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Investor Field Trip
28-30 March 2012

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OSH PARTICIPANTS

Peter Botten	Managing Director
Gerea Aopi	EGM, External & Govt Affairs
Phil Caldwell	EGM, PNG LNG Project
Richard Robinson	EGM, Operations
Ann Diamant	Investor Relations Manager

Field Trip Route

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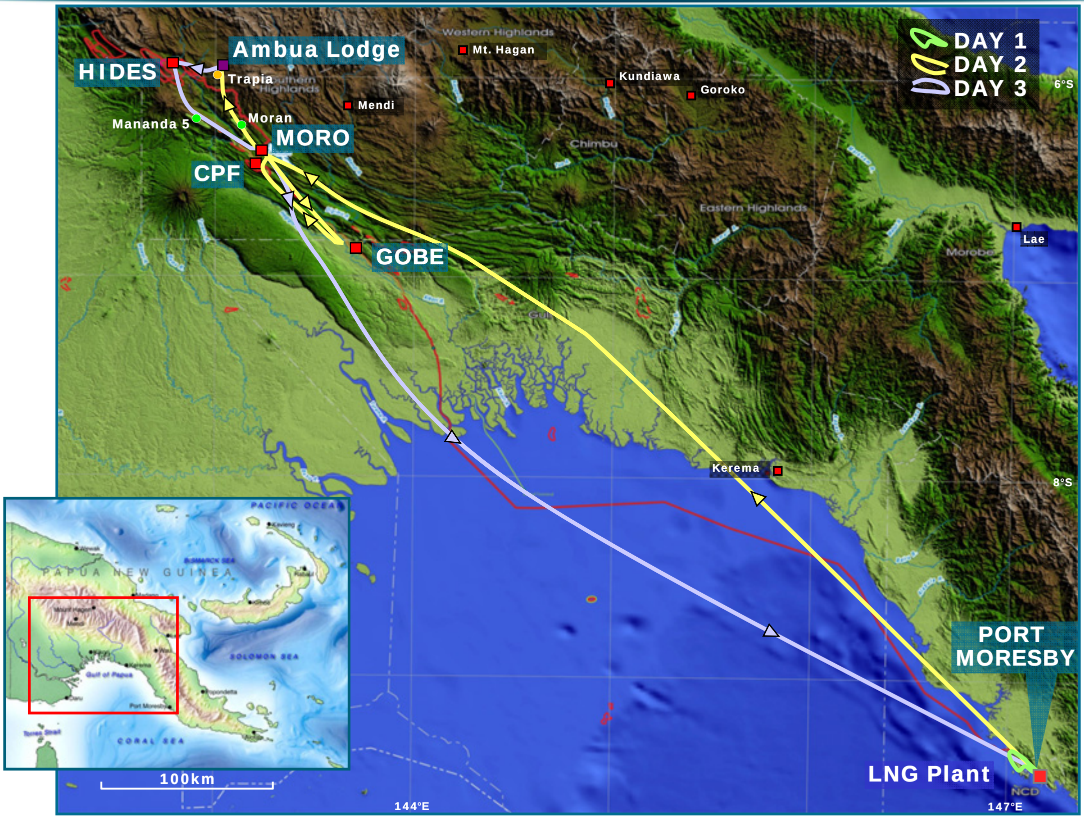

Key Oil and Gas Fields, PNG

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DAY 1 – Port Moresby

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- Visit LNG Plant Site
- Oil Search Health Foundation launch, Gateway Hotel
- Overnight Airways Hotel

Port Moresby, Papua New Guinea

PNG LNG Plant Site - Schematic

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Produced by Catalyst Interactive, a KBR Company

PNG LNG Plant Site - Progress

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February 2011

February 2012

PNG LNG

PNG LNG Plant

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- LNG facility located on State Portion 152 near Port Moresby
- 2 x 3.3 MTPA LNG trains
- LNG storage tanks at the facility
- LNG loading jetty off the coast for tanker ships to berth and load
- Supporting facilities and infrastructure:
  - Large camp for construction (~7,500) and operations (~500) personnel
  - Upgrade of existing road between LNG facility and Port Moresby and rerouting of road around the LNG facility to maintain traffic flow to the north (completed)
  - Temporary laydown areas during construction only

LNG Facility Location

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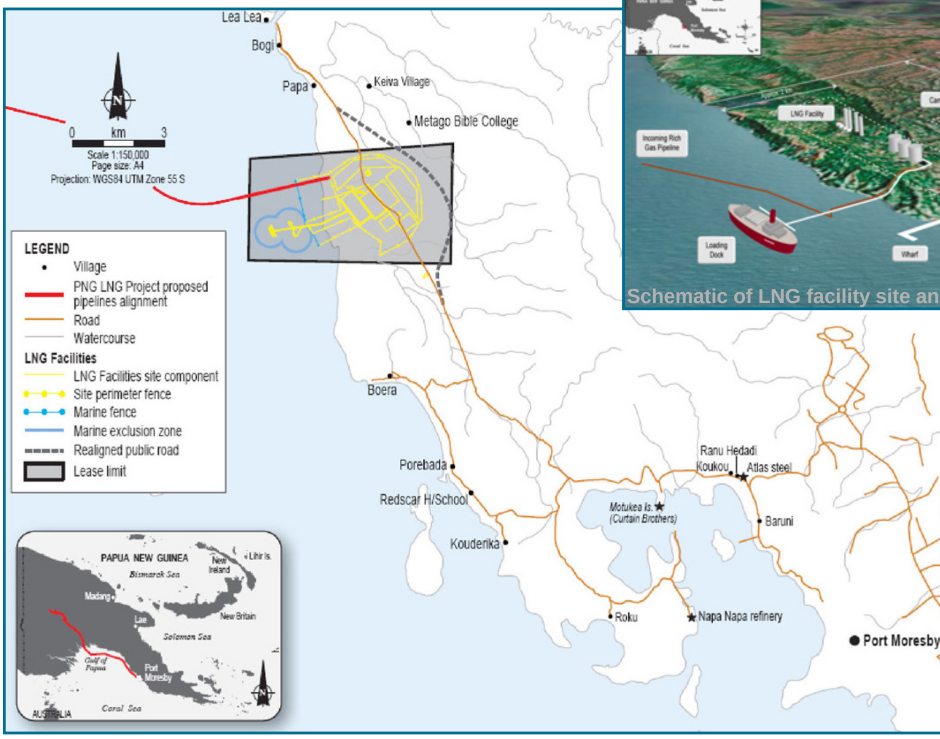

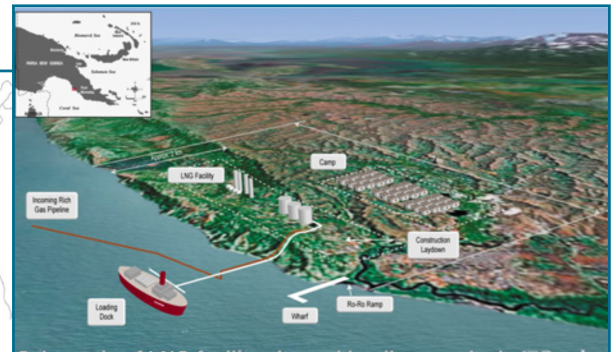

Schematic of LNG facility site and loading terminal

DAY 2 – PNG Highlands

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- Presentations on PNG LNG Project and Gas Growth
- View PNG LNG pipeline
- Presentation on production and near field exploration, MENA
- Visit CPF – AG activities
- Overfly Kutubu, Moran
- Overnight Ambua Lodge


