993.0	1,666.8
<b>Total production</b>	<b>mmboe</b>	<b>5.2</b>	<b>4.9</b>	<b>5.5</b>	<b>10.1</b>	<b>10.2</b>
Capital expenditure - Upstream	\$million	133	80	40	213	117
Capital expenditure - SES	\$million	9	11	14	20	23

### Upstream Gas and Liquids

Domestic gas production volumes were higher than previous quarter due to a return to service of the Devil Creek gas plant following maintenance shutdown.

Liquid production volumes were higher than previous quarter with the operated Ningaloo Vision FPSO reconnected following multiple cyclone avoidance disconnects and return to service of the non-operated Pyrenees Venture FPSO following drydock maintenance.

As a part of the decommissioning phase the Harriet Alpha platform removal FID was approved and moved into execution phase.

The pre-FEED process for Dorado is progressing, and the project is expected to be FID ready in 2025.

### Santos Energy Solutions

The Western Australian Reindeer CCS project FEED is progressing to plan. Reindeer CCS is planned to be established as a commercial service available for third parties, supporting the decarbonisation of energy-intensive industrial sectors in the Pilbara region.

## Cooper Basin

Santos share	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Sales volume</b>						
Sales gas and ethane <sup>1</sup>	PJ	14.3	13.8	14.3	28.1	27.5
Condensate <sup>1</sup>	000 bbls	161.2	241.1	260.4	402.3	426.2
LPG <sup>1</sup>	000 t	11.9	28.2	36.7	40.1	45.2
Crude oil	000 bbls	514.6	475.1	578.0	989.7	1,222.3
<b>Total sales volume</b>	<b>mmboe</b>	<b>3.2</b>	<b>3.3</b>	<b>3.6</b>	<b>6.5</b>	<b>6.7</b>
<b>Total sales revenue</b>	<b>\$million</b>	<b>149</b>	<b>159</b>	<b>167</b>	<b>308</b>	<b>320</b>
<b>Production</b>						
Sales gas and ethane	PJ	14.5	13.8	13.9	28.3	27.0
Condensate	000 bbls	145.3	168.7	156.7	314.0	341.5
LPG	000 t	22.6	24.7	28.3	47.3	54.1
Crude oil	000 bbls	479.2	525.1	553.0	1,004.3	1,162.5
<b>Total production</b>	<b>mmboe</b>	<b>3.4</b>	<b>3.2</b>	<b>3.3</b>	<b>6.6</b>	<b>6.6</b>
Capital expenditure - Upstream	\$million	95	81	104	176	193
Capital expenditure - SES	\$million	30	25	30	55	57

1. Sales volumes include own product and third-party volumes.

### Upstream Gas and Liquids

Cooper Basin overall production increased in the second quarter relative to the first quarter. This was driven by recovery from extreme wet weather events and planned maintenance in the first quarter. Oil production increased through the quarter as access following weather events improved.

25 wells were drilled, and 22 gas wells were connected in the second quarter, bringing the year-to-date wells drilled to 48 with 40 new wells connected (36 gas and 4 oil).

The latest Moomba South Granite Wash horizontal well, Moomba 389, was successfully drilled and achieved a 900-metre lateral section in the target interval. The well will be stimulated and connected in the third quarter.

### Santos Energy Solutions

Execution and construction of the Moomba CCS Project continued throughout the quarter and is 92 per cent complete. The project reached mechanical completion on July 6<sup>th</sup> and commenced final commissioning activities with injection well tie-ins currently in progress.

Santos has completed the initial study on CCS pipelines for the Moomba CCS phase two facility. Studies are also ongoing with potential domestic and international customers for CO<sub>2</sub> sources to expand Moomba CCS operations to capture and store third party CO<sub>2</sub> for phase two.

Successfully completed installation and commissioning of solar and battery systems for Cook and Limestone creek camps in the Cooper Basin to decarbonise our operations in the field.

