



Papua New Guinea Retail Offer Opens

20 April 2020

SYDNEY (ASX: OSH | ADR: OISHY | PNGX: OSH)

Oil Search Limited announces that the offer to eligible shareholders in Papua New Guinea ("**PNG Retail Offer**") opens today. The PNG Retail Offer was announced concurrently with Oil Search's accelerated non-renounceable entitlement offer and institutional placement ("**Offshore Offer**") on ASX and PNGX on 7 April 2020.

Eligible shareholders are entitled to subscribe for 1 fully paid ordinary share in Oil Search ("**New Share**") at K4.36 per New Share ("**Offer Price**") for every 8 existing ordinary shares in Oil Search held at 7.00pm (Port Moresby time) on Thursday, 9 April 2020 ("**Record Date**"). The Offer Price of K4.36 per New Share is the PNG Kina equivalent of the offer price of A\$2.10 under the Offshore Offer. The PNG Retail Offer is not underwritten.

Key Dates

Key dates¹ for the PNG Retail Offer are as follows:

Record Date	7.00pm (Port Moresby time), Thursday, 9 April 2020
PNG Retail Offer Opens	Monday, 20 April 2020
PNG Retail Offer Closes	5:00pm (Port Moresby time), Friday, 22 May 2020
Settlement Date	Wednesday, 27 May 2020
Issue Date	Thursday, 28 May 2020
New Shares Commence Trading on ASX and PNGX	Friday, 29 May 2020

PNG Prospectus

Further details regarding the PNG Retail Offer are set out in the prospectus prepared under the Papua New Guinea Capital Market Act 1995 ("**PNG Prospectus**"), which is attached.

A copy of the PNG Prospectus (and the personalised entitlement and acceptance form) is also accessible to Eligible Shareholders in Papua New Guinea at www.oilsearchoffer.com (where Eligible Shareholders will need to provide their SRN or HIN to obtain a copy of the relevant documents).

Shareholder Enquiries

Eligible Shareholders in Papua New Guinea are encouraged to carefully read the PNG Prospectus for further details relating to the PNG Retail Offer.

Shareholders with questions in relation to the PNG Retail Offer may contact the Oil Search Shareholder Information Line on +61 3 9415 4233 or 320 1982 between 8.30am and 5.00pm (Port Moresby time) Monday to Friday during the PNG Retail Offer period.

¹ The timetable is indicative only and is subject to change. Oil Search reserves the right to change the above timetable including to extend the closing date for the PNG Retail Offer. Oil Search also reserves the right to withdraw or cancel the PNG Retail Offer at any time prior to the issue of New Shares.

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This ASX announcement was authorised for release by Oil Search's Managing Director, Keiran Wulff.

IMPORTANT NOTICES

This announcement is not financial product or investment advice, a recommendation to acquire securities or accounting, legal or tax advice. It does not constitute an invitation or offer to apply for securities. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate for their jurisdiction. Oil Search is not licensed to provide financial product advice in respect of an investment in securities.

The PNG Prospectus has been approved by the Securities Commission of PNG on 16 April 2020. The PNG Prospectus is dated 20 April 2020. A copy of the PNG Prospectus may be obtained by visiting the website www.oilsearchoffer.com or calling the Shareholder Information Line on +61 3 9415 4233 between 8.30am and 5.00pm (Port Moresby time) Monday to Friday during the PNG Retail Offer period. An issue of Oil Search shares to which the PNG Prospectus relates will only be made on receipt of the personalised entitlement and acceptance form referred to in and accompanying the PNG Prospectus.

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any security or financial product and neither this announcement nor anything attached to this announcement shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States unless they have been registered under the U.S. Securities Act (which Oil Search has no obligation to do or procure) or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.



Oil Search



OIL SEARCH LIMITED (1-125)

PROSPECTUS

*for an offer of ordinary shares to existing
Papua New Guinea shareholders*

**OFFER OF 1 NEW FULLY PAID ORDINARY SHARE FOR EVERY 8 SHARES HELD,
AT AN OFFER PRICE OF K4.36 PER NEW SHARE**

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with this document, please consult your financial, legal, tax or other professional adviser immediately.

PROSPECTUS

for an offer of ordinary shares to existing Papua New Guinea shareholders

IMPORTANT NOTICES

About this Prospectus

This Prospectus relates to the offer of New Shares to Eligible Shareholders in Papua New Guinea ("PNG"). This Prospectus has been prepared by the Company and is a prospectus for the purpose of section 128(1) of the Capital Market Act.

This Prospectus is dated Monday, 20 April 2020 and was approved by the Securities Commission on Thursday, 16 April 2020 and lodged with the Registrar of Companies on Thursday, 16 April 2020. The approval of the Prospectus shall not be taken to indicate that the Securities Commission recommends the securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Prospectus. The Registrar of Companies, the Securities Commission and PNGX take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Company will, within 3 business days after the date of this Prospectus, apply for admission of the New Shares to quotation on PNGX and ASX.

Definitions

Capitalised terms used in this Prospectus are defined in section 8.

This Prospectus does not provide investment advice

This Prospectus is important and requires your immediate attention. You should read this Prospectus carefully and in its entirety before deciding whether to invest in New Shares. In particular, you should consider the risk factors that could affect the performance of the Company or the value of an investment in the Company, including those described in section 6. The information contained in this Prospectus is not investment or financial product advice and does not take into account the investment objectives, financial situation, tax position or particular needs of individual investors.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you taking into account your own investment objectives and financial circumstances and having regard to the merits or risks involved. If you are in any doubt as to how to deal with this Prospectus, please consult your financial, legal, tax or other professional adviser immediately.

The potential tax implications of the Offer will vary between investors. A summary of potential tax implications for investors resident in PNG is set out in section 7.

Future performance and forward looking statements

Except as required by law, and then only to the extent required, neither the Company nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to this Prospectus. Past performance is not indicative of future performance.

The pro-forma financial information provided or referred to in this Prospectus is for illustrative purposes only and is not represented as being indicative of the Company's views on its future financial condition and/or performance.

The forward-looking statements in this Prospectus are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks (including but not limited to the risks described in section 6), uncertainties and assumptions, many of which are outside the control of the Company and its Directors, that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Prospectus. You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

No representations other than in this Prospectus

No person is authorised to provide any information to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representations not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with the Offer.

Prospectus availability

A copy of this Prospectus, together with a personalised Entitlement and Acceptance Form, will be made available to Eligible Shareholders online at www.oilsearchoffer.com on Monday, 20 April 2020. You can also request a copy of this Prospectus and your personalised Entitlement and Acceptance Form by calling the Oil Search Shareholder Information Line on +61 3 9415 4233 or 320 1982 at any time from 8.30am to 5.00pm (Port Moresby time) Monday to Friday during the Offer Period.

Offering restrictions

The distribution of this Prospectus (including an electronic copy) outside PNG is restricted by law. If you are outside of PNG and come into possession of this Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws. Neither this Prospectus nor the accompanying Entitlement and Acceptance Form may be released or distributed in the United States or to any person acting for the account or benefit of any person in the United States.

This Prospectus has been prepared to comply with the requirements of the securities laws in PNG. No action has been taken to register or qualify the Offer in any jurisdiction other than PNG. The Offer is being offered to Eligible Shareholders in PNG and is not extended to any person outside of PNG.

United States

None of the information in this Prospectus or the Entitlement and Acceptance Form accompanying it constitutes an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. Neither this Prospectus (or any part of it) nor the Entitlement and Acceptance Form may be released or distributed in the United States.

Neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or any other jurisdiction of the United States. Accordingly, the Entitlements offered and sold in the Offer may not be taken up in the United States or by any person acting for the account or benefit of any person in the United States.

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for an offer of ordinary shares to existing Papua New Guinea shareholders

The New Shares offered and sold in the Offer may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States, except in a transaction exempt from the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States. The Entitlements offered and sold in this Offer may only be taken up, and the New Shares offered and sold in this Offer may only be offered and sold, outside the United States in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

Currency

PNG Kina amounts in this Prospectus have been converted from Australian dollar amounts at the Bank of Papua New Guinea Mid Rate on 6 April 2020.

Rounding

For convenience, all percentage figures in this Prospectus have been rounded to 2 decimal places.

Enquiries

If you would like more information or have any questions in relation to the Offer, you may contact the Share Registry by phone on +61 3 9415 4233 or 320 1982 between 8.30am and 5.00pm (Port Moresby time) Monday to Friday during the Offer Period.

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CHAIRMAN'S LETTER

20 April 2020

Dear Shareholder,

On behalf of the Oil Search Board, it is my pleasure to invite you to participate in Oil Search's 1 for 8 offer of new shares in Oil Search ("**New Shares**") at an offer price of K4.36 ("**Offer Price**") per New Share ("**Offer**"). The proceeds of the Offer (and the Offshore Offer (as described below)) will be used to strengthen Oil Search's balance sheet and increase liquidity, so that Oil Search can withstand a prolonged period of low oil prices. Oil Search is well-positioned to deliver its world-class growth projects in Papua New Guinea and Alaska when market conditions improve.

Details of the Offer

The Offer is an offer of New Shares to existing eligible PNG retail shareholders. Eligible Shareholders are entitled to subscribe for 1 New Share at the Offer Price for every 8 existing ordinary shares in Oil Search ("**Existing Shares**") held at 7.00pm (Port Moresby time) on Thursday, 9 April 2020 ("**Record Date**") ("**Entitlement**"). The Offer Price of K4.36 per New Share is the PNG Kina equivalent of the offer price of A\$2.10 under the Offshore Offer. The Offer is not underwritten.

Concurrent with the Offer, Oil Search announced an offer of New Shares to eligible Shareholders outside of PNG ("**Entitlement Offer**") to raise A\$400 million (K\$831 million), comprising an accelerated institutional entitlement offer ("**Institutional Entitlement Offer**") and retail entitlement offer ("**Retail Entitlement Offer**"), and which is being made on substantially the same terms as the Offer. Oil Search also announced a placement of New Shares to new and existing institutional investors ("**Placement**" and together with Entitlement Offer, the "**Offshore Offer**") to raise A\$760 million (K\$1,579 million). The Offshore Offer is fully underwritten.

The Institutional Entitlement Offer and the Placement were successfully completed on Wednesday, 8 April 2020. The Retail Entitlement Offer opens at 9.00am (AEST) on Thursday, 16 April 2020 and closes at 5.00pm (AEST) on Monday, 27 April 2020.

The Offer is non-renounceable and therefore your Entitlement will not be tradeable on the PNGX or any other exchange, and it is not otherwise transferable. This means that Eligible Shareholders (as defined in Section 8 of this Prospectus) who do not take up their Entitlements will not receive any payment or value for those Entitlements and their proportionate interest in Oil Search will be diluted.

Under the Offer, Eligible Shareholders that take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement, up to a maximum of 200% in excess of their Entitlement, at the Offer Price ("**Oversubscription Facility**"). Additional New Shares will only be available under the Oversubscription Facility to the extent that there are Entitlements under the Offer that are not taken up by Eligible Shareholders. Applications under the Oversubscription Facility will be subject to scale back if Eligible Shareholders apply for more additional New Shares than available under the Oversubscription Facility (see Section 3.2 of this Prospectus for further information).

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How to apply

Accompanying this Prospectus is your personalised Entitlement and Acceptance Form which contains details of your Entitlement.

The Offer closes at 5.00pm (Port Moresby time) on Friday, 22 May 2020. To participate, you should ensure that you have completed your application by paying the relevant application monies ("**Application Monies**") by either bank cheque or electronic payment before this time in the manner described in this Prospectus and in accordance with the instructions on your personalised Entitlement and Acceptance Form.

Further information

Further information on the Offer and Oil Search's business are detailed in this Prospectus. You should carefully read this Prospectus in its entirety, the other documents listed in section 1.1 and consult your stockbroker, accountant or other professional adviser before making your investment decision. In particular, you should read and consider Section 6 (Risk Factors) of this Prospectus, which contains a summary of some of the key risks associated with an investment in Oil Search.

If you have any questions in respect of the Offer, please call the Oil Search Shareholder Information Line on +61 3 9415 4233 or 320 1982 at any time from 8.30am to 5.00pm (Port Moresby time) Monday to Friday during the Offer Period. This Prospectus contains detailed information about the Offer, including instructions on how to participate should you choose to do so.

On behalf of my fellow Oil Search directors, I look forward to welcoming your participation in the Oil Search Offer and your continued ownership of Oil Search.

Yours sincerely,



Richard Lee AM

Chairman

Oil Search Limited

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1 KEY INFORMATION AND DATES

1.1 PROSPECTUS

This Prospectus is a prospectus under the Capital Market Act and in various places refers to information contained in:

- a. the annual consolidated financial report of the Group for the year ended 31 December 2019 (the "**Annual Report**"),
- b. the Independent Auditor's Report by Deloitte Touche Tohmatsu in respect of the Annual Financial Report (the "**Auditor's Report**"); and
- c. the Investor Presentation in respect of the Offshore Offer released on PNGX and ASX on Tuesday, 7 April 2020 (the "**Investor Presentation**").

