

ASX Announcement

Notice of 2021 Annual Meeting and Proxy Form

26 March 2021

ASX: OSH | PNGX: OSH | ADR: OISHY

Oil Search advises that the following attached documents have been despatched to its members:

- Notice of 2021 Annual Meeting
- Proxy Voting Form

The 90th Annual Meeting will be held at The Fullerton Hotel Sydney on Friday 30 April 2021 at 1pm (Sydney time) and will be webcast live on Oil Search's website.

Members who would like to attend the meeting by teleconferencing facilities or who would like to watch the live webcast, ask questions and vote online, can register at www.oilsearch.com/investors/2021-annual-meeting.

Further details are available on Oil Search's website.

Contacts:

Investors

Peter Laliberte
VP, Investor Relations
+61 429 414 053
peter.laliberte@oilsearch.com

Media

Matthew Park
VP, Communications and Media
+61 400 539 302
matthew.park@oilsearch.com

This ASX announcement was authorised for release by Oil Search's Disclosure Committee.

About Oil Search

Established in January 1929, Oil Search has grown into PNG's largest single investor and most active explorer, operating all the country's producing oil fields and holding an extensive appraisal and exploration portfolio. Its 29 per cent interest in the ExxonMobil-operated PNG LNG Project has transformed Oil Search into a regionally significant oil and gas producer. The Company also holds material interests in the Elk -Antelope and P'nyang gas fields and is undertaking a range of activities to support further LNG expansion in PNG. Oil Search also holds world class oil assets in Alaska's prolific North Slope. Oil Search is listed on the Australian (OSH) and PNG (OSH) security exchanges and its ADRs trade on the US Over the Counter market (OISHY). For more information, please visit oilsearch.com.



NOTICE OF MEETING

2021

Notice is hereby given that the ninetieth Annual Meeting of Shareholders of Oil Search Limited (the "Meeting") will be held at The Fullerton Hotel Sydney on Friday 30 April 2021, at 1pm (Sydney time)

For personal use only

For personal use only

In the interest of public health and safety, members are strongly encouraged to participate using the following audio and/or audiovisual options



THE MEETING WILL BE HELD BY WEBCAST

To watch the webcast, ask questions and vote please visit and register at www.oilsearch.com/investors/2021-annual-meeting



YOU CAN LISTEN TO THE MEETING BY TELECONFERENCE

To register and obtain details go to www.oilsearch.com/investors/2021-annual-meeting



MAKE YOUR VOTE COUNT

If you cannot join, vote your share by appointing a proxy

OUR PURPOSE

To deliver low cost, high value energy that meets society's needs

OUR AMBITION

To be the preferred energy company for all stakeholders

This report is printed on ecoStar 100% recycled uncoated, an environmentally responsible paper made carbon neutral and the fibre source is FSC recycled certified. ecoStar is manufactured from 100% post consumer recycled paper in a process chlorine free environment under the ISO 14001 environmental management system.



100% RECYCLED



CARBON NEUTRAL



PROCESS CHLORINE FREE



ISO14001 EMS

Notice of Meeting

The Oil Search Board is committed to protecting the health and safety of its stakeholders including its Members and may provide further updates on the Meeting as the situation requires. Members who are considering attending in person should adhere to government warnings and advice and monitor Oil Search's announcements and its website at www.oilsearch.com

Special arrangements for the 2021 Annual Meeting

1. In order to satisfy PNG Companies Act requirements the place of the Meeting will be The Fullerton Hotel Sydney.
2. The Meeting will consist only of the items of business set out in this Notice of Meeting and any other business put to the Meeting in accordance with the PNG Companies Act. There will be presentations by the Chair and the Managing Director. These will be lodged with the ASX and PNGX and made available on Oil Search's website before the commencement of the Meeting. Please note, given the public health and safety concerns referred to above, there will be no refreshments or further engagement with Oil Search personnel after the Meeting and other precautionary measures may also be imposed such as social distancing and limiting attendance.
3. Directors based in Australia and who are able to travel, including the Chair and the Managing Director, will physically attend the Meeting. Other directors will participate in the Meeting via audio and/or visual facilities.

How Members can participate

1. Members may join the Meeting in person by attending The Fullerton Sydney. However, please note the precautionary measures referred to above.
2. The Meeting will be held via a **live webcast** to encourage Members, their proxies and corporate representatives to participate virtually, including to submit questions and vote in real time. The **Virtual Annual Meeting Guide** available at www.oilsearch.com provides instructions on how to access the dedicated website.
3. Members may **appoint the Chair of the Meeting as their proxy**. Members can complete the proxy form to provide specific instructions on how a Member's vote is to be exercised on each item of business, and the Chair of the Meeting must follow your instructions. Proxy votes must be received by 1pm (Sydney and Port Moresby time) on Wednesday 28 April 2021. Please refer to the proxy form for further information.
4. Members may also **submit questions before the Meeting** to either the Company or the Auditor by including them on the proxy form, completing the online form at www.oilsearch.com/contact-us, or by email to investor@oilsearch.com.
5. **Teleconference facilities will be available** to allow Members to listen to the Meeting. Please note that Members who use this facility will not be able to submit questions or vote in real time. The teleconference numbers (which include a PNG number) are provided on the proxy form and are also available at www.oilsearch.com.

Items of business

Item 1 – Financial statements and reports

To receive and consider the financial statements for the Company, together with the reports of the directors and Auditor for the year ended 31 December 2020.

Item 2 – Remuneration Report

To adopt the Remuneration Report of the Company for the year ended 31 December 2020.

The vote on this resolution is an advisory vote under section 90(2) of the PNG Companies Act.

Item 3 – Election and re-election of directors

Mr Musje Werror is seeking election as a director of the Company for the first time in accordance with clause 15.3(a) of the Constitution. The remaining directors named below retire in accordance with clause 15.3(c) of the Constitution and, being eligible to do so, offer themselves for re-election as directors of the Company.

Election of director

- a) To elect Mr Musje Werror as a director of the Company.

Re-election of directors

- b) To re-elect Mr Richard Lee as a director of the Company.
- c) To re-elect Dr Eileen Doyle as a director of the Company.
- d) To re-elect Ms Susan Cunningham as a director of the Company.
- e) To re-elect Dr Bakheet Al Katheeri as a director of the Company.

Notice of Meeting

Continued

Item 4 – Temporary increase to maximum number of directors

To approve, in accordance with clause 15.7(a) of the Constitution, a temporary increase to the maximum number of directors of the Company from nine to ten until the date of the 2023 Annual Meeting.

Item 5 – Election of director

Subject to Members' approval of Item 4 above, to appoint Mr Michael Utsler as a director of the Company in accordance with clause 15.7(c) of the Constitution.

Item 6 – Equity grants to Managing Director

To approve the grants of 308,544 Restricted Shares, 104,020 Alignment Rights and 386,363 Performance Rights to Managing Director, Dr Keiran Wulff, pursuant to the rules and terms of issue of the Long-Term Incentive Plan. Approval is being sought for all purposes, including ASX Listing Rule 10.14.

Item 7 – Grant of non-executive director rights

To approve grants of non-executive director rights to Mr Musje Werror (subject to Members' approval of resolution 3(a) above) and to Mr Michael Utsler (subject to Members' approval of resolution 5 above), under the Oil Search Non-Executive Director Share Acquisition Plan. Approval is being sought for all purposes, including ASX Listing Rule 10.14.

Item 8 – Member proposed resolution – Capital Protection

Members representing less than 0.01% of shares have proposed the resolution below in accordance with clause 14.1 of the Constitution.

The resolution below is NOT SUPPORTED by the Board. The Board recommends that Members vote against this resolution.

Ordinary Resolution – Capital Protection

Shareholders request the company disclose, in subsequent annual reporting, information that demonstrates how the company's capital expenditure and operations will be managed in a manner consistent with the climate goals of the Paris Agreement.

This information should include:

- Details of how the company's capital expenditure will facilitate the efficient managing down of oil and gas operations and assets in a timeframe consistent with the Paris goals;
- Production guidance for the lifetime of oil and gas assets that is consistent with the Paris goals;
- Plans and capital expenditure requirements for decommissioning and rehabilitating asset sites at the end of their Paris-aligned lifetimes;
- Plans for how employees of the company will be informed of asset closures, and employee transition plans, including any compensation for job losses, training and support in seeking future employment; and
- Details of how remaining capital in the company will be returned to investors.

The vote on this resolution is non-binding.

Items 2 – 8 will be conducted as ordinary resolutions.

