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UBS Resources Conference
June 2013

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Changing Face of Oil Search

- PNG LNG Project over 85% complete (end April), material 20+ year cash flow stream approaching
- LNG expansion opportunities being matured, with new resources available
- New gas play confirmed in Gulf of Papua, with gas discovery at Flinders and further wells to come
- Oil discovery at Mananda 6, testing underway. Results to date encouraging for trend, detailed development optimisation studies taking place
- Taza oil discovery in Kurdistan moving to appraisal phase, with extended well test being planned
- Active drilling and development programme still to come through 2013 and 2014

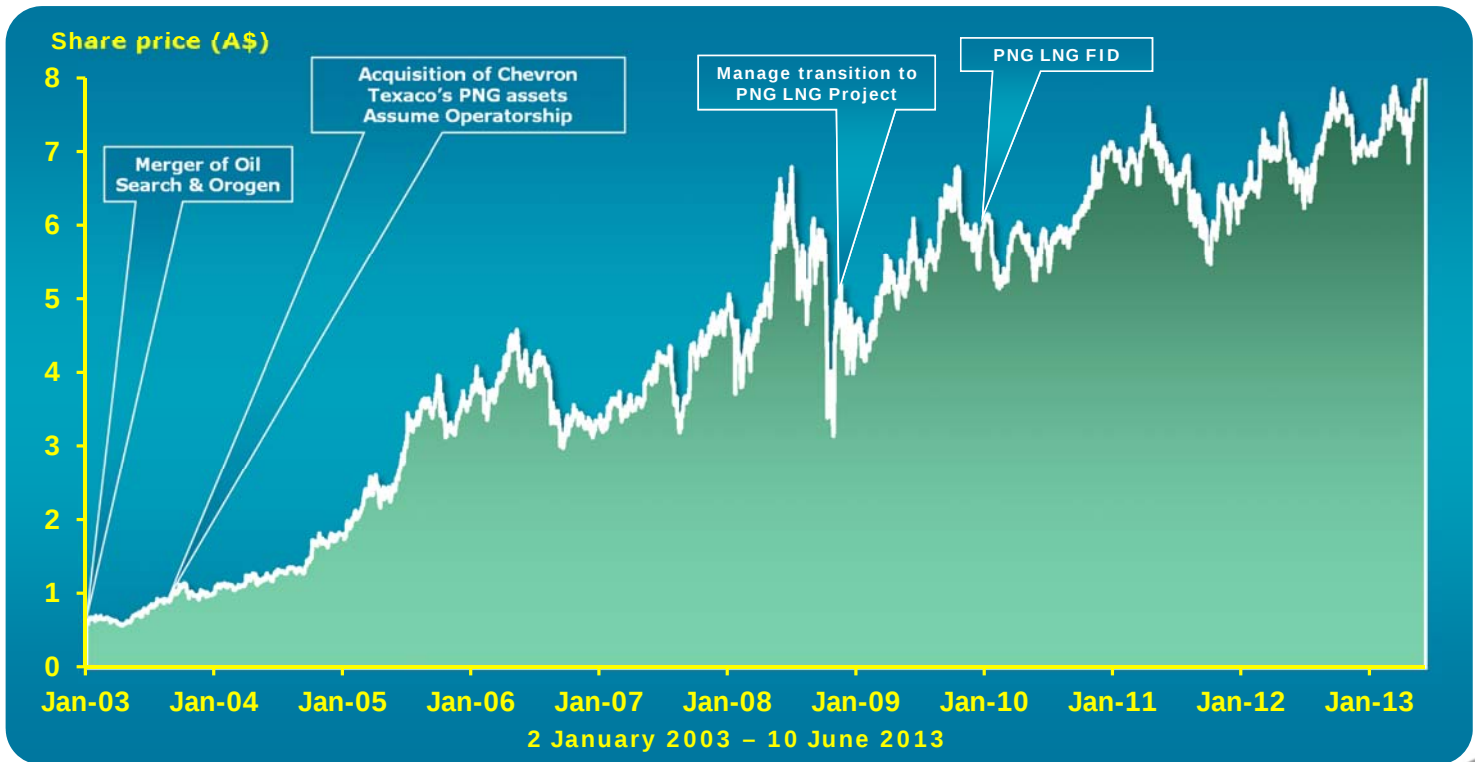


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Core Strategies Have Delivered Steady Share Price Appreciation - More to Come

