

BUILDING A SUSTAINABLE GROWTH BUSINESS IN ALASKA



RESOURCE DEVELOPMENT COUNCIL
Growing Alaska Through Responsible Resource Development

Resource Development Council
November 2018

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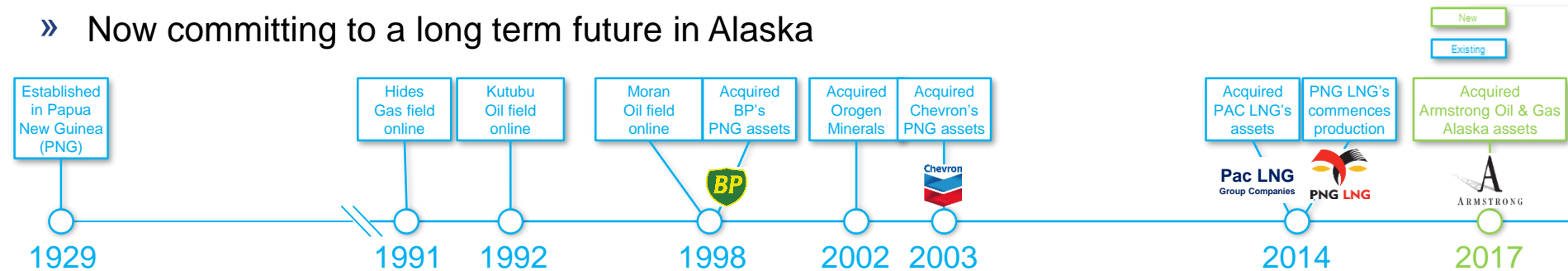
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WHO IS OIL SEARCH

GENERATE TOP-QUARTILE RETURNS FOR SHAREHOLDERS THROUGH EXCELLENCE IN SOCIALLY RESPONSIBLE OIL AND GAS EXPLORATION AND PRODUCTION

- » Established 1929
- » 1,300 employees
- » Market cap ~A\$12bn (~US\$9bn)
- » Operator of all oil fields & ~20% of the gas for PNG LNG
- » 29% owner of PNG LNG, operated by ExxonMobil
- » Preparing for FEED on three new LNG trains with ExxonMobil & Total
- » Production doubling by 2025
- » Experienced operator in PNG, previous operations in Yemen, Iraq, Tunisia, Egypt
- » Now committing to a long term future in Alaska



OUR EXPERTISE: CHALLENGING ENVIRONMENT SPECIALIST

DRILLING, EXPLORATION, DEVELOPMENTS, COMMUNITY SUPPORT & INFRASTRUCTURE



WORLD CLASS DEVELOPMENTS

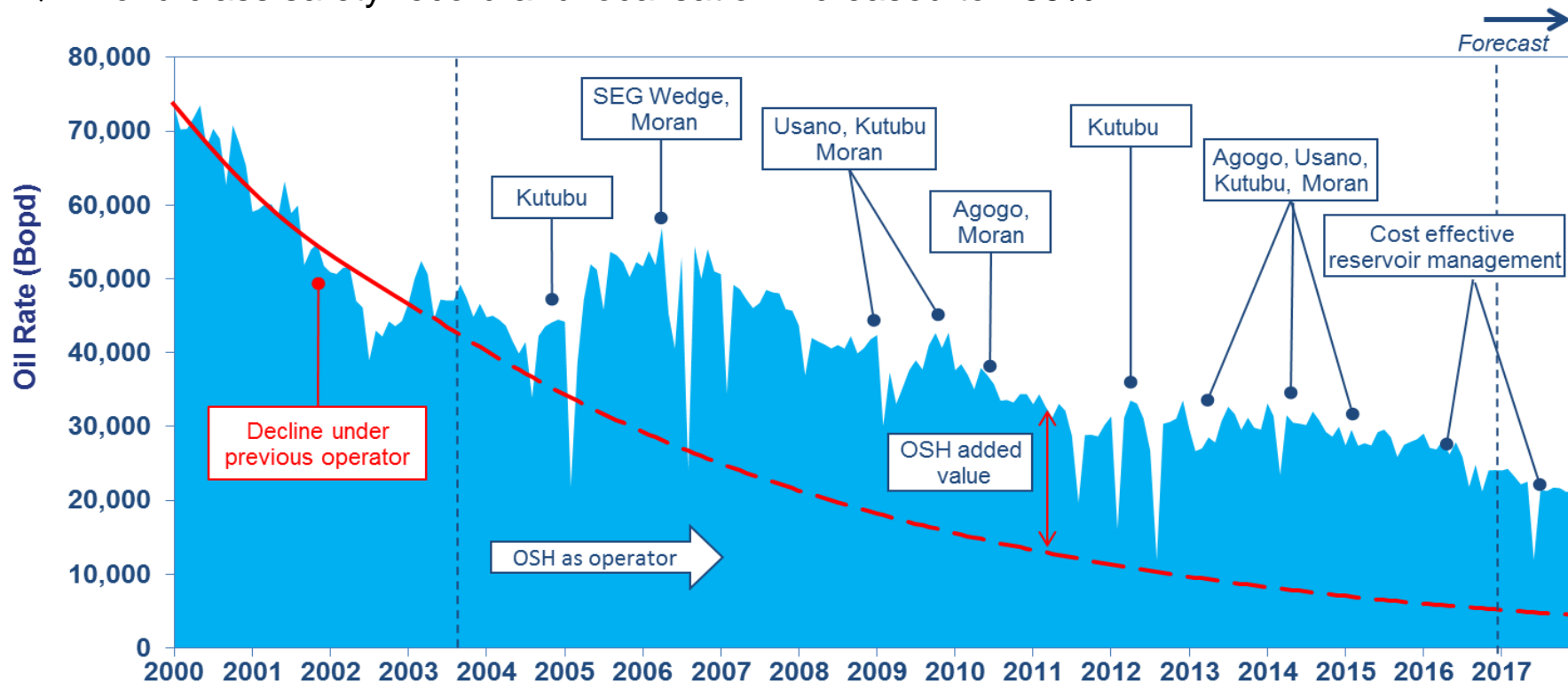
REMOTE OIL DEVELOPMENT OPERATOR AND A MAJOR PARTICIPANT IN WORLD CLASS TWO TRAIN PNG LNG WITH THREE NEW TRAINS PLANNED