By Order of the Board



Michael Drew

Group Secretary

16 March 2021

Notice of Meeting

Continued

Note

A Member entitled to attend and vote at the Meeting may appoint a proxy, who need not necessarily be a Member of the Company. A proxy form is enclosed and, where a proxy is to be appointed, the proxy form should be completed and lodged at any one of the following addresses not less than 48 hours before the time at which the Meeting is to be held.

The registered office of the Company:

Ground Floor, Harbourside East Building
Stanley Esplanade, Port Moresby, NCD
PO Box 842, Port Moresby, Papua New Guinea
Facsimile: (675) 322 5566

The office of the Company in Australia:

1 Bligh Street, Sydney NSW 2000
GPO Box 2442
Sydney NSW 2001, Australia
Facsimile: (61 2) 8207 8500

The office of the Company's share registry service:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001, Australia
Facsimile: 1800 783 447 (within Australia)
(61 3) 9473 2555 (outside Australia)
Email: oilsearch@computershare.com.au

Glossary of terms

"Company" or "Oil Search" means Oil Search Limited

"Constitution" means the Constitution of the Company available from www.oilsearch.com/_data/assets/pdf_file/0003/7644/Constitution-of-Oil-Search-Limited.pdf

"Member" means a shareholder of the Company

Voting exclusion statement for Items 2, 6 and 7

Voting exclusion for Item 2

A vote in favour on resolution 2 should not be cast, in any capacity (and Oil Search will disregard such votes) by or on behalf of a member of key management personnel (KMP) as defined in the *Corporations Act 2001* (Cth), including those KMP named in the Remuneration Report or their closely related parties, unless the vote is:

- a proxy or attorney for a person entitled to vote on the resolution, and that person has directed the KMP or their closely related party (as proxy or attorney) how to vote on the resolution on the proxy form; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of the beneficiary provided that the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Chair appointed as proxy

The voting exclusions in respect of KMP in resolution 2 will not apply where a KMP (or related party) is the Chair of the Meeting and as proxy or attorney for a person entitled to vote on the Item, in accordance with an express authority on the Voting Form to vote undirected proxies as the Chair sees fit even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Voting exclusions for Items 6 and 7

Pursuant to ASX Listing Rules 10.14, 10.17 and 14.11, the Company will disregard any votes cast in favour of:

- Item 6 by or on behalf of Dr Keiran Wulff or any of his associates;
- Item 7 by or on behalf of Mr Richard Lee, Dr Bakheet Al Katheeri, Sir Kostas Constantinou, Ms Susan Cunningham, Dr Eileen Doyle, Ms Fiona Harris, Dr Agu Kantsler, Mr Musje Werror and Mr Michael Utsler or any of their associates,

however, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Explanatory notes

Item 1 – Financial statements and reports

The Company's financial statements, together with the Directors' Report and the Auditor's Report for the year ended 31 December 2020, will be put to the Meeting for consideration.

There is no requirement for the Meeting to approve these reports. However, the Chair of the Meeting will allow reasonable opportunity for Members to ask questions or make comments about the reports and the management of the Company.

Members will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and the preparation and the contents of the Auditor's Report.

Oil Search's 2020 Annual Report has been made available to Members and is located on the Company's website at the following address:
www.oilsearch.com/investors/asx-releases/annual-reports

Item 2 – Remuneration Report

To adopt the Remuneration Report of the Company for the year ended 31 December 2020.

The Remuneration Report is set out in the 2020 Annual Report on pages 49 to 71.

This resolution is advisory and does not bind the Company. The directors will consider the outcome of the vote and comments from Members at the Meeting when considering the Company's remuneration policies.

As Oil Search is a company incorporated in Papua New Guinea, it is not bound by the provisions of the Australian *Corporations Act 2001* (Cth) requiring the inclusion of a Remuneration Report in the Directors' Report. However, in the interest of good governance, the Company elects to include a Remuneration Report in the Directors' Report, and that Remuneration Report has been prepared in conformity with the requirements of section 300A of that Act.

Notice of Meeting

Continued

Item 3 – Election and re-election of directors

Resolution 3(a): To elect Mr Musje Werror as a director of the Company.

Clause 15.3(a) of the Constitution requires that any director appointed to fill a casual vacancy by the Board since the previous Annual Meeting, must stand for election at the next Annual Meeting after their appointment. There is a similar requirement in ASX Listing Rule 14.4.

Accordingly, Mr Werror offers himself for election. Details on his experience, qualifications and capabilities are set out below.

Mr Musje Werror, 54 years

BSc (Chem), MBA, MProfAcc

Mr Werror is a Papua New Guinean citizen and resident and has over 20 years of leadership experience in the mining and resources sector in Papua New Guinea. In June 2020, he was appointed as Managing Director and Chief Executive Officer of Ok Tedi Mining Limited. He was formerly Deputy CEO and General Manager External Relations. Mr Werror commenced his long career at Ok Tedi as a graduate in 1988 and previously held various roles and responsibilities including leading community relations in Western Province, PNG. He is currently Chairman of Ok Tedi Development Foundation and the Western Province Health Authority. He is also a Council Member of the PNG Chamber of Mines and Petroleum.

The Board assesses Mr Werror to be an independent director and, with Mr Werror abstaining, recommends that Members vote in favour of his election.

Resolution 3(b): To re-elect Mr Richard Lee as a director of the Company.

Resolution 3(c): To re-elect Dr Eileen Doyle as a director of the Company.

Resolution 3(d): To re-elect Ms Susan Cunningham as a director of the Company.

Resolution 3(e): To re-elect Dr Bakheet Al Katheeri as a director of the Company.

Clause 15.3(c) of the Constitution requires that at each Annual Meeting, any director, who if that director did not retire at that Annual Meeting, would at the next Annual Meeting, have held office for more than three years, automatically retire and are eligible for re-appointment (and, if not re-appointed, that retirement takes effect at the conclusion of that Annual Meeting). There is a similar requirement in ASX Listing Rule 14.4. Accordingly, Mr Lee, Dr Doyle, Ms Cunningham and Dr Al Katheeri offer themselves for re-election.

Details of each director's experience, qualifications and capabilities are set out below.

Mr Richard Lee, 71 years

AM, BEng (Chem)(Hons), MA (Oxon), FAICD

Mr Lee joined the Board on 9 May 2012 and was appointed Chairman on 28 February 2013. Mr Lee has extensive resource banking and international commercial experience. His previous senior executive roles include 16 years with CSR Limited and nine years in the position of Chief Executive Officer of NM Rothschild Australia Limited. He was the former Chairman of Ruralco Holdings Limited and Salmat Limited, Deputy Chairman of Ridley Corporation Limited and a director of Newcrest Mining Limited, CSR Limited and Wesfarmers General Insurance Limited. Mr Lee was also Chairman of the Australian Institute of Company Directors.

The Board assesses Mr Lee to be an independent director and, with Mr Lee abstaining, recommends that Members vote in favour of his re-election.

Dr Eileen Doyle, 66 years

BMath (Hons), MMath, PhD, FAICD

Dr Doyle joined the Board on 18 February 2016. Dr Doyle's career spans the building materials, infrastructure, industrials and logistics sectors, including senior operational roles at BHP Limited and CSR Limited and culminating in her appointment as CEO of CSR's Panel's Division. She is a director of Dalrymple Bay Infrastructure Limited, NEXTDC Limited, Hunter Angels Trust and SWOOP Analytics. Dr Doyle is also a member of the Council of the University of Newcastle. She has previously served on a number of other Boards, including as Deputy Chairman CSIRO and Chairman of Port Waratah Coal Services and director of Boral Limited, GPT Group Limited and the Knights Rugby League Pty Ltd.

The Board assesses Dr Doyle to be an independent director and, with Dr Doyle abstaining, recommends that Members vote in favour of her re-election.

Ms Susan Cunningham, 65 years

BA Geol & Geog

Ms Cunningham joined the Board on 26 March 2018. She has more than 35 years of global oil and gas industry experience including senior roles at Amoco and Statoil, and senior executive roles at Texaco and Noble Energy, where her last role was Executive Vice President responsible for EHSR (Environment, Health, Safety and Regulatory), global exploration and business innovation. Ms Cunningham is also a director of Enbridge Inc and Whiting Petroleum Corporation. She is Chairman of the Advisory Board for the Dean of Science at McMaster University and works with leadership company Candeo Partners. Recently Ms Cunningham was an advisor for Darcy Partners, a research company connecting oil and gas companies with emerging technologies. Ms Cunningham served on the Board of the Offshore Technology Conference (OTC) from 2003 to 2008 and was Chair of the OTC from 2009 to 2011. She was also a director of Cliffs Natural Resources Inc from 2005 to 2014.

