For personal use only

10 September 2021

Santos and Oil Search combine to create a regional champion of scale with a diversified portfolio of long-life and low-cost oil and gas assets

- Santos and Oil Search have entered into a definitive agreement to merge the two companies in an all-scrip transaction
- Oil Search shareholders are to receive 0.6275 new Santos shares for each Oil Search share held
- Upon completion of the Merger, Oil Search shareholders will own approximately 38.5 per cent of the merged entity and Santos shareholders will own approximately 61.5 per cent
- The Merger creates a regional champion of size and scale, with a pro-forma market capitalisation of approximately A$21 billion[1]
- Santos expects the Merger to unlock pre-tax synergies of US$90-115 million per annum (excluding integration and other one-off costs) which is expected to benefit both sets of shareholders
- The Oil Search Board has unanimously approved the transaction and recommends that shareholders vote in favour of the Merger in the absence of a Superior Proposal, and subject to an Independent Expert concluding that the Merger is in the best interests of Oil Search shareholders
- The Merger is subject to a limited number of customary conditions including Oil Search shareholder approval, regulatory approvals and Papua New Guinea court approval

Santos Limited ("**Santos**") and Oil Search Limited ("**Oil Search**") are pleased to announce that they have entered into a Merger Implementation Deed **("MID")**, under which the two companies will combine via an Oil Search Scheme of Arrangement ("**the Merger**"). This follows both companies successfully completing reciprocal confirmatory due diligence, which commenced on 6 August 2021.

Under the terms of the Merger, Oil Search shareholders will receive 0.6275 new Santos shares for each Oil Search share held on the record date of the Scheme of Arrangement (as per merger terms agreed and released to the ASX on 2 August 2021). Upon implementation of the Merger, Oil Search shareholders will own approximately 38.5 per cent of the merged entity and Santos shareholders will own approximately 61.5 per cent.

The Oil Search Board of Directors unanimously recommends that Oil Search shareholders vote in favour of the Merger and each Oil Search Director intends to vote all the shares they hold or control in Oil Search in favour of the Merger (in the absence of a superior proposal and subject to an Independent Expert concluding that the Merger is in the best interests of the Oil Search shareholders).

The combination of Santos and Oil Search will create a regional champion of size and scale with the following features:

- Diversified portfolio of high quality, long-life, low-cost assets across Australia, Timor-Leste, Papua New Guinea and North America with significant growth optionality

For personal use only

- Pro-forma market capitalisation of approximately A$21 billion which would position the merged entity in the top-20 ASX-listed companies and the 20 largest global oil and gas companies[1]
- Pro-forma 2021 production of approximately 116 million barrels of oil equivalent[2]
- Pro-forma 2P+2C resource base of 4,867 million barrels of oil equivalent[3]
- Investment grade balance sheet with more than US$5.5 billion[4] of liquidity to self-fund development projects, whilst maintaining further optionality and flexibility to optimise the portfolio
- Target gearing of less than 30 per cent
- Strong ESG credentials including maintaining Santos' net-zero emissions target by 2040, focus on carbon capture and storage projects and Oil Search's social and community investment in Papua New Guinea and North America
- Santos expects the Merger to unlock pre-tax synergies of US$90-115 million per annum (excluding integration and other one-off costs) creating value for both sets of shareholders. Santos has an excellent track record of integration and recently merged Quadrant Energy's WA and ConocoPhillips' NT business units into Santos, delivering more than US$160 million in annual synergies
- The Merger is expected to create greater alignment in Papua New Guinea supporting the development of key projects including Papua LNG, delivering new jobs, helping to support the local economy, and continuing to support the development of and investment in PNG

Oil Search Chairman Rick Lee said: "Put simply, this merger provides Oil Search shareholders with a compelling opportunity to participate in a larger entity with significant scale, product mix, ESG and geographic diversity, and access to capital. The combined entity will have the capacity to deliver on an exciting pipeline of organic growth opportunities."

Santos Chairman Keith Spence said: "The merger represents an attractive combination of two industry leaders to create a regional champion of quality, size and scale with a unique and diversified portfolio of long-life, low-cost oil and gas assets.

"The merged entity will be well positioned for success in the new era of oil and gas, with strong cashflow generation from a diverse range of assets providing a platform to self-fund growth and deliver shareholder returns.

"We look forward to integrating our businesses to create one high performing team – with a vision of becoming a global leader in the energy transition," Mr Spence said.

Oil Search Acting Chief Executive Officer Peter Fredricson said: "We see significant benefits for our shareholders in this merger, not least in the access that Santos brings to a broader range of more liquid global debt capital markets to fund growth projects."

The combined Santos and Oil Search will be led by Santos Managing Director and Chief Executive Officer Kevin Gallagher, who said: "Santos and Oil Search will be stronger together and will have increased scale and capacity to drive a combined disciplined, low-cost operating model and unrivaled growth opportunities over the next decade.

"The merger will create a company with a balance sheet and strong cashflows necessary to successfully navigate the transition to a lower carbon future with the combination of Santos'

leading CCS capability combining with Oil Search's ESG programs in PNG and Alaska to provide a strong foundation."

Following the completion of the Merger, three non-executive directors from Oil Search will join the Santos Board. Santos' head office will remain in Adelaide.

Transaction Summary

Santos and Oil Search have entered into the attached MID which contains the terms upon which Santos and Oil Search will implement the Merger. Key conditions of the Merger include:

- Approval being obtained from shareholders of Oil Search and Papua New Guinea court approval in relation to the Merger;
- Customary regulatory approvals;
- The Independent Expert concluding that the Merger is in the best interests of Oil Search shareholders, and not changing that conclusion or withdrawing its report;
- No material adverse change, prescribed occurrences or regulated events (each as defined in the MID) occurring in relation to either Santos or Oil Search; and
- Other conditions customary for a public transaction of this nature.

The MID includes reciprocal exclusivity arrangements (including "no shop", "no talk" and "no due diligence" restrictions (each subject to a fiduciary out) and notification obligations), matching rights for Santos on market standard terms and reciprocal break fees.

Full details of the terms and conditions of the Merger are set out in the MID, a copy of which is set out in Annexure A.

Timetable and Next Steps

A scheme booklet containing information in relation to the Merger, including the reasons for the Oil Search Board's unanimous recommendation, an Independent Expert Report and details of the Merger is expected to be circulated to all Oil Search shareholders in October 2021.

An indicative timetable is set out below*:

Event	Estimated Date
First PNG Court Hearing	27 October 2021
Dispatch scheme booklet to Oil Search shareholders	29 October 2021
Scheme Meeting of Oil Search shareholders	29 November 2021
Second PNG Court hearing	1 December 2021
Merger Effective Date	2 December 2021
Record Date	9 December 2021
Implementation Date	16 December 2021

*All dates are indicative only and subject to change and regulatory approval.

For personal use only

For personal use only

Advisers

Citigroup and JB North & Co are acting as financial advisers and Herbert Smith Freehills and Dentons are acting as legal advisers to Santos.

Goldman Sachs and Macquarie Capital are acting as financial advisers; Rothschild & Co are acting as board adviser and Allens are acting as legal adviser to Oil Search.

Santos Limited ABN 80 007 550 923
GPO Box 2455, Adelaide SA 5001
T +61 8 8116 5000 F +61 8 8116 5131
www.santos.com

Media enquiries
James Murphy
+61 (0) 478 333 974
james.murphy@santos.com

Investor enquiries
Andrew Nairn
+61 8 8116 5314 / +61 (0) 437 166 497
andrew.nairn@santos.com

Oil Search Limited ARBN 055 079 868
GPO Box 2442, Sydney NSW 2001
T +61 2 8207 8400 F +61 2 8207 8500
oilsearch.com

Media enquiries
Ian Pemberton
+61 402 256 576
ian.pemberton@plcorporate.com.au

Investor enquiries
Narelle Checchin
+61 466 329 059
narelle.checchin@oilsearch.com

Notes
[1] Based on market data as at 30 July 2021.
[2] Based on the midpoint of each company's 2021 production guidance.
[3] 2P reserves and 2C resources as at 31 December 2020.
[4] Based on Santos and Oil Search balance sheet data as at 30 June 2021.

Santos

This release contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

The estimates of petroleum reserves and contingent resources contained in this release are as at 31 December 2020. Unless otherwise stated, the pro-forma petroleum reserve and resource estimates in this release are expressed as a combination of (by arithmetic summation): a) Santos' petroleum resource estimates sourced from, and quoted as at the balance date (i.e. 31 December) of the Reserves Statement in Santos' most recent Annual Report released to the Australian Securities Exchange (ASX). b) Oil Search resource estimates sourced from, and quoted as at the balance date (i.e. 31 December) of the Reserves Statement in Oil Search's most recent Annual Report released to ASX. Santos is not aware of any new information or data that materially affects the estimates of reserves and contingent resources, and the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Santos has conducted due diligence in relation to Oil Search's petroleum estimates but has not independently verified all such information and expressly disclaims any responsibility for it, to the maximum extent permitted by law. No representation or warranty, express or implied, is made as to the fairness, currency, accuracy, adequacy, reliability or completeness of Oil Search's petroleum estimates. Given Santos has not independently validated Oil Search's petroleum estimates, it should not be regarded as reporting, adopting or otherwise endorsing those estimates.

Santos prepares its petroleum reserves and contingent resources estimates in accordance with the 2018 Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). Unless otherwise stated, all references to petroleum reserves and contingent resources quantities in this release are net share. Reference points for Santos' petroleum reserves and production are defined points within Santos' operations where normal exploration and production business ceases, and quantities of produced product are measured under defined conditions prior to custody transfer. Fuel, flare and vent consumed to the reference points are excluded. Petroleum reserves are aggregated by arithmetic summation by category and as a result, proved reserves may be a very conservative estimate due to the portfolio effects of arithmetic summation. Petroleum reserves are typically prepared by deterministic methods with support from probabilistic methods. Petroleum reserves replacement ratio is the ratio of the change in petroleum reserves (excluding production) divided by production. Organic reserves replacement ratio excludes net acquisitions and divestments. Conversion factors: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe; 1 barrel of condensate equals 0.935 boe; 1 barrel of crude oil equals 1 boe.

The estimates of Santos' petroleum reserves in this release are based on and fairly represent information and supporting documentation prepared by, or under the supervision of Mr Paul Lyford who is a full-time employee of Santos and a member of the SPE. Mr. Lyford meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this release.

Oil Search

This announcement contains forward-looking statements, including in relation to synergy estimates. By their nature, such statements, including in relation to synergy estimates and such forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of Oil Search. Actual outcomes may differ materially from those expressed in such statements, due to a variety of factors, including: oil and gas prices; the extent and duration of the impact of current market conditions including but not limited to currency fluctuations; the demand for oil; the impact of COVID-19; overall global economic and business conditions impacting our business; development and use of new technology; drilling results; field performance; the timing of field development; reserves depletion; progress on gas commercialisation; the actions of third parties including our competitors, partners, contractors, subcontractors, and others; regulatory and governmental issues and approvals; and other factors.

The estimates of Oil Search's petroleum reserves and contingent resources contained in this release are as at 31 December 2020. Unless otherwise stated, the pro-forma petroleum reserve and resource estimates in this release are expressed as a combination of (by arithmetic summation): a) Oil Search's petroleum resource estimates sourced from, and quoted as at the balance date (i.e. 31 December 2020) of the Reserves Statement in Oil Search's most recent Annual Report released to the ASX and PNGX. b) Santos resource estimates sourced from, and quoted as at the balance date (i.e. 31 December) of the Reserves Statement in Santos' most recent Annual Report released to ASX. Oil Search is not aware of any new information or data that materially affects the estimates of reserves and contingent resources, and the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Oil Search has conducted due diligence in relation to Santos' petroleum estimates but has not independently verified all such information and expressly disclaims any responsibility for it, to the maximum extent permitted by law. No representation or warranty, express or implied, is made as to the fairness, currency, accuracy, adequacy, reliability or completeness of Santos' petroleum estimates. Given Oil Search has not independently validated Santos' petroleum estimates, it should not be regarded as reporting, adopting or otherwise endorsing those estimates.

Oil Search prepares its petroleum reserves and contingent resources estimates in accordance with the 2007 Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). Unless otherwise stated, all references to petroleum reserves and contingent resources quantities in this release are net share. The following reference points for Oil Search's petroleum reserves and production are assumed: (i) Oil volumes, include both oil and condensate recovered by lease processing, where reference point is at the outlet of the relevant process facility. Volumes are adjusted to stock-tank using field standard conditions; (ii) Hides GTE, the custody transfer point at the wellhead; (iii) PNG LNG Project, the outlet to the LNG plant; (iv) SE Gobe gas, the outlet to the Gobe facility; and (v) fuel, flare and shrinkage upstream of the reference points have been excluded. Petroleum reserves are aggregated by arithmetic summation by category and as a result, proved reserves may be a very conservative estimate due to the portfolio effects of arithmetic summation. Petroleum reserves are typically estimated by deterministic methods with support from probabilistic methods. Conversion factors: Oil Search converts gas reserves to boe at the PNG LNG-specific ratio of 5100 scf/boe. Contingent resource gas converted to boe at 6000 scf/boe.

The estimates of Oil Search's petroleum reserves in this release are based on and fairly represent information and supporting documentation prepared by, or under the supervision of Mr Andrei Judzewitsch who is a full-time employee of Oil Search and a member of the SPE. Mr. Judzewitsch meets the requirements of QPRRE as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which they appear in this release.

This ASX announcement was approved and authorised for release by Kevin Gallagher, Managing Director and Chief Executive Officer of Santos, and Peter Fredricson, Acting Chief Executive Officer of Oil Search.

For personal use only

For personal use only

Allens › ‹ Linklaters

Oil Search Limited

Santos Limited

Merger Implementation Deed

Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000 Australia
T +61 2 9230 4000
F +61 2 9230 5333
www.allens.com.au

© Allens Australia 2021

Allens is an independent partnership operating in alliance with Linklaters LLP.

Contents

1	**Definitions and Interpretation**		**1**
	1.1	Definitions	1
	1.2	Interpretation	14
	1.3	Business Day	15
	1.4	Best and reasonable endeavours	16
	1.5	Consents and approvals	16
	1.6	Awareness	16
	1.7	Ancillary documents	16
2	**Agreement to Proceed with the Scheme**		**17**
	2.1	OSH to propose and implement the Scheme	17
	2.2	STO to assist	17
	2.3	STO Covenant	17
	2.4	Provision of OSH Register	17
3	**Conditions Precedent and Pre-Implementation Steps**		**17**
	3.1	Conditions Precedent	17
	3.2	Best endeavours and co-operation	19
	3.3	Benefit and waiver of Conditions Precedent	20
	3.4	Failure of Conditions Precedent	20
	3.5	Certain notices	21
	3.6	Certificates in relation to Conditions Precedent	22
	3.7	Court approval	22
	3.8	Receipt of Regulatory Approvals	22
	3.9	OSH Regulated Events and STO Regulated Events	25
4	**Scheme Structure**		**25**
	4.1	Outline of the Scheme	25
	4.2	Scheme Consideration	26
	4.3	Fractional Entitlements	26
	4.4	Treatment of Ineligible Foreign Shareholders	26
	4.5	No amendment to the Scheme without consent	27
	4.6	OSH equity incentives and rights	27
	4.7	Dividends	27
5	**Implementation**		**29**
	5.1	OSH's obligations	29
	5.2	STO's obligations	32
	5.3	Timetable	34
	5.4	Appeal process	34
	5.5	Conduct of Court proceedings	34
	5.6	Responsibility statement	34
6	**Appointment of Directors and senior management**		**35**
	6.1	Appointment of directors to STO Board	35
	6.2	Reconstitution of the OSH Board	35
	6.3	Senior management	36
	6.4	Deeds of indemnity and insurance	36
7	**Conduct of Business and Requests for Access**		**37**
	7.1	Conduct of business	37
	7.2	Exceptions	38

For personal use only

7.3 Access to information and co-operation 38
7.4 Integration planning 39
7.5 Change of control consents 40
7.6 Confidentiality Deed and Standstill 41
8 OSH Board Recommendation 41
8.1 Recommendation and Voting Statement 41
8.2 Withdrawal of Recommendation or Voting Statement 42
8.3 Qualification of Recommendation or Voting Statement 42
8.4 Independent Expert's conclusion 43
9 Representations and Warranties 43
9.1 STO Representations and Warranties 43
9.2 STO's indemnity 44
9.3 OSH Representations and Warranties 44
9.4 OSH's indemnity 45
9.5 Independent representations and warranties 45
9.6 Survival of representations and warranties 46
9.7 Survival of indemnities 46
9.8 Timing of representation and warranties 46
10 Releases 46
10.1 OSH directors and officers 46
10.2 STO directors and officers 47
11 Public announcements 47
11.1 Announcement of the Transaction 47
11.2 Other public announcements 47
12 OSH and STO Exclusivity 47
12.1 No current discussions regarding a Competing Proposal 47
12.2 No-shop, no talk and no due diligence 47
12.3 Limitation to no-talk and no due diligence 48
12.4 Notification 48
12.5 STO matching right 49
12.6 Compliance with law 50
12.7 Normal provision of information 51
13 OSH Break Fee 51
13.1 Background 51
13.2 Payment of OSH Break Fee 51
13.3 Payment conditions 52
13.4 Timing of payment 52
13.5 Nature of payment 52
13.6 Compliance with law 53
13.7 Limitation of liability 53
14 STO Break Fee 53
14.1 Background 53
14.2 Payment of STO Break Fee 53
14.3 Payment conditions 54
14.4 Timing of payment 54
14.5 Nature of payment 54
14.6 Compliance with law 54

For personal use only

14.7 Limitation of liability 54
15 Termination 55
15.1 Termination by either party 55
15.2 Termination by STO 55
15.3 Termination by OSH 56
15.4 Automatic termination 56
15.5 Termination by written agreement 56
15.6 Effect of termination 56
15.7 Termination 56
15.8 No other termination 57
16 GST 57
16.1 Recovery of GST 57
16.2 Liability net of GST 57
16.3 Adjustment events 57
16.4 Survival 57
16.5 Definitions 57
17 Notices 57
18 General 59
18.1 Amendment 59
18.2 Assignment 59
18.3 Service of process 59
18.4 Costs and duty 59
18.5 Counterparts 59
18.6 Entire agreement 59
18.7 Further assurances 59
18.8 Governing law and jurisdiction 59
18.9 No merger 59
18.10 No agency or partnership 60
18.11 No representation or reliance 60
18.12 No waiver 60
18.13 Severability of provisions 60
18.14 Third party beneficiary 60
Schedule 1 61
STO Representations and Warranties 61
Schedule 2 64
OSH Representations and Warranties 64
Schedule 3 67
STO Prescribed Occurrence 67
Schedule 4 69
OSH Prescribed Occurrences 69
Schedule 5 – 71
STO Regulated Events 71
Schedule 6 – 74
OSH Regulated Events 74
Schedule 7 78
STO details 78

For personal use only

Schedule 8 **79**
OSH details 79
Annexure 1 **82**
Timetable 82
Annexure 2 **83**
Scheme of Arrangement 83
Annexure 3 **100**
Deed Poll 100

For personal use only

For personal use only

This Deed is made on 10 September 2021

Parties

1 **Oil Search Limited** (ARBN 055 079 868) of Ground Floor, Harbourside East Building, Stanley Esplanade, Port Moresby, Papua New Guinea (***OSH***).

2 **Santos Limited** (ABN 80 007 550 923) of 60 Flinders Street, Adelaide, SA 5000, Australia (***STO***).

Recitals

A STO and OSH have agreed to combine in an all scrip merger pursuant to the Scheme (***Merger***).