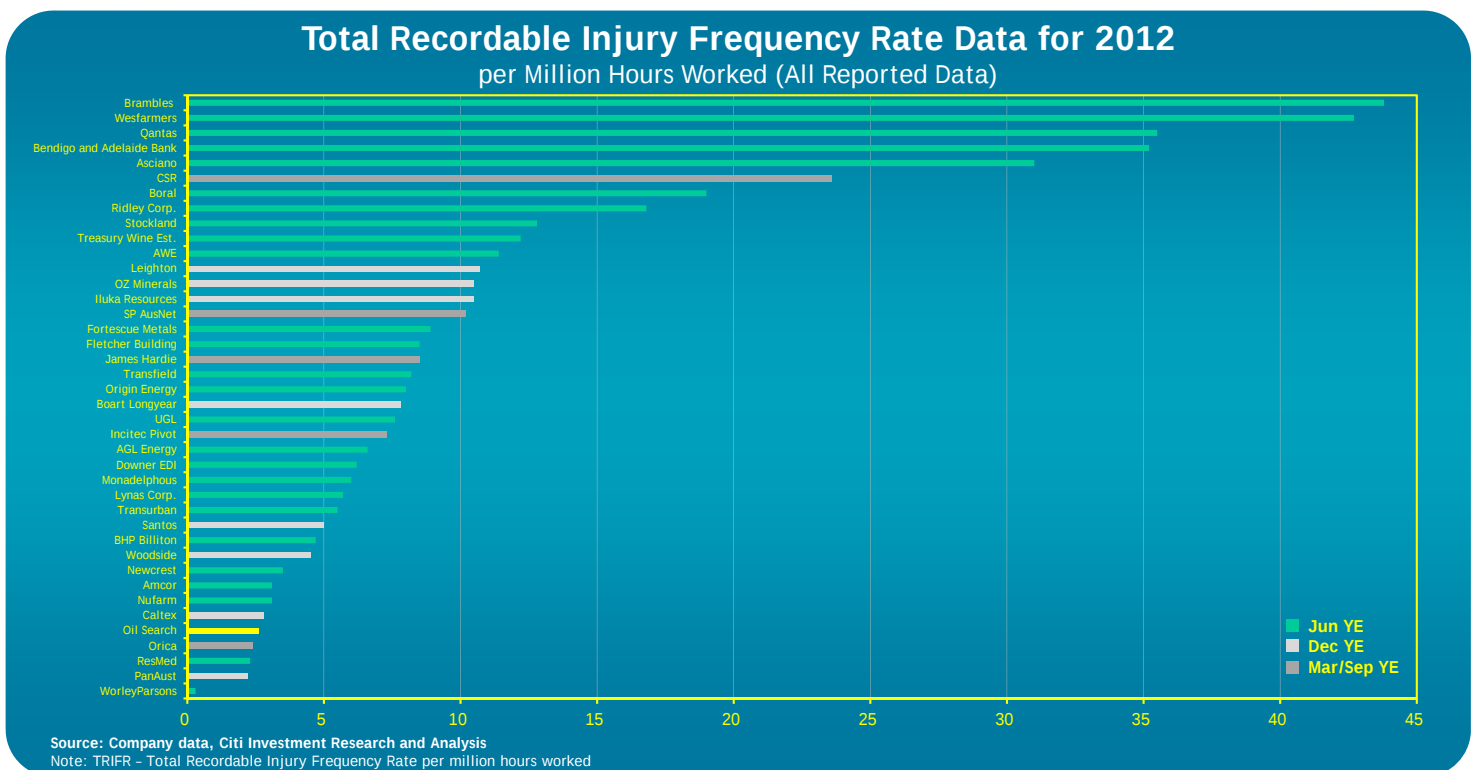


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Operating Safely Is Our First Priority

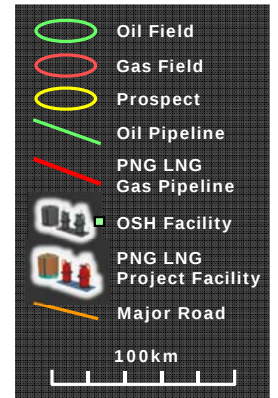


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Key Oil and Gas Fields, PNG



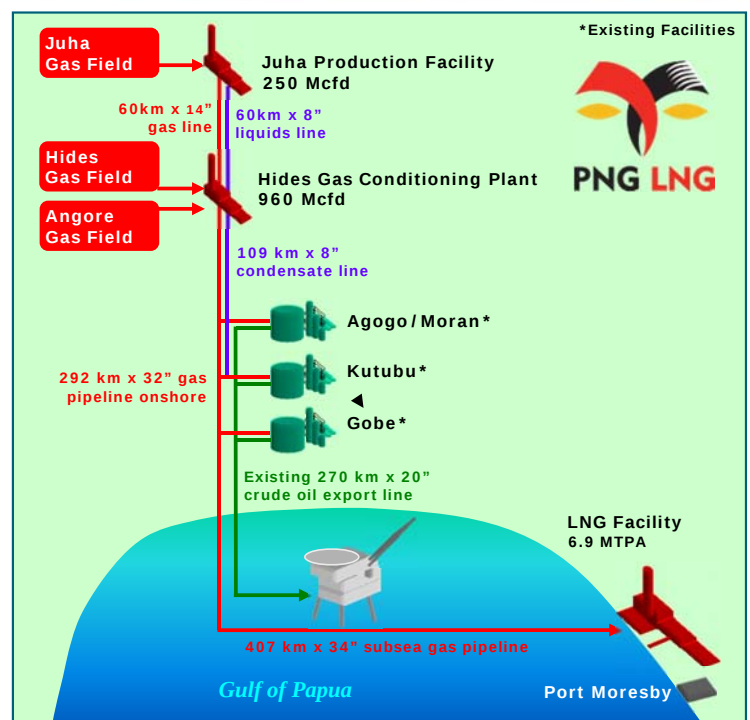
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PNG LNG Project Overview

- Over 85% complete
- Project remains on track for first LNG sales in 2014
- Have passed peak for logistics and workforce
- Revised budget of US\$19.0 bn



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PNG LNG Plant Site



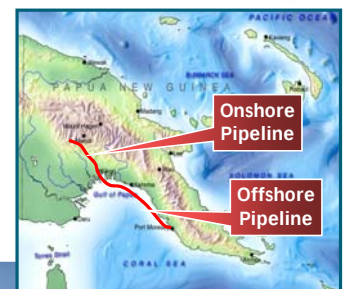
- Preparations underway for receipt of commissioning gas



PNG LNG Offshore and Onshore Pipelines



- Offshore pipeline completed and hydrotested
- Onshore pipeline clearing, laying and welding underway between Kutubu and Hides