PRODUCTION OPTIMISATION

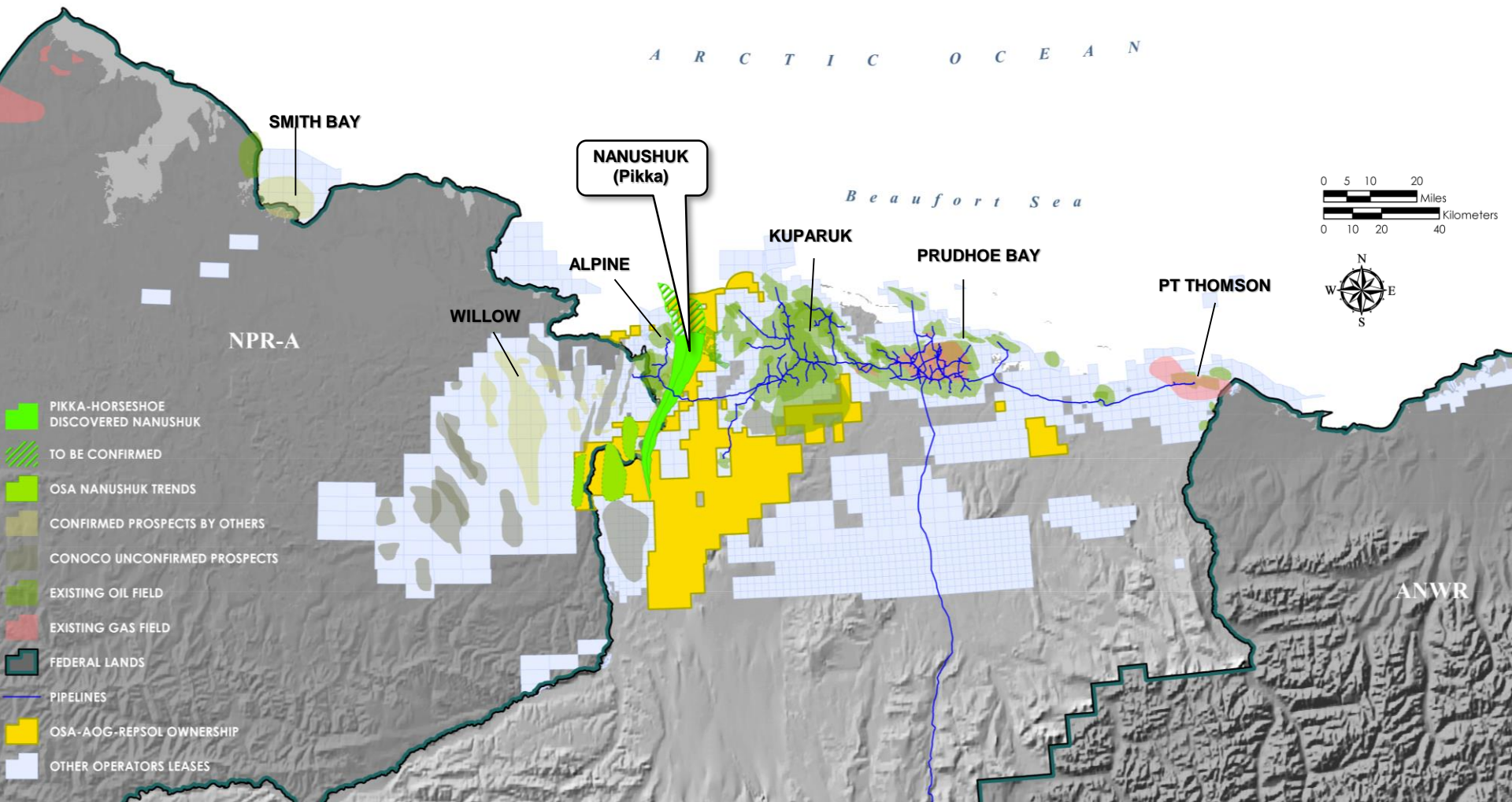
FOCUSED ON VALUE MAXIMISATION

- ◇ OSH took over operatorship of all PNG's producing oil fields from a global major in 2003
- ◇ Since 2003, OSH has drilled 44 development wells with ~85% success rate
- ◇ Production continues to perform at high end of long term forecast
- ◇ World class safety record and localisation increased to >83%