This Prospectus should be read in conjunction with the Annual Financial Report, the Auditor's Report and the Investor Presentation, as well as the announcements released by Oil Search since the announcement released on 25 February 2020 on PNGX and ASX of its full year results for the year ended 31 December 2019 (other than announcements relating to the Offshore Offer or this Offer, which are already incorporated in this Prospectus). In particular, Eligible Shareholders should read the following announcements released on PNGX and ASX which are set out in full in the Appendix to this Prospectus:

- a. "Capex and balance sheet update" released on 18 March 2020;
- b. "PNG Operations Update" released on 23 March 2020;
- c. "Successful well tests completed in Alaska" released on 31 March 2020;
- d. "March 2020 Drilling Report" released on 2 April 2020; and
- e. "Successful completion of Institutional component of Entitlement Offer and Placement, raising A\$1,080 million" released on 8 April 2020.

The Annual Report was released to PNGX and ASX on 24 March 2020 and the Investor Presentation was released to PNGX and ASX on Tuesday, 7 April 2020. These documents can be downloaded from the PNGX website (www.PNGX.com.pg), the ASX website (www.asx.com.au) or the Company's website (www.oilsearch.com). In addition, a copy of each document is available free of charge to any person on request and can also be inspected free of charge at the Company's registered office (see back page of this Prospectus) on week days during normal business hours.

PROSPECTUS*for an offer of ordinary shares to existing Papua New Guinea shareholders***1.2 KEY INFORMATION****Securities being offered**

1 New Share (at K4.36 each) for every 8 Existing Shares held by an Eligible Shareholder as at 7.00pm (Port Moresby time) on the Record Date of Thursday, 9 April 2020.

An "**Eligible Shareholder**" is a person:

- a. who is registered as a Shareholder as at the Record Date of 7.00pm (Port Moresby time) on Thursday, 9 April 2020;
- b. whose address in the Company's share register is in PNG;
- c. is not in the United States and is not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States);
- d. was not invited to participate in the Offshore Offer; and
- e. is eligible under all applicable securities laws to receive an offer under the Offer.

Any New Shares not taken up by 5.00pm (Port Moresby time) on Friday, 22 May 2020 may be made available to those Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Oversubscription Facility at the Offer Price, up to a maximum of 200% in excess of their Entitlement. There is no guarantee that Eligible Shareholders will receive the number of additional New Shares applied for under the Oversubscription Facility. Additional New Shares will only be allocated to Eligible Shareholders under the Oversubscription Facility if available and then only if and to the extent that Oil Search so determines, in its absolute discretion. Any scale-back will be applied by Oil Search in its absolute discretion.

Shareholders in the United States are not eligible to participate in the Offer. Similarly, Shareholders (including custodians and nominees) who hold Shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the Offer on behalf of those persons.

Offshore Offer

Concurrent with the Offer, the Company has announced the Entitlement Offer of Shares to eligible Shareholders outside of PNG to raise A\$400 million (K\$831 million), comprising the Institutional Entitlement Offer and Retail Entitlement Offer, and which is being made on substantially the same terms as the Offer. The Company also announced a Placement to raise A\$760 million (K\$1,579 million). The Offshore Offer is fully underwritten.

Impact of Offer and the Offshore Offer on Company's financial position

As set out in section 5 of this Prospectus.

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Amount to be raised under the Offer	K8.7 million will be raised if the maximum 1,989,740 New Shares are issued.
Proposed use of funds raised under the Offer	The proceeds raised in the Offer (and the Offshore Offer) will be used to strengthen Oil Search's balance sheet and increase liquidity, so that Oil Search can withstand a prolonged period of low oil prices.
Not underwritten	The Offer is not underwritten.
Non-renounceable Offer	Your Entitlement is non-renounceable, which means it is non-transferable and cannot be sold or traded on PNGX or any other exchange, nor can it be privately transferred. This means that Eligible Shareholders who do not take up their Entitlements will not receive any payment or value for those Entitlements and their percentage holding in Oil Search will be diluted as result of the Offer.

1.3 KEY DATES*

7.00pm (Port Moresby time) on Thursday, 9 April 2020	Record Date for Offer
Thursday, 16 April 2020	Prospectus was approved by Securities Commission Prospectus was lodged with Registrar of Companies
Monday, 20 April 2020	Prospectus was provided to PNGX and ASX Offer opens
Friday, 22 May 2020	Offer closes at 5.00pm (Port Moresby time)
Wednesday, 27 May 2020	Settlement of all applications for New Shares
Thursday, 28 May 2020	Issue of New Shares
Friday, 29 May 2020	New Shares commence quotation on PNGX and ASX Despatch of holding statements for New Shares

* All dates after Monday, 20 April 2020 are indicative only and are subject to change. The Company reserves the right to change the above timetable including to extend the closing date for the Offer. The Company also reserves the right to withdraw or cancel the Offer at any time prior to the issue of New Shares.

The approval of the Prospectus by the Securities Commission shall not be taken to indicate that the Commission recommends the New Shares or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Prospectus. No securities will be allotted or issued on the basis of this Prospectus later than such period as the Securities Commission may specify from the date of issue of the Prospectus.

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2 FURTHER DETAILS OF THE OFFER

2.1 OFFER OF SECURITIES

The Company is offering Eligible Shareholders the opportunity to subscribe for New Shares under the Offer as described in section 1.2.

If you have received this Prospectus and there is an accompanying personalised Entitlement and Acceptance Form showing your name and entitlement to New Shares, then you are considered an Eligible Shareholder.

2.2 NON-RENOUCEABLE

Each Eligible Shareholder's Entitlement is non-renounceable and will not be tradeable on PNGX, ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlements in full will not receive any value in respect of the Entitlements not taken up.

2.3 NO UNDERWRITING

The Offer is not underwritten. Therefore, to the extent that there is less than full take-up of Eligible Shareholders' Entitlements, the New Shares not subscribed for will not be issued.

2.4 DETERMINATION OF ENTITLEMENTS

The Offer is being made to Shareholders who are Eligible Shareholders.

Each Eligible Shareholder's Entitlement is shown on their personalised Entitlement and Acceptance Form. Entitlements were calculated on the basis of registered holdings of Shares on the Record Date. Where fractions arose in the calculation of Entitlements, they were rounded up to the nearest whole number of New Shares.

2.5 ISSUE, QUOTATION AND TRADING OF SECURITIES

New Shares will be issued to successful applicants in uncertificated form. Applicants who are existing Shareholders will have their New Shares added to their existing holding under their existing Shareholder Reference Number ("**SRN**") and updated Issuer Sponsored Statements will be mailed to their address as shown in the Company's share register. The Company will, within 3 business days after the date of this Prospectus, apply for quotation of the New Shares on PNGX and ASX. While the Company is not aware of any reason why quotation would be denied, there is no assurance that the application will be granted. If quotation is not granted, New Shares will not be issued and Application Monies will be refunded to applicants without interest.

As noted above, Issuer Sponsored Statements for New Shares will be despatched following the issue of the New Shares. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. The Company disclaims all liability, whether in negligence or otherwise, to any person who trades in New Shares before receiving their holding statement.

2.6 UPDATE ON OFFSHORE OFFER

As at the date of this Prospectus, under the Institutional Entitlement Offer, the Company has already raised approximately A\$320 million (K665 million) from eligible institutional Shareholders as part of the Institutional Entitlement Offer. New Shares are expected to be issued under the Institutional Entitlement Offer on Monday, 20 April 2020.

Concurrently with the Institutional Entitlement Offer, the Company undertook the Placement raising approximately A\$760 million (K1,579 million). New Shares are expected to be issued under the Placement on Monday, 20 April 2020.

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For further details about the Offshore Offer, refer to the announcement by the Company released on 8 April 2020 on PNGX and ASX entitled "Successful completion of Institutional component of Entitlement Offer and Placement, raising A\$1,080 million".

Further information regarding the Offshore Offer has been, and will be, released by the Company and can be downloaded from the PNGX website (www.PNGX.com.pg), the ASX website (www.asx.com.au) or the Company's website (www.oilsearch.com).

2.7 PROPOSED USE OF PROCEEDS

The proceeds raised in the Offer (and the Offshore Offer) will be used to strengthen Oil Search's balance sheet and increase liquidity, so that Oil Search can withstand a prolonged period of low oil prices. Oil Search is well-positioned to deliver its world-class growth projects in PNG and Alaska when market conditions improve.

2.8 RIGHTS AND RESTRICTIONS ATTACHED TO NEW SHARES

The New Shares will be issued fully paid and will rank equally with Existing Shares.

The rights and restrictions attached to Shares are set out in the Constitution and the Companies Act and are subject to the PNGX Listing Rules, ASX Listing Rules and the general law.

The principal rights and restrictions attached to Shares as set out in the Constitution as at the date of this Prospectus are summarised below. The summary is not a definitive statement of those matters, which can involve complex questions arising from the interaction of the Constitution, legislation, general law and PNGX Listing Rule and ASX Listing Rule requirements. To obtain a definitive assessment, investors should seek their own advice.

a. Voting at general meetings

At a general meeting, every Shareholder present in person or by proxy, representative or attorney has:

- ▶ one vote on a vote by voice or a show of hands (unless a Shareholder has appointed more than one person as representative, proxy or attorney), as determined by the Chairman; and
- ▶ if a poll is demanded, one vote on a poll for each fully paid Share held (with adjusted pro rata voting rights for partly paid Shares).

In general terms, a poll may be demanded by at least 5 shareholders entitled to vote at the meeting, or by a shareholder or shareholders representing at least 10% of the total voting rights of all shareholders at the meeting.

If votes are equal on a proposed resolution, the Chairman can exercise a casting vote on a show of hands or on a poll (except where the Chairman is not entitled to vote on the resolution).

b. Dividends

Subject to the Companies Act, the Board may, from time to time pay a dividend on Shares. Such dividends can be in the form of cash and/or assets, and are distributed among Shareholders equally, subject to their respective rights and interests.

c. Issue of further shares

Subject to the Listing Rules, the Board may issue, grant options in respect of, or otherwise dispose of further Shares on terms and conditions and with such rights and privileges as the Board sees fit. This includes the issue of preference and redeemable preference Shares in accordance with terms set out in the Constitution.

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d. Transfers of Shares

Shares are transferable by an instrument in writing which is in a form approved by PNGX or the Board or is in any other usual or common form. However, the Board can refuse or delay registration of any transfer of Shares where the PNGX Listing Rules or other applicable laws and regulations permit and must do so if the transfer would be in contravention of the PNGX Listing Rules or other applicable laws and regulations.

e. Shareholder proposals

Where a Shareholder gives notice to the Board of a matter proposed to be raised for discussion or resolution at the next meeting of Shareholders and the notice is received by the Board not less than 7 days before the last day on which the notice of meeting must be given to Shareholders, the Board must give notice of the proposal to all Shareholders entitled to receive that notice of meeting. The Company will bear the expense of giving such notice except where the Shareholder gives the notice less than 1 month before the last day on which the notice of meeting must be given, in which case the Shareholder bears the expense.

f. Variation of rights

If at any time the Shares are divided into different classes, the rights attached to any class of Shares (unless the terms of issue of that class otherwise provide) may only be varied or abrogated with either:

- ▶ the consent in writing of the holders of 75% of the issued Shares of that class; or
- ▶ the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

g. Liquidation

If the Company is in liquidation and the assets available for distribution among the Shareholders (in that capacity) are insufficient to repay all the paid up capital, those assets will be distributed so that, to the greatest possible extent, the amount distributed to a Shareholder in respect of each Share is proportional to the amount paid up (or which at the commencement of the liquidation ought to have been paid up) on that Share compared with the total paid up capital of the Company.

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3 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

3.1 CHOICES AVAILABLE TO YOU

If you are an Eligible Shareholder you can choose to:

- ▶ take up your Entitlement in full, and if you do so, you may apply for additional New Shares under the Oversubscription Facility – in other words, you subscribe for all of that number of New Shares to which you are entitled as shown on your personalised Entitlement and Acceptance Form, and you may apply for additional New Shares up to a maximum of 200% in excess of your Entitlement as shown on your personalised Entitlement and Acceptance Form (see section 3.3);
- ▶ take up your Entitlement in part – in other words, you subscribe for some (but not all) of that number of New Shares to which you are entitled as shown on your personalised Entitlement and Acceptance Form (see section 3.3); or
- ▶ not take up any of your Entitlement, in which case you should do nothing.

If you have received this Prospectus and there is an accompanying personalised Entitlement and Acceptance Form showing your name and entitlement to New Shares then you are considered an Eligible Shareholder.

Eligible Shareholders are under no obligation to take up all or any of their Entitlement. However, Eligible Shareholders who do not take up their full Entitlement will have their shareholding interest in the Company diluted (ie. their percentage holding in Oil Search will be reduced) compared to Eligible Shareholders who do take up their full Entitlement. The New Shares representing their Entitlement (or the part of their Entitlement not taken up) may be acquired by Eligible Shareholders under the Oversubscription Facility. Shareholders who are not Eligible Shareholders will be automatically diluted as a result of the Offer compared to Eligible Shareholders who take up their Entitlement in full or in part.

