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UBS US Roadshow

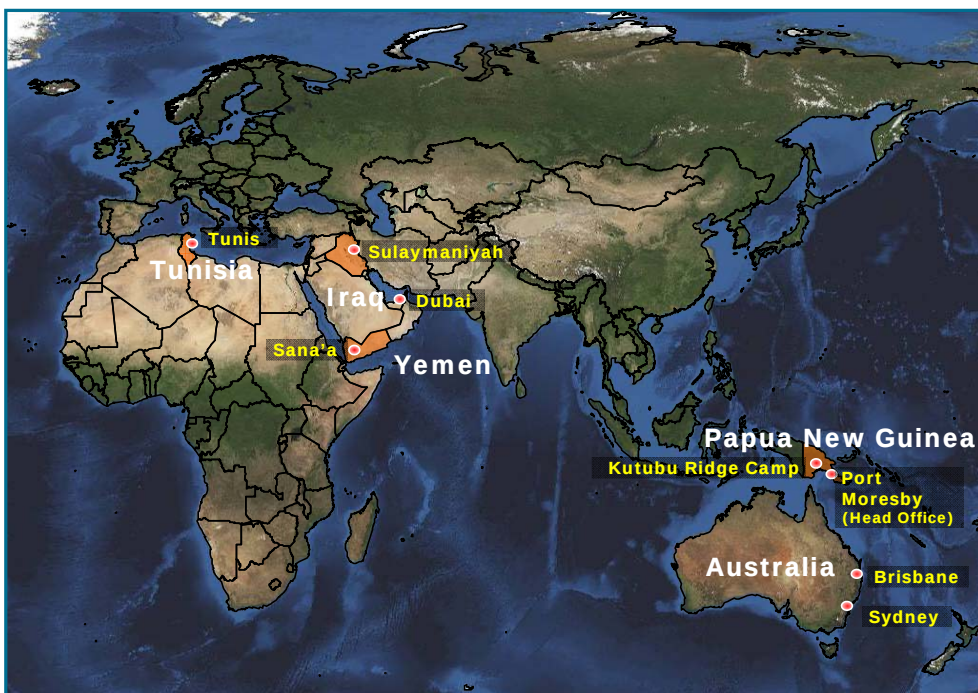
October 2013

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Oil Search Profile



- Established in Papua New Guinea (PNG) in 1929
- Market capitalisation ~US\$11bn
 - 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

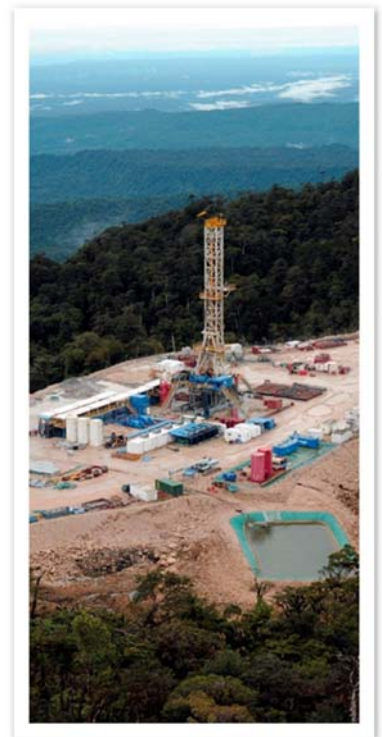
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The Next Transformation

- PNG LNG being delivered progressively and predictably - four fold increase in production with similar impact on cash flows
- Focus on LNG expansion:
 - OSH a major resource and infrastructure owner
 - Optimal development of additional trains a major objective, resource understanding paramount
 - Attractive economics - class-leading returns
- Continued PNG oil upside:
 - Mananda Ridge a new focus
 - Solid production from existing base
- Significant resource confirmed at Taza in Kurdistan:
 - Moving to appraisal and staged development
- Balance sheet remains solid:
 - Able to support unprecedented growth opportunities