Associated Gas/PL 2 Life Extension



- Associated Gas (oil fields) readying for supply of commissioning gas in 2013



PNG LNG Project - Upstream

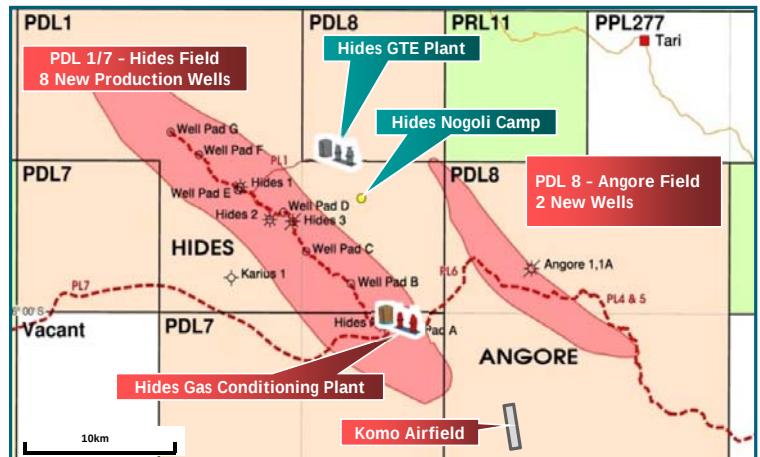
Hides Gas Conditioning Plant (HGCP)



April 2013

- HGCP foundations completed and erection of structural steel substantially complete

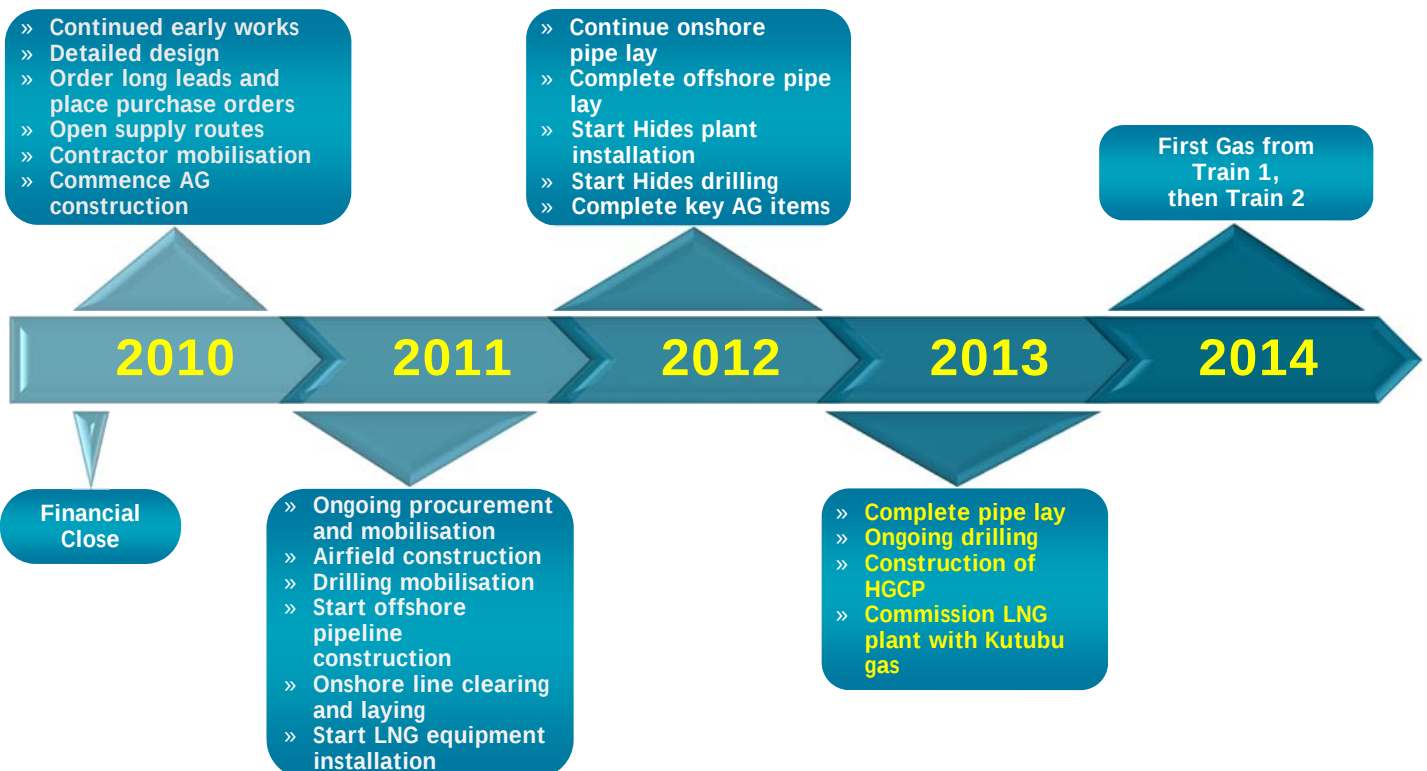
PNG LNG Project - Drilling



- Two new build rigs (Rigs 702 and 703) both operational
- Rig 702 at well pad B - development well B1 complete, B2 drilling ahead
- Rig 703 at well pad C - top hole section of both wells complete, drilling ahead on C1
- Access roads and wellpad construction complete