3.2 OVERSUBSCRIPTION FACILITY

Any New Shares referable to Entitlements not taken up by 5.00pm (Port Moresby time) on Friday, 22 May 2020 may be made available to those Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Oversubscription Facility. If you apply for additional New Shares under the Oversubscription Facility, and if your application is successful (in whole or in part), your additional New Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Offer. The decision on the number of additional New Shares to be issued to you will be final.

Additional New Shares will only be allocated to Eligible Shareholders if available, and subject to the Companies Act, PNGX Listing Rules and other applicable laws and regulations. If you apply for additional New Shares, there is no guarantee that you will be allocated any additional New Shares. If Eligible Shareholders apply for more additional New Shares than available under the Oversubscription Facility, Oil Search will scale back applications for additional New Shares in its absolute discretion having regard to the pro-rata Entitlement of Eligible Shareholders who apply for additional New Shares.

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3.3 HOW TO TAKE UP YOUR ENTITLEMENT IN FULL, IN FULL AND PARTICIPATE IN THE OVERSUBSCRIPTION FACILITY, OR IN PART

If you are an Eligible Shareholder and wish to take up your Entitlement in full, in full and participate in the Oversubscription Facility, or in part, you should do the following.

-
- Step 1** Complete the personalised Entitlement and Acceptance Form accompanying this Prospectus online at www.oilsearchoffer.com in accordance with the instructions on the form.
-
- Step 2** Decide how you wish to pay the Application Monies (being K4.36 for each New Share subscribed for, and each additional New Share applied for under the Oversubscription Facility, if applicable). If you take up all of your Entitlement, any Application Monies received for more than your full Entitlement of New Shares will be treated as applying for as many additional New Shares as it will pay for in full.
- You may pay by bank cheque or electronic payment in accordance with the instructions on the personalised Entitlement and Acceptance Form.
- If making payment electronically you must visit www.oilsearchoffer.com, log in using your SRN or HIN and submit your payment using the unique Payment Reference Number provided in accordance with the instructions.
- Failure to use the unique Payment Reference Number when submitting payment may result in your Application Monies not being recognised or deemed invalid.
- If you have multiple holdings and receive more than one offer to participate in the Offer, when taking up your Entitlement in respect of one of those holdings only use the Payment Reference Number specific to that holding. If you do not use the correct Payment Reference Number specific to that holding your application will not be recognised as valid.
-
- Step 3** Return the completed and signed Entitlement and Acceptance Form, together with payment for the full Application Monies, in accordance with the instructions on the Entitlement and Acceptance Form.
- Your completed form, together with your payment, must be received by the Share Registry no later than 5.00pm (Port Moresby time) on Friday, 22 May 2020.
-

3.4 DEALINGS WITH APPLICATION MONIES

Application Monies received from Eligible Shareholders will be held in bank accounts established and kept by the Company or the Share Registry solely for the purpose of holding the Application Monies.

The Company also reserves the right to withdraw or cancel the Offer at any time prior to the issue of New Shares. If it does so, all Application Monies will be refunded to applicants without interest.

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4 BUSINESS UPDATE

4.1 BUSINESS

The business and position of the Group as at 31 December 2019 is described in Oil Search's Annual Report which was released on PNGX and ASX on 24 March 2020.

Eligible Shareholders should also read the announcements released on PNGX and ASX after that date, and in particular, the announcements of the Company which are set out in full in the Appendix to this Prospectus.

Further information on developments in Oil Search's business since the Annual Report was sent to you is set out below.

4.2 COST REDUCTIONS

In response to a material decline in oil prices, Oil Search has taken several cost reduction initiatives.

Oil Search has suspended or deferred discretionary activities within its control, resulting in an approximate 40% reduction in 2020 forecast investment expenditure guidance from US\$710-845 million to US\$440-530 million (as announced on 18 March 2020). Where possible, work programs that have commenced have been safely suspended. Oil Search is focussed on maintaining safe and reliable oil and gas production from its PNG assets.

In addition, activities on growth projects have been suspended or deferred. Deferred activities, subject to receipt of the required approvals, include the suspension of the IDT 26 well, a coiled tubing program, seismic acquisition and the rebuilding of the refinery at Kutubu. Pikka Unit Development project activity will be limited to the work required to satisfy permit obligations and engineering and technical studies for the remainder of 2020. The Pikka Unit Development project's Final Investment Decision date has been deferred. There is an opportunity to integrate successful exploration well results into the development plan and a value engineering initiative is underway to identify further cost saving and value creation opportunities. If market conditions remain unchanged, Oil Search expects that 2021 capex will be materially lower than 2020.

In addition, Oil Search has commenced a systematic review of operating costs, which is to be implemented by June 2020. This involves targeting a sustainable reduction in production costs of US\$1.0-2.0/boe without compromising safety or reliability. Certain preliminary cost reduction measures, including salary cuts at the Oil Search Board, executive and senior management level, the reduction of headcount in Sydney and Anchorage and the curtailment of discretionary spending have been executed. The current review which is underway and is to be implemented by June 2020 targets an approximate 20% reduction in operated costs and improved oil field productivity across Oil Search operated assets, as well as an optimised corporate centre. In addition, ExxonMobil, the operator of PNG LNG, has advised that it is evaluating appropriate steps to reduce costs in the near term.

4.3 COVID-19 TASKFORCE

Oil Search's health and medical teams commenced World Health Organisation recommended plans in January 2020, and a Company-wide Taskforce was established in February 2020 to manage the impact of COVID-19 on Oil Search's activities. The health, safety and security of all personnel under Oil Search's care is the Company's number one priority in responding to COVID-19.

The Company has progressively implemented key business continuity protocols for Oil Search operated assets. These protocols include establishing isolated "cocoons" around business-essential operating personnel, to limit interaction and remove the risk of cross contamination within the field areas. Oil Search has also reduced the number of personnel at facilities, demobilised non-essential staff, revised field rotations for expatriate staff, established self-isolation zones in the field and materially reduced the number of field-based employees and contractors. In addition, medical facilities are established at all camps and infectious disease protocols have been introduced. Oil Search has introduced enhanced cleaning and hygiene measures as well as increased the number of medical and field supplies.

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ExxonMobil, as operator of PNG LNG, has advised that it has also implemented similar measures consistent with recommendations from the Government of PNG, the global health authorities and ExxonMobil practices, to sustain continued safe operations from PNG LNG.

Oil Search is also regularly engaging with PNG government agencies to manage ship arrivals and timely clearances in order to meet its contractual commitments.

4.4 PRODUCTION AND DEVELOPMENT ACTIVITIES

Normal production levels have been maintained with 2020 first quarter production of 7.3 mmboe, comprising 6.3 mmboe for PNG LNG, produced at an annualised rate of 8.7 MTPA and 1.0 mmboe for Oil Search-operated assets. To date, normal production levels have been maintained, with no disruptions to lifting schedules experienced.

In PNG, discussions with the PNG Government to complete the required gas agreement for P'nyang are ongoing. Oil Search continues to support the integrated three-train LNG expansion project as the most efficient development concept. ExxonMobil, operator of PNG LNG, has advised of reduced development activity for the Angore field in PNG due to COVID-19 related travel restrictions.

In Alaska, Oil Search has successfully drilled, cored and flow tested the Mitquq and Stirrup wells. Certain early development activities undertaken during the winter 2019/2020 season, including the laying of gravel roads, will be completed to comply with permitting obligations. The additional time will allow the development plan for Alaska to be optimised for lowering break-even cost through value engineering and drilling optimisation, and to define a potential additional resource. Whilst discussions with interested parties regarding a partial divestment of Oil Search's Alaskan assets are ongoing, the divestment process is currently on hold.

4.5 2020 FULL YEAR PRODUCTION GUIDANCE

Oil Search's 2020 production guidance of 27.5 – 29.5 mmboe remains unchanged, assuming no business interruption from COVID-19. 2020 first quarter production was 7.3 mmboe, comprising 6.3 mmboe from the PNG LNG Project (which represents an annualised rate of 8.7 MTPA) and 1.0 mmboe from Oil Search-operated assets.

Table 1: 2020 production guidance

Production (mmboe)	Low	High
Oil Search-operated	3	5
PNG LNG Project	24	25
Total Production	27.5	29.5

Oil Search has commenced a systematic review of sustainable cost reduction initiatives in relation to both Oil Search operated assets and corporate overheads. Oil Search is targeting at least a US\$1-2/boe reduction in production costs through the review, prior to implementation costs. Oil Search's prior production cost guidance of US\$11-12/boe will be updated in mid-2020 following completion of the review.

Oil Search's forecast investment expenditure has reduced by approximately 40% in line with "Capex and balance sheet update" announcement made on 18 March 2020. In addition, the forecast capital expenditure going forward from 1 April 2020 has been reduced from US\$400–500 million to US\$200-300 million.

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Table 2: Forecast investment expenditure

Investment expenditure (US\$m)	Low	High
Production expenditure (PNG)	55	65
Development – oil and gas ¹		
<i>PNG</i>	25	35
<i>Alaska</i>	110	130
Total development – oil and gas	135	165
Exploration and evaluation		
<i>PNG</i>	70	80
<i>Alaska</i>	150	170
Total exploration and evaluation expenditure	220	250
Other plant and equipment	25	35
Power	5	15
Total	440	530

1. Excludes any capitalised borrowing costs (per development – oil and gas).

4.6 BREAK-EVEN OIL PRICES

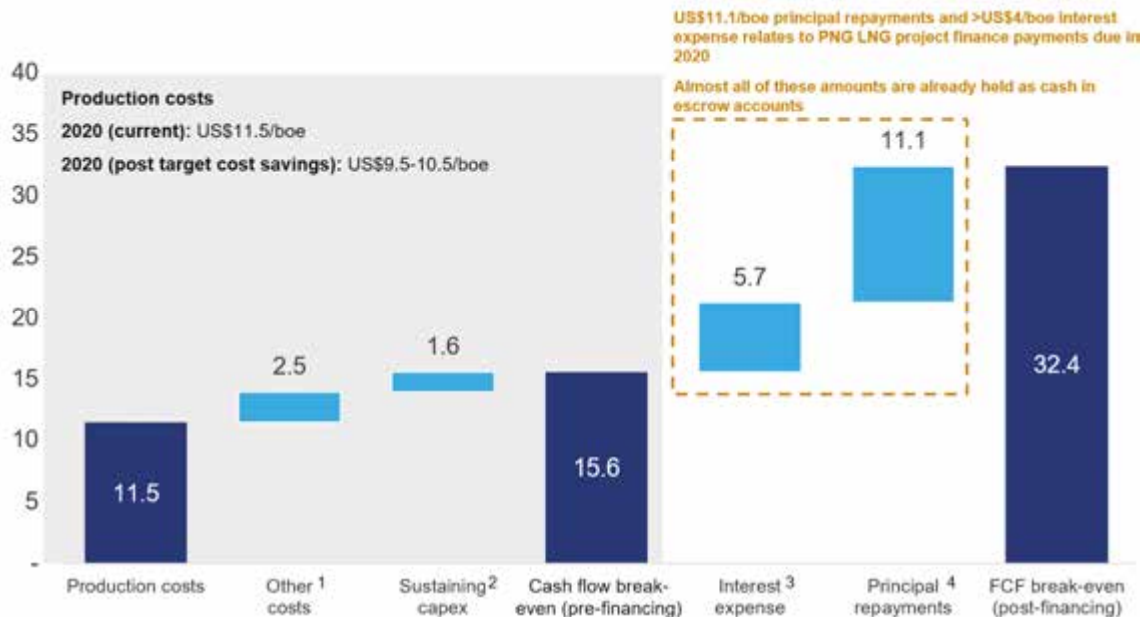
The cash flow break-even oil price (pre-financing) is US\$15.6/boe for 2020. Oil Search is targeting at least US\$1.0-2.0/boe of operating cost savings, before any one-off restructure costs, which are to be implemented by June 2020. This will have the effect of reducing production costs from US\$11.5/boe to US\$9.5-10.5/boe.

In respect of the PNG LNG Project, the cash retained in escrow in that project's accounts covers almost all PNG LNG project finance principal and interest payments due in 2020.

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Graph: Cash flow break-even oil prices (US\$/boe)



Note: Cash flow break-even oil price is not impacted by the Equity Raising given use of proceeds will increase cash by up to approximately US\$683m (after estimated transaction costs).

1. Other costs include shipping & distribution, corporate costs and royalties. Excludes inventory movements, donations, power project expenses, business development costs, production rights and other study expenses.
2. Sustaining capex comprises critical expenditure only for producing assets. All expansion and discretionary expenditure has been excluded.
3. Forecast interest expense on PNG LNG and corporate facilities.
4. Principal repayments relate to PNG LNG Project Finance facility.