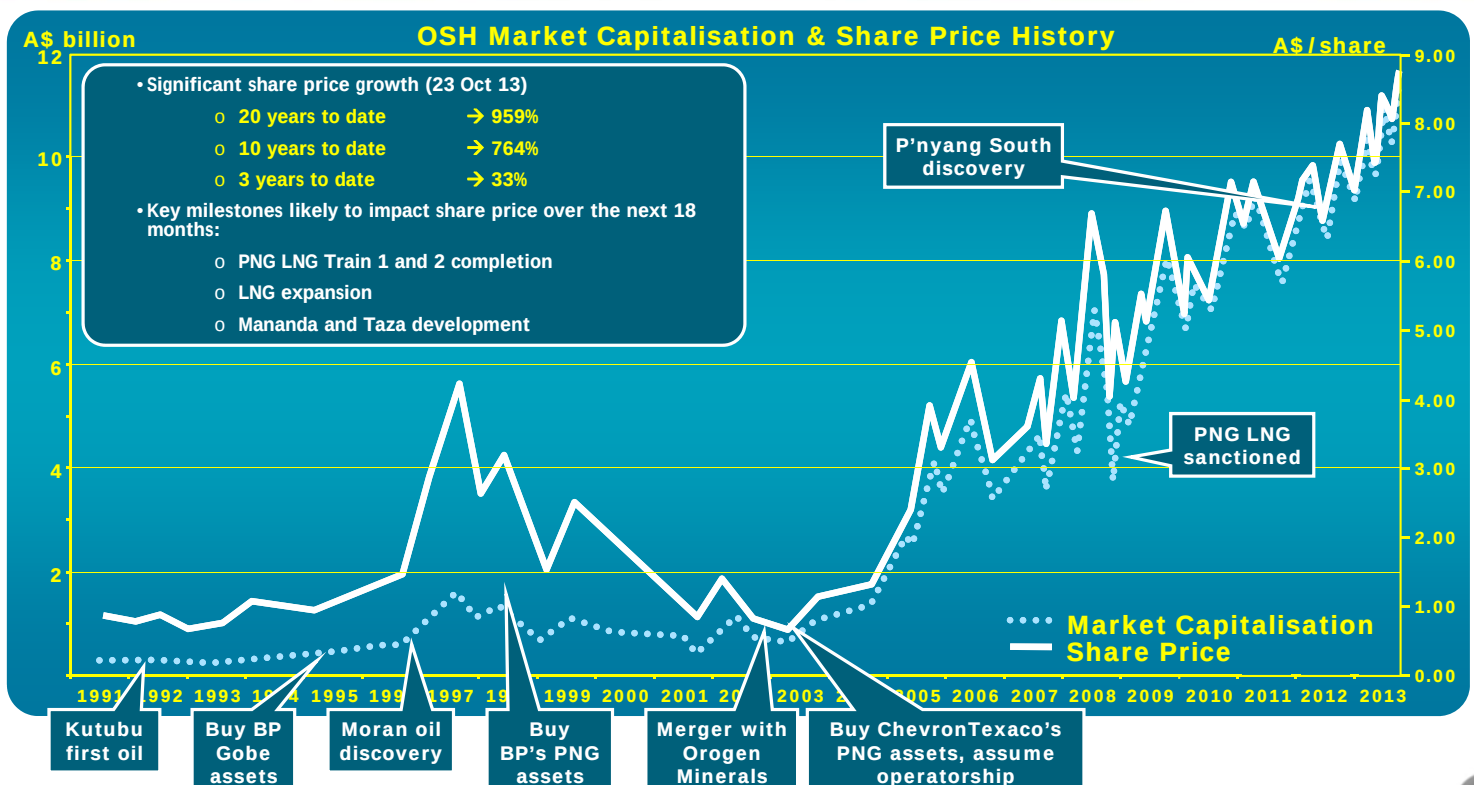


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Consistent strategy and disciplined capital management deliver share price growth



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Key Oil and Gas Fields, PNG



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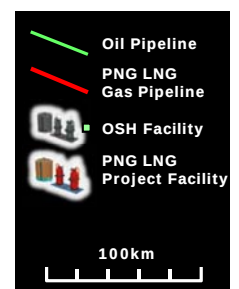


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PNG LNG

PNG LNG Project



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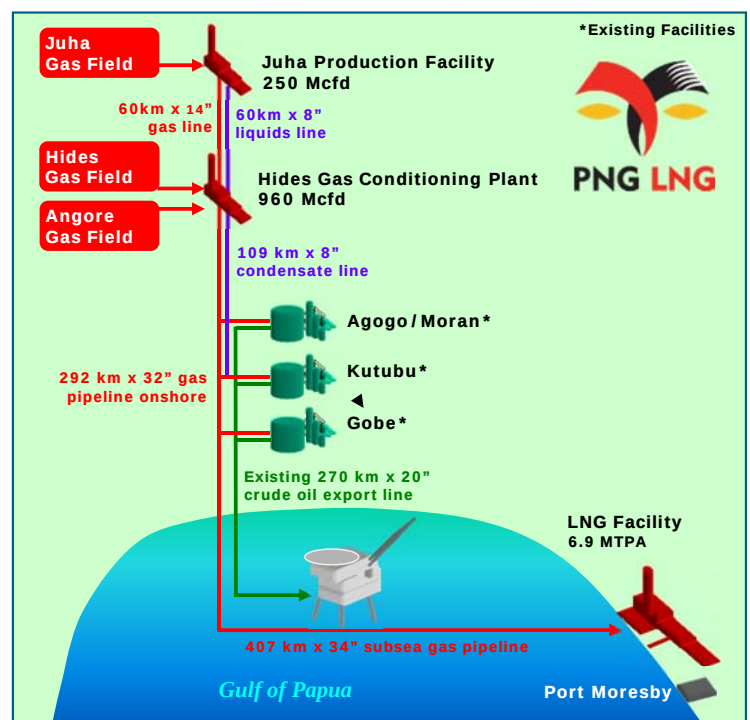
PNG LNG Project Overview

- 6.9 MTPA, 2 train development, operated by ExxonMobil
- Expected to produce more than 9 tcf of gas and 200+ million barrels of associated liquids over its 30 year life
- 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

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PNG LNG Project Status

- Over 90% complete
- Commissioning activities underway at LNG plant
- First LNG sales window narrowed to second half of 2014
- Cost outlook of US\$19bn confirmed by operator, Esso Highlands
- US\$1.5bn (gross) supplemental project financing secured, all funding now in place to complete Project
- OSH forecast spend (net) in 2013:
 - US\$1.3 - 1.4 bn (inc financing), funded 70:30 debt:equity



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Commissioning of key equipment at LNG plant site underway

PNG LNG Plant



Gas Flare at LNG Plant

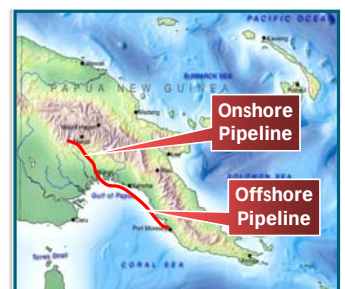


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Land access for entire onshore pipeline complete



Pipeline Installation



- Work underway on mainline between Kutubu and Hides and spinline between Hides and wellpads

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Oil fields are now supplying commissioning gas to LNG plant



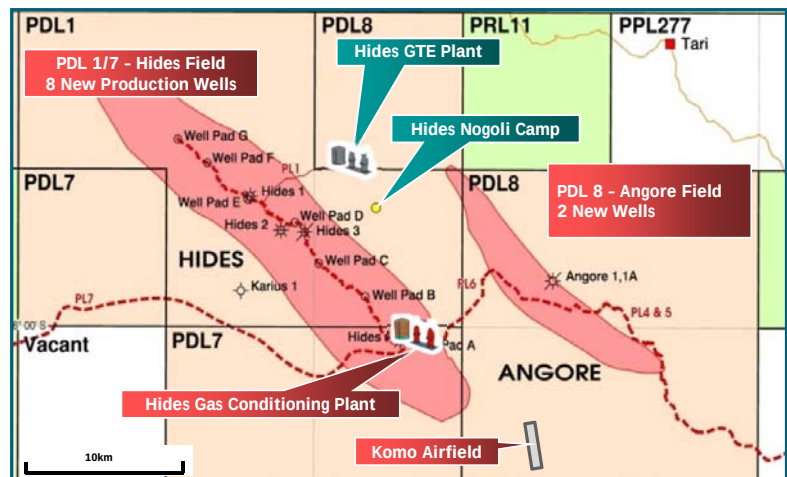
- Major milestone achieved in September when commissioning gas from Kutubu was introduced into LNG plant
- Gas will be used to commission plant site utilities and process trains

All Antonov cargoes into Komo completed, major equipment on foundations at HGCP

Hides Gas Conditioning Plant (HGCP)



