OIL SEARCH LIMITED

2011 Full Year Results Agenda

Performance Summary	Peter Botten
Financial Overview	Zlatko Todorcevski
PNG LNG Project Update	Phil Caldwell
Gas Expansion & Exploration	Carleton Nothling
Operations Review	Richard Robinson
Outlook & Summary	Peter Botten

2011 Full Year Results

OIL SEARCH LIMITED

Performance Summary	**Peter Botten**
Financial Overview	Zlatko Todorcevski
PNG LNG Project Update	Phil Caldwell
Gas Expansion & Exploration	Carleton Nothling
Operations Review	Richard Robinson
Outlook & Summary	Peter Botten

2011 Performance Summary

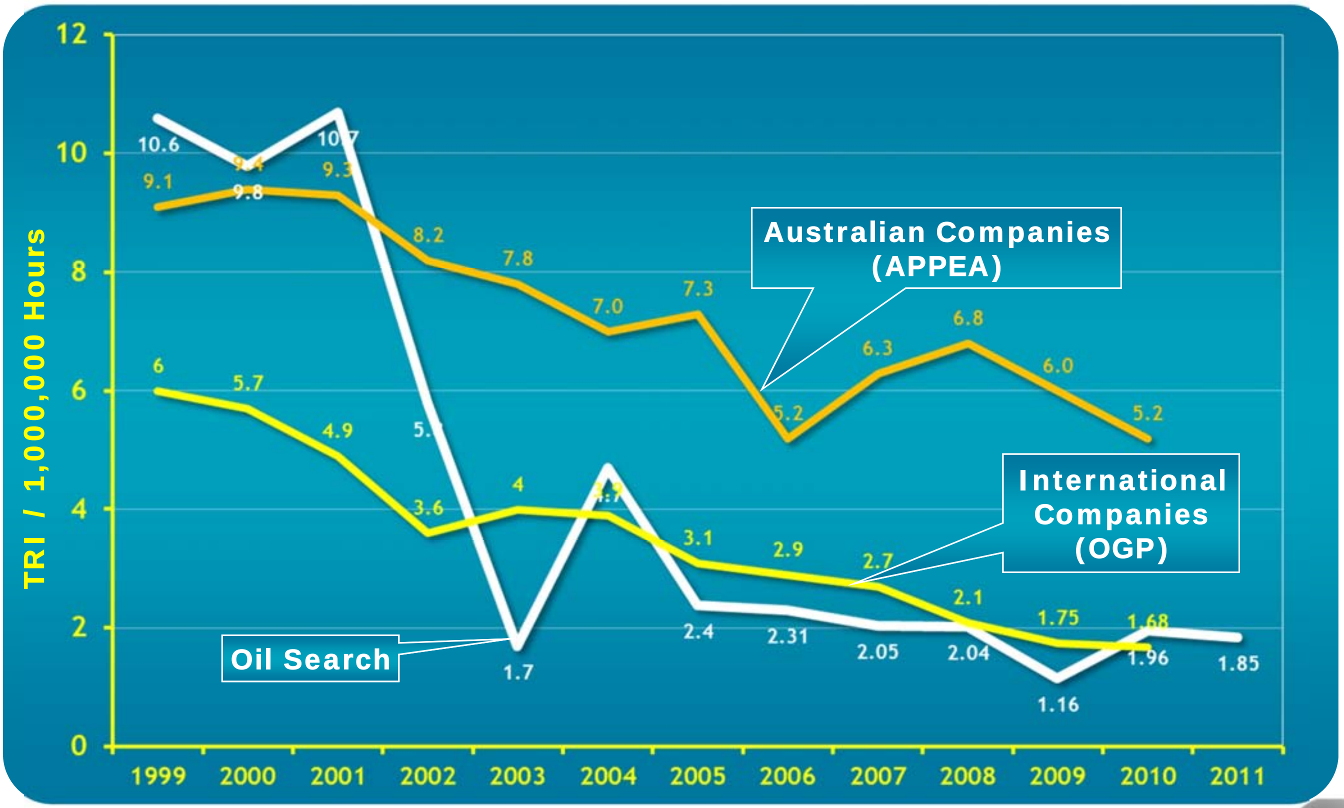
OIL SEARCH LIMITED

- Solid year of operating performance
- 9% increase in NPAT to 202.5 million, reflecting strong production performance, higher oil prices. Excluding significant items, NPAT increased 65% to US$236.5 million
- PNG LNG construction now in full swing. Target of first LNG in 2014 remains unchanged and costs are under control
- Key strategies for growth being progressively delivered. Major drilling programme underway, will include:
  - Hides appraisal and development
  - Highlands gas appraisal and exploration
  - Gulf drilling
  - Oil drilling - 2010/11 successes, with more to come
- OSH ended 2011 in excellent financial position. Oil operations continue to generate good cash flows, corporate facility remains undrawn. Ample liquidity to fund PNG LNG and unprecedented growth programmes
- Two US cents per ordinary share, unfranked, final dividend, making four US cents per share for 2011. Final dividend payable on 10 April 2012