PNG LNG Pipeline Construction

PNG LNG Project Update

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PNG LNG plant site

PNG LNG

PNG LNG Project Overview

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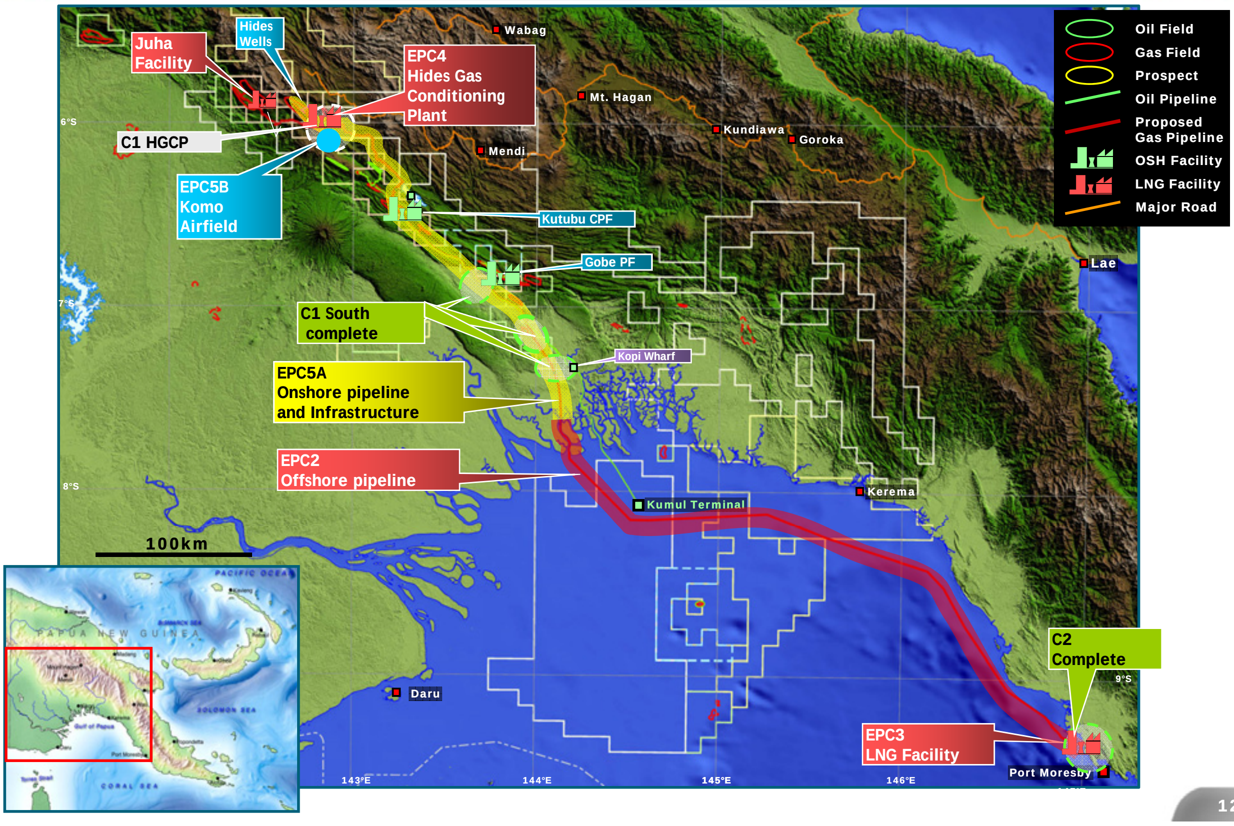

PNG LNG Project Overview

- 6.6 MTPA, 2 train development, operated by ExxonMobil
- Over its 30-year life, PNG LNG expected to produce over 9 tcf of gas and 200+ million barrels of associated liquids
- Initial Equities:
  - ExxonMobil - 33.2%
  - Oil Search - 29.0%
  - National Petroleum Company of PNG (PNG Government) -16.8%
  - Santos - 13.5%
  - Nippon Oil - 4.7%
  - MRDC (PNG Landowners) - 2.8%
- Fully contracted to Asian buyers, with continuing strong market interest
  - Sinopec (China) ~2.0 MTPA
  - TEPCO (Japan) ~1.8 MTPA
  - Osaka Gas (Japan) ~1.5 MTPA
  - CPC (Taiwan) ~1.2 MTPA

PNG LNG Project Overview

- Main EPC contractors:

LNG Plant:	Chiyoda/JGC
Offshore Pipeline	Saipem
Hides Gas Plant	CBI/Clough JV
Onshore Pipeline	Spiecapag
Infrastructure	McConnell Dowell/CCC JV
Early Works	Clough/Curtain JV
Associated Gas (OSH only)	Jacobs (formerly Aker Solutions)

- Different labour environment to Australian LNG projects
- Four-year construction period. First LNG sales expected 2014, capital cost US$15 billion

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Milestones achieved in 2011 - Upstream

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- 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

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- 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 2011, 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

2012 Landslide

- Major landslide occurred at Hides in January 2012
- PNG Government's National Disaster and Emergency Relief Office managed incident
- Esso Highlands and Oil Search provided support/assistance to local community
- PNG LNG operations have resumed and road access restored
- Not expected to impact 2014 Project start-up
- Government to undertake independent investigation

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Focus items for 2012

- 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

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PNG LNG

Timetable

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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 Plant Site

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PNG LNG Project
Onshore Pipeline Construction

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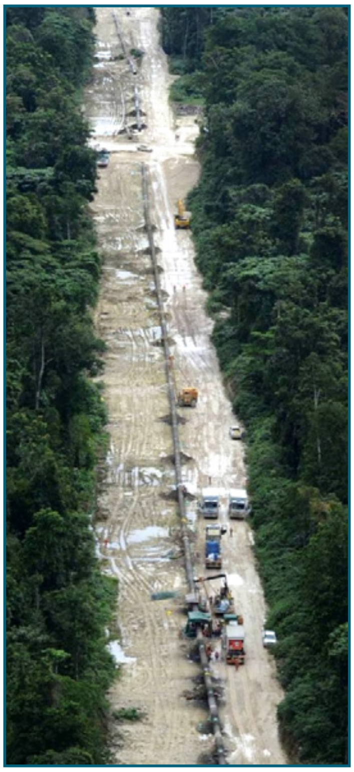
Pipeline stringing



Pipeline Welding

Welded pipeline

PNG LNG Project

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Offshore pipelay – SEMAC I

Offshore pipelay – SEMAC I

LNG Plant - LNG storage

LNG Plant - Condensers

PNG Gas Growth

Angore Anticline, Southern Highlands

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
- Focus on resource conversion from probable and possible to proven contractable reserves
- New exploration in Highlands and Gulf Region
- Continuing near-field exploration for gas and oil
- Pursuing high-graded exploration outside PNG

Global LNG Markets Outlook

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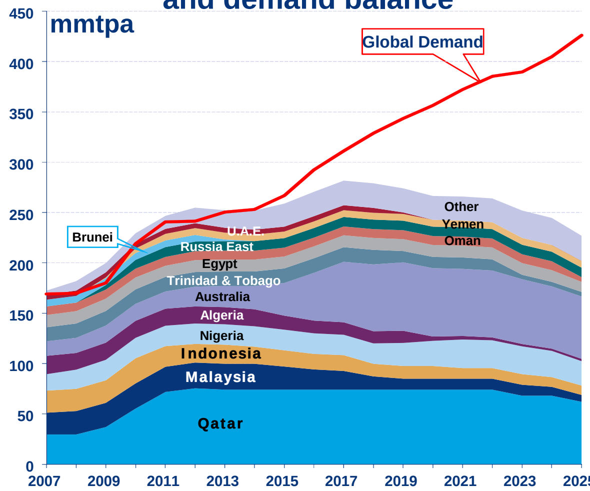
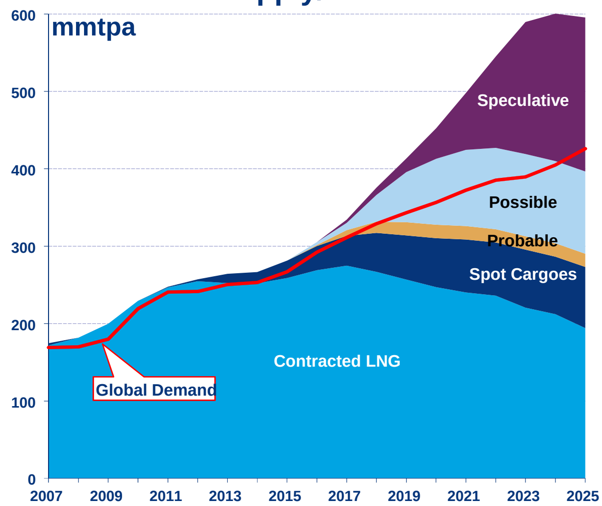
Global LNG contracted supply and demand balance



