



Santos Ltd
A.B.N. 80 007 550 923
Ground Floor
Santos Centre
60 Flinders Street
Adelaide SA 5000
GPO Box 2455
Adelaide SA 5001

Telephone: 08 8116 5000
Facsimile: 08 8116 5623

To: Company Announcements Office
ASX Ltd

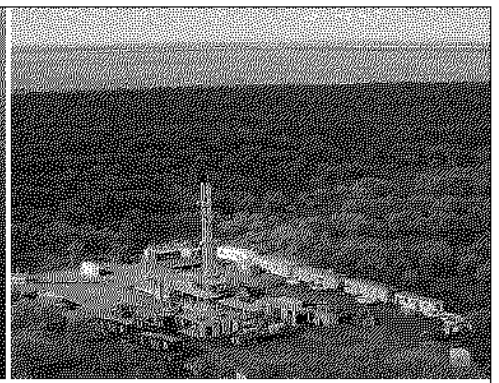
From: Company Secretary

Date: 21 May 2007

Subject: **Investor Presentation, US / Canada / UK – May 2007**

Please find attached presentation delivered to investors in US, Canada and UK.

James Baulderstone
Company Secretary



Santos Limited Investor Presentation

US / Canada / UK
May 2007

Santos

Santos - Key Statistics

Australian based E&P company operating internationally

- Commenced operations in 1954
- Market cap ~ US\$6.8 billion
(~ 4.5% buyback underway)
- 1,600 employees
- 2P reserves of 819 mmboe
- Contingent resource of
~ 2,200 mmboe
- Daily production
~ 600+ mmcfd gas
~ 50,000 bbl/day liquids

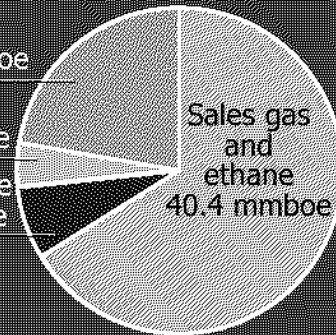
2006 Production
Total 61.0 mmboe

Crude oil
13.6 mmboe

LPG
2.6 mmboe

Condensate
4.4 mmboe

Sales gas
and
ethane
40.4 mmboe



Santos

Review of Shareholding Restriction

News Release

www.premier.sa.gov.au



Premier Mike Rann
 Minister for Economic Development
 Minister for Social Inclusion
 Minister for the Arts
 Minister for Sustainability and Climate Change

Tuesday, 1 May 2007

REVIEW OF SANTOS SHAREHOLDING CAP

Premier Mike Rann today announced a review of a 28 year-old law limiting individual shareholder ownership in Santos to 15 percent

The decision to review the cap comes at the request of Santos.

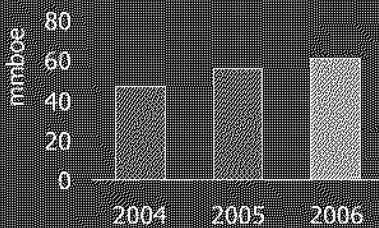
The cap was introduced in 1979 – nearly 30 years ago – and was designed to prevent Alan Bond from

- 15% shareholding restriction in place since 1979
- Government to review following formal request
- Important for realising Santos' full growth potential
- Levels the playing field
- Original intent of Act no longer applies
- Commitment to South Australia

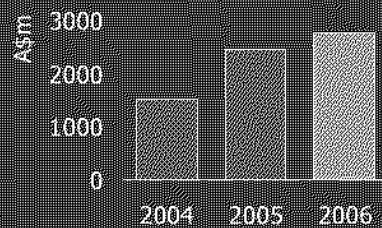
Santos

2006 - Record Results

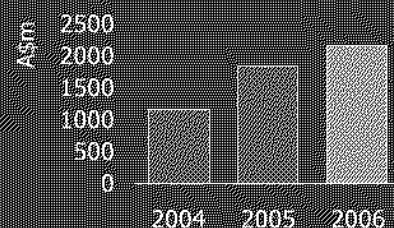
Production
 61.0 mmmboe ▲ 9%



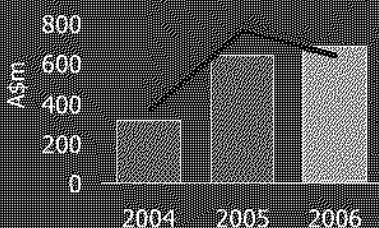
Sales Revenue
 \$2,769m ▲ 12%



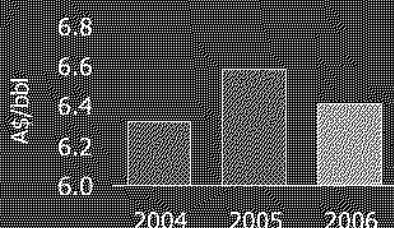
EBITDAX
 \$2,144m ▲ 17%



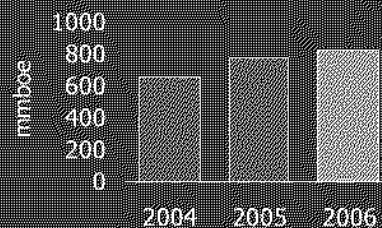
NPAT
 Underlying A\$683m ▲ 7%
 Reported A\$643m ▼ 16%



