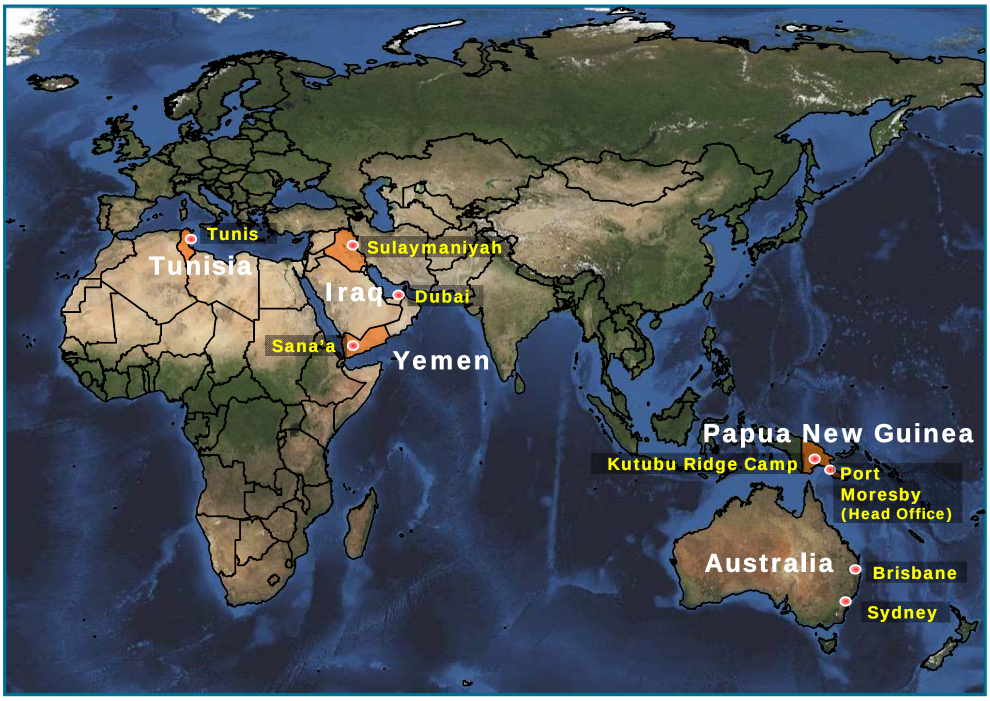
OIL SEARCH LIMITED

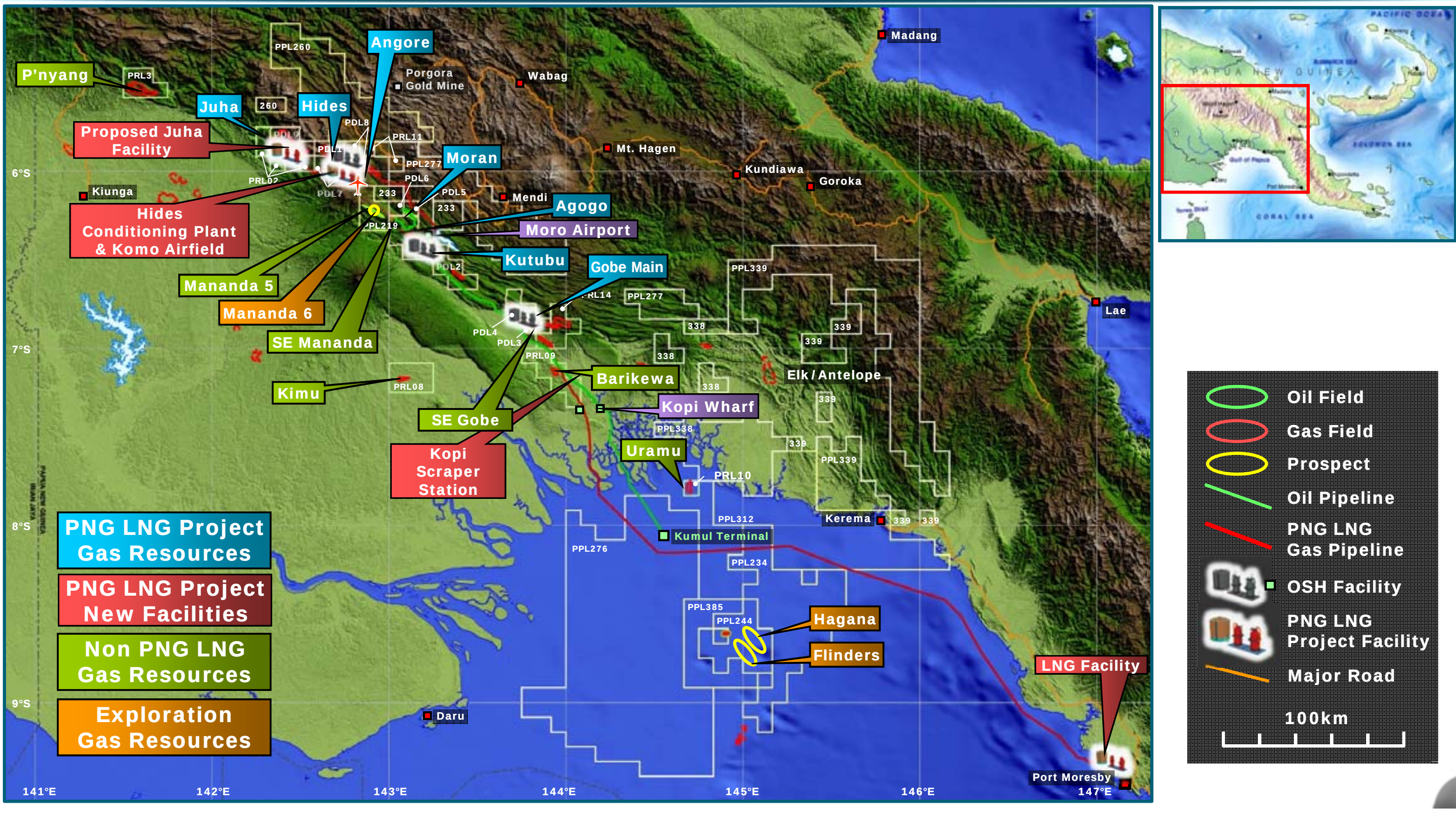
Oil Search Profile



- Established in Papua New Guinea (PNG) in 1929
- Market capitalisation ~US$10 billion
  - Listed on ASX (Share Code OSH) and POMSOX, plus ADR programme (Share Code OISHY)
- Operates all PNG's currently producing oil and gas fields
- PNG Government is largest shareholder with 15%. Exchangeable bond over shares issued to IPIC of Abu Dhabi
- 29% interest in PNG LNG Project, world scale LNG project operated by ExxonMobil
- Exploration interests in PNG, Middle East/North Africa

OIL SEARCH LIMITED

Key Oil and Gas Fields, PNG



OIL SEARCH LIMITED

2012 Operational Highlights

- 2012 production within guidance, at 6.38 mmboe, despite unplanned KMT shut-down
- NPAT of US$175.8 million, underpinned by stable oil prices
- Operating cash flow of US$196.2 million. Significant investment in active exploration and development programme as well as PNG LNG Project. PNG LNG funded from cash and project finance facility drawdowns
- Financial position solid, can comfortably fund unexpected PNG LNG cost increase. Cash balance of US$488.3 million and new, undrawn US$500 million corporate facility provides strong liquidity
- 2012 final dividend of US 2 cents/share, taking 2012 payments to US 4 cents/share
- 2012 production fully replaced on a 2P basis and 2C contingent resources increased 24%, to almost 400 mmboe – strong platform for further growth

OIL SEARCH LIMITED

Progress on all Strategic Initiatives in 2012

- Continued to support Esso Highlands in delivering PNG LNG Project
- Major success in resource build strategy, with P'nyang South discovery:
  - Increasing probability P'nyang will help underpin expansion
  - Other resource opportunities at Hides and oil fields
- PNG Gulf gas strategy:
  - Introduced strategic partner with farm-down to major LNG operator, Total SA, subject to Government approvals
  - Drilling of material prospects commences 1Q/2Q13


PNG LNG Construction


Gulf Drilling Rig

OIL SEARCH LIMITED

Progress on all Strategic Initiatives in 2012 cont.

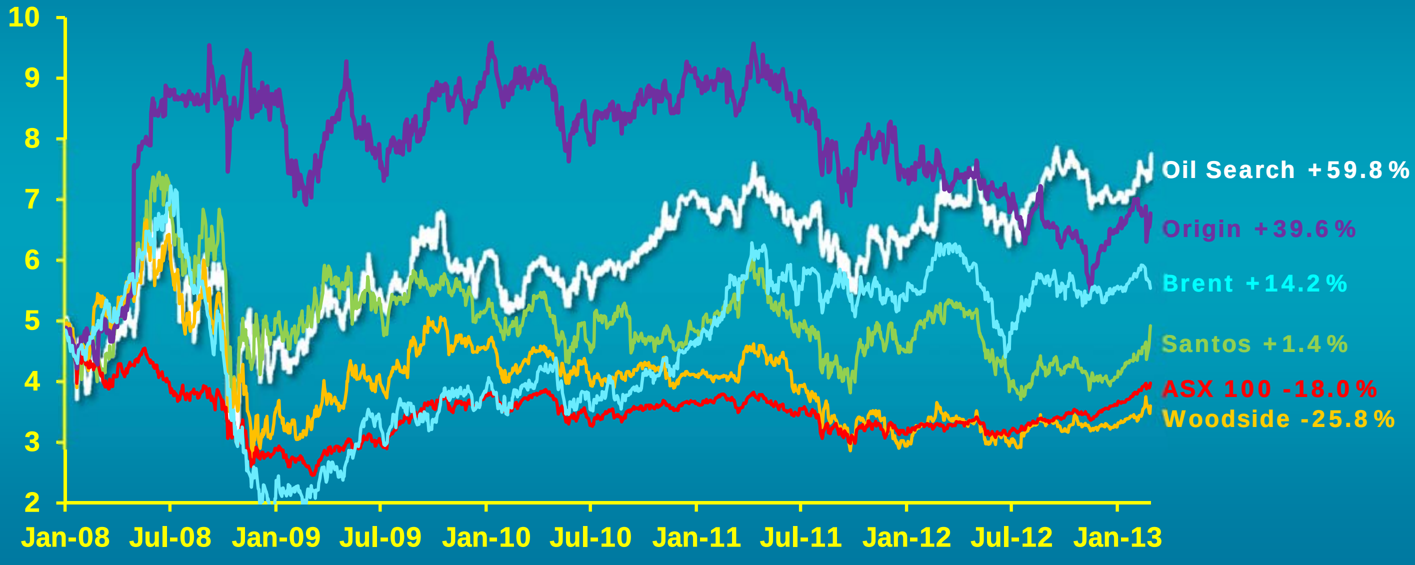
- Oil production optimisation:
  - Production decline largely mitigated in 2012, similar results expected in 2013
  - Replaced reserves on 2P basis, 24% increase in 2C contingent resources
- Oil upside being tested:
  - In PNG, Mananda 6 appraisal 1Q13 and ongoing near field appraisal drilling
  - In MENA, Taza and Semda wells underway
- Balance sheet enhanced:
  - Non-amortising revolving facility for US$500m concluded - strong bank support
  - Funding available from existing cash, operating cash flows and facility to fund recent LNG cost increase