Global LNG supply/demand outlook



Source: Wood Mackenzie, February 2012

- Continued strong LNG demand from Asia (China, Japan due to contract roll-offs), new markets (India, Middle East etc). Requires substantial new capacity build to satisfy
- Multiple potential supply sources but some likely to be delayed and not all will happen
- North American LNG projects approved/proposed to take advantage of HH/Asian LNG arbitrage. Long term, exports from US likely to be limited by DOE for energy security reasons
- Capex inflation in Australia is increasing. Puts new greenfield projects at risk
- PNG remains well placed to capture growth in the market

P'nyang South 1

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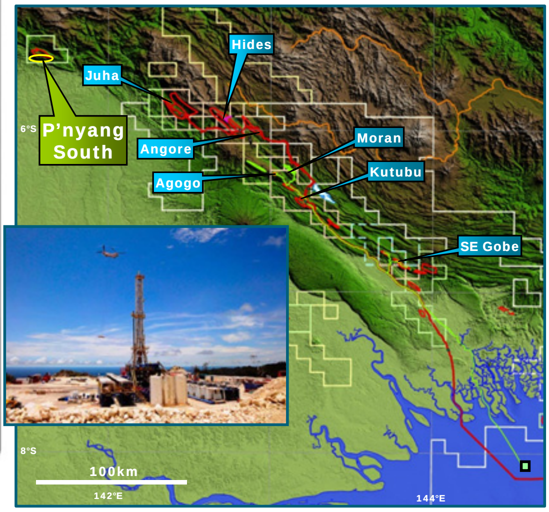
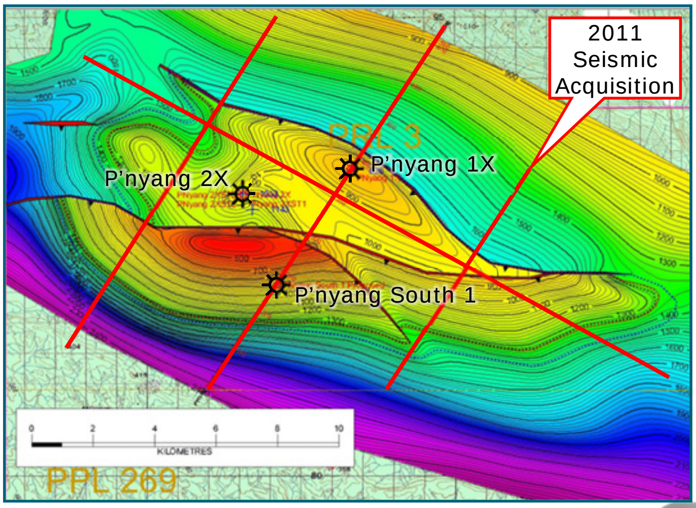
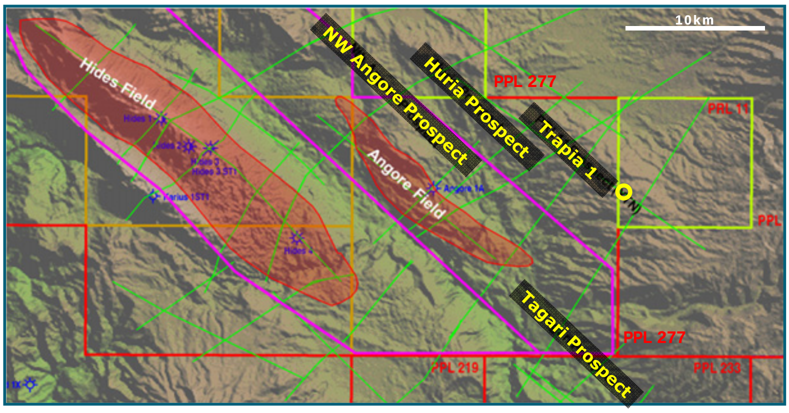
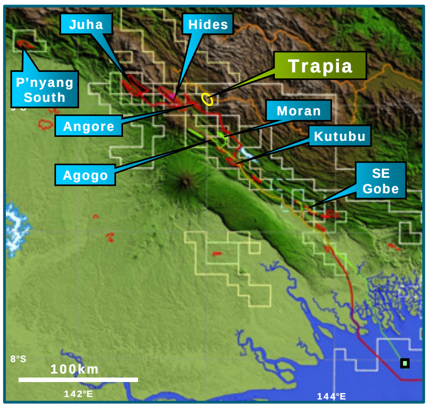
- Appraisal well successfully discovered gas in southern fault block
- Sidetrack currently underway to establish gas:water contact and extent of discovery
- PRL 3: ExxonMobil 49%, Oil Search 38.5%, JX Holdings 12.5%





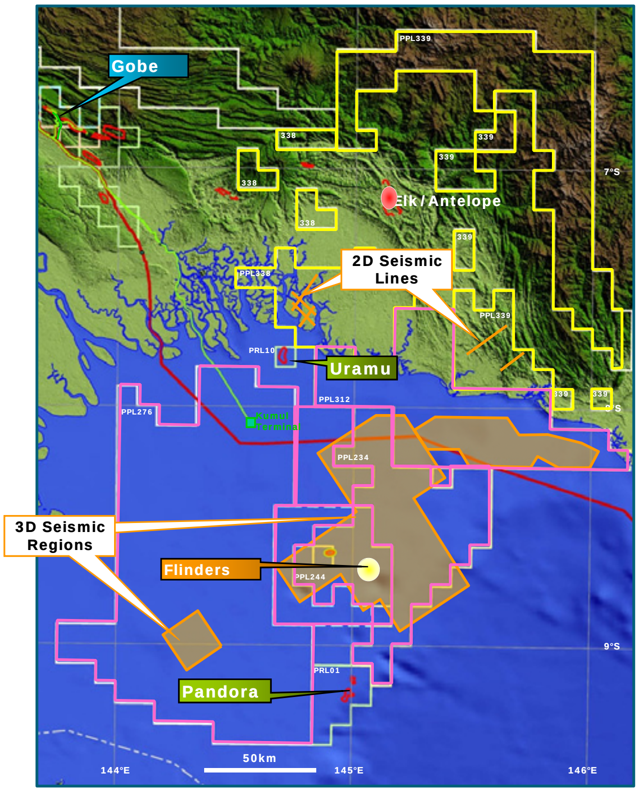
Trapia 1





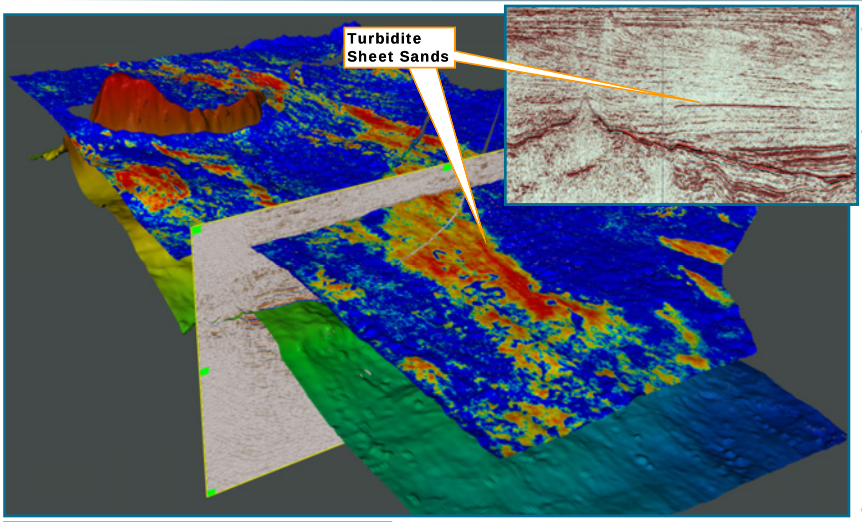
- Trapia exploration well scheduled to follow P'nyang South
- PRL 11: Oil Search 52.5%, ExxonMobil 47.5%
- Series of prospects in area:
  - Reasonable seismic but structural uncertainty remains
  - Multi-tcf potential
  - 2D seismic programme in 2012/13 to mature prospects
- Partial dependency. Exploration potential remains in event of success or failure at Trapia
- Recent acquisition of adjacent licence, PPL 277, 50:50 with ExxonMobil