Production Costs/bbl
 A\$6.41/bbl ▼ 3%



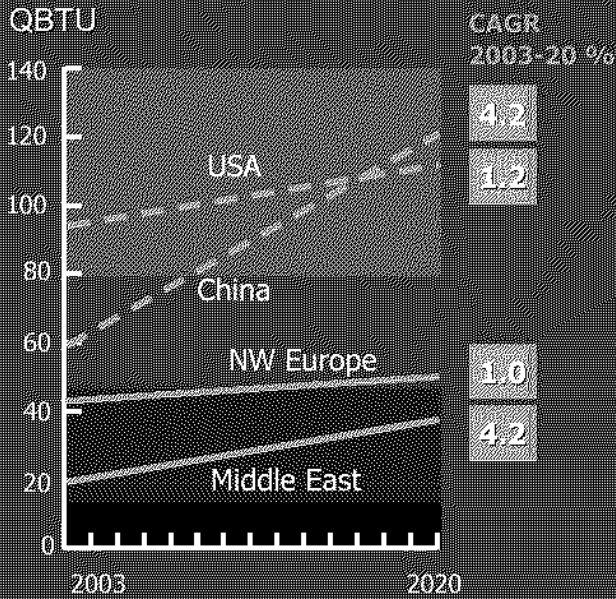
2P Reserves
 819 mmmboe ▲ 6%



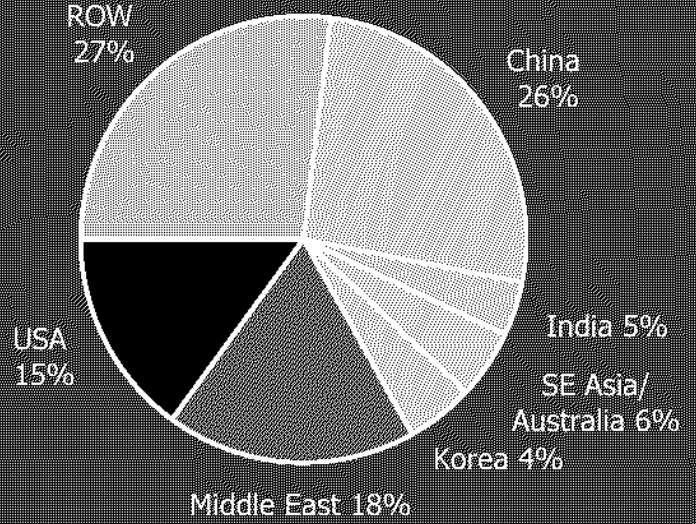
Santos

Growing Asian Petroleum Demand

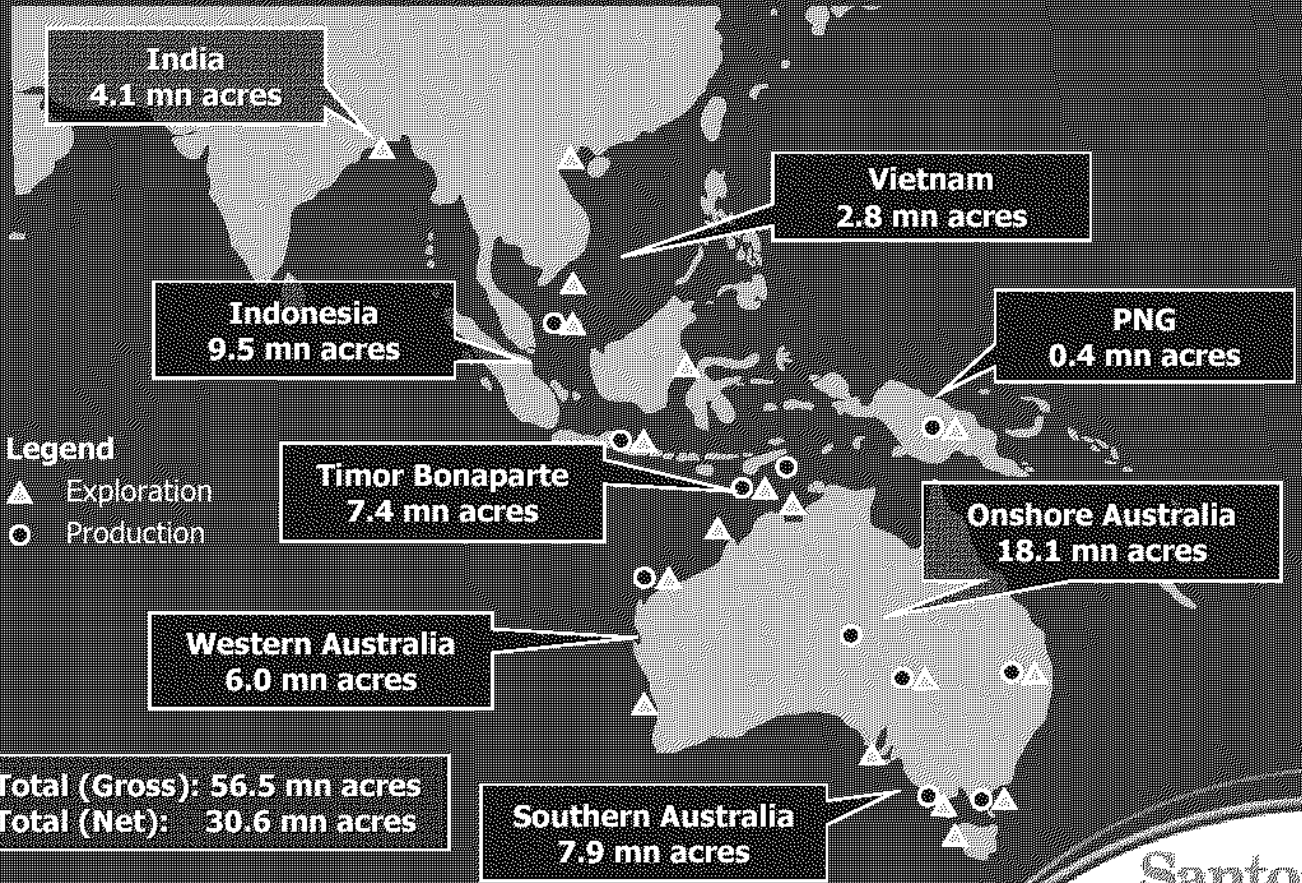
Total primary energy demand



Share of petroleum demand growth 2003 - 2020 % of total



Extensive Asian Footprint



2.2 mmboe of Contingent Resources



A Portfolio of Growth Businesses

1. Cooper Basin oil
2. Eastern Australian gas
3. Western Australian oil and gas
4. LNG projects
5. Asian growth

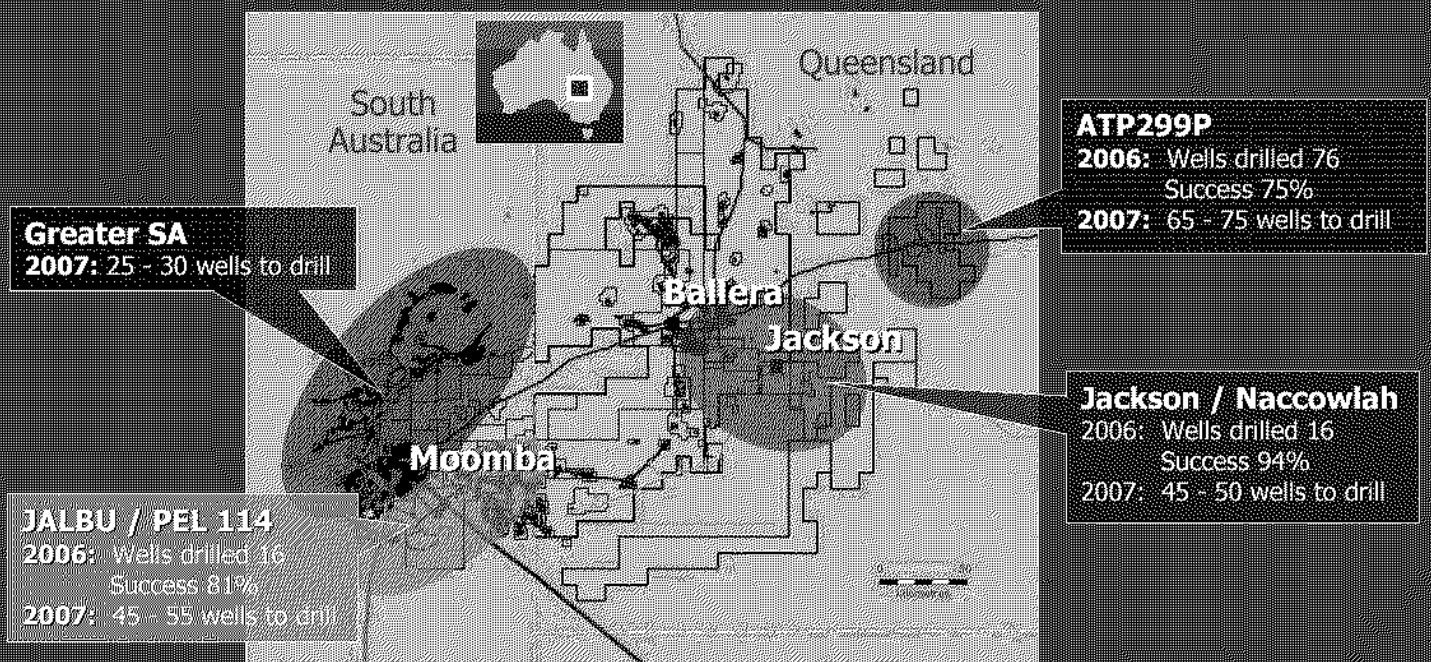
Cooper Basin Oil

High value opportunity	Santos competitive advantage
Oil prices higher for longer	Largest onshore Australian oil acreage position: >7.4 million acres
Over 700 mmbbl original oil in place	Utilising modern rigs and proven technology to increase recovery factors
Ability to execute low cost program	Unique capabilities, knowledge, infrastructure and short cycle time