Central Processing Facility


Kurdistan: Taza 1

Steady Share Price Growth

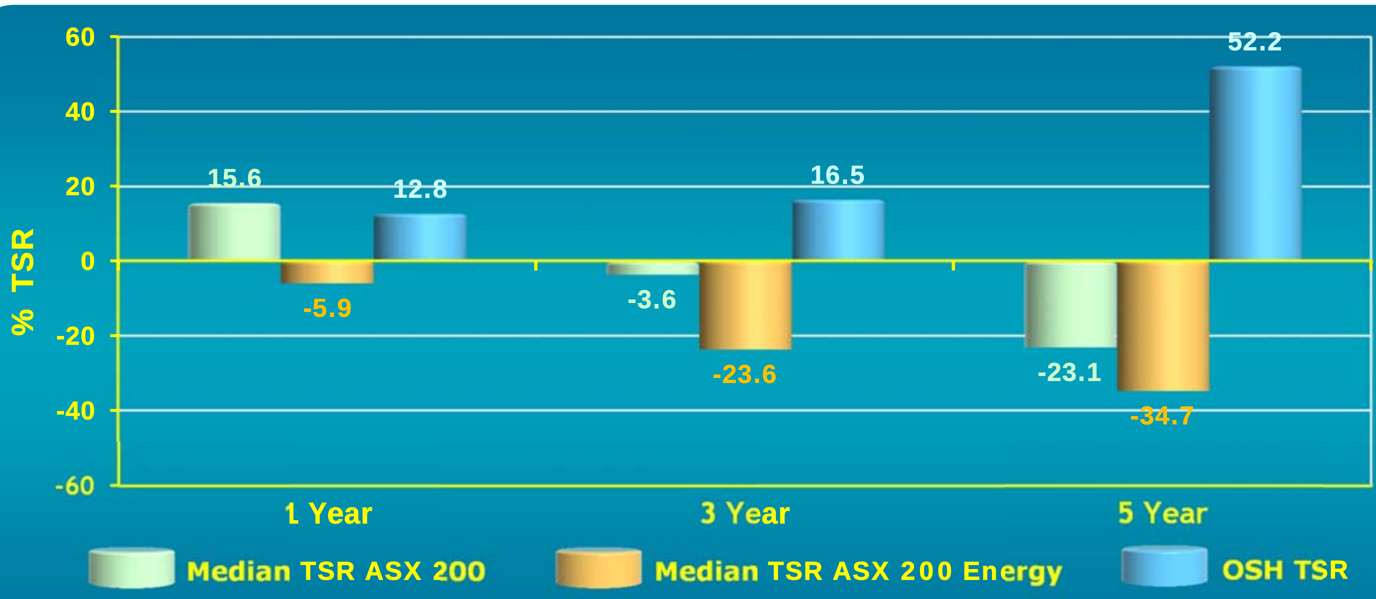
- Have achieved steady share price appreciation over past five years
- Continued delivery of strategy should result in continued top quartile performance



2 January 2008 – 28 February 2013

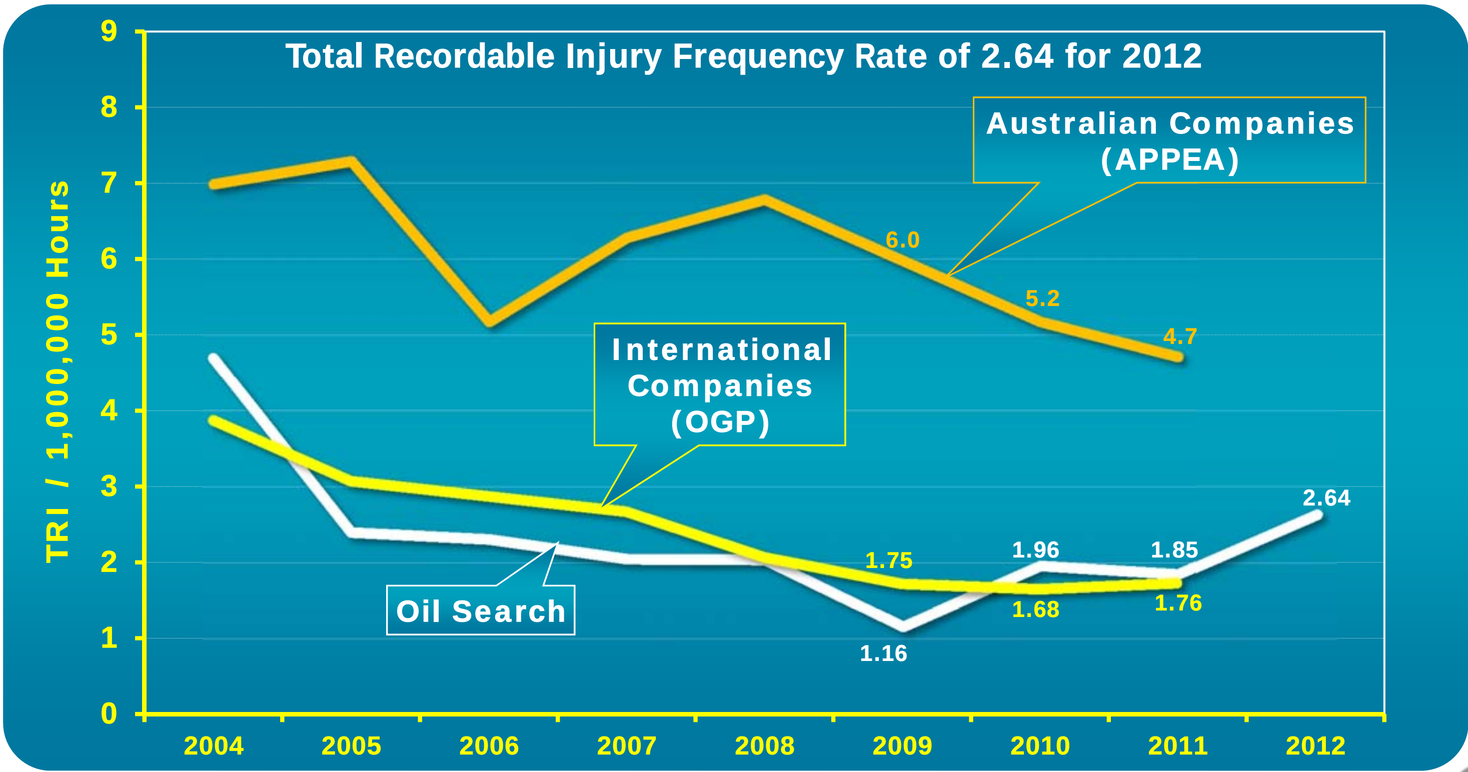
TSR performance

Oil Search ranked 14th in S&P/ASX 200 for TSR over five years to 31 December 2012