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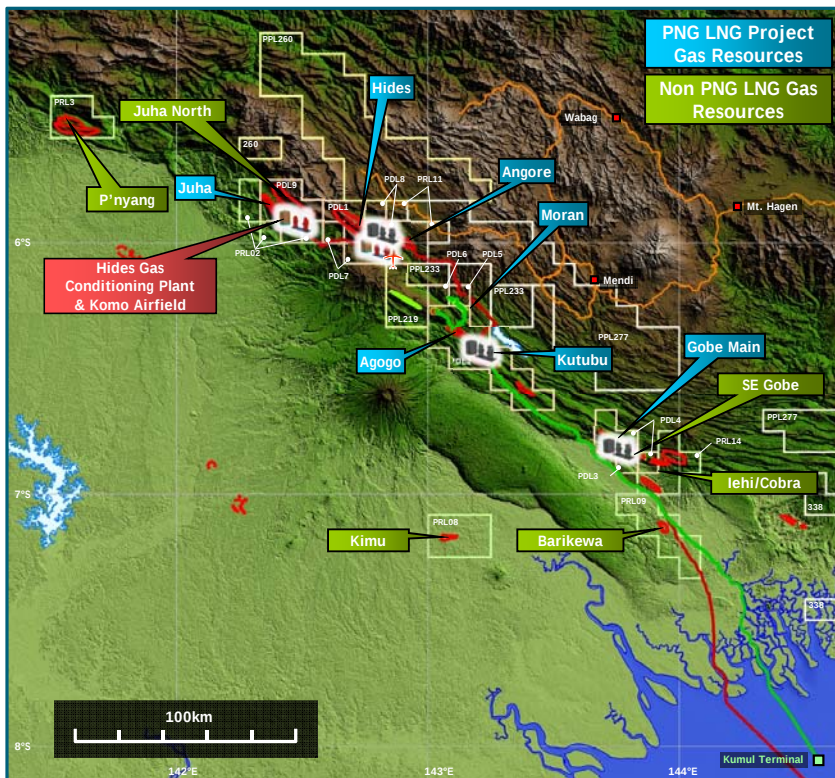
PNG LNG Project Timetable Unchanged



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Gas Growth - PNG Highlands

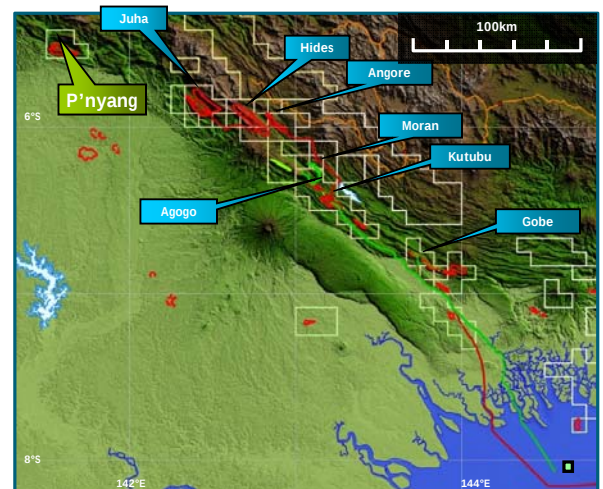
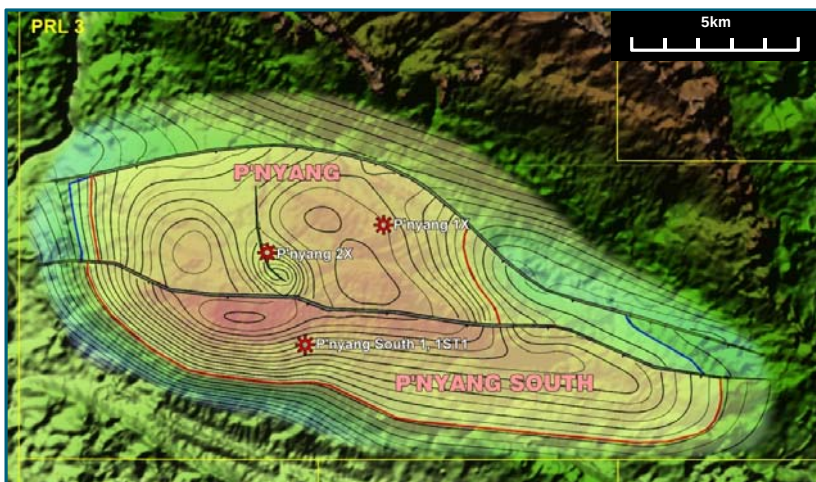


- Comprehensive exploration and appraisal in PNG Highlands, to fully understand gas resource picture
- Significant progress in 2012 with discovery of gas at P'nyang South
- Drilling ongoing at Hides
- Seismic underway at P'nyang and Juha North



P'nyang Gas Field

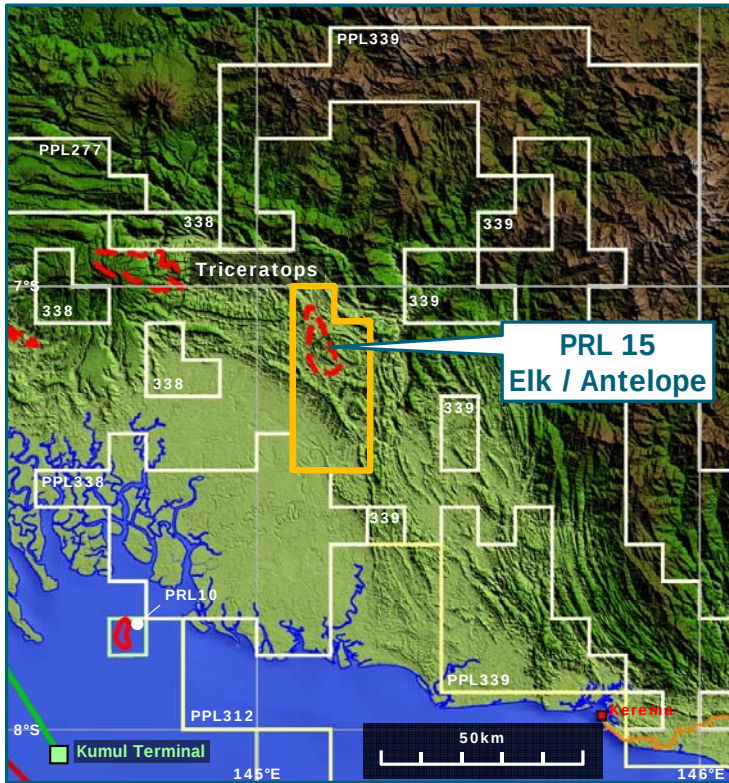
- PRL 3 JV (OSH 38.5%, ExxonMobil 49.0%, JX Nippon 12.5%) concept selection studies expected to be finalised in 2013
- Oil Search estimates total 2C gas resources in P'nyang field of 2.5 - 3.0 tcf
- Additional seismic in PRL 3 underway, to support potential development
- To maintain PRL 3, production development licence application must be submitted to PNG Government in 2015