Positive 2006 results	Doubling program in 2007

Santos

Cooper Basin Oil

2006: 108 wells drilled, 79% success rate, 15 mmbbl oil 2P adds



2007: ~ 190 wells planned

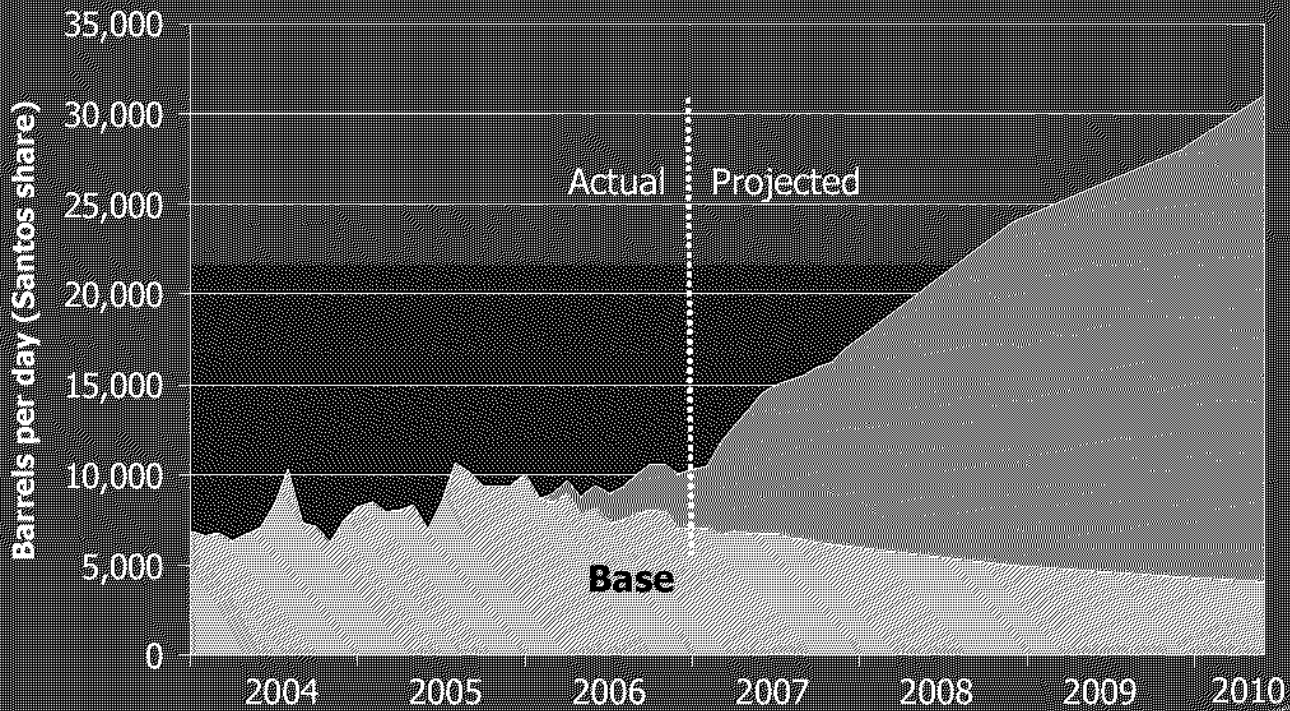
Legend

- Santos Acreage
- Oil Field
- Gas Field
- Oil Pipeline
- Gas Pipeline

Santos

Cooper Basin Oil – Production Outlook

Significant near and medium term production impact



Santos

Eastern Australian Gas

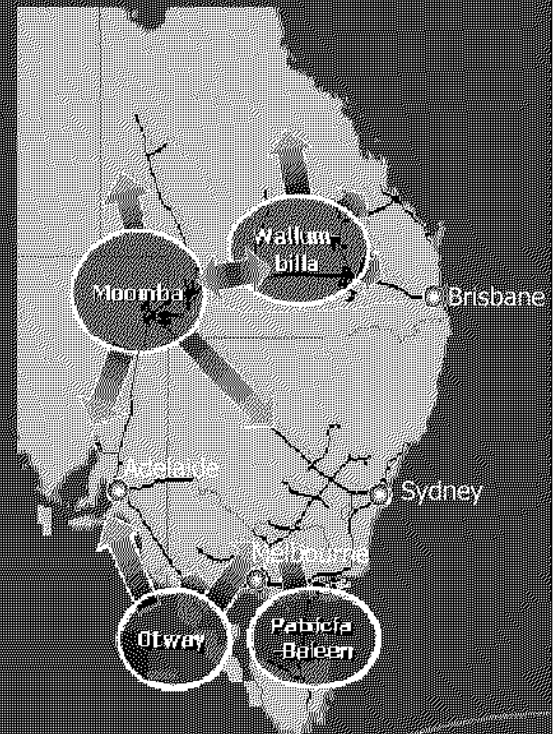
Strong market growth	Santos is well positioned
Gas demand growing strongly, PNG gas project suspended	Large uncontracted gas position, demonstrated contracting capability
Gas is a low carbon emission fuel	Increasing gas demand and price
CSG emerging to fill market demand	Established leading position in CSG
Otway Basin now a major gas producing area	Largest acreage operator in Otway/Sorell Basins