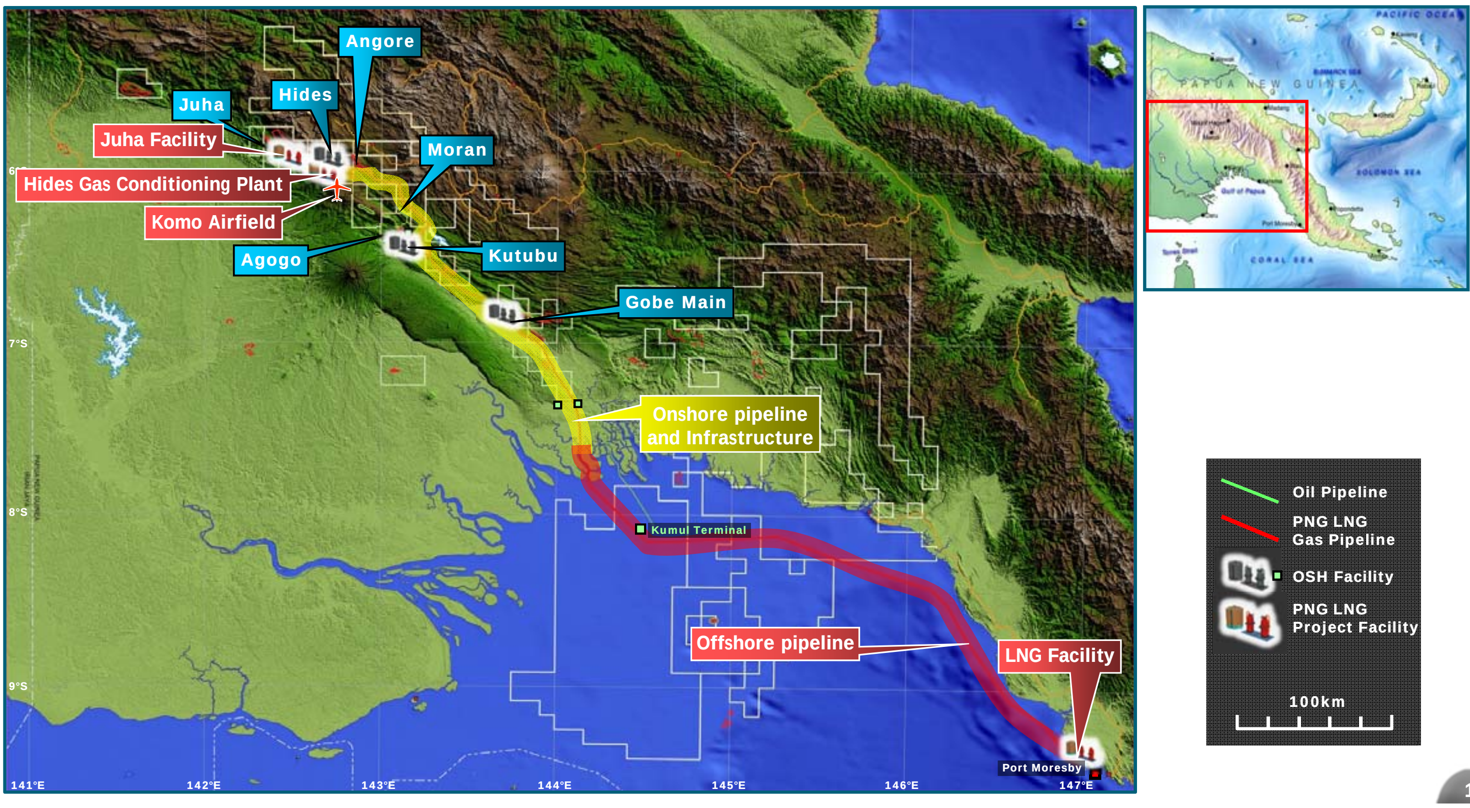


Source: Orientcap

Safety Performance



PNG LNG Project



PNG LNG Project Overview

- 6.9 MTPA, 2 train development, operated by ExxonMobil
- Over its 30-year life, PNG LNG expected to produce more than 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 Govt)	16.8%
Santos	13.5%
Nippon Oil	4.7%
MRDC (PNG Landowners)	2.8%

- 6.6 MTPA contracted to Asian buyers. Additional 0.3 MTPA to be sold either under contract or spot:

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

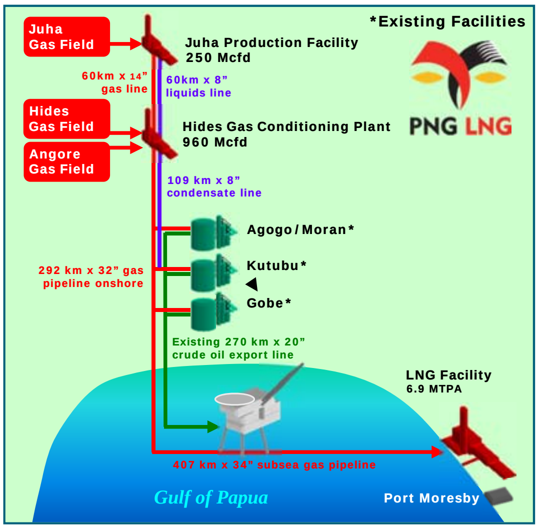
- Main EPC contractors:

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

- Different labour environment to Australian LNG projects. Workforce of 21,220 including ~40% PNG nationals, plus many other different nationalities

Milestones achieved in 2012

- PNG LNG Project 75% complete at year end
- Completed construction of LNG tanks, jetty trestle and pipe racks, flare, main steelwork and lifting of associated process equipment
- Completed offshore pipeline
- Welded over 215 km of onshore pipeline, with 176 km of pipeline hydrotested
- Associated Gas (oil fields) well advanced and readying for supply of commissioning gas
- Completed Phase 1 of PL 2 Liquids Export Life Extension Project
- First layer of asphalt laid on 1.6 km of runway at Komo, first aircraft movements expected in April '13
- Completed HGCP foundations and commenced installation of structural steel
- Drilling on first two development wells at Hides field underway



Cost and Schedule Review

- Operator completed cost and schedule review in November 2012
- Confirmed Project remains on track for first LNG sales in 2014
- Capital cost estimate increased from US$15.7 billion to US$19.0 billion, due to:
  - Foreign exchange
  - Work stoppages and land access issues
  - Adverse logistics and weather conditions
- Cost increase to be funded 70:30, debt:equity. Discussions underway to secure US$1.5bn supplemental debt available under existing project finance agreement
- OSH has ample capacity to fund its equity share of additional costs (US$300m)
- Capacity of LNG Plant increased to 6.9 MTPA
- Despite cost increase, Project remains economically robust

PNG LNG Plant Site

PNG LNG Plant Site

PNG LNG Plant Site


Storage tanks

PNG LNG Pipeline


Highlands section pipeline


Burying pipelines


Highlands section pipeline

OIL SEARCH LIMITED PNG LNG

PNG LNG Project - Upstream

OIL SEARCH LIMITED PNG LNG

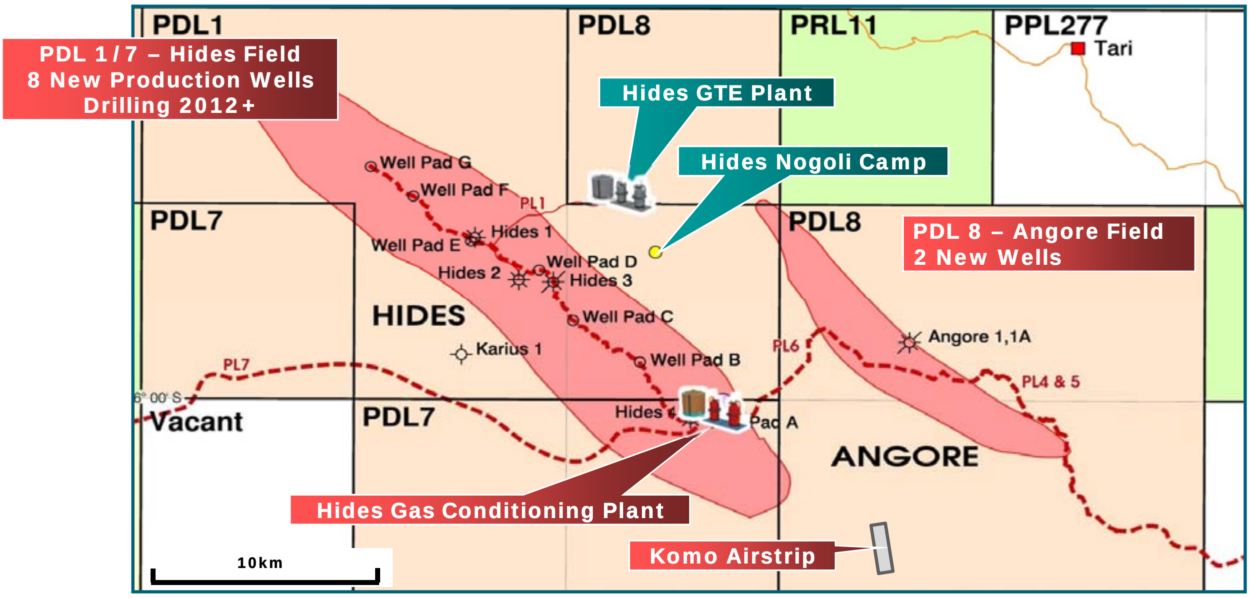
PNG LNG Project - Upstream

PNG LNG Project - Upstream

2013 Focus Items

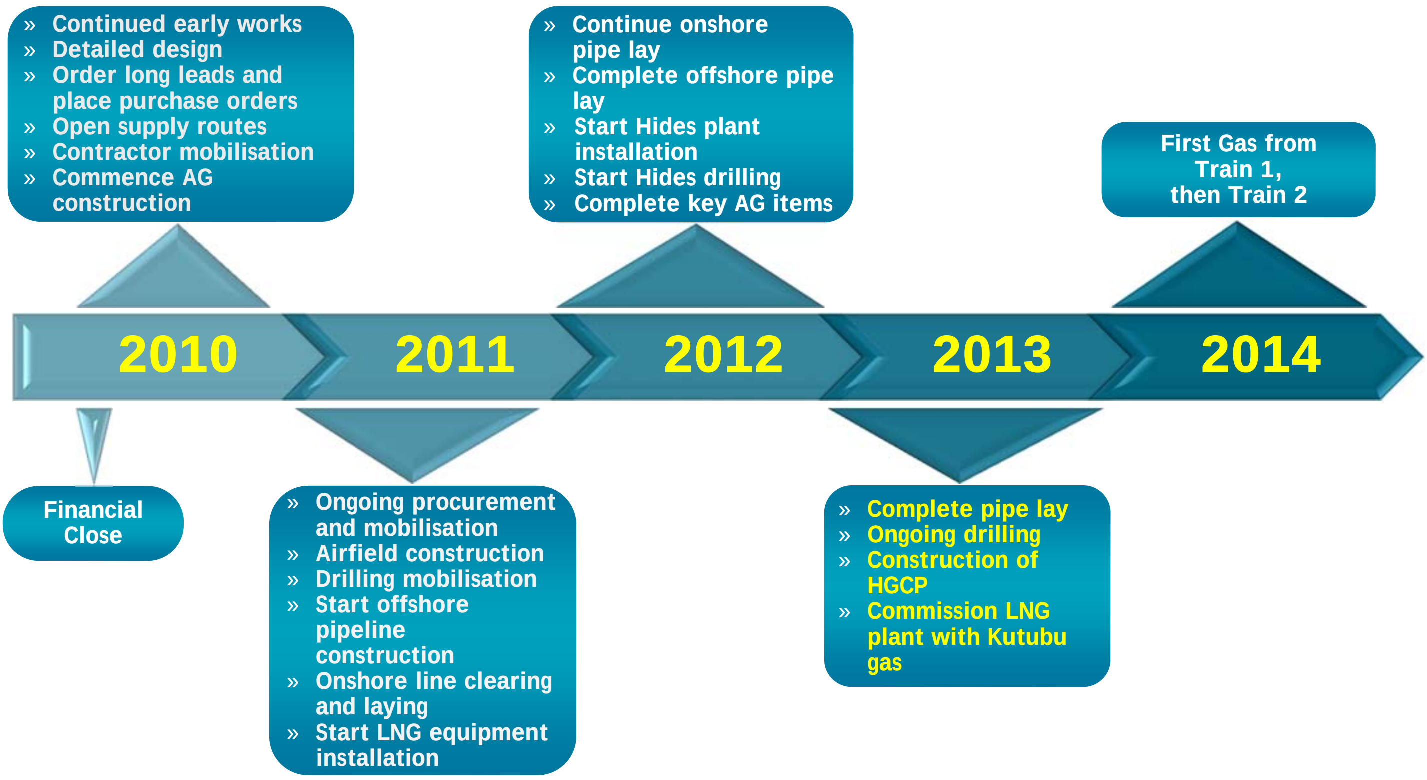
- Accelerate development drilling with two rigs operational
- Progress onshore pipeline, HGCP and LNG plant towards mechanical completion
- Tie in Kutubu to pipeline and start supply of commissioning gas
- Finalise finance arrangements to accommodate revised cost outlook
- Finalise benefits delivery processes

