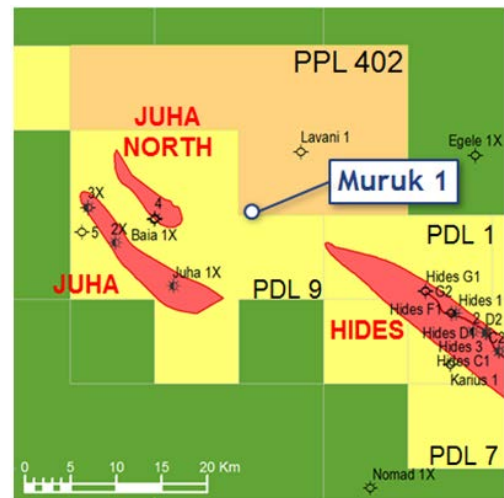


Exploration and Appraisal Drilling Update – February 2017

(ASX:OSH | ADR: OISHY | POMSoX: OSH)

13 March 2017

Well Name	Muruk 1ST1 and 1ST2
Well Type	Exploration
Location	PPL 402, Highlands, PNG, (north west of the Hides Gas field)
Spud Date	2 November 2016
Rig	Rig 104
Objective/ Targets	Early Cretaceous sandstone of the Toro Formation
Status	During February, Muruk 1ST1 was drilled to a depth of 3,754 metres. The well drilled through a fold axis, resulting in the Toro reservoir being penetrated twice. Preliminary log data analysis indicates that the reservoirs are gas bearing.
Operator	Oil Search (PNG) Ltd

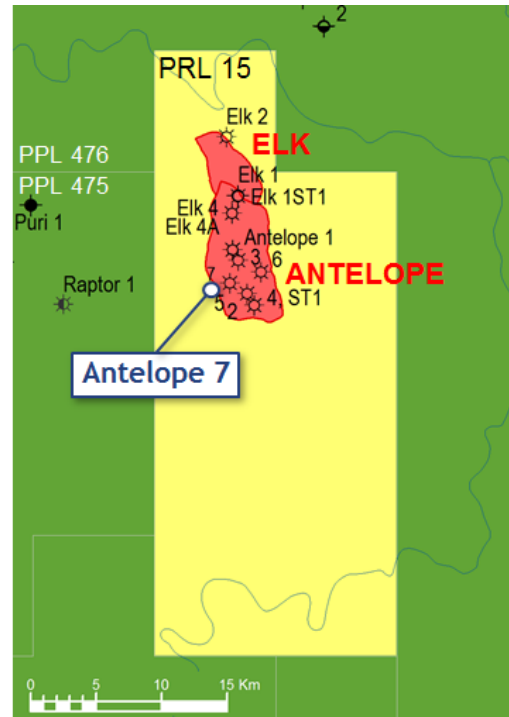


After plugging back the ST1 wellbore, Muruk 1ST2 was kicked off from 3,470 metres to drill a near near-vertical wellbore, down the inferred steeply dipping fold limb, to extend the gas column. At the end of the month, the well was at a depth of 3,577 metres and drilling ahead.

Participants¹		
	Oil Search (PNG) Ltd	37.5%
	Esso PNG Wren Ltd	42.5%
	Barracuda Ltd (Santos Limited)	20.0%
	Total	100.0%

¹ Gross interests pre-Government and landowner back-in, rounded to one decimal place (Santos's interest subject to regulatory approval).

Well Name	Antelope 7ST1
Well Type	Appraisal/exploration
Location	PRL 15, Gulf Province, PNG 1.4km WSW of Antelope 5
Spud Date	2 November 2016
Rig	HA 115
Objective/ Targets	To test for reservoir presence and definition on the western flank of the field.
Status	During February, the Antelope 7ST1 well was drilled to 2,300 metres, the total depth for the appraisal component of the well. The well did not encounter carbonates, in line with Oil Search expectations.
	The well was subsequently deepened, to test the Antelope Deep exploration target and at the end of February was at a depth of 2,773 metres.
	A 7" liner has been run and the forward plan is to acquire vertical seismic profiles (VSPs) prior to coring and drilling ahead in a 6" hole to a provisional total depth of 3,000 metres.
Operator	Total E&P PNG Limited



Participants¹		
	Oil Search	22.8%
	Total	40.1%
	ExxonMobil	36.5%
	Minorities	<u>0.5%</u>
	Total	100%

¹ Gross interests, pre-Government and landowner back-in rounded to 1 decimal place

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