## Queensland & NSW

Santos share	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Sales volume</b>						
GLNG Joint Venture						
LNG	000 t	398.7	491.0	385.2	889.7	859.8
Domestic contracts	PJ	3.3	0.9	2.0	4.2	2.2
Eastern Qld (non-GLNG) <sup>1</sup>	PJ	4.2	4.0	3.6	8.2	7.6
<b>Total sales volume<sup>2</sup></b>	<b>mmboe</b>	<b>5.0</b>	<b>5.4</b>	<b>4.6</b>	<b>10.4</b>	<b>9.8</b>
<b>Total sales revenue<sup>2</sup></b>	<b>\$million</b>	<b>295</b>	<b>362</b>	<b>289</b>	<b>657</b>	<b>660</b>
<b>Production</b>						
GLNG Joint Venture						
	PJ	16.5	16.3	15.8	32.8	31.2
Eastern Qld (non-GLNG) <sup>1</sup>	PJ	4.3	4.2	4.2	8.5	8.1
NSW	PJ	0.4	0.4	0.4	0.8	0.8
<b>Total production<sup>2</sup></b>	<b>mmboe</b>	<b>3.6</b>	<b>3.6</b>	<b>3.5</b>	<b>7.2</b>	<b>6.9</b>
Capital expenditure - Upstream	\$million	61	55	70	116	123

<sup>1</sup> Combabula, Scotia (Santos legacy domestic volumes), and Spring Gully.

<sup>2</sup> Total sales volume, sales revenue and production include sales gas from NSW assets.

GLNG operational data (gross)	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
Sales gas to domestic market <sup>1</sup>	PJ	25	10	19	35	27
LNG produced <sup>2</sup>	000 t	1,338	1,649	1,263	2,987	2,809
Sales gas to LNG plant						
GLNG equity gas	PJ	41	55	44	96	97
Santos portfolio gas	PJ	14	14	14	28	28
Third-party	PJ	25	31	18	55	44
<b>Total sales gas to LNG plant</b>	<b>PJ</b>	<b>80</b>	<b>99</b>	<b>76</b>	<b>179</b>	<b>169</b>
LNG cargoes shipped		22	27	22	49	49

<sup>1</sup> Includes APLNG equity share of Fairview, Arcadia and Roma East.

<sup>2</sup> Includes LNG produced from GLNG equity gas, Santos portfolio gas and third-party quantities.

Gross GLNG operated upstream gas production increased by 9TJ/day to an average rate of 723TJ/d for the quarter. In the Fairview field, production has continued to increase quarter on quarter with an average rate of 333TJ/day. Scotia has continued to deliver above expectation with high facility reliability delivering an average production rate of 90TJ/d. Roma is steadily increasing to an average rate of 203TJ/d, and Arcadia continues to deliver reliably with rates just below ~100TJ/day.

LNG production was lower than the previous quarter due to seasonal shaping of the project's domestic gas commitment. Over the course of the year, the number of cargoes shipped are seasonally shaped to be higher in the first and fourth quarters and lower in the second and third quarters to support the east coast domestic gas market. GLNG has committed to swap 18 PJs (gross) of gas into the domestic market over the second and third quarters of 2024, which is on track to be achieved. Based on current shipping plans, LNG production is expected to remain around 6 mtpa for the full year.

62 wells were drilled, and 43 wells were connected across the GLNG acreage in the second quarter, bringing the total for the half year to 122 wells drilled and 90 wells connected.

Santos continues to progress land access agreements and environmental surveys to finalise the Hunter Gas Pipeline route alignment in support of the Narrabri domestic gas project and has commenced preliminary works on supporting infrastructure.

## PNG

Santos share	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Sales volume</b>						
PNG LNG						
LNG <sup>1</sup>	000 t	865.6	861.3	876.3	1,726.9	1,745.5
Condensate	000 bbls	794.5	590.8	680.8	1,385.3	1,584.7
Crude oil	000 bbls	649.8	419.9	336.3	1,069.7	770.8
<b>Total sales volume</b>	<b>mmboe</b>	<b>9.9</b>	<b>9.2</b>	<b>9.4</b>	<b>19.1</b>	<b>19.1</b>
<b>Total sales revenue</b>	<b>\$million</b>	<b>650</b>	<b>657</b>	<b>649</b>	<b>1,307</b>	<b>1,455</b>
<b>Production</b>						
PNG LNG <sup>1</sup>						
Sales gas to LNG plant <sup>1</sup>	PJ	50.0	50.5	50.5	100.5	102.9
Condensate	000 bbls	567.1	571.8	643.0	1,138.9	1,324.0
Sales gas	PJ	1.1	-	-	1.1	-
Crude oil	000 bbls	511.8	582.2	441.5	1,094.0	860.8
<b>Total production</b>	<b>mmboe</b>	<b>9.8</b>	<b>9.8</b>	<b>9.7</b>	<b>19.6</b>	<b>19.8</b>
Capital expenditure - Upstream	\$million	91	92	106	183	200

1. Includes SE Gobe.

PNG LNG operational data (gross)	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Production</b>						
LNG	000 t	2,001	2,009	2,065	4,009	4,201
Sales gas to LNG plant	PJ	118	118	122	236	246
Condensate <sup>1</sup>	000 bbls	1,288	1,344	1,512	2,632	3,113
Sales gas (SE Gobe) <sup>2</sup>	PJ	5	5	5	10	10
LNG cargoes shipped <sup>3</sup>		27	27	27	54	55

1. Measured at the Kutubu entry point.

2. Purchased by PNG LNG.

3. LNG cargoes shipped: Includes 5 equity cargoes lifted by STO lifting groups

Steady production continued at PNG LNG, supported by strong production from Santos-operated fields.

