

PIPELINE EASEMENT

The project

The Hunter Gas Pipeline (HGP) Pty Ltd is a wholly owned subsidiary of Santos. The proposed underground pipeline route passes close to Santos' Narrabri Gas Project.

The pipeline, once constructed, will deliver much-needed gas to the east coast domestic market in the shortest timeframe possible. Since acquiring the HGP in August 2022, Santos has undertaken extensive landholder engagement along the proposed pipeline route. Engagement with landholders will continue with a focus on easement agreements as the project progresses.

What is an easement?

Easements allow access to property to construct, inspect, operate and maintain assets located on private property and to regulate the activities within the easement to ensure the safe and reliable operation of the pipeline. Once the HGP alignment has been finalised, Santos will commence easement negotiations with landholders on the pipeline route.

Easement by agreement process

Pipeline Route and Construction Area Finalised

Meet with landholders to finalise the pipeline route and discuss next steps regarding the easement agreement process.

Letter of Intent

Santos will send an offer under a 'letter of intent' which commences a formal negotiation process. This letter will set out information on the process.

Reaching Agreement

Santos' aim is to work with landholders to reach a mutually acceptable agreement. This will include the amount of compensation payable. This may involve one or more meetings between the parties, our respective valuers, and legal representatives.



Valuation Assessment

Valuation of the easement interest on the landholder's land is arranged by Santos. This valuation will form the basis of the compensation offered.

Compensation Roundtable

If there is a difference between our valuation and your valuer's assessment, we may seek a copy of your valuation report. We may also ask that the respective valuers meet to discuss the assessments and work to reaching an agreed amount.

Finalising the Deed of Option for Easement

Once an agreement is reached, Santos will prepare a final Deed of Option for Easement for execution.

Post agreement

Deed of Option for Easement

The Deed of Option for Easement is the agreement between the landholder and Santos that provides for the grant of the easement and sets out the agreed terms and conditions for Santos to access the property.

Access to land

After the Deed of Option for Easement is signed by the respective parties, Santos is entitled to access the land during the option period for the purpose of carrying out preliminary works to determine a final location of the pipeline. Santos will work with the landholder and provide notice before accessing the land.

Examples of preliminary works include:

- survey pegging
- walking the proposed easement area
- taking soil or water samples
- driving along an existing road or track in the area
- geophysical surveying
- aerial, electrical, environmental and cultural heritage surveying.

Compensation

Santos will pay a non-refundable amount to the landholder as consideration for entering into the Deed. The amount paid to the landholder is non-refundable regardless of whether the option is exercised.

This means that the amount will be paid regardless of whether Santos pursues the easement or not.

Exercising the Option

Upon exercising the Option, a further compensation amount is paid to the landholder to recognise disturbance during the construction period and taking of the easement. These amounts consider individual circumstances and uses of the land where the construction is taking place. This assessment is carried out by registered valuers.

	Before Exercise of Option – ‘Option Period’	After Exercise of Option	Once Easement Registered
Compensation	<ul style="list-style-type: none">• Option Fee• Extension Fee (if applicable)	<ul style="list-style-type: none">• Initial Payment• Easement and Construction Payment	<ul style="list-style-type: none">• Final Payment
Santos Land Access Rights	<ul style="list-style-type: none">• Licence – Preliminary Works	<ul style="list-style-type: none">• Easement rights	<ul style="list-style-type: none">• Easement rights

What can and can't be done on an easement?

The pipeline will occupy a registered easement across intersected properties. The easement will be registered on the land title and will transfer with any sale of the property.

Santos will work with landholders to understand their current and reasonably foreseeable future land uses to ensure the pipeline is designed to accommodate land use requirements. No restrictions will be placed on reasonable agricultural activities within the easement. Conditions of the easement include:



Low shrubs and vegetation can be grown over the pipeline.



Deep rooted species are not able to be grown over the pipeline. Trees and dams on or near the pipeline easement are not permitted.



Normal vehicles and road registerable machinery can be driven over the pipeline easement. Heavy vehicle crossings can be constructed on land where identified.



New tracks or roads for heavy equipment are not permitted within the easement without prior written permission.



Fencing is allowed (but fence posts must be outside of the pipeline easement).



Restrictions will be placed on undertaking earthworks, excavation, drilling or related works on the Easement.



The easement does not need to be fenced or gated (except where it crosses the boundary between properties).



Restrictions will be placed on the construction of buildings on the easement including dwellings, sheds, stables and outbuildings.

CONTACT DETAILS To find out more information about the project:

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CONTACT US

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