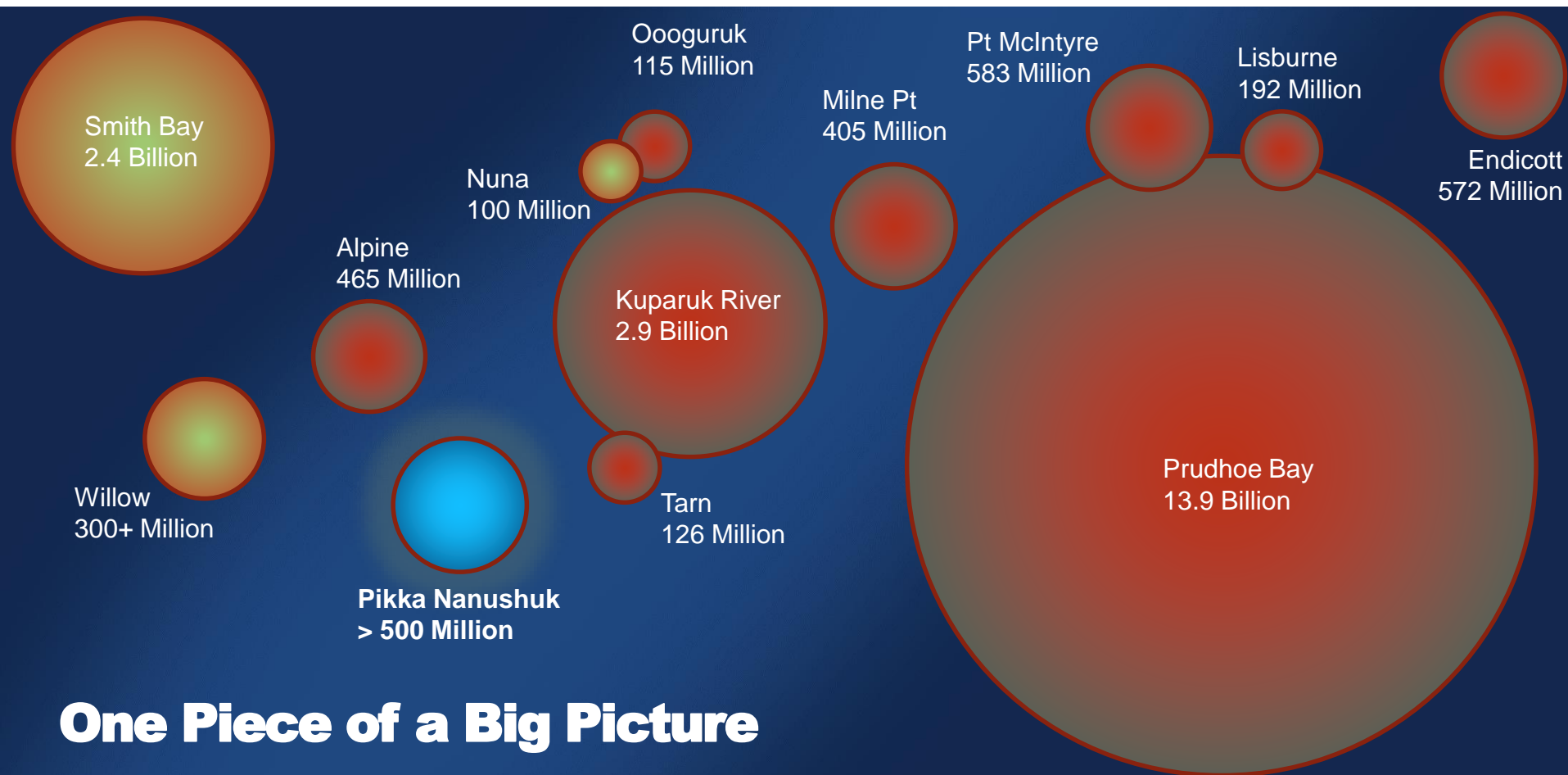
OSAL ON THE ALASKA NORTH SLOPE

ASSETS WITHIN PROVEN OIL PROVINCE WITH MEGA DISCOVERIES



PIKKA NANUSHUK DISCOVERY

FULL POTENTIAL YET TO BE DEFINED

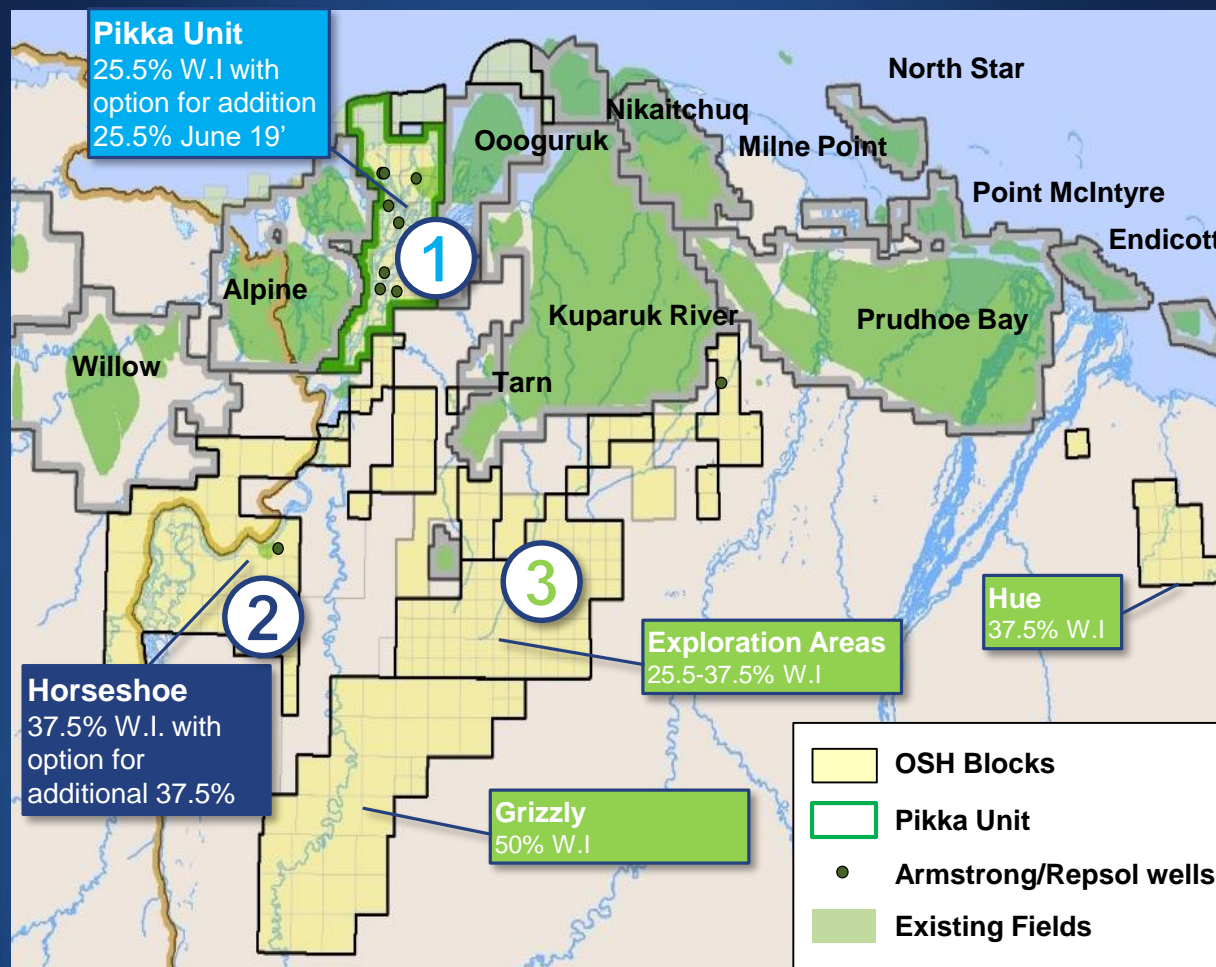


One Piece of a Big Picture

OIL SEARCH ALASKA: FOUR PHASES OF GROWTH

EXCELLENT BALANCE OF NEAR TERM DEVELOPMENT, EXPANSION AND
EXPLORATION

- | | |
|---|--|
| 1
Pikka Unit
Nanushuk
Development | ▪ Targeting 1 st oil in
2023 |
| 2
Nanushuk
Expansion | ▪ Understand full
potential |
| 3
Exploration | ▪ Pursue growth |
| 4
Business
Support | ▪ Long term local
relationships &
partnerships |