4.7 OVERVIEW OF DEBT FACILITIES

Following the Offer and the Offshore Offer, Oil Search is expected to have pro-forma gearing of 28% and available liquidity of approximately US\$1,835 million, comprising US\$1,079 million cash¹, US\$760 million of undrawn debt facilities, less US\$4 million bank guarantee. This amount is expected to provide sufficient liquidity to 31 December 2021 assuming the average Brent oil price remains at low US\$20s per barrel or higher from 1 April 2020 onwards.²

More than 85%³ of Oil Search's drawn debt relates to the non-recourse PNG LNG project finance facility that has no financial covenants. A cash balance which is equal to six months of forecast principal and interest repayments is kept within the PNG LNG project accounts at all times. At present, this escrow cash account holds sufficient cash to meet almost all principal and interest repayments for the remainder of 2020.

Oil Search also has six corporate facilities with total capacity of US\$1,200 million and drawn debt of US\$440 million, as at 31 December 2019. Subject to the Offer and the Offshore Offer, these corporate facilities have no debt maturities in the next twelve months following the extension of US\$300 million of loan facilities maturity from 13 September 2020 to 30 June 2021.⁴

¹ Includes US\$232 million in PNG LNG escrowed accounts and US\$12 million in a debt service reserve account in relation to the US\$600 million Corporate syndicated revolving credit facility.

² Liquidity analysis assumes covenants are waived (if required). However, there is no guarantee that Oil Search will be successful in receiving covenant waivers from corporate facilities lenders.

³ As at 31 December 2019.

⁴ Extension of maturity of US\$300 million Revolving Credit Facility from 13 September 2020 to 30 June 2021 is subject to standard regulatory approvals (i.e. Bank of PNG) and completion of the equity raising.

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Table 3: Pro forma liquidity

US\$m	Maturity	Committed	Undrawn (31-Dec-19)	Drawn (31-Dec-19)	Impact of the Offer	Pro forma
PNG LNG non-recourse facility	-	2,939		2,939	-	2,939
Corporate facilities						
<i>Corporate syndicated revolving credit facility</i>	Jun-22	600	600	-	-	-
<i>Corporate bilateral facilities¹</i>	Dec-23	300	160	140	-	140
<i>Corporate bilateral facilities</i>	Jun-21 ²	300	-	300	-	300
Total corporate facilities		1,200	760	440	-	440
Total committed facilities		4,139	760	3,379	-	3,379
Cash and cash equivalents			396 ³	-	683 ⁴	1,079
Net debt / (cash)				2,983	(683)	2,300
Pro forma gearing ⁵				36%		28%

1. Bank guarantee of US\$4.4m issued from 5 year bilateral facility not shown.
2. Extension of maturity of US\$300m of loan facilities from 13-Sep-20 to 30-Jun-21 is subject to standard regulatory approvals (i.e. Bank of PNG) and completion of the equity raising.
3. Cash includes US\$232m in PNG LNG escrowed accounts and US\$12m in a debt service reserve account in relation to the US\$600m Corporate syndicated revolving credit facility.
4. Includes US\$17m in estimated transaction costs associated with the equity raising.
5. Gearing represents net debt / (net debt + shareholder funds).

Oil Search is currently compliant with all financial covenants in relation to its corporate facilities. The key financial covenant in a low oil price environment is maintaining greater than or equal to 3.0x EBITDAX / net interest expense which is tested semi-annually on both a last twelve months' and a forward-looking basis.⁵

Oil Search expects to comply fully with this covenant (on a last twelve months basis) at 30 June 2020. However, if the spot Brent oil price averages below low US\$20s/bbl for the remainder of the year, there is a risk of non-compliance with this covenant at 31 December 2020.⁶ EBITDAX in the first quarter of 2020 has benefited from strong realised pricing given the approximately two-month lag between contracted LNG prices and benchmark Brent oil prices.

In relation to the 30 June 2021 covenant testing period, spot Brent oil prices would need to average below low US\$30s/bbl for the twelve month period ending 30 June 2021 for there to be a risk of non-compliance with the EBITDAX / net interest expense covenant (on a last twelve months basis).⁷ Given the low oil price environment, Oil Search has had preliminary discussions with lenders who have indicated a willingness to consider covenant waivers, to the extent they may be required.⁸

⁵ Forward looking $\geq 3.0x$ EBITDAX / net interest expense covenant is tested semi-annually based upon the next two years assuming a Brent oil price which is in line with 90% of the forward curve. Oil Search is currently compliant with the forward-looking covenant. Oil Search has not provided an estimate of future compliance with this covenant given an inability to forecast the forward curve. It is important to note that breach of the forward-looking covenant results in a Review Event (rather than an Event of Default).

⁶ Estimate provided based upon current management forecasts, prior to the completion of further cost reduction initiatives currently underway.

⁷ Estimate provided based upon current management forecasts, prior to the completion of further cost reduction initiatives currently underway.

⁸ There is no guarantee that Oil Search will be successful in receiving any covenant waivers that may be required for its corporate facilities from lenders.

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5 IMPACT OF OFFER AND THE OFFSHORE OFFER ON COMPANY'S FINANCIAL POSITION

Below is the pro forma unaudited consolidated balance sheet of the Company which illustrates the effect of the Offer and the Offshore Offer (as if all of the Shares proposed to be issued under the Offer and Offshore Offer had been issued on 31 December 2019).

The Company estimates that approximately 1% of the issued Shares are currently held by retail Shareholders with a registered address in PNG.

The below pro forma balance sheet is indicative only, and is based on the audited financial statements for the financial year ended 31 December 2019 as contained in the Annual Financial Report.

US\$m	31-Dec-19	Impact of the Offer and the Offshore Offer	Pro Forma
Cash and equivalents	396	683 ¹	1,079
Receivables	272		272
Inventory	104		104
Other	20		20
Total current assets	792	683	1,475
Exploration	2,998		2,998
Oil and gas assets/PP&E	6,613		6,613
Other	1,170		1,170
Total non-current assets	10,781		10,781
Total assets	11,573	683	12,256
Payables	337		337
Provisions	29		29
Borrowings	655	(300) ^{2,3}	355
Tax	101		101
Total current liabilities	1,121	(300)	821
Borrowings	3,140	300 ^{2,3}	3,440
Provisions	688		688
Other	1,365		1,365
Total non-current liabilities	5,194	300	5,494
Total liabilities	6,314	0	6,314
Shareholders equity	5,258	683	5,941

1. The total of the Offer and the Offshore Offer will increase the cash position of Oil Search up to approximately US\$700 million, less estimated transaction costs of US\$17 million.

2. The US\$300 million of loan facilities will be extended from a 13 September 2020 maturity date to 30 June 2021 and thereby moved from current liabilities to non-current liabilities.

3. The extension of the maturity of US\$300 million loan facility from 13 September 2020 to 30 June 2021 is subject to final regulatory approvals (from the Bank of PNG) and completion of the Offer and Offshore Offer.

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Notes and assumptions

The above pro forma balance sheet:

- ▶ is based on economic circumstances at 31 December 2019 and does not reflect the risk that asset values might be impacted by changes to the economic outlook and in particular oil price forecasts; and
- ▶ excludes the tax effect of transaction costs of the Offer and Offshore Offer.

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6 RISK FACTORS

6.1 INTRODUCTION

Before applying for New Shares, you should closely read all of this Prospectus and consider whether the New Shares are a suitable investment for you. You should also closely read all of the Annual Financial Report, Auditor's Report and Investor Presentation.

Participating in the Offer and investing in New Shares involves a degree of risk. Some of these risks are specific to an investment in the Company, while others relate generally to any investment in the equity markets. The occurrence of these risks could have an adverse impact on the Company's business, its results or financial condition and performance, or its Share price. In particular, investors should note that the unprecedented uncertainties and risks created by COVID-19 pandemic could materially change Oil Search's risk profile at any point after the date of this Prospectus and adversely impact the financial position and prospects of the Group in the future.

This section 6 discusses some of the key risks associated with an investment in the Company. The risks are not listed in order of importance and do not necessarily constitute an exhaustive list of all the risks involved in an investment in the Company, and many of them are difficult to predict and are outside the control of the Company and its Directors. You should also closely read all of the Annual Financial Report, Auditor's Report and the Investor Presentation.

The scope of the Group's operations, the nature of the oil and gas industry and external economic considerations mean that a range of factors may impact results. Material business risks that could impact Oil Search's results and performance are described below.

6.2 RISKS ASSOCIATED WITH THE COMPANY'S BUSINESS

a. Coronavirus (COVID-19)

The ongoing COVID-19 pandemic has had a significant impact on the global and PNG economy and the ability of businesses, individuals, and governments to operate. On 22 March 2020, Papua New Guinea's National Executive Council announced the implementation of a series of measures in response to the first positive test of COVID-19 in PNG, including declaration of a State of Emergency and the temporary suspension of all domestic and international travel. It is expected that the State of Emergency will continue until at least June. Similar measures have been adopted by governments around the world in response to the pandemic.

There continues to be considerable uncertainty as to the duration and further impact of COVID-19, including (but not limited to) in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantines, and travel restrictions. The impact of some or all of these factors could cause significant disruption to Oil Search's operations and financial performance. It is also possible that the PNG Government shuts down all operating work sites, even without a positive case of COVID-19. A suspension of operations, or quarantining of Oil Search employees, may affect Oil Search's overall operations and operating results.

The curtailment of all non-essential travel globally and within PNG could significantly impair Oil Search's ability to manage the business effectively, respond to emergencies, and continue operations. For example, Oil Search may not be able to send specialists to specific sites to respond to operational or safety issues or to develop existing projects.

A continuation or escalation of the COVID-19 pandemic could also materially affect demand for oil and gas, which could affect Oil Search in the manner set out below.

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A continuation or escalation of the COVID-19 pandemic could also materially affect the ability of Oil Search's suppliers (or suppliers to joint venture partners managing Oil Search's assets ("JVPs") to provide products and services and threaten their ability to continue trading. If either Oil Search or its JVPs are unable to source spare parts for machinery and operations or other products and services, including personnel, then Oil Search and the JVPs may need to suspend certain operations on a temporary or a prolonged basis. Furthermore, Oil Search's financial position may be adversely impacted if certain of its, or its JVPs', suppliers (including its insurers, suppliers of IT services, and other suppliers of goods and services), or its JVPs, are unable to continue as going concerns as a result of the economic impact of COVID-19.

These factors are beyond Oil Search's control and could have an adverse effect on the overall business sentiment and environment, causing material uncertainties in the regions where Oil Search conducts its business, cause Oil Search's business to suffer in ways that cannot be predicted with any reasonable certainty, and which may materially adversely impact Oil Search's business, financial condition and results of operations.

In order to mitigate the potential impact of COVID-19 on the health and wellbeing of Oil Search's employees and other stakeholders, and on Oil Search's business, Oil Search has been monitoring the COVID-19 developments and has established a multi-disciplinary task force to proactively prepare comprehensive plans to ensure business continuity, including isolating essential staff.

b. Oil and gas market

Oil Search's business is heavily dependent on prevailing market prices for its products, primarily oil and gas. Changes in the prices of these commodities will impact the Group's revenue, cash flows, profitability, and ability to service its debts. The price of oil and gas has fallen dramatically in recent months for a number of reasons, including the economic slowdown resulting from the COVID-19 pandemic, an increase in supply from certain oil-producing countries resulting from geopolitical disagreements, and other macroeconomic factors. The economic slowdown combined with the increase in oil supply can also lead to a situation whereby Oil Search is unable to sell part or all of its products due to a lack of demand or available storage capacity. Oil Search has no control over these factors.

c. Future operating and capital cost requirements

Unexpected changes to future cost profiles could result in Oil Search's cash requirements being over and above its available liquidity. To the extent that the Group's operating cash flows and debt facilities are insufficient to meet its requirements for ongoing operations and capital expenditure, Oil Search may need to seek additional funding, sell assets or defer capital expenditure. If Oil Search is unable to obtain additional funding on acceptable terms in these circumstances, its financial condition and ability to continue operating may be adversely affected.

d. Legislative and regulatory risk

Oil Search has interests in international jurisdictions and therefore the business is subject to various national and local laws and regulations in those jurisdictions. Non-compliance can lead to regulatory or legal actions and can impact the status of licenses or operatorship. Retention of licences can also be impacted when government development expectations are not met. Changes in government policy, the fiscal regime, regulatory regime or the legislative framework could impact the Group's business, results from operations, asset valuation or financial condition and performance. The PNG Government's consideration of a Production Sharing Agreement regime is a current example of these risks.

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The possible extent of such changes that may affect the Group's business activities cannot be predicted with any certainty. The effects of any such actions may result in, amongst other things, delays or the prevention of the Group being able to execute certain activities, increased costs (whether in the nature of capital or operating expenses), taxes (direct and indirect), or domestic market obligations. Companies in the oil and gas industry may be subject to paying direct and indirect taxes, royalties and other imposts in addition to normal company taxes. The Group's profitability may be affected by changes in government taxation and royalty policies or in the interpretation or application of such policies. In addition to changes in existing tax laws, risk is also embedded in the interpretation or application of existing tax laws, especially where specific guidance is unavailable or has not been tested in the relevant tax jurisdiction.

