PRESS RELEASE

GDF SUEZ

August 18, 2009

Santos and GDF SUEZ announce strategic partnership in Australia

- **Santos to sell a 60% interest in the Petrel, Tern and Frigate gas fields in the Bonaparte Basin to GDF SUEZ for US$200 million**
- **GDF SUEZ to lead the development of Bonaparte LNG, a proposed 2mtpa floating LNG project, and the marketing of the LNG**
- **GDF SUEZ to carry Santos' share of pre-FEED and FEED costs and make an additional payment of US$170 million upon FID of the project**
- **Transaction monetises 220mmboe(1) of Santos' contingent resources whilst preserving significant upside via its remaining stake in the project**
- **Enables GDF SUEZ to enter the Pacific Basin market as an integrated LNG player**

Santos and GDF SUEZ, one of the world's leading LNG companies, today announced a milestone partnership to develop a floating LNG project in the Bonaparte Basin, Australia (Bonaparte LNG).
Bonaparte LNG aligns the interests of both companies across the full value chain, from gas field resources to plant development and downstream.

GDF SUEZ and Santos will form a 60/40 unincorporated joint venture to be led by GDF SUEZ to:

- Develop and operate a proposed floating liquefaction plant with a planned capacity of 2 mtpa of LNG which will utilise the gas from the Petrel, Tern and Frigate natural gas fields and;
- GDF SUEZ to lift all the LNG production and to ship it to markets in the Asia-Pacific region in accordance with terms agreed by the joint venture.

As part of the project, Santos has agreed to sell a 60% interest in the Petrel, Tern and Frigate offshore gas fields(2) to GDF SUEZ who will become operator in 2011. These fields are located in the Timor/Bonaparte Basin, one of Australia's most significant gas provinces and an active region for LNG developments.

The joint venture combines Santos' regional upstream expertise and GDF SUEZ' world class LNG expertise and market development platform.

(1) 220mmboe is equivalent to 1.2 trillion cubic feet (Tcf) of gas
(2) Petrel Field: permits NT / RL1; WA-6-R; GDF SUEZ : (60%); Santos (35%) ; Origin Energy: (5%).
Tern Field: permit WA-27-R; GDF SUEZ (60%), Santos (40%).
Frigate Field: permit WA-18-P; GDF SUEZ (60%), Santos (40%).

For Santos, the transaction amounts to a total consideration of up to US$370 million for contingent resources structured as follows:

- An upfront cash consideration of US$200 million, to be received in 3 tranches by January 2010;
- A contingent consideration of US$170 million to be paid upon Final Investment Decision (FID) to develop the assets.

GDF SUEZ will also fully carry Santos' share of pre-FEED and FEED development costs for the floating LNG project and Santos' share of the upstream pre-FEED and FEED development costs for the Petrel, Tern and Frigate offshore gas fields, which includes two appraisal wells. Santos will also retain significant upside value from its 40% interest in the Bonaparte LNG project.

Bonaparte LNG is a significant outcome arising from Santos' ongoing review of commercialisation options for its substantial gas assets in the Bonaparte Basin and represents the asset monetisation process announced in Santos' equity raising ASX release of 11 May 2009. The transaction covers approximately 30% of Santos' total Bonaparte Basin contingent resources (comprising the Petrel, Tern, Frigate, Evans Shoal, Barossa and Caldita gas fields). Based on the US$200 million upfront payment, Santos will book a profit on sale of approximately A$160 million after tax in the second half of 2009.

Bonaparte LNG will provide GDF SUEZ a major opportunity to increase its footprint within the upstream and liquefaction sectors of the Asia Pacific market, a premium market sector accounting for two thirds of global LNG demand. The project also serves the Group's integration objective of driving the development of integrated LNG chains. In this case, E&P and LNG activities work in synergy to spawn new LNG resources on a worldwide scale.

Bonaparte LNG enables GDF SUEZ to capitalise on the considerable design and engineering work already committed by the Group on floating LNG terminals, both in terms of LNG liquefaction and regasification, by leveraging in-house R&D and international partnerships.

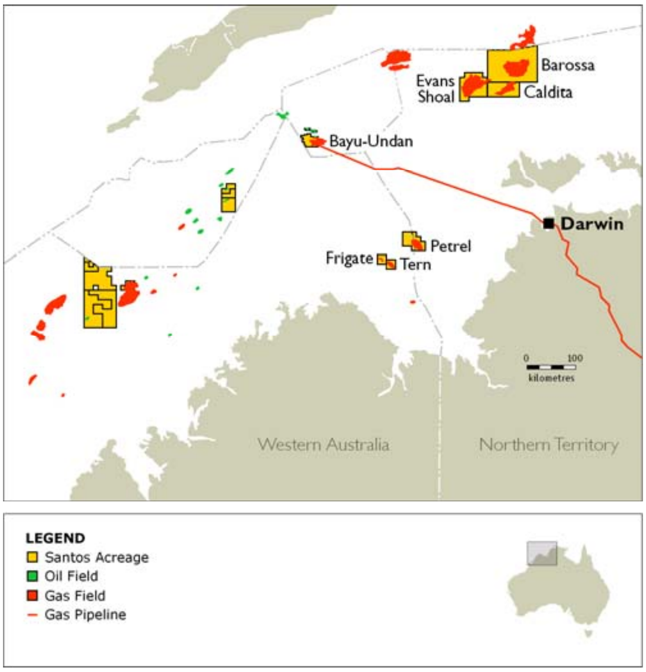
The project will give GDF SUEZ its very first foothold in the Australian exploration-production sector. The fields represent a significant growth driver for the Group, creating the potential to ramp up its resources by 20%. It will also enable the Group to extend its LNG supply portfolio (Latin America, Europe, Africa and the Middle East) to the Asia Pacific region.