ALASKA 2018 BUSINESS PRIORITIES

BUILDING THE FOUNDATION FOR LONG TERM SUCCESS

US\$400M ACQUISITION COMPLETED FEB 2018

- ◆ Operatorship assumed March 2018
- ◆ Prepare to exercise option to buy balance (US\$450M)

ALIGNING THE PARTICIPANTS

- ◆ Independent reviews, updated reservoir models
- ◆ Development timing, gates, contracting and alliancing strategies

EIS OPTIMISATION AND LONG-TERM ACCESS AGREEMENTS

- ◆ Listen to community concerns,
- ◆ Revised plan addresses community issues

COOPERATION WITH KEY STAKEHOLDERS

- ◆ Joint studies with other parties for synergies & joint value initiatives

CONTRACTED FOR TWO RIGS FOR 2018/19 DRILLING



PREPARING TO DELIVER

FOCUSED ON LISTENING, LEARNING AND PUTTING IN PLACE A
TEAM CAPABLE OF DELIVERING FOR ALL STAKEHOLDERS



INCREASED CONFIDENCE IN PIKKA RESOURCES
DEVELOPMENT PLAN OPTIMISED TO ALIGN WITH COMMUNITY
OPERATIONAL CAPABILITY SECURED
ACTIVELY ENGAGED WITH COMMUNITY
PREPARING FOR 2 RIG FINAL APPRAISAL PROGRAM

BASING ALL ACTIVITIES IN ALASKA

COMMITTED TO INVESTING IN LOCAL TALENT FOR THE FUTURE



4 EMPLOYEES IN MARCH, >80 EMPLOYEES IN ALASKA AFTER 7 MONTHS

>80% LOCAL ALASKANS & >30% WOMEN (COMMITTED TO DIVERSITY)

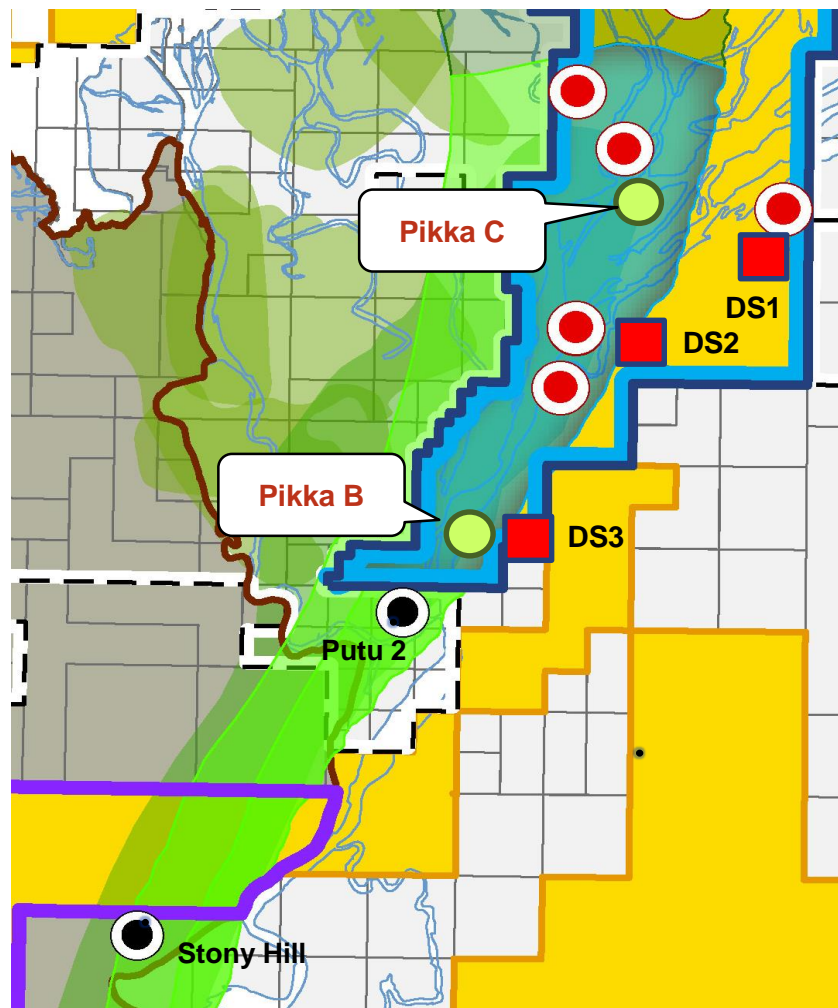
>250 YEARS COMBINED NORTH SLOPE EXPERIENCE

