

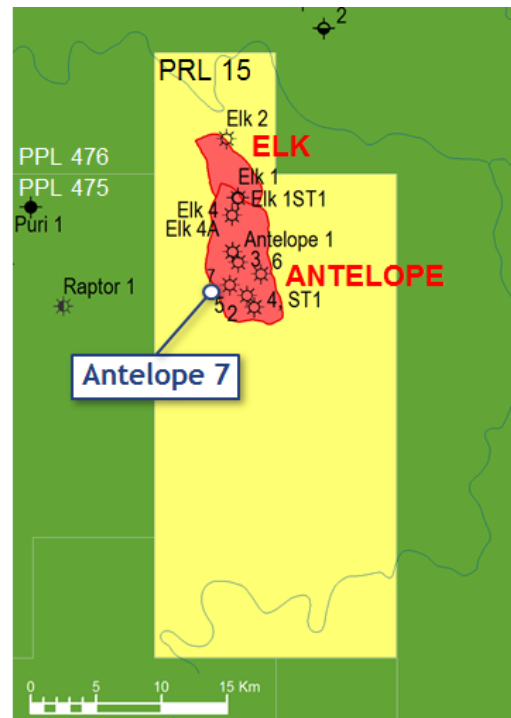
Exploration and Appraisal Drilling Update – December 2016

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

5 January 2017

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

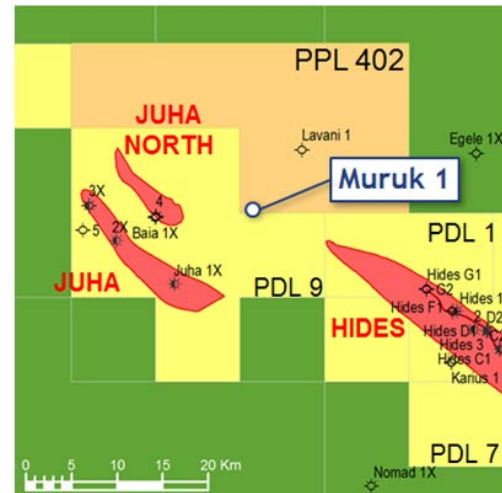
Well Name	Antelope 7
Well Type	Gas appraisal
Location	PRL 15, Gulf Province, PNG 1.4km WSW of Antelope 5
Spud Date	2 November 2016
Rig	HA 115
Objective/ Targets	To test for reservoir presence and definition on the western flank of the field.
Status	During the month, the Antelope 7 well was drilled to a depth of 2,127 metres through the Orubadi Formation. To date, no carbonate reservoir has been encountered, in line with Oil Search's pre-drill expectations.
	Due to drilling difficulties in the Orubadi and adverse hole conditions, at the end of December, preparations were underway to drill a sidetrack, in order to complete the appraisal objectives. The sidetrack is to be kicked off at a depth of 1,178 metres.
Operator	Total E&P PNG Limited



Participants¹	Oil Search	22.8%
	Total	40.1%
	InterOil	36.5%
	Minorities	0.5%
	Total	100%

¹ Gross interests, pre-Government and landowner back-in rounded to 1 decimal place

Well Name	Muruk 1
Well Type	Exploration
Location	PPL 402, Highlands, PNG, (north west of the Hides Gas field)
Spud Date	2 November 2016
Rig	Rig 104
Objective/ Targets	Early Cretaceous sandstone of the Toro Formation



Status During December, the Muruk 1 well was drilled to a total depth of 3,130 metres. Wellbore logging was completed, indicating that gas saturated reservoir quality sandstone has been encountered in the Toro Formation, with no hydrocarbon-water contact being observed. Analysis of downhole fluid samples recovered to surface has indicated that the hydrocarbon composition in Muruk is similar to that in the adjacent Hides gas field.

At the end of December, preparations were underway to drill a sidetrack (Muruk 1 ST1), to constrain the configuration of the northern flank of the structure and to determine the downdip extent of hydrocarbons within the Toro Formation. The sidetrack is to be kicked-off at a depth of approximately 1,760 metres.

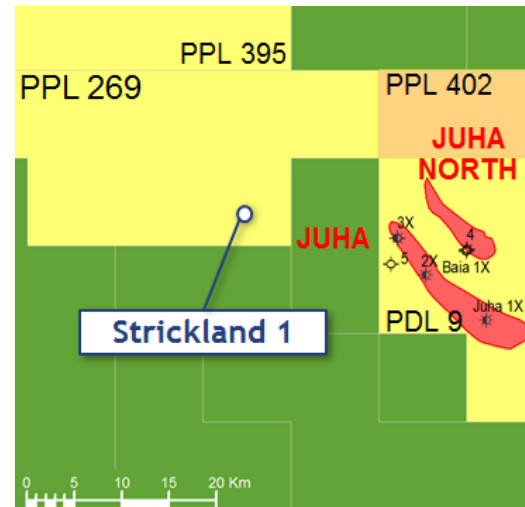
The Muruk discovery is located between the Hides and Juha gas fields and is 21 kilometres from the nearest Hides infrastructure.

Operator Oil Search (PNG) Ltd

Participants¹	Oil Search (PNG) Ltd	37.5%
	Esso PNG Wren Ltd	42.5%
	Barracuda Ltd (Santos Limited)	20.0%
	Total	100.0%

¹ Gross interests pre-Government and landowner back-in, rounded to one decimal place (Santos's interest subject to regulatory approval).

Well Name	Strickland 1 ST4
Well Type	Exploration
Location	PPL 269, Highlands, PNG, (west of the Juha Gas field)
Spud Date	16 June 2016
Rig	Rig 103
Objective/ Targets	Early Cretaceous sandstone of the Toro Formation
Status	During the month the Strickland 1 ST4 well encountered a thrust repeat and was then plugged and abandoned without penetrating the primary objective. Rig release occurred on 20 December 2016.
Operator	Talisman Niugini Pty Ltd (a subsidiary of Repsol S.A).



Participants¹	Oil Search (PNG) Ltd	10.0%
	Talisman Niugini Pty Ltd	50.0%
	Barracuda Ltd	30.0%
	Diamond Gas Foreland 269 B.V.	10.0%
	Total	100%

¹ Gross interests, pre-Government and landowner back-in rounded to 1 decimal place

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