

18 June 2018

Barossa project awards FEED contracts

Santos today announced further progress on the front end engineering and design (FEED) phase of the Barossa offshore project with the award of three major engineering contracts.

Santos Managing Director and Chief Executive Officer, Mr Kevin Gallagher said "These contracts reaffirm Barossa's position as the leading candidate for Darwin LNG backfill, with no alternative projects in the FEED phase. Barossa would more than double Santos' production in northern Australia and significantly increase our portfolio LNG production from early 2024 when strong, unfulfilled LNG demand is expected."

"The award of the FEED contracts is another big step towards ensuring Barossa replaces Bayu-Undan production when it ceases in the early 2020s."

The Barossa development concept includes a floating production storage and offloading facility (FPSO), six subsea production wells to be drilled in the initial phase, subsea production system, supporting in-field subsea infrastructure and a gas pipeline to Darwin, all located in Australian Commonwealth waters.

Separate engineering contracts for the FPSO have been awarded to MODEC and a consortium between TechnipFMC and Samsung Heavy Industries. A design competition will be conducted between the two groups.

A third contract, for the subsea infrastructure including umbilicals, flowlines, risers and gas export pipeline, has been awarded to INTECSEA.

Mr Gallagher said "An FPSO design competition between leading engineering contractors with experience in the Australian market will ensure a robust, cost competitive package is delivered ahead of a final investment decision."

"Other FEED works are also moving ahead with geotechnical and geophysical surveys of the pipeline route and subsea manifold locations currently underway in the field," Mr Gallagher said.

The Barossa gas field, 300 kilometres north of Darwin, sits within Santos' Northern Australia portfolio, one of the company's core long-life, natural gas assets. A final investment decision is targeted towards the end of 2019.

Santos holds a 25% interest in the Barossa-Caldita joint venture along with partners ConocoPhillips (37.5% and operator) and SK E&S (37.5%). Santos is also a joint venture partner in Darwin LNG with an 11.5% interest.

Ends.

Media enquiries

Joanna Vaughan
+61 2 9276 1134 / +61 (0) 419 111 779
joanna.vaughan@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