The Board assesses Ms Cunningham to be an independent director and, with Ms Cunningham abstaining, recommends that Members vote in favour of her re-election.

Dr Bakheet Al Katheeri, 46 years

PhD, BAsC, MSc, Executive MBA (Hons)

Dr Al Katheeri joined the Board on 26 March 2018. He has more than 22 years of diverse management and operational experience in the international oil and gas industry. In January 2021, Dr Al Katheeri was appointed as Executive Director – UAE Industries at Mubadala Investment Company (Mubadala). Since then, he has been responsible for the investment management of the multi-billion-US\$ portfolio of all UAE-headquartered, industrial champions in the energy, renewables, utilities and metals & mining sectors. He was formerly the Chief Executive Officer and director of Mubadala Petroleum. Dr Al Katheeri's previous roles at Mubadala Petroleum included Chief Growth Officer, responsible for all new business development and mergers and acquisitions activities and Chief Operating Officer, overseeing both operated and non-operated assets, and UAE gas supply. Before joining Mubadala Petroleum, Dr Al Katheeri had a long career with Abu Dhabi National Oil Company. Dr Al Katheeri is also a member of a number of corporate Boards.

Notice of Meeting

Continued

Mubadala has a relevant interest of 9.46% in the Company's shares (as at 22 February 2021). Appropriate arrangements have been put in place with Dr Al Katheeri and with Mubadala to protect the confidential information of the Oil Search group and to address any potential conflicts of interest that may arise from Dr Al Katheeri's role as a senior officer of Mubadala.

The Board, with Dr Al Katheeri abstaining, recommends that Members vote in favour of his re-election.

Item 4 – Temporary increase to maximum number of directors

To approve in accordance with clause 15.7(a) of the Constitution, a temporary increase to the maximum number of directors of the Company from nine to ten until the date of the 2023 Annual Meeting.

Clause 15.7(a) of the Constitution requires Members' approval to increase the maximum number of directors. The Board is progressing a significant Board succession program in a period when international travel is greatly restricted. In the Board's view, a temporary increase in the maximum number of directors from nine to ten will:

- broaden the overall experience and credentials of directors while progressing strategic priorities;
- provide more opportunities for face-to-face meetings and site visits once travel restrictions ease; and
- allow for the sharing of information and expertise and generally facilitate an orderly transition.

The temporary increase in the number of directors does not require an increase to the maximum aggregate amount that may be paid to non-executive directors that was previously approved by Members at the 2019 Annual Meeting.

Item 5 – Election of director

Subject to Members' approval of Item 4 above, to elect Mr Michael Utsler as a director of the Company in accordance with clause 15.7(c) of the Constitution.

In accordance with clause 15.7(c) of the Constitution, and subject to Members' approval of Item 4 above, Members are asked to appoint Mr Utsler as a director.

Accordingly, Mr Utsler offers himself for election. Details on his experience, qualifications and capabilities are set out below.

Mr Michael Utsler, 64 years

B.S.-P.E., GAICD

Mr Utsler has more than 40 years of international oil and gas industry experience. He has held senior leadership and executive positions with Amoco, BP (including President of the Gulf Coast Restoration Organization – GCRO and SVP BP Alaska Exploration), Woodside Energy and New Fortress Energy. In September 2020, Mr Utsler joined Otto Energy as its Chief Executive Officer and Managing Director. He was further appointed Otto's Executive Chairman in November 2020. Mr Utsler is also currently a non-executive director of Integrated Asset Solutions. He has previously served on a variety of not-for-profit boards including the West Australian Symphony Orchestra.

The Board assesses Mr Utsler to be an independent director and, with Mr Utsler abstaining, recommends that Members vote in favour of his election.

Item 6 – Equity grants to Managing Director

To approve the grants of 308,544 Restricted Shares, 104,020 Alignment Rights and 386,363 Performance Rights to Managing Director, Dr Keiran Wulff, pursuant to the rules and terms of issue of the Long-Term Incentive Plan. Approval is being sought for all purposes, including ASX Listing Rule 10.14.

Item 6 deals with approval of grants to Dr Keiran Wulff under the Company's Long-Term Incentive Plan (LTI Plan):

- 308,544 Restricted Shares, as his STI Deferral for the 2020 financial year (2020 STI Deferral) award;
- 104,020 Alignment Rights as his 2021 financial year long-term alignment (2021 Alignment) award; and
- 386,363 Performance Rights as his 2021 financial year long term incentive (2021 Long Term) award.

The maximum number of Restricted Shares, Alignment Rights and Performance Rights to be granted to Dr Wulff has been determined by dividing the maximum value of the 2020 STI Deferral award (AU\$1,323,654), 2021 Alignment award opportunity (AU\$446,250) and 2021 Long Term award opportunity (AU\$1,657,500) by the volume weighted average share price (VWAP) of the Company's ordinary shares over the five trading days commencing the day after the announcement of the Company's 2020 full year results on 24 February 2021 (being \$4.29).

The maximum number of Restricted Shares, Alignment Rights and Performance Rights that will vest will be determined according to the terms and conditions of the respective awards and, in the case of the Alignment Rights and Performance Rights, the satisfaction of the performance requirements.

Dr Wulff's maximum remuneration opportunity for the 2021 financial year is summarised below.

Form of remuneration	AU\$
Total Fixed Remuneration (TFR) ¹	1,700,000
2021 STI opportunity ²	3,400,000
2021 Alignment award opportunity ³	446,250
2021 Long Term award opportunity ⁴	1,657,500
Total	7,203,750

1. TFR includes base salary and mandatory superannuation contributions.

2. The target 2021 STI opportunity is 100% of TFR. Maximum STI opportunity is 200% of TFR.

3. 2021 Alignment awards are equal to 26.25% of TFR.

4. The target 2021 Long Term award opportunity has been reduced from 150% of TFR to 97.5% of TFR.

While it is currently intended that shares will be purchased on market as opposed to issuing new shares to satisfy any award that vests, Member approval is being sought, both for good governance and to preserve flexibility in the event that it is considered by the Board to be in the Company's best interests to issue shares rather than acquire them on market.

If Item 6 is passed, the Company will proceed with the grants of awards. The Alignment Rights and Performance Rights will entitle Dr Wulff to receive shares or a cash equivalent payment, as determined by the Board, subject to the vesting conditions set out below being met.

Notice of Meeting

Continued

If Item 6 is not passed, awards to Dr Wulff will not proceed in the form proposed. The Board will then consider alternative arrangements for the Managing Director including deferred cash awards. This may result in the Managing Director's remuneration framework being inconsistent with the Company's remuneration principles and diminish the alignment of the Managing Director's interests with those of the rest of the senior leadership team.

Further details and background are set out below.

A. Background

As set out in the Remuneration Report, the Company's long-term equity arrangements represent important elements of its remuneration, attraction and retention strategies for executives, including Dr Wulff. As identified in the Letter from the Chair of the People and Nominations Committee in the Remuneration Report, during 2020, the Board conducted a comprehensive review of the remuneration framework with changes to apply from the commencement of 2021 to reflect the new priorities for the Company emerging from its strategic review.

The review of the long-term equity arrangements included whether the LTI Plan was achieving its key objectives of attracting executive talent, retaining key leaders and contributing to executive share ownership for aligning executive and Members' interests. The Board concluded that the LTI Plan was not well suited to the commodity nature and investment profile of the energy industry and was not adequately meeting its objectives.

The findings of its review led the Board to make adjustments to the LTI performance measures and reduce the LTI award value. Additionally, to encourage long term share ownership and support alignment with the strategic priorities, the Board resolved to introduce Alignment awards in the form of Alignment Rights and increase the minimum shareholding requirements for Executive KMP, including the Managing Director. Overall, these changes resulted in the maximum remuneration opportunity being reduced as outcomes would be less volatile, leading to a steadier building of shareholdings.

Alignment awards will partially replace 35% of the LTI grant value. They will only vest after the Board has examined and assessed a range of factors impacting overall Company performance at the end of the vesting period to ensure outcomes are aligned with overall share value performance and Members' experience. As well as any matters arising during the review period that seriously compromise the Company's performance or reputation, the vesting assessment will include factors such as those outlined in the table on page 7 of this notice.

In recognition of the increased likelihood of the Alignment awards vesting, the maximum value of the previous LTI award, converted to an Alignment award is reduced by 50%. The combination of Alignment awards and Long Term awards will equal 82.5% of the previous LTI award values.