Hides Development and Appraisal Drilling

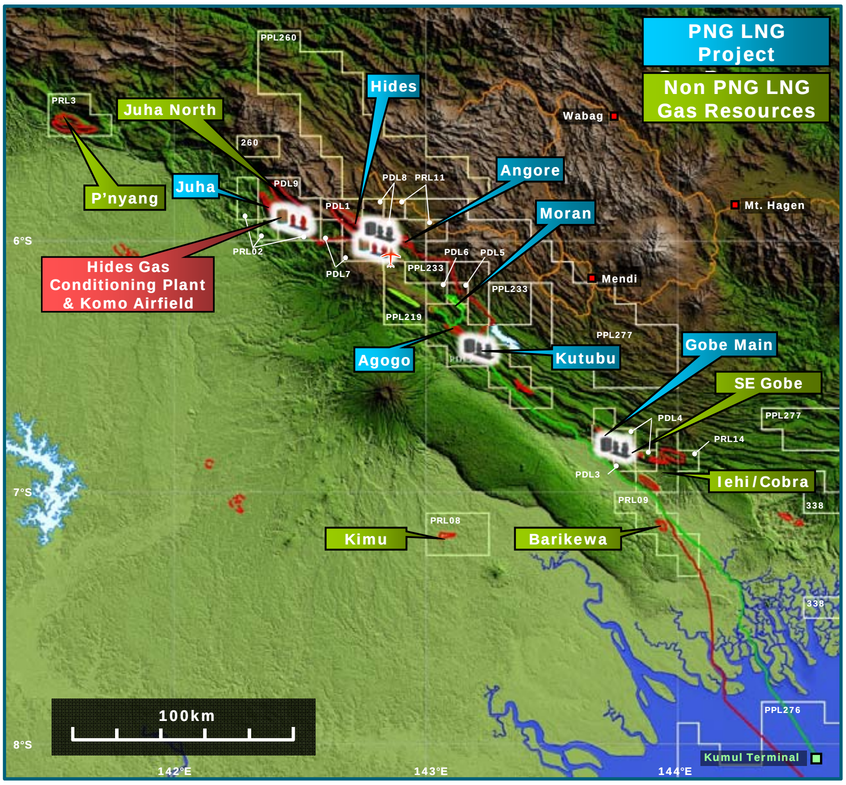


- PNG LNG development drilling programme commenced in July 2012 with Rig 702
- Access roads and wellpad construction near complete
- Second rig, Rig 703, mobilised and expected to start drilling in early 2013

PNG LNG Project - Timetable



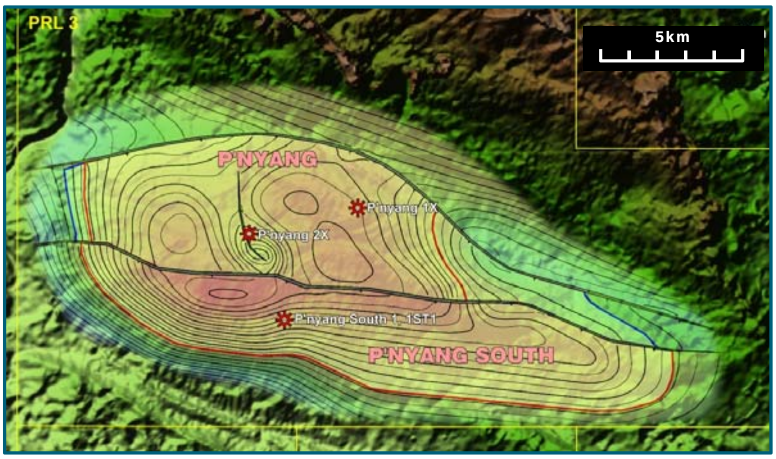
Gas Growth - PNG Highlands

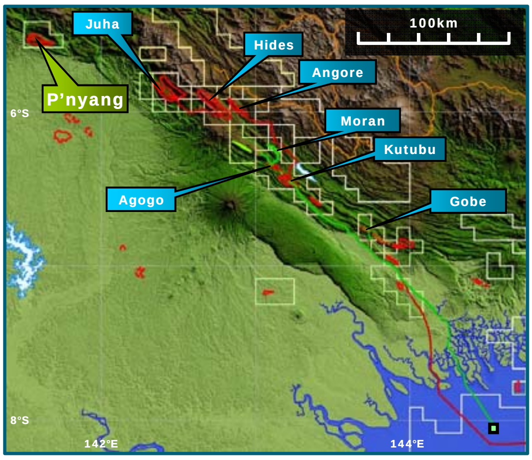


- Key strategic objective is to capitalise on asset base being constructed by PNG LNG:
  - Expansion of PNG LNG is highest value opportunity in OSH's portfolio
- Significant progress in 2012 with discovery of gas at P'nyang South
- Expanded acreage portfolio with farm-in to PPL 277
- Trapia 1 exploration well unsuccessful, but broader play potential not impacted
- Second phase of 2D seismic programme being undertaken, aimed at maturing prospects for possible drilling in late 2013/2014

P'nyang Gas Field

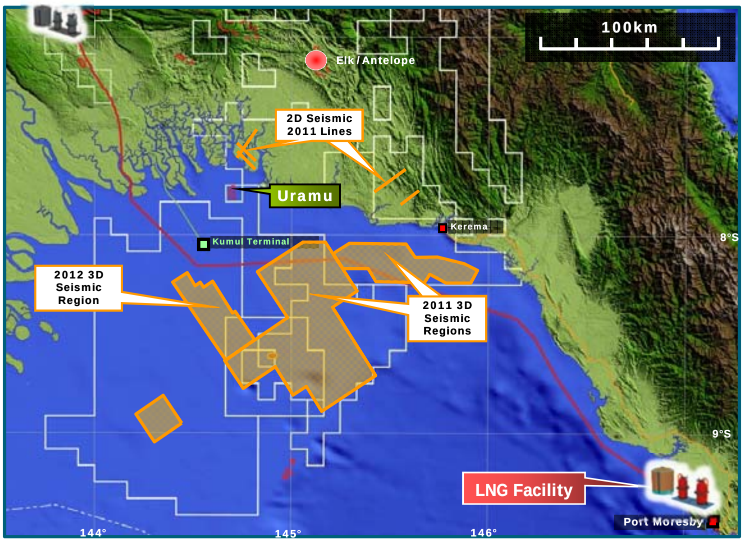
- PRL 3 JV (OSH 38.5%, ExxonMobil 49.0%, JX Nippon 12.5%) advancing with concept selection studies, optimal development concept expected to be finalised in 2013
- Oil Search estimates total 2C gas resources in P'nyang field of 2.5 - 3.0 tcf, sufficient to underpin potential LNG expansion. OSH believes further upside potential exists in PRL 3, but requires appraisal
- Additional seismic in PRL 3 planned for 1Q13 to support potential development





Gas Growth - Gulf of Papua

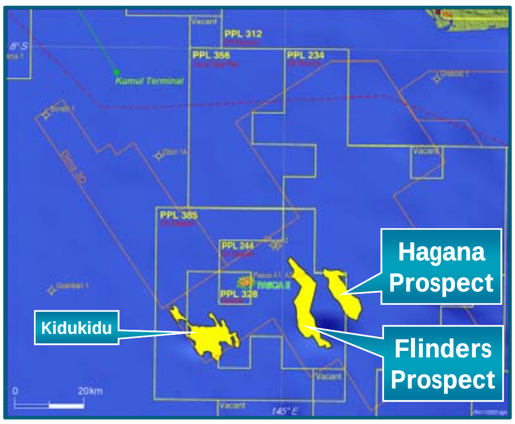
- Gulf area has significant resource potential:
  - Proven hydrocarbon province, with over 30 opportunities identified across multiple play types
  - Supported by over 7,000 sq km of high quality offshore 3D seismic & 2 electro magnetic surveys
  - Also unexplored potential in large onshore licence areas adjoining InterOil exploration acreage
- Aim is to explore for gas to support new LNG hub:
  - Options include standalone LNG, floating LNG or integration with existing infrastructure
- In 2012, introduced Total SA as our strategic partner:
  - Share costs and risks
  - Experienced LNG operator

