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Insurers accept Moomba incident liability

Santos Limited advises that its insurers have agreed that losses resulting from the New Years Day incident at the Moomba Gas Plant are recoverable under the property damage and business interruption policy.

This has been a detailed process given the nature of the claim. Santos and its insurers have now completed their assessment and will proceed to evaluate and finalise the quantum of the claim.

The Company said it expects to be able to recognise a major proportion of the insurance claim in its financial results for the year ending 31 December 2004.

The anticipated 2004 financial loss for the company, after insurance recoveries, remains \$25-30 million adverse profit impact and \$35-40 million impact on operating cash flow, as previously advised.

Santos, as operator of the Moomba Gas Plant, in central Australia, makes this announcement on behalf of the South Australian Cooper Basin Producers, namely:

Santos (operator)	59.75%
Delhi Petroleum	20.21%
Origin Energy	13.19%
Novus Australia Resources	4.75%
Basin Oil (OMV)	2.10%

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Santos stock symbols: STO (Australian Stock Exchange), STOSY (NASDAQ ADR)