

**Santos**

**SENATE BILL 227 VER. 0 TESTIMONY**

SENATE FINANCE COMMITTEE

MAY 18, 2026



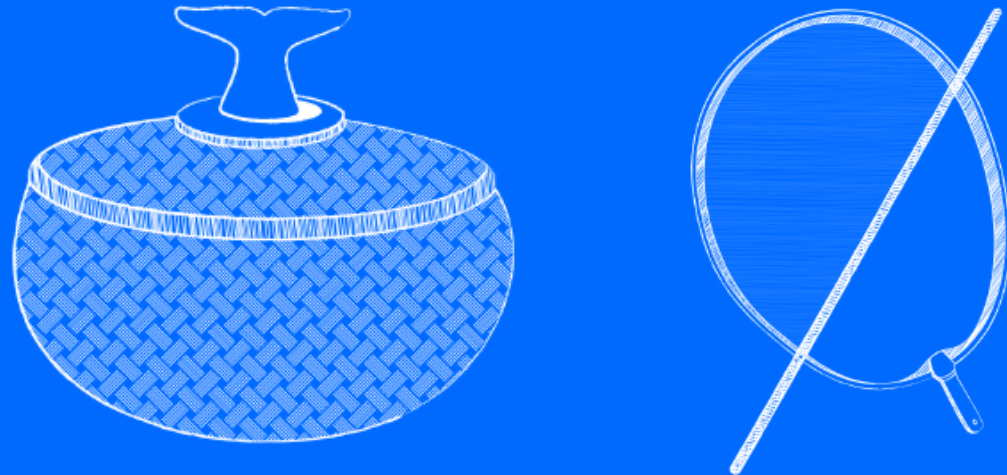
# Land Acknowledgements

## Juneau

We acknowledge the land we are on today as the ancestral and traditional homeland of the Áak'w K̓wáan on Lingít Aaní. We also acknowledge their Tribal governments, and their roles in taking care of these lands.

## Pikka Project

We acknowledge the land our project is on as the traditional homeland of the Kuukpikmuit Inupiat and the Inupiat communities of the Arctic Slope and we pay our respects to their history, experiences, and continued contributions in taking care of those lands.



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# Who we are...

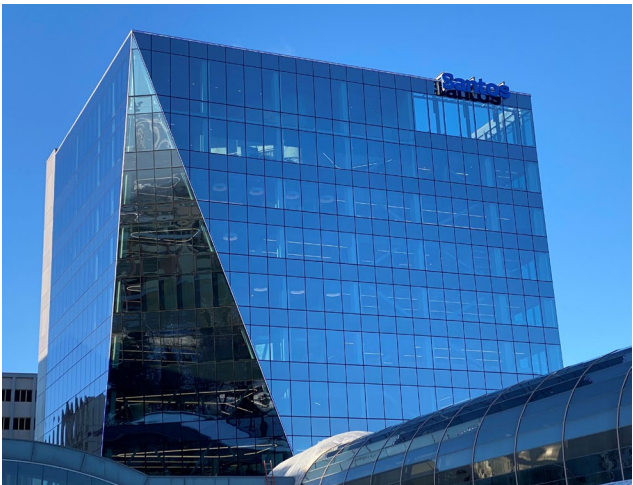
## About Santos

- Headquartered in Adelaide, Australia
- One of Australia’s largest domestic gas suppliers and leading LNG supplier in the Asia Pacific region
- Merged with Oil Search in 2021
- Global footprint with operations in Australia, Papua New Guinea, Timor-Leste and the United States (Alaska)
- About 4,000 employees globally



## About Santos in Alaska

- Santos is operator and 51% owner of Pikka; Repsol 49% partner
- Strong stakeholder support aligned through long-term land use agreement with Kuukpik
- Current Alaska workforce of ~400
- Downtown Anchorage office location



## About Pikka

- Discovered 2013; ‘giant oil field’ confirmed by Horseshoe well in 2017
- Pikka to be net zero from first oil\*
- Core acreage position is on State land, maximizing revenues for Alaska and local stakeholders
- Other long-term benefits focused on sustainable support of community



\*Scope 1 & 2 emissions, equity share

# Pikka Phase 1

**First oil expected in Q2 2026**

### Production<sup>1</sup>

**80,000 bopd**

Plateau by Q3 2026

### Reserves<sup>3</sup>

**397 mmboe**

2P Reserves

**519 mmboe**

2C Contingent Resources

>\$3 billion investment

120 miles of pipeline installed one year ahead of schedule

28 wells drilled and completed (project life: 45 wells)