The Group may also be forced to surrender or sell certain of its assets if required to do so by regulatory authorities, whether on a temporary basis or permanent basis.

e. Political, community and other stakeholders

The countries in which Oil Search has interests expose the organisation to different degrees of political and commercial risk. The overall socio-political environment in which Oil Search operates, the profitability of particular operating assets and the safety of people may be adversely impacted by political instability, land ownership disputes, ongoing benefits delivery delays, and community issues as well as war, civil unrest and terrorism. In particular, the PNG government has recently experienced, and may continue to experience, significant political instability and economic and fiscal issues, some or all of which could directly and indirectly affect the PNG economy and the operations and financial position of Oil Search. Oil Search's ability to acquire, retain and gain full value from assets may also be affected by a number of political and social issues such as differing political agendas and decision making, environmental and social policy and the impact of bribery and corruption. Further, the media, non-government organisations and other activists may play an increasing role at local, national and international levels influencing political policy, societal perception and community actions or otherwise impacting the organisation's reputation. The COVID-19 pandemic may significantly disrupt these socio-political and commercial factors in a manner which cannot be predicted or controlled by Oil Search.

f. Human rights

The Group faces risks related to the potential impacts of actions of both public and private security forces, interactions with and the use of land associated with subsistence-based and/or indigenous communities and the work practices and supply chains of suppliers and contractors.

g. Climate change

The Group is exposed to a number of climate change-related risks. Material climate-related risks include: changes in demand for products due to regulatory and technological changes (transitional risk); increases in operating costs of assets due to carbon-pricing policies or other market mechanisms; physical damage to assets or interruption to operations from climatic changes and extreme weather events; restrictions on capital deployment to carbon intensive industries; and reputational damage driven by stakeholder activism and changing societal expectations. The occurrence of any of these risks could result in asset impairment, lost revenue and damage to brand value, amongst other things.

h. Joint venture risk

Oil Search derives significant revenues and growth through joint venture arrangements. Joint venture arrangements, amongst other things, can serve to mitigate the risks associated with exploration success and capital intensive programs. However, failure to establish alignment between joint venture participants and with Government, negligence or competency levels of joint venture operators, or the failure of joint venture partners to meet their commitments and share of costs and liabilities, could have a material impact on the Group's business or reputation.

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i. Counterparty and credit risk

A dispute, or a breakdown in the relationship, between Oil Search and its JVPs, suppliers or customers, a failure to reach a suitable arrangement with a particular JVP, supplier or customer, or the failure of a JVP, supplier or customer to pay or otherwise satisfy its contractual obligations (including as a result of insolvency, financial stress or the impacts of COVID-19), could have an adverse effect on the reputation and/or the financial performance of Oil Search. Oil Search's relationships with its lending banks are particularly important. If Oil Search's financial position deteriorates materially, for example, if oil prices were to remain subdued for an extended period of time, and such banks are unwilling to grant covenant waivers or amendments to Oil Search's financing facilities then the potential resulting debt covenant breaches may affect Oil Search's ability to finance its business. Oil Search may also be adversely affected if a counterparty seeks to amend the terms (including pricing) of an existing contract, whether in anticipation of a potential breach of contract by such counterparty or otherwise.

j. Risk of litigation, claims and disputes

The Group may be subject to litigation, arbitration, expert determination, class actions and other claims and disputes in the course of its business, including employment disputes, contractual disputes, indemnity claims, occupational and personal claims, and claims in relation to creative content. Any litigation, class actions, claims or disputes, including employment disputes and price review disputes, including the costs of settling claims and operational impacts, could materially adversely affect the Group's business, operating and financial performance.

k. Production

Oil and gas producing assets may be exposed to production decreases or stoppages, which may be the result of facility shutdowns, mechanical or technical failure, well, reservoir or other subsurface impediments, safety breaches, natural disasters and other unforeseeable events. The Group and its JVPs may face such disruptions as a result of the restrictions on the movement and supply of personnel and products in response to the COVID-19 pandemic. A significant failure to meet production targets could compromise the Group's production and sales deliverability obligations, impact operating cash flows through loss of revenue and/or from incurring additional costs needed to reinstate production to required levels.

l. Health, safety and environmental

Oil and gas producing, and exploration operations are also exposed to industry operational safety risks including fire, earthquakes, infections, explosions, blow-outs, pipe failures, as well as transport and occupational safety incidents. Major environmental risks include accidental spills or leakage of petroleum liquids, gas leaks, ruptures, or discharge of toxic gases. The occurrence of any of these risks could result in substantial losses to the Group due to injury or loss of life; damage to or destruction of property, natural resources, or equipment; pollution or other environmental damage; clean-up responsibilities; regulatory investigation and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may also give rise to claims against the Group. The Group's ability to mitigate these risks and effectively respond to health and safety incidents may be also impaired by restrictions on the movement of products and personnel relating to the COVID-19 pandemic.

The PNG Highlands were subject to a major earthquake in February 2018 and Oil Search's infrastructure and facilities sustained some damage, with remediation work to reinstate the damaged assets ongoing. Any unresolved damage may result in heightened production and safety/environmental risks as a consequence.

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m. Cyber security

The integrity, availability and reliability of data within Oil Search's information technology systems may be subject to intentional or unintentional disruption. Given the level of increasing sophistication and scope of potential cyber-attacks, these attacks may lead to significant breaches of security which could jeopardise the sensitive information and financial transactions of the Group. This risk may be escalated as a result of COVID-19 and the increase in remote working by our staff and contractors, notwithstanding Oil Search's efforts to mitigate this threat.

n. Reserves and replacement

Oil Search is subject to reserves depletion and its impact on organisational value. Oil Search aims to replace and grow its reserve and resource base via exploration and commercial activities. The longer term health of the business will depend on the quality and size of its current asset and opportunity portfolio and the investment decisions it makes over many years.

Oil and gas exploration is a speculative endeavour and each prospect/investment carries a degree of risk associated with the discovery of hydrocarbons in commercial quantities, which can be more challenging in a volatile commodity price environment. The value of exploration and development assets can be affected by a number of different factors including, amongst other things, macro-economic and socio-political conditions, changes to reserves estimates, the composition of oil and gas reserves, unforeseen project difficulties and other operational issues. Similarly, the economic value of the Group's individual producing assets declines as oil and gas is produced and assets transition to abandonment. Oil Search's future production profitability is subject to both subsurface and commodity price uncertainties but is also highly dependent on how Oil Search manages and maximises the value of the production business over this period.

o. Estimates

Underground oil and gas reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid at a certain point in time may alter significantly or become uncertain when new oil and gas reservoir information becomes available through additional drilling or reservoir engineering over the life of the field. As reserve and resource estimates change, development and production plans may be altered in a way that may affect the Group's operations and/or financial results. Additionally, oil and gas reserves and resources assume that the Group continues to be entitled to production licences over the fields and that the fields will be produced until the economic limit of production is reached. If any production licences for fields are not renewed or are cancelled, estimated oil and gas reserves and resources may be materially impacted. The Group employs the appropriate internal expertise to estimate reserves and resources and to prepare the Annual Reserves Statement in compliance with the ASX listing rules.

p. Project development and execution risk

To achieve continual growth, Oil Search and its partners commit significant capital to the initiation, development and delivery of major projects. A number of factors influence the successful delivery of large-scale projects thereby rendering them exposed to commercial, political, engineering, execution, operational and legal risk amongst others. Oil Search has a number of significant projects across its PNG and Alaskan business units at various stages of maturity with each project presenting its own set of substantial risks that may ultimately affect Oil Search's value. Each of these projects is likely to be affected by the restrictions relating to the COVID-19 pandemic.

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q. Currency and PNG Exchange Controls

Oil Search is a US dollar (US\$) reporting entity and derives its revenue in US\$. It is therefore exposed to currency risk for transactions in any currency other than US\$. The company has most of its assets and liabilities denominated in US\$ and therefore has residual currency exposure mainly in Australian dollars (A\$) and Papua New Guinea Kina (PGK).

Oil Search is also exposed to PNG foreign exchange controls which could affect its ability to conduct business efficiently and effectively where transactions are in currencies other than PGK or where it needs to deploy capital across the group.

r. Insurance

The Group seeks to maintain appropriate policies of insurance consistent with those customarily carried by organisations in the energy sector. Any future increase in the cost of such insurance policies, or an inability to fully renew or claim against insurance policies as a result of the current economic environment and the impact of COVID-19 (for example, due to a deterioration in an insurer's ability to honour claims), could adversely affect the Group's business, financial position and operational results.

s. Personnel

The operating and financial performance of Oil Search is in part dependent on its ability to retain and attract key personnel. Whilst Oil Search makes every reasonable effort to retain key employees, there can be no guarantee that it will be able to retain its management team. There is also a risk that Oil Search may need to pay a higher than expected cost to acquire or retain the necessary labour. In particular, there is a finite availability of skilled labour in the PNG market with expertise in the industries in which Oil Search operates.

t. Risk of impairment

Many of the aforementioned risks and in particular the impact of extended low oil and gas prices may be cause for Oil Search to reassess the carrying value of its assets. Indicators of impairment can exist for a number of reasons including where asset valuations are lower than their written down book values, certain activities are discontinued and deferred tax assets are not able to be recovered against future taxable income, amongst other things. The recognition of an impairment will result in a write-down of asset value and a equivalent non-cash charge to the income statement, thereby reducing the company's net assets and reported profits respectively. Oil Search assesses for indicators of impairment at each reporting period.

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6.3 OTHER RISKS

a. General risks associated with investments in equity capital

Investors should be aware that there are risks associated with any investments in equity capital. The value of the New Shares may rise above or fall below the Offer Price, depending on the financial position and operating performance of Oil Search as well as prevailing market conditions. Further, the price at which the New Shares trade on PNGX may be affected by several factors unrelated to the financial and operating performance of Oil Search and over which Oil Search and the Directors have limited or have no control. These external factors include: (i) the impact of COVID-19, including on health of workforce, the industry, customers, supply chains and travel and other restrictions; (ii) economic conditions and outlook in PNG, Australia, the US and overseas; (iii) changes in interest rates and the rate of inflation; (iv) investor sentiment in the local and international stock markets and the oil and gas sector; (v) changes in fiscal, monetary, regulatory and other government policies; (vi) changes in government legislation and policies, including tax laws; (vii) the development of new technologies and displacement of existing technologies; and (viii) geo-political conditions such as acts or threats of terrorism or military conflicts.

Investors should also note that the historic share price performance of Oil Search shares provides no guidance as to its future share price performance.

There have been significant fluctuations and volatility in the prices of equity securities in recent months, which may have been caused by general rather than company-specific factors, including the general state of the economy, the response to the COVID-19 pandemic, investor uncertainty, geo-political matters, and global hostilities and tensions. In particular, the COVID-19 pandemic has resulted in significant market falls and volatility both in PNG, Australia, the US and overseas, including in the prices of equity securities. As detailed above, there continues to exist considerable uncertainty as to the further impact of COVID-19 on the PNG and global economy and share markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines, travel restrictions and the impact on the economy and share markets. Any of these events and resulting fluctuations may materially adversely impact the market price of the New Shares.

b. PNGX liquidity and realisation

Whilst Oil Search is listed in PNG, trading on the PNGX is very limited, largely because of the illiquid nature of the PNG investment market. Accordingly, there may be relatively few or many potential buyers or sellers of Shares on PNGX at any time. This may affect or cause volatility in the market price of Shares. It may also affect the prevailing price at which Shareholders are able to sell their Shares on PNGX.

c. Dilution risk

If you do not take up all of your Entitlement under the Offer, then your percentage security holding in Oil Search will be diluted by not participating to the full extent in the Offer. Investors may also have their investment diluted by future capital raisings by Oil Search. Oil Search may issue new securities in the future to finance acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest.

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7 PNG TAX IMPLICATIONS

7.1 INTRODUCTION

The comments below provide a general summary of PNG income tax, goods and services tax ("GST") and stamp duty implications of the Offer for Eligible Shareholders that are PNG residents and hold New Shares on capital account. In addition, the summary below applies only to Eligible Shareholders who are PNG tax resident individuals, companies or complying superannuation funds. The summary does not apply to Eligible Shareholders who:

- ▶ hold Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading);
- ▶ may be subject to special tax rules, such as insurance companies, partnerships, tax exempt taxpayers, trusts (except where expressly stated), or temporary residents.

The summary does not take account of the individual circumstances of particular Eligible Shareholders and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Entitlement Offer and is intended as a general summary of PNG tax implications. Eligible Shareholders should seek professional advice on the taxation implications of acquiring, owning and disposing of Shares, taking into account their specific circumstances.

Tax laws are complex and subject to ongoing change. The comments below are based on the PNG tax law as it applies as at 9.00am (AEST) on Thursday, 9 April 2020. Other than as expressly discussed or specified, the comments do not take into account or anticipate changes in PNG tax law or future judicial interpretations of law after this time. If there is a change, including a change having retrospective effect, the income tax, stamp duty and GST consequences of the Entitlement Offer should be reconsidered in light of the changes. The summary provided below does not take into account tax legislation of any country other than PNG.