Gross LNG production was down on the previous quarter as a result of Hides field natural decline, which was partially offset by continued high compression reliability from the Santos-operated Gobe and Kutubu fields.

Santos successfully restarted Hides Gas to Electricity (GTE) during the quarter and is ramping up production to support the Porgera mine operation. This project is 100 per cent Santos equity.

IDD 6 gas well development drilling and completion operations activities finished, with tie-in, commissioning activities and production planned for the third quarter.

Santos has successfully concluded the current infill drilling program.

Drilling and completion operations activities have been finalised on Angore C1 and C2 wells, with both wells successfully perforated for production. The well pad has been handed over to the Angore Project Team to commence facilities tie-in execution. Production of ~350MMscf/d gross is expected to start up in the fourth quarter.

As previously announced Kumul has taken an effective interest in the Santos entity that holds the 2.6 per cent sale interest. Kumul paid US\$352 million to Santos (equivalent to a 1.6 per cent interest) on 31 January 2024 to allow a partial completion of the transaction. The amendment provides additional time for Kumul to pay the remaining purchase price of US\$241 million. Until final completion, Santos will retain control of the entity holding the 2.6 per cent sale interest.

Total Energies, operator of the Papua LNG Project, continues to work with contractors to agree commercially viable Engineering, Procurement, and Construction (EPC) contracts to reach an expected FID in 2025.

## Northern Australia & Timor-Leste

Santos share	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Sales volume</b>						
Darwin LNG						
LNG	000 t	-	-	71.3		134.7
Bayu-Undan						
Sales gas	PJ	0.9	1.3	-	2.2	-
Condensate	000 bbls	-	-	199.3	-	332.5
LPG	000 t	-	-	-	-	0.4
<b>Total sales volume</b>	<b>mmboe</b>	<b>0.2</b>	<b>0.2</b>	<b>0.9</b>	<b>0.4</b>	<b>1.6</b>
<b>Total sales revenue</b>	<b>\$million</b>	<b>13</b>	<b>13</b>	<b>40</b>	<b>26</b>	<b>83</b>
<b>Production</b>						
Sales gas	PJ	0.9	1.3	3.5	2.2	6.8
Condensate	000 bbls	89.2	53.4	141.7	142.6	279.6
LPG	000 t	1.0	0.6	4.2	1.6	8.7
<b>Total production</b>	<b>mmboe</b>	<b>0.2</b>	<b>0.3</b>	<b>0.8</b>	<b>0.5</b>	<b>1.5</b>
Capital expenditure - Upstream	\$million	146	144	96	290	221
Capital expenditure - SES		-	1	1	1	1

DLNG operational data (gross)	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Production</b>						
LNG	000 t	0	-	134	0	274
Sales gas	PJ	2	3	9	5	19
Condensate	000 bbls	204	142	431	346	913
LPG	000 t	2	2	12	4	26
LNG cargoes shipped		0	0	3	0	4

### Upstream Gas and Liquids

Bayu-Undan continues to produce into the Australia domestic market to meet demand in the Northern Territory.

The Barossa gas and condensate project to backfill Darwin LNG is 77 per cent complete.

The FPSO integration and pre-commissioning activities continue to proceed to plan in Singapore. All 16 modules have now been installed on the FPSO.

Installation of the 262km Gas Export Pipeline was completed in early May 2024. Testing activities were successfully completed in June 2024.

Drilling activities continued with the second well drilled, cased and suspended above the reservoir. The third well of the six well program was spudded in May and drilling is underway.

Construction activities for the Darwin Pipeline Duplication commenced during the second quarter, with near shore activities in Darwin harbour in progress.

The SURF (Subsea, Umbilical, Riser, Flexible) program successfully completed installation of the moored FPSO buoy and all six infield subsea flowlines. Work on installation of the remaining subsea infrastructure continues to plan.