Safety Performance

OIL SEARCH LIMITED

Total Recordable Injury Frequency Rate of 1.85 in 2011

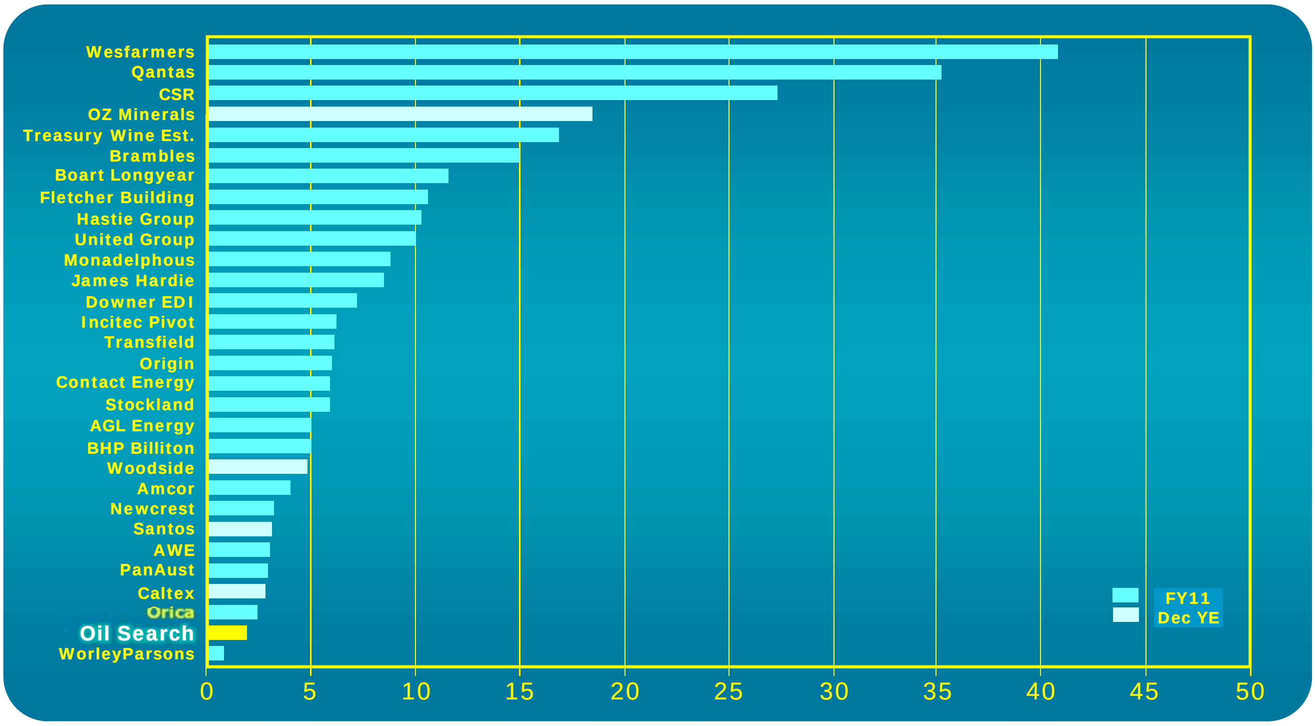


Australian Benchmarking

OIL SEARCH LIMITED

Total Recordable Injury Frequency Rate Data for 2011

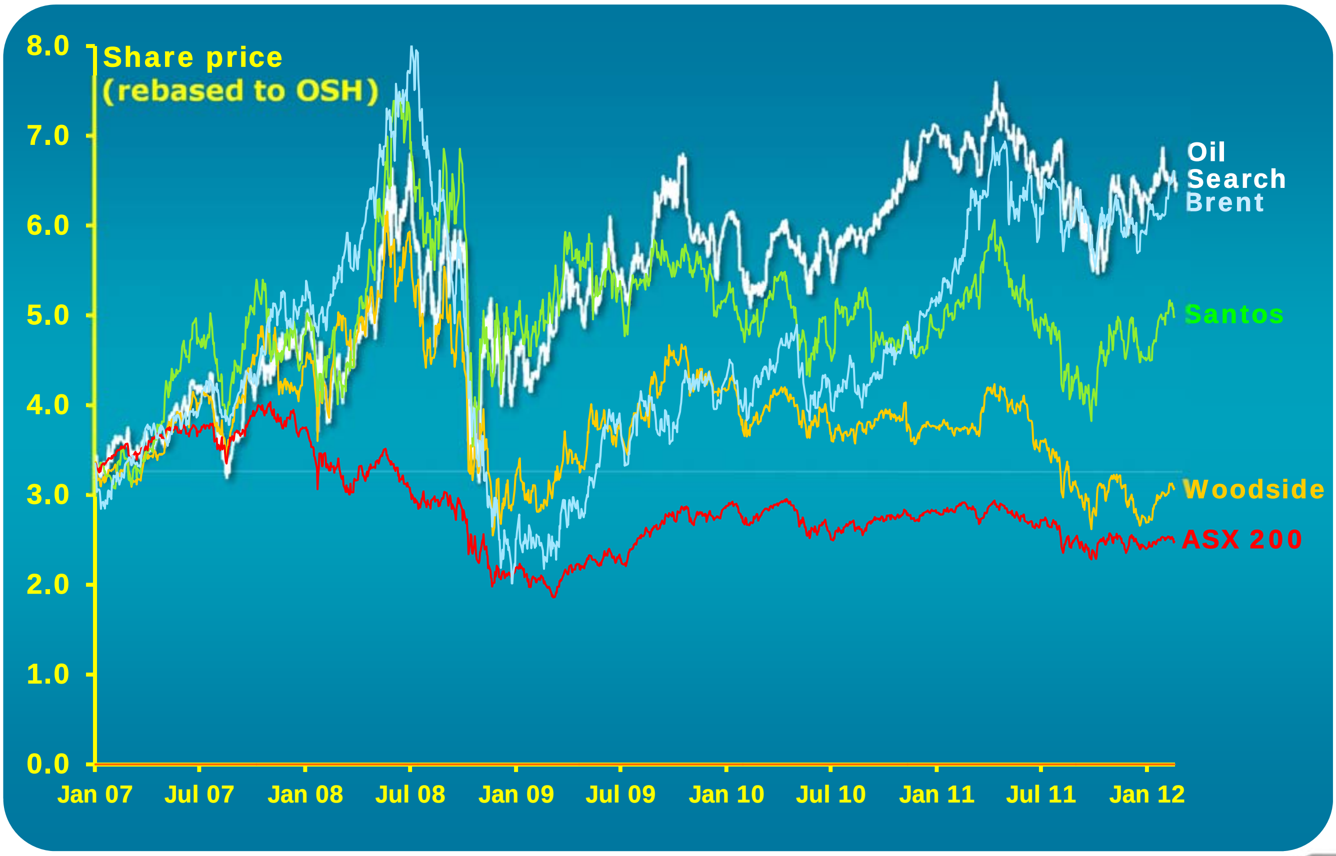
per Million Hours Worked (All Reported Data)



Source: Company data, Citi Investment Research and Analysis.
Note: TRIFR – Total Recordable Injury Frequency Rate per 1 million hours worked

Strong Share Price Performance

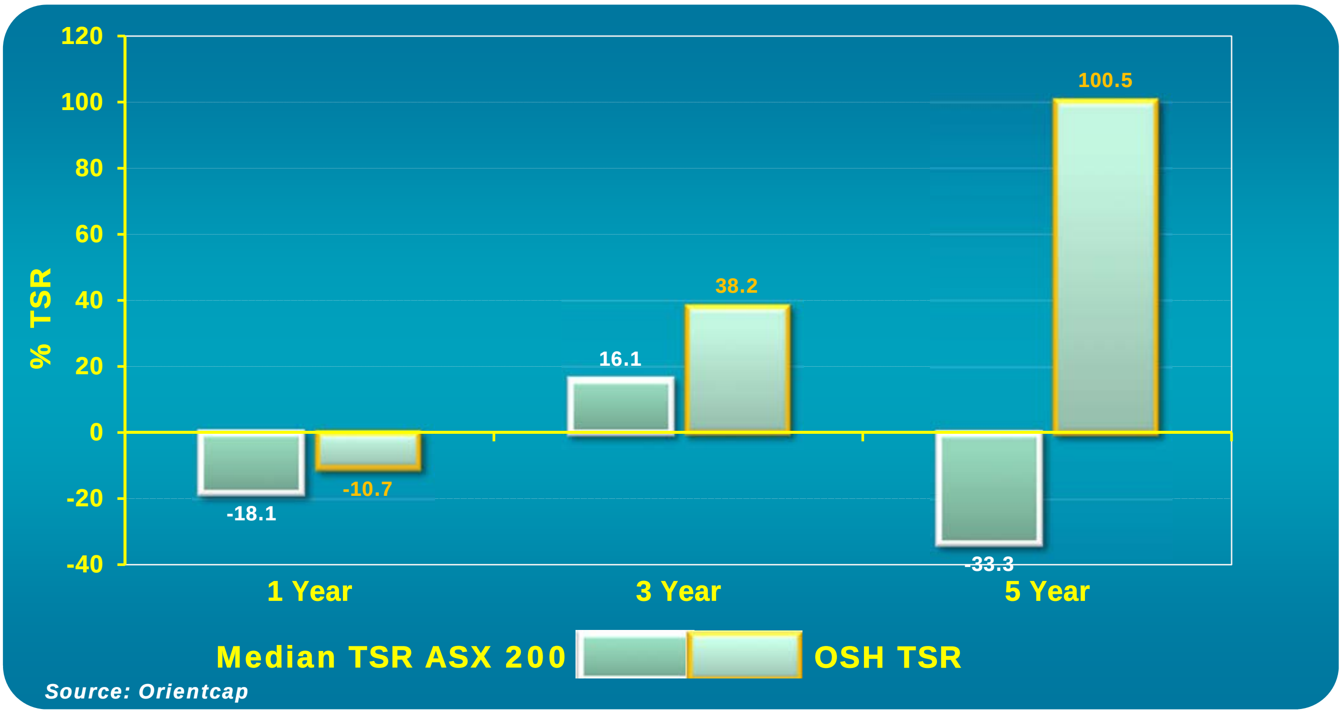
OIL SEARCH LIMITED



TSR performance over 5 years

OIL SEARCH LIMITED

Oil Search ranked 4th in ASX 200 for TSR over five years to 31 December 2011



Source: Orientcap

2011 Full Year Results

Performance Summary	Peter Botten
Financial Overview	**Zlatko Todorcevski**
PNG LNG Project Update	Phil Caldwell
Gas Expansion & Exploration	Carleton Nothling
Operations Review	Richard Robinson
Outlook & Summary	Peter Botten

OIL SEARCH LIMITED

2011 Financial Performance

(US$'m)	2011		2010
Revenue	732.9	+26%	583.6
Cash Expenses	(137.0)		(111.8)
EBITDAX	595.9	+26%	471.7
Non-cash items	(84.4)		(62.7)
Exploration Expense / BD	(70.9)		(131.2)
Interest income/(expense)	(0.7)		(0.8)
Pre-tax Profit	439.9	+59%	277.2
Tax	(237.4)		(91.6)
NPAT**	202.5	+9%	185.6
Core Profit**	235.6*		144.1*

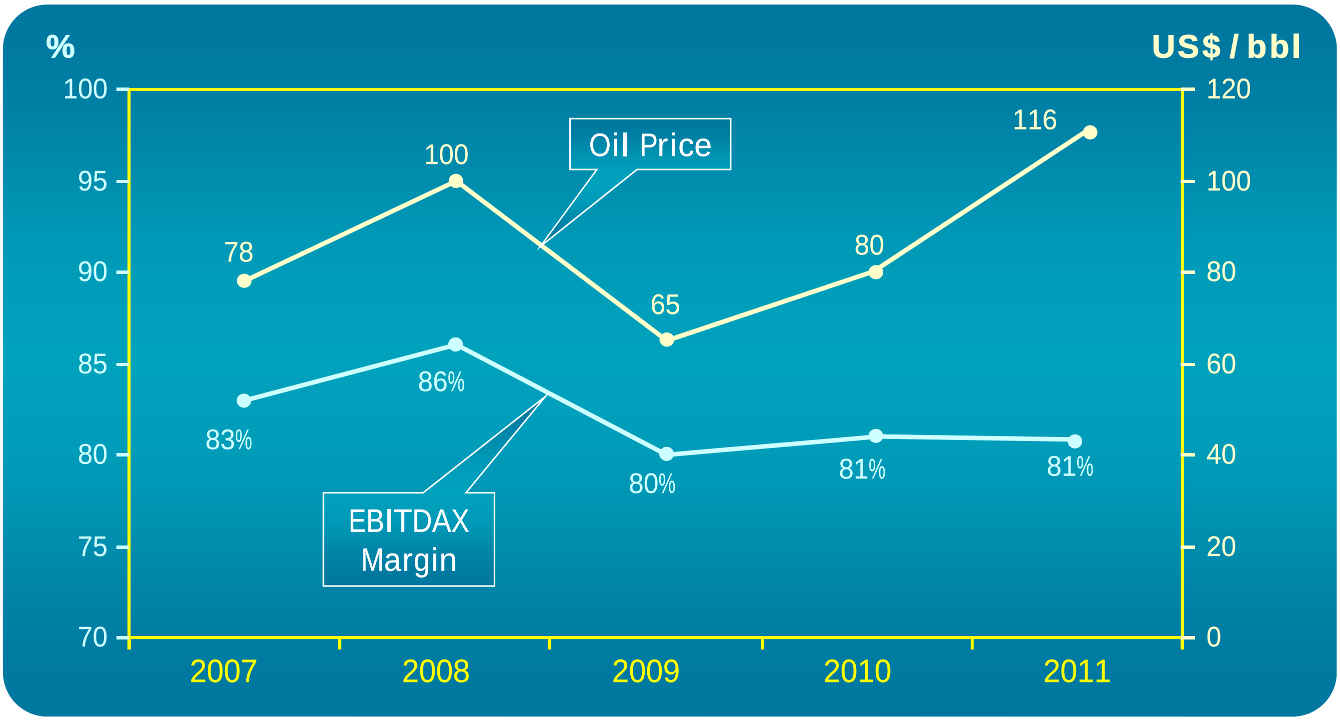
- Full year revenue benefited from higher realised oil prices, partially offset by lower volumes
- Increase in non-cash charges balanced by lower exploration expense (Wasuma and Korka wells expensed in 2010)