Santos

EA Gas – Hub and Spoke Strategy

Material coal seam gas legacy asset established

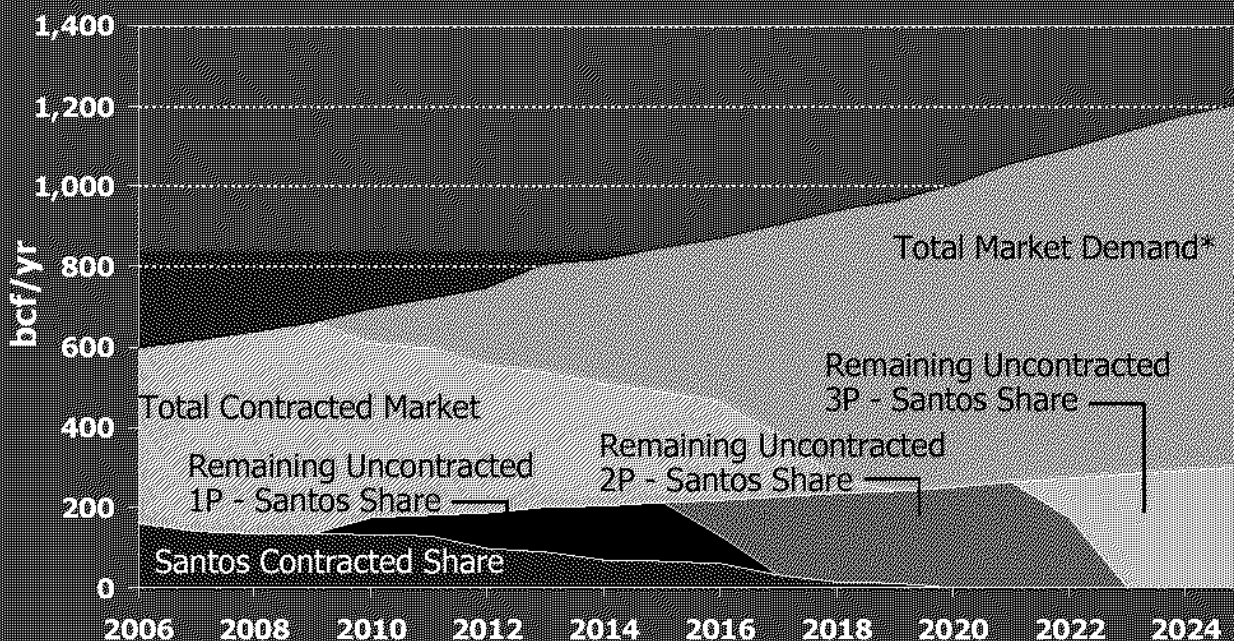
- #1 producer of domestic gas
- Strong competitive advantages
 - Highest quality acreage, both conventional and coal seam gas
 - Industry leading capability
 - Extensive existing infrastructure
- Fairview CSG production up 100% since acquisition
- Significant uncontracted resources
- Gas prices increasing



Santos

EA Gas – Supply and Demand

Significant uncontracted demand to place Santos' 1P, 2P & 3P reserves



*Wood Mackenzie – Eastern Australia Gas & Power Outlook to 2025 "Fitting the pieces together"

Santos

Western Australian Oil and Gas

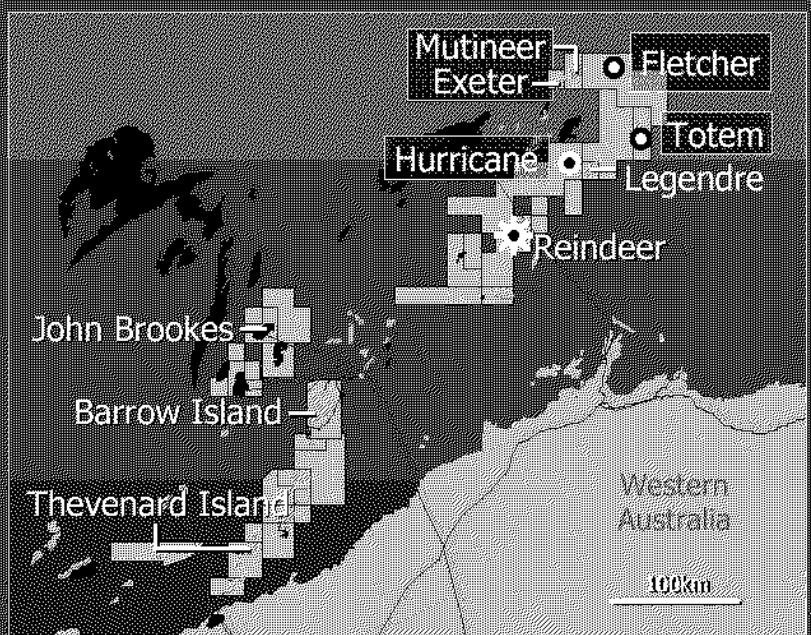
Oil upside, gas prices rising	Santos well positioned
Global gas prices rising	WA gas market has moved to A\$5.50+ per mcf
Demand for gas remains high	Uncontracted John Brookes reserves
Further growth expected at higher prices	Reindeer development opportunity
Proven hydrocarbon systems	Multiple oil exploration and appraisal targets, short cycle time opportunities

Santos

WA Oil & Gas – Exploration & Appraisal

Short cycle time, near field oil opportunities

- John Brookes ramp-up
 - 200 bcf uncontracted 2P reserve
- Reindeer follow up opportunity
 - 300 - 500 bcf resource
- 2007 wells
 - Fletcher
 - Totem
 - Hurricane appraisal
 - Mutineer appraisal



Legend

- Santos Acreage
- ▣ Oil Field
- Gas Pipeline
- Gas Field
- Exploration Well
- Appraisal Well

Santos

LNG Projects

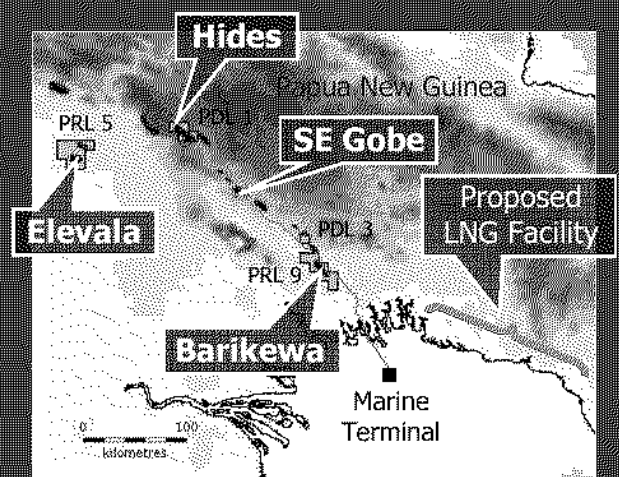
Favourable LNG dynamics	Santos well positioned
Booming demand for LNG	Multiple LNG opportunities
Large gas resources a prerequisite	Significant contingent resource positions with quality assets
PNG LNG	Hides field critical to PNG LNG
Darwin LNG expansion	Santos 40% interest in 8+ tcf of resources