This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law. The Company and its advisors disclaim all liability to any Eligible Shareholders or other party for all costs, loss, damage and liability that Eligible Shareholders or other party may suffer or incur arising from, relating to or in any way connected with the contents of this summary or the provision of this summary to the Eligible Shareholder or other party or the reliance on this summary by the Shareholder or other party.

7.2 GRANTING OF AN ENTITLEMENT

On the grant of an Entitlement you should not derive any assessable income for PNG income tax. The grant of the Entitlement should not be regarded as a dividend.

7.3 IF YOU TAKE UP YOUR ENTITLEMENT

Upon taking up your Entitlement in full or in part you should not derive any assessable income for PNG income tax purposes. The amount paid to acquire your New Shares will not be deductible for PNG income tax purposes because it is of a capital nature.

As there is no PNG capital gains tax, the amount you pay to acquire the New Shares will not be relevant for PNG income tax purposes (provided that you have not acquired the New Shares for the purpose of profit-making by sale or as part of a profit-making undertaking or scheme).

7.4 DISPOSAL OF NEW SHARES

If you dispose of your New Shares you will only derive assessable income for PNG income tax purposes if you acquired the New Shares for the purpose of profit-making by sale or as part of a profit-making undertaking or scheme. There is no capital gains tax as such in PNG.

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7.5 STAMP DUTY

No stamp duty will be payable on the grant or exercise of an Entitlement.

Transfers of any marketable securities listed on PNGX are exempt from stamp duty in PNG where effected through a licensed broker. New Shares are expected to be listed on PNGX and ASX.

Apart from the exemption stated above, transfers of New Shares will be liable to stamp duty at the rate of 1% of the consideration for or value of the securities, whichever is greater.

7.6 GOODS AND SERVICES TAX

PNG goods and services tax will not apply to any Application Monies you pay in consideration for New Shares issued on exercise of your Entitlement.

7.7 TAXATION IN RESPECT OF DIVIDENDS ON NEW SHARES

Any future dividends or other distributions made in respect of New Shares will be subject to the same income taxation treatment as dividends or other distributions made on Existing Shares held in the same circumstances.

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Consent

Richard Lee AM, Chairman of the Company:

- ▶ has consented to the issue of this Prospectus with the statements which he has made in the form and context in which they have been included in the Prospectus; and
- ▶ has given and has not, before the issue of this Prospectus, withdrawn the consent referred to above.

This Prospectus is signed by Gereia Aopi, as agent for (and who has been authorised in writing by) each of Mr RJ Lee, Dr K Wulff, Dr BS Al Katheeri, Sir KG Constantinou, Ms SM Cunningham, Dr EJ Doyle, Ms FE Harris, Dr AJ Kantsler and Sir MP Togolo, each of whom is a Director as at the date of this Prospectus and as at the time this Prospectus was submitted to the Securities Commission for Approval.



Gereia Aopi

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8 GLOSSARY

The meanings of the terms used in this Prospectus are set out below.

TERM	MEANING
Annual Report	the meaning given in section 1.1
Application Monies	monies equal to K4.36 multiplied by the number of New Shares applied for by an Eligible Shareholder
ASX	ASX Limited (ACN 008 624 691) or, where the context requires, the securities exchange operated by it on which Shares are quoted
ASX Listing Rules	the listing rules of ASX
Auditor's Report	the meaning given in section 1.1
Board	the board of Directors of the Company
Capital Market Act	the <i>Capital Market Act 2015</i> (PNG)
Companies Act	the <i>Companies Act 1997</i> (PNG)
Company or Oil Search	Oil Search Limited (1-125), a company incorporated in PNG
Constitution	the constitution of the Company
Director	a director of the Company
EBITDAX	earnings before interest, tax, depreciation, amortisation and exploration
Eligible Shareholder	a person: <ol style="list-style-type: none"> a. who is registered as a Shareholder as at the Record Date of 7.00pm (Port Moresby time) on Thursday, 9 April 2020; b. whose address in the Company's share register is in PNG; c. is not in the United States and is not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States); d. was not invited to participate in the Offshore Offer; and e. is eligible under all applicable securities laws to receive an offer under the Offer
Entitlement and Acceptance Form	the personalised Entitlement and Acceptance Form accompanying this Prospectus upon which an application for New Shares may be made
Entitlement	the entitlement of an Eligible Shareholder to subscribe for 1 New Share (at K4.36 each) for every 8 Existing Shares held by the Eligible Shareholder as at the Record Date
Entitlement Offer	the entitlement offer comprising a pro rata accelerated non-renounceable entitlement offer of Shares made to eligible shareholders to raise approximately A\$400 million (K\$831 million), comprising a fully underwritten institutional entitlement offer and a fully underwritten retail entitlement offer, as announced to PNGX and ASX on Tuesday, 7 April 2020

PROSPECTUS

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TERM	MEANING
Existing Shares	the Shares already on issue on the Record Date
ExxonMobil	ExxonMobil PNG Limited
Group	the Company and each of its subsidiaries
JVP	joint venture partner
K	kina
New Shares	the Shares offered under this Prospectus
Offer	the offer of New Shares under this Prospectus
Offer Period	the period during which the Offer is open, being between Monday, 20 April 2020 to Friday, 22 May 2020
Offer Price	K4.36 per New Shares, being the price payable per New Share under the Offer
Offshore Offer	the Entitlement Offer and Placement
Oversubscription Facility	the opportunity for Eligible Shareholders who take up all of their Entitlement to also apply for additional New Shares up to a maximum of 200% in excess of their Entitlement
Placement	the offer of Shares to institutional investors to raise approximately A\$760 million (K\$1,579 million), as announced to PNGX and ASX on Tuesday, 7 April 2020
PNG	the Independent State of Papua New Guinea
PNGX	PNG's National Stock Exchange
PNGX Listing Rules	the listing rules of PNGX
Prospectus	this prospectus, as well as any supplementary or replacement prospectus
Record Date	7.00pm (Port Moresby time) on Thursday, 9 April 2020
Registrar of Companies	PNG Registrar of Companies
Securities Commission	Securities Commission of Papua New Guinea established pursuant to the <i>Securities Commission Act 2015</i> (PNG)
Share	a fully paid ordinary share issued in the capital of the Company
Shareholder	a person registered as the holder of one or more Shares
Share Registry	the Company's share registry, Computershare Investor Services Pty Limited (ACN 078 279 277)
United States	the United States of America
US Person	the meaning given to "US Person" in Regulation S of the US Securities Act
US Securities Act	the US Securities Act of 1933, as amended

APPENDIX

Capital and operating expenditure reductions and balance sheet update

18 March 2020

SYDNEY (ASX: OSH | ADR: OISHY | PNGX: OSH)

In light of the recent material decline in oil prices and global circumstances, Oil Search has undertaken a comprehensive review of its planned activities in 2020. The objective of the review has been to minimise forward expenditure and maximise liquidity, while protecting the Company's base value and preserving the option to deliver our world class growth projects when market conditions improve.

Apart from work programmes required to ensure ongoing reliable and safe operations, all discretionary activities within the Company's control that have not yet commenced are being suspended or deferred. Where possible, some projects that have commenced have also been suspended safely. This action will result in a material reduction in investment expenditure in 2020, from US\$710 – 845 million as previously disclosed, to US\$440 – 530 million. Forecast capital expenditure going forward from April has been reduced from US\$400 – 500 million to between US\$200 million and US\$300 million.

Oil Search has also commenced a systematic review of all operating and corporate overhead costs, aimed at delivering a sustainable, material reduction in these costs without compromising the ongoing and safe production of oil, condensate and gas in PNG. Deferrals of non-essential capital projects will flow through to material reductions in direct support and operating costs. Analysis and implementation of the flow-on impact on operating costs is currently underway and revised guidance on operating costs will be provided once the associated restructuring costs have been fully quantified.

In addition to managing for the low oil price environment, Oil Search has prepared comprehensive business continuity plans and is well advanced in its preparations to adjust its work practices and exposures, to reduce the risk of disruption to reliable and safe operations from COVID-19.

Dr Keiran Wulff, Oil Search's Managing Director said:

"The recent dramatic fall in oil prices to below US\$40/bbl, due to the impact of COVID-19 on oil demand, combined with concerns about a material increase in oil production following the recent failed OPEC+ meeting on further production cuts, has led to a major drop in oil and gas company share prices. It is unclear how long these events and the consequent oil price and share market volatility will last.

While Oil Search is fortunate to have world class assets, these unprecedented times require us to take immediate and decisive steps to position us for a potentially extended period of lower oil prices and business uncertainty.

We have consequently implemented a halt in all discretionary spend, which will reduce capital expenditure significantly in 2020. While it is premature to forecast budgets for 2021, if lower oil prices persist, Oil Search will focus on protecting the value of our core assets and limiting any other activities. We are also well advanced in preparations to rapidly reduce our operating and corporate costs, for immediate implementation.

Since early in the year, the Company has been evaluating the potential impact of COVID-19 across our business. We have established a multi-location, cross-functional COVID-19 Task Force which has prepared business continuity and emergency response plans to manage the impact of COVID-19 on our workforce, operations and workplace environments. This has included identifying business critical personnel and projects and having layered plans for implementation.

We have recently been made aware of an individual in PNG who has developed flu-like symptoms after returning from field break. This individual works for a landowner company that currently supplies services to one of our camps. In accordance with World Health Organisation advice and the Company's protocols, the individual and his close contacts have been isolated and the relevant authorities notified. The individuals will remain in quarantine until they are fully recovered and cleared to return to work. The plans that the Company has made to minimise the impacts of Coronavirus on the Company's activities are now being implemented. The health and safety of our employees and contractor community remains our highest priority.

The early systematic preparation for managing the impact of COVID-19 on our business and the measures we are now implementing to minimise capital spend, operating costs and corporate expenses, will assist the Company with the financial flexibility to ride through a potentially extended period of global disruption and enhance Oil Search's resilience in a lower oil price environment.

We are confident that these measures, combined with our balance sheet structure and liquidity, will position the Company for success despite the challenges currently facing the global energy industry."

2020 REVISED GUIDANCE ¹

Year to December 2020	PRIOR GUIDANCE	REVISED GUIDANCE
Investment expenditure (US\$m)		
Production expenditure (PNG)	120 - 140	55 - 65
Development		
<i>PNG</i>	70 - 90	25 - 35
<i>Alaska</i>	120 - 140	110 - 130
Total development expenditure	190 - 230	135 - 165
Exploration and evaluation		
<i>PNG</i>	120 - 130	70 - 80
<i>Alaska</i>	220 - 240	150 - 170
Total exploration and evaluation expenditure	340 - 370	220 - 250
Other plant and equipment (US\$m)	55 - 65	25 - 35
Power (US\$m)	5 - 40	5 - 15
Total (US\$m)	710 – 845	440 – 530

1. Numbers may not add due to rounding.

PNG production activities

All Oil Search operated-production activities that are not required to ensure facilities reliability or personal and process safety have been suspended. The deferral of activities, which includes suspending the IDT 26 well (subject to regulatory approval), a coil tubing programme, a well work-over and the rebuilding of the refinery at Kutubu (damaged by the 2018 earthquake), is not expected to impact Oil Search-operated production materially in 2020. The production guidance range, of 27.5 mmbœ – 29.5 mmbœ, remains unchanged.

ExxonMobil, operator of the PNG LNG Project, has advised Oil Search that it is also taking steps to reduce discretionary spend.

Development activities

Early development activities in Alaska, including laying gravel roads, will be completed to comply with permitting obligations. However, all further work on the proposed Early Production System for the Pikka Unit Development, including ordering long lead items, will be placed on hold.

Dialogue is ongoing with the PNG Government on the P'nyang Gas Agreement, which is required for the Papua LNG, PNG LNG and P'nyang joint ventures to progress into FEED for the proposed three-train integrated LNG expansion in PNG. At present, we have assumed that activities on LNG expansion are minimal. If agreement on P'nyang terms is reached and the joint ventures move into the FEED phase in 2020, it is anticipated that spend on the projects would be modest over the balance of the year.

ExxonMobil, as operator of the PNG LNG Project, has advised that development activities on the Angore field in PNG will be suspended.

Exploration and evaluation

Much of the planned exploration activity in PNG, including the Gobe Footwall well and seismic acquisition in the PNG Highlands, has already taken place or is underway. However, all further activities, including other seismic acquisition programmes, have been deferred.

In Alaska, operations on Mitquq and Stirrup, the two wells drilled in the 2019/20 winter season, will be completed. Testing of the wells, which both discovered oil, is currently underway, with results anticipated to be available in late March/early April. No further exploration activities are now planned to take place in 2020.

Limited engineering work on the Pikka Unit full field development will continue, so that the project is ready to move promptly towards FID when market conditions improve.

Other expenditure on seismic acquisition and G&G and G&A costs will be minimised as much as possible.