B Under the Merger there are expected to be substantial potential combination synergies to the benefit of both OSH Shareholders and STO Shareholders.

C On implementation of the Merger, OSH Shareholders will own approximately 38.5%, and existing shareholders of STO will own approximately 61.5%, of STO.

D In order to implement the Merger, OSH has agreed to propose the Scheme to OSH Shareholders and to issue the Scheme Booklet to OSH Shareholders, and STO and OSH have agreed to implement the Scheme, upon and subject to the terms and conditions of this Deed.

This deed witnesses as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Adviser means, in relation to an entity, a professional adviser engaged (directly or indirectly) by the entity for the purposes of the Transaction.

Agreed Communications Side Letter means a letter identified as such provided by STO to OSH and countersigned by OSH on or prior to the date of this Deed.

Agreed Contracts has the meaning given in the STO Disclosure Letter.

Agreed Jurisdiction has the meaning given in the STO Disclosure Letter.

Agreed Notifications has the meaning given in the STO Disclosure Letter.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12(2) of the Australian Corporations Act, where OSH or STO (as applicable) is the 'designated body'.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as 'ASX' operated by ASX Limited.

ASX Listing Rules means the official listing rules of the ASX.

Australian Corporations Act means the *Corporations Act 2001* (Cth), as amended by any applicable ASIC class order, ASIC legislative instrument or ASIC relief.

Business Day means any day that is each of the following:

(a) a Business Day within the meaning given in the ASX Listing Rules and the PNGX Listing Rules; and

For personal use only

(b) a day that banks are open for business in Sydney, Australia; Adelaide, Australia and Port Moresby, Papua New Guinea.

CFIUS means the Committee on Foreign Investments in the United States and each member agency thereof, acting in such capacity.

CFIUS Approval means:

(a) subsequent to the parties' submission of a declaration filing to CFIUS pursuant to 31 C.F.R. § 800.402 (**Declaration**), the parties have received written notice from CFIUS that (i) CFIUS has concluded its assessment of the transactions contemplated by this Deed and determined there are no unresolved national security concerns related thereto, or (ii) CFIUS is not able to conclude its assessment of the transactions contemplated by this Deed but CFIUS has not requested that the Parties submit a joint voluntary notice to CFIUS in connection thereto or initiated a unilateral review thereof; or

(b) if a joint voluntary notification is submitted to CFIUS pursuant to 31 C.F.R. § 800 subpart E (**Joint Voluntary Notification**) following the receipt of written notice from CFIUS requesting that the parties file such Joint Voluntary Notification, or if CFIUS initiates a review of the transactions contemplated by this Deed, pursuant to 31 C.F.R. § 800.407(a)(3):

(i) the receipt of a written notification issued by CFIUS that it has determined that the transactions contemplated by this Deed are not a "covered transaction" or "covered transactions" under Section 721 of the DPA and are not subject to review by CFIUS;

(ii) the receipt of a written notification from CFIUS that it has completed its review (or, if applicable, investigation) of the transactions contemplated by this Deed and determined that there are no unresolved national security concerns with respect to the transactions contemplated by this Deed and that action under Section 721 is concluded; or

(iii) if CFIUS has sent a report to the President of the United States (the "President") requesting the President's decision with respect to the transactions contemplated by this Deed, that either:

(A) the President has announced a decision not to take any action to suspend, prohibit or place any limitations on the transactions contemplated by this Deed; or

(B) the time permitted under Section 721 for the President to take action to suspend or prohibit the transactions contemplated by this Deed shall have lapsed without any such action being threatened, announced or taken.

Claim means, in relation to a person, a demand, claim, action or proceeding made or brought by or against the person, however arising and whether present, unascertained, immediate, future or contingent.

Competing Proposal means any proposal, offer, expression of interest, agreement, arrangement or transaction, which, if entered into or completed substantially in accordance with its terms, would result in a Third Party (either alone or together with any Associate):

(a) directly or indirectly acquiring or having the right to acquire (a) a Relevant Interest in; (b) a legal, beneficial or economic interest (including by way of an equity swap, contract for difference or similar transaction or arrangement) in; or (c) control of, 20% or more of a party's shares;

For personal use only

(b) acquiring control (as determined in accordance with section 50AA of the Australian Corporations Act, but disregarding sub-section 50AA(4)) of a party;

(c) directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part of a party's business or assets;

(d) otherwise directly or indirectly acquiring or merging with a party; or

(e) requiring a party to abandon, or otherwise fail to proceed with, the Transaction,

whether by way of takeover bid, members' or creditors' scheme of arrangement, reverse takeover, shareholder approved acquisition, capital reduction, buy back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement, recapitalisation, refinancing or other transaction or arrangement.

Conditions Precedent means the conditions precedent set out in clause 3.1.

Confidentiality Deed means the confidentiality deed between STO and OSH dated 6 August 2021 (as amended).

Controlled Entity means, in relation to a party:

(a) a related body corporate of that party; or

(b) an entity, fund or partnership over which a party (or a related body corporate of a party) exercises control, or by which a party is controlled, within the meaning of section 50AA of the Australian Corporations Act (but read as though section 50AA(4) were omitted).

Court means the National Court of Justice of Papua New Guinea or such other court of competent jurisdiction as STO and OSH may agree in writing.

Declaration has the meaning given in the definition of 'CFIUS Approval' in this clause 1.1.

Deed Poll means a deed poll to be executed by STO in favour of the Scheme Shareholders substantially in the form of Annexure 3 (or in such other form as STO and OSH may agree in writing).

DPA means the Defense Production Act of 1950 (50 U.S.C. §4565), as amended.

EBITDAX means earnings before interest, tax, depreciation (or depletion), amortisation, impairment, exploration and evaluation expense.

Effective means, when used in relation to the Scheme, the coming into effect, pursuant to section 250 of the PNG Companies Act, of the orders of the Court under section 250(1) of the PNG Companies Act in relation to the Scheme, but in any event at no time before a certified copy of the orders of the Court are lodged with the PNG Registrar of Companies.

Effective Date means the date on which the Scheme becomes Effective.

Encumbrance means any mortgage, lien, charge, pledge, assignment by way of security, security interest, preferential right or trust arrangement, claim, covenant, profit a prendre, easement, overriding royalty, production payment, net profits interest or any other security arrangement or any other arrangement having the same effect.

End Date means:

(a) the date that is 9 months after the date of this Deed; or

(b) such later date as STO and OSH may agree in writing.

Exclusivity Period means the period commencing on the date of this Deed and ending on the

For personal use only

earlier of:

(a) the termination of this Deed in accordance with its terms;

(b) the End Date; and

(c) the Effective Date.

Fairly Disclosed means any information disclosed to a sufficient extent and in sufficient detail to enable a reasonable recipient of the relevant information, who is experienced in an industry similar to the industry in which the businesses conducted by OSH and STO operate or transactions similar to the Transaction to identify the nature, scope and potential or likely impact of the relevant matter, event or circumstance.

First Court Date means the first day of hearing of an application made to the Court by OSH for the First Court Order or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

First Court Order means an order pursuant to section 250(2)(b) of the PNG Companies Act convening the Scheme Meeting.

FY21 means, in respect of a party, the financial year ending 31 December 2021.

FY22 means, in respect of a party, the financial year ending 31 December 2022.

Governmental Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency or similar entity or organisation, or securities exchange, in each case in any part of the world or in any federation, state, province or legal government area of any part of the world, and includes the governmental agencies the parties agree in the Agreed Communications Side Letter are deemed to be a Governmental Agency for the purposes of this Deed.

GST means goods and services tax or similar value added tax levied or imposed in Australia or Papua New Guinea (as applicable) under the GST Law or otherwise on a supply.

GST Act means;

(a) the *A New Tax System (Goods and Services Tax) Act 1999* (Cth); and

(b) the *Goods and Services Tax Act 2003* (PNG).

GST Law has the same meaning as in the GST Act.

ICCC means the Independent Consumer and Competition Commission of Papua New Guinea.

Implementation Date means the date that is five Business Days after the Record Date, or such other date as OSH and STO may agree in writing.

Independent Expert means an independent expert to be appointed and engaged by OSH to prepare a report setting out whether, in its opinion, the Merger is in the best interests of OSH Shareholders.

Independent Expert's Report means the report from the Independent Expert commissioned by OSH for inclusion in the Scheme Booklet, and any update to such report that the Independent Expert issues prior to the Scheme Meeting.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in the OSH Register is a place outside Australia and its external territories, New Zealand, Papua New Guinea and the United States of America (unless otherwise agreed by the parties in writing, acting reasonably) or any other jurisdictions agreed by the parties in writing (each acting reasonably), unless STO is satisfied that the laws of that place permit the allotment and issue of STO Shares to that Scheme Shareholder under the Scheme, either unconditionally or after

For personal use only

compliance with conditions that STO regards as acceptable and not unduly onerous or impracticable.

Insolvency Event means, in the case of any entity:

(a) it ceases, suspends, or threatens to cease or suspend the conduct of all or a substantial part of its business or disposes of or threatens to dispose of all or a substantial part of its assets;

(b) it stops or suspends, or threatens to stop or suspend, payment of all or a class of its debts;

(c) it is, or under legislation is presumed or taken to be, insolvent (other than as the result of a failure to pay a debt or Claim the subject of a good faith dispute);

(d) it has an administrator, controller or similar officer appointed, or any step preliminary to the appointment of such an officer is taken;

(e) an application or an order is made, proceedings are commenced, or a resolution is passed (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days) for:

(i) its winding up, dissolution or administration; or

(ii) it entering into an arrangement, compromise or composition with, or assignment for, the benefit of its creditors or a class of them;

(f) entering into a deed of company arrangement;

(g) a:

(i) receiver, receiver and manager, administrative receiver or similar officer is appointed to;

(ii) security interest becomes enforceable or is enforced over; or

(iii) distress, attachment or other execution is levied or enforced or applied for over,

all or a substantial part of its assets; or

(h) anything analogous to anything referred to in the above paragraphs, or which has substantially similar effect, occurs with respect to it, including under any foreign law.

Joint Voluntary Notification has the meaning given in the definition of 'CFIUS Approval' in this clause 1.1.

Merger is defined in Recital A.

New STO Share means an STO Share to be issued to Scheme Shareholders under the terms of the Scheme.

Notice of Meeting means the notice convening the Scheme Meeting, together with the proxy form for the Scheme Meeting.

Officer means, in relation to an entity, any of its directors, officers and employees.

OSH 2020 Restricted Share means a restricted OSH Share granted in calendar year 2020 under the OSH LTIP as a deferred short term incentive award and held in the Oil Search Employee Share Trust on behalf of the employee with a scheduled vesting date in the months following the end of the financial year ending 31 December 2021.

OSH 2021 Restricted Share means a restricted OSH Share granted in calendar year 2021 under the OSH LTIP as a deferred short term incentive award and held in the Oil Search Employee Share Trust on behalf of the employee with a scheduled vesting date in the months following the

For personal use only

end of the financial year ending 31 December 2022.

OSH Alignment Right means an alignment right in respect of an OSH Share granted under the OSH LTIP.

OSH Board means the board of directors of OSH and an ***OSH Board Member*** means any director of OSH comprising part of the OSH Board.

OSH Break Fee means an amount equal to A$80 million.

OSH Data Room means the electronic data room maintained by or on behalf of OSH through which STO and its Representatives have had access to information relating to the OSH Group.

OSH Disclosure Letter means a letter identified as such provided by OSH to STO and countersigned by STO on or prior to the date of this Deed.

OSH Due Diligence Materials means all documents and information (including written responses from OSH and its Representatives to requests for further information made by STO and its Representatives) contained in the OSH Data Room at 6.00pm (AEST) on 9 September 2021, the index of which and accompanying Q&A schedule having been initialled by, or on behalf of, the parties for identification, and any other documents or information agreed in the STO Disclosure Letter.

OSH Group means OSH and its Controlled Entities.

OSH Group FY21 Budget means the budget of the OSH Group for financial year 2021 disclosed in the OSH Data Room at document number 02.18.01.01.

OSH Group Member means a member of the OSH Group.

OSH Indemnified Parties means:

(a) each OSH Group Member; and

(b) the Officers and Advisers of each OSH Group Member.

OSH LNG Expansion Rights means all rights to OSH shares referred to by an OSH Group Member in award letters or documentation (or in the OSH Due Diligence Materials) as being "LNG Expansion Rights".

OSH LTIP means the Oil Search Long-Term Incentive Plan Rules, as amended prior to the date of this Deed.

OSH Material Adverse Change means any event, occurrence or matter (whether occurring before, on or after the date of this Deed) which has resulted in, or is reasonably likely to result in , when aggregated, with all such events, occurrences or matters:

(a) a diminution in:

(i) the consolidated net assets of the OSH Group by an amount equal to US$225 million or more, as compared to what the consolidated net assets of the OSH Group could reasonably be expected to have been but for the relevant event(s), occurrence(s) or matter(s); or

(ii) the consolidated EBITDAX for the financial year ending 31 December 2021 or the financial year ending 31 December 2022 or the financial years ending 31 December 2021 and 31 December 2022 of the OSH Group being reduced by an amount equal to US$70 million or more, as compared to what the consolidated EBITDAX for the financial year ending 31 December 2021 or 31 December 2022 or financial years ending 31 December 2021 and 31 December 2022 (as applicable) of the OSH Group could reasonably be expected to have been but for the relevant event(s), occurrence(s) or matter(s); or

For personal use only

(b) the OSH Group being unable to carry on its business or operations with respect to the PNG LNG Project of the OSH Group in substantially the same manner as carried on as at the date of this Deed (including as a result of a Regulatory Approval, lease or licence being varied, revoked, cancelled, voided, invalidated or otherwise terminated by a Governmental Agency) and such inability is reasonably likely to continue for at least 60 days (whether or not that 60 days would go beyond the Second Court Date); or

(c) an OSH Group Member resigning or being removed as joint venture operator, or any notice of resignation is given or there is a successful vote to remove any OSH Group Member as operator, in each case of any of the PNG oil assets or the Pikka Unit, which is reasonably likely to have effect for at least 60 days (whether or not that 60 days would go beyond the Second Court Date),

including or excluding any matter agreed by the parties in writing in the OSH Disclosure Letter or STO Disclosure Letter, other than an event, occurrence or matter:

(d) expressly required or expressly permitted by this Deed or the Scheme;

(e) which an STO Group Member has previously approved or requested in writing;

(f) to the extent that it was Fairly Disclosed in the OSH Due Diligence Material or the OSH Disclosure Letter;

(g) that is within the actual knowledge of STO prior to the date of this Deed;

(h) arising from any actual or proposed change in any applicable law, regulation, generally accepted accounting standards or principles or the interpretation of any such standards or principles or other change in accounting standards (excluding any law, regulation, generally accepted accounting standards or principles or the interpretation of any such standards or principles or other change in accounting standards which specifically applies to or is directed at the OSH Group);

(i) Fairly Disclosed to ASX or PNGX within three years prior to the date of this Deed or Fairly Disclosed in a document lodged with ASIC that is publicly available by or on behalf of OSH within three years prior to the date of this Deed; or

(j) arising from any change or fluctuation in oil or gas prices, interest rates, commodity prices or exchange rates.

OSH NED Rights means a NED right granted under the Non-Executive Director Fee Sacrifice Share Acquisition Plan rules dated 20 February 2020.

OSH Performance Right means a performance right in respect of an OSH Share granted under the OSH LTIP.

OSH Prescribed Occurrence means any of the occurrences set out in Schedule 4, other than an occurrence:

(a) expressly required to be undertaken or procured by the OSH Group under, or expressly permitted by, this Deed or the Scheme;

(b) to the extent Fairly Disclosed in the OSH Due Diligence Material or the OSH Disclosure Letter;

(c) Fairly Disclosed to ASX or PNGX within three years prior to the date of this Deed or Fairly Disclosed in a document lodged with ASIC that is publicly available by or on behalf of OSH within three years prior to the date of this Deed;

(d) any actions taken in respect of the OSH NED Rights, OSH Share Rights, OSH LNG Expansion Rights, OSH Performance Rights and OSH Alignment Rights in accordance with clause 4.6; or

For personal use only

(e) consented to or requested, in each case in writing by STO.

OSH Provided Information means all information included in the Scheme Booklet, and any updates to that information prepared by or on behalf of OSH in accordance with clause 5.1(m), other than:

(a) the STO Provided Information and any information solely derived from, or prepared solely in reliance on, the STO Provided Information;

(b) the Independent Expert's Report;

(c) any investigating accountant's report; and

(d) any report or opinion prepared by a third party in relation to the potential taxation consequences of the Scheme on Scheme Shareholders in the Scheme Booklet,

and includes any information provided by OSH to STO regarding the OSH Group contained in, or used in the preparation of, the information regarding the merged OSH-STO entity following implementation of the Scheme.

OSH Register means the register of members of OSH maintained in accordance with the PNG Companies Act.

OSH Regulated Event means an event set out in Schedule 6, other than to the extent it:

(a) is expressly required or expressly permitted by this Deed or the Scheme;

(b) is required in order to comply with any applicable law, stock exchange rules or by order of a court or Governmental Agency (including any action taken to comply with any law or other public health orders relating to any public health emergency, epidemic or pandemic (including COVID-19));

(c) has been Fairly Disclosed in:

(i) the OSH Disclosure Letter;

(ii) any announcement by OSH to the ASX or PNGX within the three years prior to the date of this Deed; or

(iii) any publicly available document lodged with ASIC by or behalf of OSH within the 12 months prior to the date of this Deed;

(d) is required to be done to reasonably and prudently respond to an emergency or disaster, including a situation giving rise to the risk of personal injury, material damage to property or material harm to the environment; or

(e) has been agreed to, or requested, in writing by STO.

OSH Representation and Warranty means a representation and warranty of OSH set out in Schedule 2.

OSH Share means a fully paid ordinary share in OSH.

OSH Share Right means an OSH Performance Right granted under the OSH LTIP where the only performance condition is a requirement for a continuous period of service.

OSH Shareholder means a person who is registered in the OSH Register as a holder of OSH Shares from time to time.

PNG means Papua New Guinea.

PNG Companies Act means the *Companies Act 1997* (PNG).

PNG Registrar of Companies means the Registrar of Companies appointed under section 394(1) of the PNG Companies Act.

For personal use only

PNG Securities Commission means the Securities Commission of Papua New Guinea.

PNGX means PNGX Markets Limited or, as the context requires, the financial market operated by it.

PNGX Listing Rules means the official listing rules of the PNGX.

Record Date means 7:00pm on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between STO and OSH.

Registered Address means, in relation to an OSH Shareholder, the address shown in the OSH Register as at the Record Date.

Regulatory Approval means any approval, consent, authorisation, no objection, registration, filing, lodgement, permit, franchise, agreement, notarisation, certificate, permission, licence, direction, declaration, authority, waiver, modification or exemption from, by or with a Governmental Agency.

Related Company has the meaning given in the PNG Companies Act, except that references to 'subsidiary' have the meaning given to 'Subsidiary' in this Deed.

Relevant Interest has the meaning given in sections 608 and 609 of the Australian Corporations Act.

Representative means, in relation to a person:

(a) a Controlled Entity of the person;

(b) an Officer of the person or any of the person's Controlled Entities; or

(c) an Adviser to the person or any of the person's Controlled Entities.

Sale Agent means a person appointed by STO to sell the New STO Shares that are attributable to Ineligible Foreign Shareholders.

Sanctioned Country means a country or territory that is, or whose government is, the subject or target of Sanctions that prohibit dealings with that country or territory (including, without limitation, Cuba, Iran, North Korea, Syria and the Crimea Region of Ukraine).