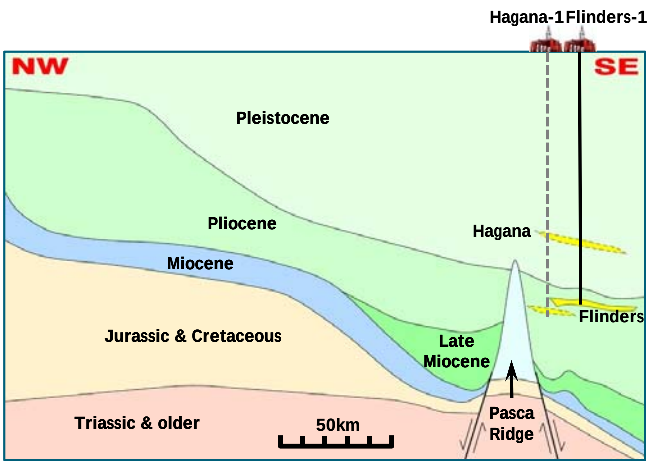


2013 Gulf of Papua Programme

- During 2013, planning to drill two firm offshore wells, with two options, to commence in March when Stena Clyde semi sub drilling rig arrives on-site - first real test of the acreage
- Also will acquire gravity and seismic data in onshore licences and decide whether to take up equity
- Flinders 1 in PPL 244 (OSH 40%, Total 40%*, Nippon 20%) expected to be first well drilled:
  - Targeting gas in Plio-Pleistocene-age, submarine fan sands. Mean resource of 1 – 1.5 tcf
- To be followed by Hagana 1, also in PPL 244:
  - Also targeting gas in Plio-Pleistocene-age, submarine fan sands. Stacked objectives, mean resource 1.1 tcf

*Subject to Government approval



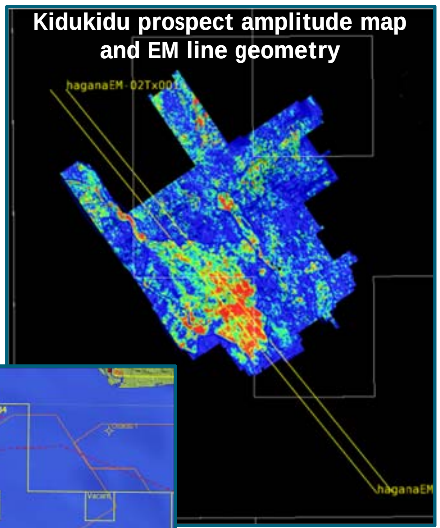


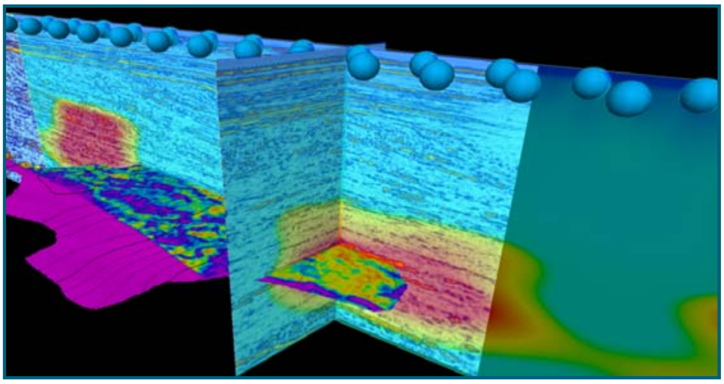
Kidukidu, Gulf of Papua

- Kidukidu prospect in PPL 244 (OSH 40%, TOTAL 40%*, Nippon Oil 20%) and PPL 385 (OSH 100%) could be third well drilled
- Targeting gas in Plio-Pleistocene-age, submarine fan sands. Mean resource of 1.3 tcf
- Highly prospective due to seismic *and* CSEM anomalies

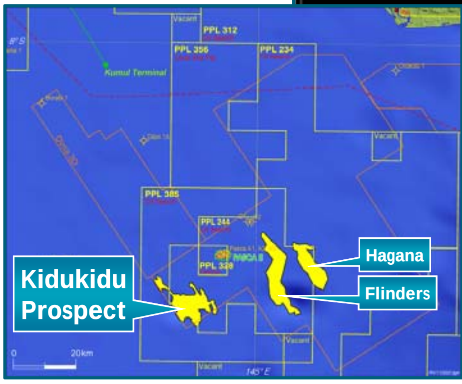
*Subject to Government approval

Kidukidu prospect amplitude map and EM line geometry

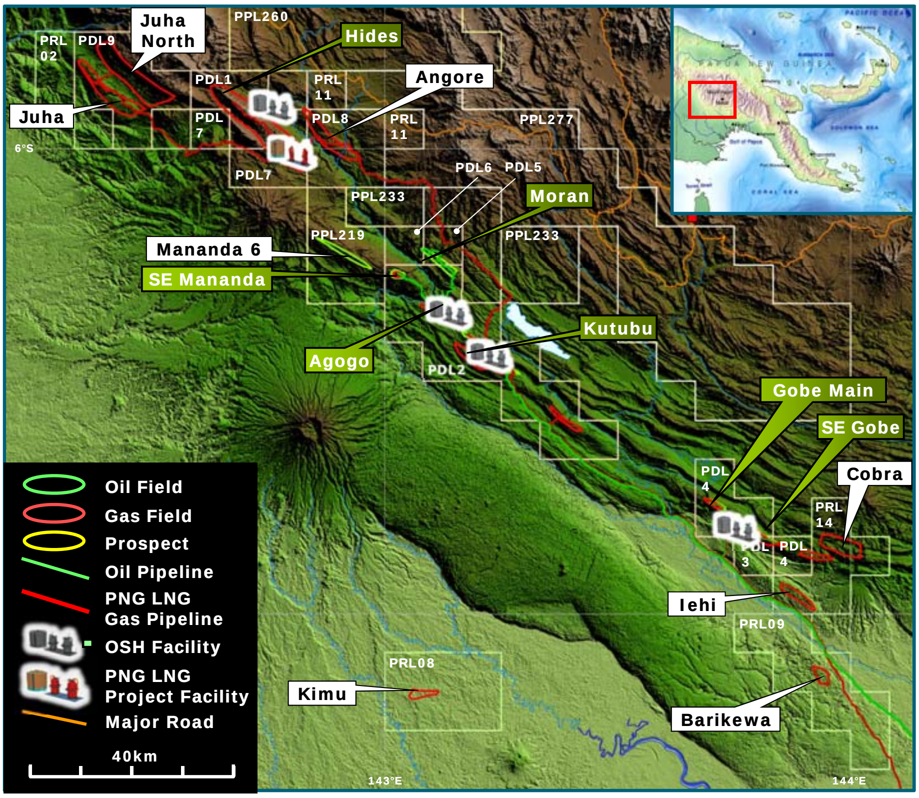




Electro-Magnetic Anomaly at Kidukidu reservoir level



PNG Production

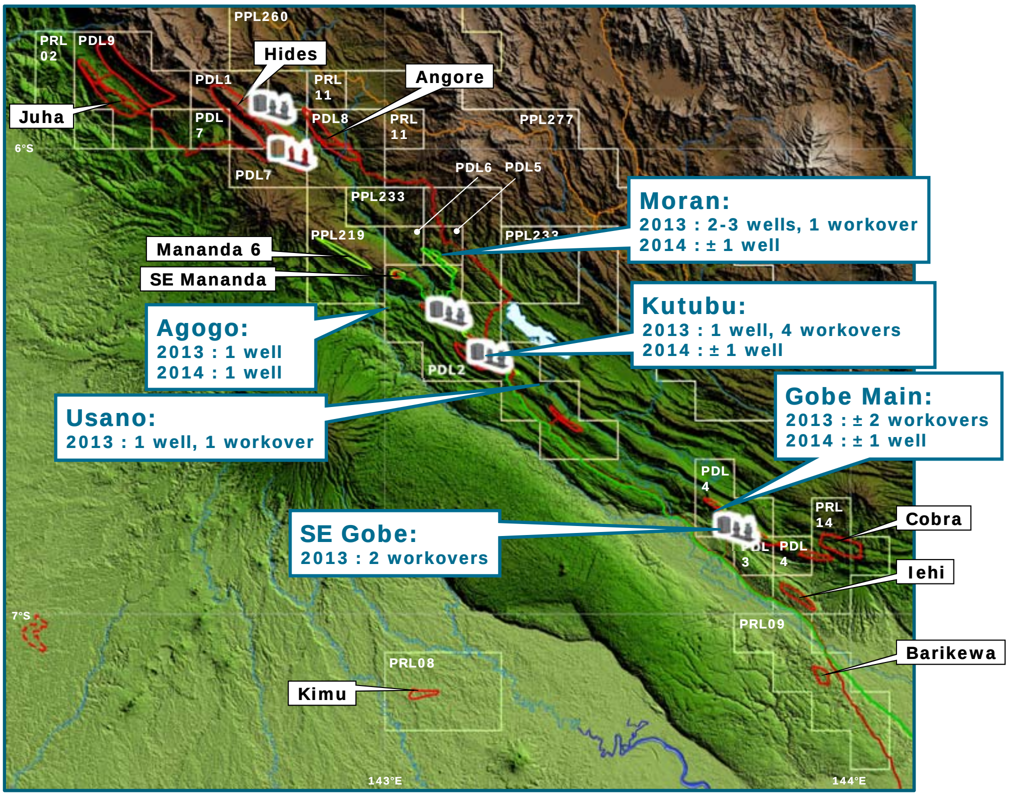


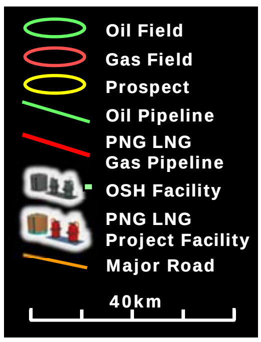
- PNG producing fields are highly profitable and generate strong cash flows
- Key objective is to minimise production decline prior to start of PNG LNG
- Well work programme within fields has yielded high-value incremental barrels, with more opportunities identified
- Also believe there is substantial remaining high value oil close to existing infrastructure eg Mananda. Potential to have significant impact on medium term oil production profile
- Major focus on getting ready to deliver Associated Gas into PNG LNG Project. Key priorities include ensuring system reliability and integrity as well as exploring operational synergies

