
ASX Announcement

Recommencement of PNG LNG production ahead of schedule

13 April 2018

ExxonMobil has advised that the PNG LNG Project, which was shut in following the 7.5 magnitude earthquake in the PNG Highlands on 26 February, has safely recommenced LNG production. LNG exports are expected to resume shortly (see attached release).

Oil Search's Managing Director, Peter Botten said:

"The recommencement of operations at the PNG LNG Project, ahead of ExxonMobil's previously guided eight week timeframe, is a major achievement by the operator. At present, one LNG train is operating at the LNG plant site, with the second train expected to start up as production from the Hides field and the Oil Search-operated Associated Gas fields ramps up.

One of Oil Search's highest priorities following the earthquake was to ensure that our Central Processing Facility and the liquids export system, which are integral parts of the PNG LNG Project infrastructure, were ready to receive, store and export PNG LNG liquids and export Associated Gas as soon as the Project recommenced gas production. Fortunately, only minor remedial works were required and the facilities were operational in late March (see Oil Search announcement on 3 April 2018).

During the period in which PNG LNG operations were shut down, some of the maintenance work at the LNG plant site, which had previously been scheduled for April and October, was completed. Planned modifications to the Hides Gas Conditioning Plant, including some Angore tie-in work, were also brought forward.

The relief efforts that Oil Search is undertaking in close collaboration with the PNG Government's National Disaster Restoration Team and respective Provincial Disaster Committees, the Australia and New Zealand Governments and many other donors, is ongoing as we continue to address the critical needs of our communities in the Highlands."

PETER BOTTEN, CBE

Managing Director

13 April 2018

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