All production facility modules in commissioning

Seawater treatment plant construction complete; undergoing final integration

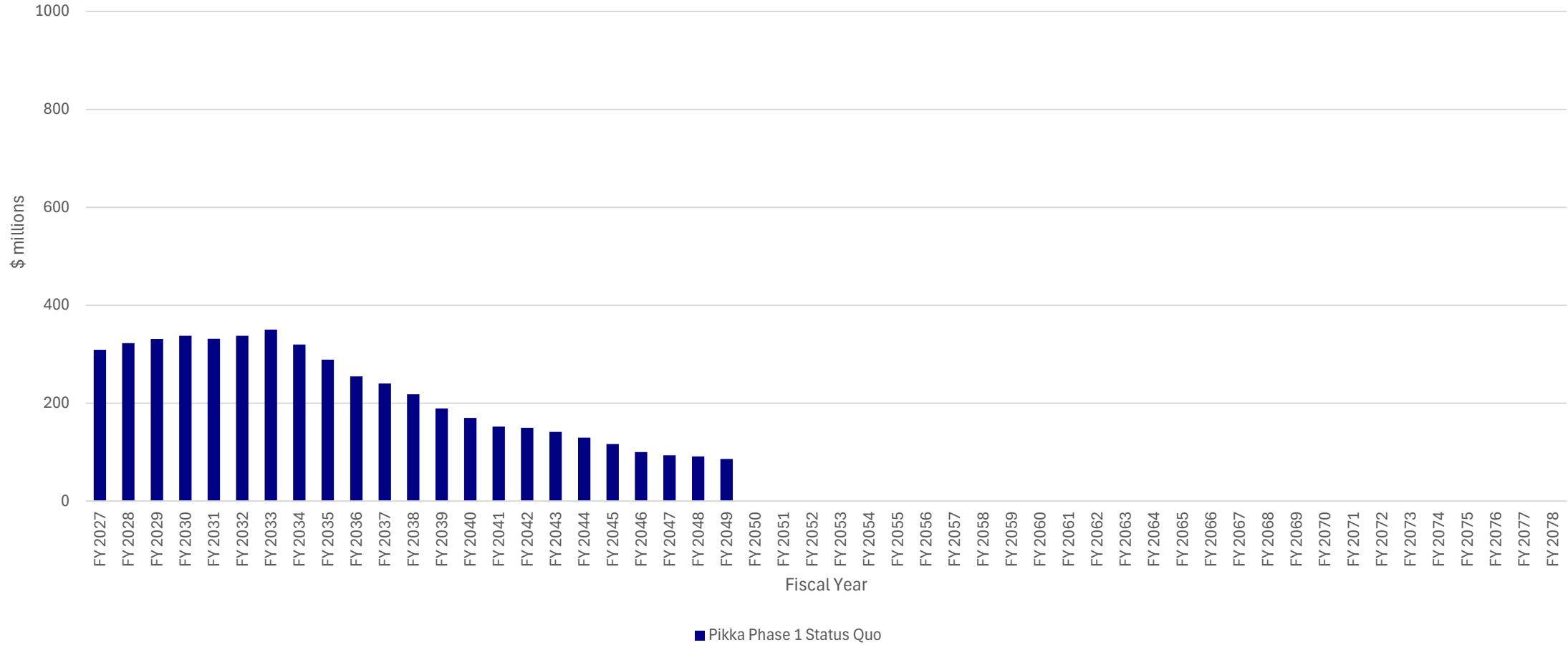


<sup>1</sup> Production (gross)