2012 Production Performance

- Solid safety performance despite very challenging environment. Improvements achieved over the year
- Production of 6.38 mmboe, within guidance of 6.2 – 6.7 mmboe despite major unplanned (precautionary) shutdown in 3Q12 – pleasing result
- Scheduled PNG LNG-related shutdowns at all facilities successfully completed within planned timeframes
- Two new wells brought online in 1H12, with a further well about to come into production and two more being drilled. Will help mitigate natural decline in 2013 onwards
- Two-rig development well drilling programme commenced in 2H12 – lowers drilling costs and accelerates production

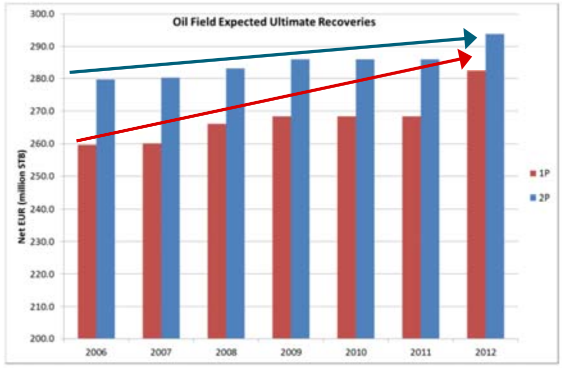
2013/14 Development & Near-Field Appraisal Drilling Activity

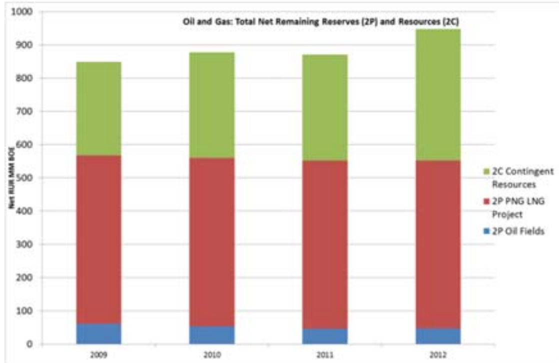




Reserves and Resources at 31 December 2012

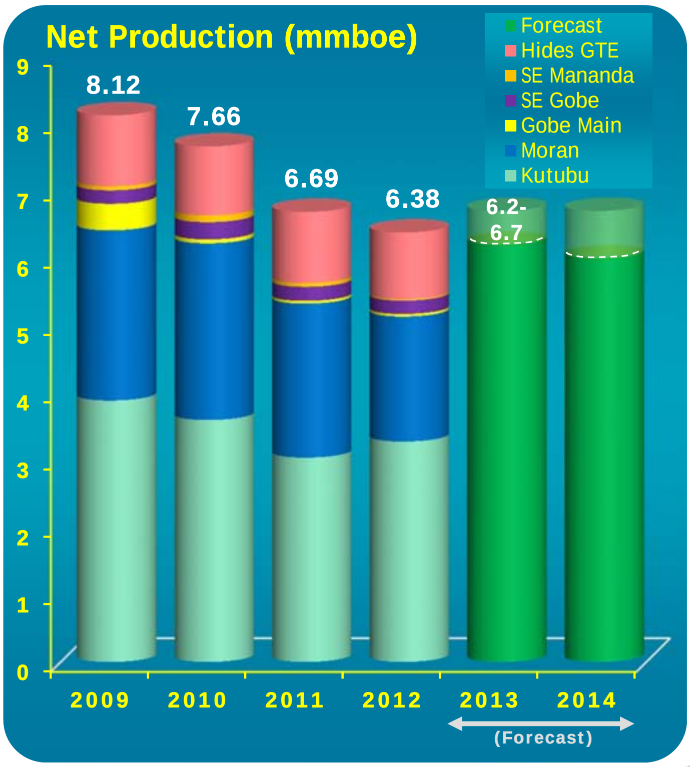
- External reserves audit of liquids in all PNG oil fields completed in 2012
- On 2P basis, fully replaced 2012 production of 6.4 mmboe and added net 7.6 mmboe to 1P:
  - Proven (1P) net remaining oil and gas reserves increased from 330.1 mmboe to 337.7 mmboe
  - Proven and Probable (2P) net remaining oil and gas reserves remained unchanged at 552.4 mmboe
- 2C contingent resources, comprising oil, gas and associated liquids, increased 24%, from 317.7 mmboe to 395.1 mmboe due to:
  - Successful drilling at P'nyang
  - Acquisition of additional equity in PRL 10 (Uramu)
- Total 2P and 2C reserves and resources increased 9%, from 870 mmboe to 947 mmboe





Production Outlook ex-PNG LNG

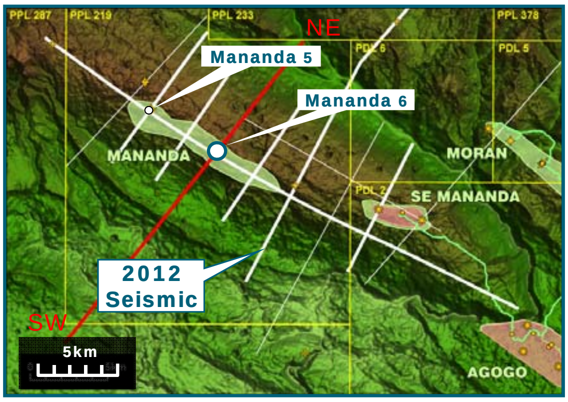
- Underlying production from oil fields expected to remain strong in 2013:
  - Significant contributions from 2011/12 development drilling and workover programme
  - Only minor plant shutdowns required during 2013
- Production guidance for 2013 of 6.2 - 6.7 mmboe, consistent with recent years. Production out to first LNG in 2014 also expected to remain largely flat
- Robust workover and development drilling programme will continue through 2013
- Currently re-appraising near-field opportunities, with 2-3 wells in 2013/14 expected from this portfolio
- Delivery of commissioning gas to PNG LNG will not impact production performance

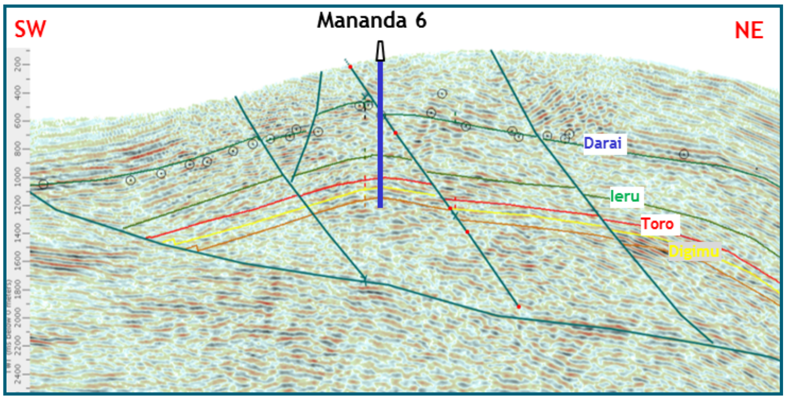


Oil Appraisal & Development – Mananda 6

OIL SEARCH LIMITED

- Mananda 6 appraisal well planned to spud 1Q13 in PPL 219 (OSH 71.25%, JX Nippon 28.75%)
- More crestal location, ~5km south east and ~140m up-dip from Mananda 5 discovery
- Following recent seismic, estimated recoverable oil resource has increased from 12.5 mmbbl (25 mmboe, 50:50 oil:gas) to 30 mmbbl oil, with significant upside
- If resource is confirmed, PDL application will be submitted ~Dec 2013
- Development would involve tie-in through SE Mananda facilities, prolonging economic life of SE Mananda
- First oil targeted for 2015 with peak production up to 15,000 bopd





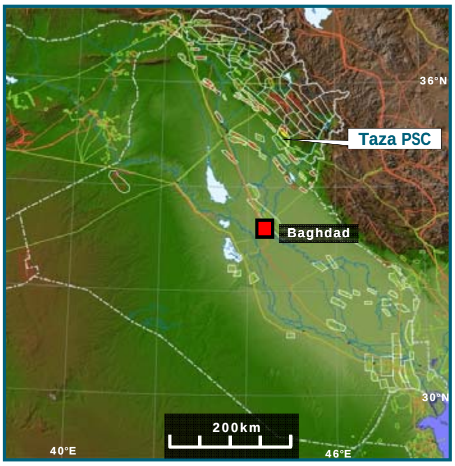
MENA Exploration

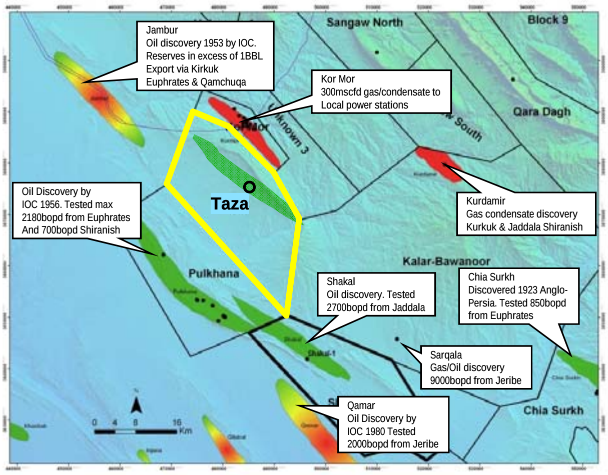
OIL SEARCH LIMITED

- Middle East/North Africa strategy focused on oil opportunities that have material potential
- Two wells currently drilling, Taza and Semda. Both could have significant value impact on Oil Search
- Long term strategy is to leverage existing strong relationships and skill base to develop international portfolio. Pace dependent on availability of suitable value-add opportunities, PNG capital commitments