* 2011 core profit excludes impairment charge for Shakal (no tax benefit). 2010 core profit excludes one-off tax benefit associated with restatement of deferred tax balances associated with PNG LNG Project partially offset by impairment charge associated with various exploration permits

** See appendix A for reconciliation between NPAT and Core Profit

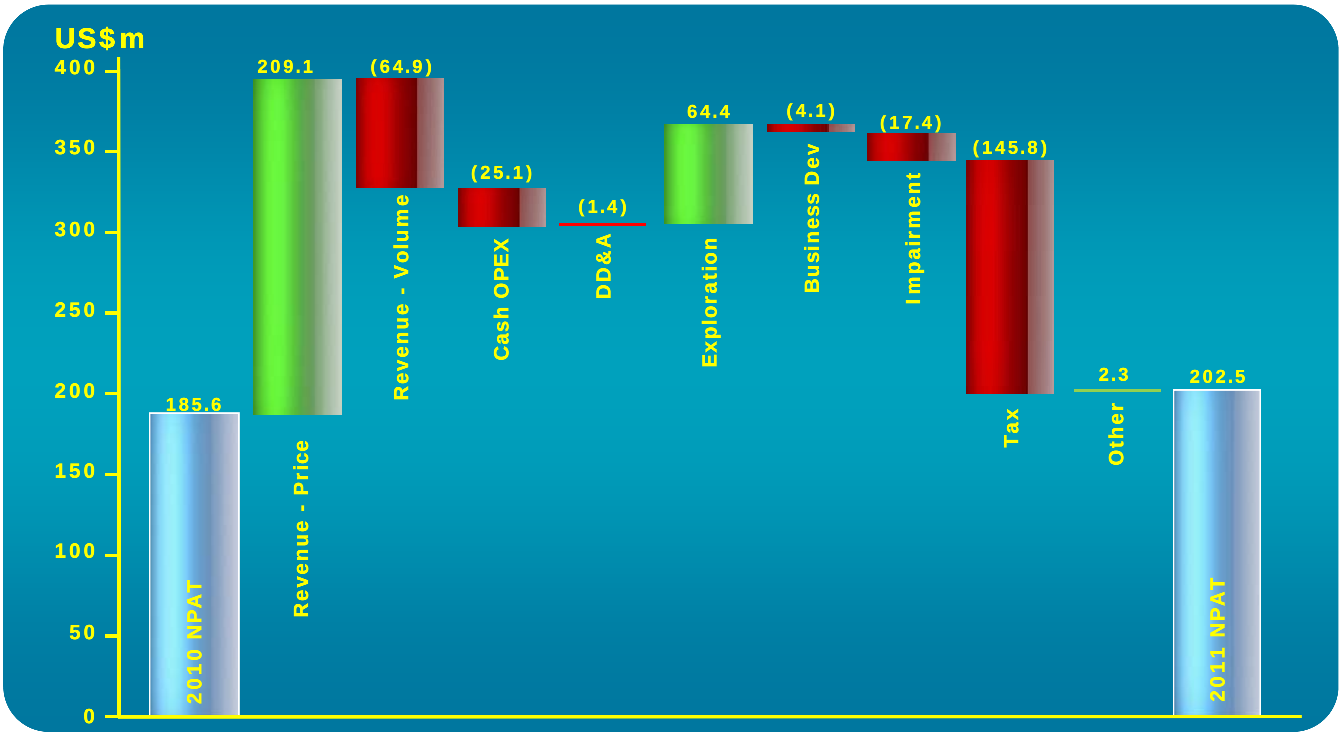
OIL SEARCH LIMITED

Cash Earnings Performance



- Cash operating margin maintained against back drop of significant inflationary pressure in PNG coupled with stronger A$ and Kina

2011 NPAT Drivers

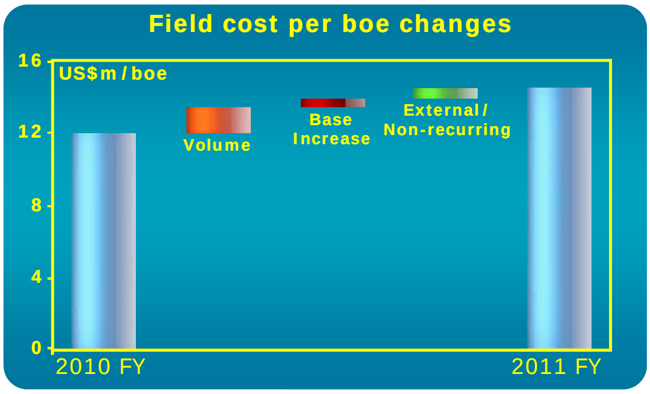


- EBIT growth driven by higher oil prices and lower exploration expense (Wasuma and Korka wells written off in 2010), partially offset by lower volumes, Shakal impairment and higher tax expense
- Prior year NPAT impacted by one off benefit associated with restatement of deferred tax balances

Cost Management

	FY11 US$'m	FY10 US$'m
Field Costs		
- Oil: PNG	85.9	73.3
- Hides	6.5	8.0
	92.4	81.3
Other Prod'n Opex		
- Oil	16.8	15.4
- Hides	0.7	0.6
	17.5	16.0
Net Corp Costs	21.8	16.6
FX Losses/(gains)	1.2	(2.2)
Total	**132.9**	**111.8**

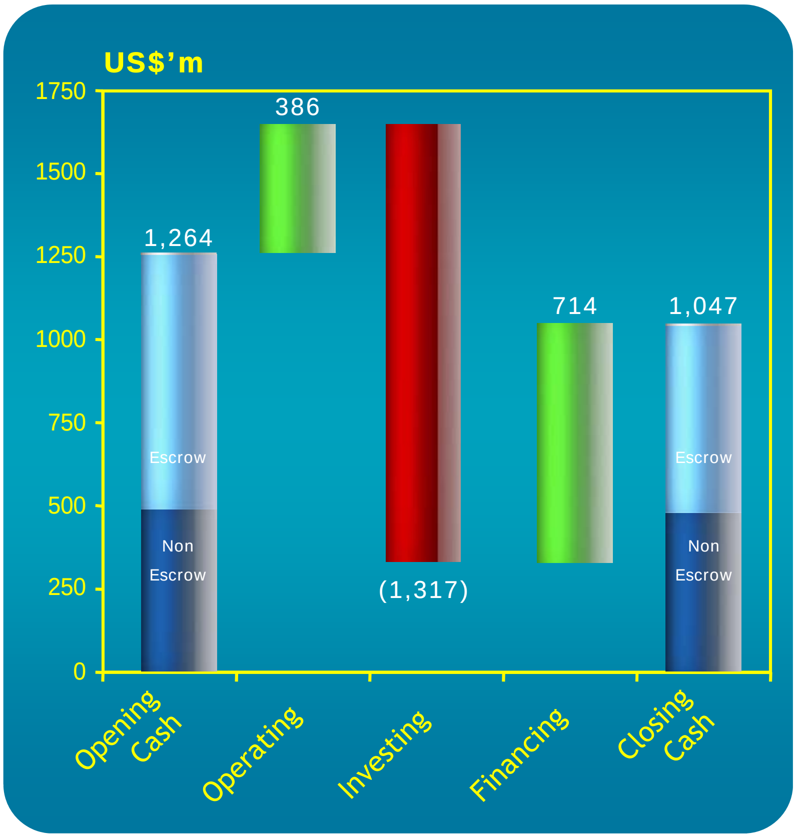
- Costs within guidance (US$20.16/boe)
- Adverse impact of A$ and Kina movement against US$ impacting operating and corporate costs
- PNG capacity constraints placing pressure on costs
- Programme activities actively managed