<sup>2</sup> As of May 17, 2026

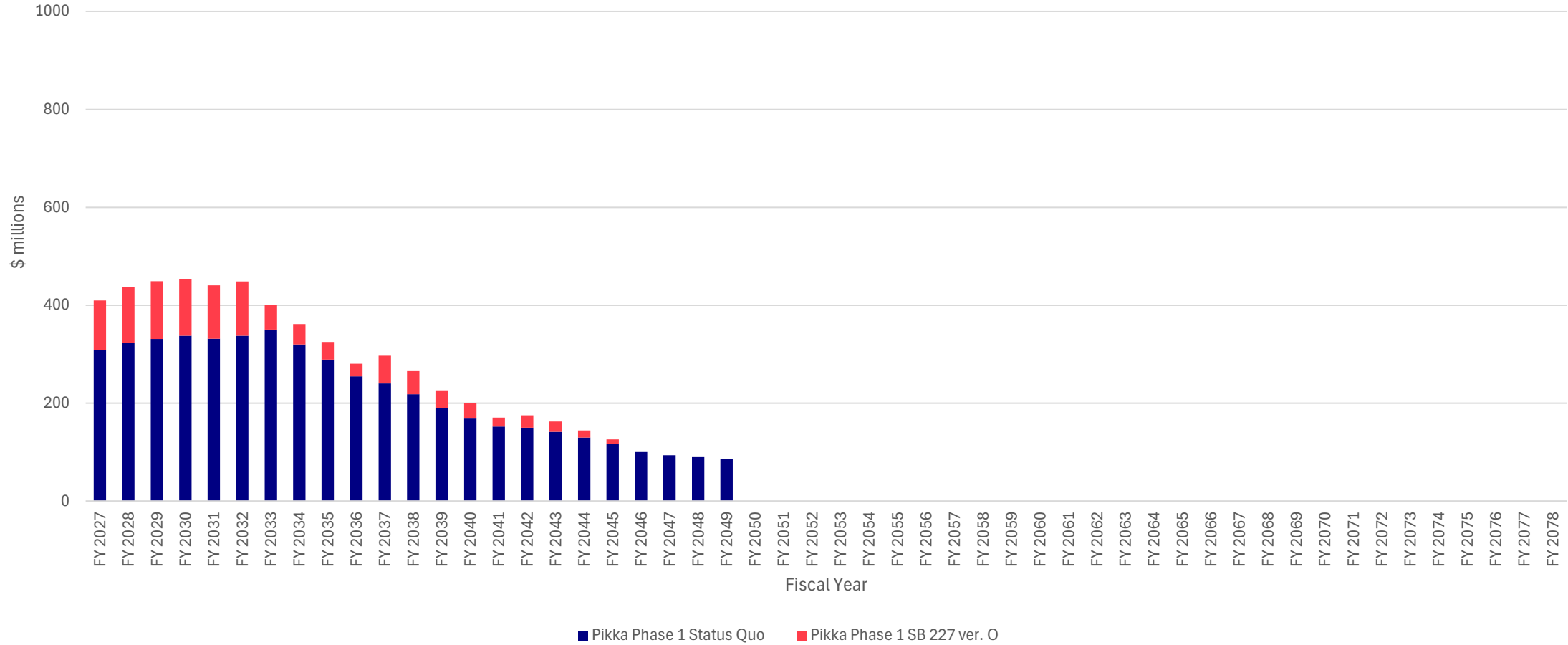
<sup>3</sup> Reserves and contingent resources related to USA (Alaska) as of December 2024, Santos share

# Pikka Phase 1 – State Revenue Contribution



Estimates based on Alaska Department of Revenue Spring 2026 Revenue Sources Book price forecast; includes state property tax shared with local governments