Sanctioned Person means an individual or entity (**Person**) that is, or is controlled or 50% or more owned in the aggregate by or is acting on behalf of, one or more Persons that are currently the subject or target of any Sanctions.

Sanctions means any sanctions, export control or import laws, or other similar laws or regulations which are imposed, administered or enforced by:

(a) the United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury;

(b) the U.S. Department of State and including, without limitation, the designation as a “specially designated national” or “blocked persons”, or the Bureau of Industry and Security of the U.S. Department of Commerce);

(c) the United Nations Security Council;

(d) the European Union;

(e) a member state of the European Union;

(f) Her Majesty’s Treasury of the United Kingdom;

(g) the Commonwealth of Australia (including the Department of Foreign Affairs and Trade); or

(h) other relevant sanctions authorities with jurisdiction.

For personal use only

Scheme means a scheme of arrangement under Part XVI of the PNG Companies Act between OSH and Scheme Shareholders substantially in the form of Annexure 2, or in such other form as STO and OSH may agree in writing (each acting reasonably).

Scheme Booklet means the explanatory memorandum to be prepared in respect of the Scheme in accordance with the terms of this Deed and to be despatched by OSH to OSH Shareholders and which must include or be accompanied by:

(a) an explanatory statement;

(b) the Scheme;

(c) a copy or summary of this Deed;

(d) the Independent Expert's Report;

(e) any investigating accountant's report;

(f) the Deed Poll;

(g) the Notice of Meeting; and

(h) proxy forms.

Scheme Consideration means 0.6275 New STO Shares for each Scheme Share to be provided to Scheme Shareholders under the terms of the Scheme as described in clause 4 as adjusted in accordance with clause 4.7 (if applicable).

Scheme Meeting means the meeting of OSH Shareholders to be ordered by the Court to be convened under section 250(2)(b) of the PNG Companies Act in relation to the Scheme, and includes any adjournment of that meeting.

Scheme Shareholder means each person who is registered in the OSH Register as a holder of Scheme Shares as at the Record Date.

Scheme Shares means the OSH Shares on issue as at the Record Date.

Second Court Date means the first day of hearing of an application made to the Court by OSH for the Second Court Order or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Second Court Order means an order, pursuant to section 250(1) of the PNG Companies Act, approving the Scheme.

STO Board means the board of directors of STO and an ***STO Board Member*** means any director of STO comprising part of the STO Board.

STO Break Fee means an amount equal to A$80 million.

STO Data Room means the electronic data room maintained by or on behalf of STO through which OSH and its Representatives have had access to information relating to the STO Group.

STO Disclosure Letter means a letter identified as such provided by STO to OSH and countersigned by OSH on or prior to the date of this Deed.

STO Due Diligence Materials means all documents and information (including written responses from STO and its Representatives to requests for further information made by OSH and its Representatives) contained in the STO Data Room as at 6.00pm (AEST) on 9 September 2021 the index of which and accompanying Q&A schedule having been initialled by, or on behalf of, the parties for identification.

STO Executive Share Plan Shares means Plan 2 and Plan 0 shares issued pursuant to the Santos Executive Share Plan Rules.

STO Group means STO and its Controlled Entities.

STO Group FY21 Budget means the budget of the STO Group for financial year 2021 disclosed in the STO Data Room at document number 100.02.03.04.06.

STO Group Member means a member of the STO Group.

STO Indemnified Parties means:

(a) each STO Group Member; and

(b) the Officers and Advisers of each STO Group Member.

STO Material Adverse Change means any event, occurrence or matter (whether occurring before, on or after the date of this Deed) which has resulted in, or is reasonably likely to result in , when aggregated, with all such events, occurrences or matters:

(a) a diminution in:

(i) the consolidated net assets of the STO Group by an amount equal to US$360 million or more, as compared to what the consolidated net assets of the STO Group could reasonably be expected to have been but for the relevant event(s), occurrence(s) or matter(s); or

(ii) the consolidated EBITDAX for the financial year ending 31 December 2021 or the financial year ending 31 December 2022 or the financial years ending 31 December 2021 and 31 December 2022 of the STO Group being reduced by an amount equal to US$190 million or more, as compared to what the consolidated EBITDAX for the financial year ending 31 December 2021 or 31 December 2022 or financial years ending 31 December 2021 and 31 December 2022 (as applicable) of the STO Group could reasonably be expected to have been but for the relevant event(s), occurrence(s) or matter(s);

(b) the STO Group being unable to carry on its business or operations in respect of the Gladstone LNG Project or Cooper Basin assets of the STO Group in substantially the same manner as carried on as at the date of this Deed (including as a result of a Regulatory Approval, lease or licence being varied, revoked, cancelled, voided, invalidated or otherwise terminated by a Governmental Agency) and such inability is reasonably likely to continue for at least 60 days (whether or not that 60 days would go beyond the Second Court Date); or

(c) an STO Group Member resigning or being removed as joint venture operator, or any notice of resignation is given or there is a successful vote to remove any STO Group Member as operator, in each case of the Gladstone LNG Project or Cooper Basin assets of the STO Group, which is reasonably likely to have effect for at least 60 days (whether or not that 60 days would go beyond the Second Court Date),

including or excluding any matter agreed by the parties in writing in the OSH Disclosure Letter or STO Disclosure Letter, other than an event, occurrence or matter:

(d) expressly required or expressly permitted by this Deed or the Scheme;

(e) which an OSH Group Member has previously approved or requested in writing;

(f) to the extent that it was Fairly Disclosed in the STO Due Diligence Material or the STO Disclosure Letter;

(g) that is within the actual knowledge of OSH prior to the date of this Deed;

(h) arising from any actual or proposed change in any applicable law, regulation, generally accepted accounting standards or principles or the interpretation of any such standards

For personal use only

For personal use only

or principles or other change in accounting standards (excluding any law regulation, generally accepted accounting standards or principles or the interpretation of any such standards or principles or other change in accounting standards which specifically applies to or is directed at the STO Group);

(i) Fairly Disclosed to ASX within three years prior to the date of this Deed or Fairly Disclosed in a document lodged with ASIC that is publicly available by or on behalf of STO within three years prior to the date of this Deed; or

(j) arising from any change or fluctuation in oil or gas prices, interest rates, commodity prices or exchange rates.

STO Prescribed Occurrence means any of the occurrences set out in Schedule 3, other than an occurrence:

(a) expressly required to be undertaken or procured by the STO Group under, or expressly permitted by, this Deed or the Scheme;

(b) to the extent Fairly Disclosed in the STO Due Diligence Material or the STO Disclosure Letter;

(c) Fairly Disclosed to ASX within three years prior to the date of this Deed or Fairly Disclosed in a document lodged with ASIC that is publicly available by or on behalf of STO within 12 months prior to the date of this Deed; or

(d) consented to or requested, in each case in writing by OSH.

STO Provided Information means all information that is provided by or on behalf of STO to OSH in writing for inclusion in the Scheme Booklet to enable the Scheme Booklet to be prepared and completed in accordance with clause 5.2(b) including all information regarding the merged entity post implementation of the Merger, and all information which relates to the Scheme Consideration (but excluding any information provided by OSH to STO regarding the OSH Group contained in, or used in the preparation of, the information regarding the merged OSH-STO entity following implementation of the Scheme), and any updates to that information provided by or on behalf of STO to OSH in accordance with clause 5.2(d).

STO Regulated Event means an event set out in Schedule 5, other than to the extent it:

(a) is expressly required or expressly permitted by this Deed or the Scheme;

(b) is required in order to comply with any applicable law, stock exchange rules or by order of a court or Governmental Agency (including any action taken to comply with any law or other public health orders relating to any public health emergency, epidemic or pandemic (including COVID-19));

(c) has been Fairly Disclosed in:

(i) STO Disclosure Letter;

(ii) any announcement by STO to the ASX within the three years prior to the date of this Deed; or

(iii) any publicly available document lodged with ASIC by or on behalf of STO (as applicable) within the 12 months prior to the date of this Deed;

(d) is required to be done to reasonably and prudently respond to an emergency or disaster, including a situation giving rise to the risk of personal injury, material damage to property or material harm to the environment; or

(e) has been agreed to, or requested, in writing by OSH.

STO Representation and Warranty means a representation and warranty of STO set out

For personal use only

in Schedule 1.

STO Share means a fully paid ordinary share issued in the capital of STO.

STO Share Acquisition Right means a performance right in respect of an STO Share granted under the Santos Employee Equity Incentive Plan.

STO Shareholder means a person entered into the register of members of STO as a holder of an STO Share.

Subsidiary has the meaning given in the PNG Companies Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is controlled by that entity (as 'control' is defined in section 6 of the PNG Companies Act) and, without limitation:

(a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share;

(b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and

(c) an entity will also be deemed to be a Subsidiary of an entity if that entity is required by the accounting standards to be consolidated with that entity.

Superior Proposal means a bona fide written Competing Proposal in respect of a party:

(a) of the kind referred to in paragraphs (b), (c), (d) or (e) of the definition of Competing Proposal; and

(b) not resulting from a breach by the party of any of its obligations under clause 12,

that the OSH Board (in the case of OSH) or STO Board (in the case of STO), acting in good faith and in order to satisfy what the OSH Board (in the case of OSH) or STO Board (in the case of STO) considers to be the OSH Board Members' (in the case of OSH) or the STO Board Members' (in the case of STO) statutory or fiduciary duties (after having obtained advice from their external legal and financial advisers) determines:

(c) is reasonably capable of being valued, and completed in a reasonable timeframe, taking into account all terms, conditions and other aspects of the Competing Proposal in respect of that party, including, but not limited to:

  (i) the identity, reputation and financial condition of the party making the Competing Proposal in respect of that party;

  (ii) the ability of the party making the Competing Proposal in respect of that party to consummate the transactions contemplated by the Competing Proposal in respect of that party; and

  (iii) all relevant legal, financial, regulatory and other matters; and

(d) would, if completed substantially in accordance with its terms, be more favourable to OSH Shareholders or STO Shareholders (as applicable) (as a whole) than the Transaction (and, if applicable, than the Transaction as amended or varied following application of the matching right set out in clause 12.5), taking into account all terms, conditions and other aspects of the Competing Proposal in respect of that party and all terms, conditions and other aspects of the Transaction.

Third Party means:

(a) in relation to OSH, any of the following:

  (i) a person other than any STO Group Member; or

For personal use only

(ii) a consortium, partnership, limited partnership or syndicate in which no STO Group Member has agreed in writing to be a participant; and

(b) in relation to STO, any of the following:

(i) a person other than any OSH Group Member; or

(ii) a consortium, partnership, limited partnership or syndicate in which no OSH Group Member has agreed in writing to be a participant,

and includes a Governmental Agency.

Timetable means the indicative timetable in relation to the Scheme set out in Annexure 1, or such other indicative timetable as STO and OSH may agree in writing.

Trading Day has the meaning given in the ASX Listing Rules.

Transaction means the proposed transaction under which STO will acquire the Scheme Shares under the Merger, in consideration for the provision of the Scheme Consideration.

Transaction Documents means:

(a) this Deed;

(b) the Scheme; and

(c) the Deed Poll.

1.2 Interpretation

(a) Headings are for convenience only and do not affect interpretation.

(b) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.

(c) Nothing in this Deed is to be interpreted against a party solely on the ground that the party put forward this Deed or a relevant part of it.

(d) The following rules apply unless the context requires otherwise.

(i) The singular includes the plural, and the converse also applies.

(ii) A gender includes all genders.

(iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity (including a Governmental Agency), whether or not it comprises a separate legal entity.

(v) A reference to a body (including an institute, association or authority), other than a party to this deed, whether statutory or not:

(A) which ceases to exist; or

(B) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

(vi) A reference to a clause or Schedule or Annexure is a reference to a clause of, or Schedule or Annexure to, this Deed.

(vii) A reference to an agreement or document (including a reference to this Deed) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Deed or that other agreement or document,

For personal use only

and includes the recitals, schedules and annexures to that agreement or document.

(viii) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.

(ix) A reference to a party to this Deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).

(x) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

(xi) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.

(xii) A reference to an *agreement* includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a *document* includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.

(xiii) A reference to *dollars* or *$* is to Australian currency.

(xiv) A reference to 'US$' is to the lawful currency of the United States of America;

(xv) A reference to time is to Port Moresby, PNG time. If a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day. A reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later.

(xvi) A reference to a term defined in or for the purposes of the Australian Corporations Act has the same meaning when used in this Deed.

(xvii) A reference to the ASX Listing Rules or the PNGX Listing Rules includes any variation, consolidation or replacement of those rules and is to be taken to be subject to any waiver or exemption granted by the ASX or PNGX (as applicable) to the compliance of those rules.

(xviii) A reference to a petroleum licence means any licence, lease, title, concession, production sharing contract, risk service contract or similar authority or right to conduct petroleum exploration, appraisal, development, production, processing or transportation activities in any jurisdiction.

(xix) Any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally.

(xx) The meaning of a reference to a party 'acting reasonably' may be set out in the STO Disclosure Letter.

1.3 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

For personal use only

1.4 Best and reasonable endeavours

A reference to a party using or obligation on a party to use its best endeavours or reasonable endeavours does not oblige that party to:

(a) pay money:

(i) in the form of an inducement or consideration to a Third Party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing); or

(ii) in circumstances that are commercially onerous or unreasonable in the context of this Deed;

(b) provide other valuable consideration to or for the benefit of any person; or

(c) agree to commercially onerous or unreasonable terms or conditions (in the opinion of the party to whom the terms or conditions are to apply, or apply),

other than to the extent the party or other relevant person to whom the obligation applies has an obligation other than under this Deed to do so.

Without limiting any other provision of this clause 1.4, the meaning of reference to a party using or obligation on a party to use its best endeavours or reasonable endeavours in this Deed may be set out in the STO Disclosure Letter.

1.5 Consents and approvals

If the doing of any act, matter or thing under this Deed is dependent on the consent or approval of a party or is within the discretion of a party, or where this Deed contemplates that a party may agree or consent to something (however it is described), such consent, approval or agreement may be given or provided or such discretion may be exercised conditionally or unconditionally or such consent, approval or agreement may be given, provided or withheld by the party in its absolute discretion, in each case unless expressly provided otherwise.

1.6 Awareness

(a) Where an OSH Representation and Warranty is given 'so far as OSH is aware' or with a similar qualification as to OSH's awareness or knowledge, or in relation to a reference to the actual knowledge of OSH in the definition of 'STO Material Adverse Change' or in clause 9.3, OSH's awareness or knowledge is limited to and deemed only to include those facts, matters or circumstances of which any of the persons agreed by the parties in writing in the OSH Disclosure Letter is actually aware, after reasonable due enquiry, as at the date of this Deed.

(b) Where an STO Representation and Warranty is given 'so far as STO is aware' or with a similar qualification as to STO's awareness or knowledge, or in relation to a reference to the actual knowledge of STO in the definition of 'OSH Material Adverse Change' or in clause 9.1, STO's awareness or knowledge is limited to and deemed only to include those facts, matters or circumstances of which any of the persons agreed by the parties in writing in the STO Disclosure Letter is actually aware, after reasonable due enquiry, as at the date of this Deed.

1.7 Ancillary documents

The Agreed Communications Side Letter, the STO Disclosure Letter and the OSH Disclosure Letter are each a document specified for the purpose of clause 18.6.

For personal use only

2 Agreement to Proceed with the Scheme

2.1 OSH to propose and implement the Scheme

Subject to and upon the terms and conditions of this Deed, OSH agrees to propose and implement the Scheme under which all of OSH Shares held by Scheme Shareholders at the Record Date will be transferred to STO (or its nominee) and the Scheme Shareholders will be entitled to receive the Scheme Consideration, and must use reasonable endeavours to do so substantially in accordance with the Timetable.

2.2 STO to assist

STO agrees to assist OSH to propose and implement the Scheme on and subject to the terms and conditions of this Deed, and must use reasonable endeavours to do so substantially in accordance with the Timetable.

2.3 STO Covenant

Subject to the terms of this Deed, STO covenants in favour of OSH (in its own right and separately as trustee or nominee for each Scheme Shareholder) that, if the Scheme becomes Effective, in consideration for the transfer to STO of each OSH Share held by a Scheme Shareholder under the terms of the Scheme, STO will, on the Implementation Date, subject to the terms of the Deed Poll and the Scheme, provide to each Scheme Shareholder the Scheme Consideration for each Scheme Share held by that Scheme Shareholder.

2.4 Provision of OSH Register

OSH must provide, or procure the provision to STO or a nominee of STO of a complete copy of the OSH Register (1) as at the date of this Deed as soon as practicable (and in any event within 2 Business Days) after the date of this Deed, and (2) as at the Record Date as soon as practicable (and in any event within 1 Business Day) after the Record Date, in each case which must include the name, Registered Address and registered holding of each Scheme Shareholder as at the date of this Deed or the Record Date (as applicable). The details and information to be provided under this clause 2.4 must be provided in such form as STO or its nominee may reasonably require.

3 Conditions Precedent and Pre-Implementation Steps

3.1 Conditions Precedent

Subject to this clause 3, the Scheme will not become Effective, and the obligations of STO under clause 4.2 are subject to the satisfaction (or waiver in accordance with clause 3.3) of each of the following Conditions Precedent:

Conditions Precedent for the benefit of STO and OSH

(a) (**OSH Shareholder approval**) OSH Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities in accordance with section 250 of the PNG Companies Act.

(b) (**Court approval**) The Court approves the Scheme in accordance with section 250 of the PNG Companies Act (subject to any conditions ordered by the Court and approved in writing by the parties, acting reasonably).

(c) (**No restraints**) At 8:00am on the Second Court Date there is no applicable law, rule or regulation enacted, and there is not in effect any permanent decree, judgment, injunction, direction, writ or other order, made or given by a court of competent jurisdiction in any part of the world or by another Governmental Agency, that prevents, makes illegal or

For personal use only

prohibits the implementation of the Scheme (and prior to such time there is no written determination of a Governmental Agency in terms which the parties have agreed in the OSH Disclosure Letter or STO Disclosure Letter is to be treated as having the same effect as such an applicable law, rule, regulation, permanent decree, judgment, injunction, direction, writ or other order made or given by a court of competent jurisdiction in any part of the world or by another Governmental Agency preventing, making illegal or prohibiting the implementation of the Scheme); and

(d) (**PNG Securities Commission**) Before 8.00am on the Second Court Date, the PNG Securities Commission providing all approvals, waivers or exemptions (if required) necessary to implement the Transaction (unconditionally or subject to conditions acceptable to STO, acting reasonably).

(e) (**ICCC Clearance**) Before 8:00am on the Second Court Date, the ICCC providing written confirmation that it has cleared the Transaction under section 81 of the *Independent Consumer and Commission Act 2002* (unconditionally or subject to conditions acceptable to STO, acting reasonably).

(f) (**CFIUS Approval**) Before 8:00am on the Second Court Date, the parties obtaining from CFIUS the CFIUS Approval (unconditionally or subject to conditions acceptable to STO, acting reasonably).

(g) (**Other regulatory approvals**) Before 8.00am on the Second Court Date, all other Regulatory Approvals which OSH and STO agree in writing, each acting reasonably, are necessary or desirable to implement the Merger are obtained (unconditionally or subject to conditions acceptable to STO, acting reasonably).

(h) (**ASX Listing Rule 7.1 Waiver**) STO obtaining a waiver from ASX Listing Rule 7.1 to the extent necessary (in the reasonable opinion of STO) to permit STO to validly issue the New STO Shares to be issued pursuant to the Scheme by 8:00am on the Second Court Date and that waiver remains in full force and effect in all respects and has not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8:00am on the Second Court Date.