Santos

LNG Projects - PNG

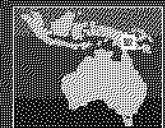
LNG the focus for PNG gas resources

- ExxonMobil progressing pre-FEED studies of LNG development
 - Based on the Hides field
 - Santos 17% interest
 - 5 to 6.5 mtpa LNG plant
 - First cargos target 2012-2013
- Other Santos resources
 - 43% and operator of Barikewa
 - 50% and operator of Elevela
- In total – 363 mmboe contingent resource in PNG



Legend

- Santos Acreage
- Oil Field
- Gas Field
- Oil Pipeline

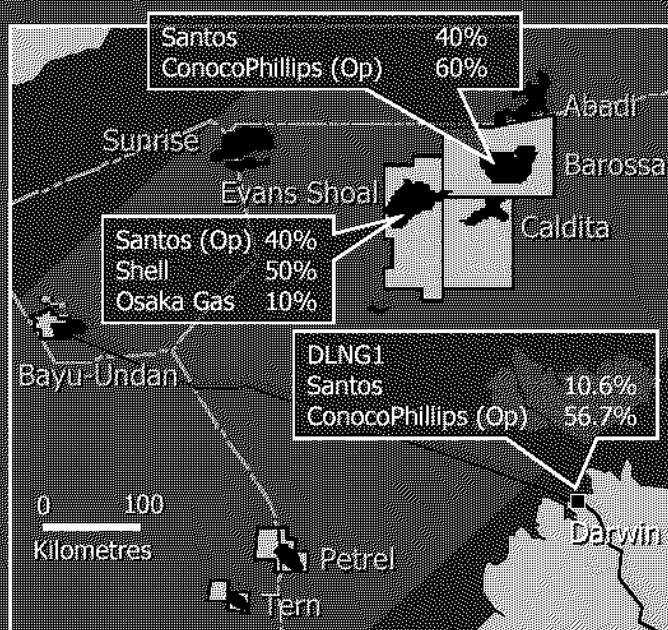


Santos

LNG Projects - Darwin

Santos well positioned for Darwin second train

- Material acreage position
- Appraisal ongoing
- 8+ tcf resource
- Aligned with ConocoPhillips
- 3.5 to 6 mtpa train
- First cargos 2013+



Legend

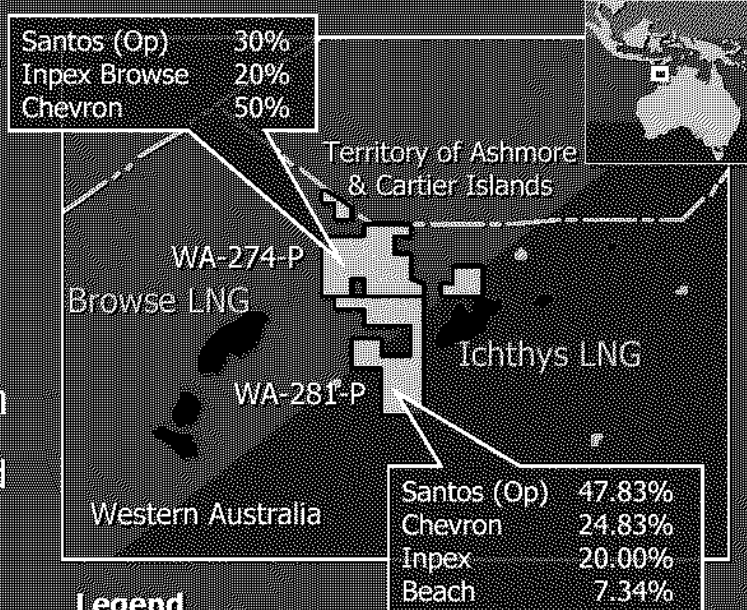
- Santos Acreage
- Gas Field
- Gas Pipeline

Santos

LNG Projects - Browse Basin

Significant acreage position

- Well positioned material acreage position
- Emerging LNG province
 - Inpex's Ichthys LNG
 - Woodside's Browse LNG
- Active exploration program
 - 2 wells and seismic planned



Legend

- Santos Acreage
- Oil Field
- Gas Field

Santos

Asian Growth

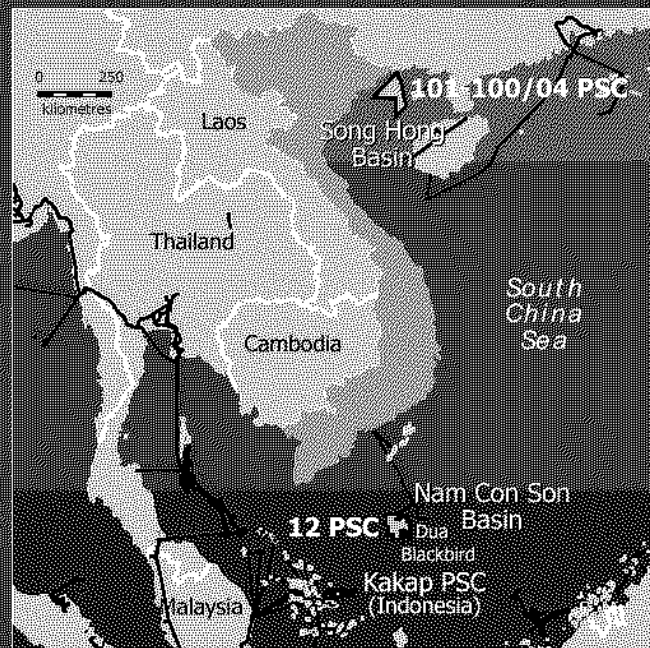
High growth potential	Santos has a quality portfolio
Focussed, long term vision required for success	Strategy focus on Asia, USA business for sale
Development, production and exploration in Indonesia	Maleo gas project online, Oyong startup 2Q 2007, Kutei
2006 new country entry to Vietnam	Blackbird, Dua oil discoveries, Swan gas field, active exploration program
Quality acreage captured	Indian entry, Kyrgyzstan acreage extension, Vietnam new block

Santos

Asian Growth - Vietnam

Two oil discoveries, with follow-on opportunities

- Blackbird and Dua oil discoveries
 - 80 mmbbl resource estimate
- Accelerated seismic, drilling in Q4 2007
- Commencing development planning
- Swan gas field development potential
- Northern block secured



Legend

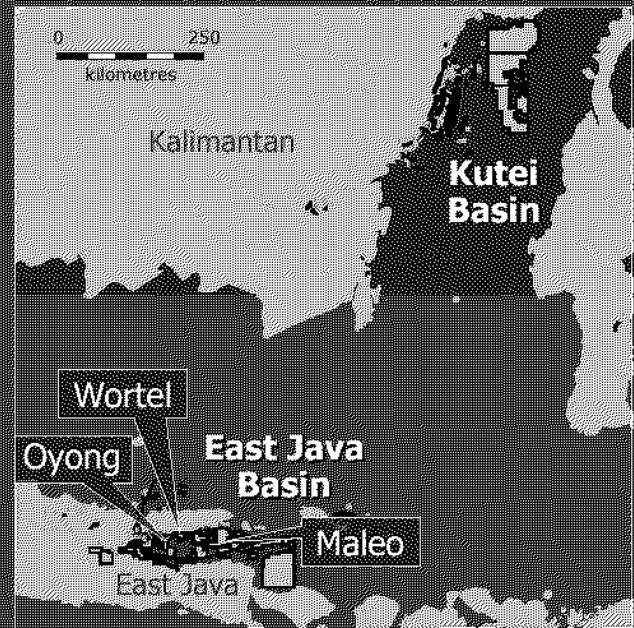
- Santos acreage
- Gas field
- Oil Field
- Gas Pipeline