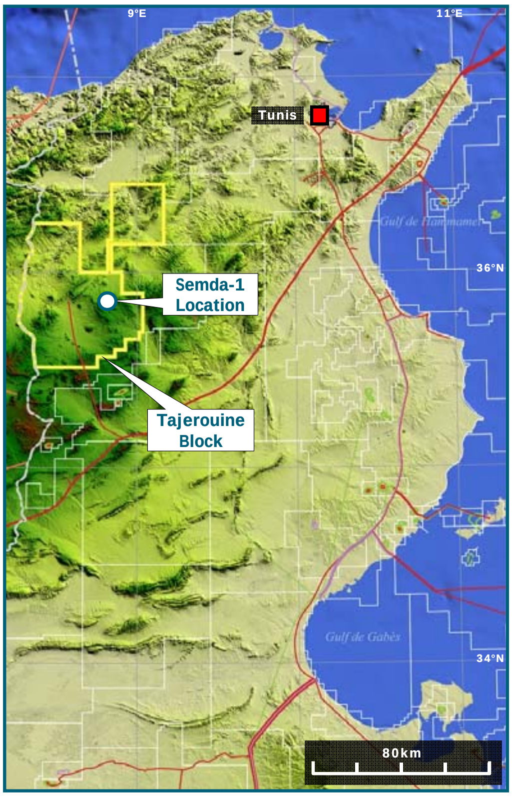
Taza-1
Taza PSC, Kurdistan

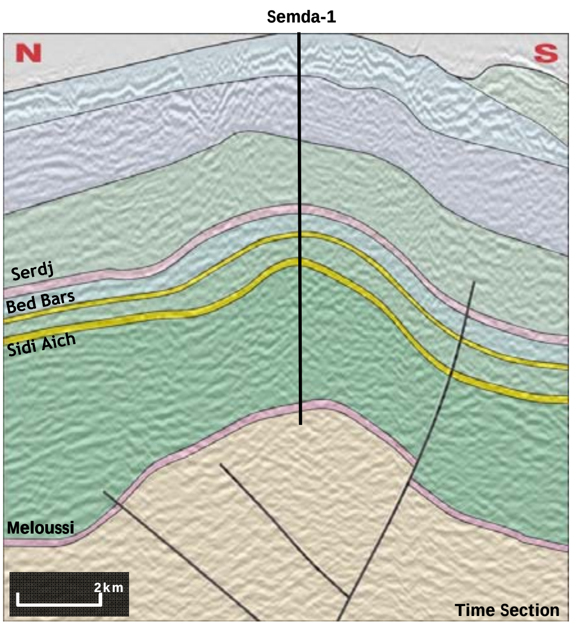
- Taza-1 in Taza PSC (OSH 60%, Total 20%, KRG 20% back-in) currently drilling ahead
- Flowed oil from Jeribe Formation, first primary objective. Flow rates low but encouraging results given poor test conditions
- Pre-drill estimate of potential resource unchanged at 250-500 mmbbls
- Forward plan:
  - Drill to Euphrates Formation (second primary objective) and test, as necessary
  - Follow-up drilling programme in 2H13, subject to rig availability, to further appraise Jeribe and Euphrates Formations and drill Cretaceous Shiranish and possible deeper targets





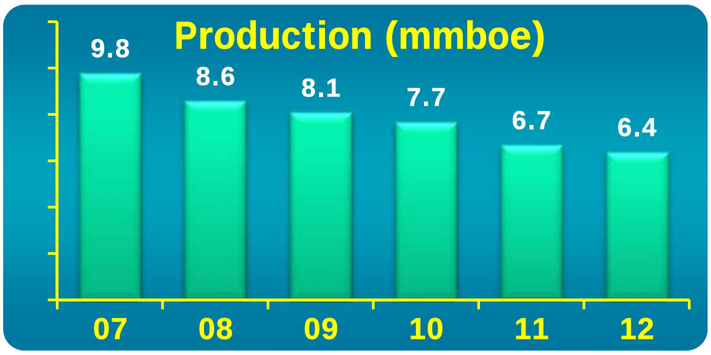
Semda-1
Tajerouine PSC, Tunisia

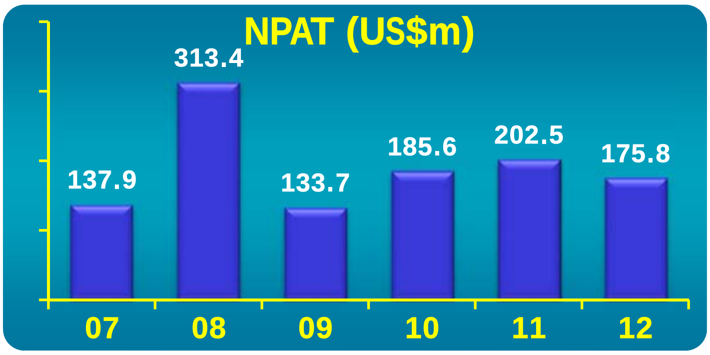


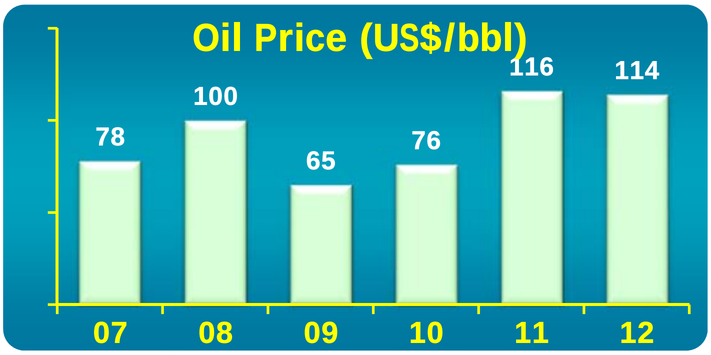


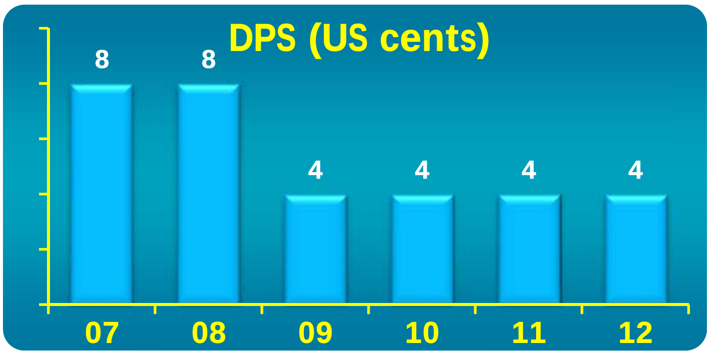
- Semda-1 well in Tajerouine PSC spudded January (OSH 100%)
- Targeting oil in the Cretaceous Serdj Dolomites and deeper sandstones (Bed Bars and Sidi Aich) as well as gas in deeper objectives
- Semda-1 targeting potential resource of 50-100mmbbl
- Number of additional follow-up structures identified
- Favourable fiscal terms for oil and gas, with major domestic gas market and Europe to north

Financial Summary





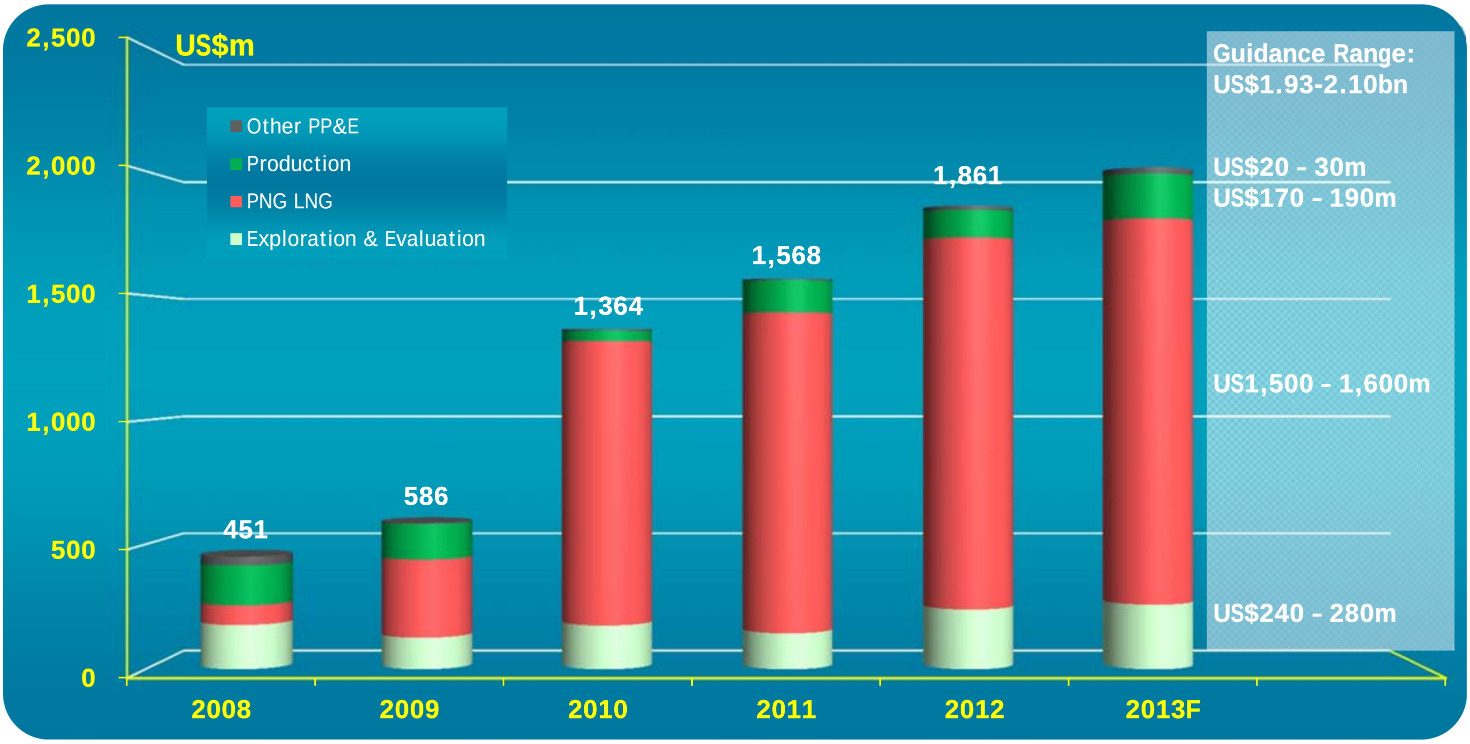




Treasury Update

- US$488.3 million in cash at end December. Cash invested and actively managed with highly rated bank counterparties
- Successful refinancing of existing corporate facility, with new US$500 million non-amortising revolving facility completed
- No oil hedging undertaken during 2012
- US$2.87 billion drawn down under PNG LNG project finance facility
- PNG LNG overrun expected to be funded on 70% debt:30% equity basis. Project participants will collectively source supplementary PNG LNG project debt of US$1.5 billion
- 2012 final dividend of two US cents per share, to be fully funded via underwritten DRP