Three key changes have been made to 2021 Long Term award grants:

1. Long Term award opportunity values have been reduced by 35% as a result of the introduction of Alignment awards.
2. New performance measures have been introduced for Performance Rights:
 - a) a new Return on Capital Employed (ROCE) performance measure will be introduced with a weighting of 25% of the revised opportunity;

b) Total Shareholder Return (TSR) is retained and will have a weighting of 75%. It will be measured in future against a smaller, more comparable group of upstream oil and gas peer companies similarly invested in conventional production in two or more jurisdictions.

3. Increased minimum shareholding requirement. Effective 1 January 2021, the Board increased the number of securities to be held by Executive KMP under the Company's Minimum Shareholding Policy as follows:

Individual covered by the policy	Prior minimum shareholding	New minimum shareholding
Managing Director	212,500	305,000
Other Executive KMP	52,500	72,500

A copy of the Minimum Shareholding Policy is available on the Company's website.

B. Grant descriptions

2020 STI Deferral – Restricted Shares

The prescribed portion of the 2020 STI required by the Board to be deferred in the form of Restricted Shares was increased from 50% to 63% for Executive KMP and the cash component decreased to 37%. This was done to increase alignment with Members.

Deferral of the prescribed portion of the STI award is mandatory for all Executive KMP.

The formula used to calculate the number of Restricted Shares to be granted to Dr Wulff is:

$$\text{Number of Restricted Shares} = \frac{\text{Value of STI Deferral award of AU\$1,323,654}}{\text{VWAP of Oil Search shares } \$4.29^1}$$

1. VWAP is the volume weighted average price of Oil Search shares over the five trading days commencing the day after the announcement of the Company's 2020 full year results on 24 February 2021

The Restricted Share awards are granted in the second quarter of 2021 (in respect of the 2020 financial year) and are subject to a two-year restriction period and will vest into ordinary shares on a one for one basis following the announcement of the Company's financial results in February 2023 provided Dr Wulff remains employed by the Company. During the restriction period, the Restricted Shares are held by the Oil Search Limited Employee Share Trust (Trust) on behalf of Dr Wulff.

Performance criteria determine the quantum of the deferred STI award and are based on achievement of STI Scorecard targets set by the Board for the relevant financial year. The 2020 STI Scorecard is set out in the Remuneration Report. No additional performance criteria apply to the Restricted Shares for the participant's STI Deferral award other than continued employment until the vesting date.

As the 2020 STI Deferral award has been earned, Dr Wulff will be entitled to receive dividends on the Restricted Shares which will carry voting rights through the Trust.

2021 Alignment Award – Alignment Rights

Awards of Alignment Rights are structured as rights to acquire ordinary shares in the Company for nil consideration, provided the Board is satisfied during its vesting assessment that the minimum standards of performance are met over the assessment period of 1 January 2021 to 31 December 2023. Alignment Rights may be settled in cash of equivalent value, at the Board's discretion.

Notice of Meeting

Continued

Alignment Rights do not carry any dividend or voting rights prior to vesting.

The Board determines the dollar value of the annual Alignment Right award to be granted to each participant through an assessment of market remuneration practices which are in line with the Company's executive remuneration strategy.

The formula used to calculate the number of Alignment Rights to be granted to Dr Wulff is:

$$\frac{\text{Number of Alignment Rights} = \text{Value of Alignment award opportunity AU\$446,250}}{\text{WVAP of Oil Search shares \$4.29}^1}$$

1. WVAP is the volume weighted average price of Oil Search shares over the five trading days commencing the day after the announcement of the Company's 2020 full year results on 24 February 2021

Vesting of the Alignment Rights is subject to a vesting assessment by the Board in January 2024. The assessment will include the below categories and the assessment made will be disclosed in the Remuneration Report in the year of vesting.

Category	Assessment focus
Resilience	Average Production Costs (US\$/boe)
Sustainability	Specific milestone achievements in implementing the sustainability strategy and plan
Environment	Impacts of, and response to, any environmental incidents
Health & Safety	Injury, actual and potential serious incident issues and process safety
Regulatory & Compliance	Compliance and acting in accordance with Oil Search's Code of Conduct
Leadership	Leadership aligned with Oil Search's values and behaviours, reputation and engagement with various stakeholders, including members, creditors, governments, communities, and employees, and progress against people and culture goals

Subject to the outcome of the Board's assessment, the Alignment Rights will vest in May 2024.

Vested Alignment Rights may be exercised up to seven years from the date of grant.

Alignment Rights that do not vest following assessment lapse immediately.

2021 Long Term Award – Performance Rights

Awards of Performance Rights are structured as rights to acquire ordinary shares in the Company for nil consideration, provided specified performance hurdles are met within defined time periods. Performance Rights may be settled in cash of equivalent value, at the Board's discretion.

Performance Rights do not carry any dividend or voting rights prior to vesting.

The Board determines the dollar value of the annual Performance Right award to be granted to each participant through an assessment of market remuneration practices which are in line with the Company's executive remuneration strategy.

The formula used to calculate the number of Performance Rights to be granted to Dr Wulff is:

$$\frac{\text{Number of Performance Rights} = \text{Value of Long Term award opportunity AU\$1,657,500}}{\text{WVAP of Oil Search shares \$4.29}^1}$$

1. WVAP is the volume weighted average price of Oil Search shares over the five trading days commencing the day after the announcement of the Company's 2020 full year results on 24 February 2021

Performance Rights vest three years after the date of issue to the extent performance criteria have been met.

Vested Performance Rights may be exercised up to seven years from the date of grant.

Performance Rights that do not vest following assessment lapse immediately.

As stated above, the two performance criteria for the vesting of Performance Rights grants made from 2021 are a TSR measure over a three-year performance period from 1 January 2021 to 31 December 2023 and a ROCE measure for the year ending 31 December 2023.

TSR: to determine the number of Performance Rights vesting, the Company's TSR over the performance period will be ranked as follows:

- 37.5% of the Long Term award, against the TSR of each of the constituents of the upstream oil and gas peer companies. TSR outcomes for this part of the award are measured in a US dollar base for Oil Search and each constituent company; and
- 37.5% of the Long Term award, against the TSR of each of the constituents of the upstream oil and gas peer companies. TSR outcomes for this part of the award are measured in the local currency of the country of primary listing for Oil Search and each constituent company.

The group constituents are set out below.

Name	Country of listing
STO – Santos	AUS
WPL – Woodside	AUS
BPT – Beach Petroleum	AUS
ORG – Origin	AUS
AKERB – Aker BP	NO
LUNE – Lundin	SWE
CNQ – CNR	CA
PXO – Pioneer	US
HES – Hess	US
MRO – Marathon Oil	US
MUR – Murphy Oil	US
CNE – Cairn Energy	UK
PMO – Premier Oil	UK
ENOG – Energean	UK
OSH – Oil Search	AUS

Notice of Meeting

Continued

The intention of measuring outcomes in a common currency (USD) and in the local currency of the country of primary listing (which for Oil Search is Australia) is to moderate the impact of foreign currency movements on the outcome. This increases executives' perceived value of the long-term incentives by de-emphasising the importance of foreign currency movements on the outcome, as such movements are beyond the control of executives.

The vesting treatment for each part of the award described in i. or ii., above is summarised in the table below.

Oil Search TSR ranking	Vesting treatment
<50th percentile	zero
50th percentile	50%
Above 50th and below 75th percentile	50% plus increase on a straight line basis from 50% to 100%
75th percentile and above	100%

ROCE: the vesting of 25% of the value of the Long Term award will be based on the Company's ROCE performance and the vesting treatment for this part of the award is summarised in the table below.

Oil Search ROCE for the 2023 financial year	Vesting Treatment
<7.5%	zero
7.5%	50%
Above 7.5% and below 8.5%	50% plus increase on a straight line basis from 50% to 100%
Above 8.5%	100%

Unadjusted earnings and capital will generally apply to the ROCE measure. The Board may make one-off adjustments to capital or earnings where an unadjusted calculation would lead to unintended outcomes. Any such discretion applied will be disclosed in the remuneration report in the year of vesting.

C. Management of the LTI Plan and other general terms

The LTI Plan rules allow participation by any executive, executive director or any other employee deemed to be eligible by the Board.

The LTI Plan is administered by the Board. The LTI Plan rules provide flexibility to allow the use of newly issued or existing shares (for example through purchase on-market) to satisfy awards under the LTI Plan.

The Board may engage third party share managers to assist with the administration of the LTI Plan.

Alignment Rights and Performance Rights awards under the LTI Plan are expressed as a number of rights to acquire a defined number of ordinary shares in the Company (generally one share for each right or in accordance with a formula specified in the offer letter).

Generally, unvested Alignment Rights and Performance Rights will not lapse on cessation of employment unless the Board determines otherwise, which may include circumstances such as resignation, misconduct, or dismissal for cause, or a reason deemed to have been a breach of the participant's obligations to the Oil Search Group.