(i) (**Quotation approval for New STO Shares**) the New STO Shares to be issued pursuant to the Scheme are approved for official quotation by ASX by 8:00am on the Second Court Date (provided that any such approval may be subject to customary conditions and any other conditions reasonably acceptable to STO) and that approval remains in full force and effect in all respects (subject to those customary conditions if applicable), and has not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8:00am on the Second Court Date.

Conditions Precedent for the benefit of STO

(j) (**No OSH Prescribed Occurrence**) no OSH Prescribed Occurrence occurs between (and including) the date of this Deed and 8:00am on the Second Court Date.

(k) (**No OSH Material Adverse Change**) no OSH Material Adverse Change occurs between (and including) the date of this Deed and 8:00am on the Second Court Date.

(l) (**No OSH Regulated Event**) subject to clause 3.9, no OSH Regulated Event occurs between (and including) the date of this Deed and 8:00am on the Second Court Date.

Conditions Precedent for the benefit of OSH

(m) (**Independent Expert's Report**) the Independent Expert provides the Independent Expert's Report to OSH, stating that in its opinion the Merger is in the best interests of OSH Shareholders, and the Independent Expert does not change its conclusion or withdraw the Independent Expert's Report by notice in writing to OSH prior to 8:00am on the Second Court Date.

(n) (**No STO Prescribed Occurrence**) no STO Prescribed Occurrence occurs between (and including) the date of this Deed and 8:00am on the Second Court Date.

(o) (**No STO Material Adverse Change**) no STO Material Adverse Change occurs between (and including) the date of this Deed and 8:00am on the Second Court Date.

(p) (**No STO Regulated Event**) subject to clause 3.9, no STO Regulated Event occurs between (and including) the date of this Deed and 8:00am on the Second Court Date.

3.2 Best endeavours and co-operation

Without prejudice to any other obligations of the parties under this Deed:

(a) STO must, to the extent it is within its power to do so, use its best endeavours to:

(i) satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(h) (ASX Listing Rule 7.1 Waiver), 3.1(i) (Quotation approval for New STO Shares), 3.1(n) (No STO Prescribed Occurrence), 3.1(o) (No STO Material Adverse Change) and 3.1(p) (No STO Regulated Event) as soon as practicable after the date of this Deed; and

(ii) ensure that such Conditions Precedent referred to in clause 3.2(a)(i) continue to be satisfied at all times until the last time that the relevant clause provides that they are to be satisfied;

(b) OSH must, to the extent it is within its power to do so, use its best endeavours to:

(i) satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(a) (OSH Shareholder approval), 3.1(b) (Court approval), 3.1(j) (No OSH Prescribed Occurrence), 3.1(k) (No OSH Material Adverse Change), 3.1(l) (No OSH Regulated Event) and 3.1(m) (Independent Expert's Report), as soon as practicable after the date of this Deed; and

(ii) ensure that such Conditions Precedent referred to in clause 3.2(b)(i) continue to be satisfied at all times until the last time that the relevant clause provides that they are to be satisfied;

(c) each party must, to the extent that it is within their respective control and power to do so, use its best endeavours to:

(i) as soon as practicable after the date of this Deed agree in writing (each acting reasonably) any other Regulatory Approvals which they consider are necessary or desirable to implement the Merger;

(ii) satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(d) (PNG Securities Commission), 3.1(e) (ICCC Clearance), 3.1(f) (CFIUS Approval) and 3.1(g) (Other regulatory approvals) as soon as practicable after the date of this Deed;

(iii) ensure that such Conditions Precedent referred to in clause 3.2(c)(i) continue to be satisfied at all times until the last time that the relevant clause provides that they are to be satisfied; and

For personal use only

(iv) ensure that the Condition Precedent in clause 3.1(c) (No restraints) is not triggered; and

(d) neither party will, and will procure that each of its Controlled Entities does not, take any action that will or is likely to hinder or prevent the satisfaction of any Condition Precedent (or hinder or prevent any Condition Precedent from remaining satisfied), except to the extent that such action is expressly required to be done or procured under the Transaction Documents, or is required by law, provided that STO is not required to accept or agree to any actual, potential or proposed condition by a Governmental Agency with respect to a Regulatory Approval in clause 3.1(d) (PNG Securities Commission), 3.1(e) (ICCC Clearance), 3.1(f) (CFIUS Approval) or 3.1(g) (Other regulatory approvals), or in respect of clause 3.1(f) (CFIUS Approval), any request from CFIUS to enter into a mitigation agreement, as a condition of CFIUS Approval, in each case which is not acceptable to STO (acting reasonably).

3.3 Benefit and waiver of Conditions Precedent

(a) The Conditions Precedent in clauses 3.1(a) to 3.1(i) (inclusive) are for the benefit of each party, and (except in the cases of the Conditions Precedent in clauses 3.1(a), 3.1(b), 3.1(d), 3.1(e), 3.1(f), 3.1(g) and 3.1(i), which cannot be waived) any breach or non-fulfilment of any of those Conditions Precedent may only be waived with the written consent of both parties.

(b) The Conditions Precedent in clauses 3.1(j) to 3.1(l) (inclusive) are for the sole benefit of STO, and any breach or non-fulfilment of any of those Conditions Precedent may only be waived by STO giving its written consent.

(c) The Conditions Precedent in clauses 3.1(m) to 3.1(p) (inclusive) are for the sole benefit of OSH, and any breach or non-fulfilment of any of those Conditions Precedent may only be waived by OSH giving its written consent.

(d) A party entitled to waive the breach or non-fulfilment of a Condition Precedent under this clause 3.3 may do so in its absolute discretion.

(e) If a waiver by a party of a Condition Precedent is itself expressed to be conditional and the other party accepts the conditions, the terms of the conditions apply accordingly. If the other party does not accept the conditions, the relevant Condition Precedent has not been waived.

(f) If a party waives the breach or non-fulfilment of a Condition Precedent, that waiver will not preclude it from suing the other party for any breach of this Deed constituted by the same event that gave rise to the breach or non-fulfilment of the Condition Precedent.

(g) Waiver of a breach or non-fulfilment in respect of one Condition Precedent does not constitute:

(i) a waiver of breach or non-fulfilment of any other Condition Precedent resulting from the same events or circumstances; or

(ii) a waiver of breach or non-fulfilment of that Condition Precedent resulting from any other event or circumstance.

3.4 Failure of Conditions Precedent

(a) Subject to clause 3.9, if:

(i) there is a breach or non-fulfilment of a Condition Precedent that is not waived in accordance with clause 3.3 by the time or date specified in this Deed for the satisfaction of the Condition Precedent;

For personal use only

For personal use only

(ii) there is an act, failure to act or occurrence which does or will prevent a Condition Precedent being satisfied by the time or date specified in this Deed for the satisfaction of the Condition Precedent; or

(iii) a Condition Precedent will not be, or is not, satisfied by the earlier of the time and date specified in this Deed for the satisfaction of that Condition Precedent and the End Date,

then either party may give the other party written notice (**Consultation Notice**) requiring the parties to promptly consult in good faith with a view to determining whether:

(iv) the Transaction may proceed by way of alternative means or methods;

(v) to extend the relevant time or date for satisfaction of the Condition Precedent;

(vi) to change the First Court Date or to adjourn the application for the First Court Order to another date agreed by the parties;

(vii) to change the Second Court Date or to adjourn the application for the Second Court Order to another date agreed by the parties;

(viii) to extend the End Date; or

(ix) do any combination of the matters listed in clauses 3.4(a)(iv) to 3.4(a)(viii) (inclusive).

(b) If the parties are unable to reach agreement under clauses 3.4(a)(iv), 3.4(a)(v), 3.4(a)(vi), 3.4(a)(vii), 3.4(a)(viii), or 3.4(a)(ix) within the earlier of five Business Days after the date on which a Consultation Notice is given or by the End Date, then (unless the relevant Condition Precedent has been waived in accordance with clause 3.3 or the party entitled to waive the relevant Condition Precedent in accordance with clause 3.3 confirms in writing to the other party that it will not rely on the event or occurrence that would or does prevent the relevant Condition Precedent from being satisfied, or would mean the relevant Condition Precedent would or will not otherwise be satisfied) either party may terminate this Deed by notice in writing to the other party without liability to the other party because of that termination, unless the relevant occurrence or the failure of the Condition Precedent to be satisfied, or the failure of the Scheme to become Effective, arises out of a breach by the terminating party of this Deed (for the avoidance of doubt, in such circumstances, the party which is not the terminating party of this Deed may still terminate this Deed if it is entitled to do so under the terms of this Deed) or the relevant Condition Precedent is stated in clause 3.3 to be for the sole benefit of the other party.

(c) If at any time before the End Date either party advises the other that they consider that any of the Conditions Precedent will be unable to be satisfied before the End Date, then the parties agree to meet and discuss in good faith. If both parties agree that any Condition Precedent is unable to be satisfied before the End Date, then this Deed can be terminated by agreement by both parties in writing.

(d) For the avoidance of doubt, nothing in this clause 3.4(b) or clause 3.4(c) affects the obligation of OSH to pay the OSH Break Fee, or the obligation of STO to pay the STO Break Fee, if it is required to do so under this Deed.

3.5 Certain notices

(a) If a party becomes aware that any Condition Precedent has been satisfied or of any material progress towards such satisfaction, it must promptly notify the other in writing of that fact.

For personal use only

(b) If a party becomes aware of a breach or non-fulfilment of a Condition Precedent, or that an event has occurred that will or would be reasonably likely to prevent a Condition Precedent from being satisfied (or mean that any Condition Precedent will not otherwise be satisfied) before the time and date specified for its satisfaction (or being satisfied prior to the End Date, if no such time and date is specified) or such Condition Precedent is not otherwise satisfied by that time and date, it must notify the other in writing of that fact as soon as possible and in any event within 2 Business Days.

(c) Without limiting clause 3.4(b) or clause 3.4(c), if a Condition Precedent is not satisfied by the time and date specified, the parties agree that (unless there is not a reasonable prospect that the Condition Precedent will be satisfied before the End Date) STO may request that OSH must make an application to defer the Second Court Date until such time (not later than the Business Day before the End Date) as reasonably required to enable the relevant Condition Precedent to be satisfied and OSH must comply with any such request from STO.

(d) Each party must promptly advise each other orally and in writing of any change, circumstance, fact, matter or event causing, which has caused, or which, so far as can reasonably be foreseen, would or would be reasonably likely to cause:

(i) a breach or non-fulfilment of any of the Conditions Precedent;

(ii) a representation or warranty provided in this Deed by the relevant party to be inaccurate; or

(iii) a material breach of this deed by the relevant party.

3.6 Certificates in relation to Conditions Precedent

(a) On the Second Court Date, each party must provide to the Court a certificate signed by that party (or such other evidence as the Court may request) confirming (in respect of matters within its knowledge) whether or not as at 8:00am on the Second Court Date the Conditions Precedent (other than the Condition Precedent in clause 3.1(b)) have been satisfied or waived in accordance with this Deed.

(b) Each party must provide to the other party a draft of the relevant certificate to be provided by it under clause 3.6(a) by 5:00pm on the day that is two Business Days prior to the Second Court Date, and must provide to the other party on the Second Court Date a copy of the final certificate or other evidence provided to the Court.

3.7 Court approval

If the Court's approval of the Scheme in accordance with section 250(1) of the PNG Companies Act would impose any terms or conditions other than those set out in the Scheme, then each such term or condition must be approved in writing by STO and OSH (both acting reasonably) prior to the Court granting the final orders and if not so agreed, the Condition in clause 3.1(b) will not be satisfied.

3.8 Receipt of Regulatory Approvals

Without limiting clause 3.2:

(a) both parties must apply for the Regulatory Approval in clause 3.1(d) (PNG Securities Commission) as soon as practicable (and in any event within 5 Business Days after the date of this Deed);

(b) in respect of the Regulatory Approval in clause 3.1(f) (CFIUS Approval), both parties must:

For personal use only

(i) prepare and file the Declaration as soon as practicable (and in any event within 20 Business Days after the date of this Deed) unless the parties otherwise mutually agree to another time period;

(ii) if the parties receive written notification from CFIUS requesting that the parties file a Joint Voluntary Notice, promptly prepare and file the Joint Voluntary Notice and, in any event, not later than 10 Business Days after the receipt of such written notice from CFIUS, unless the parties otherwise mutually agree to another time period or CFIUS provides a submission deadline; and

(iii) negotiate in good faith and promptly respond to any request from CFIUS to enter into a mitigation agreement, as a condition of CFIUS Approval, to the extent acceptable to STO;

(c) in respect of any Regulatory Approval in clause 3.1(g) (Other regulatory approvals), the parties must, or the relevant party required to make the relevant Regulatory Approval application must, apply for that Regulatory Approval as soon as practicable;

(d) in respect of the Regulatory Approvals in clauses 3.1(d) (PNG Securities Commission), 3.1(f) (CFIUS Approval) and 3.1(g) (Other regulatory approvals), the parties must:

(i) provide such assistance and information to the other party in respect of any relevant Regulatory Approval application as the other party may reasonably request;

(ii) take all reasonable steps required as part of the approval process in respect of any such application, including promptly responding to reasonable requests for information, documents or other materials from the other party or a Governmental Agency at the earliest practicable time or otherwise within the timeframe set forth by the relevant Governmental Agency (including after filing of the Declaration and if necessary a Joint Voluntary Notice), provided that STO is not required to accept or agree to any actual, potential or proposed condition by a Governmental Agency with respect to a Regulatory Approval in clause 3.1(d) (PNG Securities Commission), 3.1(f) (CFIUS Approval) or 3.1(g) (Other regulatory approvals), or in respect of clause 3.1(f) (CFIUS Approval), any request from CFIUS to enter into a mitigation agreement, as a condition of CFIUS Approval, in each case which is not acceptable to STO (acting reasonably);

(iii) in respect of the relevant Regulatory Approval application, provide the other party with:

(A) drafts of any material written communications to be sent to a Governmental Agency and, to the extent practicable, allow the other party a reasonable opportunity to review the draft and take into account all reasonable comments from the other party on the draft prior to them being sent; and

(B) reasonable notice of any approach, contact or discussions with a Governmental Agency and a reasonable opportunity to attend and participate in any discussions with Governmental Agencies in respect of the relevant Regulatory Approval (other than to the extent, or for any part of such discussion during which, any confidential or commercially sensitive information of the other party or its Controlled Entities is to be discussed). For the avoidance of doubt, this clause 3.8(d)(iii)(B) does not apply to any approach, contact or discussions with a Governmental Agency in the ordinary course of the relevant party's business (provided

that the relevant party does not engage in any discussion regarding a relevant Regulatory Approval as part of any such approach, contact or discussion); and

(iv) keep the other party informed of any material discussions or correspondence with Governmental Agencies and promptly provide the other party with copies of any material written communications received from Governmental Agencies, in each case to the extent they relate to the Regulatory Approvals in clauses 3.1(d) (PNG Securities Commission), 3.1(f) (CFIUS Approval) or 3.1(g) (Other regulatory approvals),

provided that a party may withhold or redact information or documents from the other party, if and to the extent that they are either confidential to a third party (or are required by a Governmental Agency, including CFIUS, to remain confidential from the other party) or commercially sensitive and confidential to the first-mentioned party. A party is not prevented from taking any step (including communicating with a Governmental Agency) in respect of the Regulatory Approvals in clauses 3.1(d) (PNG Securities Commission), 3.1(f) (CFIUS Approval) or 3.1(g) (Other regulatory approvals) if the other party has not responded within a reasonable period to any communication under this clause 3.8(d), provided it notifies the other party in writing prior to doing so; and

(e) STO must:

(i) apply for the Regulatory Approval in clause 3.1(e) (ICCC Clearance) as soon as practicable (and in any event within 20 Business Days after the date of this Deed) and OSH must provide such assistance and information in respect of any such application as STO may reasonably request, and each party must take all reasonable steps required as part of the approval process in respect of any such application, including promptly responding to reasonable requests for information, documents or other materials from the other party or a Governmental Agency at the earliest practicable time or otherwise within the timeframe set forth by the relevant Governmental Agency, provided that STO is not required to accept or agree to any actual, potential or proposed condition by a Governmental Agency with respect to a Regulatory Approval in clause 3.1(e) (ICCC Clearance) which is not acceptable to STO (acting reasonably);

(ii) in respect of the Regulatory Approval application in clause 3.1(e) (ICCC Clearance), provide:

(A) OSH with drafts of any material written communications to be sent to a Governmental Agency and, to the extent practicable, allow OSH a reasonable opportunity to review the draft and take into account all reasonable comments from OSH on the draft prior to them being sent; and

(B) reasonable notice of any approach, contact or discussions with a Governmental Agency and provide OSH with a reasonable opportunity to attend and participate in any discussions with Governmental Agencies in Papua New Guinea in respect of the Regulatory Approval in clause 3.1(e) (ICCC Clearance) (other than to the extent, or for any part of such discussion during which, any confidential or commercially sensitive information of the STO Group is to be discussed). For the avoidance of doubt, this clause 3.8(e)(ii)(B) does not apply to any approach, contact or discussions with a Governmental Agency in the ordinary course of STO's business (provided that STO does not engage in any discussion

For personal use only

regarding the Regulatory Approval in clause 3.1(e) (ICCC Clearance) as part of any such approach, contact or discussion); and

(iii) keep OSH informed of any material discussions or correspondence with Governmental Agencies and promptly provide OSH with copies of any material written communications received from a Governmental Agencies, in each case to the extent they relate to the Regulatory Approval in clause 3.1(e) (ICCC Clearance); and

provided that STO may withhold or redact information or documents from the other party, if and to the extent that they are either confidential to a third party (or are required by a Governmental Agency to remain confidential from the other party) or commercially sensitive and confidential to STO and STO is not prevented from taking any step (including communicating with a Governmental Agency) in respect of the Regulatory Approval in clause 3.1(e) (ICCC Clearance) if OSH has not responded within a reasonable period to any communication under this clause 3.8(e), provided it notifies OSH in writing prior to doing so.

(f) This clause 3.8 prevails to the extent of any inconsistency with the Confidentiality Deed.

3.9 OSH Regulated Events and STO Regulated Events

In respect of the Conditions Precedent in clauses 3.1(l) and 3.1(p), if:

(a) an OSH Regulated Event occurs between (and including) the date of this Deed and 8:00am on the Second Court Date, the Condition Precedent in clause 3.1(l) will not be taken to be breached, not fulfilled or not satisfied as a result of the occurrence of the relevant OSH Regulated Event, unless:

(i) STO has given written notice to OSH in accordance with clause 3.5(b), and such notice also sets out the relevant circumstances of the breach, non-fulfilment or non-satisfaction; and

(ii) the relevant circumstances continue to exist for five Business Days from the time the notice is given under clause 3.5(b) (or any shorter period ending at 8:00am on the Second Court Date); or

(b) an STO Regulated Event occurs between (and including) the date of this Deed and 8:00am on the Second Court Date, the Condition Precedent in clause 3.1(p) will not be taken to be breached, not fulfilled or not satisfied as a result of the occurrence of the relevant STO Regulated Event, unless:

(i) OSH has given written notice to STO in accordance with clause 3.5(b), and such notice also sets out the relevant circumstances of the breach, non-fulfilment or non-satisfaction; and

(ii) the relevant circumstances continue to exist for five Business Days from the time the notice is given under clause 3.5(b) (or any shorter period ending at 8:00am on the Second Court Date).

4 Scheme Structure

4.1 Outline of the Scheme

Subject to the Scheme becoming Effective, as part of the implementation of the Scheme and in accordance with the terms of this Deed and the Scheme:

(a) all Scheme Shares will be transferred to STO (or its nominee); and

(b) in exchange, each Scheme Shareholder will receive the Scheme Consideration.