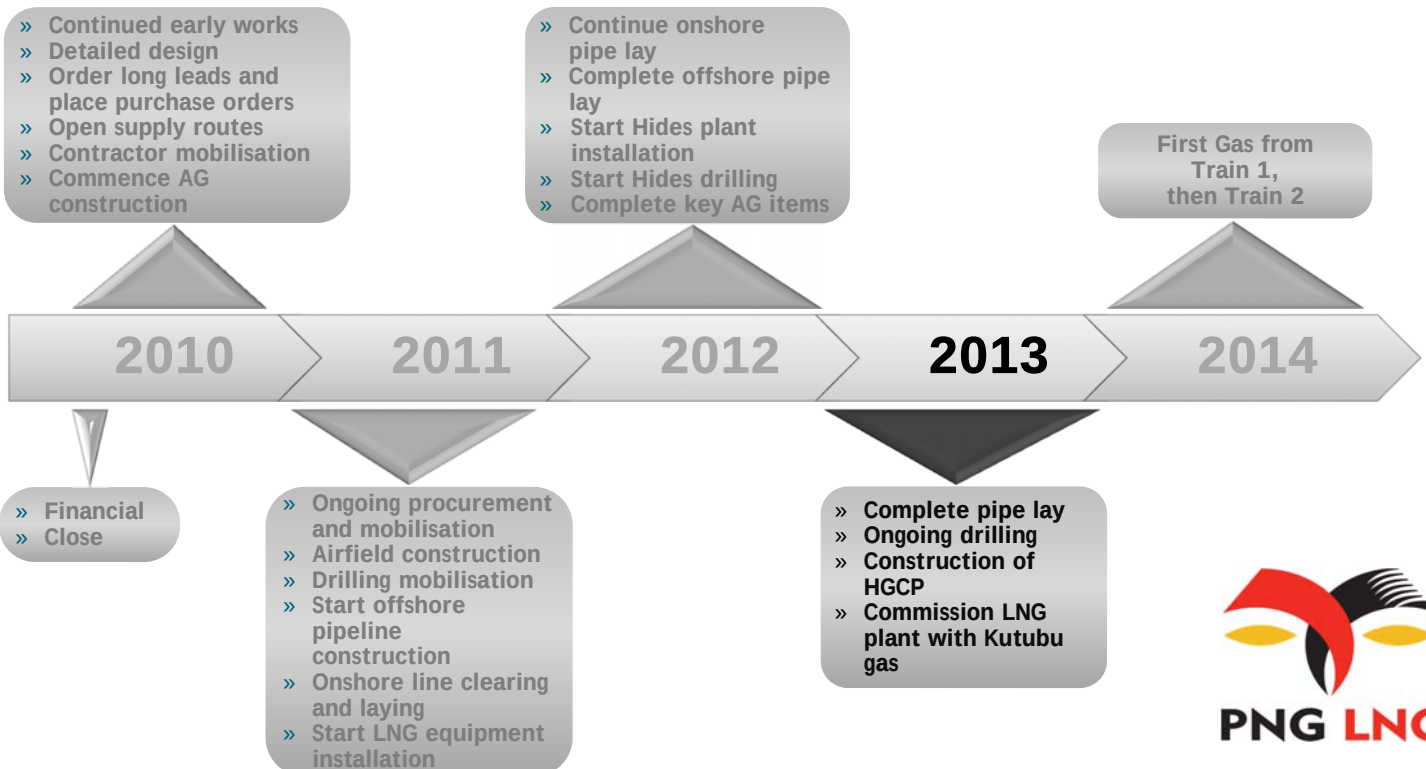
Drilling at Hides progressing with two rigs operating



- 3 wells (B1, B2, C2) completed
- Rig 703 drilling bottom hole section of C1 at well pad C
- Rig 702 has commenced drilling at well pad D (D1 & D2)

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PNG LNG Project Timetable

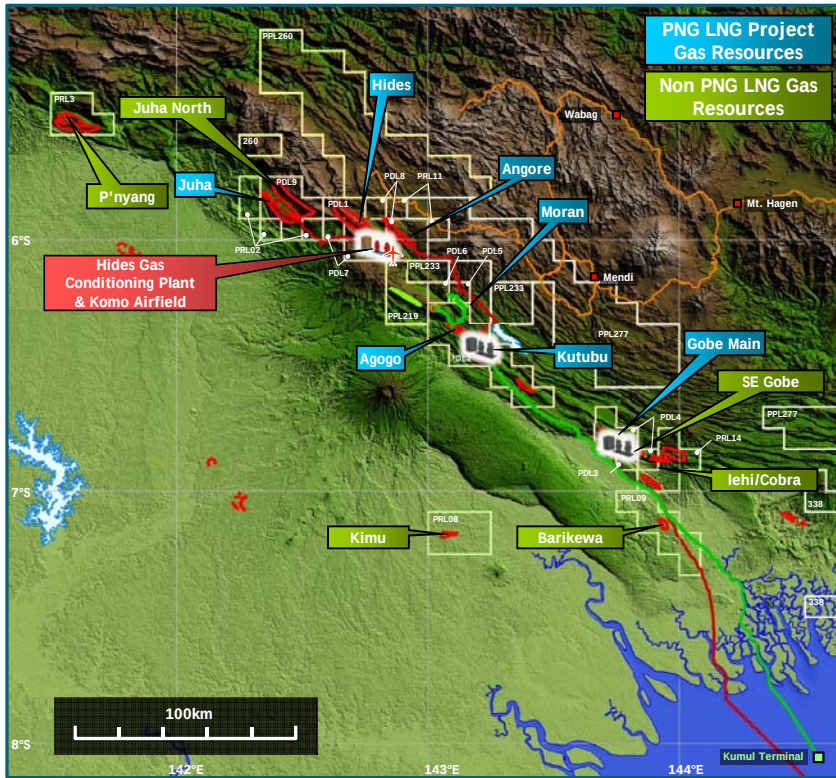


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Potential expansion of PNG LNG using Highlands gas



- With PNG LNG construction approaching completion, focus is moving to potential expansion opportunities
- Possible gas for expansion includes P'nyang, Juha North and other Highlands opportunities
- Exploration and appraisal activity in PNG Highlands underway, to help better understand gas resource picture