OIL SEARCH LIMITED

Cash Flows

- Strong operating cash flow driven by improving oil price and continued focus on costs
- Investing cash outflows driven predominantly by PNG LNG spend coupled with infield and near field drilling and exploration spend
- Financing included US$708m drawn down from PNG LNG project finance facility
- Oil Search self-funded operating business - non-escrow cash essentially flat



OIL SEARCH LIMITED

Treasury Update

- US$1.05 billion in cash at end December 2011
- Cash invested with highly rated bank counterparties
- US$246.5 million available from term revolving facility, nil drawn down
- Group liquidity ~US$1.29 billion
- No oil hedging undertaken during the year or currently in place – fully realised oil price recovery
- US$1.75 billion has been drawn down under PNG LNG project finance facility
- 2011 final dividend of two US cents per share fully underwritten via DRP

OIL SEARCH LIMITED

2012 Full Year Financial Guidance

- Production:
  - 6.2 – 6.7 mmboe
- Operating costs
  - US$21 - 24/boe (incl. corporate costs)
  - Impacted by:
    - Major workover programme to maximise oil recoveries before gas production
    - FOREX
    - PNG inflation
    - Associated Gas activities
    - Sustainability initiatives
- Depreciation, depletion and amortisation:
  - US$7 - 9/boe

OIL SEARCH LIMITED

2012 Investment Outlook

OIL SEARCH LIMITED

US$'m	2011 (A)	2012 (F)
Investing :		
Exploration inc gas growth	145	240 – 280#
PNG LNG	1,287	1,650 – 1,750##
Production	129	130 – 150
Corporate (inc rigs)	7	10
Business Development**	10	7
Financing :		
Dividends	0*	0*

* Dividend fully underwritten

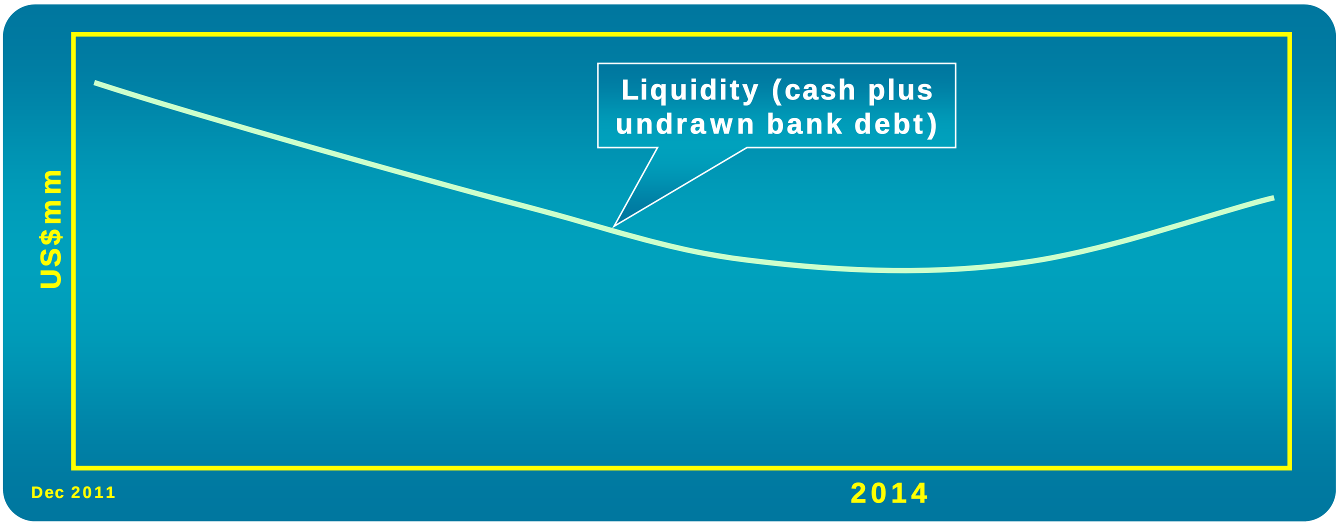
** Previously included in Exploration

\# 20-25% of spend in MENA

\## Includes capitalised interest and fees

Liquidity Outlook

OIL SEARCH LIMITED



- Outlook updated for 2011 financial results, forward prices & revised PNG LNG Project cost
- Liquidity at 31 December 2011 ~$1.3 billion
- Company remains well placed to meet existing commitments and with sufficient liquidity to deliver on strategic plan initiatives

Key Assumptions:
1. Brent Forward curve pricing as at 17 February 2012
2. PNG LNG Project on schedule and revised budget
3. Train 3 FEED costs included, Train 3 construction costs excluded
4. Production profiles, other Capex / Exploration based on OSL business plan
5. Existing oil facility refinanced

2011 Full Year Results

OIL SEARCH LIMITED

Performance Summary	Peter Botten
Financial Overview	Zlatko Todorcevski
PNG LNG Project Update	**Phil Caldwell**
Gas Expansion & Exploration	Carleton Nothling
Operations Review	Richard Robinson
Outlook & Summary	Peter Botten

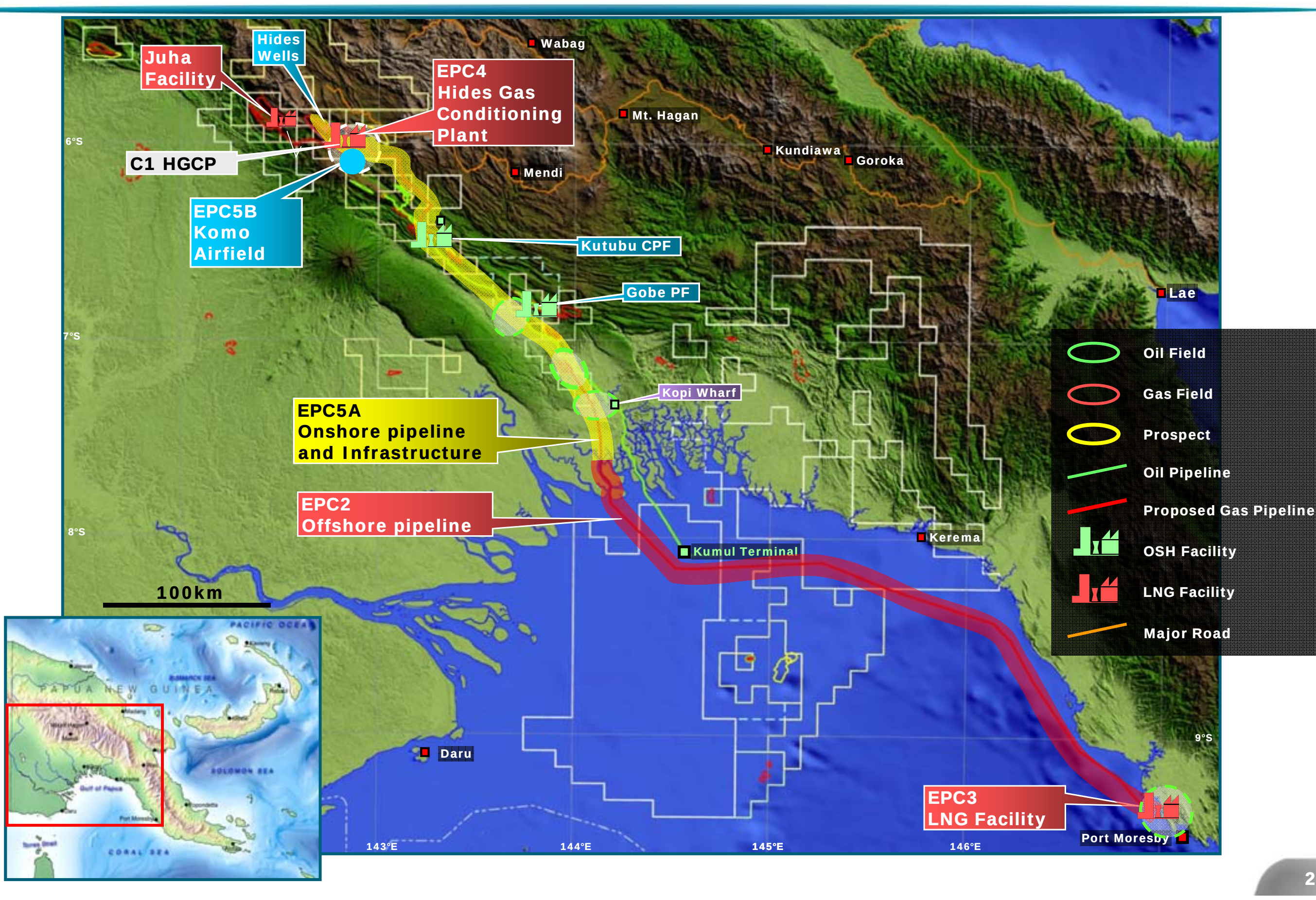
OIL SEARCH LIMITED

PNG LNG Project Update

PNG LNG

PNG LNG Project Overview

OIL SEARCH LIMITED



Milestones achieved in 2011 - Upstream

OIL SEARCH LIMITED

- Commenced construction activities at Hides Gas Conditioning Plant (HGCP) including commencement of piling work
- Good progress at Komo, with significant improvement in earthworks and installation of first foundations for terminal building
- Ongoing progress on onshore pipeline, with welding of over 100 kilometres and completion of first major onshore pipeline river crossing
- Delivered first of two drilling rigs to PNG in preparation for development drilling
- Completed major shutdown at oil facility for tie-ins and new equipment. Installed new export buoy