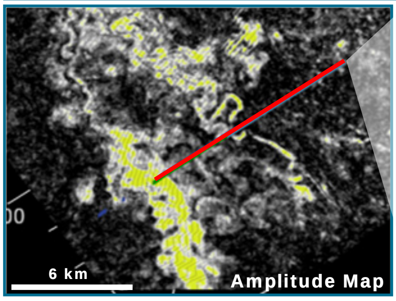
Gulf Area LNG Opportunity

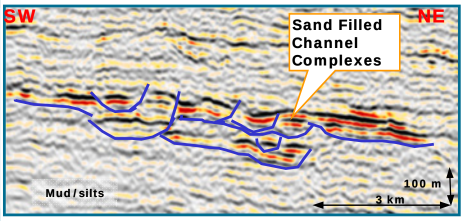


- Multi-licence, multi play type, multi well opportunity with material equity
- Large, initial seismic programme completed in 2011:
  - ~6,300 km2 3D offshore and 95 km 2D onshore
- Significant resource potential identified in proven hydrocarbon (gas & condensate) province
  - Over 30 opportunities identified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

Gulf Area LNG Opportunity

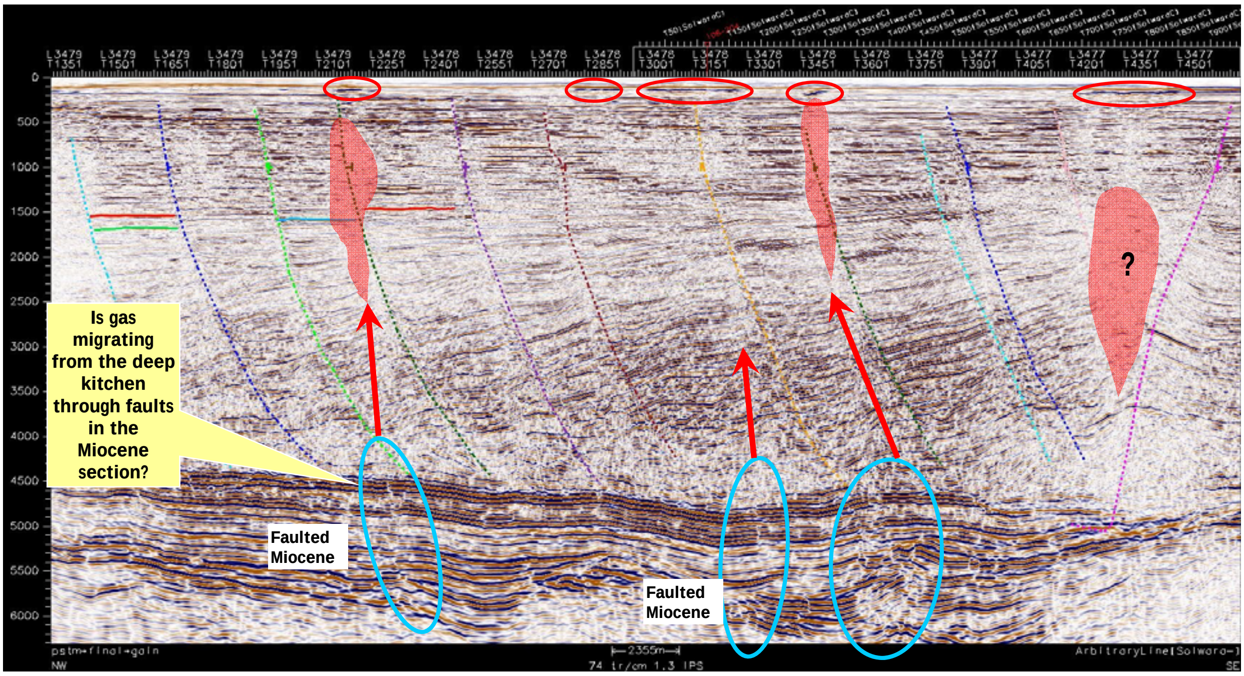






- High quality 3D dataset assembled
- 6 independent play types identified to date, each analogous to proven play types elsewhere:
  - Submarine fan & channel play types - as yet untested in PNG
  - Carbonate plays - proven in PNG
- Several drill-ready prospects, with many follow-up opportunities, if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

Offshore 3D Seismic - PPL 234



Gulf Area Partner Strategy

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- 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+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

Production and Near Field Opportunities

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Moran, SE Mananda, Agogo 6 wellsite & Agogo Production Facility 3

Safety Performance

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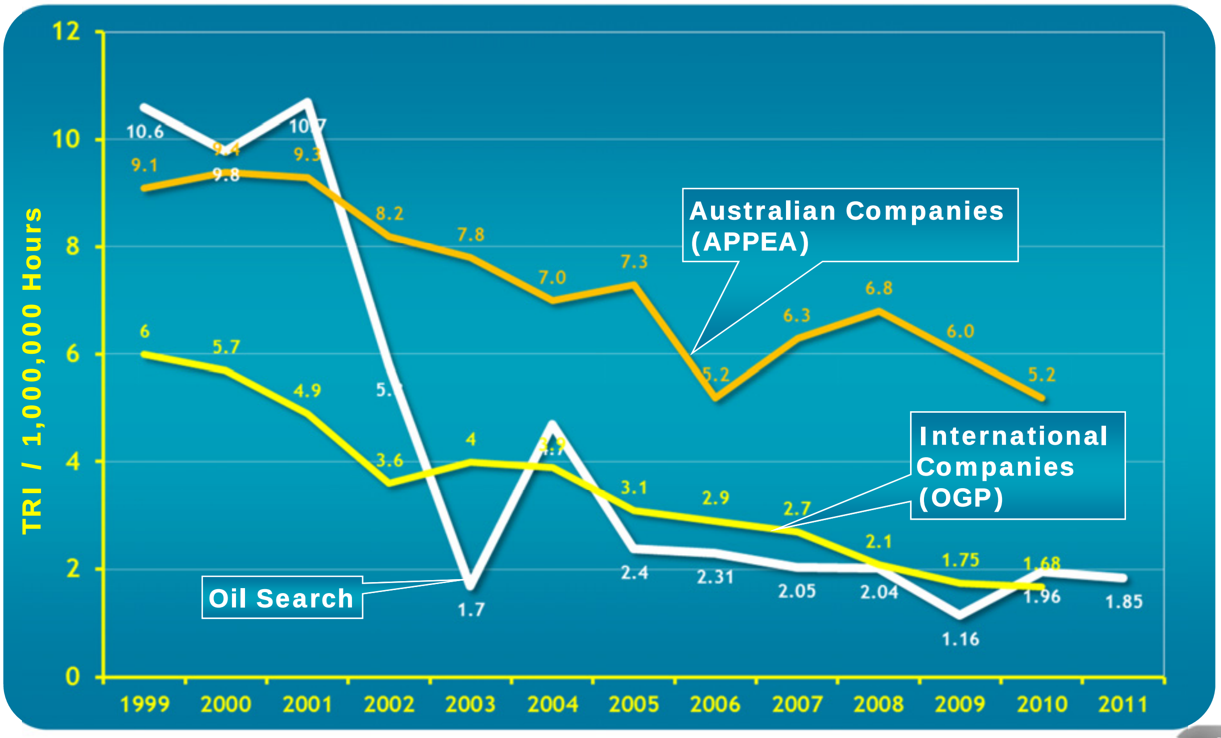
Total Recordable Injury Frequency Rate of 1.85 in 2011



