

ASX Announcement

Intention to re-engage on P'nyang gas project

23 August 2021

ASX: OSH | PNGX: OSH | ADR: OISHY

PNG Government and ExxonMobil announce intention to re-engage on P'nyang gas project

Oil Search [ASX: OSH] today confirmed that the Papua New Guinea Government and Esso PNG P'nyang Limited, as operator of PRL 3 (P'nyang field), jointly announced their intention to re-engage in the negotiations on the P'nyang project (refer to attached release issued 20 August 2021).

PNG Minister for Petroleum, the Hon. Kerenga Kua, said "A series of workshops regarding the development of the P'nyang Gas fields will take place over the next couple of weeks and if all goes well, we can expect to sign a P'nyang Heads of Agreement around the end of this next month and a Gas Agreement thereafter."

Diego Fettweis, Oil Search's EVP Commercial, said "This is a positive step towards the development of the P'nyang gas resource and signals the strength of support between the PRL3 joint venture and the Government of Papua New Guinea for a mutually beneficial outcome. We look forward to further progress in these negotiations and will support the PRL3 Operator through our 38.51% interest in the joint venture."

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This ASX announcement was authorised for release by the Acting CEO, Peter Fredricson.

About Oil Search

Oil Search is a responsible energy company, with a proud history and strong heritage, that contributes to a sustainable future. Established in 1929, the organisation's purpose is to deliver low cost, high value energy that meets society's needs, and its ambition is to be the preferred energy company for all stakeholders.

With activities well supported by a clear hierarchy for allocating capital, prioritising sustaining capital and a strong, flexible balance sheet, Oil Search is a safe, low-cost, reliable business with a clear path to future growth.

Recognised for its proven capability to operate in challenging environments, Oil Search has a world-class resource base and a strong track record of working with communities and stakeholders. Sustainability is embedded across the Company and it aspires to set the standard for sustainable development.

Oil Search is listed on the Australian and PNG security exchanges (ticker: OSH) and its ADRs trade on the US Over the Counter market (ticker: OISHY).



FOR IMMEDIATE RELEASE
20th August 2021

PNG GOVERNMENT & EXXONMOBIL INTENDS TO MOVE ON WITH P'NYANG GAS PROJECT

PORT MORESBY, NCD — The Minister for Petroleum today jointly with the Chairman of Esso PNG P'nyang Limited and Managing Director of ExxonMobil PNG, Mr. Peter Larden, announced the parties' intention to re-engage in the negotiations on the P'nyang project.

Key takeaways:

- Development of the P'nyang field resource in the Western Province
- Supports the phased development of the Papua and P'nyang projects
- State and Esso PNG P'nyang Limited to work closely towards a P'nyang Gas Agreement

The intent to develop the P'nyang field helps demonstrate the encouraging growth opportunities for our operations in Papua New Guinea," said Peter Larden. "Together with our joint venture partners, we look forward to working closely with the PNG Government and the landowners to progress the P'nyang field development proposal and secure the licenses needed to develop this important resource."

The benefits of phasing the construction of both Papua and P'nyang projects over an 8 year period shall be a substantial boost to the economy and the country. This tremendous investment would extend our gas pipeline infrastructure into the country's Western Province and have a meaningful and lasting economic impact for Papua New Guinea and its people," said Minister Kua.

A series of workshops regarding the development of the P'nyang Gas fields will take place over the next couple of weeks and if all goes well, we can expect to sign a P'nyang Heads of Agreement around the end of this next month and a Gas Agreement thereafter" Kua said.

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