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# ASX Announcement

## Resources assigned to the Pikka Unit, Alaska North Slope

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17 April 2018

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Oil Search advises that, following the successful acquisition of a 25.5% interest in the Pikka Unit from Armstrong Energy LLC and GMT Exploration Company LLC, as previously announced in November 2017, 127.5 million barrels (mmbbl) of oil net to Oil Search have been assigned to the 2C Contingent Resource category. This reflects Oil Search's 25.5% share of the estimated gross resources for the Unit of 500 mmbbl. The acquisition of the Alaska North Slope assets was conditional on receiving approval from the Committee for Foreign Investment in the US (CFIUS), which was received in February 2018. Oil Search Alaska LLC formally took over operatorship on 21 March 2018.

The current mapping of the Nanushuk and satellite reservoirs in the Pikka Unit is based on an extensive grid of 3D seismic data and 19 well penetrations.

The presence of significant quantities of moveable hydrocarbons in the Pikka Unit has been confirmed from the following:

- Data acquired from well logging during and after drilling, which has been used to determine the fluid content and most likely fluid contacts in the sandstone reservoir. This approach includes the analysis of reservoir pressure data and samples of hydrocarbons brought to surface during wireline logging.
- The interpretation of data acquired from six production tests (notably the Qugruk 301 horizontal well and the Qugruk 8 vertical well) including the analysis of reservoir hydrocarbon samples recovered to surface.
- The interpretation of 3D seismic data and data from offset wells.

Oil Search has conducted an assessment of all available data to reach a position on the Contingent Resource potential of the field. Contingent Resource volumes have been estimated by combining in-place volume estimates from geological modelling with recovery factor estimates from both reservoir simulation studies and analogue fields. A deterministic approach was used to estimate the reported volumes.

These Resources are considered to be contingent on future appraisal results, development studies and project commerciality. The collection of additional well log, core and production test data is currently being planned, to be acquired during this coming North Slope winter drilling season. The data will be appraised during 2019 to further assess the potential for commercial recovery and to further constrain the Company's resource estimates for the field.

The information in this Resource Statement has been prepared by Dr Jon Rowse, Oil Search's General Manager – Subsurface, who is a full-time employee of the Company and a member of the Society of Petroleum Engineers. Dr Rowse is qualified in accordance with ASX Listing Rules 5.41-5.44, and confirms that the statement fairly represents information and documentation which has been prepared under his supervision and approved by him. He has consented to publish this information in the form and context in which it is presented in this statement.

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