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InterOil - ExxonMobil Proposed Development of PRL 15



- InterOil and JV partner, Pacific LNG Group, have entered exclusive negotiations with ExxonMobil on development of PRL 15
- PRL 15 comprises Elk and Antelope fields in PNG Gulf Province
- Any agreement is subject to Government approval
- Items under consideration include:
 - InterOil and Pacific LNG selling ExxonMobil interest in PRL 15 sufficient to supply gas to develop additional LNG train at Konebada (PNG LNG) site
 - ExxonMobil will fund drilling of additional delineation wells in Elk and Antelope fields, followed by recertification of resource

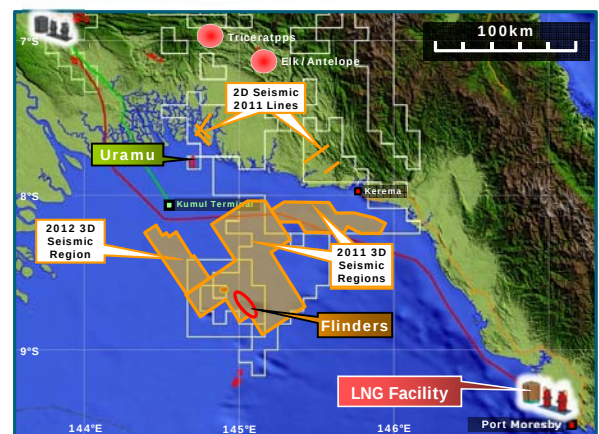
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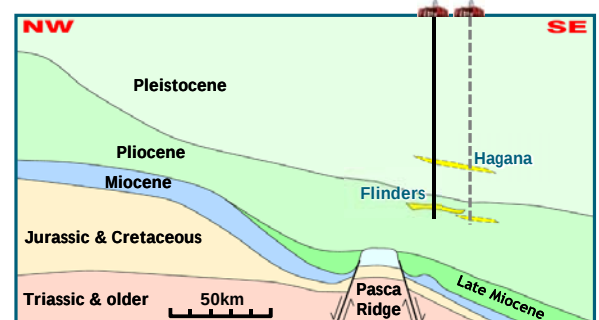
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Gulf of Papua Flinders 1 gas discovery

- Gas discovered in Flinders 1 in PPL 244 (OSH 40%, Total 40%, Nippon 20%), first well in new OSH-operated offshore PNG Gulf programme
- 5-10 metre gas column at top of thick, high net:gross, Pliocene age turbidite sandstone package, with substantial updip potential
- Results de-risk key uncertainties of offshore Gulf play:
 - Good quality reservoir
 - Hydrocarbon charge present



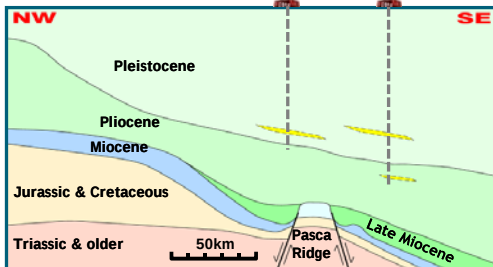
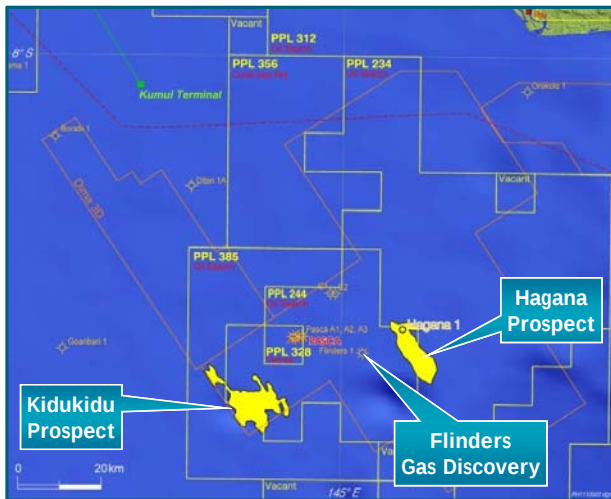
Flinders 1 Hagana 1



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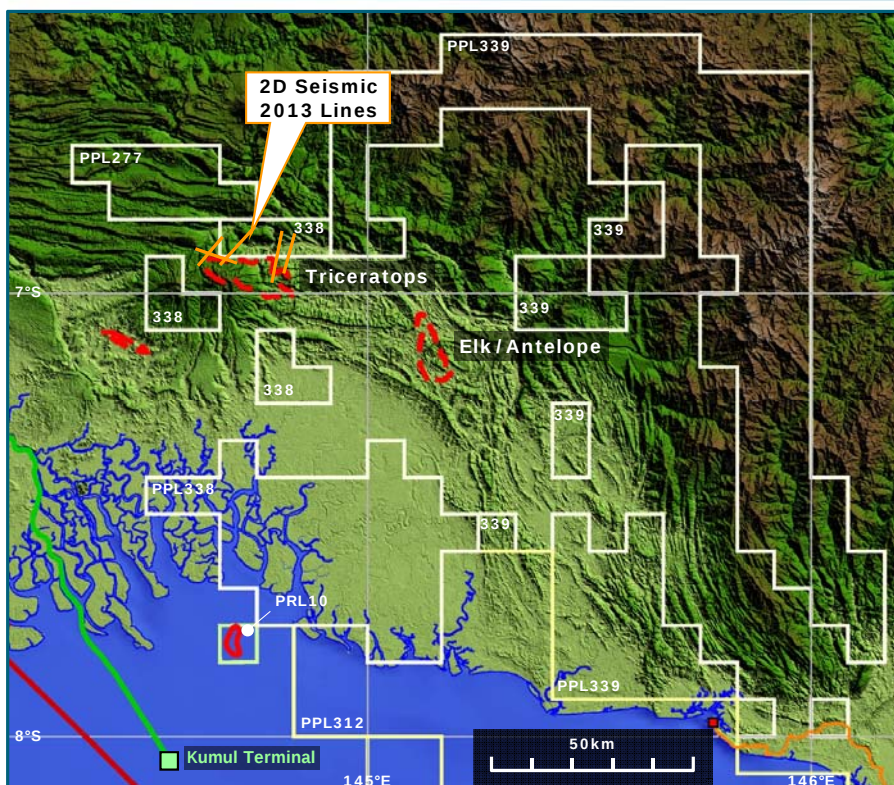
Offshore Gulf Forward Programme



