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Local Narrabri jobs hub a step closer

Santos and Perdaman today signed a heads of agreement for the further study and design of Perdaman's new ammonia production facility using Narrabri natural gas.

In February Santos and Perdaman signed a non-binding agreement for the supply of 14.5PJ of natural gas per annum over 20 years, subject to a final investment decision for Santos' Narrabri Gas Project.

This Pre-FEED (front-end engineering and design) study is the next step in the development of a chemical and fertiliser facility near Narrabri, which will use appraisal and early development gas.

It will also further define hybrid power facility options, a combination of gas-fired power generation integrated with renewable power generation to provide electricity to both the Narrabri Gas Project and the ammonium nitrate plant.

The plant is expected to support at least 700 jobs during construction, and sustain 100 direct and 100 indirect ongoing jobs during operations. This is in addition to the hundreds of jobs that will be supported by the Narrabri Gas Project during both construction and operations.

Santos Managing Director and CEO Kevin Gallagher and Perdaman Group's founding Chairman and Managing Director, Vikas Rambal, signed the Heads of Agreement in Narrabri today.

Mr Gallagher said these two projects will be a boost for small businesses and the communities in and around Narrabri.

"The project will generate substantial economic revenue and employment opportunities for New South Wales, Narrabri and the surrounding region," Mr Gallagher said.

"The Narrabri Gas Project could produce enough gas to supply up to half NSW's needs, with more and more manufacturers supporting it because they recognise the advantages of having a reliable and competitively-priced source of gas in NSW."

Narrabri is ideally located for new manufacturing with nearby access to the new Inland Rail linking key east coast ports and the national highway system.

"The Narrabri Gas Project is currently being assessed by the NSW Department of Planning ahead of a decision by the Independent Planning Commission.

"It's very important to us that the environment and water resources are protected, and NSW has very strong environmental regulation to provide the community with confidence that Narrabri can be developed safely and sustainably."

Mr Rambal said that new industries like Perdaman's will help support small businesses and growth in the communities in and around Narrabri.

Media enquiries

Daniela Ritorto
+61 8 8116 5167 / +61 (0) 455 319 770
daniela.ritorto@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
+61 8 8116 5000
www.santos.com

"I hope the Narrabri Gas Project will proceed to a final investment decision as soon as possible to give certainty to this project and attract more to the region," Mr Rambal said.

"If our plant goes ahead it will not only bring new jobs but competition, which is always good for prices, to the market in NSW and that will be good for farmers in the region."

For more information please contact:

Santos
Daniela Ritorto, Manager Media and Communications
+61 455 319 770
daniela.ritorto@santos.com

Perdaman
Priscilla Kollannur, Marketing and Communications Coordinator
+61 438 670 119
priscilla.kollannur@perdaman.com.au