FINANCIAL PROFILE

US\$ MILLION ¹	31 DEC 2019
Cash and short-term deposits ²	396.2
Debt (PNG LNG financing)	(2,939.4)
Corporate facilities	(440.0)
Net debt³	(2,983.2)
Total liquidity⁴	1,151.9

- Numbers may not add due to rounding.
- As at 31 December 2019, US\$232.1 million was escrowed in PNG LNG Project accounts.
- Excludes lease liabilities presented as 'Borrowings' in the Statement of Financial Position.
- As at 31 December 2019, US\$755.7 million of corporate facilities were undrawn.

At 31 December 2019, 87% of Oil Search's drawn debt (US\$2.94 billion) related to the PNG LNG project finance facility. This debt is secured against the PNG LNG Project assets, with no recourse to the PNG LNG Project sponsors. A cash balance equal to six months of forecast interest and principal payments is kept within PNG LNG Project accounts at all times. Once all cash obligations, including operating costs and debt and principal payments, have been met, distributions are made to the Project sponsors, provided historic and projected Debt Service Cover Ratios are met. There are no financial covenants at either the project level or at the sponsor level that must be satisfied.

In addition to the PNG LNG project finance debt, at the end of 2019, US\$440 million had been drawn down from the Company's US\$1.2 billion of corporate facilities, with US\$4 million utilised as letters of credit and US\$756 million available to be drawn.

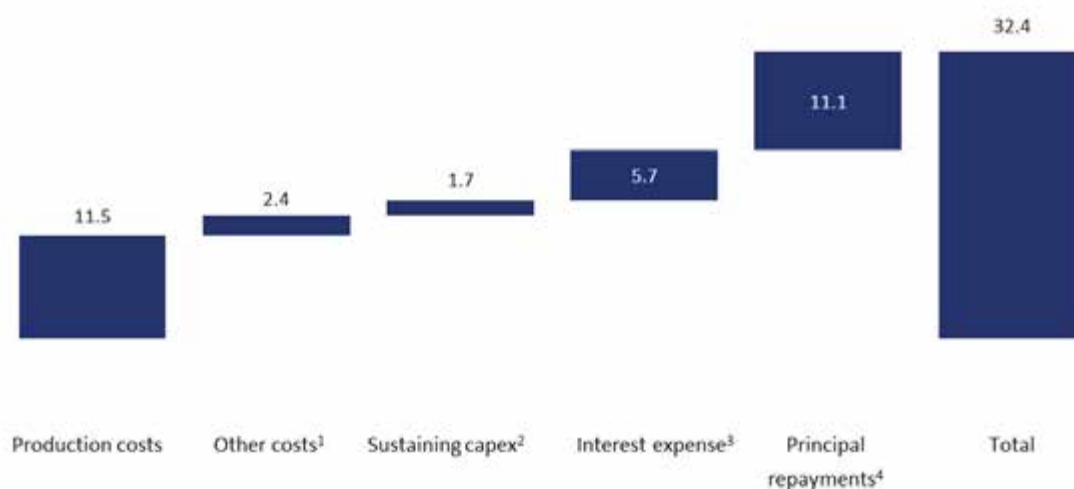
Facility	Amount (US\$m)	Term
Five-year non-amortising syndicated facility	600	June 2022
Bilateral revolving credit facility	300	December 2023
Bilateral facilities	300	September 2020
Total	1,200	

The US\$300 million facilities that were arranged with two banks to provide additional financial flexibility at the time of the exercise of the US\$450 million Armstrong Energy/GMT option, are due to expire in September 2020. Oil Search plans to refinance these facilities well in advance of the expiry date.

There are a limited number of financial covenants that apply to the corporate facilities, the most significant of which in the current environment is an EBITDAX/interest cover test of more than three times, calculated each six months over the prior twelve-month period.

The Company's cash flow break-even for 2020 (comprising operating and core corporate costs, sustaining capex, cash interest expense and scheduled PNG LNG debt repayments) is currently in the range of US\$32-33 per barrel of oil equivalent (boe). The cost reduction initiatives planned are expected to lower the break-even, excluding the impact of one-off restructuring costs.

Cash flow break-even in 2020 (US\$/boe)



1. Other costs include shipping & distribution, corporate costs and royalties. Excludes inventory movements, donations, power project expenses and business development costs.
2. Sustaining capex comprises critical expenditure only for the producing assets. All expansion and discretionary expenditure has been excluded.
3. Interest expense on PNG LNG and corporate facilities (at current LIBOR rates).
4. Principal repayments relate to PNG LNG project financing facility.

ALASKAN ASSET SALE

Oil Search has decided to suspend the formal process to sell up a 15% interest in its Alaskan assets. However, discussions are continuing with several parties who, due to the quality of the Alaskan assets, continue to express strong interest in a purchase. The Company's liquidity assumptions do not include any proceeds from a sale.

BUSINESS CONTINUITY

In light of the rapid escalation of instances of COVID-19 across the globe, over the past month Oil Search has been taking steps to protect the health of its employees and contractors and to ensure that adequate resourcing is maintained to deliver safe and reliable work activities across its core production and support locations.

A dedicated cross functional Task Force has been charged with proactively preparing the Company to manage the impact of Coronavirus on our business, in line with the recommendations from the World Health Organisation. Comprehensive plans have been prepared to minimise, to the extent possible, the impacts of the virus on the Company's activities and working environment and to deliver business continuity.

The measures include the implementation of rotational working arrangements at office locations in cities where the virus is present, revised field rotations for expatriate staff, the establishment of quarantine zones in the field and a material reduction in the number of field based employees and contractors by standing down non-essential staff and reducing discretionary work activities in remote locations.

Contingency plans are being developed for activities that support production and liquids export, supported by detailed risk assessments and mitigation actions. Measures will be escalated as required, depending on the spread of the virus across our diverse work locations.

The health and safety of our employees and contractor community is our highest priority and these actions will reduce the exposure to COVID-19 across our work locations, while also safeguarding our critical business operations and resulting cash flow, to the maximum extent possible.

KEIRAN WULFF

Managing Director, Oil Search Limited

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This ASX announcement was authorised for release by Oil Search Managing Director, Keiran Wulff.

PNG Operations Update

23 March 2020

SYDNEY (ASX: OSH | ADR: OISHY | PNGX: OSH)

On Sunday 22 March 2020, Papua New Guinea's National Executive Council announced the implementation of a series of measures in response to the first positive test of Coronavirus (COVID-19) in PNG. These include declaring a State of Emergency for 14 days and, following the cessation of incoming international flights on 21 March, stopping all domestic flights for 14 days starting on Tuesday 24 March 2020.

Oil Search has been monitoring the COVID-19 developments since early in the year and established a multi-disciplinary COVID Task Force to proactively prepare comprehensive plans to ensure business continuity in the event that an outbreak of COVID-19 in PNG occurs. As a result of these preparations, the Company's business continuity plans are well developed and are currently being implemented. Over the past week, the Company has commenced safely suspending all discretionary activities, such as the acquisition of seismic and development drilling, and is demobilising non-essential staff from the field. All key staff, including expatriates and relief staff, are now in PNG, located either in the field or in Port Moresby, as required. As a precautionary measure, business essential personnel have been isolated, to ensure safe and uninterrupted production from the Company's operations in PNG

These measures will assist in minimising the risks of spreading COVID-19 and support business continuity for production from Oil Search's operated assets. ExxonMobil, operator of the PNG LNG Project, has advised that they are implementing similar measures, consistent with recommendations from the PNG Government, the global health authorities and ExxonMobil practices, to sustain continued safe operations from the PNG LNG Project.

Keiran Wulff, Oil Search's Managing Director said:

"In response to COVID-19, over the past several weeks we have been making preparations to mitigate the potential impact of the virus on the health and wellbeing of our people and on our business. The comprehensive plans developed by the Company's cross functional COVID-19 Task Force are now being implemented.

I am pleased to report that the individual working for a landowner company supplying services to one of our camps, who was displaying flu-like symptoms, has been cleared of COVID-19. However, we remain vigilant, with ongoing monitoring of the health of our employees and contractors and protocols for management in place, should any COVID-19 cases be suspected.

The changes to our work practices and the precautionary measure being undertaken will help reduce both the spread of COVID-19 through our operations and the risk of disruptions to reliable and safe operations during this extremely challenging time.”

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This ASX announcement was authorised for release by Oil Search Managing Director, Keiran Wulff

Successful completion of well tests in Alaska

31 March 2020

SYDNEY (ASX: OSH | ADR: OISHY | PNGX: OSH)

Testing of the Nanushuk reservoirs encountered in the Mitquq 1 ST1 and the Stirrup 1 wells has been completed.

Both wells were drilled, logged, cored and flow tested. The flow tests included a clean-up, flow period and a pressure build-up prior to the final flow test to assess well deliverability.

Mitquq 1 ST1, a sidetrack from the Mitquq 1 oil discovery, located nine kilometres east of the proposed central processing facility of the Pikka Unit Development, encountered a net pay zone of 52.5 metres (172 feet) with a gas cap of 9 metres (29 feet). On test, the well flowed at a stabilised rate of 1,730 barrels of oil per day (bopd) from a single stimulated zone.

The Stirrup 1 exploration well, located approximately 12 kilometres west of the 2017 Horseshoe discovery well and 35 kilometres southwest of the proposed Pikka Unit development infrastructure, encountered an oil column with net pay of 23 metres (75 feet). On test, the well flowed at a stabilised rate of 3,520 bopd from a single stimulated zone.

The two Mitquq (Mitquq 1 and Mitquq 1 ST1) and Stirrup 1 oil discoveries, together with the Mitquq 1 ST1 and Stirrup well tests, have provided valuable information regarding the geology and well productivity of the Nanushuk play in the areas to the east and south west of the Pikka Unit. In addition, the discoveries support the potential for material resource growth in the Company's leases.

With testing complete at both well locations, the crews are demobilising and expected to be off-location by mid-April.

Keiran Wulff, Oil Search's Managing Director, said:

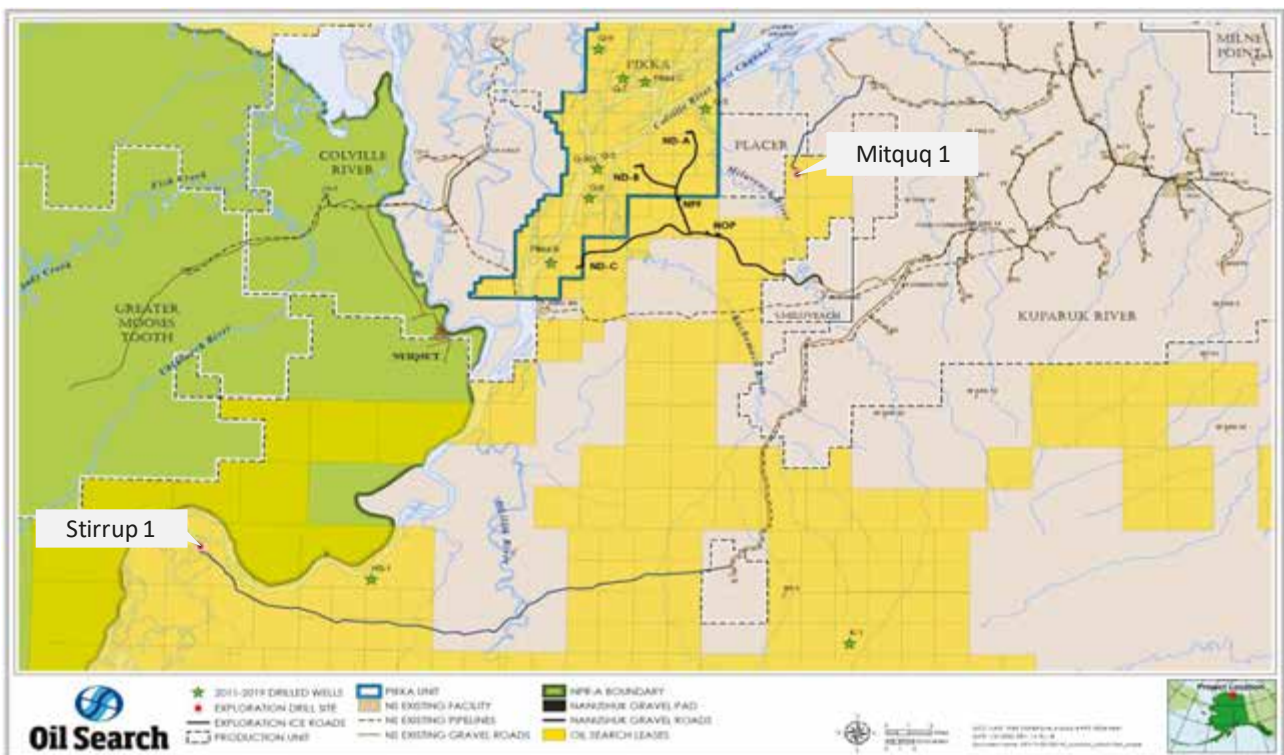
"We are very encouraged by the success of our 2019/20 Alaskan exploration programme, with oil discovered in all three penetrations, at Mitquq 1, Mitquq 1 ST1 and Stirrup, and excellent flow rates achieved in the two well tests. We also discovered high quality oil in a deeper reservoir at Mitquq which was not tested. We now have a strong understanding of the geology and potential productivity of the prolific Nanushuk play that underlies our portfolio of leases on the North Slope, which could add substantial resource and value to the Pikka Unit Development.

