
ASX Announcement

PNG LNG Project achieves financial completion

6 February 2015

ExxonMobil PNG Limited, operator of the PNG LNG Project, has advised that the PNG LNG Project has satisfied all of its financial completion tests (see press release attached).

Oil Search's Managing Director, Peter Botten, said:

"Reaching financial completion is a major milestone for the Project, which has now been operating very reliably, and at levels above expectations, for more than eight months.

Oil Search will receive more than US\$700 million in the Project's first distribution to co-venturers. This represents our share of cash flow, net of operating costs and the funding of debt service reserve accounts, generated by the Project since it came on-stream in the first half of 2014. An additional US\$107 million of cash currently held in escrow by Oil Search to support its Project lender obligations during the construction phase will also be released and the completion guarantee provided to the Project's lenders will be terminated. The cash released will be used to help fund our growth activities, in particular, LNG expansion and development, which remains attractive based on the current oil price outlook."

PETER BOTTEN, CBE

Managing Director

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PNG LNG Project Achieves Financial Completion

PORT MORESBY, Papua New Guinea – The PNG LNG Project has successfully achieved financial completion, by satisfying all of the financial completion tests set forth in the Project’s financing arrangements.

“This is an important milestone in the Project’s history. We shipped our first LNG cargo months ahead of schedule, and have now achieved financial completion,” said Andrew Barry, ExxonMobil PNG Limited Managing Director.

“With the successful achievement of this important milestone, completion guarantees will be released, loan repayments will commence, and co-venture distributions will be permitted according to the terms of the financing agreements.”

Financing for the Project was provided by a consortium of banks and export credit agencies.

The PNG LNG Project has now shipped 65 LNG cargoes to its customers.

END

About ExxonMobil in Papua New Guinea:

ExxonMobil has been in Papua New Guinea since the 1920s. It currently has interests in fuels marketing and oil production, as well as is responsible for operating the \$19 billion PNG LNG Project. The PNG LNG Project is an integrated development that includes gas production and processing facilities, onshore and offshore pipelines and liquefaction facilities. Participating interests are affiliates of Exxon Mobil Corporation (including ExxonMobil PNG Limited as operator), Oil Search Limited, National Petroleum Company Papua New Guinea, Santos Limited, JX Nippon Oil and Gas Exploration, Mineral Resources Development Company and Petromin PNG Holdings Limited. For additional information on ExxonMobil PNG please visit www.pnglng.com.

