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Santos

30 January 2007

The Manager
Company Announcements Office
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

BY ELECTRONIC LODGEMENT

Santos CSG Pty Ltd ACN 121 188 654 ("Santos CSG") – takeover offer for Queensland Gas Company Limited ACN 089 642 553 ("QGC")

Status of Conditions

We attach, on behalf of our wholly-owned subsidiary Santos CSG, a notice under section 630(3) of the Corporations Act advising that:

- the Offer has not been freed from the defeating conditions set out in Section 11.7 of Santos CSG's bidder's statement dated 10 October 2006;
- so far as Santos CSG knows, none of these conditions has been fulfilled as at the date of the notice; and
- as at 9.00am today, Santos CSG's voting power in QGC was 3.89%.

W J Glanville
Company Secretary