The Barossa project remains on target to commence production in the third quarter of 2025 and within current cost guidance.

## **Santos Energy Solutions**

Bayu-Undan CCS Project FEED continues to make good progress with particular focus on the regulatory frameworks in both Timor-Leste and Australia. Santos and its joint venture partners continue to engage with the Australian and Timor-Leste Governments to facilitate these frameworks. Timor-Leste has engaged the International Finance Corporation (a member of the World Bank Group) to assist in developing an international best practice CCS regime that will enable the import of CO<sub>2</sub> from neighbouring economies. Australia has allocated funding in the Federal budget for the preparation of bilateral agreements and has held meaningful discussions with regional trading partners, including Timor-Leste. Work continues with customers to reach binding CO<sub>2</sub> transport and storage agreements.

## Corporate, exploration and eliminations (including Alaska)

Santos share	Unit	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Total sales volume</b>	<b>mmboe</b>	<b>(0.5)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.9)</b>	<b>(0.3)</b>
<b>Total sales revenue</b>	<b>\$million</b>	<b>(9)</b>	<b>(13)</b>	<b>9</b>	<b>(22)</b>	<b>47</b>
Capital expenditure	\$million	209	197	111	406	201

Sales volumes and revenues in the corporate segment represent gas trading activities.

The Pikka phase one project remains on schedule to deliver first oil in 2026 and at 30 June 2024 was 56.2 per cent complete.

The first winter program was a success, with all facility piles installed, 98 per cent of vertical supports in place, and 40 miles of pipeline laid. Fabrication and installation for the oil processing, seawater treatment, drill site, and camp facilities are on track to meet the first oil target.

The drilling program is progressing, nine wells have been drilled, including two disposal wells. Six development wells have been stimulated and four flowed back, with results comparing favourably with pre-drill expectations.

FX hedges were executed during the quarter. Santos purchased A\$250 million of FX hedges at an average all-in rate of 0.6546 for calendar 2025. After quarter end, Santos purchased A\$250 million of calendar 2025 FX hedges at an average all-in rate of 0.6799.

## Capital expenditure

Total exploration, evaluation and development expenditure is summarised in the table below.

\$million	Q2 2024	Q1 2024	Q2 2023	2024 YTD	2023 YTD
<b>Capital expenditure</b>					
Exploration	17	10	15	27	45
Evaluation	48	49	34	97	62
Development and other capex (incl restoration)	709	627	523	1,336	1,029
<b>Capital expenditure excl capitalised interest</b>	<b>774</b>	<b>686</b>	<b>572</b>	<b>1,460</b>	<b>1,136</b>
Capitalised interest	94	73	54	167	97
<b>Total capital expenditure</b>	<b>868</b>	<b>759</b>	<b>626</b>	<b>1,627</b>	<b>1,233</b>
<b>Exploration and evaluation expensed</b>					
Exploration	15	10	19	25	44
Evaluation	4	4	2	8	5
<b>Total current year expenditure</b>	<b>19</b>	<b>14</b>	<b>21</b>	<b>33</b>	<b>49</b>
Write-off of amounts capitalised in prior years	-	-	-	-	-
<b>Total expensed</b>	<b>19</b>	<b>14</b>	<b>21</b>	<b>33</b>	<b>49</b>

Capital expenditure in the second quarter comprised US\$332 million sustaining capital (including US\$110 million for decommissioning costs) and US\$442 million for major projects.

## Oil price hedging

No oil hedges were executed during the quarter.

## Seismic surveys

The Brumby 2D Seismic Survey has been acquired in the Bowen Basin. Processing of this survey has commenced and is expected to be completed in the third quarter 2024. Processing of the Kita 3D survey acquired in the last quarter of 2023 is ongoing and is expected to be completed in the third quarter of 2024.

## Drilling summary

### Exploration / Appraisal wells

Cooper Basin gas			
Well name	Area	Santos	Well status
BEERENLAH 1	QLD	60.06%	C&S, Successful
FRIZZLE 1	QLD	60.06%	C&S, Successful
GLOSS 1	SA	66.60%	Drilling
JOKER 1	QLD	50.00%	P&A, Unsuccessful
MOOMBA 336	SA	66.60%	C&S, Successful
MOOMBA 389	SA	66.60%	C&S, Successful
SERPENTINE 1	QLD	60.06%	C&S, Successful

Cooper Basin oil and gas			
Well name	Area	Santos	Well status
FLY LAKE 28	SA	66.60%	P&A, Unsuccessful

