

Exploration and Appraisal Drilling Update – January 2018

(ASX: OSH | ADR: OISHY | POMS0X: OSH)

1 February 2018

Well Name	P'nyang South 2 / P'nyang South 2 ST1
Well Type	Appraisal
Location	PRL 3/APDL 13, North-West Highlands, PNG
Spud Date	22 October 2017
Rig	Rig 103
Objective/ Targets	Toro, Digimu and Emuk Sandstones

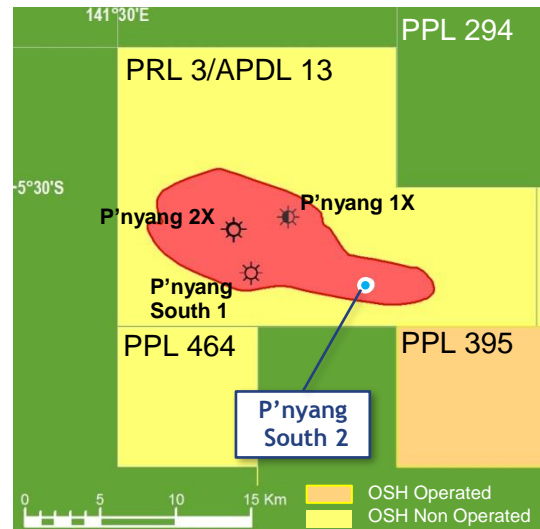
The objective of P'nyang South 2 is to migrate 2C contingent gas resource volumes to the 1C contingent category as well as appraise 2C resource upside potential identified in the south-eastern part of the field.

Status	During the month, the P'nyang South 2 ST1 well reached a total depth of 2,725 metres. As reported on 16 January 2018, the well encountered gas in good-quality Toro and Digimu sands, while the Emuk sands appeared to be largely water-bearing. An independent recertification of the field's 1C and 2C contingent gas resource is underway and expected to be completed in the second quarter of 2018.
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The well has been plugged and abandoned, as planned, and the rig released. This is the final drilling update for P'nyang South 2 ST1.

Operator	Oil Search (on behalf of ExxonMobil)
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Participants¹		
Affiliates of Oil Search		38.5%
Affiliates of ExxonMobil		49.0%
Merlin Petroleum Company (an affiliate of JX Nippon)		12.5%
Total		100.0%



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

All depths quoted are MDRT (measured depth from rotary table)

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