For personal use only

For personal use only

4.2 Scheme Consideration

Subject to the terms and conditions of this Deed and the Scheme becoming Effective, STO must on the Implementation Date:

(a) allot and issue the New STO Shares to Scheme Shareholders in accordance with the Scheme on terms such that each New STO Share will rank equally in all respects with each existing STO Share;

(b) do everything reasonably necessary to ensure that the STO Shares (including the New STO Shares) are approved for official quotation on ASX and that trading in the New STO Shares commences by the first Business Day after the Implementation Date; and

(c) ensure that on issue, each New STO Share will be fully paid and free from any Encumbrance or other security interest.

4.3 Fractional Entitlements

(a) Where the calculation of the aggregate number of New STO Shares to be issued to a particular Scheme Shareholder would result in the issue of a fraction of a New STO Share, the number will be rounded down to the nearest whole number of New STO Shares with fractions of 0.5 or more being rounded up.

(b) If STO and OSH are of the opinion (formed reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares that results in rounding in accordance with clause 4.3(a)) have, before the Record Date, been party to shareholding splitting or division in an attempt to obtain an advantage by reference to such rounding, then OSH and STO must consult in good faith to determine whether such matters have arisen and if agreement is reached between OSH and STO following such consultation, OSH must give notice to those Scheme Shareholders:

(i) setting out their names and registered addresses;

(ii) stating that opinion; and

(iii) attributing to one of them specifically identified in the notice the OSH Shares held by all of them,

and, after such notice has been given, the Scheme Shareholder specifically identified in the notice will, for the purposes of the Scheme, be taken to hold all of those OSH Shares and each of the other Scheme Shareholders whose names and registered addresses are set out in the notice will, for the purposes of the Scheme, be taken to hold no OSH Shares.

4.4 Treatment of Ineligible Foreign Shareholders

(a) STO has no obligation to allot or issue New STO Shares to an Ineligible Foreign Shareholder under the Scheme and, instead (subject to the terms of the Scheme):

(i) STO must issue the New STO Shares attributable to, and which would otherwise be required to be provided to, the Ineligible Foreign Shareholder under the Scheme to the Sale Agent;

(ii) STO must procure that, as soon as reasonably practicable after the Implementation Date, the Sale Agent sells or procures the sale (including on an aggregated or partially aggregated basis) of all the New STO Shares issued to the Sale Agent in the manner, and on the terms the Sale Agent determines in good faith. For the purpose of this clause 4.4, the **Proceeds** will be the proceeds of such sale by the Sale Agent of all of the New STO Shares contemplated by

this clause 4.4 after deduction of any applicable brokerage, stamp duty and other costs, taxes and charges incurred in connection with the sale of the New STO Shares; and

(iii) STO must procure that the Sale Agent pay, or procure the payment, to each Ineligible Foreign Shareholder of the amount calculated in accordance with the following formula and rounded down to the nearest cent:

A=(B/C) x D

where:

A is the amount to be paid to the Ineligible Foreign Shareholder;

B is the number of New STO Shares attributable to, and that would otherwise have been issued to, that Ineligible Foreign Shareholder had it not been a Ineligible Foreign Shareholder and which were instead issued to the Sale Agent;

C is the total number of New STO Shares attributable to, and which would otherwise have been issued to, all Ineligible Foreign Shareholders collectively and which were instead issued to the Sale Agent; and

D is the Proceeds (as defined in clause 4.4(a)(ii)).

(b) None of STO, OSH or the Sale Agent gives any assurance as to the price that will be achieved for the sale of New STO Shares described in this clause 4.4, and the sale of the New STO Shares under this clause 4.4 will be at the risk of the Ineligible Foreign Shareholder.

(c) STO must appoint the Sale Agent on terms reasonably acceptable to OSH at least two weeks prior to the Scheme Meeting.

4.5 No amendment to the Scheme without consent

OSH must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of STO (acting reasonably).

4.6 OSH equity incentives and rights

(a) OSH must take such action as is set out in this clause 4.6 after the Effective Date and prior to the Record Date to ensure that, by no later than the Record Date:

(i) there are no outstanding OSH NED Rights, OSH Share Rights, OSH LNG Expansion Rights, OSH Performance Rights or OSH Alignment Rights or any other OSH equity based incentive rights (**OSH Relevant Incentives**); and

(ii) any trading restrictions in respect of the OSH 2020 Restricted Shares and OSH 2021 Restricted Shares have ceased.

(b) In order to comply with its obligations under clause 4.6(a), OSH will take the steps set out in the OSH Disclosure Letter in respect of OSH NED Rights, OSH Share Rights, OSH LNG Expansion Rights, OSH Performance Rights and OSH Alignment Rights. For the avoidance of doubt, neither OSH nor any other OSH Group Member is permitted to take any steps or to otherwise do anything to comply with its obligations under clause 4.6(a) other than in accordance with the terms of the OSH Disclosure Letter.

4.7 Dividends

(a) STO and OSH may each declare and pay:

For personal use only

For personal use only

(i) an interim dividend in respect of first half calendar year 2021 (**Interim CY21 Dividend**);

(ii) a final dividend for the full calendar year 2021 (**CY21 Dividend**); and

(iii) an interim dividend in respect of first half calendar year 2022 (**Interim CY22 Dividend**),

provided that:

(iv) any such dividends are each declared and paid in the ordinary course and in accordance with each party's respective existing dividend policy as at the date of this Deed;

(v) any such dividends are declared before the Record Date;

(vi) the OSH Interim CY21 Dividend, any OSH CY21 Dividend and any Interim CY22 Dividend is paid before the Implementation Date; and

(vii) the STO Interim CY21 Dividend, any STO CY21 Dividend and any Interim CY22 Dividend is paid before the Implementation Date.

(b) A reasonable time prior to each of STO and OSH announcing or declaring any CY21 Dividend or Interim CY22 Dividend, STO and OSH must consult in good faith as to whether or not any such CY21 Dividend or Interim CY22 Dividend will be declared and paid in respect of the relevant party in accordance with clause 4.7(a) and the amount of any such CY21 Dividend or Interim CY22 Dividend.

(c) If either party declares a CY21 Dividend prior to the Record Date, the Scheme Consideration will be adjusted such that the number of New STO Shares for each Scheme Share to be provided to Scheme Shareholders under the terms of the Scheme as described in this clause 4 will be determined in accordance with the following formula:

$$\text{Adjusted Ratio \#1} = (0.6275 * \left(1 + \frac{STO\ CY21\ Dividend}{STO\ Ref\ Price_1 - STO\ \text{CY21}Dividend}\right)) - \left(\frac{OSH\ \text{CY21}\ Dividend}{STO\ Ref\ Price_1 - STO\ \text{CY21}Dividend}\right)$$

where:

Adjusted Ratio #1 = Number of New STO Shares for each Scheme Share following the declaration by either party of a CY21 Dividend.

STO Ref Price$_1$ = the volume weighted average share price of STO Shares for the 10 Trading Days up to (but excluding) the CY21 dividend declaration date of STO or OSH (whichever comes first).

STO CY21 Dividend = the amount of any STO CY21 Dividend declared by STO in accordance with clause 4.7(a) (in Australian dollars per share as at the record date for the STO CY21 Dividend).

OSH CY21 Dividend = the amount of any OSH CY21 Dividend declared by OSH in accordance with clause 4.7(a) (in Australian dollars per share).

(d) If either party declares a CY22 Interim Dividend prior to the Record Date, the Scheme Consideration will be adjusted such that the number of New STO Shares for each Scheme Share to be provided to Scheme Shareholders under the terms of the Scheme as described in this clause 4 will be determined in accordance with the following formula:

$$\text{Adjusted Ratio \#2} =$$

$$(X * \left(1 + \frac{STO\ Interim\ CY22\ Dividend}{STO\ Ref\ Price_2\ - STO\ Interim\ CY22\ Dividend}\right)) - \left(\frac{OSH\ Interim\ CY22\ Dividend}{STO\ Ref\ Price_2\ - STO\ Interim\ CY22\ Dividend}\right)$$

where:

X = Adjusted Ratio #1 (if clause 4.7(c) applies) or 0.6275 (if clause 4.7(c) does not apply)

Adjusted Ratio #2 = Number of New STO Shares for each Scheme Share following the declaration by either party of an Interim CY22 Dividend

STO Ref Price$_2$ = the volume weighted average share price of STO Shares for the 10 Trading Days up to (but excluding) the Interim CY22 dividend declaration date of STO or OSH (whichever comes first).

STO Interim CY22 Dividend = the amount of any STO Interim CY22 Dividend declared by STO in accordance with clause 4.7(a) (in Australian dollars per share as at the record date for the STO Interim CY22 Dividend).

OSH Interim CY22 Dividend = the amount of any OSH interim CY22 Interim Dividend declared by OSH in accordance with clause 4.7(a) (in Australian dollars per share).

(e) For the purposes of this Deed, a reference to declaration of a dividend will include determination that a dividend is payable.

5 Implementation

5.1 OSH's obligations

OSH must take all steps reasonably necessary to propose and implement the Scheme as soon as is reasonably practicable after the date of this Deed and otherwise substantially in accordance with the Timetable, and in particular OSH must:

(a) **Timetable**: use reasonable endeavours to ensure that each step in the Timetable is met by the relevant date set out beside that step;

(b) **preparation of Scheme Booklet**: prepare the Scheme Booklet so that it (excluding the STO Provided Information) complies with all applicable laws and regulatory, compliance and content requirements and the orders of the Court at the First Court Hearing and the requirements of any Governmental Agency (including PNG Securities Commission and ASIC in connection with any relief sought in connection with the Transaction) and confirms that the parties intend to rely on an exemption from the registration requirements of the US Securities Act of 1933 (**Securities Act**) as amended provided by section 3(a)(10) of the Securities Act and applicable U.S. Securities Exchange Commission guidance in connection with the implementation of the Scheme and the issue of the New STO Shares based on approval of the Scheme by the Court (**US Securities Exemption**) (in a form acceptable to STO, acting reasonably). The Scheme Booklet must also include the recommendation and statement required under clause 8;

(c) **due diligence and verification**: undertake appropriate due diligence and verification processes in relation to the OSH Provided Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;

(d) **merged entity information**: promptly provide all assistance and information reasonably requested by STO in connection with the preparation by STO of information for inclusion in the Scheme Booklet regarding the merged OSH-STO entity that will exist following

For personal use only

For personal use only

implementation of the Scheme, including consulting with STO regarding the calculation and presentation of information relating to the allocation of consideration disclosures in respect of the merged OSH-STO entity;

(e) **further OSH information**: provide to STO, and promptly provide to OSH Shareholders, such further or new information relating to the OSH Group (including, for the avoidance of doubt, all information regarding the OSH Group which is required for STO to update the merged OSH-STO entity post implementation of the Merger) as may arise after the Scheme Booklet has been sent until the date of the Scheme Meeting as may be necessary to ensure that the OSH Provided Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission);

(f) **Independent Expert**: promptly appoint and engage the Independent Expert to prepare a report setting out whether, in its opinion, the Merger is in the best interests of OSH Shareholders, and any investigating accountant to be appointed in connection with the preparation of the Scheme Booklet or the Independent Expert's Report, and provide all assistance and information reasonably requested by the Independent Expert and any investigating accountant in connection with the preparation of the Independent Expert's Report or investigating accountant's report (as applicable) for inclusion in the Scheme Booklet (including any updates to such report) and any other materials to be prepared by the Independent Expert and any investigating accountant for inclusion in the Scheme Booklet (including any updates thereto);

(g) **consultation with STO in relation to Scheme Booklet**: consult with STO as to the content and presentation of the Scheme Booklet including:

(i) providing to STO drafts of the Scheme Booklet and the Independent Expert's Report for the purpose of enabling STO to review and comment on those draft documents (in relation to the Independent Expert's Report, STO's review is to be limited to a factual accuracy review) and considering in good faith all comments made by STO when producing a revised draft of the Scheme Booklet;

(ii) providing to STO a revised draft of the Scheme Booklet within a reasonable time to enable STO to review the Scheme Booklet before the date of its submission;

(iii) prior to lodgement with the Court, confirming in writing to STO that the OSH Provided Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement; and

(iv) obtaining written approval from STO for the form and content in which the STO Provided Information appears in the Scheme Booklet, such written approval not to be unreasonably withheld;

(h) **approval of Scheme Booklet**: procure that a meeting of the OSH Board, or of a committee of the OSH Board appointed for the purpose, is held to consider approving the Scheme Booklet for despatch to the OSH Shareholders;

(i) **Court documents:** prepare the documents necessary for the Court proceedings (including any appeals) relating to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders), and provide STO with drafts of those documents within a reasonable time before each such Court proceeding for review and (acting in good faith) consider in good faith, for the purpose of amending those drafts, any comments from STO and its Representatives on those drafts, provided such comments are provided in a timely manner;

For personal use only

(j) **lodgement of Scheme Booklet:** lodge a copy of the Scheme Booklet with the PNG Securities Commission, PNG Registrar of Companies, PNGX, ASX and any other relevant securities exchange and keep STO informed of any matters raised by any of the foregoing in relation to the Scheme or the Transaction, and (acting in good faith) consider in good faith any comments made by STO in relation to any such matters raised;

(k) **First Court Date**: lodge all documents with the Court and take all other reasonable steps to ensure that an application is heard by the Court for the First Court Order;

(l) **send Scheme Booklet**: send the Scheme Booklet to holders of OSH Shares as soon as practicable after, and in accordance with, the orders of the Court to convene the Scheme Meeting;

(m) **update Scheme Booklet:** from the First Court Date until the Implementation Date, promptly update the Scheme Booklet with any information that arises after the date of despatch of the Scheme Booklet:

(i) necessary to ensure that the Scheme Booklet does not contain any statement that is, having regard to applicable disclosure requirements, false, misleading or deceptive in a material respect including because of any material omission from that statement; or

(ii) is required to be disclosed to OSH Shareholders under any applicable law,

and consult with STO in the manner contemplated by clause 5.1(g) to ensure that the Scheme Booklet or the information contained in it is updated accordingly;

(n) **Court representation:** procure that it is represented by counsel at the Court hearings convened in relation to the Scheme and allow, and not oppose, any application by STO for leave of the Court to be represented by counsel at such a Court hearing;

(o) **information:** provide all necessary information, and procure that the OSH Registry provides all necessary information, in each case in a form reasonably requested by STO, about the Scheme, the Scheme Shareholders and OSH Shareholders to STO and its Representatives, which STO reasonably requires in order to:

(i) understand the legal and beneficial ownership of OSH Shares, and canvass agreement to the Scheme by OSH Shareholders;

(ii) facilitate the provision by STO of the Scheme Consideration and to otherwise enable STO comply with the terms of this Deed, the Scheme and the Deed Poll; or

(iii) review the tally of proxy appointments and directions received by OSH before the Scheme Meeting.

(p) **Scheme Meeting, First Court Hearing and Second Court Hearing**: convene the Scheme Meeting to approve the Scheme in accordance with the First Court Order and not adjourn or postpone the Scheme Meeting or request the Court to adjourn or postpone the Scheme Meeting, the First Court Hearing or the Second Court Hearing, in either case without prior consultation with STO;

(q) **Court approval**: (subject to all Conditions Precedent in clause 3.1, other than the condition relating to Court approval of the Scheme, being satisfied or waived in accordance with this Deed) apply to the Court for the Second Court Order;

(r) **Second Court Order** If the Court makes the Second Court Order, by no later than 5pm on the first Business Day after the date on which the Court makes the Second Court

For personal use only

Order, or such other Business Day as OSH and STO may agree in writing, lodge the Court orders approving the Scheme with the PNG Registrar of Companies;

(s) **listing**: take all reasonable steps to maintain OSH's listing on the ASX and PNGX, notwithstanding any suspension of the quotation of OSH Shares, up to and including the Implementation Date, including making appropriate applications to the ASX and PNGX:

(t) **implementation of the Scheme:** if the Scheme becomes Effective:

(i) use best endeavours to ensure that ASX and PNGX suspends trading in OSH Shares with effect from the close of trading on the Effective Date and take any action as reasonably requested by STO to obtain the approval of ASX and PNGX to the delisting of OSH following implementation of the Scheme;

(ii) finalise and close the OSH Register as at the Record Date to determine the identity of Scheme Shareholders and to determine their entitlements to the Scheme Consideration in accordance with the Scheme; and

(iii) subject to STO having provided the Scheme Consideration in accordance with the Scheme and Deed Poll, execute, on behalf of Scheme Shareholders, instruments of transfer of the OSH Transfers to STO and register all transfers of OSH Shares held by Scheme Shareholders to STO on the Implementation Date;

(iv) take any action reasonably requested by STO to ensure that any American Depositary Receipts or similar instruments in respect of OSH securities are terminated in accordance with their terms following implementation of the Scheme with the effect that they no longer remain on issue; and

(v) do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court approving the Scheme;

(u) **proxy solicitation:** in accordance with any request from STO, undertake reasonable shareholder engagement and proxy solicitation actions so as to promote the merits of the Transaction and encourage OSH Shareholders to vote on the Scheme in accordance with the recommendation of the OSH Board, at STO's cost and subject to applicable law; and

(v) **proxy information:** comply with reasonable requests by STO made prior to commencement of the Scheme Meeting to inform STO of the total number of proxy votes received by OSH:

(i) to vote in favour of the Scheme;

(ii) to vote against the Scheme;

(iii) to abstain from voting on the Scheme; and

(iv) where the proxy may vote at the proxy's discretion,

and the parties agree that multiple such requests may be made by STO prior to commencement of the Scheme Meeting.

5.2 STO's obligations

STO must take all necessary steps within its power to implement the Scheme as soon as is reasonably practicable, including doing each of the following:

(a) **Timetable**: use reasonable endeavours to ensure that each step in the Timetable is met by the relevant date set out beside that step;

(b) **STO Provided Information**: prepare and provide to OSH for inclusion in the Scheme Booklet all information regarding STO and its Related Companies (including, for the

For personal use only

avoidance of doubt, all information regarding the merged entity post implementation of the Merger, and all information which relates to the Scheme Consideration, in each case relating to the STO Group), so that it complies with all applicable laws and regulatory, compliance and content requirements and the orders of the Court at the First Court Hearing and the requirements of any Governmental Agency (including PNG Securities Commission and ASIC in connection with any relief sought in connection with the Transaction), and consult with OSH as to the content and presentation of the STO Provided Information in the Scheme Booklet, such consultation to include allowing OSH a reasonable opportunity to review and make comments on successive drafts of the STO Provided Information before lodgement of the Scheme Booklet with the PNG Securities Commission;

(c) **due diligence and verification**: undertake appropriate due diligence and verification processes in relation to the STO Provided Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;

(d) **further STO information** provide to OSH so that it can be promptly provided to OSH Shareholders such further or new information relating to the STO Group (including, for the avoidance of doubt, all information regarding the merged entity post implementation of the Merger, and all information which relates to the Scheme Consideration, in each case relating to the STO Group), as may arise after the Scheme Booklet has been sent until the date of the Scheme Meeting as may be necessary to ensure that the STO Provided Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission);

(e) **review of Scheme Booklet**: review the drafts of the Scheme Booklet prepared by OSH and provide any comments promptly on those drafts;

(f) **accuracy of STO Provided Information:** prior to lodgement with the Court, confirm in writing to OSH that the STO Provided Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;

(g) **Independent Expert's Report**:

(i) provide any assistance or information reasonably requested by OSH or by the Independent Expert or any investigating accountant in connection with the preparation of the Independent Expert's Report or investigating accountant's report (as applicable) to be sent together with the Scheme Booklet (including any updates to such report); and

(ii) if, after the date of public release of the initial Independent Expert's Report, OSH reasonably proposes or is requested to provide any new or additional information to the Independent Expert, promptly review, consult with and provide comments (if any) on any such new or additional information which OSH proposes to provide to the Independent Expert.