As previously announced, given current market conditions, Oil Search has decided to delay the Final Investment Decision date for the Pikka Unit Development. The additional time will allow further value engineering and optimisation of the development to take place, with a focus on reducing the break-even of the project, and the integration of the results of the Mitquq and Stirrup wells. While further appraisal will be required, these new discoveries may represent low cost tie-back options to the proposed Pikka Unit Development and have the potential to create substantial long-term value for Oil Search shareholders, as well as having positive implications for the prospectivity of our acreage.

The safe and successful execution of the program has been an excellent demonstration of the expertise and experience of our team in Alaska and has been delivered in close collaboration with our partner contractors and key stakeholders, including the people and organisations of Nuiqsut and neighbouring communities. The rigs used to drill the exploration wells are currently being demobilised. In addition, the winter season early civil works program, which has included the construction of ice and gravel roads, gravel pads and a bridge, is expected to be completed shortly, with all crews, equipment and support infrastructure to be demobilised by the end of April.

The Company is well placed to minimise capital expenditures in Alaska during this challenging time within the oil and gas industry. At present, Oil Search does not plan to pursue an exploration drilling program in the 2020/21 winter season and will focus on maintaining capabilities, advancing work needed to comply with permitting obligations and pursuing opportunities to minimise costs and add value to the Pikka Unit Development. This will enable the Company to respond quickly when oil prices improve. The Company remains committed to progressing the Pikka Unit Development, which will generate material value, jobs, tax, royalty and other revenues for the State of Alaska and regional and local communities, at the appropriate time.

Given the proximity of our acreage to existing infrastructure and the proven prospectivity of the Nanushuk play, we remain very excited about the opportunities for Oil Search in Alaska and are well prepared to deliver the world class Pikka Unit Development when market conditions improve.”



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This ASX announcement was authorised for release by Oil Search Managing Director, Keiran Wulff.

Drilling Update March 2020

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

2 April 2020

Well Name	Mitquq 1/Mitquq 1 ST1
Well Type	Exploration
Location	Pikka East area, Alaska North Slope
Spud Date	25 December 2019 (Alaska Time)
Rig	Nabors 7ES
Objective/Target	Cretaceous Brookian Sandstone (Nanushuk) and Alpine C Sandstone.

Status

In March, the Mitquq ST1 exploration well was drilled to a total depth of 1,583 metres (5,195 feet). The well intersected the Nanushuk reservoir at 1,322 metres (4,336 feet) and encountered 52.5 metres (172 feet) of net hydrocarbon pay, including a nine metre (29 feet) gas cap.

The well was cored prior to a single-stage stimulation and flow test to determine the well deliverability. The fracture stimulation treatment consisted of 247,000 pounds of proppant. The well flowed at a stabilised rate of 1,730 barrels of oil per day (bopd), with a gas:oil ratio of 310 standard cubic feet per stock tank barrel (scf/stb) with less than 2% water cut on a 128/64" choke. This test was obtained over a one-hour period.

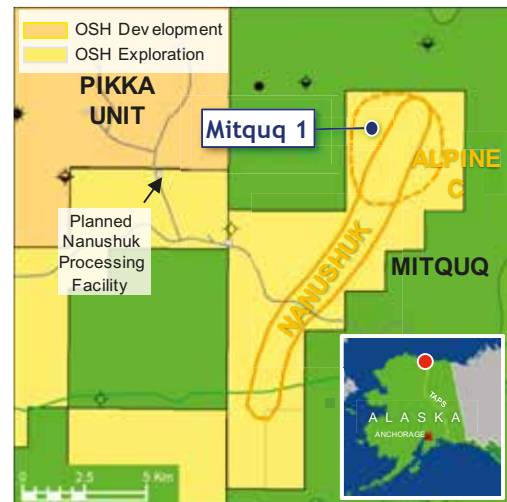
The well is currently being plugged and abandoned, as planned, and the rig demobilised.

Results from the well will be evaluated over the remainder of 2020.

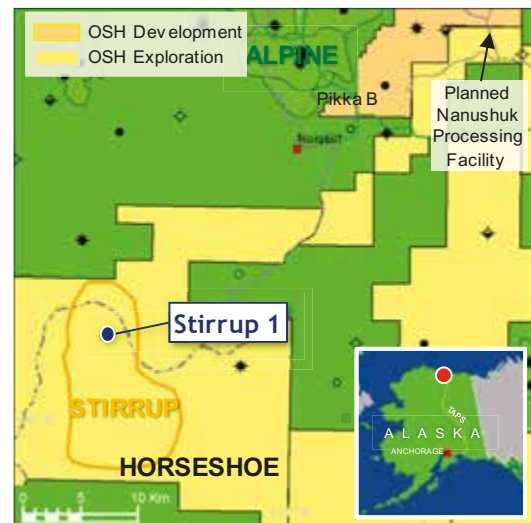
This is the final drilling report for Mitquq 1/1 ST1.

Operator Oil Search (Alaska) LLC

Participants	Oil Search (Alaska) LLC	51.0%
	Repsol E&P USA, Inc.	49.0%
	Total	100.0%



Well Name Stirrup 1
Well Type Exploration
Location Horseshoe area, Alaska North Slope
Spud Date 27 January 2020 (Alaska Time)
Rig Doyon Arctic Fox
Objective/Target Cretaceous Brookian Sandstone (Nanushuk)
Status



During the month, coring was completed at the Stirrup 1 exploration well. The well intersected the targeted Nanushuk reservoir at 1,322 metres (4,314 feet), encountering 23 metres (75 feet) of net oil pay.

A flow test to evaluate the deliverability of the well was conducted over the interval after completing a single-stage stimulation treatment. The fracture stimulation treatment consisted of 177,000 pounds of proppant. The well flowed at a stabilised flow rate of 3,520 bopd, with a gas oil ratio of 560 scf/stb and less than 14.5% water cut on a 128/64" choke. This test was obtained over a one-hour period.

The well is currently being plugged and abandoned, as planned, and the rig demobilised. Results from the well will be evaluated over the remainder of 2020.

This is the final drilling report for Stirrup 1.

Operator	Oil Search (Alaska) LLC	
Participants	Oil Search (Alaska) LLC	51.0%
	Repsol E&P USA, Inc.	49.0%
	Total	100.0%

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

Keiran Wulff

Managing Director

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This ASX announcement was authorised by Oil Search Managing Director, Keiran Wulff.



Successful completion of Institutional component of Entitlement Offer and Placement, raising A\$1,080 million

8 April 2020

SYDNEY (ASX: OSH | ADR: OISHY | PNGX: OSH)

Oil Search is pleased to announce the successful completion of its placement to institutional investors (“Placement”) and the institutional component of its 1 for 8 accelerated pro-rata non-renounceable entitlement offer (“Institutional Entitlement Offer”) of new ordinary shares in Oil Search (“New Shares”). Details of the equity raising, including the retail component of the Entitlement Offer (“Retail Entitlement Offer”) (together, the “Equity Raising” or “Offer”) were announced to the ASX on Tuesday, 7 April 2020.

The Placement and Institutional Entitlement Offer raised approximately A\$1,080 million (US\$650 million), excluding estimated transaction costs (subject to ongoing shareholding reconciliations), at an offer price of A\$2.10 per share (“Offer Price”). The Offer Price represents a 23.1% discount to Oil Search’s last closing price and an 18.0% discount to the Theoretical Ex-Rights Price¹ (“TERP”)².

The combined proceeds of the Equity Raising are expected to be up to approximately A\$1,160 million (US\$700 million), excluding estimated transaction costs.

Trading in Oil Search shares is expected to resume on the ASX and PNGX from market open today (Wednesday, 8 April 2020).

Commenting on the Capital Raising, Oil Search Managing Director, Keiran Wulff said:

“I would like to thank our shareholders for the strong support they have shown the Company during these challenging times. The Placement was substantially oversubscribed and was fully allocated to existing institutional shareholders, the majority of whom have been on the register for many years. The proceeds of the Offer, together with our initiatives to reduce costs and manage the potential impacts of COVID-19, will enable Oil Search to not only withstand a prolonged period of low oil prices but also come through the current period of uncertainty strongly, while maintaining safe and reliable operations from our oil and gas assets in PNG. Oil Search is well positioned to deliver our world class growth projects when market conditions improve.”

Oil Search will also utilise the current downturn to undertake value engineering studies on its growth projects, drive breakeven costs down and ensure the Company’s cost base, capital management and capability are optimised.”

¹ The theoretical ex-rights price (“TERP”) includes shares issued under the Placement, Institutional Entitlement Offer and Retail Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Oil Search shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP. The TERP has been calculated as: (existing market capitalisation of Oil Search plus additional equity raised) / total shares on issue following the Equity Raising.

² At 3 April 2020, Oil Search’s last closing price was A\$2.73 per share and the TERP is A\$2.56 per share.



Placement and Institutional Entitlement Offer

The Institutional Entitlement Offer had a take up rate of approximately 95% by eligible institutional shareholders (excluding Mubadala, which did not take up its entitlement). The Placement and institutional shortfall was allocated exclusively to existing Oil Search shareholders.

All New Shares offered under the Placement and Institutional Entitlement Offer were issued at the same price, of A\$2.10 per share.

Approximately 514 million New Shares subscribed for under the Placement and Institutional Entitlement Offer are expected to be settled on Friday, 17 April 2020 and be allotted and commence trading on Monday, 20 April 2020. New Shares issued under the Placement do not have rights to participate in the Entitlement Offer.

In conducting the Placement, Oil Search has relied on the class waiver decision "Temporary Extra Placement Capacity" issued by ASX on 31 March 2020. This waiver lifts the limit on the number of New Shares that Oil Search can issue without obtaining prior shareholder approval, pursuant to Listing Rule 7.1, from 15% to 25%.

Retail Entitlement Offer

The Retail Entitlement Offer has now been fully underwritten and will raise approximately A\$80 million. The Retail Entitlement Offer is expected to open on Thursday, 16 April 2020 and close on Monday, 27 April 2020.

Eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date of 7.00pm (Sydney time), 9 April 2020, have the opportunity to invest in New Shares at the Offer Price, on the terms and conditions outlined in the Retail Offer Booklet to be sent to eligible retail shareholders on or around 16 April 2020.

Please note that shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer. Further details as to eligibility will be set out in the Retail Offer Booklet.

Under the Retail Entitlement Offer, Eligible retail shareholders that take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement. Eligible retail shareholders may apply for up to a maximum of 200% in excess of their Entitlement, at the Offer Price ("Oversubscription Facility"), the allocation of which will be subject to availability.

PNG Retail Offer

Eligible retail shareholders with a registered address in Papua New Guinea on the Record Date of 7.00pm (Sydney time), 9 April 2020, will have the opportunity to invest in New Shares on substantially the same terms as the Entitlement Offer. Further information regarding the PNG Retail Offer, including the terms and conditions of the offer and details as to eligibility, will be outlined in the PNG Prospectus to be sent to eligible retail shareholders in PNG in mid to late April 2020.

Further information

Further information on the Offer is set out in the Investor Presentation lodged with the ASX on Tuesday, 7 April 2020.

For further information regarding the Retail Entitlement Offer, please do not hesitate to contact the Oil Search Shareholder Information Line on 1300 128 731 (within Australia) or +61 3 9415 4233 (outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday during the offer period.



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This ASX announcement was authorised for release by Oil Search's Managing Director, Keiran Wulff

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Forward-looking statements and forecasts

This announcement contains certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations and on information currently available to management. Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend",



“should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Such forward-looking statements include statements regarding the timetable, conduct and outcome of the Equity Raising and the use of proceeds thereof, statements about the plans, objectives and strategies of the management of Oil Search, statements about the oil and gas industry and the markets in which Oil Search operates and statements about the future performance of the Oil Search businesses. Indications of, and guidance or outlook on, future earnings or financial position or performance, future earnings and distributions are also forward-looking statements

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Any such statements, opinions and estimates in this announcement speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this announcement are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Oil Search group, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also assume the success of Oil Search's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Oil Search's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise. Refer to the key risks in Appendix B of the Investor Presentation released on ASX on 7 April 2020 for a non-exhaustive summary of certain key business, offer and general risk factors that may affect the Oil Search group.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the PNG and global economic environment and capital market conditions and other risk factors set out in the Investor Presentation. Investors should consider the forward-looking statements contained in this announcement in light of those risks and disclosures. The forward-looking statements are based on information available to Oil Search as at the date of this announcement.

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PROSPECTUS

for an offer of ordinary shares to existing Papua New Guinea shareholders

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