Queensland gas			
Well name	Area	Santos	Well status
DULACCA WEST 1	QLD	100.00%	C&C, Successful
DULACCA WEST 2	QLD	100.00%	C&S, Successful

### Development wells

Cooper Basin gas			
Well name	Area	Santos	Well status
BARROLKA 28	QLD	60.06%	C&S, Successful
MERANJI 33	SA	66.60%	C&S, Successful
MERANJI 34	SA	66.60%	C&S, Successful
MOOMBA 321 *	SA	66.60%	C&S, Successful
MOOMBA 322	SA	66.60%	C&S, Successful
MOOMBA 323	SA	66.60%	C&S, Successful
MOOMBA 324	SA	66.60%	Drilling
MOOMBA 327 *	SA	66.60%	C&S, Successful
MOOMBA 329	SA	66.60%	C&S, Successful
MOOMBA 335	SA	66.60%	C&S, Successful
MOOMBA 339 *	SA	66.60%	C&S, Successful
MOOMBA 349	SA	66.60%	C&S, Successful
MOOMBA 350	SA	66.60%	Drilling

\*Spud in Q1 2024 and completed in Q2 2024

Cooper Basin oil			
Well name	Area	Santos	Well status
BUGITO 5	SA	66.60%	C&S, Successful
BUGITO 6	SA	66.60%	Drilling
CHARO 20	SA	66.60%	C&S, Successful
CHARO 21	SA	66.60%	C&S, Successful

Cooper Basin oil and gas			
Well name	Area	Santos	Well status
FLY LAKE 28 *	SA	66.60%	C&S, Successful
FLY LAKE 29	SA	66.60%	C&S, Successful
FLY LAKE 30	SA	66.60%	C&S, Successful
FLY LAKE 31	SA	66.60%	C&S, Successful

\*Spud in Q1 2024 completed in Q2 2024

Papuan Basin oil			
Well name	Area	Santos	Well status
IDD 6 *	Southern Highlands	42.54%	C&C

Alaska oil			
Well name	Area	Santos	Well status
DW-02*	Pikka	51.0%	C&C, successful
NDBi-043	Pikka	51.0%	C&C, successful
NDB-032	Pikka	51.0%	C&C, successful
NDB-024	Pikka	51.0%	C&C, successful
NDBi-044	Pikka	51.0%	C&C, successful
NDBi-014	Pikka	51.0%	C&C, successful
NDBi-030	Pikka	51.0%	C&C, successful
PWD-02*	Pikka	51.0%	C&S, successful
NDB-051	Pikka	51.0%	C&S, successful
NDBi-046	Pikka	51.0%	Drilling

\*Disposal well.

Barossa gas			
Well name	Area	Santos	Well status
BR-S2 2 ST1	Barossa	50%	C&C, successful
BR-S2 1A ST2	Barossa	50%	C&S*, successful
BR-S1 ST1	Barossa	50%	Drilling

\*Suspended pending future drilling activity

## Queensland GLNG gas

Well name	Area	Santos	Well status
FV07-41-1 *	QLD	22.85%	C&S, Successful
FV15-43-1	QLD	22.85%	C&S, Successful
FV15-45-1	QLD	22.85%	C&S, Successful
FV15-49-1	QLD	22.85%	C&S, Successful
FV15-50-1	QLD	22.85%	C&S, Successful
FV16-70-1	QLD	22.85%	C&S, Successful
FV16-71-1	QLD	22.85%	C&S, Successful
FV16-72-1	QLD	22.85%	C&S, Successful
FV16-73-1	QLD	22.85%	C&S, Successful
FV16-74-1	QLD	22.85%	C&S, Successful
FV16-75-1	QLD	22.85%	C&S, Successful
FV17-85-1	QLD	22.85%	C&S, Successful
FV17-86-1	QLD	22.85%	C&S, Successful
FV17-87-1	QLD	22.85%	C&S, Successful
FV17-88-1	QLD	22.85%	C&S, Successful
MOUNT KINGSLEY 45	QLD	23.87%	C&S, Successful
MOUNT KINGSLEY 46	QLD	23.87%	C&S, Successful
MOUNT KINGSLEY 48	QLD	23.87%	Drilling
MOUNT KINGSLEY 54 *	QLD	23.87%	C&S, Successful
MOUNT KINGSLEY 56	QLD	23.87%	Drilling
MOUNT KINGSLEY 58	QLD	23.87%	C&S, Successful
RM14-18-2	QLD	30.00%	C&S, Successful
RM23-41-1	QLD	30.00%	C&S, Successful
RM23-42-1	QLD	30.00%	C&S, Successful
RM23-43-1	QLD	30.00%	C&S, Successful
RM23-46-1	QLD	30.00%	C&S, Successful
RM40-100-1	QLD	24.57%	C&S, Successful
RM40-101-1	QLD	24.57%	C&S, Successful
RM40-102-1	QLD	24.57%	C&S, Successful
RM40-103-1	QLD	24.57%	C&S, Successful
RM40-104-1	QLD	24.57%	C&S, Successful