Milestones achieved in 2011 - Downstream

- Commenced construction of process trains, utility areas, LNG tanks and jetty. In 4Q, completed LNG tank concrete foundations and commenced construction of outer LNG tank shells
- Completed 130 kilometres of offshore pipeline including landfall site at LNG Plant site (Caution Bay), trenching, shore pull and trench backfilling
- Contract for construction of two new LNG carriers let by Mitsui
- At end 2012, more than 14,300 people employed on Project activities, 60% PNG citizens. Includes >1,000 females, of which 94% PNG citizens
- Project budget increased by US$700 million primarily to address cost increase of strong A$
- Project scheduled for first deliveries in 2014

PNG LNG

OIL SEARCH LIMITED

Recent Landslide

- Major landslide occurred at Hides on 24 January 2012
- PNG Government's National Disaster and Emergency Relief Office in charge of managing incident, with assistance from Esso Highlands and Oil Search
- Key focus is providing support/assistance to local community
- Majority of PNG LNG operations have resumed and road access expected to be restored soon
- Not expected to impact 2014 Project start-up
- Government to undertake independent investigation

PNG LNG

OIL SEARCH LIMITED

Focus items for 2012

OIL SEARCH LIMITED

- Completion of Komo Airfield construction
- Structural steel erection, mechanical construction of major equipment at HGCP
- Continued construction at LNG Plant site including commencement of topside jetty works and tank hydrostatic testing
- Mechanical completion of offshore and Kopi / Kutubu sections of the onshore pipeline
- Completion of AG CPF and Gobe plant modifications and PL2 Kumul refurbishment projects, including ready to supply commissioning gas status
- Commencement of development drilling
- Continued focus on working with government and local communities, maximising opportunities for local content

PNG LNG

Timetable

OIL SEARCH LIMITED

2010

- Continued early works
- Detailed design
- Order long leads and place purchase orders
- Open supply routes
- Contractor mobilisation
- Commence AG construction

Financial Close

2011

- Ongoing procurement and mobilisation
- Airfield construction
- Drilling mobilisation
- Start offshore pipeline construction
- Onshore line clearing and laying
- Start LNG equipment installation

2012

- Complete AG
- Continue onshore pipe lay
- Complete offshore pipe lay
- Start Hides plant installation

2013

- Complete pipe lay
- Ongoing drilling
- Complete Hides plant
- Commission LNG plant with Kutubu gas

2014

First Gas from Train 1, then Train 2

PNG LNG

PNG LNG Project

OIL SEARCH LIMITED


Pipe welding team


Komo airstrip – earthworks & camp


HGCP & Hides spineline road

PNG LNG Project

OIL SEARCH LIMITED


LNG Plant - LNG storage


LNG Plant - Condensers


Offshore pipelay – SEMAC I


Offshore pipelay – SEMAC I

PNG LNG Plant Site

OIL SEARCH LIMITED

2011 Full Year Results

OIL SEARCH LIMITED

Performance Summary	Peter Botten
Financial Overview	Zlatko Todorcevski
PNG LNG Project Update	Phil Caldwell
Gas Expansion & Exploration	**Carleton Nothling**
Operations Review	Richard Robinson
Outlook & Summary	Peter Botten

Gas Growth & Exploration

- Key strategic priority for Oil Search is to grow gas business in PNG
- Pursuing a two pronged strategy:
  - PNG LNG Expansion
  - Gulf Area LNG
- In parallel:
  - Continuing near-field exploration
  - Pursuing high-graded exploration outside PNG

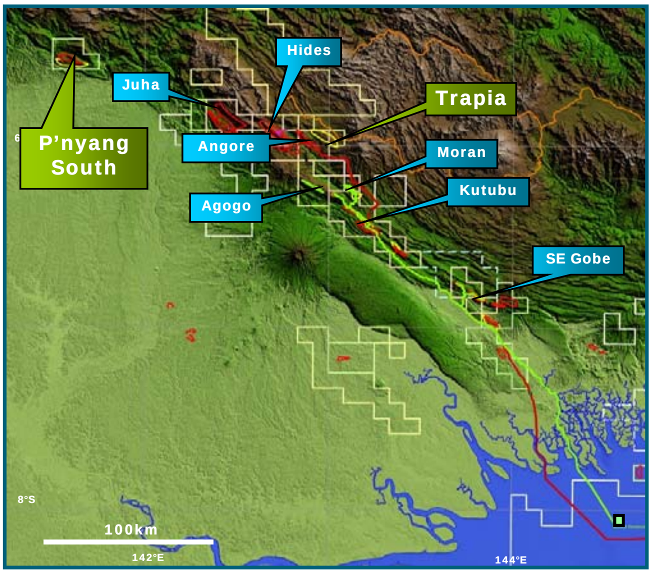
PNG LNG Expansion

- Drilling programme in PNG Highlands has commenced:
  - P'nyang South 1 (PRL 3) appraisal well spudded January 2012
  - Trapia (PRL 11) exploration well to follow P'nyang well
  - Non-PNG LNG Project licences but high degree of common ownership, candidates for inclusion in expansion
- Hides development drilling programme:
  - Scheduled to commence in mid 2012, GWC well planned for early in drilling sequence
  - GWC well has potential to increase overall Hides resource volume significantly
  - Drilling timing optimised with other construction logistics (Komo and HGCP)
- Upside in Associated Gas fields:
  - Detailed evaluation ongoing by Oil Search

OIL SEARCH LIMITED

PNG LNG Expansion

OIL SEARCH LIMITED



P'nyang South:

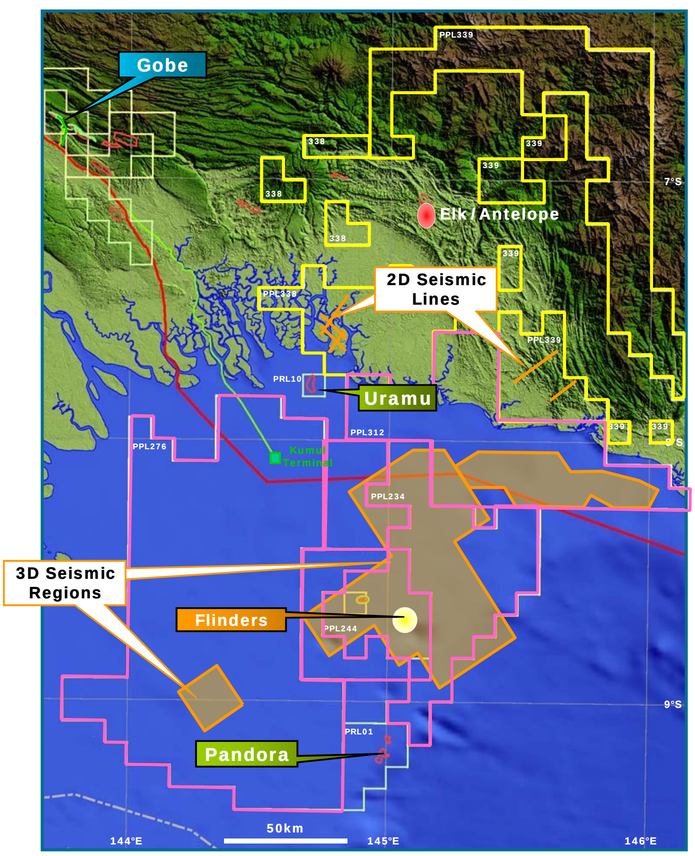
- Appraisal well targeting southern fault block
- Potential to double current 1C and 2C resource
- PRL 3: ExxonMobil 49%, Oil Search 38.5%, JX Holdings 12.5%

Trapia:

- Exploration well - one of a series of prospects in area east of Hides
- Multi-tcf potential across area
- Active 2D seismic programme in 2012/13 to mature prospects
- PRL 11: Oil Search 52.5%, ExxonMobil 47.5%