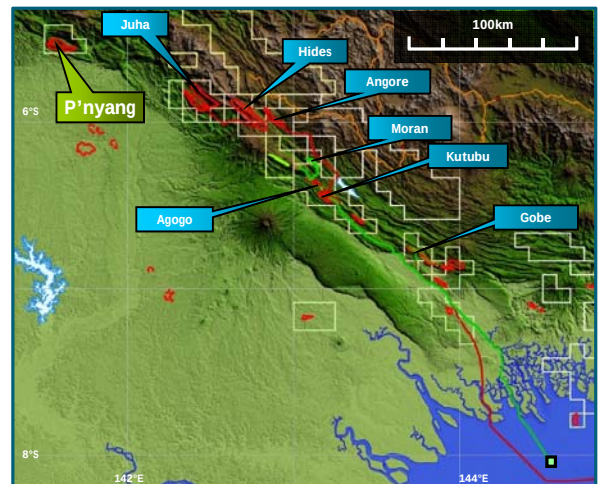
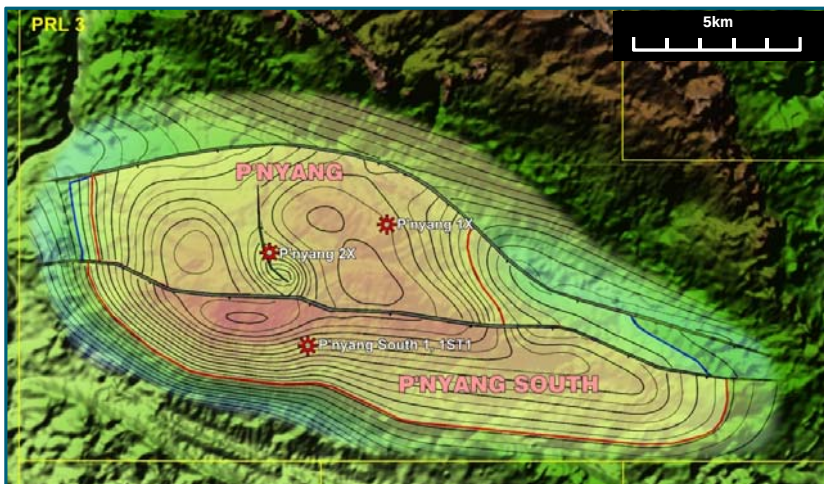
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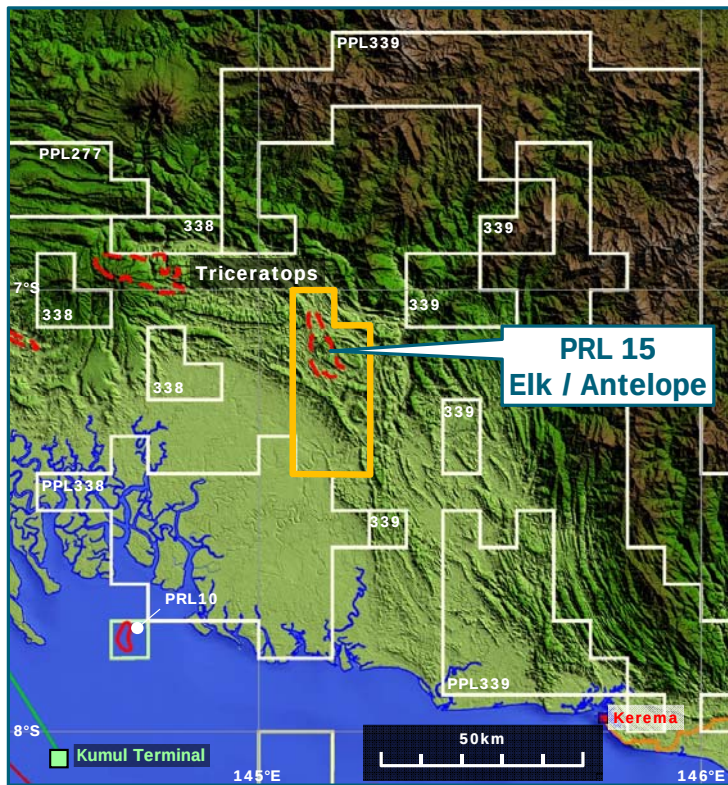
Scoping on potential development of P'nyang ongoing

- Resource definition, engineering, environmental and social impact studies on P'nyang Gas Field in PRL 3 JV (OSH 38.5%, ExxonMobil 49.0%, JX Nippon 12.5%) progressing
- Development work expected to continue through 2013 and into 2014, to support submission of production development licence application in 2015
- Oil Search estimates total 2C gas resources in P'nyang field of 2.5 - 3.0 tcf, with possible upside
- Acquisition of second phase of additional seismic in PRL 3 underway, to support potential development



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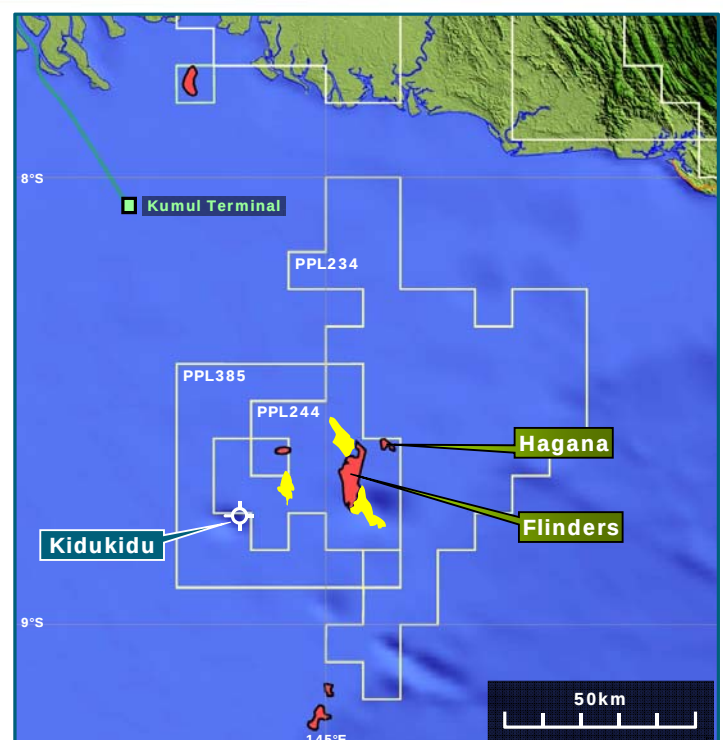
Proposed sale of PRL 15



- **InterOil (IOC) seeking to bring experienced LNG operator into PRL15, which contains Elk and Antelope gas fields, located in PNG Gulf Province**
- **Sale process ongoing**
- **OSH watching with interest and engaged with key players on potential development options**

Gas discoveries in Gulf of Papua

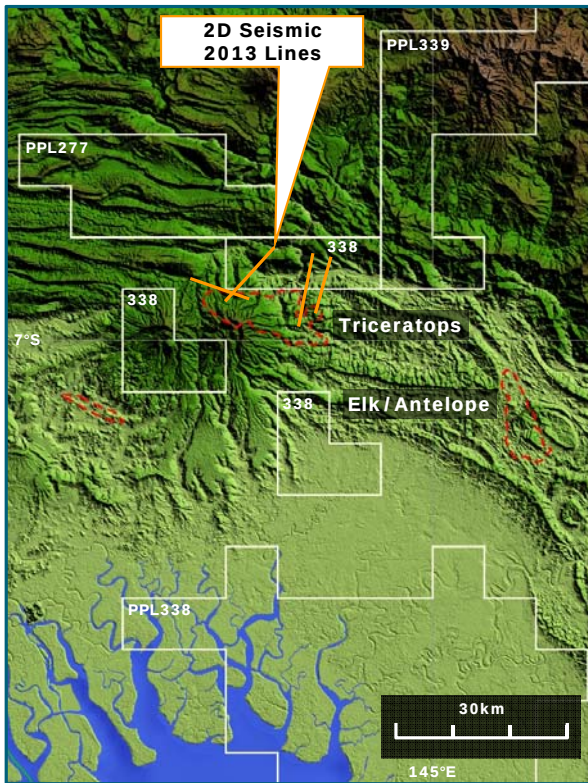
- Gas discovered at both Flinders and Hagana wells in PPL 244
- Good quality sand discovered at Kidukidu in PPL 385, but water wet
- Drill results prove Plio-Pleistocene turbidite play fairway in Gulf of Papua
- Drilling data being used to calibrate seismic and geological models, allowing full evaluation of other prospective targets in Gulf