# Pikka Phase 1 – SB227 ver. 0 Impacts



Estimates based on Alaska Department of Revenue Spring 2026 Revenue Sources Book price forecast; includes state property tax shared with local governments

# Pikka Phase 1 – SB227 ver. 0 Impacts

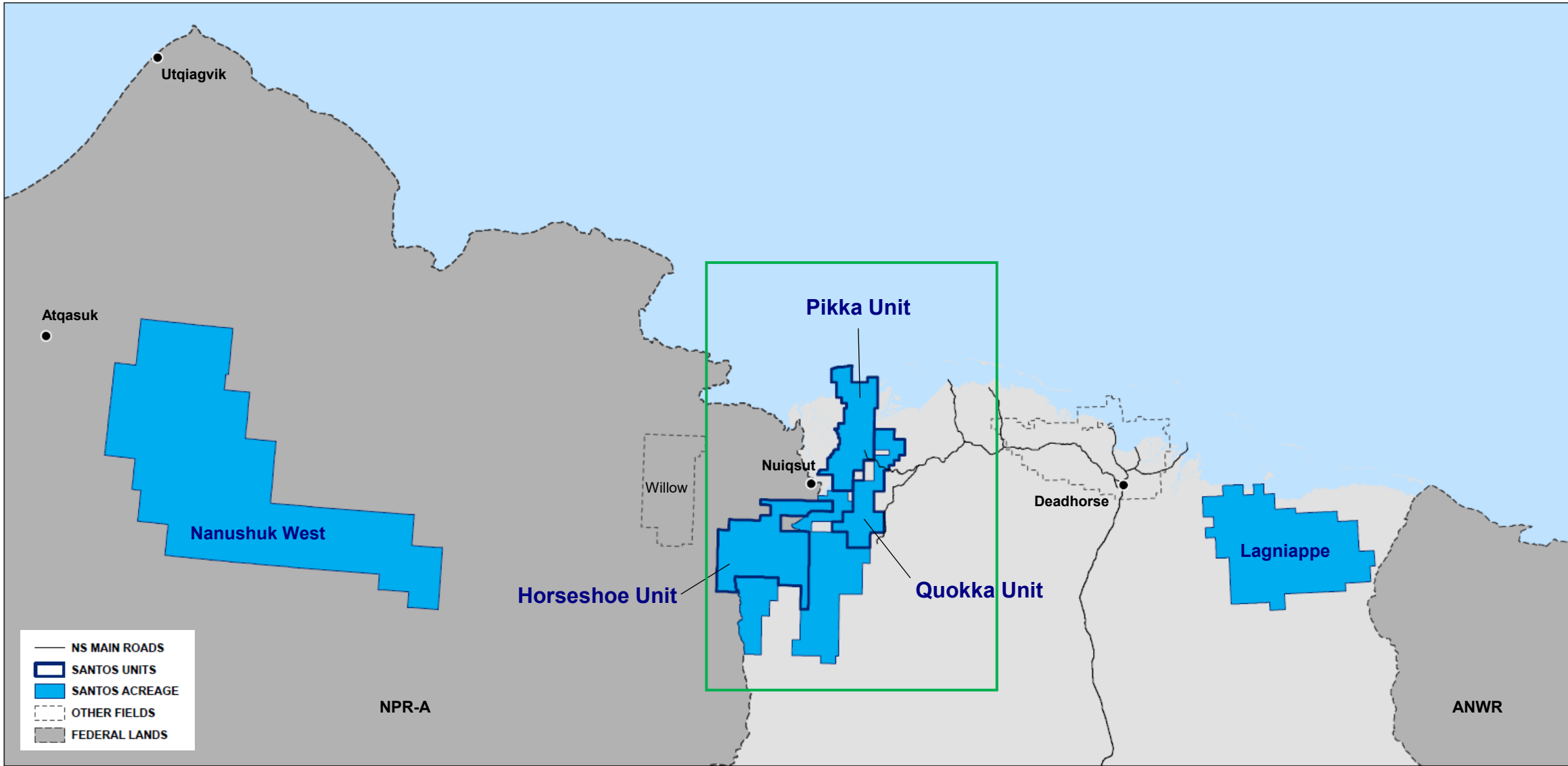
- All Economic Indicators have a reduced value from this bill