The Board retains discretion to consider the extent to which some or all of the Alignment Rights and Performance Rights will vest and to waive any restrictions in the event of a change of control or de-merger of the Company having regard to the facts and circumstances of the change of control, which include taking into account service and performance.

D. Aggregate number of shares

The aggregate number of shares and shares subject to outstanding rights (that is, rights that have not yet been exercised and that have not lapsed) that have been granted under all of Oil Search's equity incentive plans will not exceed 5% of Oil Search's issued share capital.

Further information in accordance with ASX Listing Rules 10.14 and 10.15

- Approval is required under Listing Rule 10.14, as Dr Wulff is a director of the Company who is receiving equity securities under an employee incentive scheme.
- Dr Wulff is the only director eligible to participate in the LTI Plan.
- The number of securities to be issued to Dr Wulff under the LTI Plan are as follows:
 - 308,544 Restricted Shares
 - 104,020 Alignment Rights
 - 386,363 Performance Rights
- Details of Dr Wulff's current remuneration package are set out in the table on page 5 of this notice.
- The current balances of Restricted Shares and Performance Rights that have been awarded to Dr Wulff under the LTI Plan are summarised in the Remuneration Report.
- The value attributed to all underlying equity securities granted under the LTI Plan is disclosed in the notes to the financial statements in the Company's Annual Report relating to the period in which they were granted.
- Details of any securities awards granted under the LTI Plan will be published in the Company's Annual Report relating to the period in which they were granted, along with a statement that approval for the award was obtained under ASX Listing Rule 10.14.
- Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an award of securities under the LTI Plan after this resolution is approved and who were not named in this Notice of Meeting will not participate until Member approval is obtained under the rule.
- For each Alignment Right and/or Performance Right that vests, Dr Wulff may acquire one ordinary share plus additional shares equal in value to dividends accrued after vesting. However, vesting is contingent on the performance criteria described in section B, Grant descriptions.
- The Restricted Shares, Alignment Rights and Performance Rights will be granted to Dr Wulff at no cost and no loans are, or will be, provided to Dr Wulff in relation to the acquisition of the Restricted Shares, Alignment Rights and Performance Rights.
- Awards described in this resolution will be granted to Dr Wulff as soon as practicable following the close of the Meeting and, in any event, no later than three years after the date of the Meeting.

Notice of Meeting

Continued

Item 7 – Grant of non-executive director rights

To approve grants of non-executive director rights to Mr Musje Werror (subject to Members' approval of resolution 3(a) above) and to Mr Michael Utsler (subject to Members' approval of resolution 5 above), under the Oil Search Non-Executive Director Share Acquisition Plan. Approval is being sought for all purposes, including ASX Listing Rule 10.14.

Item 7 deals with approval of grants of non-executive director rights (NED Rights) to Non-executive Directors (NEDs) under the Non-Executive Director Share Acquisition Plan (NED Share Plan) for the next three years. The terms of the NED Share Plan were approved by Members at the 2020 Annual Meeting.

In February 2020, the Company introduced the NED Share Plan to facilitate share ownership for NEDs. It allows NEDs to acquire rights to Oil Search shares by electing to forego a portion (or all) of their cash director fees. Each NED will elect the proportion of fees to be foregone annually in advance of the applicable fees accruing.

The NED Share Plan allows greater flexibility for NEDs to acquire equity in the Company through a pre-tax fee sacrifice plan. The NED Share Plan recognises that NEDs can often be limited in their ability to purchase shares in the Company at a point in time as a result of the operation of insider trading laws and reputational considerations.

The NED Share Plan has been utilised by NEDs to assist them in meeting the requirements of the Company's Minimum Shareholding Policy (summarised below). A copy of the Minimum Shareholding Policy is available on the Company's website.

Individual covered by the policy	Minimum shareholding
Chairman of the Board	98,500
Other NEDs	34,000

A. How does the NED Share Plan operate?

NEDs may voluntarily elect to sacrifice a portion or all of their NED fees to acquire NED Rights to receive Shares in the Company.

Elections are made on an annual basis, following the release of the full year results, and this election is binding for the duration of that year. NED Rights are allocated twice a year based on the fees sacrificed in that half and vest and convert into Restricted Shares in the following trading window, subject to compliance with the Company's Share Trading Policy.

B. How is the number of NED Rights allocated determined?

The number of NED Rights that a NED will receive is calculated in accordance with the following formula (rounded down to the nearest whole NED Right):

$$\text{Number of NED Rights} = \frac{\text{Value of NED fees sacrificed (\$) for the relevant period}}{\text{VWAP per NED Right}^1}$$

1. The VWAP per NED Right is the volume weighted average market price of Oil Search's shares over five trading days commencing the day after the announcement of full-year results or half year results.

As an example, the VWAP of the Company's ordinary shares over the five trading days commencing the day after the announcement of the Company's 2020 full year results on 24 February 2021 is (\$4.29).

Other VWAPs will not be known until the time of the full-year results or half year results.

Shares to be allocated on vesting of the NED Rights are sourced on-market or issued and held by the Oil Search Limited Employee Share Trust (Trust).

C. What are the key terms of the NED Rights?

A summary of the key terms of the NED Rights is set out below. Each NED Right is a conditional right to acquire one Oil Search share. They do not carry any dividend or voting rights prior to vesting.

NED Rights have no performance criteria. On vesting, NED Rights convert into Restricted Shares for a Restriction Period of a minimum of 1 year and a maximum of 15 years (as elected by the NED). The Restriction Period will end early if the NED retires from the Board before the end of the elected Restriction Period.

The NED Rights vest and are automatically exercised into Restricted Shares on a one for one basis in the first trading window following the grant of the NED Rights. This will typically be up to 6 months after they have been granted.

D. Restricted Shares

Each Restricted Share is one Oil Search share, subject to disposal restrictions. During the Restriction Period these shares are held by the Trust on behalf of the NED. Restricted Shares carry the same dividend, voting and other rights as ordinary shares. Restricted Shares will be subject to the Restriction Period until the earlier of the NED retiring from the Board, the end of the Restriction Period, or another event determined by the Board. All of the Restricted Shares will be released from the disposal restriction at that time. NED Rights can convert into unrestricted shares in some circumstances, for example if the NED retires from the Board after NED Rights have been granted but before the Rights are exercised into shares. In this case, normally a pro-rata number of NED Rights would vest and automatically be exercised into shares based on the quantum of director fees sacrificed over the relevant period until the time the NED retired from the Board.

NEDs are subject to the Company's Share Trading Policy and applicable laws including insider trading laws.

Further information in accordance with ASX Listing Rules 10.14 and 10.15

- Only NEDs can participate in the NED Share Plan.
- The NEDs currently entitled to participate in the NED Share Plan are Mr Richard Lee, Dr Bakheet Al Katheeri, Sir Kostas Constantinou, Ms Susan Cunningham, Dr Eileen Doyle, Ms Fiona Harris and Dr Agu Kantsler.
- Subject to Member's approval of resolutions 3(a) and 5 above respectively, the Company is seeking Member approval for two newly appointed NEDs, Messrs Musje Werror and Michael Utsler, to participate in, and be issued with NED Rights under, the NED Share Plan.
- There have been no NED Rights or other securities previously issued to Messrs Musje Werror and Michael Utsler under the NED Share Plan. The Oil Search shares allocated as Restricted Shares on vesting of the NED Rights are intended to be sourced on-market.
- The maximum number of NED Rights that could be issued to Messrs Musje Werror and Michael Utsler within the next three years cannot be calculated because it is subject to the Oil Search share price.

Notice of Meeting

Continued

The maximum potential value of NED Rights that could be allocated annually under the NED Share Plan is equal to AU\$3 million (which is the Member-approved NED fee cap). The actual value of NED Rights that will be allocated will be lower, because the level of NED fees is below the Member-approved fee cap, and not all directors will sacrifice all of their fees under the NED Share Plan.

- The fee arrangements for existing NEDs are disclosed in the 2020 Remuneration Report. The current 2021 fees for Mr Werror and proposed 2021 fees for Mr Utsler are detailed below. The actual 2021 fees paid will be disclosed in the 2021 Remuneration Report.

Non-executive director	Annual directors' fees (AU\$) ¹
Mr Werror	\$225,000
Mr Utsler	\$235,000

¹ Includes base annual fee, and travel allowances as disclosed in the 2020 Remuneration Report in the Annual Report. Excludes fees for participation in Board subcommittees, if any.