Australian Safety Benchmarking

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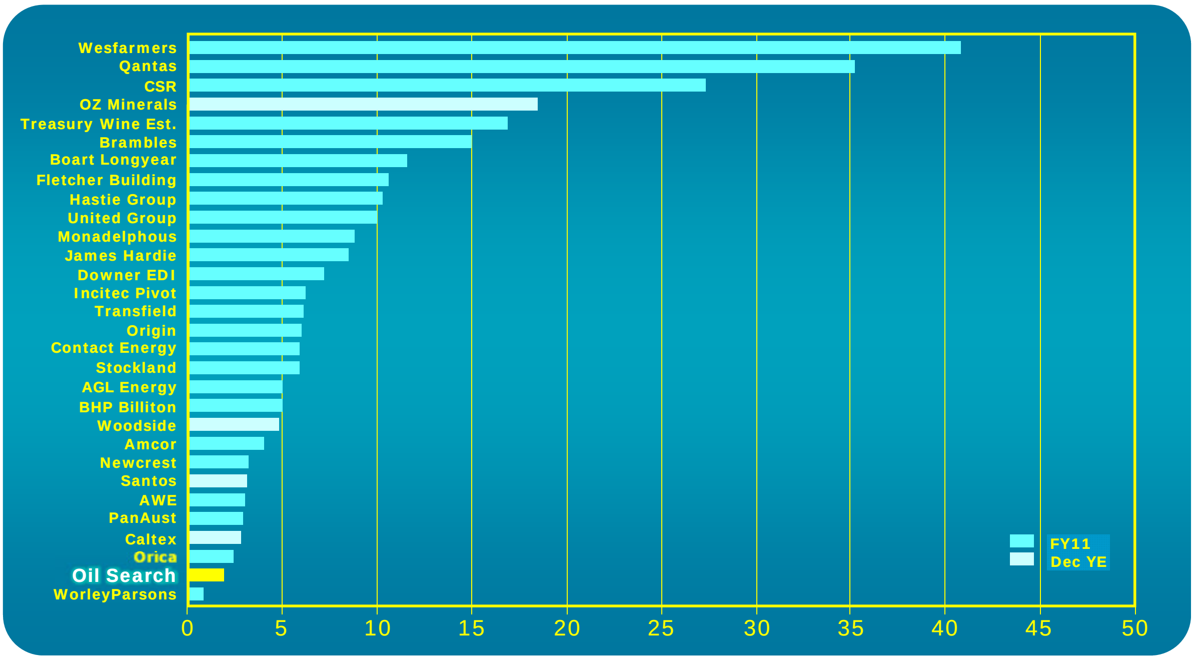
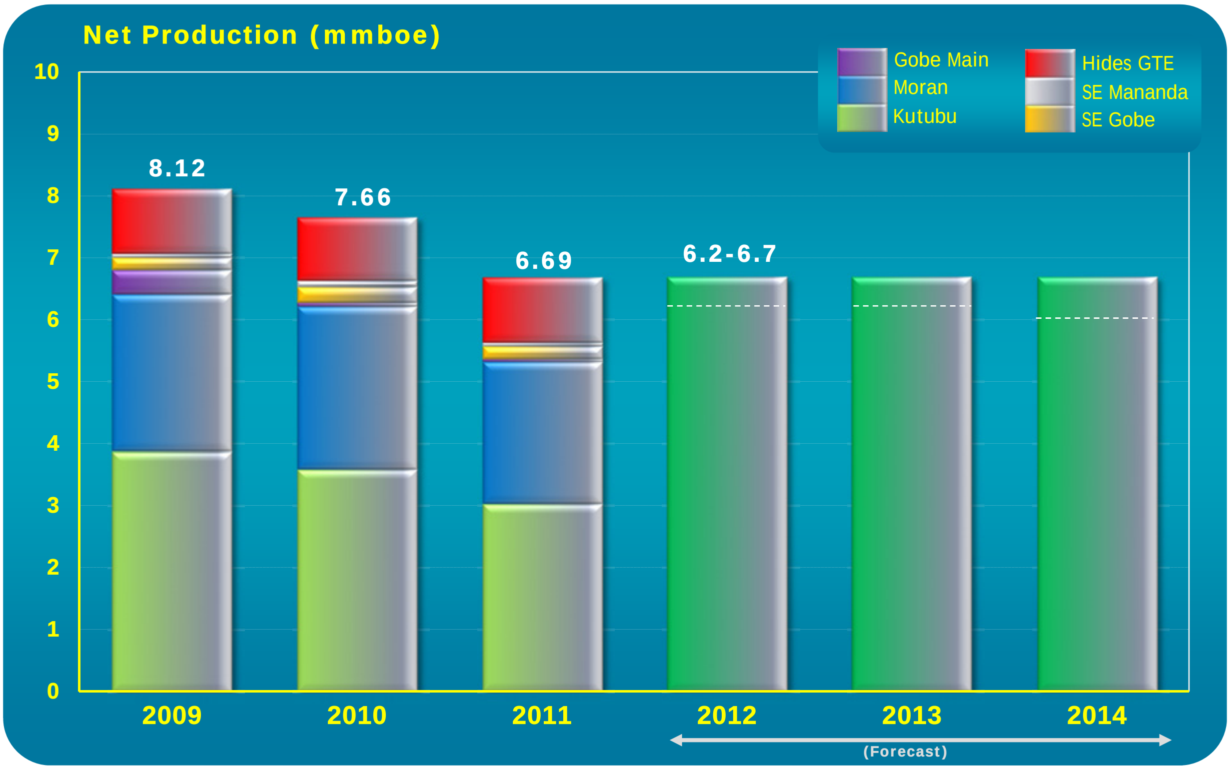
Total Recordable Injury Frequency Rate Data for 2011

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

Oil Search Production (existing fields)



FY11 Performance

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- Continued world class safety performance
- Production
  - 2011 production of 6.69 mmboe, at upper end of 2011 guidance of 6.2 - 6.7 mmboe
  - Ongoing 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

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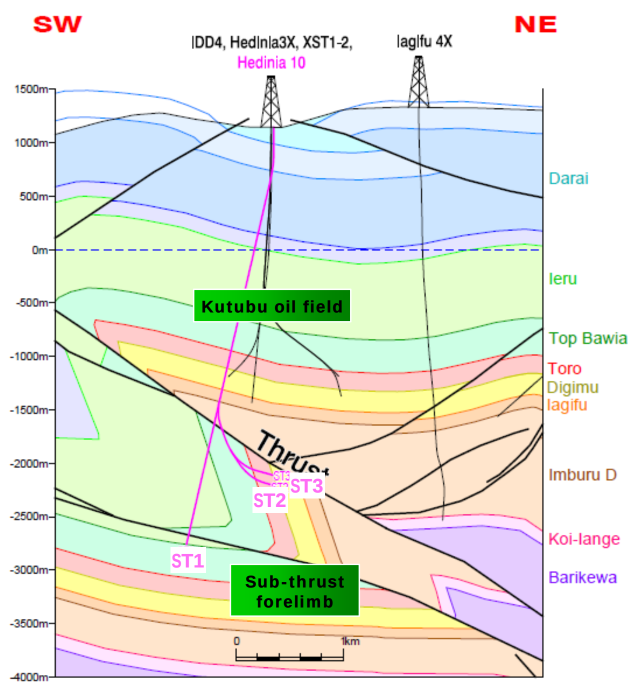
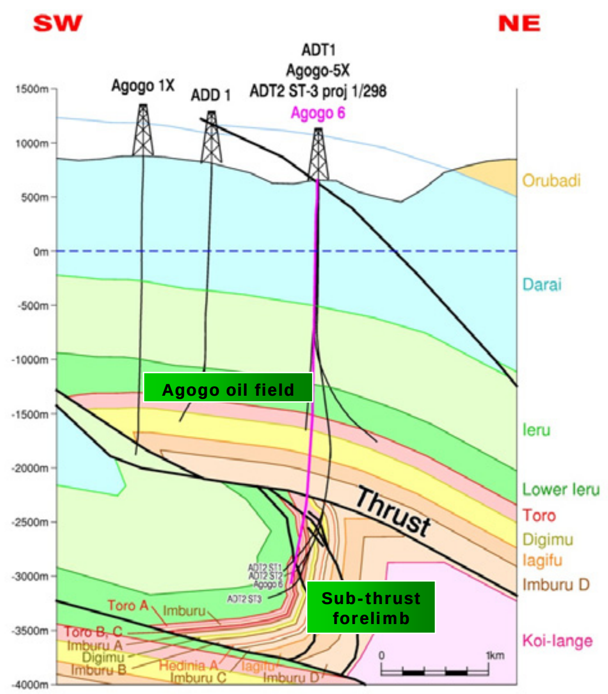
- Complex and invisible - highly successful near-field exploration to date