Economic Indicator Impacts	Status Quo	SB227 ver. 0 Impacts
Net Present Value Impacts	\$1.2M	\$0.8M ↓
Net Cash Flow Impacts	\$6.5M	\$5.7M ↓
Internal Rate of Return Impacts	16%	14% ↓

## BOTTOM LINE:

This proposal has significant negative economic impacts on the Pikka Phase 1 Project. On the terms proposed in SB227 ver. 0, new projects will be challenged economically and are unlikely to attract capital.

# Core Acreage on State Lands



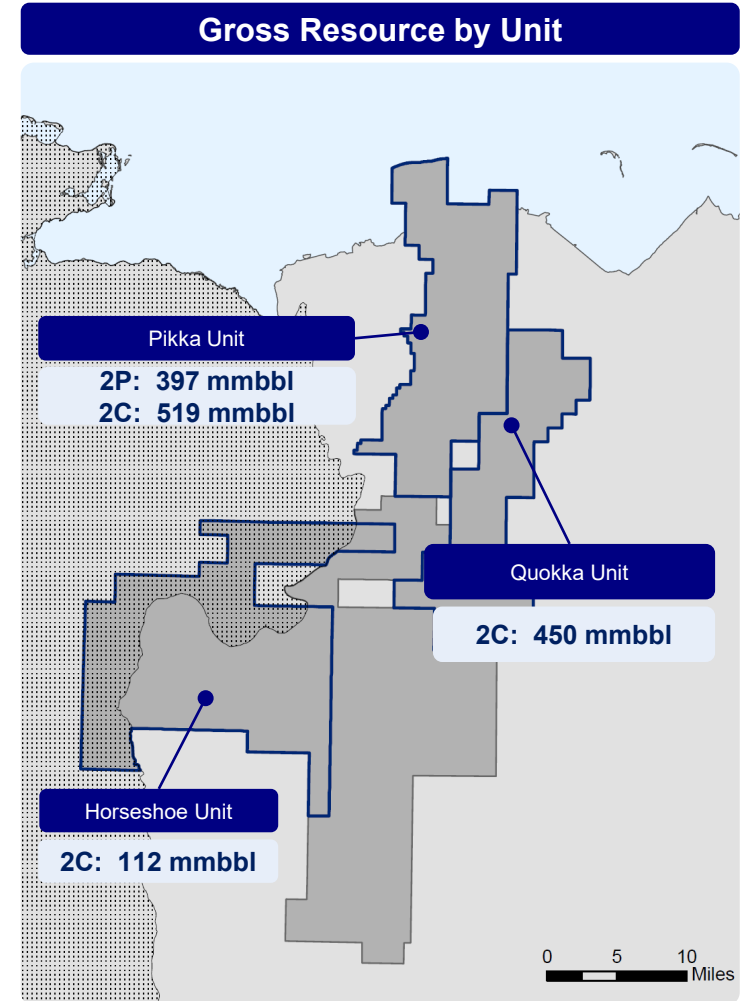
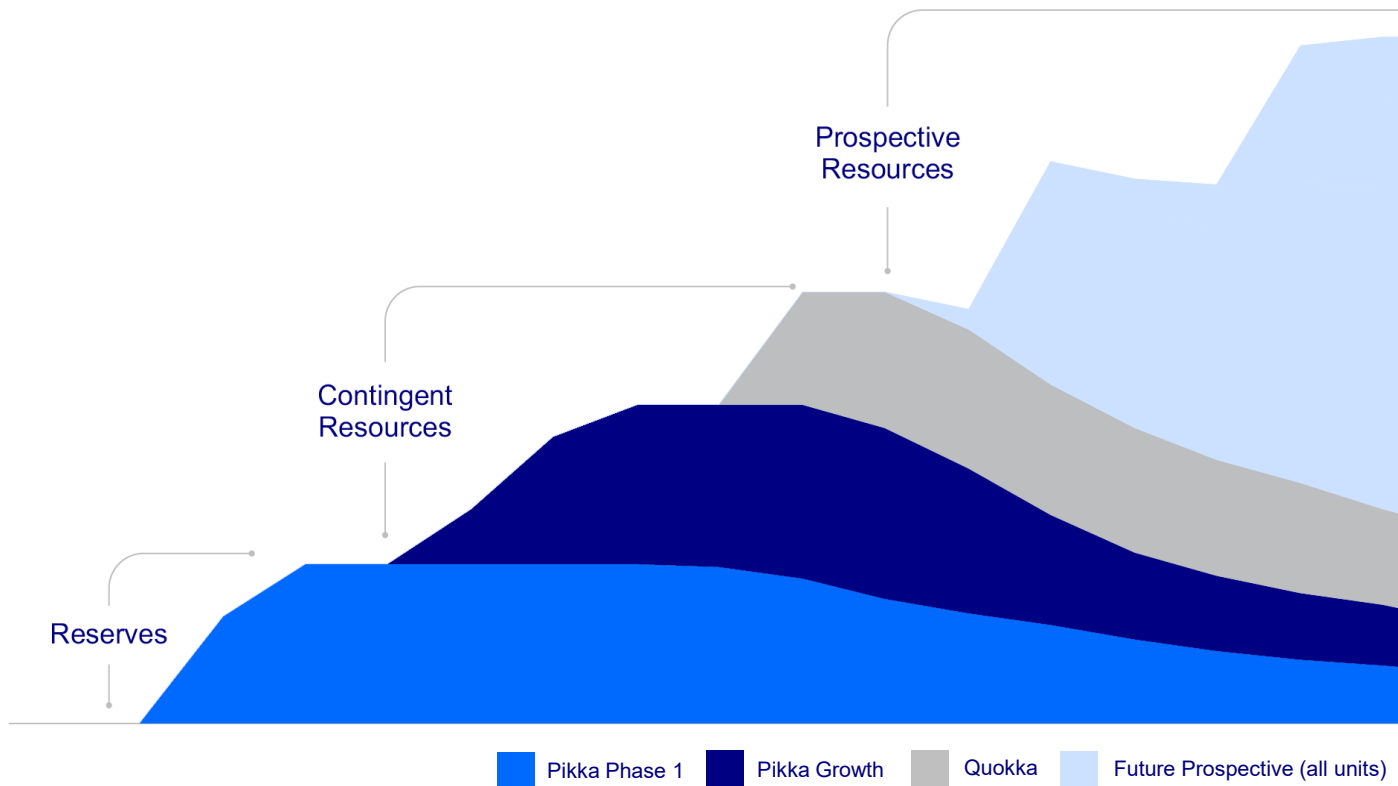
Quokka