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Onshore Gulf of Papua: seismic being acquired



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

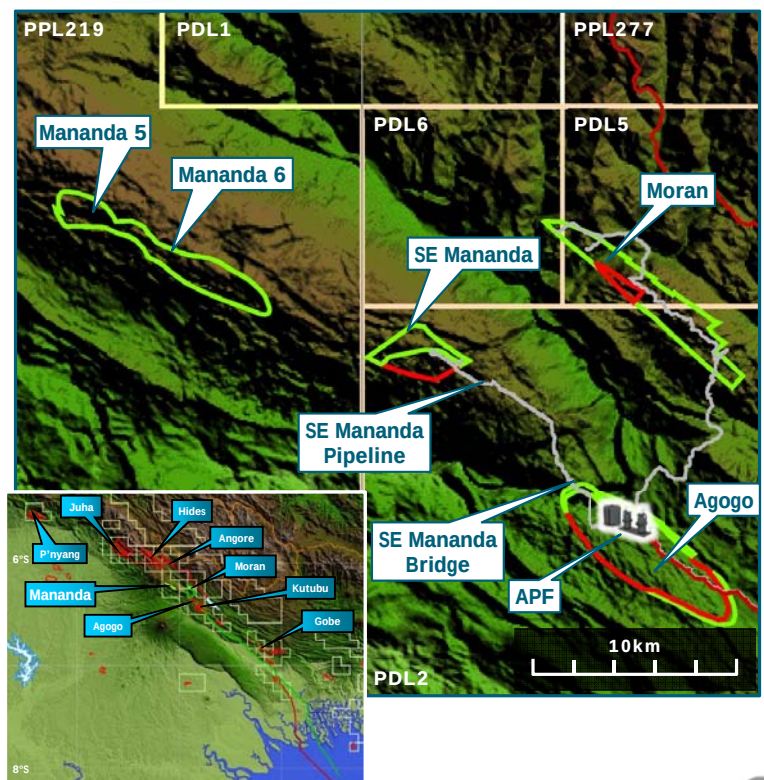
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Mananda development, PNG Highlands

- Application for development licence submitted to PNG Government in August 2013
- Phased development. Base development comprises M5 & M6 tied-back to SE Mananda and Agogo Processing Facility
- In-place resource of 50-130 mmbbl, with 10-30 mmbbl recoverable (based on 100 mmbbl mid-case & recovery factor of 10-30%)
- Significant exploration upside in Mananda and SE Mananda areas

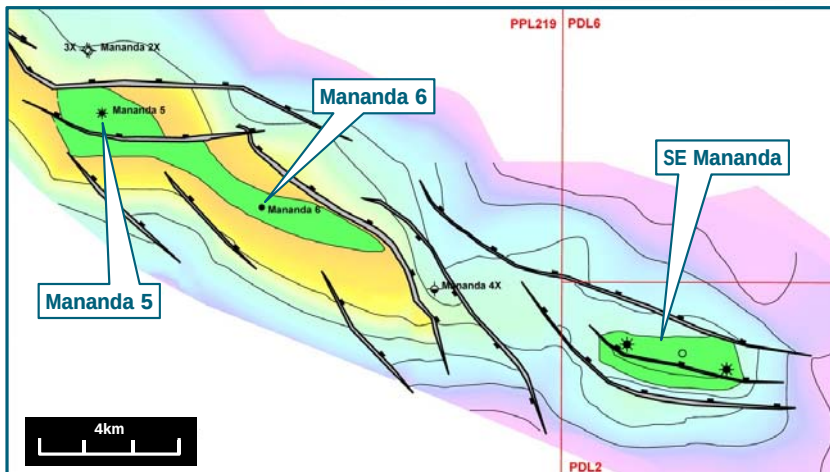


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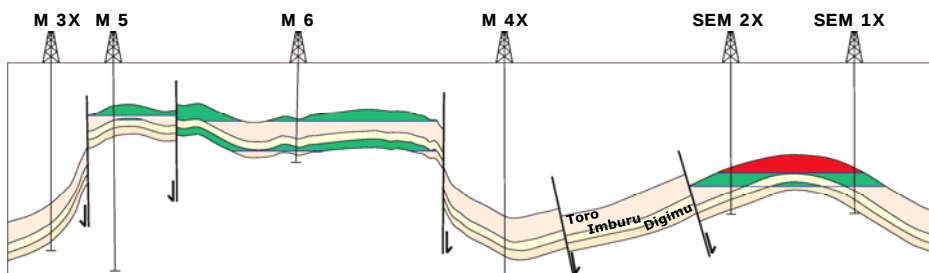


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Upside on the Mananda Ridge



Mananda 6, Digimu test, June 2013 up to 1,750bopd



Schematic cross-section NW – SE along Mananda 5 and 6 discoveries and SEM field

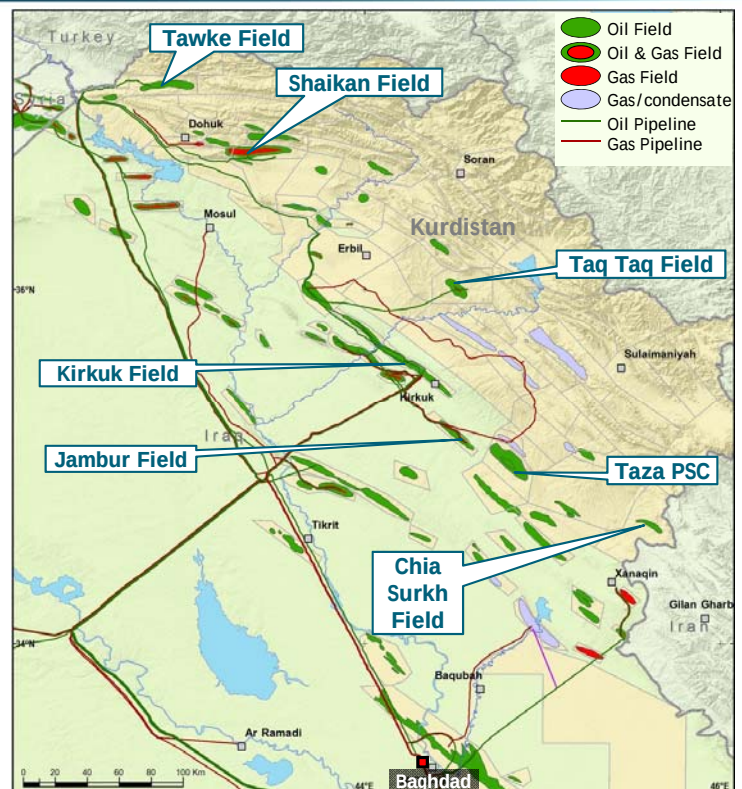
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Oil discovery at Taza, Kurdistan: moving to appraisal

