



XRG-led Consortium Submits Non-Binding Indicative Proposal to Acquire Santos

Abu Dhabi, UAE – June 16, 2025

A consortium led by XRG, the international energy investment company, including ADQ and global investment firm Carlyle, notes the ASX announcement today (June 16) by Santos Limited (Santos) in relation to the XRG consortium's final non-binding indicative proposal to acquire all of the ordinary shares of Santos by way of a scheme of arrangement (the "Proposal").

The Santos Board confirms that subject to reaching agreement on acceptable terms of a binding scheme implementation agreement (SIA), it intends to unanimously recommend the Proposal to Santos shareholders in the absence of a superior proposal and, subject to an independent expert concluding and continuing to conclude that the Proposal is fair and reasonable and in the best interests of Santos shareholders.

The Santos Board has determined to provide XRG with access to confirmatory due diligence on an exclusive basis, subject to the parties agreeing the terms of a Process and Exclusivity Deed. The Proposal is subject to a number of conditions including the parties entering into a binding SIA following completion of the XRG-led consortium's confirmatory due diligence and receipt of customary regulatory and corporate approvals.

The XRG-led consortium aims to build on Santos' strong and longstanding legacy as a trusted and reliable energy producer, unlocking additional gas supply for Santos' customers, and strengthening domestic and international energy security. The proposed transaction is aligned with XRG's strategy and ambition to build a leading integrated global gas and LNG business.

Under the Proposal, the XRG-led consortium proposes to acquire 100% of the ordinary shares in Santos for USD 5.76 per share in cash (the "Offer Price"), adjusted for any dividends declared or paid by Santos prior to implementation of the Proposal.

This announcement does not amount to a firm intention to make a binding offer and there can be no certainty that an offer will be made or any transaction will proceed.

Attractive Strategic Rationale

The XRG-led consortium brings extensive sector experience, long-term vision and investment capacity and aims to ensure that Santos continues to thrive as a business. The XRG-led consortium intends, subject to implementation of the Proposal, to:

- Maintain Santos' headquarters in Adelaide, brand, and operational footprint in Australia and key international operating hubs.
- Work closely with the existing management team to accelerate growth and support local employment and the communities where Santos operates.
- Invest in Santos' growth and further development of its gas and LNG focused business which will provide reliable and affordable energy and low carbon solutions to customers in Australia, the Asia Pacific and beyond. This will reinforce Australia's position as a responsible energy partner and contributor to domestic and regional energy security.
- Ensure Santos remains a contributor to the transformation of energy systems and continues to make future-facing investments in Santos' carbon capture and storage projects, low carbon fuels, other decarbonization initiatives and the application of AI to drive efficiency and value across operations.

The XRG consortium has engaged J.P. Morgan as its financial adviser and Linklaters and Allens as legal advisers.