**SANTOS ANNOUNCES ALASKA  
APPRAISAL SUCCESS AND  
PROVIDES MAJOR PROJECTS  
UPDATE**

8<sup>TH</sup> APR 2026

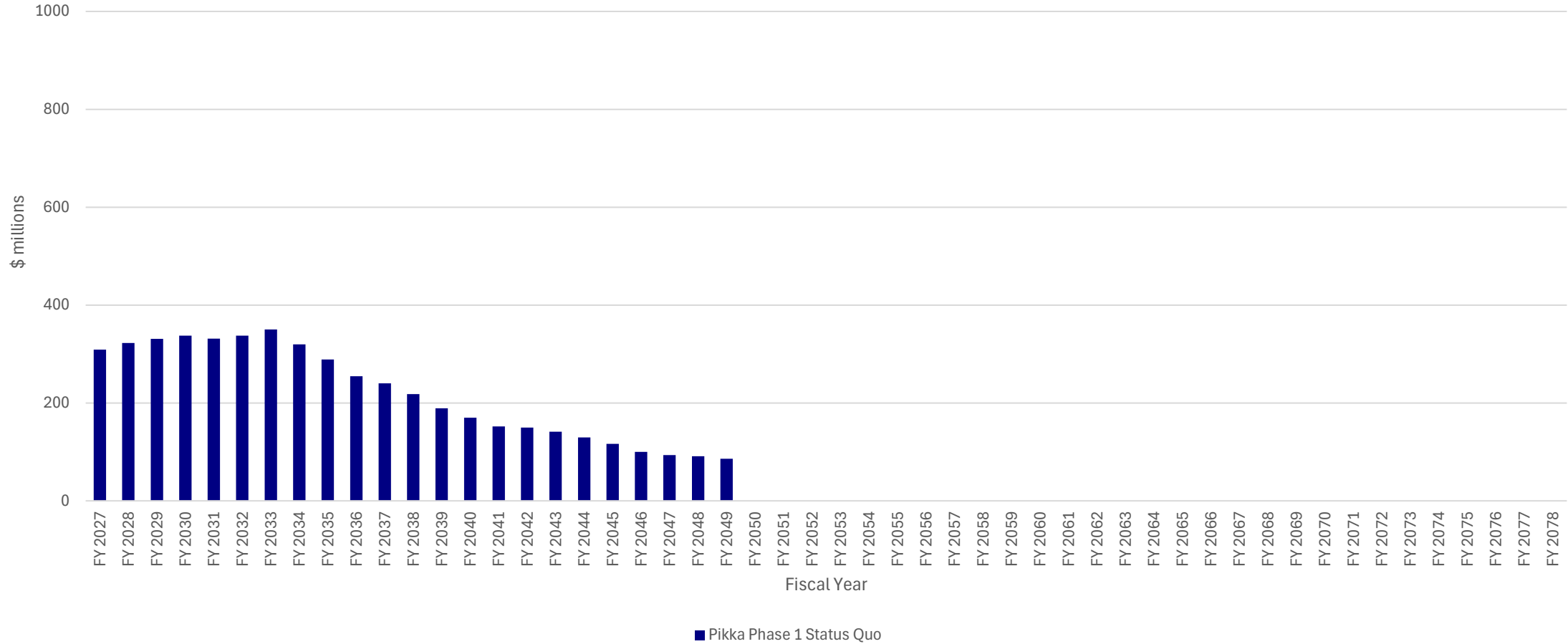


# Significant, Long-Term Supply Portfolio



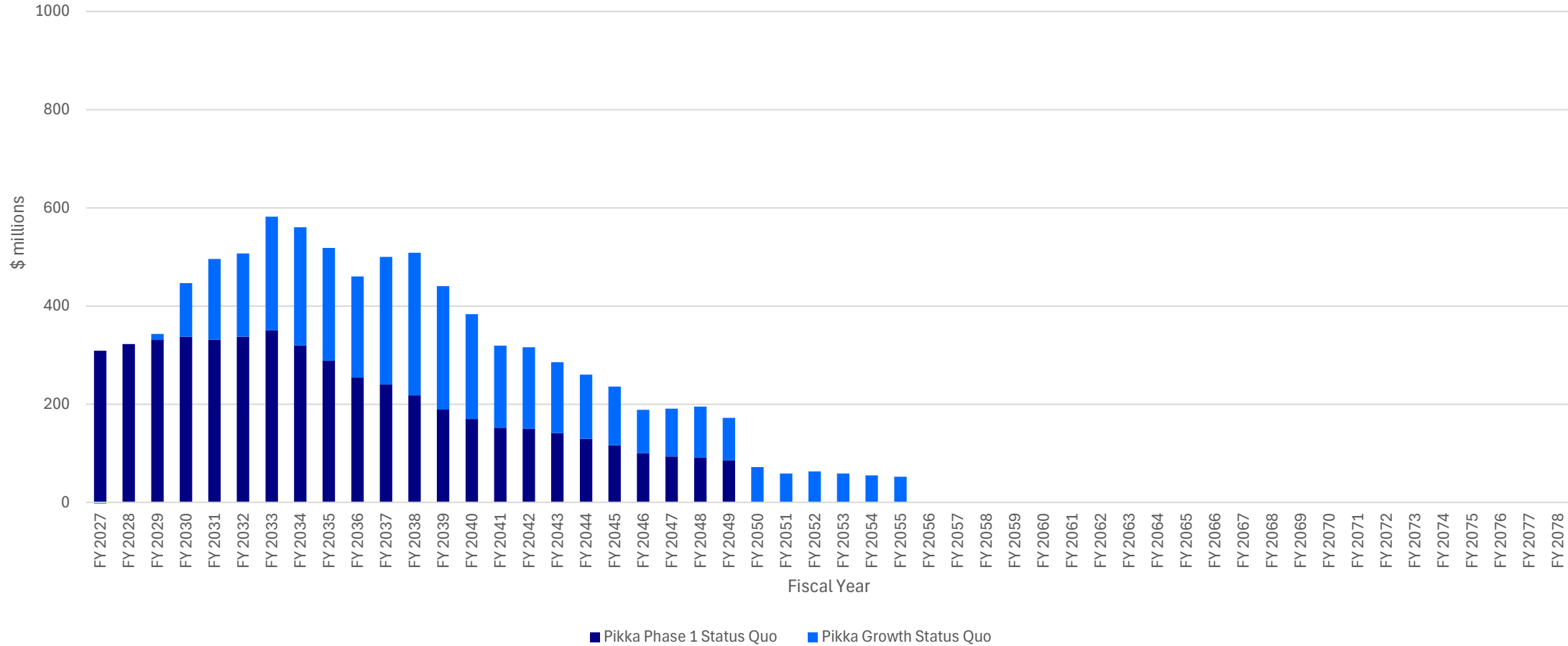
1. Santos net reserves and resources, as of 31 December 2022.