RM40-105-1	QLD	24.57%	C&S, Successful
RM40-109-1	QLD	24.57%	C&S, Successful
RM40-110-1	QLD	24.57%	C&S, Successful
RM40-111-1	QLD	24.57%	C&S, Successful
RM40-112-1	QLD	24.57%	C&S, Successful
RM40-114-1	QLD	24.57%	C&S, Successful
RM40-114-2	QLD	24.57%	C&S, Successful
RM40-119-1	QLD	24.57%	C&S, Successful
RM40-120-1	QLD	24.57%	C&S, Successful
RM40-121-1	QLD	24.57%	C&S, Successful
RM40-122-1	QLD	24.57%	C&S, Successful
RM40-122-2	QLD	24.57%	C&S, Successful
RM40-123-1	QLD	24.57%	C&S, Successful
RM40-61-1	QLD	24.57%	Drilling
RM40-70-1	QLD	24.57%	C&S, Successful
RM40-78-1 *	QLD	24.57%	C&S, Successful
RM40-79-1	QLD	24.57%	C&S, Successful
RM40-80-1	QLD	24.57%	C&S, Successful
RM40-83-1	QLD	24.57%	C&S, Successful
RM40-84-1	QLD	24.57%	C&S, Successful
RM40-85-1	QLD	24.57%	C&S, Successful
RM40-86-1	QLD	24.57%	C&S, Successful
RM40-89-1	QLD	24.57%	C&S, Successful
RM40-90-1	QLD	24.57%	C&S, Successful
RM40-91-1	QLD	24.57%	C&S, Successful
RM40-92-1	QLD	24.57%	C&S, Successful
RM40-94-1	QLD	24.57%	C&S, Successful
RM40-96-1	QLD	24.57%	C&S, Successful
RM90-134-2	QLD	24.57%	C&C, Successful
RM90-157-1	QLD	24.57%	C&S, Successful
RM90-58-2	QLD	24.57%	C&S, Successful
RM90-68-2	QLD	24.57%	C&S, Successful
RM90-73-2	QLD	24.57%	C&C, Successful
THE ROCK 30	QLD	30.00%	Drilling
THE ROCK 32	QLD	30.00%	C&S, Successful

\*Spud in Q1 2024 completed in Q2 2024

## Abbreviations and conversion factors

Abbreviations		Conversion factors	
C&C	cased and completed	Sales gas and ethane, 1 PJ	171.937 boe x 10 <sup>3</sup>
C&S	cased and suspended	Crude oil, 1 barrel	1 boe
gas	natural gas	Condensate, 1 barrel	0.935 boe
DES	delivered ex-ship	LPG, 1 tonne	8.458 boe
FEED	front-end engineering and design	LNG, 1 PJ	18,040 tonnes
FID	final investment decision	LNG, 1 tonne	52.54 mmBtu
FPSO	floating production, storage and offloading vessel		
GJ	gigajoules		
JCC	Japan Customs-cleared Crude		
JKM	Japan Korea Marker		
kbbbls	thousand barrels		
kt	thousand tonnes		
LNG	liquefied natural gas		
LPG	liquefied petroleum gas		
m	million		
mmbbl	million barrels		
mmboe	million barrels of oil equivalent		
mmBtu	million British thermal units		
mmscf	million standard cubic feet		
mt	million tonnes		
mtpa	million tonnes per annum		
NFE	near-field exploration		
mBRT	metres below rotary table		
P&A	plugged and abandoned		
pa	per annum		
PJ	petajoules		
PSC	production sharing contract		
t	tonnes		
TJ	terajoules		

## Disclaimer

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All references to dollars, cents or \$ in this document are to United States currency, unless otherwise stated. Totals in the tables may not add due to rounding. The symbol "~" means approximately and the symbol "-" means zero.

Free cash flow (operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments) is a non-IFRS measure that is presented to provide an understanding of the performance of Santos' operations.

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