- Light oil proven in three reservoir intervals in Taza 1. Initial analysis confirms pre-drill estimates of 250-500 mmbbl of recoverable oil in these intervals
- Including deeper untested intervals, potential could be 750 mmbbl
- Discovery report submitted to KRG in July 2013. Proposed appraisal programme submitted in September
- Appraisal programme includes Taza 2 (to commence drilling 4Q13), to appraise upper intervals and explore deeper Tertiary and Cretaceous targets, re-entry of Taza 1, drilling up to three additional wells, 3D seismic and EWT
- Maturing lead (SE Jambur) in west of licence for possible drilling in 2014, with in-place resource potential of ~300 mmbbl

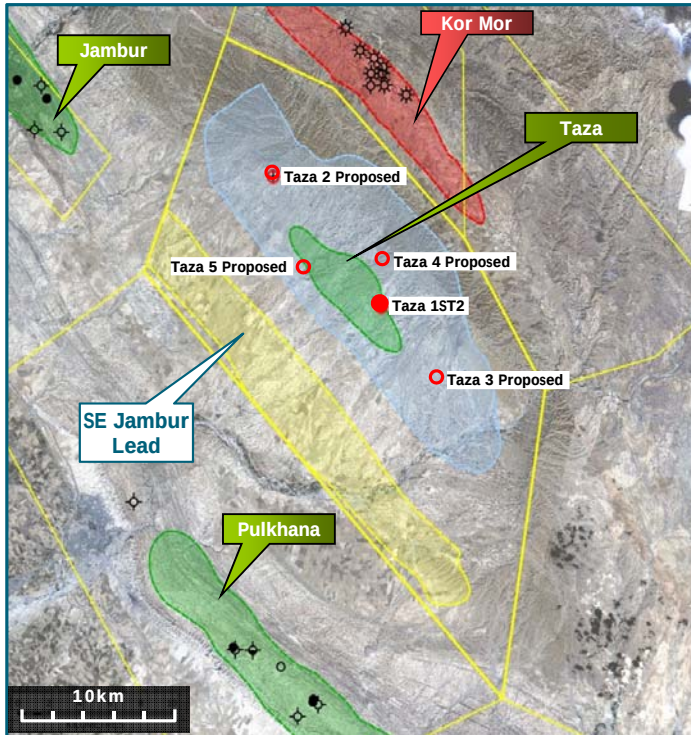


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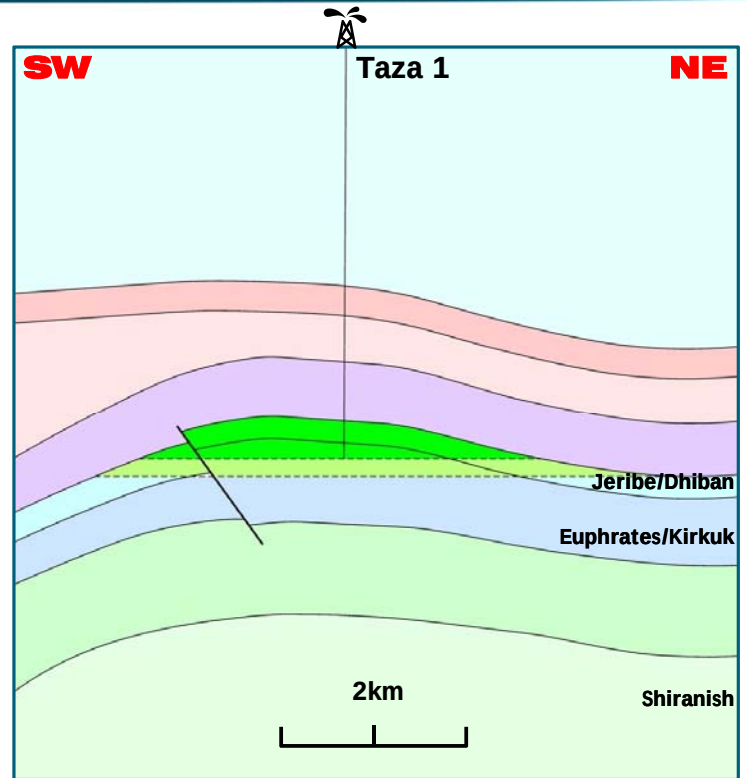


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Taza oil discovery: moving to appraisal



NOTE: Proposed well locations subject to change



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New era of stability in PNG

- Significant economic growth continues in PNG
- PNG Government has made positive progress on key issues:
 - Sovereign wealth fund
 - Benefits distribution
 - Transparency (adoption of EITI)
 - Independent anti-corruption commission to be formed
- OSH has strong relationship with Government, with many common goals in resource development. Continue to work with Government and community to manage and mitigate operating and investment risks:
 - Providing support to Government, where appropriate eg tax credit infrastructure activities
 - Oil Search Health Foundation and ongoing community programmes
- PNG Government seeking to refinance IPIC exchangeable bonds prior to reaching maturity in 2014



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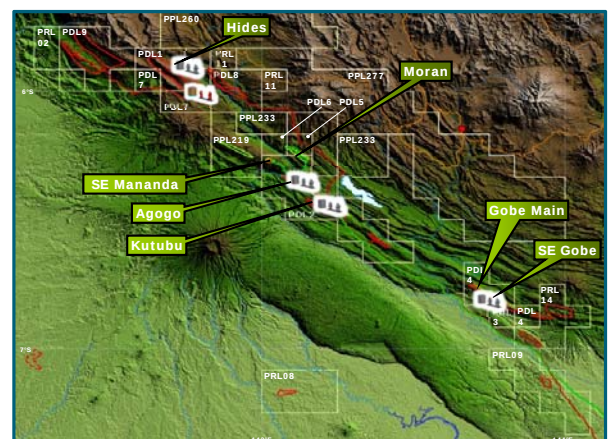
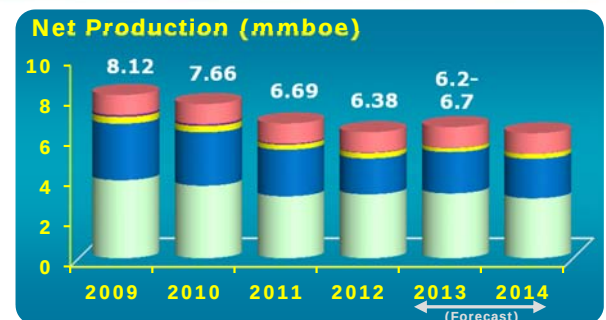
Steadily adding value