- Details of any securities issued under the NED Share Plan will be published in the Company's Annual Report relating the period in which they were issued, along with a statement that approval for the issue of the NED Rights was obtained under ASX Listing Rule 10.14.
- Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the NED Share Plan after this resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under this rule.
- Messrs Musje Werror and Michael Utsler are, as contemplated by this Notice of Meeting to become NEDs of the Company. Approval is required until Listing Rule 10.14, as the NEDs will each be directors of the Company who are receiving equity securities under an employee incentive scheme (which, under the listing rules, includes a scheme offered to non-executive directors).
- No loans are, or will be, provided by the Company in relation to the allocation of NED Rights under the NED Share Plan.
- NED Rights will be allocated no later than three years after the date of the Meeting.
- NED Rights are used as a mechanism to allow NEDs to acquire equity in the Company through a pre-tax fee sacrifice plan.

Item 8 – Member proposed resolution – Capital Protection

A resolution has been proposed by Members holding less than 0.01% of the Company's shares. Notice of the proposed Members resolution titled "Capital Protection" was submitted by Market Forces, a climate change activist organisation, affiliated with Friends of the Earth (Proposed Resolution). The requisitioning Members' statement in relation to this Proposed Resolution is set out in Appendix A on page 13 of this notice.

The resolution below is NOT SUPPORTED by the Board. The Board recommends that Members vote against this resolution.

Ordinary Resolution – Capital Protection

Shareholders request the company disclose, in subsequent annual reporting, information that demonstrates how the company's capital expenditure and operations will be managed in a manner consistent with the climate goals of the Paris Agreement.

This information should include:

- Details of how the company's capital expenditure will facilitate the efficient managing down of oil and gas operations and assets in a timeframe consistent with the Paris goals;
- Production guidance for the lifetime of oil and gas assets that is consistent with the Paris goals;
- Plans and capital expenditure requirements for decommissioning and rehabilitating asset sites at the end of their Paris-aligned lifetimes;
- Plans for how employees of the company will be informed of asset closures, and employee transition plans, including any compensation for job losses, training and support in seeking future employment; and
- Details of how remaining capital in the company will be returned to investors.

Oil Search operates in a socially responsible manner, with strong values and high standards guiding the way we work. We are committed to identifying, understanding and managing the regulatory, reputational and market risks that could impact our business and we respect and support the right of our Members to take an active interest in the Company and engage on issues of interest or concern.

To ensure our Members are able to make an informed decision in relation to this resolution, we have prepared the following summary addressing our position in relation to the matters raised, including an explanation of how our growth portfolio is aligned with the objectives of the Paris Agreement and the goal of well below 2°C.

The Board believes that the issues raised in the Proposed Resolution have already been adequately addressed and disclosed by the Company. Further, the resolution includes requirements to disclose:

- commercially sensitive information and asset by asset long-term production forecasts which are variable based on market and other conditions. Disclosure of such information may also constitute a breach of contractual obligations; and
- a plan to manage down oil and gas operations.

The Board considers that the Proposed Resolution is unnecessary and is not in the best interest of Members and recommends that Members vote against the resolution for the reasons outlined below.

Strategy and disclosure

Oil Search acknowledges the science of climate change and is committed to delivering low cost, high-value energy that meets society's needs. We support global efforts for the implementation of the Paris Agreement and a global warming trajectory of well below 2°C. We aim to be a net zero energy company by 2050.

The Company outlined the following commitments with respect to climate following our 2020 Strategic review:

- reduce GHG intensity by more than 30% across operated assets by 2030;
- targeted renewable energy and carbon offset investments such as PNG Biomass (subject to final investment decision (FID));
- elevation of Sustainability to an executive role;
- GHG targets aligned to executive remuneration; and
- Paris Agreement aligned growth portfolio.

Notice of Meeting

Continued

The 2020 Strategic review focussed on near-term, tangible and measurable goals to reduce carbon emissions in our existing operations and to prioritise our growth portfolio to sharpen our focus on commercialising low cost, low GHG intensity projects, in line with the objective of the Paris Agreement. We are now establishing an energy transition review team to develop the strategic direction critical for Oil Search to achieve the shared goal of net zero emissions by 2050.

Oil Search continues to be committed to transparent climate change reporting. In 2018, Oil Search was one of the first ASX companies to publish a Task Force on Climate-related Financial Disclosure (TCFD) aligned climate change report. Our market leading Climate Change Resilience Report included the results of scenario analysis examining the resilience of our assets under a range of decarbonisation scenarios including a 2°C and 1.5°C pathway. Oil Search also committed to conduct a physical risk assessment of our assets and growth projects and subsequently published the physical risk findings in our 2019 Social Responsibility Report. Oil Search will continue to transparently report in alignment with TCFD.

Managing climate change risk and capital expenditure aligned with Paris Agreement

Oil Search's capital expenditure and investments are managed in a manner consistent with the climate goals of the Paris Agreement.

Oil Search has assessed its material climate change risks and has implemented numerous processes and controls to manage those risks including:

- use of internal carbon prices in the base case economics of all growth projects to manage the risk of the introduction of future regulated carbon prices;
- climate scenario analysis and resilience testing which has been published; the analysis found our portfolio was resilient to a range of decarbonisation scenarios, including well below 2°C;
- TCFD aligned reporting for which the Company has been widely recognised and commended; and
- maintaining a low cost and gas dominant portfolio that will remain so even with the start-up of the low cost and low emissions intensity Pikka project.

Importantly, Oil Search already uses independent third-party data from the International Energy Agency (IEA), Wood Mackenzie, and Carbon Tracker to test if its growth projects are aligned with the objectives of the Paris Agreement.

The analysis has shown that both Pikka and LNG expansion are low cost projects that are consistent with the Paris Agreement goals of staying "well below 2°C".

Pikka project – capital spending aligned with Paris Agreement

Analysis published by Carbon Tracker in October 2020, "Carbon Tracker (2020) *Fault Lines*", plots the remaining carbon budgets under different climate change scenarios against a breakeven price curve for undeveloped oil projects.

Carbon Tracker use scenarios defined by the IEA which include a:

- beyond 2°C scenario (B2DS);
- sustainable Development Scenario (SDS); and
- a Stated Policies Scenario (STEPS).

More information on these scenarios can be found at IEA, World Energy Outlook 2019 and the IEA Energy Technology Perspective (both available at www.iea.org) as well as in the footnotes of Figure 1.

Both the IEA B2DS and IEA SDS are "Paris Aligned Scenarios" and are associated with temperature outcomes consistent with the goal of the Paris Agreement's "well below 2°C". Oil projects that have a low breakeven cost and fit within the IEA SDS carbon budget are by definition "Paris Aligned".

Figure 1 on page 12 of this notice shows Carbon Tracker's analysis using a supply curve for unsanctioned oil projects and the carbon budgets for the three IEA scenarios. Oil Search's Pikka project currently has a breakeven oil price at 10% IRR of below US\$40/bbl and there is ongoing work to reduce breakeven oil price to ~US\$35/bbl by FID. These breakeven prices include Oil Search's internal carbon price of US\$40 per tonne of CO₂e. The Carbon Tracker analysis uses a breakeven price curve based on a 15% Internal Rate of Return (IRR). Using the methodology described by Carbon Tracker, Pikka's breakeven price range is to the left of the IEA SDS carbon budget, showing Oil Search's investment to develop Pikka is consistent with the climate goals of the Paris Agreement.

Market Forces' supporting statement notes:

"in the 1.6°C-aligned B2DS, 'oil demand can be satisfied by projects that generate a 15% internal rate of return at an oil price in the [high] \$40s' "

Oil Search's response:

Pikka's breakeven oil price is below this threshold. Market Forces' own supporting statement is effectively confirming that Oil Search's capital investment to develop Pikka is consistent with the goals of the Paris Agreement. Pikka is a Paris Aligned project and is an important part of Oil Search's strategy of focusing on the responsible delivery of low cost, low GHG intensity, and Paris aligned projects.

LNG expansion – capital spending aligned with Paris Agreement

Oil Search's LNG expansion has been recognised as one of the most cost competitive of the new projects required to meet growing LNG demand, making it one of the most resilient LNG projects in a carbon-constrained and Paris Aligned world. The PNG LNG Project in which Oil Search holds a 29% interest, continues to produce above nameplate, with a low GHG intensity. Our LNG expansion projects will leverage existing downstream infrastructure, reducing our capex, opex, breakeven cost of supply and environmental footprint. As such, there is a much reduced risk of our low-cost assets being stranded in a carbon constrained world.