2012/13 Development & Near-Field Appraisal Drilling Activity

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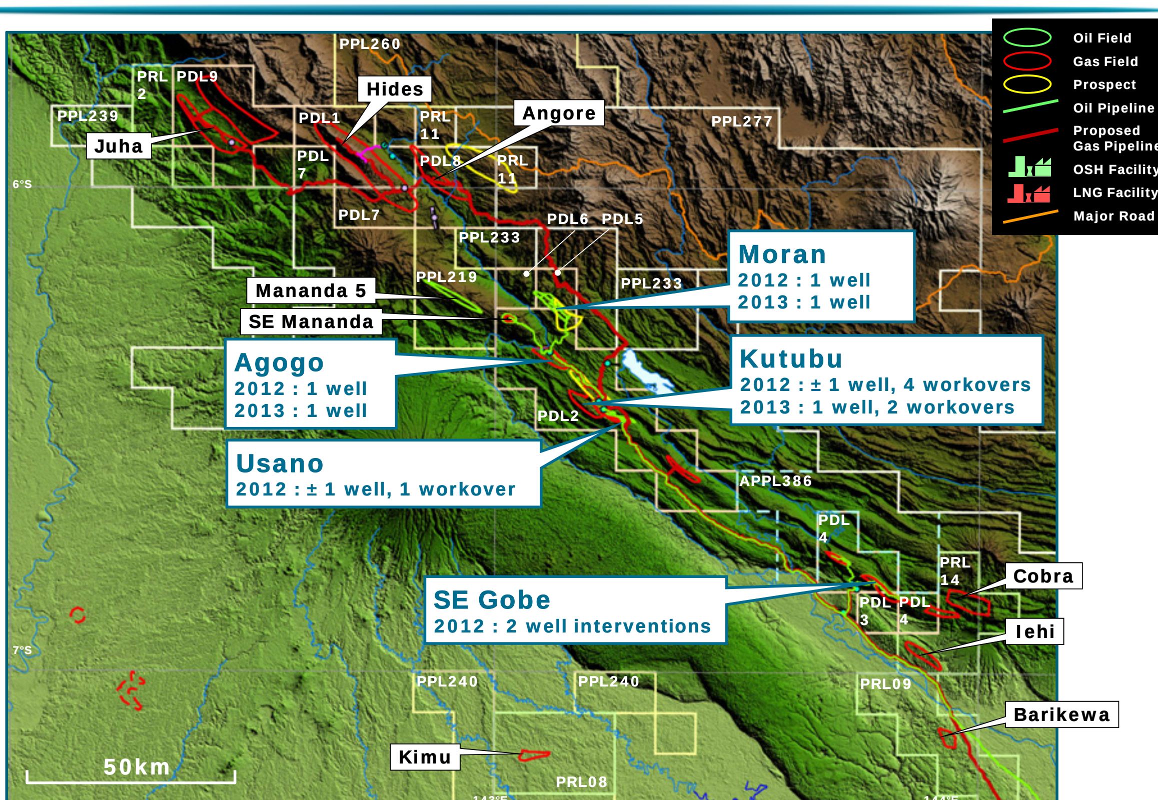

2012 Production Outlook

- Underlying production from oil fields expected to remain strong, with 2012 production impacted by:
  - Significant contributions from successful 2011 wells and workovers
  - Natural decline
  - 16 day shutdown for tie-in of Associated Gas facilities completed in February
- 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

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- 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

Associated Gas & Related Projects (AGRP)

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- Oil Search, as oil field Operator, is responsible for development and operation of facilities required to deliver oil field gas into PNG LNG Project and receive Project Condensate
- Key objectives of AGRP are to deliver safely and within budget/schedule:
  - Commissioning gas to PNG LNG Project
  - Receipt, storage and export condensate from LNG Project HGCP with high reliability
  - Delivery of associated gas from oil production systems at CPF and GPF into LNG Project gas pipeline to LNG Plant

CPF Scope of Work

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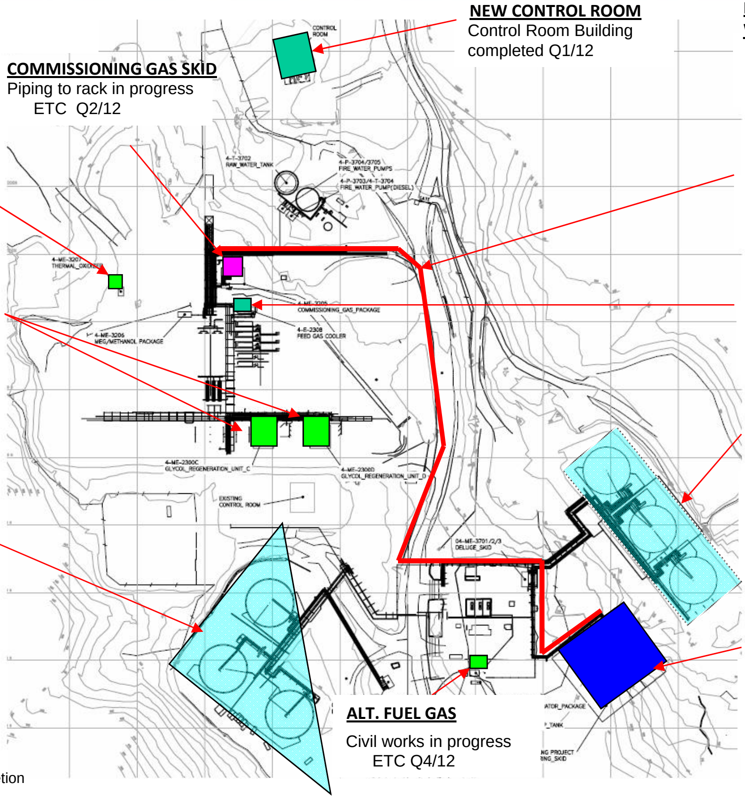
- Associated Gas Delivery
  - Enhanced dehydration by replacing existing gas driers to improve gas quality and reduce emissions
  - Automation of various wells for remote operation and upgrading plant inlet gas management system
- Condensate Storage
  - Upgrade pipework to allow inline mixing, loss prevention (particularly fire management) and control systems
- Commissioning Gas
  - Installation of skids to deliver early on-spec commissioning gas to pipeline and LNG Plant
- Utilities
  - Improvements to emergency shut down system and new control room
  - Tie ins for new equipment into existing and improved utilities