INTERNATIONAL EXPERIENCE IN >30 DIFFERENT COUNTRIES

>250 EMPLOYEES IN ANCHORAGE AND >800 ON THE SLOPE FOLLOWING FID

2019 DRILLING CAMPAIGN

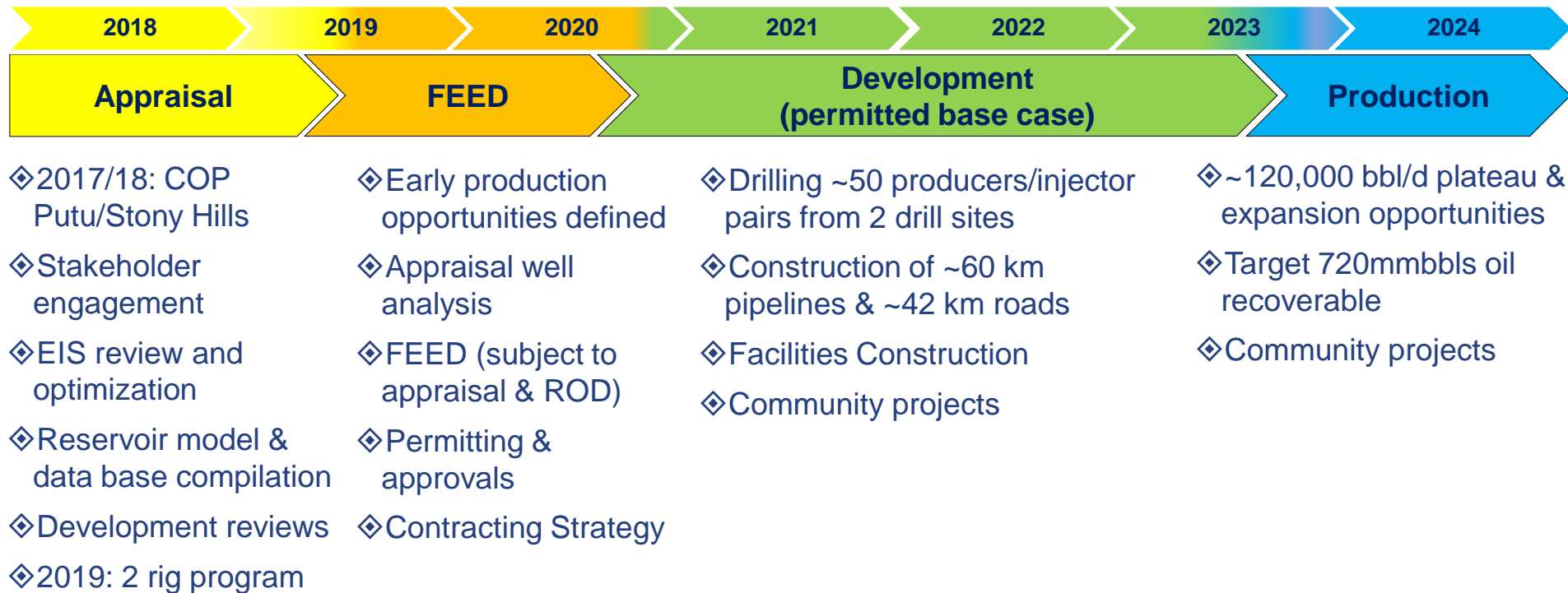
CONSTRAIN CONTINUITY & DELIVERABILITY OF THE NANUSHUK RESERVOIR



- Two drill sites (Pikka B and C)
- Ice pad at each site
- Staging ice pad with camp
- Ice pad with camp to support ice road construction
- Temporary staging at Mustang Pad
- Construct 24 miles of ice road
- Geotech surveys
- Polar Bear den surveying
- Cultural/TLUI clearance surveys completed
- Wells will be plugged & abandoned below ground