Oil Search's previous climate change analysis (conducted with WoodMac and using IEA data) demonstrated the project was one of the most price-resilient LNG projects globally and aligned with the Paris Agreement's goal of well below 2°C (see Oil Search's Climate Change Resilience Report, pg. 23. [OSL-Climate-Change-Resilience-Report_FINAL.pdf](https://www.oilsearch.com/OSL-Climate-Change-Resilience-Report_FINAL.pdf) (oilsearch.com)).

We do not believe that there has been any fundamental change in this analysis and Oil Search's LNG expansion project still resides low on the cost curve compared to other projects. The planned capital expenditure is consistent with the climate goals of the Paris Agreement.

Notice of Meeting

Continued

PNG Biomass

Oil Search is an energy company making prudent investments into renewable energy and other energy transition projects. Our most significant project to date is the proposed PNG Biomass project, a potential baseload renewable energy project in PNG. Relevant details are as follows:

- subject to Final Investment Decision, PNG Biomass will be Oil Search's first targeted investment into the energy transition;
- integrated renewable energy project: 30MW biomass power plant and 16,000 ha of certified tree plantations;
- 16 million trees will be planted (in addition to the 4 million already planted);
- supports the PNG Government's goals for renewable energy and increased access to electricity; contributes to the objectives of the Paris Agreement;
- offset an estimated 3.3 million tCO₂e over 25-year project; and
- creates 500 sustainable local jobs, 600 construction jobs, and indirect employment for 2,000 people.

Similar to the Pikka and LNG expansion projects, PNG Biomass is also a Paris Aligned capital project. Renewable energy, biomass to electricity, and carbon offsets are expected to grow under all Paris Aligned outcomes as the world gradually decarbonises electricity generation.

Pricing scenarios

In Market Forces' Supporting Statement, they incorrectly assert the factors underlying the Company's decision to impair certain exploration assets during the 2020. As our disclosures on the impairments made clear, most of the impairment amount related to PNG exploration licences that were assessed as having reduced priority in the Company's portfolio due to low prospectivity or sub-optimal economics, consistent with the Company's strategy of disciplined capital management. Oil Search uses an internal carbon price as well as a range of price forecasts to test the economic viability of all investments including future growth projects. No currently producing assets nor major development/appraisal projects were required to be impaired. The conclusions drawn in Market Forces supporting documentation are inaccurate.

We are not standing still

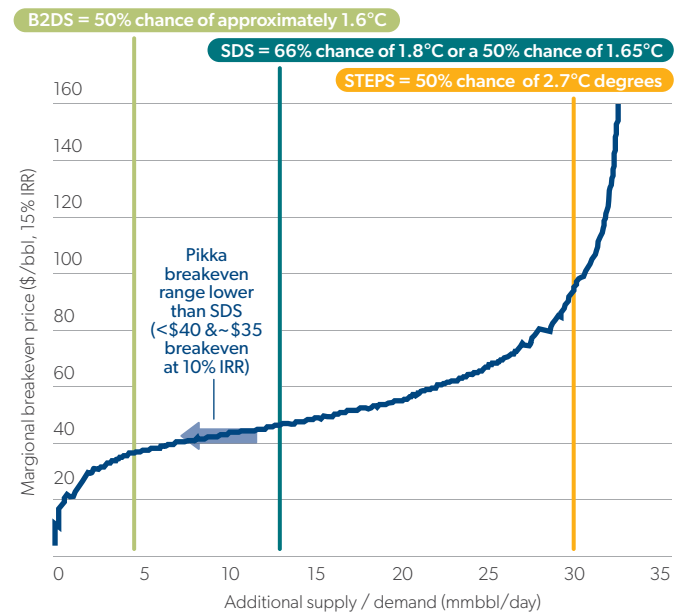
Oil Search is committed to taking action to address our climate change risks and recognise the opportunities presented by the energy transition. Since the Paris Agreement was signed, we have implemented an internal carbon price, begun reporting in alignment with TCFD, conducted climate scenario analysis, assessed physical risks, set GHG targets, and made a commitment to focus on low cost, low GHG intensity, Paris alignment projects.

While we have come a long way, we are not standing still.

Similar to the Paris Agreement's "ratcheting up" mechanism where governments' climate change targets are increased over time; we also commit to "ratcheting up" our climate change commitments and targets over time.

Oil Search looks forward to progressing its Paris Aligned growth projects, exploring the new opportunities presented by the energy transition, and sharing this journey with its Members.

Figure 1: Carbon Tracker: Oil Supply Curve and Paris Aligned Carbon Budgets with Pikka breakeven range¹



Source: Carbon Tracker (2020) *Fault Lines*, pg. 48 *Fault-Lines_CTLreport_Oct2020_2.pdf*; and Oil Search Pikka breakeven range.

1. The climate change scenarios used by Carbon Tracker "Carbon Tracker (2020) *Fault Lines*" include:
 - International Energy Agency's (IEA) Beyond 2°C scenario (B2DS)
 - Uses a carbon budget that Carbon Tracker analysis believes is a 50% probability of achieving 1.6°C outcome (**Paris Aligned**)
 - IEA's Sustainable Development Scenario (SDS)
 - Scenario where the world achieves the goals of the Paris Agreement while also achieving universal access to energy and reducing severe health impacts of air pollution.
 - IEA's analysis uses a carbon budget of 50% chance of achieving 1.65°C outcome (**Paris Aligned**)
 - IEA's Stated Policies Scenario (STEPS)
 - IEA's business as usual scenario where government's follow through on announced climate change commitments.
 - This is associated with a 50% probability of achieving a 2.7°C outcome (**Not Paris Aligned**)

Appendix A

Statement by proposing Member in respect to Item 8

A proposing Member, Julien Vincent, c/o 312 Smith Street, Collingwood, Victoria 3066 Australia, has requested that the below statement be provided to Members, in accordance with his rights under the Constitution and the PNG Companies Act.

Oil Search is not responsible for the contents of the statement or for any inaccurate or misleading statements contained in it.

Member's supporting statement

As evidenced by the high levels of shareholder support for resolutions at Woodside and Santos in 2020,¹ many investors expect oil and gas companies to disclose scope 1, 2, and 3 emission targets, as well as exploration and capital expenditure plans aligned with the climate goals of the Paris Agreement.²

This resolution recognises that Paris-aligned targets to reduce scope 1, 2 and 3 emissions would necessitate a plan to manage down oil and gas production over time, and requests disclosure of integral details of such a plan. The resolution is in the best interests of shareholders and the company, due to the clearly recognised risk that further capital expenditure on oil and gas development and production projects would be stranded by market and policy shifts to meet the Paris climate goals, resulting in severe financial impacts on our company.

We therefore request disclosure of information that demonstrates how capital expenditure will be limited to only support production that is demonstrably viable in a Paris-aligned scenario, and how remaining capital will be preserved and maximally returned to shareholders as assets are managed down, while ensuring employee wage entitlements and transition plans, as well as asset site rehabilitation obligations are appropriately resourced.

Managed decline for oil and gas

"The time to begin planning for a wind-down of gas production is, as with other fossil fuels, already upon us" – SEI, IISD, ODI, Climate Analytics, CICERO, and UNEP.³

The decline in oil and gas use required to meet the Paris climate goals leaves Oil Search exposed to rapidly shrinking markets. In the first three quarters of 2020, Oil Search's sales revenue mix was made up of LNG and gas (80.6%), liquids (16.7%) and others (2.7%).⁴

IPCC modelling of a 1.5°C scenario shows gas use for primary energy falling globally by 25% by 2030 and 74% by 2050 from a 2010 baseline, and oil's role in primary energy falling 37% and 87% over the same timeframes.⁵

Oil Search points to the North Asian market (Japan, South Korea, China and Taiwan) as a key growth opportunity.⁶ However, China has recently committed to achieve net-zero greenhouse gas emissions by 2060, Japan and Korea by 2050, while Taiwan is currently considering a net zero 2050 policy. It is widely accepted that a net zero 2050

pathway requires halving emissions by 2030.⁷ The International Energy Agency's Net Zero Emissions 2050 (NZE2050) scenario shows gas use in 2030 must be 20% below the 2.7°C-aligned Stated Policies Scenario (STEPS), and oil 40% below.⁸

Hopes of an LNG import boom in emerging Asian economies driving growth as current key markets move towards net zero are unreasonable, with IEEFA recently noting increased pricing volatility has placed over \$50 billion of proposed LNG power projects in developing Asian markets at risk of cancellation.⁹

Increasing stranded asset risk

Analysis of the carbon budget required to limit warming in line with the Paris Agreement's 1.5°C target shows oil and gas production must fall by 4% and 3% annually from 2020 to 2030, respectively.¹⁰ By contrast, Oil Search plans to increase production by more than 80% from 2020 levels by 2030.¹¹ To justify these increasing production plans, Oil Search cites a global LNG growth rate 15% higher than that projected under IEA's STEPS (2020 to 2035).¹²

Oil Search plans to spend more than US\$3.5 billion on new oil and gas development projects between 2021 and 2027, including Papua LNG and the Nanushuk oil project in Alaska.¹³ Oil Search's own 2017 analysis found Nanushuk would not be NPV positive under a 1.5°C scenario, while PNG LNG value would be eroded.¹⁴

Unreasonably optimistic forecasting

Oil Search's capital expenditure plans are based on long-term oil price forecasts that are inconsistent with a Paris-aligned energy transition and are unreasonably optimistic. The company revised its long-term oil price down to US\$63/bbl in July 2020,¹⁵ causing a US\$374 million write down.¹⁶ Downward revisions of oil price assumptions have cost the company almost US\$750 million in impairments since 2015.