- PNG LNG revenues getting closer:
 - Continuing preparations for LNG start-up and new opportunities and responsibilities post LNG
- Progressive augmentation of management team, operational systems and facilities life
- Board recognises need to share value created by PNG LNG with shareholders:
 - Seek to balance investment in quality high returning growth projects with dividend and other capital management
 - Disciplined and predictable approach
 - Will review in 2014, when growth projects are better understood, with capital management commencing in 2015, following PNG LNG financial completion



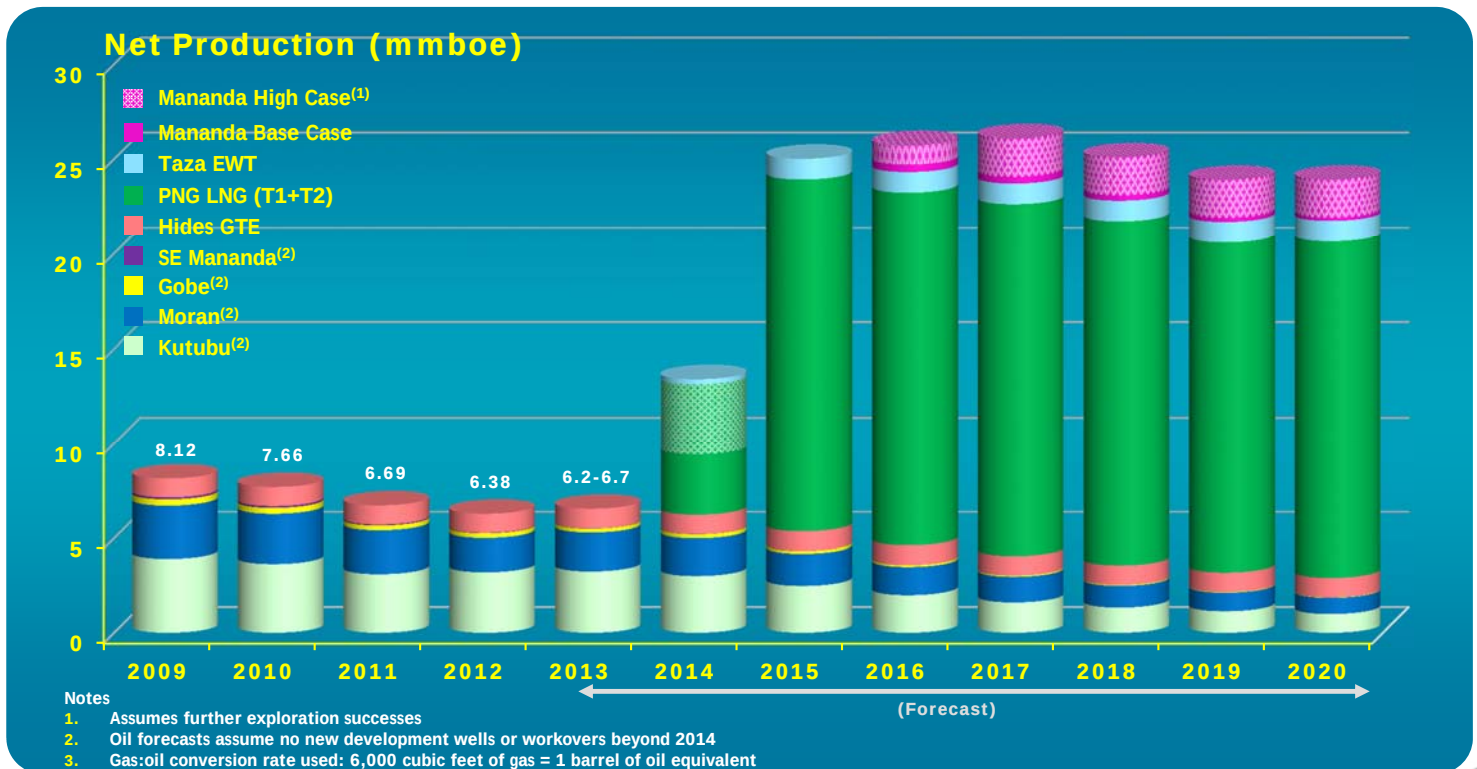
Base PNG production outlook (ex-PNG LNG)

- 2013 production guidance range remains 6.2 - 6.7 mmboe (towards upper end)
- Production out to first LNG in 2014 expected to remain broadly flat, with workover and development drilling programme to continue through 2013 and 2014
- Incremental production from Mananda from 2016
- Delivery of commissioning gas to PNG LNG infrastructure will not impact oil production performance





In first full year, PNG LNG will add ~19 mmboe net to OSH production

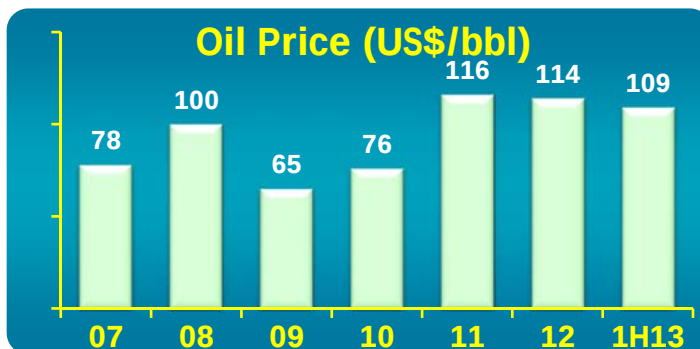
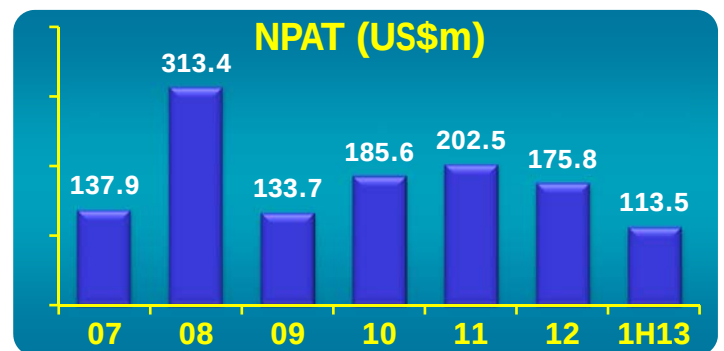
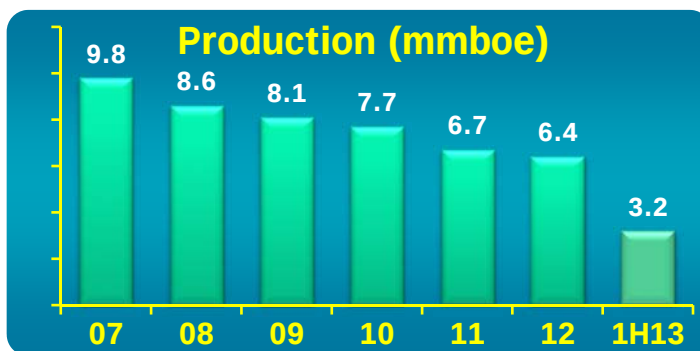