# Pikka & Beyond – State Revenue Contribution



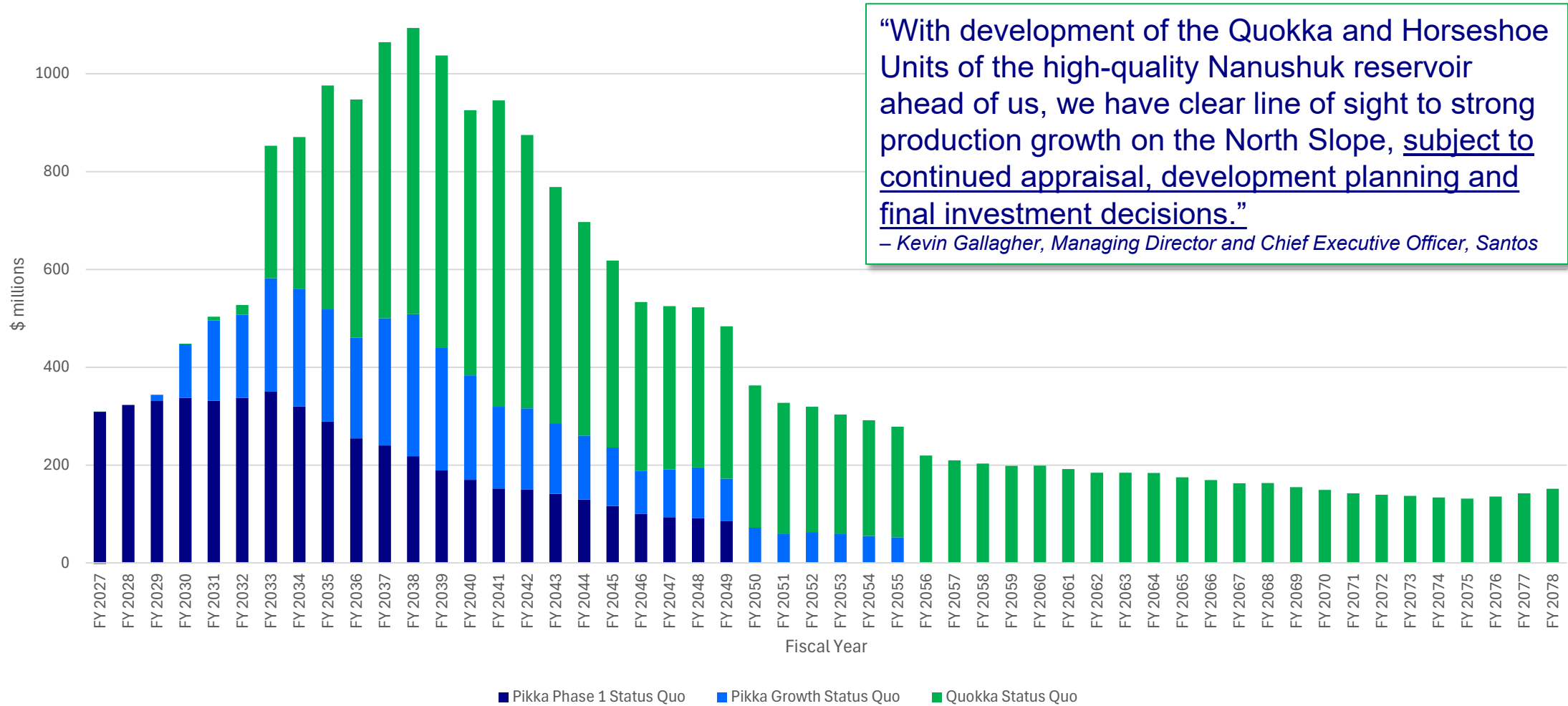
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# Pikka & Beyond – State Revenue Contribution