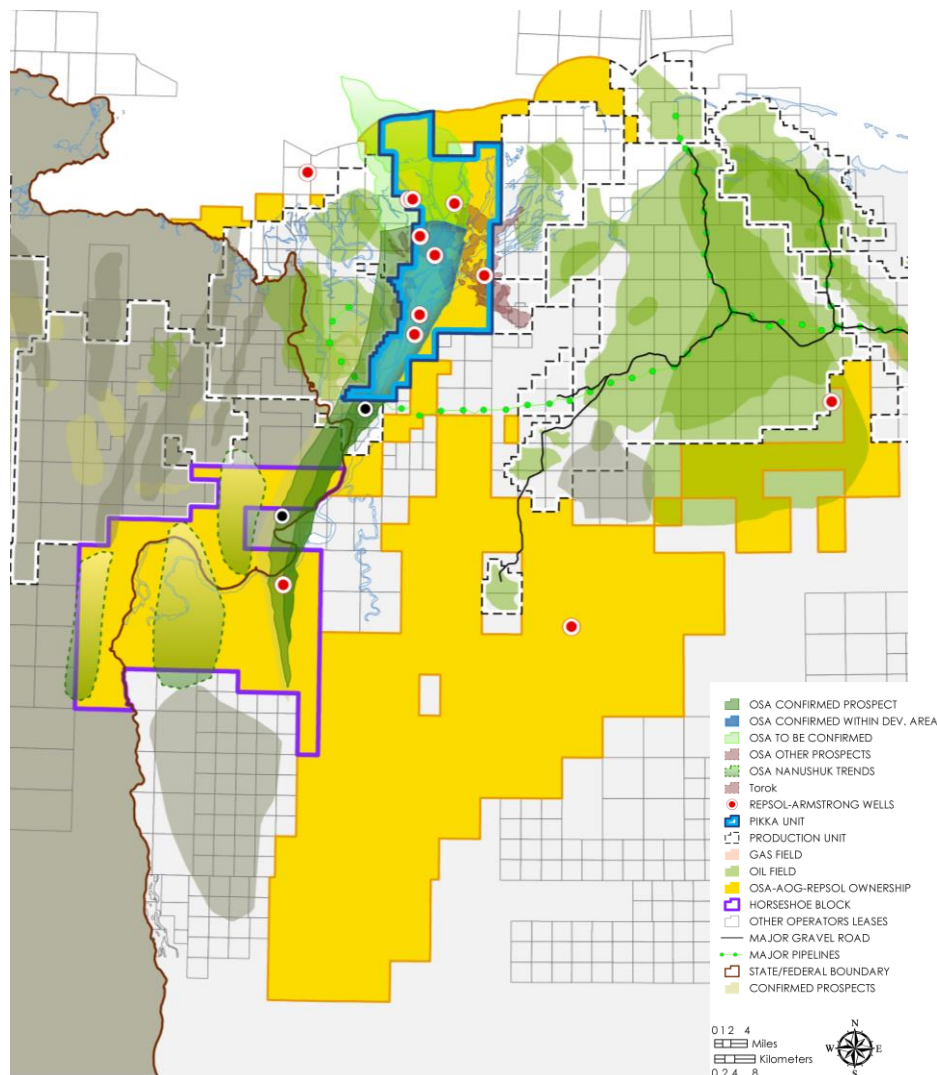
INDICATIVE SCHEDULE TO 1ST OIL

APPRAISAL PROGRAMME WILL DEFINE CONFIGURATION OF THE PIKKA DEVELOPMENT



MATERIAL EXPLORATION UPSIDE

PORTFOLIO BEING DEVELOPED TO SUPPORT SUSTAINED EXPLORATION



- ◈ Ranking exploration fairways in progress
- ◈ Initial focus on tie-back opportunities
- ◈ Multiple Nanushuk play prospects identified on existing 3D seismic.
- ◈ Reprocessing 3D seismic regionally to ensure best targets are identified pre-drill
- ◈ Additional plays throughout area
- ◈ >1Billion barrel unrisks resource potential