(h) **Court representation**: procure that, if requested by OSH, it is represented by counsel at the Court hearings convened in relation to the Scheme;

(i) **Court documents:** promptly:

(i) review and provide comments on the drafts of the documents necessary to the Court proceedings relating to the Scheme given to STO by OSH;

For personal use only

(ii) provide OSH with such evidence as is reasonably recommended by OSH's counsel to be provided by STO in connection with the Court proceedings, provided that STO's counsel does not recommend otherwise (acting reasonably); and

(iii) provide successive drafts of each affidavit or other document to be provided by STO (or its Representatives) necessary for the Court proceedings in relation to the Scheme to OSH for the purpose of enabling OSH to review and comment on those drafts;

(j) **Deed Poll**: on or before the Business Day prior to the First Court Date, enter into the Deed Poll;

(k) **Share transfer**: if the Scheme becomes Effective, executes instruments of transfer in respect of the Scheme Shares and accepts a transfer of the Scheme Shares as contemplated by clause 4.2; and

(l) **Scheme Consideration**: if the Scheme becomes Effective, provide the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme and Deed Poll.

5.3 **Timetable**

(a) Each party must keep the other informed about their progress against the Timetable and notify each other if it believes that any of the dates in the Timetable are not achievable.

(b) To the extent that any of the dates or timeframes set out in the Timetable become not achievable due to matters outside of a party's control, the parties will consult in good faith to seek to agree to any necessary extension to ensure such matters are completed within the shortest practicable timeframe.

5.4 Appeal process

If the Court refuses to make any orders directing OSH to convene the Scheme Meeting or approving the Scheme:

(a) OSH and STO must consult with each other in good faith as to whether to appeal the Court's decision; and

(b) at STO's request, OSH must appeal the Court decision to the fullest extent possible other than to the extent the parties agree otherwise or an independent senior counsel opines that, in his or her view, an appeal would have no reasonable prospect of success.

5.5 Conduct of Court proceedings

(a) STO is entitled (at its cost) to separate representation at all Court proceedings affecting the Transaction.

(b) Nothing in this Deed gives OSH or STO any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent.

5.6 Responsibility statement

(a) OSH must procure that the Scheme Booklet contain a responsibility statement to the effect that:

(i) STO is responsible for the STO Provided Information contained in the Scheme Booklet and that OSH does not assume any responsibility for the accuracy or completeness of the STO Provided Information; and

(ii) OSH is responsible for the OSH Provided Information contained in the Scheme Booklet and STO does not assume any responsibility for the accuracy or completeness of the OSH Provided Information.

(b) If after a reasonable period of consultation, OSH and STO are unable to agree on the form or content of the Scheme Booklet:

(i) where the determination relates to STO Provided Information, STO will make the final determination as to the form and content of the STO Provided Information, acting reasonably; and

(ii) in any other case, OSH will make the final determination as to the form and content of the Scheme Booklet, acting reasonably (other than with respect to the form and content of the information to be included in the Scheme Booklet regarding the US Securities Exemption, the final determination in relation to which will be made by STO, acting reasonably).

6 Appointment of Directors and senior management

6.1 Appointment of directors to STO Board

STO must, on or before the Implementation Date, invite 3 existing OSH directors of STO's choice to join the board of STO (conditional on the Scheme becoming Effective) and, subject to those individuals providing signed consents to act to STO, STO must:

(a) appoint such individuals, by STO board resolution, to the STO board with effect from the Implementation Date or, in relation to 1 existing OSH director, if the Implementation Date occurs prior to the STO 2021 annual general meeting (expected to be held in April 2022) and if reasonably required by STO, with effect from any time from the Implementation Date up to the closing of that annual general meeting, in order to comply with STO's constitution and to allow an orderly transition; and

(b) recommend such designees for election at the first STO annual general meeting following the Implementation Date.

6.2 Reconstitution of the OSH Board

On the Implementation Date, but subject to the Scheme Consideration having been provided to Scheme Shareholders and receipt by OSH of signed consents to act, OSH must:

(a) ensure that all directors on the OSH Board resign as directors of OSH and ensure that all directors of any OSH Group Member resign as directors of such OSH Group Member, and in each case unconditionally and irrevocably release OSH and any other OSH Group Member from any claims they may have against OSH and any other OSH Group Member (but without limiting any right of indemnity or under any insurance policy); and

(b) take all actions necessary to appoint the persons nominated by STO as new directors of OSH and each OSH Group Member.

For personal use only

6.3 Senior management

The parties agree that the Chief Executive Officer of STO on and from implementation of the Merger will be the Chief Executive Officer of STO immediately before implementation of the Merger.

6.4 Deeds of indemnity and insurance

(a) Subject to the Scheme becoming Effective and implementation of the Transaction occurring and clause 6.4(e), STO undertakes in favour of OSH and each other person who is an OSH Indemnified Party that it will:

(i) for a period of seven years from the Implementation Date, ensure that the constitutions of OSH and each other OSH Group Member continue to contain such rules as are contained in those constitutions at the date of this Deed that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than an OSH Group Member; and

(ii) procure that OSH and each other OSH Group Member complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and, without limiting the foregoing, ensure that any directors' and officers' runoff insurance cover entered into in accordance with clause 6.4(b) for such directors and officers is maintained for a period of seven years from the retirement date of each director and officer, and not take any action which would prejudice or adversely affect any directors' and officers' runoff insurance cover taken out in accordance with clause 6.4(b); and

(iii) procure that OSH and each other OSH Group Member complies with the terms of any employment or service agreement with any Officer or employee of any OSH Group Member in effect as at the date of this Deed, and any redundancy terms of the OSH Group in effect as at the date of this Deed, and applies such redundancy terms consistently with OSH's past practice.

(b) OSH may, prior to the implementation of the Scheme, enter into a directors' and officers' run-off insurance policy in respect of any directors and officers (and relevant former directors and officers) of the OSH Group for a period of up to 7 years following the Implementation Date (***D&O Policy***), provided that OSH complies with the terms of the OSH Disclosure Letter in connection with the entry into any such D&O Policy.

(c) The undertakings contained in clause 6.4(a) are subject to any Australian Corporations Act restriction, or any restriction in the law of a jurisdiction in which an entity is incorporated, and will be read down accordingly.

(d) OSH receives and holds the benefit of this clause 6.4 to the extent it relates to the other OSH Indemnified Parties, as trustee for them.

(e) In respect of each OSH Group Member, the undertakings in clause 6.4(a) are given until the earlier of:

(i) the end of the relevant period specified in clause 6.4(a); and

(ii) the relevant OSH Group Member ceasing to be part of the STO Group.

For personal use only

For personal use only

7 Conduct of Business and Requests for Access

7.1 Conduct of business

Subject to clause 7.2, from the date of this Deed up to and including the Implementation Date, each of OSH and STO must:

(a) conduct, and must ensure that each of its respective Subsidiaries conducts, its business and operations:

(i) in the ordinary course, and

(ii) materially in accordance with applicable laws, relevant stock exchange rules and the terms and conditions of all material petroleum licences, leases and authorisations and contractual obligations binding on each STO Group Member or OSH Group Member (as applicable);

(b) maintain their businesses and assets in the ordinary course, including using all reasonable endeavours, and procuring that each other OSH Group Member or STO Group Member (as applicable) uses all reasonable endeavours, to:

(i) preserve and maintain the value the businesses and assets of the relevant Group;

(ii) keep available the services of the directors, officers and key employees of each member of the Group;

(iii) maintain and preserve their relationships with Governmental Agencies, joint venture partners, customers, landlords, licensors, licensees, suppliers, financiers and others having business dealings with the relevant STO Group Member or OSH Group Member (as applicable); and

(iv) maintain all material petroleum licences, leases and authorisations of the relevant STO Group Member or OSH Group Member (as applicable); and

(c) take all commercially reasonable steps to maintain at least its level of insurance as at the date of this Deed;

(d) provide a copy to the other party of its draft FY22 budget for financial year 2022 (**FY22 Budget**), and reasonably consult with and consider in good faith feedback from the other party before finalising, approving (including the STO Board or OSH Board (as applicable) approving) or amending its FY22 Budget;

(e) in the case of OSH, immediately notify STO if any event of default, review event or similar event occurs in respect of an OSH Group Member under any financing agreement to which an OSH Group Member is a party, which, if enforced by a Third Party, would result, or would be reasonably likely to result in, an Insolvency Event occurring in respect of that OSH Group Member; and

(f) keep the other party reasonably informed of, and consult with the other party in relation to, any material developments in respect of that party and any of its Controlled Entities:

(i) concerning its and its Controlled Entities' financial affairs, and the conduct of its and its Controlled Entities' business and operations; and

(ii) of which the board of directors or any board subcommittee of any STO Group Member or OSH Group Member (as applicable) is informed of; and

(iii) in relation to the matters set out in the OSH Disclosure Letter and/or STO Disclosure Letter.

For personal use only

7.2 Exceptions

For the purposes of clause 7.1 only (and not for the purposes of any other provision of this deed), a party is permitted to take any action which:

(a) is expressly required or expressly permitted by this Deed or the Scheme;

(b) is required in order to comply with any applicable law, stock exchange rules or by order of a court or Governmental Agency (including any action taken to comply with any law or other public health orders relating to any public health emergency, epidemic or pandemic (including COVID-19));

(c) has been Fairly Disclosed in:

(i) the OSH Disclosure Letter or STO Disclosure Letter (as applicable);

(ii) any announcement by OSH or STO (as applicable) to the ASX or PNGX within the three years prior to the date of this Deed; or

(iii) any publicly available document lodged with ASIC by or behalf of OSH or STO (as applicable) within the 12 months prior to the date of this Deed;

(d) is required to be done to reasonably and prudently respond to an emergency or disaster, including a situation giving rise to a risk of personal injury, material damage to property or material harm to the environment; or

(e) has been agreed to, or requested, in writing by the other party.

7.3 Access to information and co-operation

(a) (**Provision of access and co-operation**) Between (and including) the date of this Deed and up to and including the Implementation Date, each party must (and must ensure each of its Subsidiaries):

(i) respond to reasonable requests from the other party and its Representatives for information concerning its business, operations and affairs as soon as reasonably practicable after such requests have been made; and

(ii) provide the other party and its Representatives reasonable access to the information (subject to any existing confidentiality obligations owed to Third Parties, or applicable privacy laws) and senior executives of the party and its Subsidiaries,

in each case as the other party reasonably requires for the purpose of:

(iii) implementation of the Scheme;

(iv) STO and OSH developing and implementing plans for the carrying on of the business following implementation of the scheme, and integration planning prior to implementation of the Scheme which, for the avoidance of doubt, does not include ongoing due diligence; and

(v) any other purpose agreed to in writing between the parties.

(b) (**Access in relation to finalisation of Scheme Booklet**): Prior to finalisation of the Scheme Booklet, each party must (and must ensure each of its Subsidiaries) provide to each other, their respective Representatives and any investigating accountant with reasonable access (at times mutually agreeable to the parties) to their respective auditors, accountants, books and records (including financial reports, audited or otherwise) for the sole purpose of preparation of the financial statements (including for

For personal use only

the merged OSH-STO entity, if any) for inclusion in the Scheme Booklet or any investigating accountant's report (and any updates or supplements).

(c) (**Limits on obligations**): The obligations in clause 7.3(a) and clause 7.4 do not require OSH or STO (as applicable) to:

(i) do anything which would cause unreasonable disruption to its business;

(ii) require an OSH Group Member or STO Group Member (as applicable) to take any action that would reasonably be expected to conflict with or violate the entity's constituent documents or any law;

(iii) require an OSH Group Member or STO Group Member (as applicable) to take any action that would breach an obligation to any person (including any confidentiality obligations);

(iv) provide information to the other party concerning the OSH or STO (as applicable) directors' and management's consideration of the Scheme or any actual or potential Competing Proposal in respect of that party, but this proviso does not limit a party's obligations under clause 12; or

(v) provide any confidential, competitively sensitive or privileged information where the provision of such information is reasonably likely to cause prejudice to the commercial or legal interests of the OSH Group or STO Group (as applicable) taken as a whole, or would be reasonably likely to jeopardise any attorney-client, work product or other legal privilege,

provided that the parties agree to discuss in good faith the approach to disclosure of any information which would otherwise be required to be provided under this clause 7.3 or 7.4 if an exception in this clause 7.3(c) did not apply.

(d) (**Protocols**): As soon as practicable after the date of this deed, the parties agree to negotiate in good faith any necessary amendments to any applicable protocols to enable each party to comply with its obligations under this clause 7.

7.4 Integration planning

(a) On and from the date of this Deed, the parties agree to establish a committee (***Integration Committee***) comprised of an equal number of representatives from OSH and STO as notified by each party to the other from time to time.

(b) Without limiting clause 7.3, the role of the Integration Committee will be to oversee implementation of the Scheme and to act as a forum for discussion and planning and sharing of information in respect of the following:

(i) matters related to integration planning, including employee retention and incentivisation, employee performance and costs, stakeholder engagement and communications, business operations (including in relation to the PNG and Australian operations of the OSH Group) and functions or processes;

(ii) the supporting information used to prepare, or contained in, the quarterly reports of both parties released to ASX and/or PNGX (as applicable);

(iii) who the senior management of STO following implementation of the Merger will be (other than the Chief Executive Officer) based on the principle that the best executive for the job will be offered the relevant role having regard to the skills, experience, knowledge and expertise required to manage STO and its assets (including relevant employee records);

(iv) the process referred to in clause 7.5;

For personal use only

(v) any actions restricted by clause 7.1 which a party wishes to undertake with the agreement of the other party (or which otherwise require consultation and discussion with the other party); and

(vi) any other matters as the parties may agree from time to time.

(c) Each party must ensure that its representatives on the Integration Committee act in good faith in their capacity as members of the Integration Committee with a view to fulfilling the role and objectives of such committee (to the extent within their power).

(d) The Integration Committee will meet at such times and places as agreed between the members of the Integration Committee from time to time but will meet no less than fortnightly or as otherwise agreed between the members of the Integration Committee. Meetings may be held via telephone or other forms of technology that provide representatives with an opportunity to participate.

(e) The members of the Integration Committee may agree to invite other persons to attend meetings of the Integration Committee from time to time.

(f) From time to time, certain members of the Integration Committee or other representatives of the parties (as agreed between the parties) will meet separately to meetings of the Integration Committee to discuss and progress matters considered or plans developed by the Integration Committee.

(g) The parties acknowledge and agree that:

(i) the Integration Committee is a discussion and planning forum only, and the members of the Integration Committee do not have power to bind the other party or to give any consent, approval or waiver on behalf of such other party;

(ii) nothing in this clause 7.4 or elsewhere in this Deed requires a party to:

(A) act at the direction of the other party or is intended to create a relationship of partnership, joint venture or similar between the parties;

(B) disclose information which would waive legal professional privilege or is commercial in confidence or commercially sensitive information; or

(C) take any action that would reasonably be expected to conflict with or violate the party's constituent documents or any law;

(iii) nothing in this clause 7.4 or elsewhere in this Deed gives a party a right to undertake further due diligence;

(iv) the respective businesses of the OSH Group and STO Group are to continue to operate independently until (and subject to) implementation of the Scheme; and

(v) nothing in this clause 7.4 requires:

(A) any of OSH's representatives on the Integration Committee to do anything which would unduly interfere with their responsibilities to OSH and the ongoing conduct of OSH's business; and

(B) any of STO's representatives on the Integration Committee to do anything which would unduly interfere with their responsibilities to STO and the ongoing conduct of STO's business.

7.5 Change of control consents

As soon as practicable after the date of this Deed, OSH and STO must seek to identify any change of control or unilateral termination rights in material contracts to which OSH or another

For personal use only

OSH Group Member is party which may be triggered by or exercised in response to the implementation of the Transaction. In respect of those contracts:

(a) OSH and STO will use reasonable endeavours to agree a proposed course of action (which, among other things, will have due regard to applicable legal restrictions) and then OSH will initiate contact, including joint discussions if required, with the relevant counterparties and request that they provide any consents or confirmations required or appropriate;

(b) OSH must use reasonable endeavours to obtain, prior to 7:00am on the Second Court Date, any required consents or confirmations. A failure by an OSH Group Member to obtain any required consents or confirmations, or the exercise of a termination right by a relevant counterparty, will not constitute a breach of this Deed by OSH and, together with any consequences that arise, will be disregarded when assessing the operation of any other provision of this Deed;

(c) STO must not contact any counterparties in relation to the process set out in this clause 7.5 without OSH present or without OSH's prior written consent and must cooperate with, and provide reasonable assistance to, OSH to obtain such consents or confirmations as expeditiously as possible; and

(d) STO and OSH must each use its best endeavours to comply with any requirements of the counter-parties that are reasonably necessary to obtain the relevant consent or confirmation,

but nothing in this clause requires OSH or STO to incur material expense.

7.6 Confidentiality Deed and Standstill

(a) The parties acknowledge that all information that is provided under or in connection with this Deed will be provided subject to the terms of the Confidentiality Deed, which continues to have full force and effect subject to this Deed and survives the termination of this Deed.

(b) The parties acknowledge and agree that the standstill in clause 28 of the Confidentiality Deed continues in full force and effect, in accordance with the terms of the Confidentiality Deed, and that, where the End Date is after 6 May 2022, the term of the obligations in clause 33 of the Confidentiality Deed, and the term of the restrictions in clauses 34, 36 and 38 of the Confidentiality Deed, will be extended until the End Date (subject to clauses 35 and 37 of the Confidentiality Deed, as applicable).

8 OSH Board Recommendation

8.1 Recommendation and Voting Statement

(a) Subject to clauses 8.2 and 8.3, OSH must procure that:

(i) the OSH Board unanimously recommends to OSH Shareholders that they vote in favour of the Scheme in the absence of a Superior Proposal subject to the Independent Expert concluding in the Independent Expert's Report (or any update of, or any revision, amendment or supplement to, that report) that the Merger is in the best interests of OSH Shareholders (the ***Recommendation***); and

(ii) each OSH Director will vote the voting rights attached to all OSH Shares over which he or she has control in favour of any OSH Shareholder resolutions to implement the Scheme and any related or ancillary transactions (in the absence of a Superior Proposal and subject to the Independent Expert opining that the Merger is in the best interests of OSH Shareholders) (the ***Voting Statement***),

and, without limiting clause 11, OSH and STO must include statements to this effect in the ASX and PNGX (as applicable) announcements to be issued following execution of this deed and any subsequent public announcement made to the ASX and PNGX (as applicable) in relation to the Transaction.

(b) Subject to clauses 8.2 and 8.3, OSH must procure that:

(i) each director of OSH does not:

(A) adversely change, withdraw or adversely modify or qualify the Recommendation or Voting Statement; or

(B) support or endorse a Competing Proposal in respect of OSH or recommend that OSH Shareholders accept or vote in favour of a Competing Proposal in respect of OSH; and

(ii) the Scheme Booklet includes a statement by the directors of OSH to the effect that each such director of OSH:

(A) recommends to OSH Shareholders that they vote in favour of the Scheme in the absence of a Superior Proposal subject to the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report (or any update of, or any revision, amendment or supplement to, that report) that the Merger is in the best interests of OSH Shareholders; and

(B) will, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Merger is in the best interests of OSH Shareholders, vote (or procure the voting of) all OSH Shares held or controlled by him or her in favour of the Scheme at the Scheme Meeting.

