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# ASX Announcement

## Oil Search acquires exploration acreage in the offshore Papuan Gulf

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12 September 2016

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Oil Search announces that its subsidiary, Oil Search (PNG) Limited, has entered into agreements with Gini Energy Limited, ultimately owned by CNOOC Limited, to acquire a 40% interest in each of PPL 374 and PPL 375 (see Figure 1).

These licences are located approximately 150 kilometres south of Port Moresby in the deep water section of the Gulf of Papua, PNG, and cover a combined area of 24,936 km<sup>2</sup>, with water depths ranging between 1,000 and 2,500 metres.

ExxonMobil will also acquire a 40% interest in each licence while Gini will retain a 20% interest in each licence. Subject to conditions precedent, operatorship of both licences will transfer from Gini to ExxonMobil.

Commenting on the farm-ins, Oil Search's Managing Director, Peter Botten, said:

*"During 2015/16, we undertook a comprehensive study of exploration opportunities in PNG. This work identified the offshore Papuan Gulf as an area where there is significant gas potential, with several multi-tcf gas leads and prospects already delineated in these licences. We are delighted to be partnering with ExxonMobil, which has significant experience in exploration and production in deep water, and we also welcome the opportunity to work with CNOOC Limited for the first time.*

*Entering these licences is consistent with the Company's strategy to focus on areas that have the potential to support the Company's expanding LNG portfolio."*

The completion of the farm-in agreements and Oil Search's acquisition of the licence interests is subject to conditions precedent, including regulatory approvals.

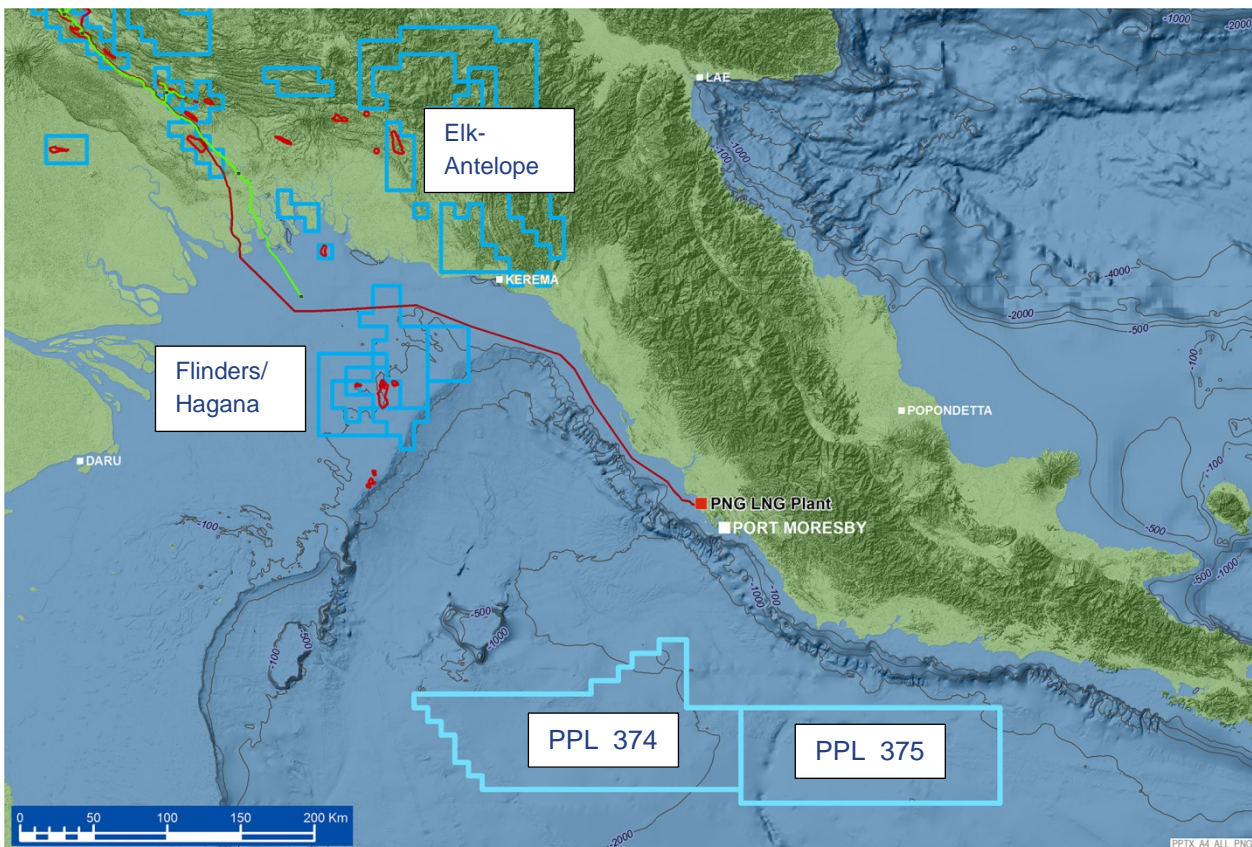
**PETER BOTTEN, CBE**

**Managing Director**

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**Figure 1: Location map for PPL 374 and PPL 375 Licences**



**Figure 2: Licence Interests**

Licence – PPL 374	Licence Interests	
	Pre-Sale	Post-Sale
Gini Energy Ltd	100%	20%
Oil Search (PNG) Ltd	0%	40%
ExxonMobil Canary Ltd	0%	40%

Licence – PPL 375	Licence Interests	
	Pre-Sale	Post-Sale
Gini Energy Ltd	100%	20%
Oil Search (PNG) Ltd	0%	40%
ExxonMobil Heron Ltd	0%	40%