Santos

Asian Growth - Indonesia

Core business positioned for growth

- Oyong Q2 / Q3 2007 start-up
- Wortel gas discovery
 - Development planning underway
- Jeruk development studies ongoing
- Kutei Basin
 - Exploration/appraisal wells subject to deep water rig availability



Legend

- Santos acreage
- Oil field
- Gas field
- Oil pipeline
- Gas pipeline

Santos

Indonesia – Sidoarjo Mudflow Incident

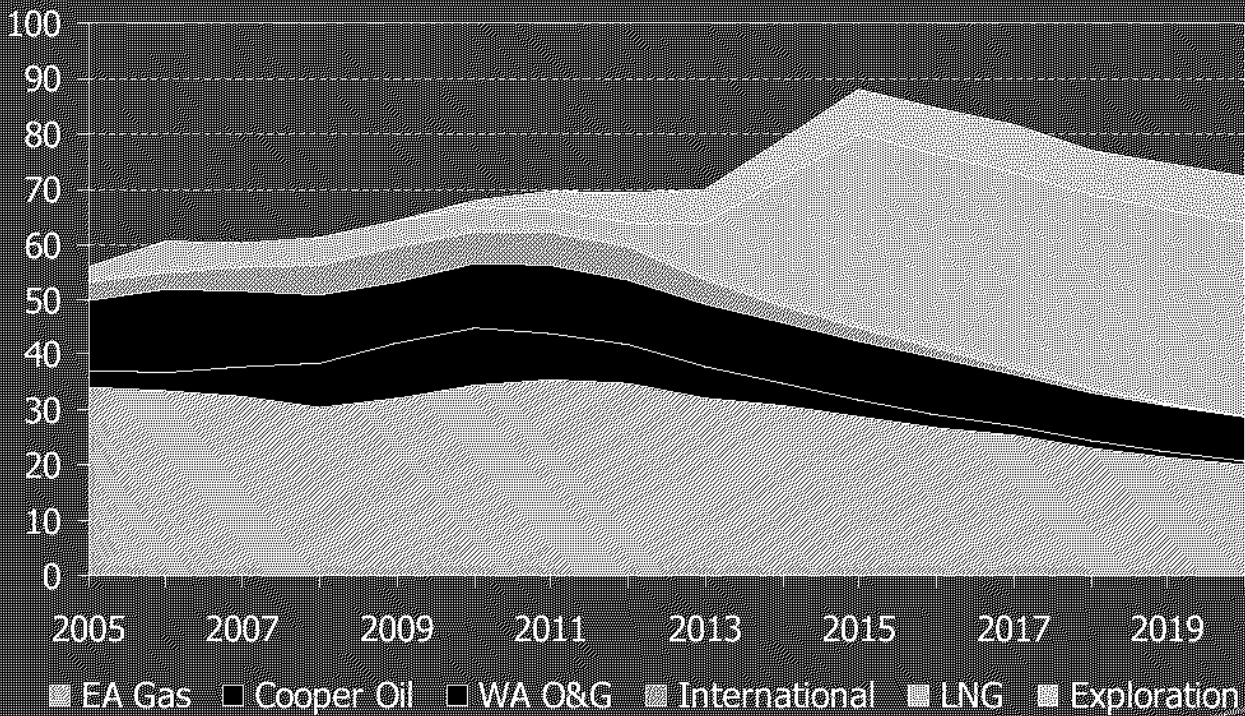
- Santos 18% non-operated interest
- Mudflow commenced May 2006
- Response effort managed by Indonesian Government appointed team
- Financial impact remains uncertain
- Provisioning at Y/E 2006
 - Net \$67 million (11.2 cents/ share)