8.2 Withdrawal of Recommendation or Voting Statement

The obligations in clause 8.1 cease to apply:

(a) if the Independent Expert concludes in the Independent Expert's Report (or any update of, or any revision, amendment or supplement to, that report) that the Merger is not in the best interests of Scheme Shareholders;

(b) if OSH has received a Competing Proposal which is a Superior Proposal;

(c) in response to a requirement from the Court or a Governmental Agency that any director of OSH abstain from making his or her Recommendation; or

(d) where a Governmental Agency imposes a condition in connection with the grant of a Regulatory Approval under clauses 3.1(d), 3.1(e), 3.1(f) or 3.1(g) and the OSH Board has determined, acting in good faith, that failing to withdraw, adversely change, modify or qualify their Recommendation or Voting Statement directly as a result of the imposing of such condition constitutes a breach of the fiduciary or statutory duties of the OSH Board.

8.3 Qualification of Recommendation or Voting Statement

For the purposes of clause 8.1 and 15.2, customary qualifications and explanations contained in:

(a) the Scheme Booklet or any public announcement in relation to a Recommendation or Voting Statement to the effect that the Recommendation or Voting Statement is made:

(i) in the absence of a Superior Proposal;

For personal use only

(ii) in respect of any public announcement issued before the issue of the Scheme Booklet, 'subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Merger is in the best interests of OSH Shareholders'; or

(iii) in respect of the Scheme Booklet or any public announcements issued at the time of or after the issue of the Scheme Booklet, 'subject to the Independent Expert continuing to conclude that the Merger is in the best interests of OSH Shareholders'; or

(b) any public announcement or other statement made by OSH, the OSH Board or any director of OSH:

(i) to the effect that no action should be taken by OSH Shareholders pending the assessment of a Competing Proposal in respect of OSH by the OSH Board; or

(ii) to the effect that no action should be taken pending the completion of the matching right process set out in clause 12.5,

will not be regarded as a failure to make, or an adverse change, withdrawal, adverse modification or adverse qualification of, a Recommendation or Voting Statement, or an endorsement or recommendation of a Competing Proposal, and will not contravene this clause 8 or trigger a right for STO to terminate this Deed under clause 15.2.

8.4 Independent Expert's conclusion

Without limiting the operation of clause 12 or the preceding provisions of this clause 8, if OSH receives or expects to receive an unfavourable report from the Independent Expert (including either the Independent Expert's Report or any update of, or any revision, amendment or supplement to, that report) which may lead to any one or more members of the OSH Board adversely changing, withdrawing, adversely modifying or adversely qualifying their recommendation to vote in favour of the Scheme:

(a) OSH must immediately notify STO of this fact; and

(b) OSH and STO must consult in good faith for two Business Days after the date on which the notice under clause 8.4(a) is given to consider and determine whether there are any steps that can be taken to avoid such a change, withdrawal, modification or qualification (as applicable).

9 Representations and Warranties

9.1 STO Representations and Warranties

(a) STO represents and warrants to OSH (in its own right and separately as trustee or nominee for each of the other OSH Indemnified Parties) that each of the STO Representations and Warranties is true and correct.

(b) OSH acknowledges and agrees that the STO Representations and Warranties are given subject to those matters which:

(i) are expressly required to be done under or expressly permitted by this Deed or the Scheme;

(ii) are Fairly Disclosed in the STO Due Diligence Material or the STO Disclosure Letter;

(iii) are Fairly Disclosed to ASX or PNGX within three years prior to the date of this Deed or Fairly Disclosed in a document lodged with ASIC that is publicly

For personal use only

available, in each case by or on behalf of STO within three years prior to the date of this Deed;

(iv) would have been Fairly Disclosed to OSH had OSH conducted searches in relation to STO of public records maintained by:

(A) ASIC as at 7 September 2021;

(B) the Personal Property Securities Register as at 7 September 2021;

(C) the High Court of Australia as at 5 August 2021;

(D) the Federal Court of Australia as at 5 September 2021;

(E) the Supreme Court of New South Wales and the Court of Appeal of the Supreme Court of New South Wales as at 31 August 2021;

(F) the Supreme Court of Queensland and the Court of Appeal of the Supreme Court of Queensland as at 4 August 2021;

(G) the Supreme Court of South Australia and the Court of Appeal of the Supreme Court of South Australia as at 4 August 2021;

(H) the Supreme Court of Western Australia and the Court of Appeal of the Supreme Court of Western Australia as at 5 August 2021;

(I) the Supreme Court of the Northern Territory and the Court of Appeal of the Supreme Court the Northern Territory as at 10 August 2021National Court of Justice of Papua New Guinea as at 31 August 2021; or

(J) Supreme Court of Papua New Guinea as at 31 August 2021;

(v) are within the actual knowledge of OSH as at the date of this Deed; and

(vi) are agreed to, or requested, in writing by OSH.

9.2 STO's indemnity

STO agrees with OSH (in its own right and separately as trustee or nominee for each of the other OSH Indemnified Parties) to indemnify OSH and each of the OSH Indemnified Parties against any Claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that OSH or any of the other OSH Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the STO Representations and Warranties.

9.3 OSH Representations and Warranties

(a) OSH represents and warrants to STO (in its own right and separately as trustee or nominee for each of the other STO Indemnified Parties) that each of the OSH Representations and Warranties is true and correct.

(b) STO acknowledges and agrees that the OSH Representations and Warranties are given subject to those matters which:

(i) are expressly required to be done under or expressly permitted by this Deed or the Scheme;

(ii) are Fairly Disclosed in the OSH Due Diligence Material or the OSH Disclosure Letter (other than the OSH Representation and Warranty in paragraph 6 of Schedule 2);

(iii) are Fairly Disclosed to ASX or PNGX within three years prior to the date of this Deed or Fairly Disclosed in a document lodged with ASIC that is publicly

For personal use only

available, in each case by or on behalf of OSH within three years prior to the date of this Deed;

(iv) would have been Fairly Disclosed to STO had STO conducted searches in relation to OSH of public records maintained by:

(A) ASIC as at 27 August 2021;

(B) the Personal Property Securities Register as at 27 August 2021;

(C) the High Court of Australia as at 30 August 2021;

(D) the Federal Court of Australia as at 30 August 2021;

(E) the Supreme Court of New South Wales and the Court of Appeal of the Supreme Court of New South Wales as at 31 August 2021;

(F) the Supreme Court of Queensland and the Court of Appeal of the Supreme Court of Queensland as at 27 August 2021;

(G) the Supreme Court of Victoria and the Court of Appeal of the Supreme Court of Victoria as at 30 August 2021;

(H) the Supreme Court of South Australia and the Court of Appeal of the Supreme Court of South Australia as at 2 September 2021;

(I) the Supreme Court of Western Australia as at 7 September 2021 and the Court of Appeal of the Supreme Court of Western Australia as at 30 August 2021;

(J) the Supreme Court of Tasmania and the Court of Appeal of the Supreme Court of Tasmania as at 31 August 2021;

(K) the Supreme Court of the Australian Capital Territory and the Court of Appeal of the Supreme Court of the Australian Capital Territory as at 31 August 2021;

(L) the Supreme Court of the Northern Territory and the Court of Appeal of the Supreme Court the Northern Territory as at 2 September 2021;

(M) National Court of Justice of Papua New Guinea as at 31 August 2021; or

(N) Supreme Court of Papua New Guinea as at 31 August 2021;

(v) are within the actual knowledge of STO as at the date of this Deed; and

(vi) are agreed to, or requested, in writing by STO.

9.4 OSH's indemnity

OSH agrees with STO (in its own right and separately as trustee or nominee for each STO Indemnified Party) to indemnify STO and each of the STO Indemnified Parties from any Claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that STO or any of the other STO Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the OSH Representations and Warranties.

9.5 Independent representations and warranties

(a) Each STO Representation and Warranty is to be construed independently of the others and is not limited by reference to any other warranty.

(b) Each OSH Representation and Warranty is to be construed independently of the others and is not limited by reference to any other warranty.

For personal use only

For personal use only

9.6 Survival of representations and warranties

Each STO Representation and Warranty and OSH Representation and Warranty referred to in clauses 9.1 and 9.3 (as applicable):

(a) is severable;

(b) survives the termination of this Deed, but does not survive, and will be taken to have no further force or effect following, implementation of the Scheme; and

(c) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this Deed.

9.7 Survival of indemnities

Each indemnity in this deed (including those in clauses 9.2 and 9.4):

(a) is severable;

(b) is a continuing obligation;

(c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this Deed; and

(d) survives the termination of this Deed.

9.8 Timing of representation and warranties

Each STO Representation and Warranty and OSH Representation and Warranty referred to in clauses 9.1 and 9.3 (as applicable) is given:

(a) at the date of this Deed;

(b) the date on which the Scheme Booklet is issued to holders of OSH Shares; and

(c) at 7:00am on the Second Court Date,

or where expressed to be given at a particular time or during a particular period, at that time or during that period.

10 Releases

10.1 OSH directors and officers

(a) Without limiting STO's right under clause 13, STO releases its respective rights, and agrees with OSH that it will not make a Claim, against any OSH Indemnified Party (other than OSH and any other OSH Group Member) as at the date of this Deed in connection with:

(i) any breach of any representations, covenants and warranties of OSH or any OSH Group Member in this Deed; or

(ii) any disclosures made (at any time) by any OSH Indemnified Party that contains any statement which is false or misleading whether in content or by omission,

except to the extent that the relevant OSH Indemnified Party has engaged in wilful misconduct or has acted fraudulently. For the avoidance of doubt, nothing in this clause 10.1(a) limits STO's rights to terminate this Deed under clause 15.

(b) This clause is subject to any Australian Corporations Act restriction, or any restriction in the law of a jurisdiction in which an entity is incorporated, and will (if and to the extent required) be read down accordingly.

(c) OSH receives and holds the benefit of this clause to the extent it relates to each OSH Indemnified Party as trustee for each of them.

10.2 STO directors and officers

(a) Without limiting OSH's right under clause 14, OSH releases its respective rights, and agrees with STO that it will not make a Claim, against any STO Indemnified Party (other than STO and any other STO Group Member) as at the date of this Deed in connection with:

(i) any breach of any representations, covenants and warranties of STO or any STO Group Member in this Deed; or

(ii) any disclosure made (at any time) by any STO Indemnified Party that contains any statement which is false or misleading whether in content or by omission,

except to the extent that the relevant STO Indemnified Party has engaged in wilful misconduct or has acted fraudulently. For the avoidance of doubt, nothing in this clause 10.2(a) limits OSH's rights to terminate this Deed under clause 15.

(b) This clause is subject to any Australian Corporations Act restriction, or any restriction in the law of a jurisdiction in which an entity is incorporated, and will (if and to the extent required) be read down accordingly.

(c) STO receives and holds the benefit of this clause to the extent it relates to each STO Indemnified Party as trustee for each of them.

11 Public announcements

11.1 Announcement of the Transaction

Immediately after the execution of this Deed (or as otherwise agreed by STO and OSH), each of STO and OSH must issue a joint public announcement in a form previously agreed to in writing between the parties. The announcement must:

(a) include the Recommendation and the Voting Statement;

(b) refer to the execution of this Deed and any other documents relating to the Scheme; and

(c) attach a copy of this Deed (excluding any commercially sensitive information).

11.2 Other public announcements

Prior to making any public announcement or disclosure of or in relation to the Transaction or any other transaction the subject of this Deed or the Scheme, each party must, to the extent reasonably practicable and lawful, consult with the other party as to the timing, form and content of that announcement or disclosure.

12 OSH and STO Exclusivity

12.1 No current discussions regarding a Competing Proposal

Each party represents and warrants to the other that, as at the time of execution of this Deed, it is not in any negotiations or discussions, and has ceased any negotiations or discussions, in respect of any Competing Proposal in respect of that party with any person.

12.2 No-shop, no talk and no due diligence

During the Exclusivity Period, each party must not, and must ensure that each of its Representatives, does not, directly or indirectly:

(a) (**no shop**):

For personal use only

For personal use only

(i) solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any actual, proposed or potential Competing Proposal in respect of that party (or any approach, discussion or inquiry which could reasonably be expected to lead to the same); or

(ii) communicate to any person an intention to do anything referred to in clause 12.2(a)(i);

(b) (**no talk**) subject to clause 12.3:

(i) facilitate, participate in or continue any negotiations or discussions with any person with respect to any actual, proposed or potential Competing Proposal in respect of that party;

(ii) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding any actual, proposed or potential Competing Proposal in respect of that party; or

(iii) communicate to any person an intention to do anything referred to in clauses 12.2(b)(i) to 12.2(b)(ii) (inclusive).

(c) (**no due diligence**) subject to clause 12.3:

(i) disclose or otherwise provide or make available any non-public information about the business or affairs of it or any of its Controlled Entities (**Non-public Party Information**) to a Third Party in connection with, with a view to obtaining, or which would reasonably be expected to encourage or lead to the formulation, development, finalisation, receipt or announcement of any actual, proposed or potential Competing Proposal in respect of that party (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of it or any of its Controlled Entities) whether by that Third Party or another person; or

(ii) communicate to any person an intention to do anything referred to in clause 12.2(c)(i).

12.3 Limitation to no-talk and no due diligence

Clauses 12.2(b) and 12.2(c) do not prohibit or restrict any action or inaction by a party or any of their respective Representatives, in relation to a bona fide actual, proposed or potential Competing Proposal in respect of that party if the OSH Board or STO Board (as applicable), acting in good faith, has determined:

(a) after consultation with its financial advisers and external legal advisers, that such Competing Proposal is, or may reasonably be expected to lead to a Superior Proposal; and

(b) after receiving written legal advice from its external legal advisers, that compliance with those clauses would, or would be reasonably likely to, constitute a breach of any of the fiduciary or statutory duties of the directors of OSH or STO (as applicable),

provided that the actual, proposed or potential Competing Proposal was not brought about by a breach of clause 12.2 or clause 12.4.

12.4 Notification

During the Exclusivity Period, each party must as soon as reasonably practicable (and in any event within 24 hours) notify the other party in writing if it, or any of its Representatives:

For personal use only

(a) has received (whether written or otherwise or whether formal or informal) any actual, proposed or potential Competing Proposal in respect of that party, or any approach or inquiry which could reasonably be expected to lead to any actual, proposed or potential Competing Proposal in respect of that party; or

(b) any request made by a Third Party for, or provision to a Third Party of, any Non-public Party Information (where such request is, to the knowledge of the OSH Board or the STO Board (as applicable), in connection with such Third Party formulating, developing or finalising, or assisting in the formation, development or finalisation of, any actual, proposed or potential Competing Proposal in respect of that party),

whether direct or indirect, solicited or unsolicited, and in writing or otherwise (each, a ***Notifiable Proposal***).

Such notice must include all material terms and conditions of the Notifiable Proposal (including, but not limited to, price, form of consideration, proposed deal protection provisions, any break or reimbursement fee, proposed timing and conditions precedent and the identity of the Third Party that made, and/or any Third Party stated to be involved in, the Notifiable Proposal) to the extent known by the relevant party and its Representatives.

12.5 STO matching right

(a) During the Exclusivity Period, OSH must not, and must procure that each OSH Group Member does not, enter into any definitive agreement pursuant to which OSH or another OSH Group Member agrees to undertake or implement or otherwise give effect to an actual, proposed or potential Competing Proposal (and, for the avoidance of doubt, this does not include OSH entering into a confidentiality agreement or like agreement in relation to an actual, proposed or potential Competing Proposal that only provides for the provision of information, conduct of due diligence and other matters commonly found in a confidentiality agreement), and must procure that none of its directors (1) withdraws or adversely changes, modifies or qualifies their Recommendation or Voting Statement; or (2) supports or endorses a Competing Proposal in respect of OSH or recommends that OSH Shareholders accept or vote in favour of a Competing Proposal in respect of OSH, unless:

(i) the OSH Board acting in good faith and in order to satisfy what the OSH Board consider to be their statutory or fiduciary duties (having received written legal advice from its external legal advisers) determines that the actual, proposed or potential Competing Proposal is, would be or would be reasonably likely to be, a Superior Proposal;

(ii) OSH has provided STO with the material details of the actual, proposed or potential Competing Proposal, which will include the information referred to in clause 12.4;

(iii) OSH has given STO at least five Business Days after the date of the provision of the information referred to in clause 12.5(a)(ii) to provide a matching or superior proposal (which may include amendments to the terms of the Scheme) to the terms of the actual, proposed or potential Competing Proposal (***STO Counterproposal***); and

(iv) STO has not provided to OSH a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal by the expiry of the 5 Business Day period in clause 12.5(a)(iii).

(b) If STO provides an STO Counterproposal to OSH by the expiry of the 5 Business Day period in clause 12.5(a)(iii), OSH must use reasonable endeavours to procure that the

For personal use only

OSH Board considers the STO Counterproposal and if the OSH Board determines that the STO Counterproposal would provide an equivalent or superior outcome for OSH Shareholders as a whole compared with the Competing Proposal in respect of OSH, taking into account all of the terms and conditions of the STO Counterproposal, then:

(i) OSH and STO must use their best endeavours to agree the amendments to this Deed, the Scheme and the Deed Poll (as applicable) that are reasonably necessary to give effect to and implement the STO Counterproposal, in each case as soon as reasonably practicable; and

(ii) OSH must procure that each OSH director continues to recommend the Transaction (as modified by the STO Counterproposal) to OSH Shareholders (other than as expressly permitted by this Deed).

(c) For the purposes of this clause 12.5, each successive material modification of any actual, proposed or potential Competing Proposal in respect of OSH will constitute a new actual, proposed or potential Competing Proposal in respect of OSH, and the procedures set out in this clause 12.5 must again be followed prior to any member of the OSH Group entering into any definitive agreement of the type referred to in the first paragraph of clause 12.5(a) in respect of such actual, proposed or potential Competing Proposal.

(d) Despite any other provision in this Deed, any public announcement or other statement by OSH, the OSH Board or any director of OSH to the effect that:

(i) the OSH Board has determined that a Competing Proposal is a Superior Proposal and has commenced the matching right process set out in this clause 12.5; or

(ii) OSH Shareholders should take no action pending the completion of the matching right process set out in this clause 12.5,

does not of itself:

(iii) constitute a failure to make, or an adverse change, withdrawal, adverse modification or adverse qualification of, a Recommendation or Voting Statement or an endorsement of a Competing Proposal;

(iv) contravene clause 8 or any other provision of this Deed;

(v) give rise to an obligation to pay the OSH Break Fee under clause 13; or

(vi) give rise to a termination right under clause 15 or any other provision of this Deed.

12.6 Compliance with law

(a) If it is finally determined by a court, or the Australian Takeovers Panel (to the extent applicable), that the agreement by the parties under this clause 12 or any part of it:

(i) constituted, or constitutes, or would constitute a breach of the fiduciary or statutory duties of the OSH Board;

(ii) constitutes 'unacceptable circumstances'; or

(iii) is unlawful,

then, to that extent (and only to that extent) OSH will not be obliged to comply with that provision of this clause 12.

(b) The parties must not make, or cause or permit to be made, any application to a court or the Australian Takeovers Panel (to the extent applicable) for or in relation to a declaration or determination of a kind referred to in clause 12.6(a).

(c) This clause 12 does not apply to the extent agreed by the parties in writing in the STO Disclosure Letter or OSH Disclosure Letter.

12.7 Normal provision of information

Subject to the other provisions of this Deed and the Confidentiality Deed, nothing in this clause 12 prevents a party from:

(a) providing information to its Representatives;

(b) providing information to any Governmental Agency;

(c) providing information to its auditors, customers, financiers, joint venturers and suppliers acting in that capacity in the ordinary course of business;

(d) providing information required to be provided by law, including to satisfy its obligations of disclosure under the ASX Listing Rules or to any Governmental Agency;

(e) making presentations to, and responding to enquiries from, brokers, portfolio investors, analysts, institutional investors and institutional lenders in the ordinary course in relation to its business generally; or

(f) engaging with OSH Shareholders (in their capacity as an OSH Shareholder) in the ordinary course and consistent with past practice, in relation to the OSH Group.