- Flinders result will be used to recalibrate seismic data and update Gulf prospect portfolio, with over 30 opportunities identified across multiple play types
- Second well, Hagana 1 in PPL 244, recently commenced drilling. Stacked objectives, mean prospective resource 1.1 tcf
- Possible third well, Kidukidu, in PPL 244/PPL 385. Mean prospective resource of 1.3 tcf



Onshore Gulf of Papua

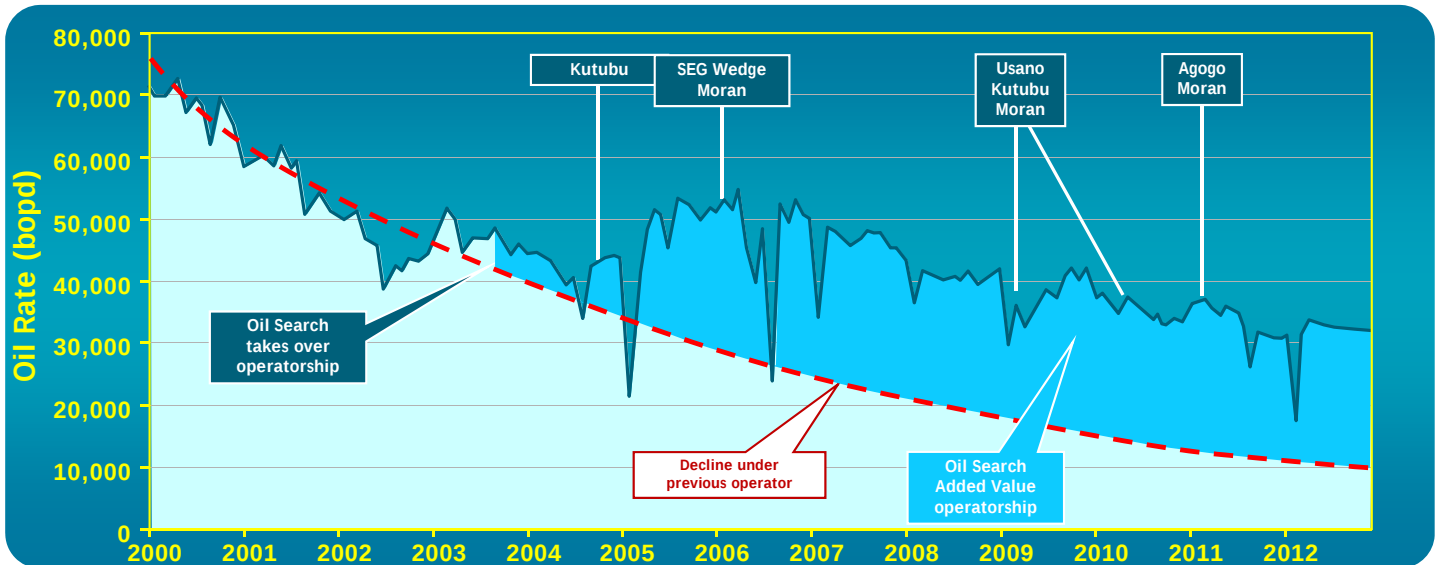


- Seismic programme in PPL 338 underway as part of Oil Search farm-in option, covering potential extension of Triceratops discovery
- Follows acquisition of gravity gradiometry data
- Subject to results of seismic, OSH will decide whether to take up equity and drill well



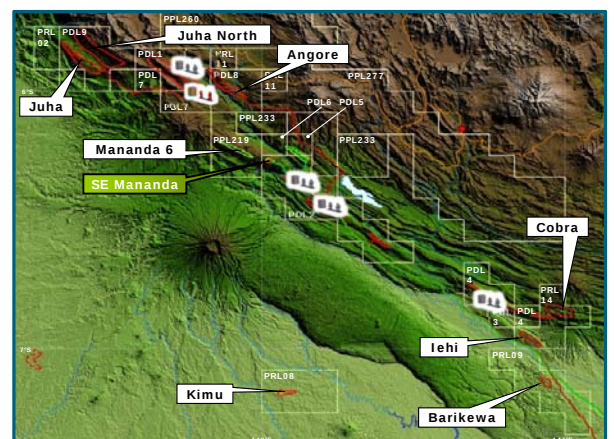
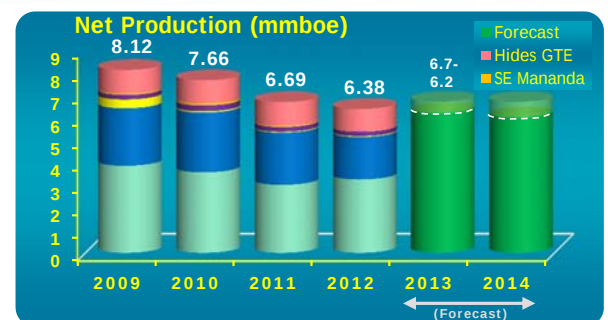
Adding Value to PNG's Oil Fields