Santos

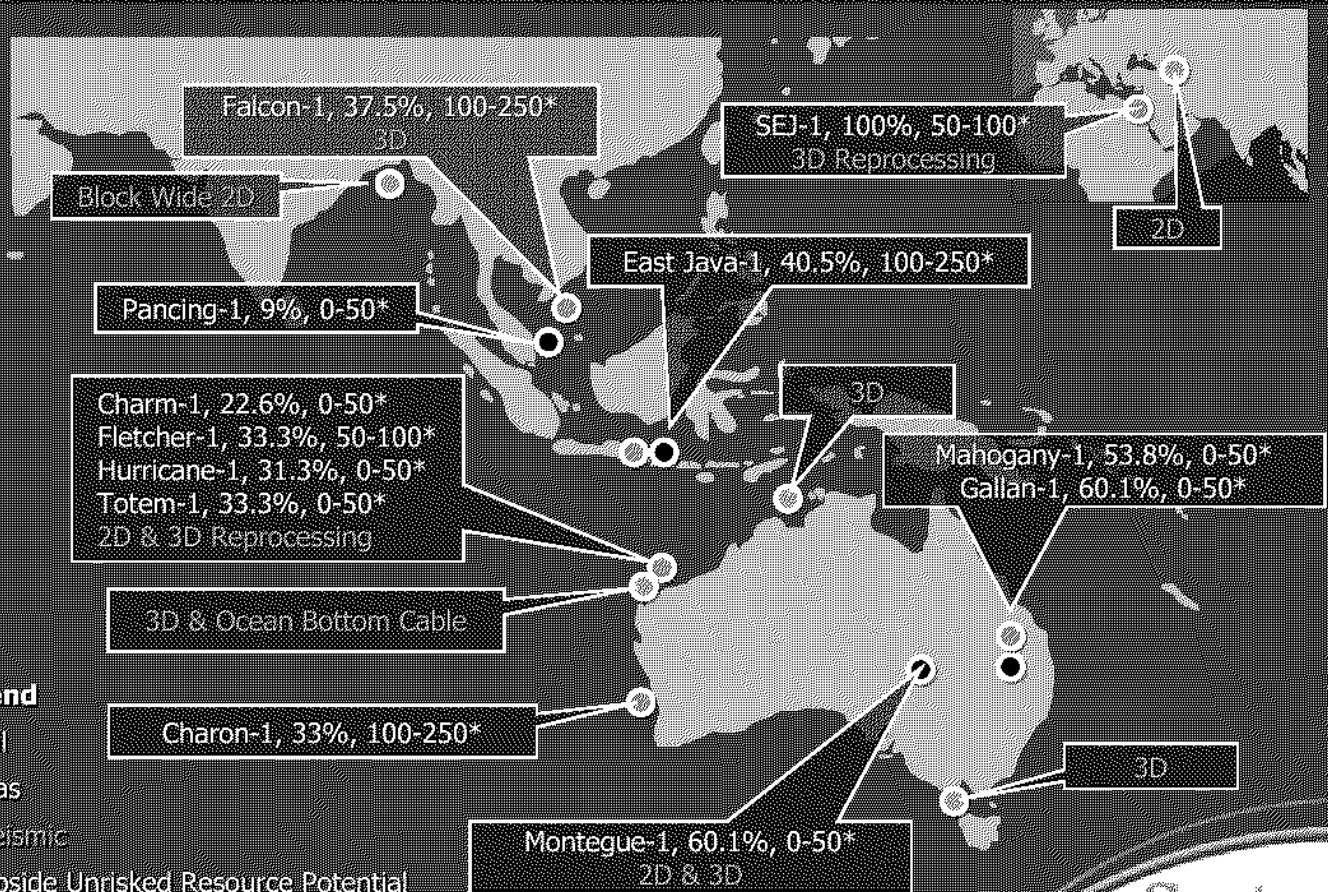
Production Outlook

Production guidance – 59 to 61 mmboe in 2007 and 2008



Santos

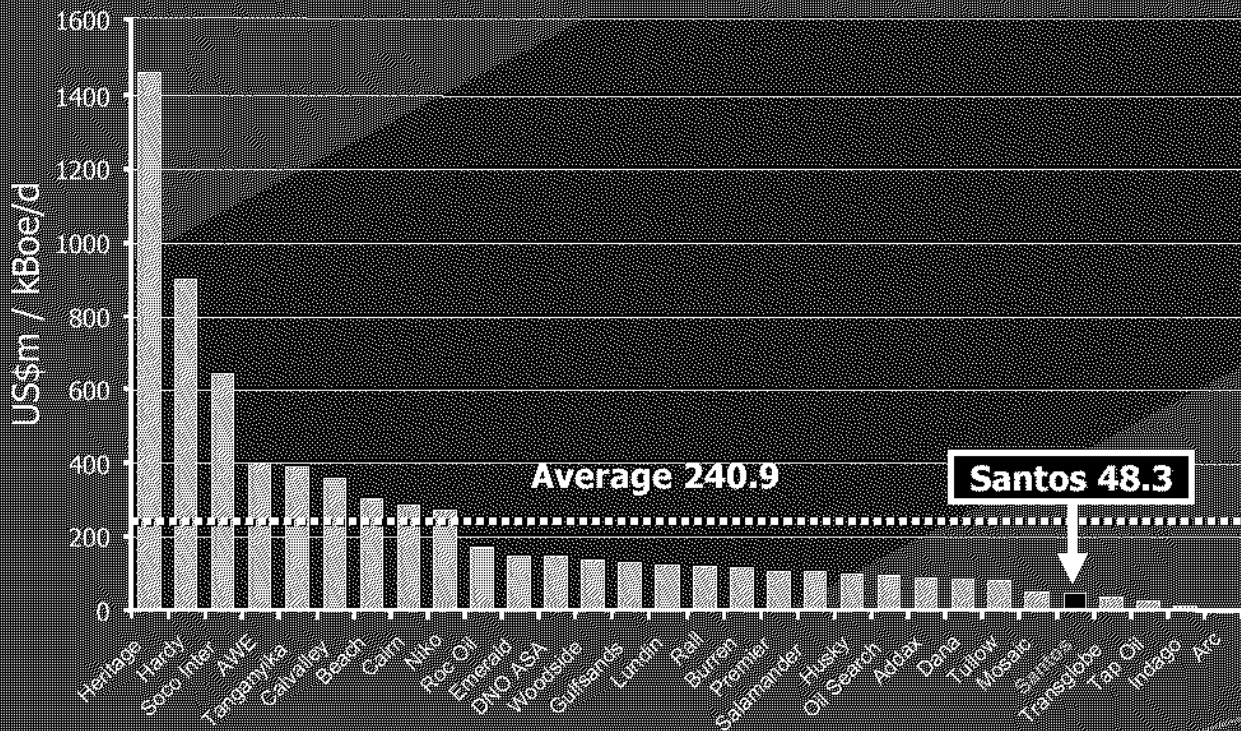
2007 Exploration Program



Santos

Relative Value – Production Multiple

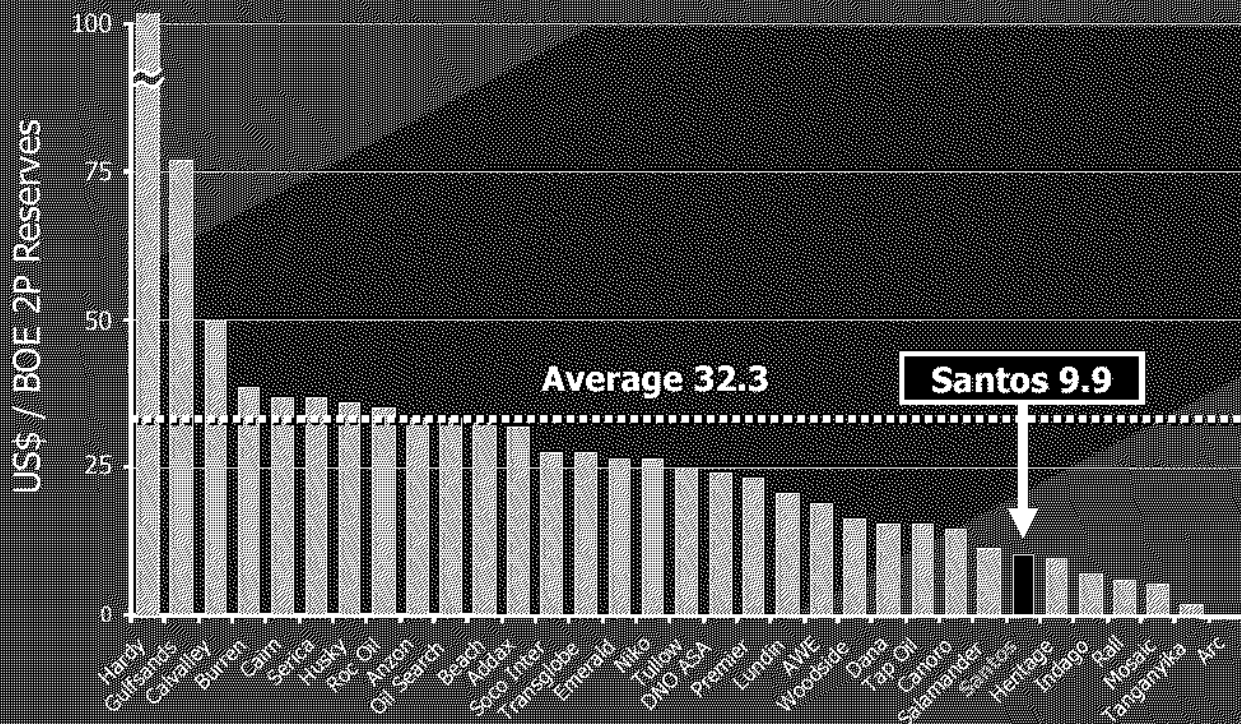
EV/BOE of Production



Santos

Relative Value – Reserves Multiple

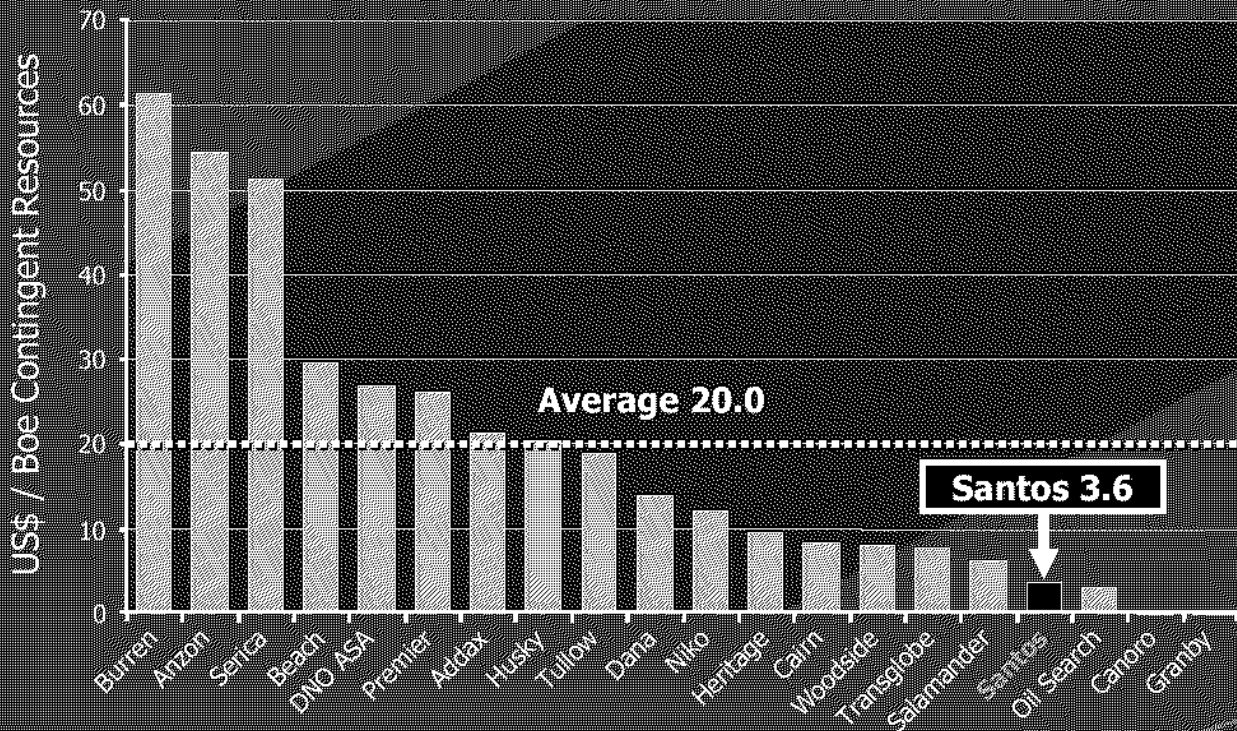
EV/BOE of 2P Reserves



Santos

Relative Value – Resource Multiple

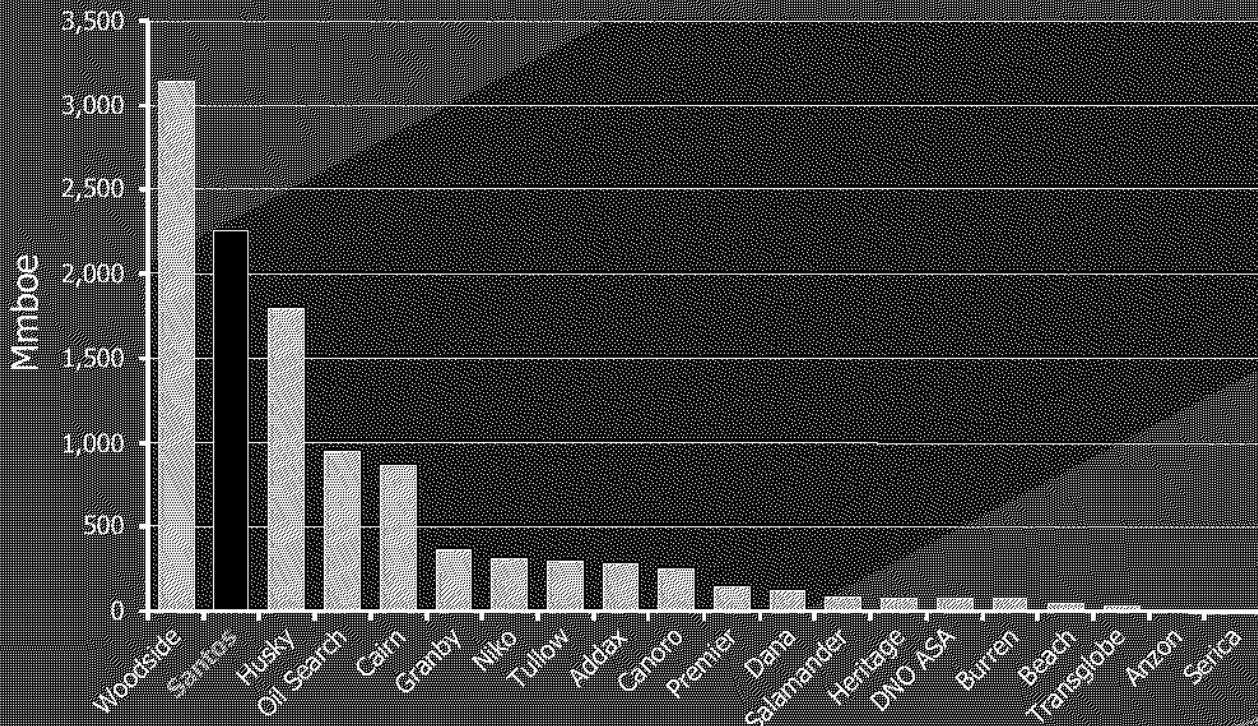
EV/BOE of Contingent Resources



Santos

Relative Value – Resources Held

Contingent Resources



Santos

Summary

1. Cooper Basin oil

- Large scale, low risk opportunity
- Unique competitive advantage
- Acreage and infrastructure

2. Eastern Australian gas

- CSG new legacy asset
- Flexibility through hub strategy
- Positioned for increasing demand

3. Western Australian oil and gas

- Increasing gas production into higher price environment
- Near field exploration and appraisal

4. LNG projects

- Darwin LNG expansion
- PNG LNG using Hides gas

5. Asian growth

- Regional expansion focus

Santos

Disclaimer & Important Notice

This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

All references to dollars, cents or \$ in this document are to Australian currency, unless otherwise stated.

Santos