CPF Scope of Work

OIL SEARCH LIMITED

Overall CPF ETC * early Q2/13
As at March 2012



NEW CONTROL ROOM
Control Room Building
completed Q1/12

PRODUCTION / REINJECTION WELLHEAD SCOPE
Wellhead footings and
earthing in progress
ETC Q4/12

COMMISSIONING GAS SKID
Piping to rack in progress
ETC Q2/12

THERMAL OXIDISER
Pipework and
instrumentation
installation in progress
ETC Q2/12

ASSOCIATED GAS PIPELINE
PAG Line installation in
progress
ETC Q3/12

TEG DEHYDRATION UNITS
TEG C mechanically
complete, preparing for
commissioning
ETC TEG C Q2/12
TEG D Q2/13

FEED GAS COOLER
Piping and instrumentation
Installation in progress
ETC Q2/12

CONDENSATE HANDLING & LOSS PREVENTION – Northern Tank Farm
Battery limit isolations &
Tank F Outage
completed, pipe support
footings in progress
ETC Q1/13

CONDENSATE HANDLING & LOSS PREVENTION – Southern Tank Farm
Battery limit isolations &
Tank A Outage
completed, liquids
handling equipment room
in progress
ETC Q4/12

GAS/COND METERING SKIDS (BY EXXON)
Electrical Feeder
installed. Skid pad yet
to commence
ETC Q4/12

ALT. FUEL GAS
Civil works in progress
ETC Q4/12

ETC = Estimated Time of Completion
* Excluding TEG A Demolition

Construction Progress

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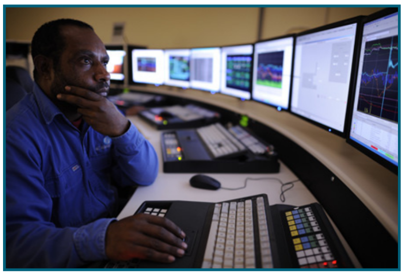
- CPF works well advanced
- First plant shutdown successfully completed in August 2011, second completed on schedule in February 2012
- Commissioning gas unit on track for mid 2012 handover
- Ready for gas production, initially to pipeline and plant 2Q 2013



New Control Room at CPF began operating in January 2012

TEG Dehydration Unit installation

PL 2 Life Extension Project

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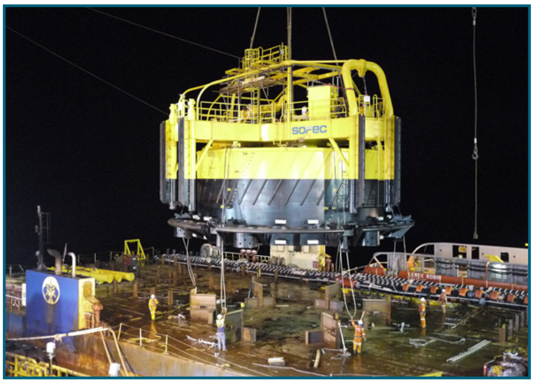
- Project to extend operating life and build more comprehensive management systems for PL 2 Liquids Export System:
  - Replace existing CALM buoy
  - Install new tanker loading line between platform and buoy
  - Rejuvenate Kumul facilities
  - Life extension of existing CPF to Kumul export line
  - KPS management and integrity system

Pipelay Barge ‘Lewak Champion’ along side Kumul Terminal



New CALM Buoy being lowered into position

First Offtake - March 2012

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Material MENA Exploration

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Kurdistan Region of Iraq - Taza PSC

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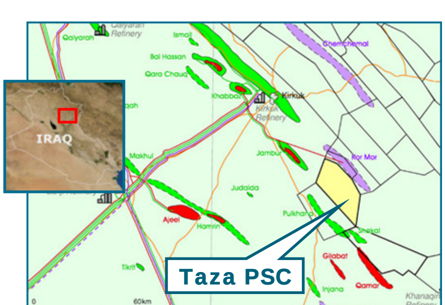
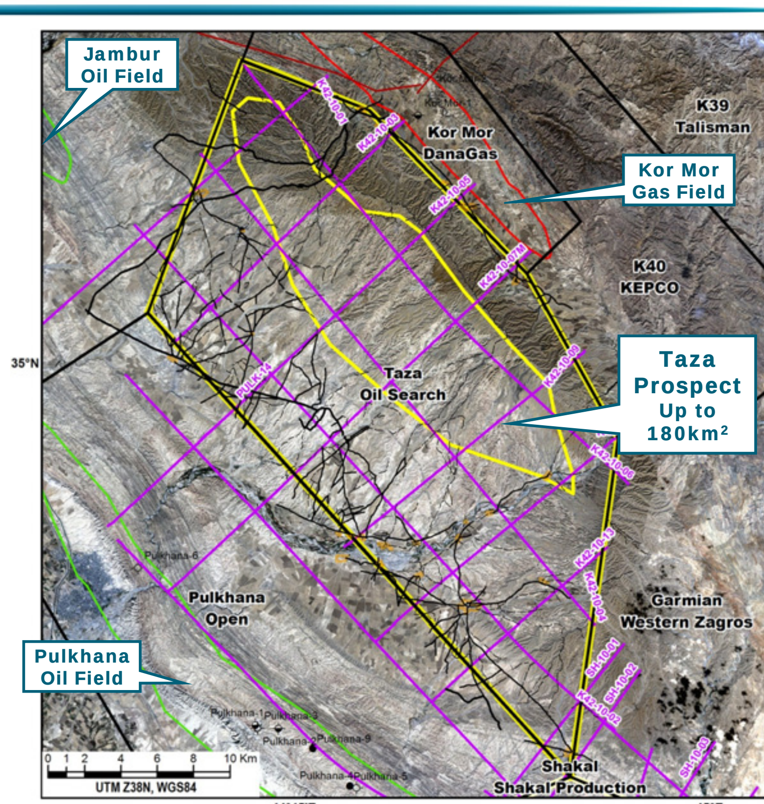
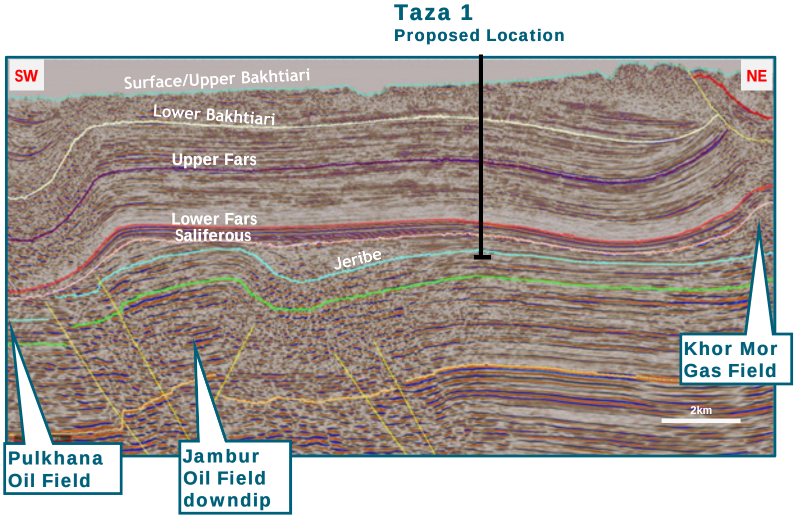
- Material prospect in one of world's hottest exploration regions
- Oil Search operator with WI of 60%, ShaMaran 20%, KRG 20%
- Very prospective location adjacent to four fields
- Large, simple 4-way dip closure identified from 2010 seismic.
- Well planning underway for mid-2012 spud





Taza Seismic

- Five regional reservoir targets:
  - Jeribe
  - Euphrates/Serikagni
  - Kirkuk Group
  - Jaddala
  - Shiranish
- Estimates of recoverable resources in success case range from 200 to 400 mmbbl (mean estimate)
- Recoverable volumes dependent on recovery factors and phases present



