Santos

ASX / Media Release

16 June 2025

XRG Consortium's non-binding, indicative proposal to acquire Santos

Santos Limited (ASX:STO) (**Santos**) announces that on 13 June 2025 it received a non-binding indicative proposal from a consortium led by XRG P.J.S.C., a subsidiary of Abu Dhabi National Oil Company and including Abu Dhabi Development Holding Company (ADQ) and Carlyle (the **XRG Consortium**).

Indicative Proposal price

The proposal is for the acquisition of all of the ordinary shares on issue in Santos (**Santos Shares**) for a cash offer price of US$5.76[1] (A$8.89)[2] per Santos share via a scheme of arrangement (**Potential Transaction**) (**Indicative Proposal**).

As at the close of trading on the ASX on 13 June 2025, the Indicative Proposal of US$5.76 (A$8.89)[2] per Santos Share represented a:

- 28% premium to the last closing price of A$6.96;
- 30% premium to the 1-week volume weighted average price (**VWAP**) of A$6.82[3];
- 34% premium to the 1-month VWAP of A$6.61[4];
- 44% premium to the 3-month VWAP of A$6.19[5]; and
- 39% premium to the 6-month VWAP of A$6.40[6].

The Indicative Proposal is expressed as a "final non-binding indicative offer" and follows two confidential, non-binding and indicative proposals from the XRG Consortium to acquire 100% of Santos Shares on 21 March 2025 for US$5.04 (A$8.00)[7] in cash per share and on 28 March 2025, for US$5.42 (A$8.60)[8] in cash per share.

Key conditions

The Indicative Proposal is subject to the satisfactory completion of confirmatory due diligence by the XRG Consortium and the negotiation and execution of an agreed scheme implementation agreement (**SIA**) with Santos on customary terms and conditions.

Implementation of the scheme under the SIA would be conditional on (among other things) customary approval from the Foreign Investment Review Board, Australian Securities and Investments Commission, National Offshore

[1] The cash offer price will be adjusted for any dividends paid by Santos.
[2] Based on an exchange rate of 0.6480 AUDUSD on 13 June 2025.
[3] Based on the 5 trading days between 06 June 2025 to 13 June 2025 (inclusive).
[4] Based on the 20 trading days between 16 May 2025 to 13 June 2025 (inclusive).
[5] Based on the 60 trading days between 18 March 2025 to 13 June 2025 (inclusive).
[6] Based on the 120 trading days between 18 December 2024 to 13 June 2025 (inclusive).
[7] Based on an exchange rate of 0.6300 AUDUSD on 21 March 2025.
[8] Based on an exchange rate of 0.6308 AUDUSD on 28 March 2025.

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

Investor enquiries
Lucia Walsh
+61 8 8116 7348 | +61 438 872 151
Lucia.Walsh@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

For personal use only

Petroleum Titles Administrator, PNG Securities Commission, PNG Independent Consumer and Competition Commission and Committee on Foreign Investment in the United States.

Due diligence access

After careful consideration of the Indicative Proposal (including in consultation with its financial and legal advisers), the Santos Board has determined that it is in the best interests of Santos Shareholders to provide the XRG Consortium with access to confidential information to conduct confirmatory due diligence and negotiate the terms and conditions of an SIA, subject to reaching agreement with the XRG Consortium on the terms on which access to due diligence will be provided.

The XRG Consortium has indicated that it requires Santos to enter into a Process and Exclusivity Deed (to include, among other things, exclusivity restrictions) before it progresses to undertaking confirmatory due diligence and negotiating the terms of the SIA. Santos intends to negotiate the terms of the Process and Exclusivity Deed and an associated Confidentiality Deed with the XRG Consortium.

Next steps for the Indicative Proposal

The Santos Board confirms that, subject to reaching agreement on acceptable terms of a binding SIA, it intends to unanimously recommend that Santos Shareholders vote in favour of the Potential Transaction, in the absence of a superior proposal and subject to an independent expert concluding, and continuing to conclude, that the Potential Transaction is fair and reasonable and in the best interests of Santos Shareholders.

Santos Shareholders do not need to take any action in relation to the Indicative Proposal. Santos notes that there is no certainty that the XRG Consortium will enter into a binding SIA or that a Potential Transaction will proceed. Santos will continue to keep its Shareholders informed in accordance with its continuous disclosure obligations.

Goldman Sachs and JB North & Co are acting as financial advisers to Santos; Rothschild & Co is acting as independent board adviser. Herbert Smith Freehills Kramer is acting as legal adviser to Santos.

Ends.

This ASX announcement was approved and authorised for release by The Board of Santos.

For personal use only

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

Investor enquiries
Lucia Walsh
+61 8 8116 7348 | +61 438 872 151
Lucia.Walsh@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