FOCUS ON COMMUNITY

LISTENING, LEARNING, UNDERSTANDING, CONSULTING & COOPERATING

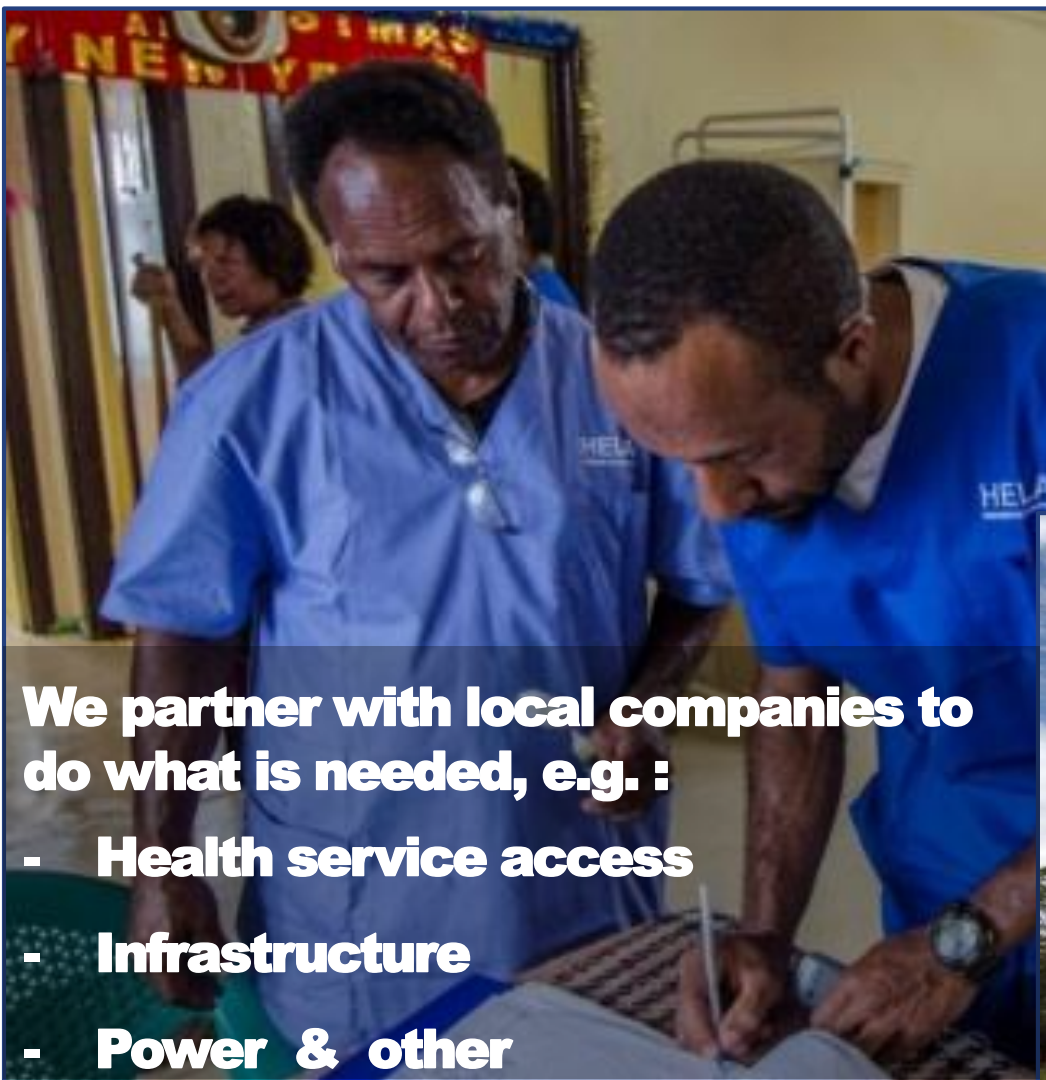


BUILDING A THOROUGH COMMUNITY ENGAGEMENT PROGRAMME TO ENSURE :

- ◆ Long term relationship built on delivering what we say
- ◆ Focus on subsistence & environmental preservation
- ◆ Open an office in the village
 - Interface, oversee local projects, create business development & meaningful employment
- ◆ Engaging with local businesses, including area and regional industry operators,
 - Build collective ability to fulfil employment opportunities through local and regional hire

OSL: MORE THAN AN OIL COMPANY

AT OSL COMMUNITY DEVELOPMENT, LOCAL WELL-BEING, OPPORTUNITY CREATION AND SUSTAINABILITY ARE PART OF OUR DNA



OUR COMMITMENT

ALASKA IS A CORE PRIORITY.



Alaska is a Core Priority
Social & Environmental Responsibility is Fundamental
A World Class Project & Model for Cooperation is the Goal
Delivering for Alaska is the Commitment