By contrast, BP has set its long-term oil price forecast at US\$55/bbl,¹⁷ and committed to cut production by 40% by 2030.¹⁸ Carbon Tracker states that, in the 1.6°C-aligned B2DS, "oil demand can be satisfied by projects that generate a 15% internal rate of return at an oil price in the [high] \$40s,"¹⁹ indicating Paris-aligned long-term oil price assumptions would be well below those currently used by Oil Search.

Capital preservation

With the transition to a decarbonised economy shrinking our company's markets, capital must be preserved, rather than wasted pursuing production plans based on demand scenarios and price forecasts that are inconsistent with global climate goals.

Shareholders are interested in the preservation of capital, maximising future company value, and ensuring sites of operations are restored and employees supported in the energy transition. All shareholders are strongly encouraged to support this resolution.

1. [files.woodside/docs/default-source/asx-announcements/2020-asx/2020-agm-final-voting-results.pdf?sfvrsn=edd78f5d_4](https://www.oilsearch.com/_data/assets/pdf_file/0011/54101/Consolidated-presentation_Final.pdf)

2. [cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02222012-2A1218162?access_token=83ff96335c20d45a094df02a206a39ff4](https://www.oilsearch.com/_data/assets/pdf_file/0011/54101/Consolidated-presentation_Final.pdf)

3. The Paris Agreement aims to hold global warming to well below 2°C above pre-industrial levels and pursue a 1.5°C limit and has been ratified by 185 countries. Governments and markets are accelerating climate action to achieve these goals. See unfccc.int/sites/default/files/english_paris_agreement.pdf, Articles 2(1)(a) and 4(1)

4. [http://productiongap.org/wp-content/uploads/2019/11/Production-Gap-Report-2019.pdf](https://productiongap.org/wp-content/uploads/2019/11/Production-Gap-Report-2019.pdf), 17

5. www.oilsearch.com/_data/assets/pdf_file/0006/53808/201020-Quarterly-report-to-30-September-2020.pdf

6. www.ipc.ch/sr15/chapter/spm/ (Figure SPM.3b)

7. www.oilsearch.com/_data/assets/pdf_file/0011/54101/Consolidated-presentation_Final.pdf

8. www.un.org/press/en/2020/sgsm20411.doc.htm

9. www.iea.org/reports/world-energy-outlook-2020

10. [http://ieefa.org/wp-content/uploads/2021/01/Gas-and-LNG-Price-Volatility-To-Increase-in-2021_January-2021.pdf](https://ieefa.org/wp-content/uploads/2021/01/Gas-and-LNG-Price-Volatility-To-Increase-in-2021_January-2021.pdf)

11. productiongap.org/wp-content/uploads/2020/12/PGR2020_FullRprt_web.pdf

12. www.oilsearch.com/_data/assets/pdf_file/0011/54101/Consolidated-presentation_Final.pdf

13. www.oilsearch.com/_data/assets/pdf_file/0011/54101/Consolidated-presentation_Final.pdf

14. www.oilsearch.com/_data/assets/pdf_file/0005/18968/OSL-Climate-Change-Resilience-Report_FINAL.pdf

15. www.oilsearch.com/_data/assets/pdf_file/0008/53288/Oil-Search-Limited-2020-Interim-Result-Announcement-and-Appendix-4D.pdf, 21

16. www.oilsearch.com/_data/assets/pdf_file/0009/53298/200825-2020-Interim-Result-Presentation.pdf, 26

17. www.bp.com/en/global/corporate/news-and-insights/press-releases/bp-revises-long-term-price-assumptions.html

18. www.bp.com/en/global/corporate/news-and-insights/press-releases/from-international-oil-company-to-integrated-energy-company-bp-sets-out-strategy-for-decade-of-delivery-towards-net-zero-ambition.html

19. [carbontracker.org/reports/the-impair-state/](https://www.carbontracker.org/reports/the-impair-state/)

www.oilsearch.com

For personal use only

OSH

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form - 2021 Annual Meeting

For your vote to be effective, it must be received by 1.00pm (Sydney time) on Wednesday, 28 April 2021



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your security holding

Your secure access information is:

Control Number: 999999

SRN/HIN: 19999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the Meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a security holder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the security holder must sign.

Joint Holding: Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

In person: Bring this form to assist registration. If a representative of a corporate security holder or proxy is to attend the Meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Online: To access to the dedicated Meeting website you will be required to log-in using your SRN or HIN. Instructions are available in the "Virtual Annual Meeting Guide". We recommend that you complete the set-up in the guide before the commencement of the Meeting. The guide and other important information about the Meeting are available on the Meeting page of the Oil search website www.oilsearch.com.

By phone: If you would like to listen to the Meeting, please register and obtain further details from the Oil Search website.

Comments & Questions: If you have any comments or questions please complete Step 3. You can ask questions in real time via the dedicated Meeting website (see above).

GO ONLINE TO VOTE, or turn over to complete the form

Lodge your vote:

Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001 Australia



By Fax:
1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)



For Intermediary Online Subscribers only (Custodians)
www.intermediaryonline.com

For Papua New Guinea based security holders

In Person:
Ground Floor, Harbourside East Building
Stanley Esplanade
Port Moresby, NCD Papua New Guinea



Post:
PO Box 842
Port Moresby Papua New Guinea



By Fax:
(675) 322 5566



For all enquiries call:

1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)



MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address.

If incorrect, mark this box and make the correction in the space to the left. Security holders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Please mark to indicate your directions

Proxy Form

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Oil Search Limited hereby appoint

The Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the 2021 Meeting of Oil Search Limited to be held at The Fullerton Hotel Sydney, 1 Martin Place Sydney NSW 2000 on Friday, 30 April 2021 at 1:00pm (Sydney time) and at any adjournment of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2, 6 and 7 (except where I/we have indicated a different voting intention in step 2) even though Items 2, 6 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman. If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2, 6 and 7 by marking the appropriate box in step 2.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Item of business with the exception of Item 8 where the Chairman of the Meeting intends to vote against.

STEP 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Board endorsed resolutions		BOARD RECOMMENDATION	FOR	AGAINST	ABSTAIN
The Board recommends security holders vote FOR Items 2 to 7					
Item 2	Adopt the Remuneration Report for the year ended 31 December 2020	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3a)	Elect Mr Musje Werror as a director of the Company	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b)	Re-elect Mr Richard Lee as a director of the Company	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3c)	Re-elect Dr Eileen Doyle as a director of the Company	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3d)	Re-elect Ms Susan Cunningham as a director of the Company	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3e)	Re-elect Dr Bakheet Al Katheeri as a director of the Company	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Approve a temporary increase to maximum number of directors	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Appoint Mr Michael Utsler as a director of the Company	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6	Approve grants of 308,544 Restricted Shares, 104,020 Alignment Rights and 386,363 Performance Rights to Managing Director	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7	Approve grants of non-executive director rights to Mr Musje Werror and Mr Michael Utsler	FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Non-endorsed resolution		BOARD RECOMMENDATION	FOR	AGAINST	ABSTAIN
The Board recommends security holders vote AGAINST Item 8					
Item 8	Member proposed resolution - Capital Protection	AGAINST	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

NOTE: The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Item 8 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made

STEP 3

Comments and questions

If you have any comments or would like to ask a question of the Company or the Auditor, please use the space below. Provide a separate sheet of paper if necessary and return with this form by 5pm on Friday, 23 April 2021 (Sydney time).

QUESTION:

SIGN

Signature of security holder(s) This section must be completed.

Individual or security holder 1

Sole Director and Sole Company Secretary

Contact _____

security holder 2

Director

Daytime Telephone _____

security holder 3

Director/Company Secretary

Date ____ / ____ / ____

OSH

2 7 2 6 1 7 A



Computershare