Investment Outlook



2013 Guidance Summary

- **Production:**
  - 2013 expected to be similar to 2012, within 6.2 – 6.7 mmboe range
- **Cash costs:**
  - Normalised opex ~ US$24 - 26/boe (incl corporate costs)
  - Additional gas purchase costs ~US$40 million assuming oil prices consistent with 2012
  - Business Development (expensed) ~US$11 – 14 million
- **Depreciation, amortisation and site restoration:**
  - ~US$8 - 10/boe

OIL SEARCH LIMITED

Positioning for Growth

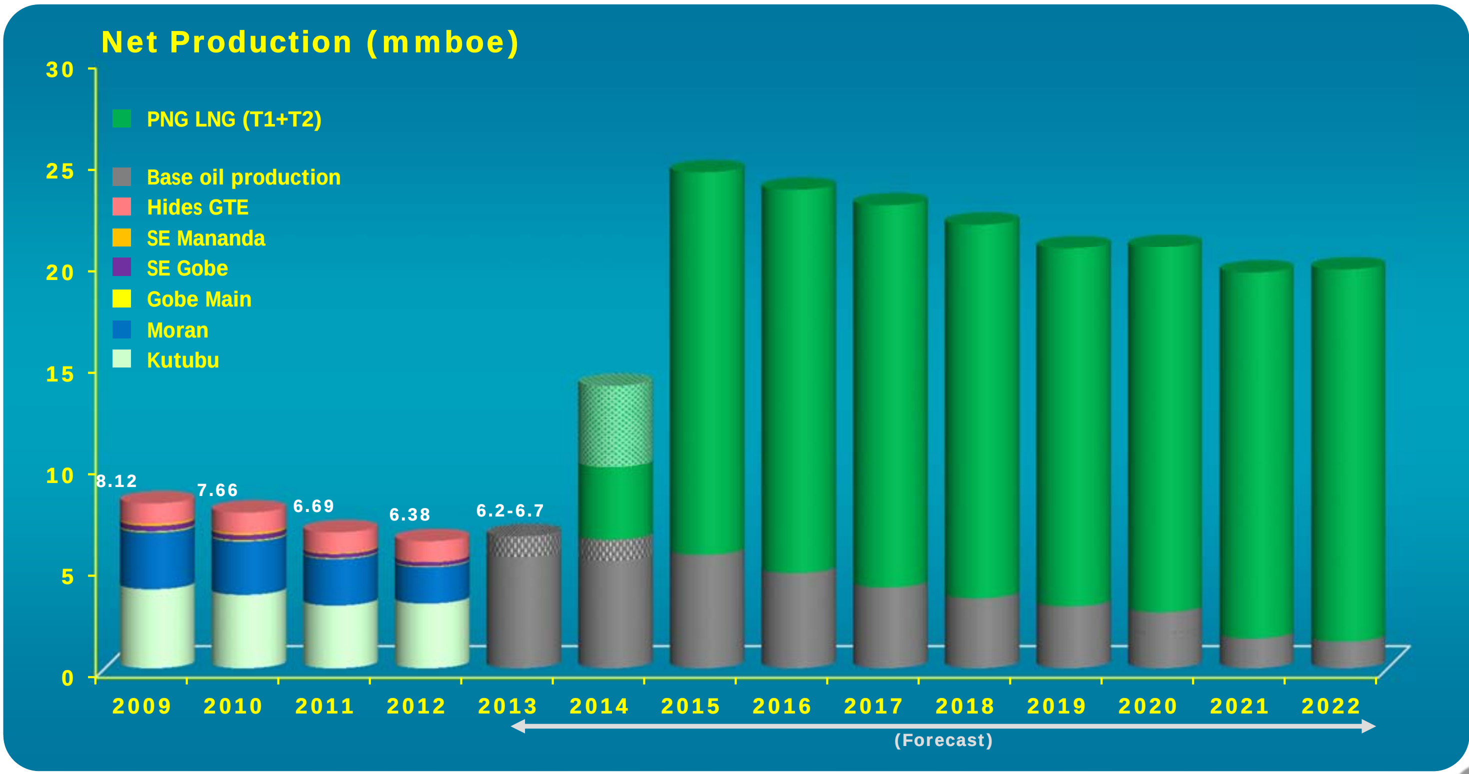
- Oil Search entering a phase of unprecedented growth and substantial change:
  - First LNG sales will transform production and cash flows
  - Supply of gas to PNG LNG brings new set of obligations
  - Several potential growth projects – could dramatically change business
  - Increasing size and complexity
- Focus areas for 2013 include:
  - Review of Company structure, cost base and operating model
  - Developing our people capability, including augmenting skills in key areas: right skills – right place

OIL SEARCH LIMITED

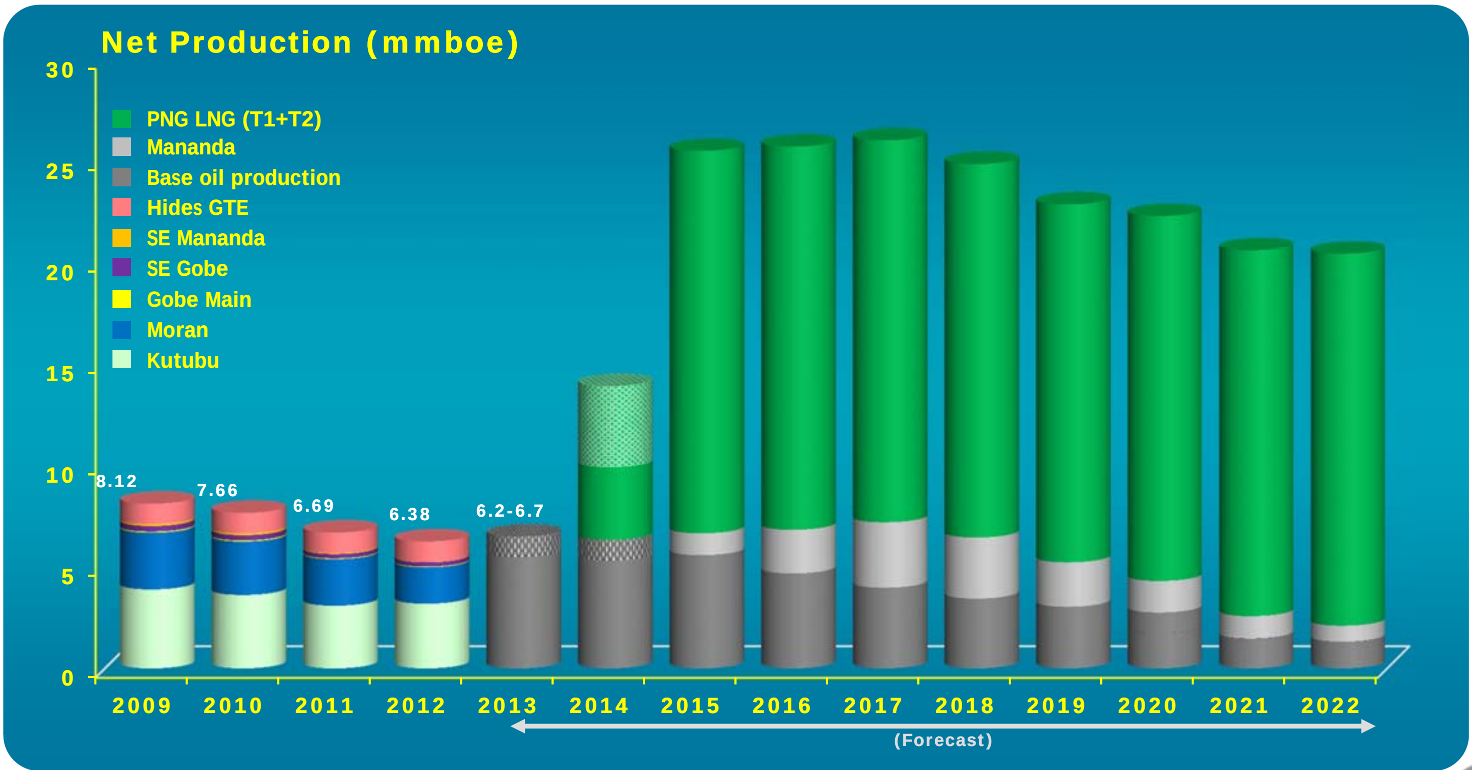
Milestones in 2013

- Progressive delivery of PNG LNG, in line with schedule and revised budget. Value steadily increases as cashflows get nearer
- Progress on LNG expansion plans, underpinned by P'nyang resource, augmented by other Highlands drilling
- Mananda appraisal well and possible FID by year end
  - Further potential delineated by seismic
- Gulf of Papua drilling, to start March
- High potential MENA drilling, including Taza well in Kurdistan and Semda in Tunisia
- Production expected to be flat in 2013, with active programmes to mitigate natural decline

PNG LNG Transforms Production Outlook



Production Outlook – including possible Mananda development



OIL SEARCH LIMITED

OIL SEARCH LIMITED

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.