- Since Oil Search assumed operatorship of all PNG's producing oil fields in 2003:
 - Reserves increased by 100 million barrels to 550 million barrels (+22%)
 - Kutubu previously expected to shut down by 2011-12. Life of oil fields extended by 30+ years



Production Outlook (ex-PNG LNG)

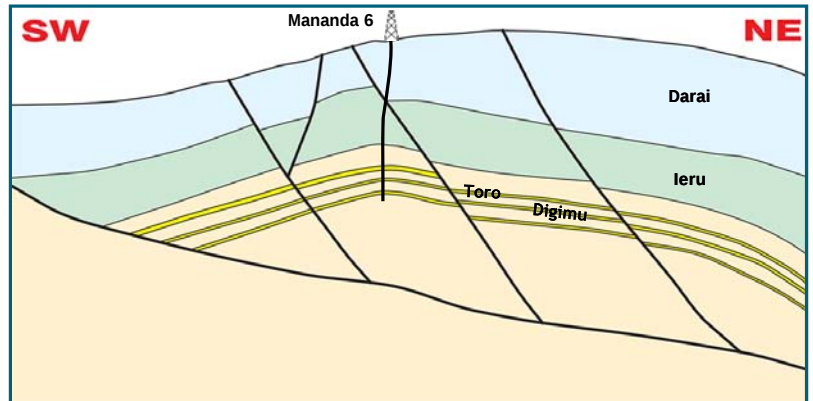
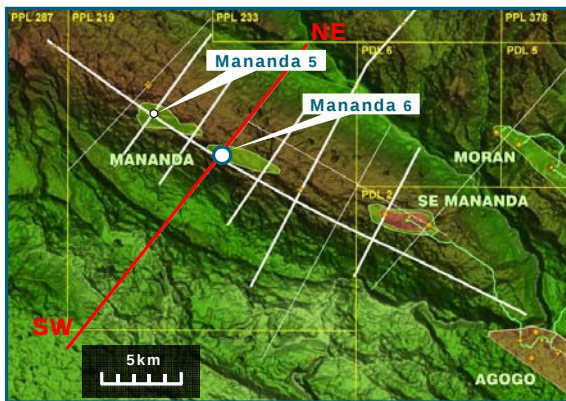
- Active workover and development drilling programme planned for 2013 and 2014, designed to minimise production decline profile
- Expect 2013 production to be similar to 2012. Guidance range of 6.2 - 6.7 mmbœ. Production out to first LNG in 2014 also expected to remain largely flat
- Focus on getting ready to deliver commissioning gas from Associated Gas fields into PNG LNG Project
- Delivery of commissioning gas will not impact production performance





Mananda 6 Oil Discovery PPL 219, PNG

- Mananda 6 appraisal well, located ~10km from SE Mananda in PPL 219 (OSH 71.25%, JX Nippon 28.75%) discovered gross oil column of ~18 metres in Toro A and ~40 metres in Imburu A and Digimu sandstones
- Preliminary indications suggest series of compartments along Mananda Ridge, with potential for significant resources
- Test on Digimu underway to determine flow rates and possible presence of gas cap
- Subject to final testing and evaluation, aim to apply for development licence 2H13, FID 2014, with field to be tied-in to SE Mananda facilities. First oil targeted for 2015/16



MENA Exploration

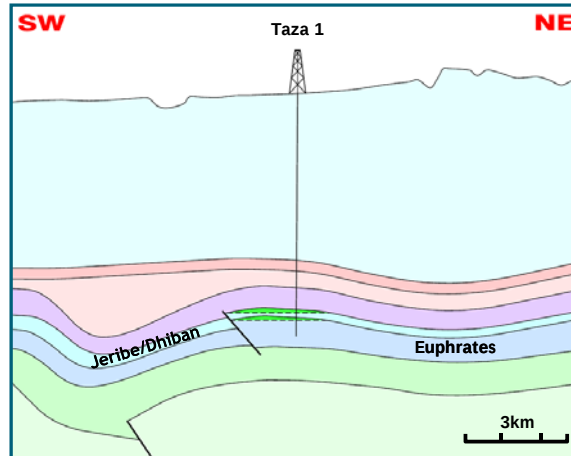
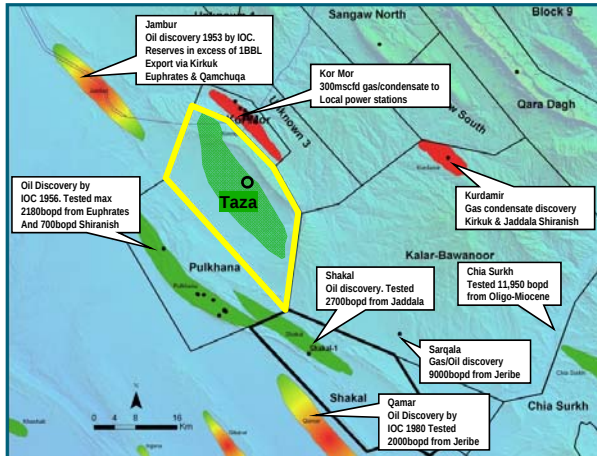


- Existing Middle East/North Africa licences focused on exploration opportunities that have material oil potential
- Long term strategy is to leverage existing strong relationships and skills base to develop international portfolio. Pace dependent on availability of suitable value-add opportunities, PNG capital commitments