Summary

- Transformation to an LNG producer continues, with PNG LNG nearing completion, sales to commence in 2014
- Series of potential expansion opportunities being matured, with focus on resource build and optimal development
- Appraisal and staged development at Mananda and Taza. Have potential to add to production base in medium term
- Cash flows remain strong, with adequate balance sheet and debt options to support growth initiatives until first LNG
- Strongly committed to growing Company and shareholder value



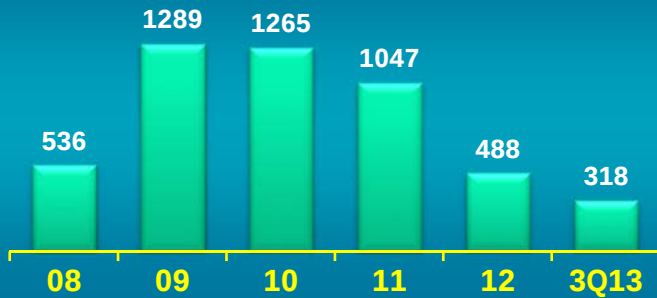
Appendix 1: Key metrics





Appendix 2: Financial position

Cash (US\$m)



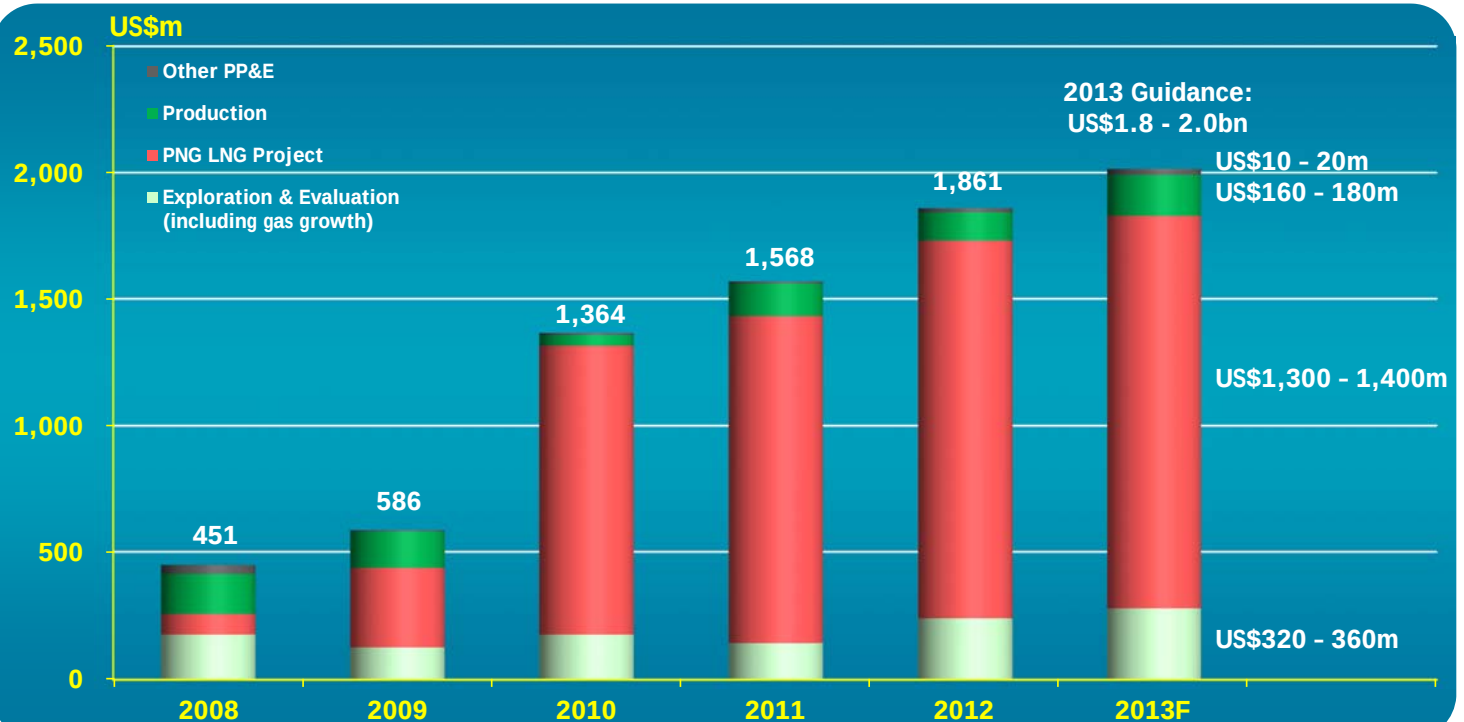
Corporate Facility (US\$m)



- Strong balance sheet, able to fund remaining equity share of PNG LNG Project and active exploration and development programme:
 - US\$318 million in cash at end September
 - US\$350 million of funding available under corporate facility, US\$150 million drawn down
 - Ongoing cash flow from oil fields
- US\$360 million remaining equity contribution to PNG LNG Project at end of 3Q 2013
- Number of levers to manage balance sheet:
 - Assessing shorter-term debt funding options, if required, to finance incremental development activities prior to receipt of PNG LNG cash distributions
- US\$1.5 billion supplemental debt tranche for PNG LNG Project recently secured



Appendix 3: Investment outlook





Appendix 4: 2013 guidance

- **Production:**
 - Towards upper end of 6.2 - 6.7 mmboe guidance
- **Operating costs:**
 - Normalised opex ~ US\$24 - 26/boe (incl corporate costs), unchanged
 - Impacted by:
 - Major workover programme to maximise oil recoveries before gas production
 - Foreign exchange rate movements
 - PNG inflation
 - Hides GTE gas purchase costs ~US\$40m
- **Depreciation, amortisation and site restoration:**
 - US\$8-10/boe, unchanged



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