Gulf Area LNG Opportunity

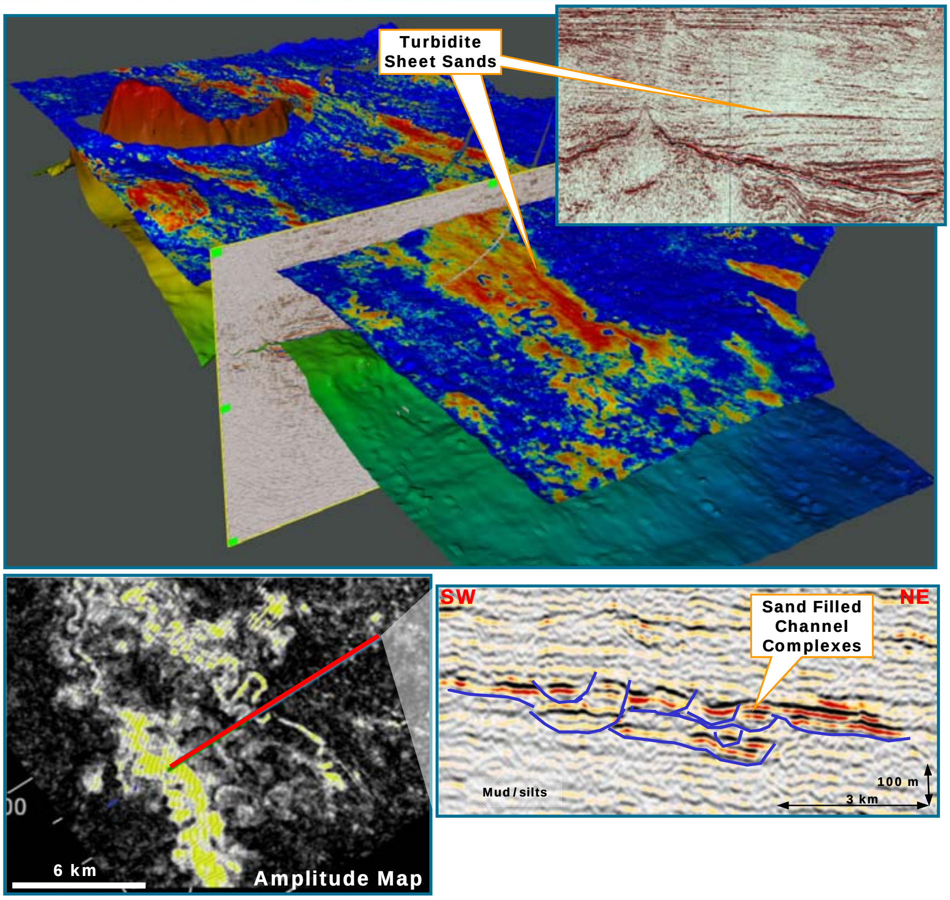
OIL SEARCH LIMITED



- Multi-licence, multi play type, multi well opportunity with material equity
- Large, initial seismic programme completed in 2011:
  - ~6,300 km² 3D offshore and 95 km 2D onshore
- Significant resource potential identified in proven hydrocarbon (gas & condensate) province
  - Over 30 opportunities identified across multiple play types
  - Potential to support two LNG trains
- Initiating additional 3D seismic programme

Gulf Area LNG Opportunity

OIL SEARCH LIMITED



- High quality 3D dataset assembled
- 6 independent play types identified to date, each analogous to proven play types elsewhere:
  - Submarine fan & channel play types – as yet untested in PNG
  - Carbonate plays – proven in PNG
- Several drill-ready prospects, with many follow-up opportunities, if successful

Gulf Area LNG Opportunity

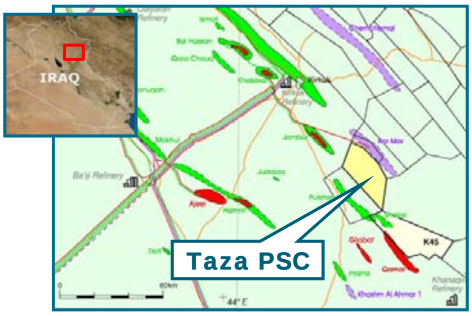
OIL SEARCH LIMITED

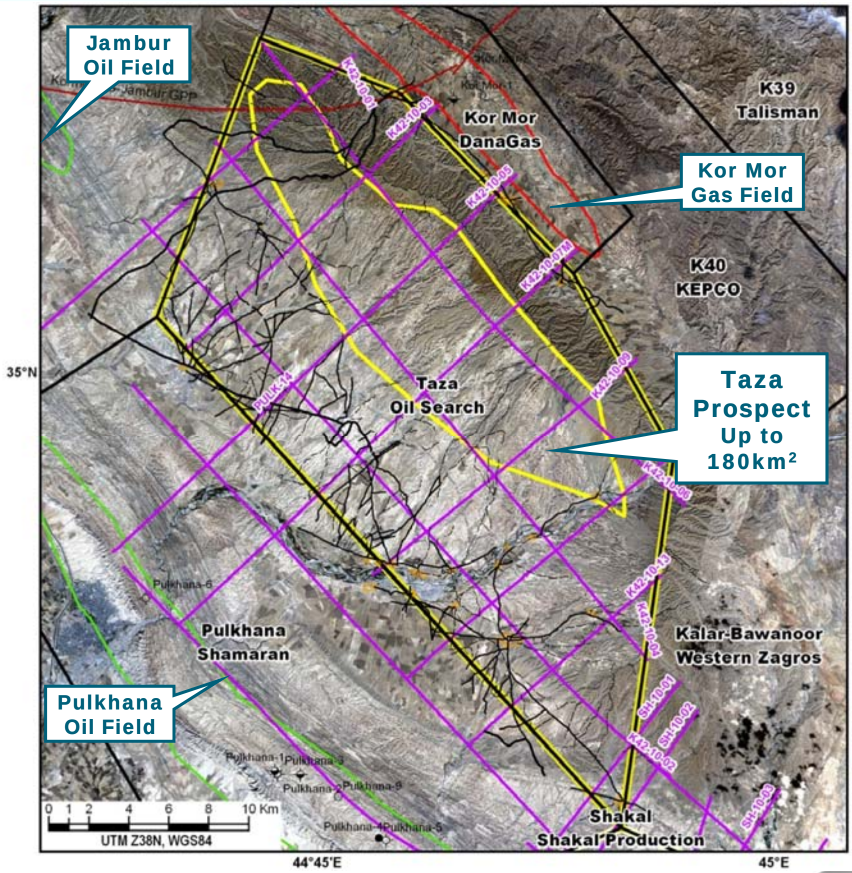
- Partnering:
  - Opportunity for partner to gain material country entry position
  - Data room opened, several highly credentialed parties have been through, strong interest expressed
  - Targeting partnering deal mid 2012
- Drilling:
  - Initial 2-well offshore programme
  - Rig selection and well planning underway
    - Site survey contracted
    - Well design commenced
    - Rig & long lead item procurement process commenced
  - Plan to drill independent of partner process
- Timing:
  - Rig selection to be finalised in 2Q for 4Q spud
  - Timing dependent on:
    - Rig selection and availability
    - Final strategy selection

Kurdistan Region of Iraq - Taza PSC

OIL SEARCH LIMITED

- Material prospect in world's hottest exploration region
- Oil Search operator with WI of 60%, ShaMaran 20%, KRG 20%
- Very prospective location adjacent to four fields
- Large, simple 4-way dip closure identified from 2010 seismic. > 1 billion bbl potential volumes in place
- Well planning underway for mid-2012 spud

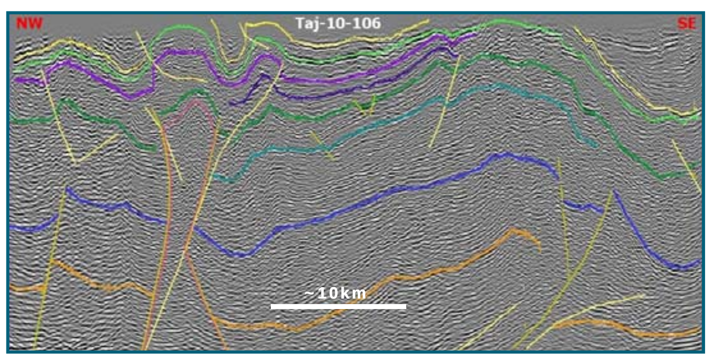




Tunisia - Tajerouine PSC

OIL SEARCH LIMITED

- 2010 seismic evaluation complete. Infill seismic acquired late 2011
- Proven oil plays present and new deeper gas play developed
- Preferred prospect (Semda-1) confirmed. Has potential for >100 mmboe
- Fiscal regime favourable - discovery would be material
- Well planned for 2H 2012