Taza 1 Oil Discovery, Taza PSC, Kurdistan

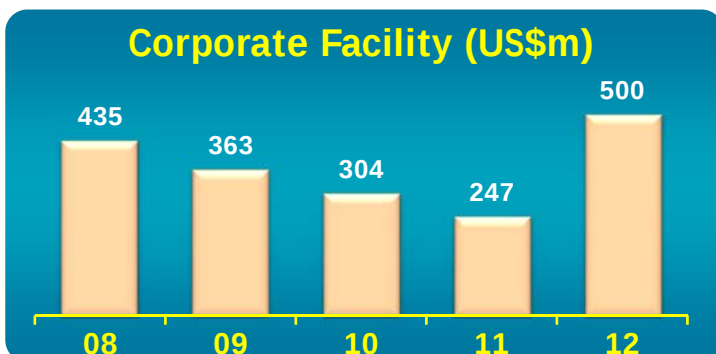
- Oil discovered in Taza 1 well (OSH 60%, Total 20%, KRG 20% back-in), with continuous shows over 250 metre section, covering three reservoir intervals - Jeribe, Dhiban and Euphrates
- Test of 150 metre open hole section below Jeribe underway. Flow rates of >4,000 bbls of fluid per day achieved, including 1,100 bbls per day of oil. Subsequent test flowed 800 bopd oil, 400 bpd water, trending to zero water
- Pre-drill estimate of potential resource unchanged at 250-500 mmbbls
- Follow-up drilling programme in 2H13, to further appraise Jeribe, Dhiban and Euphrates Formations and drill Cretaceous Shiranish and possible deeper targets



Open hole test of lower zone of Taza 1 well, Kurdistan



Strong Financial Position



- Strong balance sheet, able to fund remaining equity share of PNG LNG Project as well as active exploration and development programme
- US\$3.06 billion drawn down under PNG LNG project finance facility
- PNG LNG 2012 cost increase :
 - To be funded 70:30, debt:equity. Discussions progressing well to secure US\$1.5bn supplemental debt available under existing project finance agreement
- Large component of exploration spend is discretionary, ability to reduce if necessary
- Capacity to raise additional debt funding at corporate level, should need arise



Outlook

- 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 gas
- Potential third party gas could result in further LNG expansion
- Ongoing drilling in Gulf of Papua to follow up Flinders discovery
- Test of Mananda oil discovery and possible FID in 2014
- Appraisal of Taza oil discovery
- 2013 & 14 oil production expected to be similar to 2012, with natural decline mitigated by active workover and drilling programme

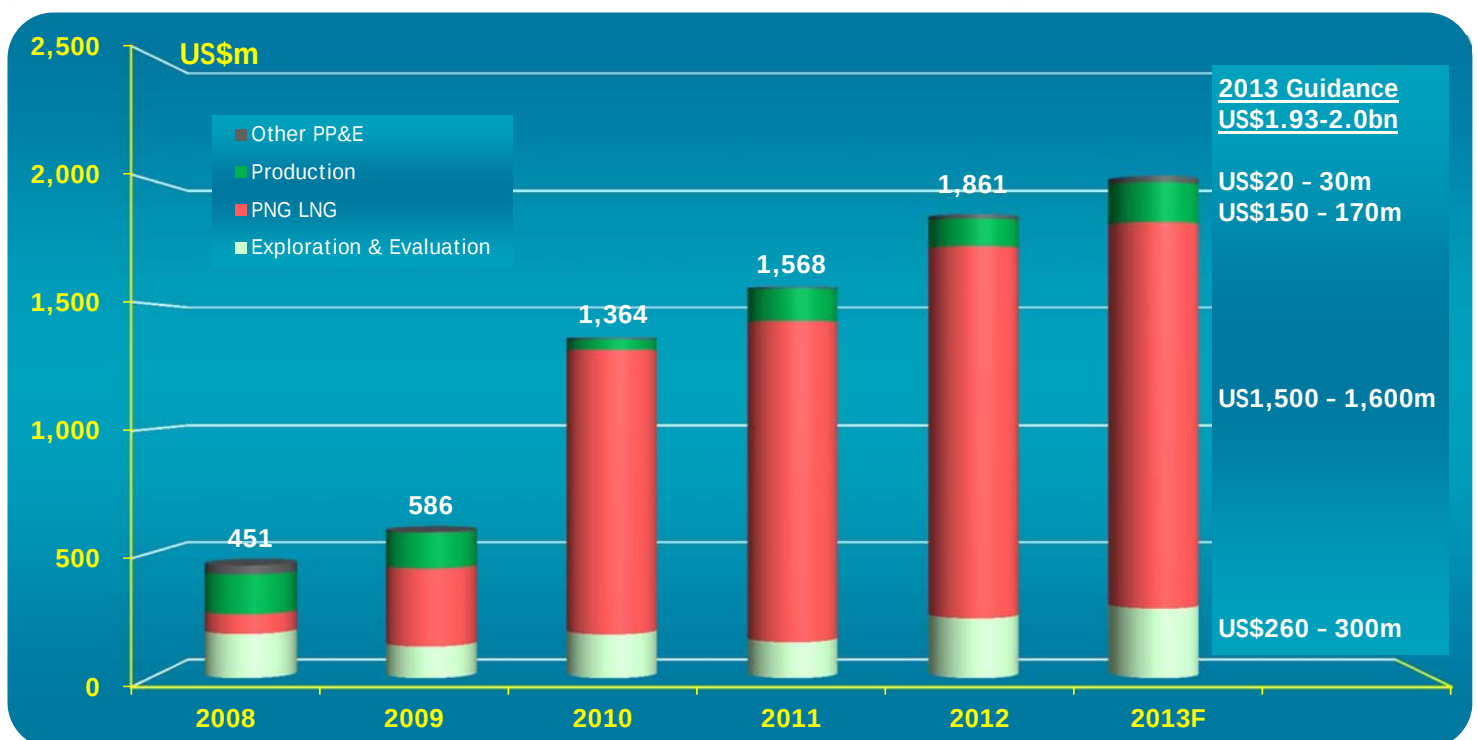


Production Outlook (excl. possible LNG expansion, Mananda)





Appendix 1. Investment Outlook





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