Estimates based on Alaska Department of Revenue Spring 2026 Revenue Sources Book price forecast; includes state property tax shared with local governments

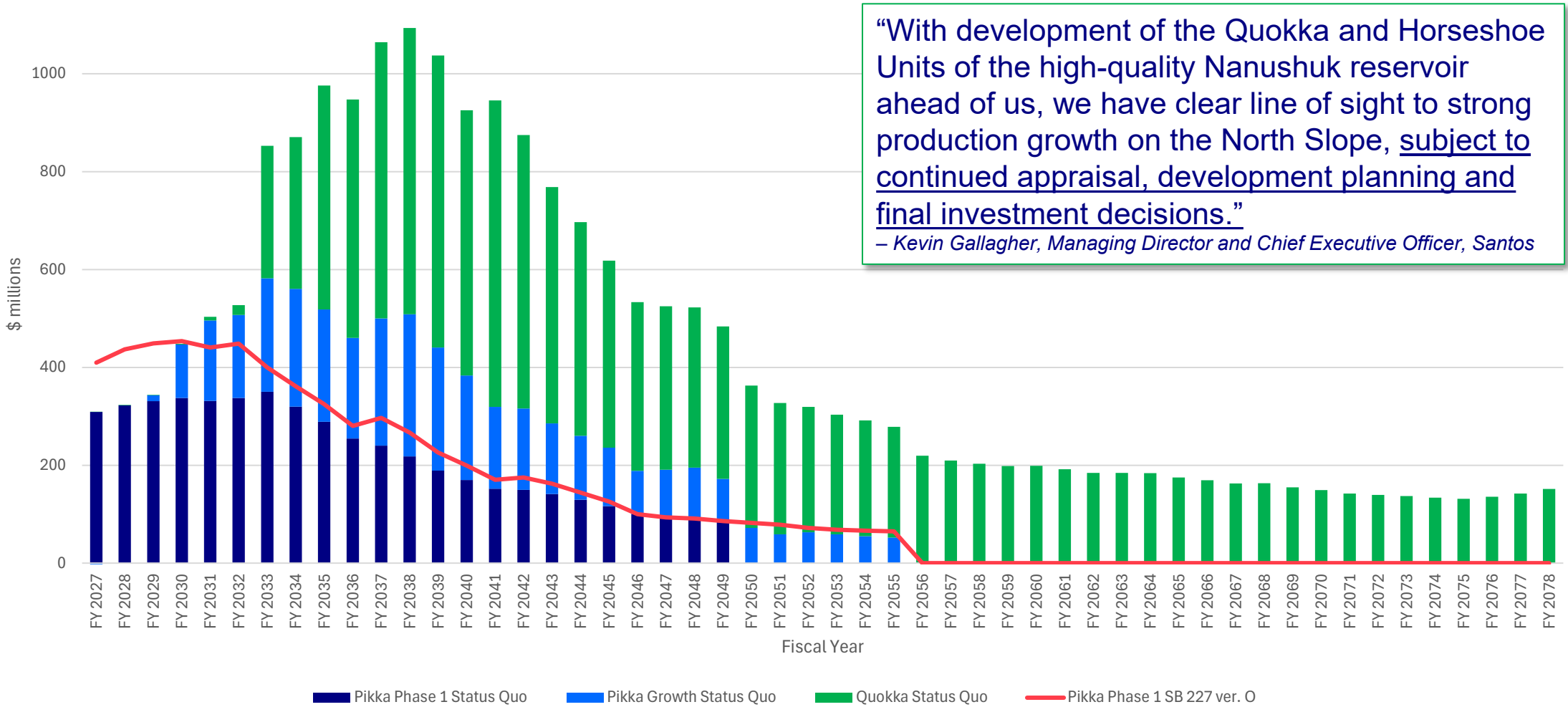
# Pikka & Beyond – State Revenue Contribution



Estimates based on Alaska Department of Revenue Spring 2026 Revenue Sources Book price forecast; includes state property tax shared with local governments

# Pikka & Beyond – Long-Term State Revenue at Risk

“With development of the Quokka and Horseshoe Units of the high-quality Nanushuk reservoir ahead of us, we have clear line of sight to strong production growth on the North Slope, subject to continued appraisal, development planning and final investment decisions.”  
 – Kevin Gallagher, Managing Director and Chief Executive Officer, Santos



Estimates based on Alaska Department of Revenue Spring 2026 Revenue Sources Book price forecast; includes state property tax shared with local governments



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