2011 Full Year Results

OIL SEARCH LIMITED

Performance Summary — Peter Botten

Financial Overview — Zlatko Todorcevski

PNG LNG Project Update — Phil Caldwell

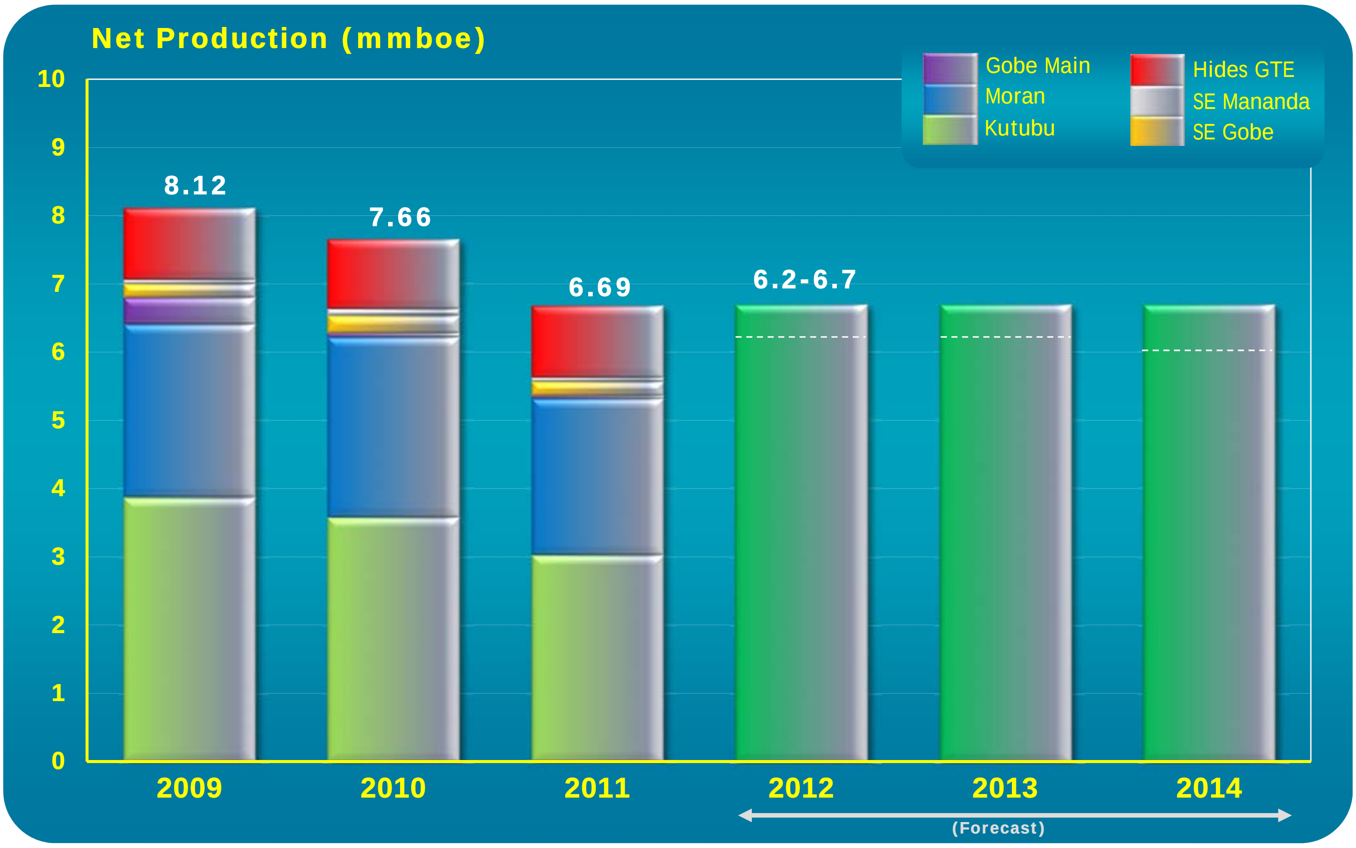
Gas Expansion & Exploration — Carleton Nothling

Operations Review — Richard Robinson

Outlook & Summary — Peter Botten

Oil Search Production

OIL SEARCH LIMITED

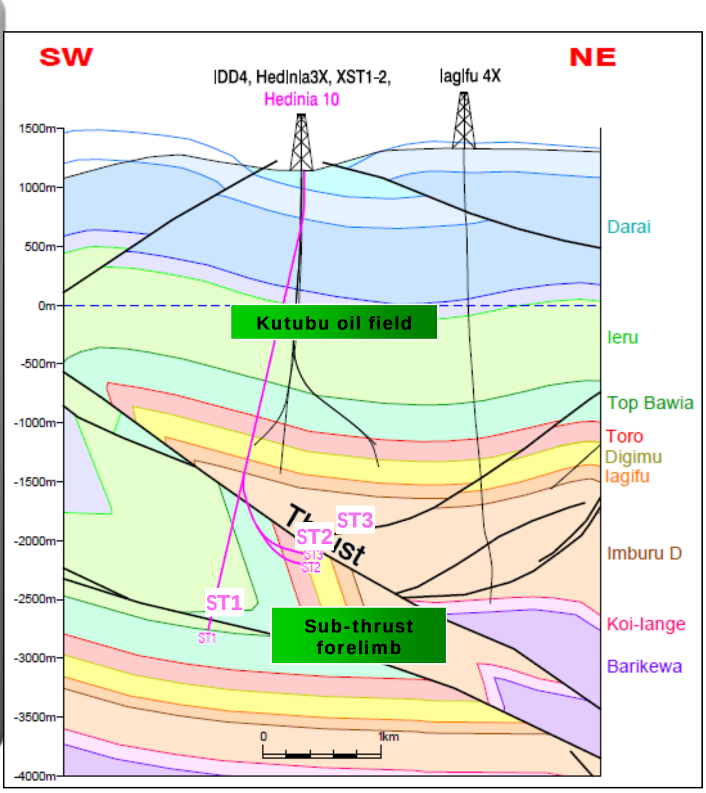


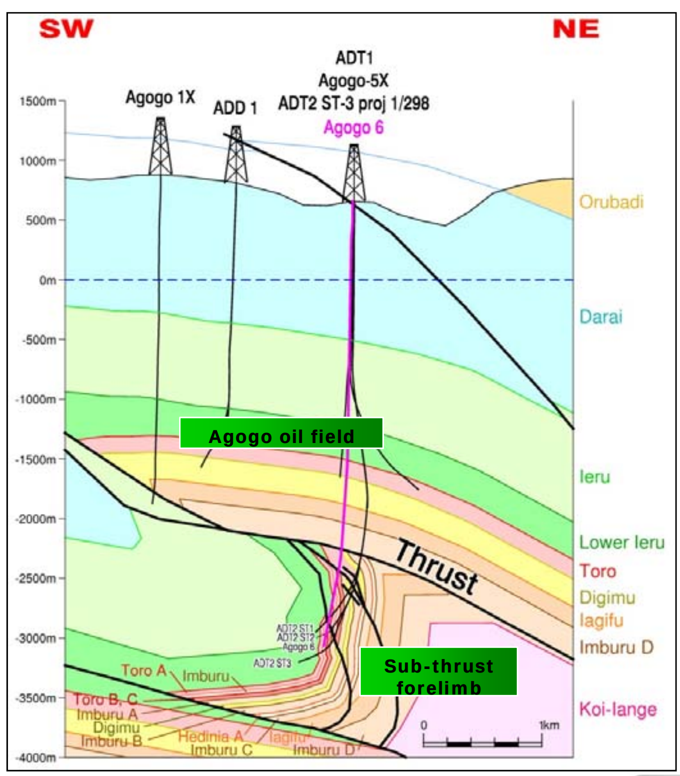
FY11 Performance

- Continued world class safety performance
- Production
  - Strong production performance of 6.69 mmboe, at upper end of 2011 guidance of 6.2 - 6.7 mmboe
  - Ongoing strong production and value opportunities
    - New gas injection strategy paying dividends
    - Successful Toro infill well at IDT 25, with discovery in deeper Koi lange zone
    - New pools discovered by Hedinia 10 and Agogo 6 wells, part of ongoing near field exploration and appraisal strategy
  - 35+ successful development and near field wells in recent years
  - Workover programme has added more barrels