Santos Chief Executive Officer David Knox said: "In GDF SUEZ, we have chosen a leader in the gas and LNG industry and a company with the technical capacity to develop a floating LNG project as our partner. We are very pleased to achieve a transaction which delivers US$200 million upfront cash, materially advances the commercialisation of some of our significant gas resources in one of Australia's most significant gas regions and adds to our portfolio of LNG growth projects. This is an excellent "cash and carry" outcome for Santos. Further value creation potential exists in Santos' other Bonaparte Basin assets, namely the Evans Shoal, Barossa and Caldita fields. We will now turn our attention to commercialisation options for these assets", Mr Knox said.

GDF SUEZ Chairman and CEO Gérard Mestrallet declared: "We are delighted to be able to form this partnership with Santos and accelerate the development of our LNG business with this high quality asset. The partnership and Bonaparte Basin development is a key priority for GDF SUEZ globally. By extending our reach to the Asian market, it allows us to offer a truly global LNG marketing platform to our customers. This consolidates GDF SUEZ position as a world leader in LNG with a presence across the entire value chain and notably as the largest LNG end user in Europe and the third largest end user of LNG in the world. Furthermore, through this project, the Group continues to grow in the exploration and production business as this transaction will increase our long term resources," concluded Gérard Mestrallet.

The sale agreement is conditional upon Australian Foreign Investment Review Board and other customary consents and regulatory approvals.

Santos' Browse, Timor and Bonaparte Basin acreage



About Santos

Santos (ASX:STO) is a major Australian oil and gas exploration and production company with interests and operations in every major Australian petroleum province and in Indonesia, Papua New Guinea, Vietnam, India, Bangladesh, and Kyrgyzstan. Santos is one of Australia's largest domestic gas producers, supplying sales gas to all mainland Australian states and territories, ethane to Sydney, and oil and liquids to domestic and international customers. Through its interest in the Darwin LNG project, Santos is a producer of liquefied natural gas which is exported to customers in Japan. Santos is developing a major LNG plant at Gladstone in Queensland and is a partner in the PNG LNG project. Santos has more than 1900 employees and produced 54.4 million barrels of oil equivalent in 2008.
The information in this release related to contingent resources has been compiled by Greg Horton, a full-time employee of Santos. Greg Horton is qualified in accordance with ASX Listing Rule 5.11 and has consented to the form and context in which the information appears. References to contingent resources are mid (2C) contingent resource estimates.

About GDF SUEZ

One of the world's leading energy providers, GDF SUEZ is active across the entire energy value chain, in electricity and natural gas, upstream and downstream. The Group develops its businesses (energy, energy services and environment) based on a responsible-growth model with the aim of meeting great challenges: responding to energy needs, ensuring security of supply, combating climate change and optimizing the use of resources. GDF SUEZ relies upon diversified supply sources as well as flexible and high-performance power generation to provide innovative energy solutions for individuals, public authorities and businesses. The Group employs 200,000 people worldwide and in 2008 achieved revenues of EUR 83.1 billion. GDF SUEZ is listed on the Brussels, Luxembourg and Paris Stock Exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe and ASPI Eurozone.

The Group has a 50-year recognized experience in the LNG business and development. In particular, GDF SUEZ:
- *Owns and operates LNG receiving terminals in Europe (France, Belgium) and in the USA;*
- *Develops other innovative LNG terminal projects in countries such as the USA (Neptune floating terminal; under construction), Chile (Mejillones fast-track scheme terminal with FSU, Floating Storage Unit; under construction) and Italy (Triton floating terminal) along with LNG sales;*
- *Participates in three LNG liquefaction projects Atlantic LNG, Egyptian LNG and the SnØhvit project.*

GDF SUEZ has been involved in the LNG business for 50 years and is regarded as one of the world's most technically advanced proponents of innovative LNG technologies and commercialisation strategies. It has identified the Petrel, Tern and Frigate fields as one of the priority fields to commercialise via floating LNG.

Press Contacts:
Tel. France: +33 (0)1 57 04 24 35
Tel. Belgium: +32 2 510 76 70
E-Mail: gdfsuezpress@gdfsuez.com

Investor Relations Contact:
Tel. +33 (0)1 57 04 66 29
E-Mail: ir@gdfsuez.com