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## Oil Search Receives Federal Record of Decision for Alaska Project

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

Oil Search has received the United States Army Corps of Engineers (USACE) permit and Record of Decision (ROD) for the Pikka Development Project on Alaska's North Slope, in accordance with Section 404 of the US Clean Water Act. This approval, which is a critical next step to advancing the proposed development, includes Oil Search's recommended changes reflecting feedback from permitting agencies and key stakeholders.

The planned development is located approximately 52 miles (84 kilometres) from Deadhorse, Alaska and at its closest point is seven miles (11 kilometres) northeast of the community of Nuiqsut. The permit approves a development scope including the following:

- Up to three drill sites for the production and injection wells.
- A central processing facility.
- An operations centre with a 200-bed camp plus office, warehouse and maintenance facilities.
- Approximately 25 miles (40 kilometres) of roads.
- Two bridges.
- Approximately 35 miles (48 kilometres) of pipelines.

The USACE ROD represents the conclusion of a four-year analysis of the potential effects of the proposed Pikka Development on the environment, economics, land use, floodplain values and the needs and welfare of the local people. The process, which also involved the development and issuance of the Environmental Impact Statement, included public comment periods and solicitation of feedback from other Federal as well as State and local agencies, helping to ensure the project is well planned, environmentally responsible and addresses issues and concerns of all key stakeholders.

**Commenting on the ROD, Peter Botten, Oil Search's Managing Director, said:**

*"The Record of Decision (ROD) is a key milestone for the Pikka Development Project. Combined with the positive initial results of the recent drilling programme, the ROD will allow us to enter the front-end engineering and design (FEED) phase of the project, which is targeted for the third quarter of 2019.*

*A thorough analysis is underway on the data collected from our successful 2018/19 appraisal programme. As previously announced, the early results reinforce our expectations of a likely material upgrade in contingent oil resources and that the development will, at a minimum, meet the Company's development plan assumptions of delivering 120,000 barrels of oil per day. Evaluation of opportunities to optimise the development, including potential facilities sharing, remain ongoing and will drive final project decisions and ensure the delivery of the strongest possible development.*

*Planning has commenced for what is expected to be a busy winter season in 2019/2020. We anticipate undertaking exploration and appraisal activities as well as the start of gravel installation for roads and pads.*

*We remain very excited about the opportunities for Oil Search in Alaska and are looking forward to making material contributions to the State and the local communities, while also delivering value for Oil Search shareholders.”*

**Keiran Wulff, President, Oil Search Alaska, said:**

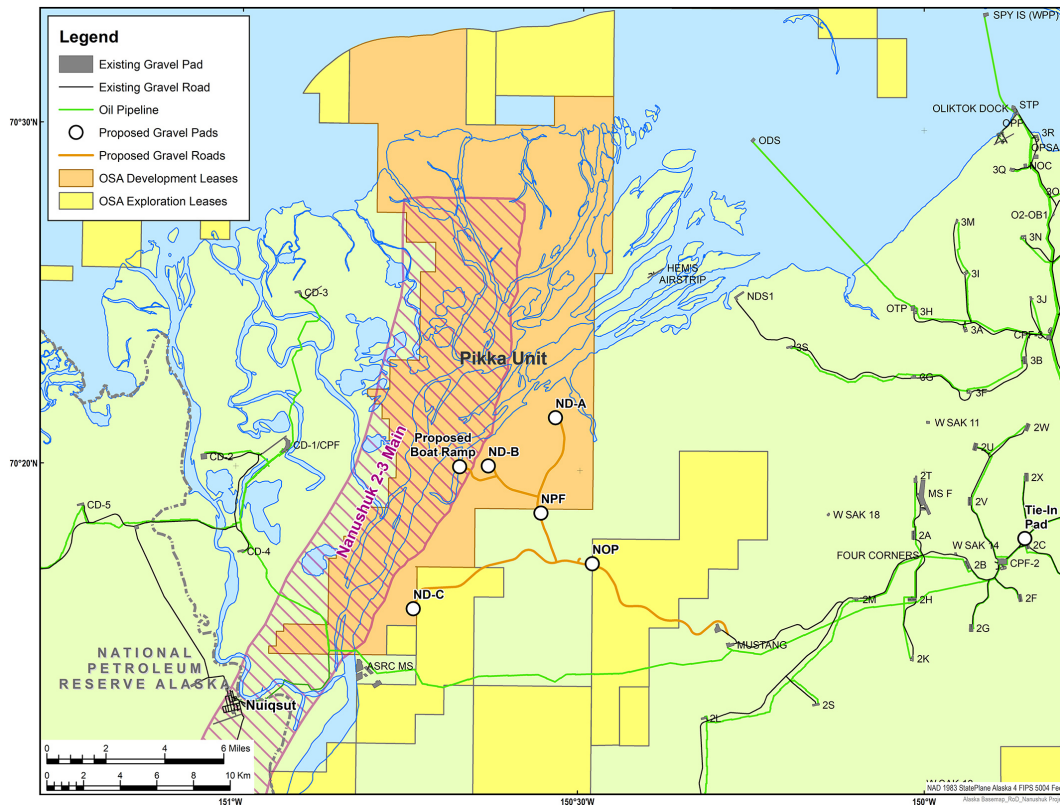
*“Receipt of the Record of Decision is an exciting development for Oil Search as well as the State of Alaska, as we move one step closer to bringing new production to the State.*

*Some key project changes were adopted at the request of the nearby Nuiqsut community, to reduce the surface footprint of the project and better preserve their traditional subsistence hunting and fishing areas. These amendments include:*

- *Updated road alignment and bridge location.*
- *Relocation of the proposed process facility, the operations centre and one drill site.*
- *The addition of three tundra access ramps to the gravel road.*
- *The addition of a boat ramp on the lower Kachemach River, to allow local community members to launch and retrieve boats.*

*We are committed to close collaboration with the people and organisations of Nuiqsut and neighbouring communities, to ensure our activities in the field are conducted in a sensitive and respectful manner.*

*The Pikka Development will generate jobs as well as tax, royalty and other revenues over its projected life, benefitting the State of Alaska as well as regional and local communities. The drilling and operations activities associated with the development alone are expected to support over 1,000 direct jobs. At its peak, project construction could provide several thousand direct construction jobs. Oil Search is committed to being a model partner and neighbour in Alaska and will make every effort to work with companies located within the State to maximise local hire.”*



**PETER BOTTEN, AC, CBE**

Managing Director

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