Hedinia 10 and Agogo 6

- Complex and invisible - highly successful near-field exploration to date



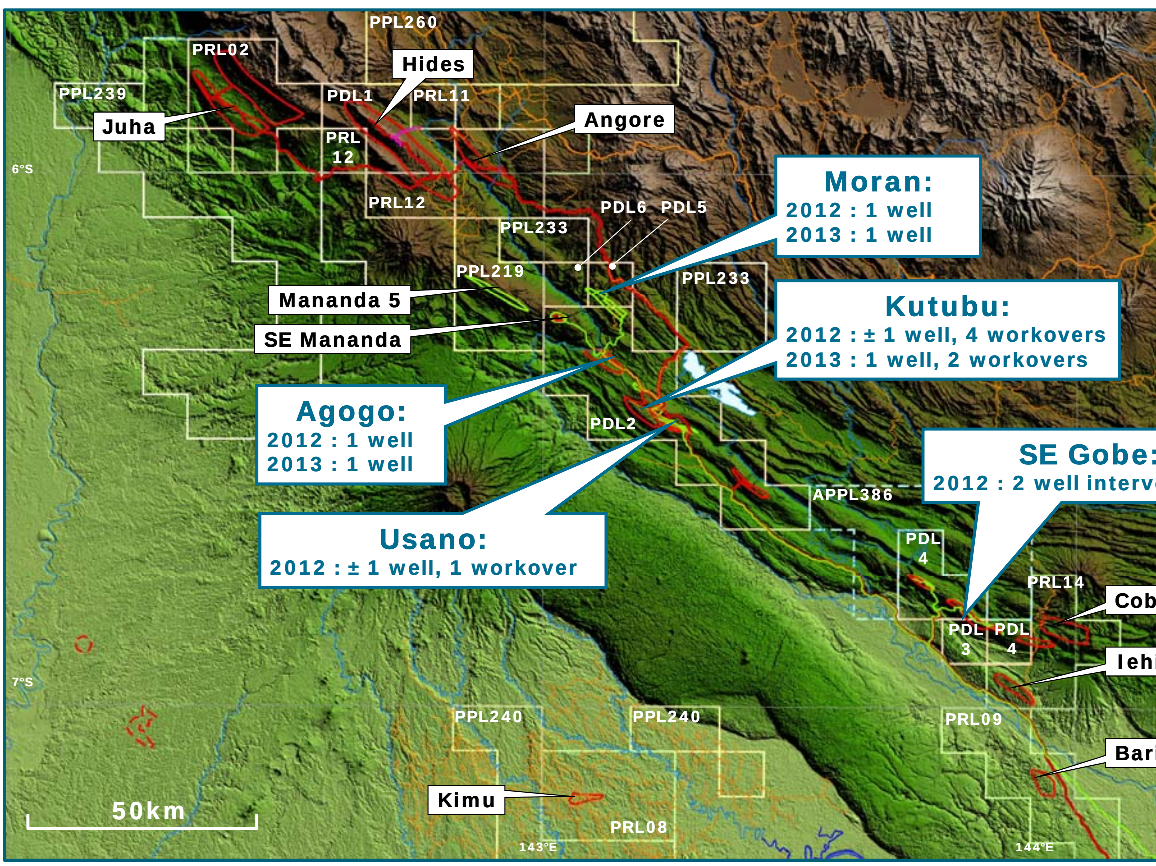


Reserves and resources at 31 December 2011

- No external reserves audit this year:
  - Field production performance consistent with predictions through 2011
  - Currently well advanced on building new reservoir models that will allow optimisation of production during gas depletion - will highlight additional opportunities
  - Audit in 2012 will include updates for recent successes in development drilling and near field discoveries
- 2011 production of 6.7 mmboe led to:
  - Proven (1P) net remaining oil and gas reserves decrease from 336.8 mmboe to 330.1 mmboe
  - Proven and Probable (2P) net remaining oil and gas reserves decrease from 559.3 mmboe to 552.6 mmboe
- 2C contingent resources, comprising oil, gas and associated liquids unchanged from 2010 at 317.7 mmboe
- Total 2P and 2C reserves and resources of 870 mmboe, down from 877 mmboe in 2010 after 2011 production of 6.7 mmboe

OIL SEARCH LIMITED

2012/13 Development & Near-Field Appraisal Drilling Activity



OIL SEARCH LIMITED

2012 Production Outlook

O I L S E A R C H L I M I T E D

- Underlying production from oil fields expected to remain strong, with 2012 production impacted by:
  - Significant contributions from successful 2011 wells and workovers
  - Natural decline
  - Three week shutdown for tie-in of Associated Gas facilities
- Production guidance for 2012 of 6.2 - 6.7 mmboe, unchanged from 2011, with production out to first LNG broadly flat, subject to success of work programmes
- Robust workover and development drilling programme in 2012, coupled with continued focus on maturing near-field portfolio and appraising new pools identified following recent near-field success
- Rig strategy:
  - Following P'nyang drilling, Rig 103 to be mobilised back to PDL 2
  - Will provide optionality to pursue exploration and appraisal opportunities without potential adverse impact on development programme

Key 2012 Focus Areas

O I L S E A R C H L I M I T E D

- Maintain OSH's industry-leading safety performance in very high activity environment across many sites
- Manage cost pressures of a strong PNG market
- Continue transformation of business towards reliable gas delivery:
  - Complete Associated Gas and Life Extension works
  - Continue optimisation of gas depletion plan
  - Align processes with gas supply obligations
- Follow up near field successes in Agogo and Hedinia
- Support PNG LNG Project to ensure success as onshore pipeline construction moves through key oil operational areas

2011 Full Year Results

Performance Summary	Peter Botten
Financial Overview	Zlatko Todorcevski
PNG LNG Project Update	Phil Caldwell
Gas Expansion & Exploration	Carleton Nothling
Operations Review	Richard Robinson
Outlook & Summary	**Peter Botten**

OIL SEARCH LIMITED

Strategy Delivery

- Strategic Review in 2010/11 highlighted potential of present portfolio to continue to deliver top quartile TSR performance
- Major areas for delivery:-
  - PNG LNG Project in full construction, on track for 2014 LNG production
  - LNG Growth initiatives focussed on resource definition:
    - Hides drilling in 2012/13
    - Highlands appraisal and exploration started
    - Gulf potential confirmed, drilling preparations underway, partnering discussions commenced
  - PNG oil potential being accelerated, increased rig capacity, provides optionality
  - Oil exploration in MENA (Taza, Tunisia) also part of programme
  - Active programmes to address operating risks:
    - Transparency in benefits
    - Community engagement
    - Health Foundation activities commenced
  - Financial strength with continued optimisation of structure and debt

OIL SEARCH LIMITED

PNG Issues

OIL SEARCH LIMITED

- PNG has experienced unprecedented political uncertainty over past 6 months:
  - No impact to operations
  - Continued progress on all projects
  - Security and safety of staff paramount
- General Election in June 2012 with new government formed in August/September:
  - Anticipate no change to operating status but cautious and watchful
  - Continue push for transparency and governance regarding benefits
  - Enhance community engagement, including Health Foundation
- Reaching peak of in-country activities, with continued but manageable stress on government systems, personnel and services availability

PNG Operating in Context

OIL SEARCH LIMITED

- OSH likely to be PNG's largest single investor in 2012, with over US$2bn to be spent on development, appraisal exploration and operations
- Significant vote of confidence in quality of assets and ability of Company to work with Government, bureaucrats and community, to manage operating and investment risks
- Comprehensive programme to manage these issues

2012 Outlook

- Peak activity year for PNG LNG Project delivery in 2012:
  - Construction at PNG LNG plant site, HGCP and Komo
  - Completion of Associated Gas and life extension projects
  - Focus on management of in country issues
- Major drilling programme focused on gas expansion and resource underwriting. Potentially transformational for Oil Search
  - Hides evaluation
  - P'nyang and Trapia wells
  - Gulf area drilling
- Active oil exploration programme:
  - Near field opportunities
  - Kurdistan, Tunisia
- Continued strong oil field production performance

OIL SEARCH LIMITED

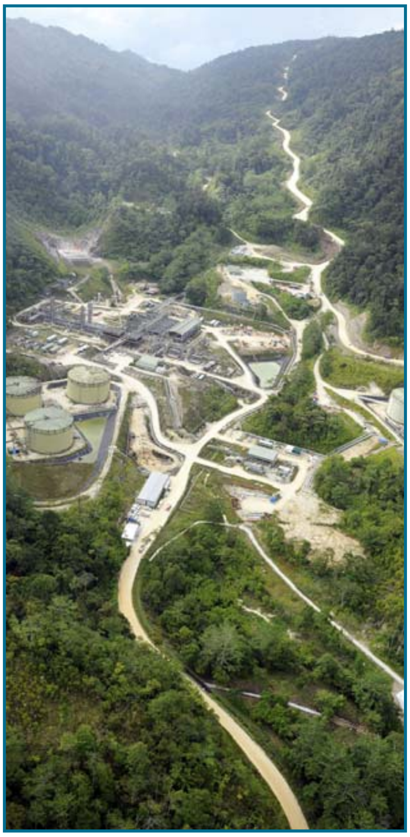
2012 Outlook

- Oil Search presently has unprecedented opportunity to underscore long term value growth from its portfolio of assets

- Remain confident that country risks and challenges can be managed through 2012. Continue to work closely with Government, bureaucracy, communities and partners to manage operating risk

OIL SEARCH LIMITED

OIL SEARCH LIMITED



February 2012

Appendix A – NPAT v Core Profit reconciliation

US$'m	2011**	2010***
NPAT	202.4	185.6
Impairment Expense	33.2	15.8
Tax benefit – Impairment*	0	(7.7)
Restatement of Deferred Tax	0	49.6
Core Profit*	235.6	144.1

*Core Profit excludes one off significant items and its used as a measure of underlying profits

**2011 Core profit excludes impairment charge for Shakal (no tax benefit)

***2010 Core profit excludes one-off tax benefit relating to the restatement of deferred tax balances associated with PNG LNG Project partially offset by an impairment charge relating to various exploration permits, net of the associated tax benefit.

OIL SEARCH LIMITED

DISCLAIMER

While every effort is made to provide accurate and complete information, Oil Search Limited does not warrant that the information in this presentation is free from errors or omissions or is suitable for its intended use. Subject to any terms implied by law which cannot be excluded, Oil Search Limited accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in information in this presentation. All information in this presentation is subject to change without notice.

This presentation also contains forward-looking statements which are subject to particular risks associated with the oil and gas industry. Oil Search Limited believes there are reasonable grounds for the expectations on which the statements are based. However actual outcomes could differ materially due to a range of factors including oil and gas prices, demand for oil, currency fluctuations, drilling results, field performance, the timing of well work-overs and field development, reserves depletion, progress on gas commercialisation and fiscal and other government issues and approvals.