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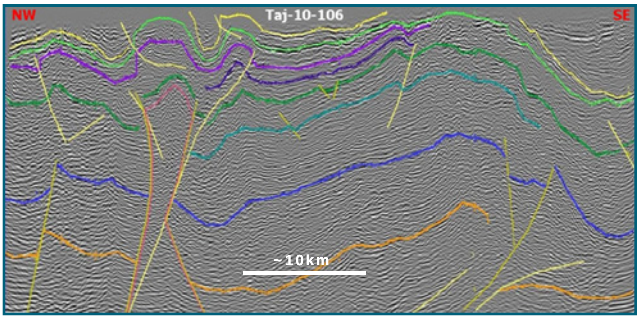
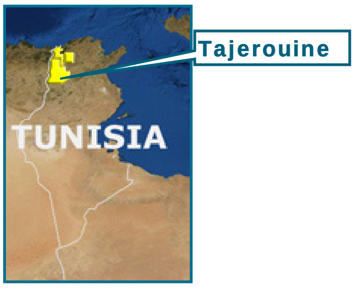
Tunisia – Tajerouine PSC

- 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, after Taza





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DAY 3 – PNG Highlands

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- Overfly Trapia, HGCP, Komo
- Visit Hides camp at Nogoli
- Presentations on PNG Issues, Summary
- Overfly Mananda 5, SE Mananda
- To Port Moresby

Tagari Valley - Hides, Southern Highlands

PNG Issues and Summary

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Well head and production manifold, Kutubu,s

PNG Issues

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- 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
- 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
- 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 and manage operating and investment risks

Summary

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- Strategic Review in 2010 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 focused 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 will provide optionality
  - Oil exploration in MENA (Kurdistan, Tunisia)
  - Active programmes to address operating risks:
    - Transparency in benefits
    - Community engagement
    - Health Foundation activities commenced
  - Financial strength with continued optimisation of structure and debt

2012 Outlook

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- 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

2012 Outlook

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- 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 Production Outlook

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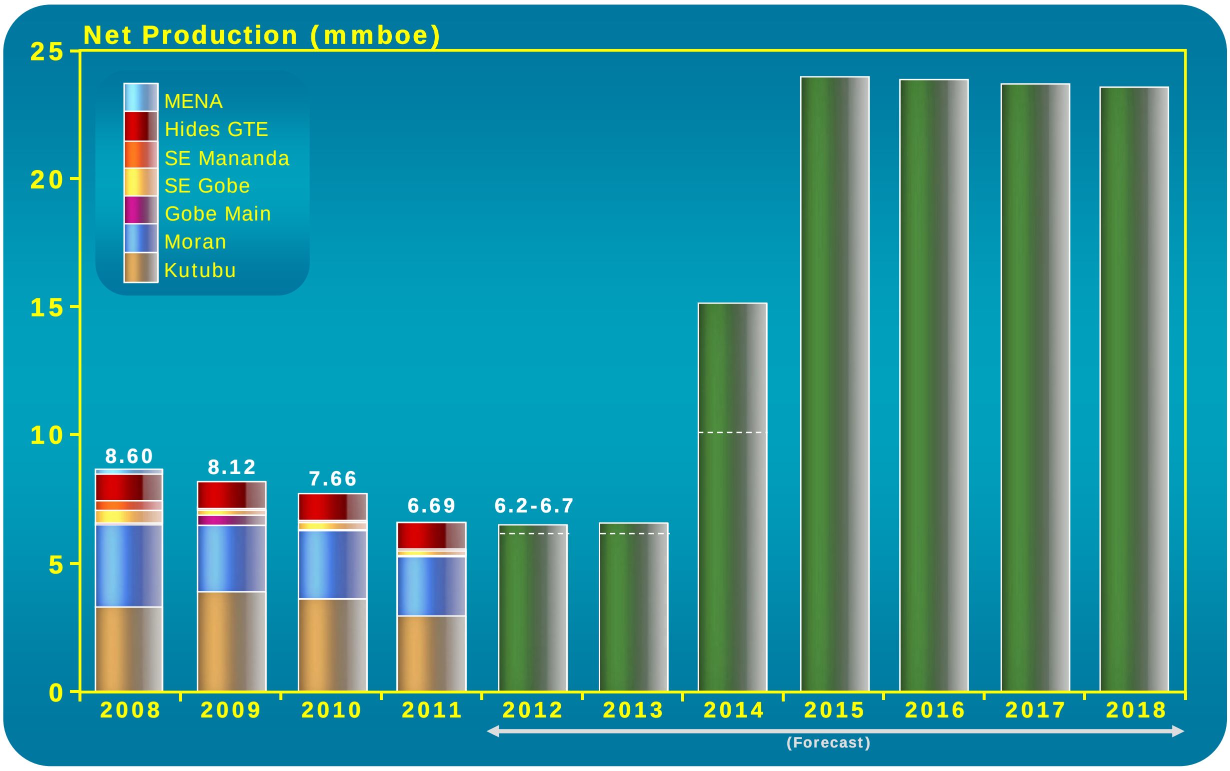

2012 Guidance

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- 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
  - Future DD&A profile will be impacted by life extension activities and development drilling opportunities

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2012 Investment Outlook

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

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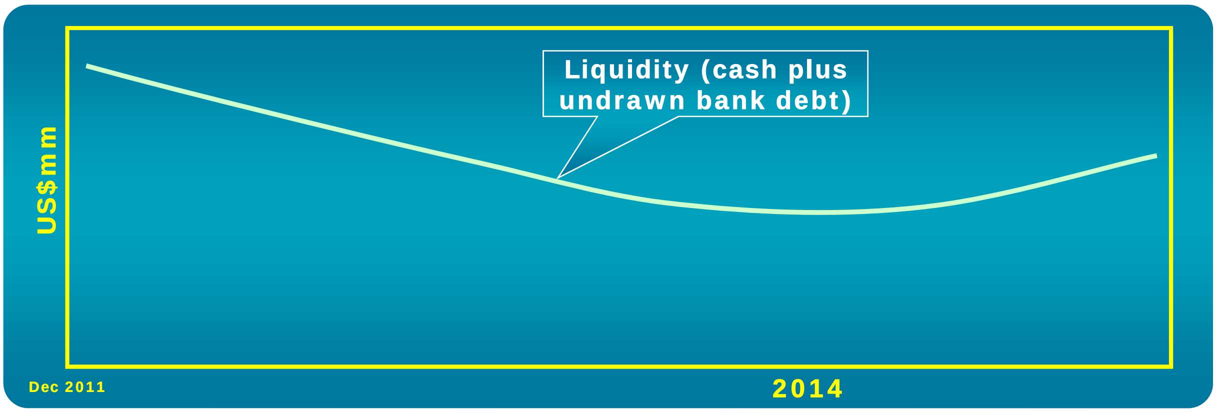
Liquidity Outlook



- Strong balance sheet, augmented by continued strength in oil production and high oil price
- Outlook updated for 2011 financial results, forward prices & revised PNG LNG Project cost
- Liquidity at 31 December 2011 ~US$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

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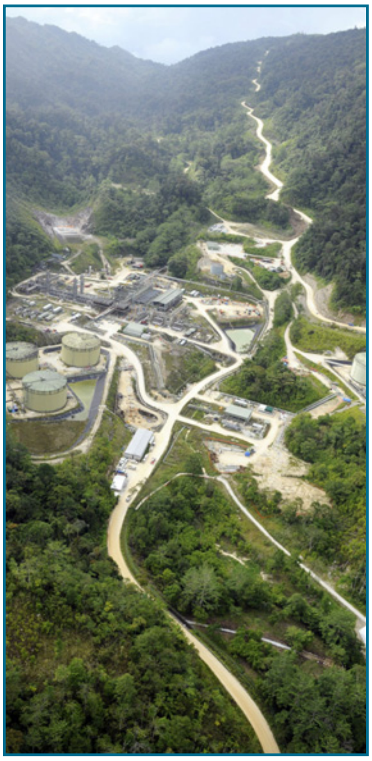

March 2012

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