13 OSH Break Fee

13.1 Background

(a) This clause 13 has been agreed to in circumstances where:

(i) OSH believes the implementation of the Scheme will provide significant benefits to OSH and the OSH Shareholders, and acknowledges that, if STO enters into this Deed and the Scheme is subsequently not implemented, STO will have incurred significant costs, including significant opportunity costs;

(ii) STO requested provision be made for the relevant payment outlined in this clause 13, without which it would not have entered into this Deed;

(iii) the OSH Board believes that it is appropriate to agree to the payment referred to in this clause 13 to secure STO's entry into this Deed; and

(iv) OSH has received advice from its financial and external legal Advisers in relation to this Deed and the operation of and amount it has agreed to pay under this clause 13.

(b) The parties acknowledge and agree that the costs actually incurred by STO as referred to in clause 13.1(a)(i) will be of such nature that they cannot be accurately ascertained, but that the OSH Break Fee is a genuine and reasonable pre-estimate of the minimum cost and loss including opportunity costs that would actually be suffered by STO.

13.2 Payment of OSH Break Fee

Subject to clause 13.3 and 13.6, OSH must pay STO the OSH Break Fee if:

(a) at any time before this Deed is terminated under clause 15, any director of OSH:

(i) fails to make the Recommendation or Voting Statement in the manner described in clause 8.1;

(ii) withdraws or adversely changes, modifies or qualifies their Recommendation or Voting Statement; or

For personal use only

For personal use only

(iii) supports or endorses a Competing Proposal in respect of OSH or recommends that OSH Shareholders accept or vote in favour of a Competing Proposal in respect of OSH,

unless:

(iv) the Independent Expert concludes in the Independent Expert's Report (or any update of, or revision, amendment or supplement to, that report) that the Merger is not in the best interests of OSH Shareholders (except where the reason for that conclusion is the announcement of a Competing Proposal in respect of OSH);

(v) if clause 13.2(a)(ii) applies, this is directly a result of a Governmental Agency imposing a condition in connection on the grant of a Regulatory Approval under clauses 3.1(d), 3.1(e), 3.1(f) or 3.1(g) and the OSH Board has determined, acting in good faith, that failing to withdraw, adversely change, modify or qualify their Recommendation or Voting Statement constitutes a breach of the fiduciary or statutory duties of the OSH Board;

(vi) OSH is entitled to terminate this Deed pursuant to clause 15.1(a) and has given a termination notice in accordance with clause 15.7;

(b) at any time before this Deed is terminated under clause 15, a Competing Proposal in respect of OSH is announced by a Third Party (whether or not such proposal is stated to be subject to pre-conditions) and, within 12 months after that occurring, the Third Party or an Associate of the Third Party completes in all material respects a transaction of the kind referred to paragraphs (b), (c), (d) or (e) of the definition of Competing Proposal; or

(c) STO validly terminates this Deed under clause 15.1(a).

13.3 Payment conditions

(a) Notwithstanding the occurrence of any event under clause 13.2, no amount is payable under that clause if the Scheme becomes Effective.

(b) OSH can only ever be liable to pay the OSH Break Fee once.

13.4 Timing of payment

If the OSH Break Fee is payable under this clause 13, OSH must pay the OSH Break Fee without set-off or withholding within ten Business Days of receipt of a demand for payment from STO.

13.5 Nature of payment

The amount payable by OSH to STO under clause 13.2 is an amount to compensate STO for:

(a) advisory costs (including costs of Advisers other than success fees);

(b) costs of management and directors' time;

(c) out-of-pocket expenses relating to the Scheme;

(d) damage to reputation associated with a failed transaction and the implication of that damage to the STO's business; and

(e) opportunity costs in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which could have been developed to further business and objectives,

incurred by STO.

For personal use only

13.6 Compliance with law

(a) This clause 13 imposes obligations on OSH only to the extent that the performance of all or part of those obligations is not determined to be unlawful by a court (including by virtue of it being a breach of the OSH Board's fiduciary or statutory duties), subject to all proper avenues of appeal and review, judicial and otherwise, having been exhausted.

(b) The parties must not make, or cause or permit to be made, any application to a court for or in relation to a declaration or determination of a kind referred to in clause 13.6(a).

13.7 Limitation of liability

(a) Notwithstanding any other provision of this Deed:

(i) the maximum aggregate liability of OSH to STO under or in connection with this Deed including in respect of any breach of this Deed will be the amount of the OSH Break Fee;

(ii) a payment by OSH of the OSH Break Fee in accordance with this clause 13 represents the sole and absolute liability of OSH to STO under or in connection with this Deed and no further damages, fees, expenses or reimbursements of any kind will be payable by OSH to STO in connection with this Deed; and

(iii) the amount of the OSH Break Fee payable to STO under this clause 13 shall be reduced by the amount of any loss or damage recovered by STO in relation to a breach of any other clause of this Deed.

(b) Clauses 13.7(a)(i) and 13.7(a)(ii) do not apply in respect of a wilful or intentional breach of this Deed by OSH.

14 STO Break Fee

14.1 Background

(a) This clause 14 has been agreed to in circumstances where:

(i) STO believes the implementation of the Scheme will provide significant benefits to STO and the STO Shareholders, and acknowledges that, if OSH enters into this Deed and the Scheme is subsequently not implemented, OSH will have incurred significant costs, including significant opportunity costs;

(ii) OSH requested provision be made for the relevant payment outlined in this clause 14, without which it would not have entered into this Deed;

(iii) the STO Board believes that it is appropriate to agree to the payment referred to in this clause 14 to secure OSH's entry into this Deed; and

(iv) STO has received advice from its financial and external legal Advisers in relation to this Deed and the operation of and amount it has agreed to pay under this clause 14.

(b) The parties acknowledge and agree that the costs actually incurred by OSH as referred to in clause 14.1(a)(i) will be of such nature that they cannot be accurately ascertained, but that the STO Break Fee is a genuine and reasonable pre-estimate of the minimum cost and loss including opportunity costs that would actually be suffered by OSH.

14.2 Payment of STO Break Fee

Subject to clause 14.3 and 14.6, STO must pay OSH the STO Break Fee if:

(a) at any time before this Deed is terminated under clause 15, a Superior Proposal in respect of STO is received or announced and:

(i) the Superior Proposal requires as a condition, that the Scheme not be implemented; and

(ii) any STO director makes a public statement that they no longer support the Transaction and recommend such Superior Proposal,

unless STO is entitled to terminate this Deed pursuant to clause 15.1(a) and has given a termination notice in accordance with clause 15.7; or

(b) OSH validly terminates this Deed under clause 15.1(a).

14.3 Payment conditions

(a) Notwithstanding the occurrence of any event under clause 14.2, no amount is payable under that clause if the Scheme becomes Effective.

(b) STO can only ever be liable to pay the STO Break Fee once.

14.4 Timing of payment

If the STO Break Fee is payable under this clause 14, STO must pay the STO Break Fee without set-off or withholding within ten Business Days of receipt of a demand for payment from OSH.

14.5 Nature of payment

The amount payable by STO to OSH under clause 14.2 is an amount to compensate OSH for:

(a) advisory costs (including costs of Advisers other than success fees);

(b) costs of management and directors' time;

(c) out-of-pocket expenses relating to the Scheme;

(d) damage to reputation associated with a failed transaction and the implication of that damage to the OSH' business; and

(e) opportunity costs in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which could have been developed to further business and objectives,

incurred by OSH.

14.6 Compliance with law

(a) This clause 14 imposes obligations on STO only to the extent that the performance of all or part of those obligations is not determined to be unlawful by a court (including by virtue of it being a breach of the STO Board's fiduciary or statutory duties), subject to all proper avenues of appeal and review, judicial and otherwise, having been exhausted.

(b) The parties must not make, or cause or permit to be made, any application to a court for or in relation to a declaration or determination of a kind referred to in clause 14.6(a).

14.7 Limitation of liability

(a) Notwithstanding any other provision of this Deed, but subject to clause 14.7(b):

(i) the maximum aggregate liability of STO to OSH under or in connection with this Deed including in respect of any breach of this Deed will be the amount of the STO Break Fee;

For personal use only

(ii) a payment by STO of the STO Break Fee in accordance with this clause 14 represents the sole and absolute liability of STO to OSH under or in connection with this Deed and no further damages, fees, expenses or reimbursements of any kind will be payable by STO to OSH in connection with this Deed; and

(iii) the amount of the STO Break Fee payable to OSH under this clause 14 shall be reduced by the amount of any loss or damage recovered by OSH in relation to a breach of any other clause of this Deed.

(b) Clauses 14.7(a)(i) and clause 14.7(a)(ii) do not apply in the event of a wilful or intentional breach of this Deed by STO.

15 Termination

15.1 Termination by either party

Without prejudice to any other rights of termination under this Deed, either party may terminate this Deed by written notice to the other party:

(a) at any time before 8:00am on the Second Court Date, if:

(i) either:

(A) the other party is in material breach of any provision of this Deed (other than an STO Representation and Warranty or an OSH Representation and Warranty not being true and correct); or

(B) a representation and warranty given by the other party (being the STO Representations and Warranties where the *other party* is STO, and being the OSH Representations and Warranties where the *other party* is OSH) is not true and correct, where that breach of representation and warranty is material in the context of the Transaction as a whole;

(ii) the party wishing to terminate has given written notice to the other setting out the relevant circumstances and stating an intention to terminate this Deed; and

(iii) the relevant circumstances continue to exist for five Business Days from the time the notice of intention to terminate is given (or any shorter period ending at the time that is immediately before 8:00am on the Second Court Date);

(b) in the circumstances set out in, and in accordance with, clause 3.4(b) or clause 3.4(c); or

(c) if the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date other than as a result of any breach of this Deed by the party purporting to terminate.

15.2 Termination by STO

STO may terminate this Deed by written notice to OSH at any time before 8:00am on the Second Court Date, if:

(a) any OSH director (1) fails to make the Recommendation or Voting Statement in the manner described in clause 8.1, (2) adversely changes, withdraws or adversely modifies or qualifies their Recommendation or Voting Statement, or (3) supports or endorses a Competing Proposal in respect of OSH or recommends that OSH Shareholders accept or vote in favour of a Competing Proposal in respect of OSH;

(b) an OSH Group Member accepts or enters into a definitive agreement, arrangement or understanding to undertake or implement or otherwise give effect to an actual, proposed or potential Competing Proposal (and, for the avoidance of doubt, this does not include

For personal use only

For personal use only

OSH entering into a confidentiality agreement or like agreement in relation to an actual, proposed or potential Competing Proposal that only provides for the provision of information, conduct of due diligence and other matters commonly found in a confidentiality agreement); or

(c) a Superior Proposal in respect of STO is received or announced and:

(i) the Superior Proposal requires as a condition, that the Scheme not be implemented; and

(ii) a majority of STO directors makes a public statement that they no longer support the Transaction and recommend such Superior Proposal,

and, if required to do so under clause 14, STO has paid the STO Break Fee to OSH in accordance with clause 14.

15.3 Termination by OSH

OSH may terminate this Deed by written notice to STO at any time before 8:00am on the Second Court Date, if:

(a) a majority of OSH directors (1) fail to make the Recommendation or Voting Statement in the manner described in clause 8.1, (2) adversely changes, withdraws or adversely modifies or qualifies their Recommendation or Voting Statement; or (3) supports or endorses a Competing Proposal in respect of OSH or recommends that OSH Shareholders accept or vote in favour of a Competing Proposal in respect of OSH, and, in each case if required to do so under clause 13, OSH has paid the OSH Break Fee to STO in accordance with clause 13; or

(b) a Superior Proposal in respect of STO is announced and:

(i) the Superior Proposal requires as a condition, that the Scheme not be implemented; and

(ii) any STO director makes a public statement that they no longer support the Transaction and recommend such Superior Proposal.

15.4 Automatic termination

Without limiting any other term of this Deed, this Deed will terminate automatically if, at the Scheme Meeting, OSH Shareholders do not pass the resolution to approve the Scheme in accordance with the requirements of section 250 of the PNG Companies Act.

15.5 Termination by written agreement

The parties may terminate this Deed by another written agreement between them.

15.6 Effect of termination

If this Deed is terminated by either party under clauses 3.4(b), 3.4(c), 15.1, 15.2, 15.3 or 15.4, this Deed will become void and have no effect, without any liability or obligation on the part of any party, other than in relation to rights and obligations that accrued prior to termination and the provisions of this clause 15.6 and of clauses 1, 7.6, 9.6, 9.7, 0, 10, 13, 14, 16, 17 and 18, which will remain in force after termination.

15.7 Termination

Where a party has a right to terminate this Deed, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this Deed and the provision under which it is terminating the Deed.

15.8 No other termination

Neither party may terminate or rescind this Deed except as permitted under clauses 3.4(b), 3.4(c), 15.1, 15.2, 15.3 or 15.4.

16 GST

16.1 Recovery of GST

If GST is or becomes payable, or notionally payable, on a supply made under or in connection with this Deed, the party providing the consideration for that supply must pay as additional consideration an amount equal to the amount of GST payable, or notionally payable, on that supply (the ***GST Amount***) as calculated by the party making the supply (the ***Supplier***) in accordance with the GST Law. Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time and in the same manner that the other consideration for the supply is provided. This clause 16 does not apply to the extent that the consideration for the supply is expressly stated to be GST inclusive or the supply is subject to reverse charge.

16.2 Liability net of GST

Notwithstanding any other provision in this Deed, where any indemnity, reimbursement or similar payment under this Deed is based on any cost, expense or other liability incurred by a party, it may be reduced by any input tax credit entitlement, or notional input tax credit entitlement, of that party (or its representative member) in relation to the relevant cost, expense or other liability.

16.3 Adjustment events

If an adjustment event occurs in relation to a supply under or in connection with this Deed, the GST Amount will be recalculated in accordance with the GST Law to reflect that adjustment and an appropriate payment will be made between the parties and the Supplier shall issue an credit note or debit note to the recipient within 10 Business Days after becoming aware of the occurrence of the adjustment event.

16.4 Survival

This clause 16 will continue to apply after expiration or termination of this Deed.

16.5 Definitions

Unless the context requires otherwise, words used in this clause 16 that have a specific meaning in the GST Law (as defined in the GST Act) have the same meaning in this clause 16.

17 Notices

Any notice, demand, consent or other communication (a ***Notice***) given or made under this Deed:

(a) must be in writing and signed by a person duly authorised by the sender;

(b) must be delivered to the intended recipient:

(i) by prepaid post (or, if posted to an address in another country, by registered airmail) or by hand to the address below or the address last notified by the intended recipient to the sender; or

For personal use only

(ii) by email to the email address below or the email address last notified by the intended recipient to the sender:

to STO:	Address:	60 Flinders Street Adelaide SA 5000
	Email:	Jodie.Hatherly@santos.com
	Attention:	Jodie Hatherly, Vice President ESG & Legal
	with a copy to (which by itself does not constitute a Notice) tony.damian@hsf.com and amelia.morgan@hsf.com; and	
to OSH:	Address:	1 Bligh Street Sydney NSW 2000
	Email:	Michael.Drew@oilsearch.com
	Attention:	Michael Drew, Executive Vice President Corporate, Group Secretary and General Counsel
	with a copy to (which by itself does not constitute a Notice) Guy.Alexander@allens.com.au and Richard.Kriedemann@allens.com.au;	

(c) will be conclusively taken to be duly given or made:

(i) in the case of delivery in person, when delivered;

(ii) in the case of delivery by post, six Business Days after the date of posting (if posted to an address in the same country) or ten Business Days after the date of posting (if posted to an address in another country); and

(iii) in the case of delivery by email, the earlier of:

(A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;

(B) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and

(C) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, during that two hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made:

(iv) on a day that is not a business day in the place to which the Notice is sent or later than 5:00pm (local time), then it will be taken to have been duly given or made at the start of business on the next business day in that place; or

(v) before 9:00am (local time) on a business day in the place to which the Notice is sent, then it will be taken to have been duly given or made at 9:00am (local time) on that business day in that place other than in respect of any Notice given on, and prior to 8.00am on, the Second Court Date.

For personal use only

18 General

18.1 Amendment

This Deed may be amended only by another deed executed by all the parties.

18.2 Assignment

A party cannot assign, charge, encumber or otherwise deal with at law or in equity any of its rights or obligations under this Deed, or attempt or purport to do so, without the prior consent of the other party. A breach of this clause 18.2 by a party shall be deemed to be a material breach of a provision of this Deed for the purposes of clause 15.1(a)(i)(A).

18.3 Service of process

Without limiting any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 17.

18.4 Costs and duty

Each party must bear its own costs arising out of the negotiation, preparation, execution, delivery and performance of this Deed except as otherwise provided in this Deed. All duty (including stamp duty and fines, penalties and interest) payable on or in connection with this Deed and any instrument executed under or any transaction evidenced by this Deed must be borne by STO.

18.5 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

18.6 Entire agreement

This Deed, the Confidentiality Deed and any other documents specified by the parties for the purposes of this clause 18.6 contain the entire agreement between the parties with respect to their subject matter. This Deed, the Confidentiality Deed and any other documents specified by the parties for the purposes of this clause 18.6 set out the only express terms relied on by the parties and supersede all prior agreements and understandings between the parties in connection with their subject matter.

18.7 Further assurances

Each party must do anything necessary (including executing agreements and documents) to give full effect to this Deed and the transactions contemplated by it.

18.8 Governing law and jurisdiction

This Deed is governed by the laws of New South Wales. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

18.9 No merger

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this Deed. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing a transaction.

For personal use only

For personal use only

18.10 No agency or partnership

Nothing in this Deed is to be construed as constituting an agency, partnership, joint venture, or any other form of association between the parties in which one party may be liable for the acts or omissions of any other party. No party has the authority to incur any obligation or make any representation or warranty on behalf of, or to pledge the credit of, or to bind, any other party.

18.11 No representation or reliance

(a) Each party acknowledges that no party (or any person acting on its behalf) has made any representation or other inducement to it to enter into this Deed, except for representations or inducements expressly set out in this Deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this Deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.

(b) Each party acknowledges and confirms that it does not enter into this Deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this Deed.

18.12 No waiver

A failure to exercise or a delay in exercising any right, power or remedy under this Deed does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing and signed by the party granting the waiver.

18.13 Severability of provisions

Any provision of this Deed that is prohibited, invalid or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition, invalidity or unenforceability. That does not invalidate the remaining provisions of this Deed nor affect the validity or enforceability of that provision in any other jurisdiction. This clause 18.13 does not apply where enforcement of the provision of this deed in accordance with this clause 18.13 would materially affect the nature or effect of the parties' obligations under this Deed.

18.14 Third party beneficiary

This Deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this Deed is intended to or shall confer on any other person any third party rights, other than the STO Indemnified Parties and the OSH Indemnified Parties, to the extent expressly set forth in clauses 6.4, 9.1, 9.3, 10.1, 10.2, 13.7 and 14.7.

For personal use only

Schedule 1

STO Representations and Warranties

1 **Status:** It is a corporation duly incorporated and validly existing under the laws of the place of its incorporation.

2 **Power**: It has the power to own its property and to carry on its business and enter into and perform its obligations under this Deed and to carry out, or cause to be carried out, the transactions contemplated by this Deed.

3 **Corporate authorisations**: It has taken all necessary corporate action to authorise entry into and the performance of this Deed by it and to carry out the transactions contemplated by this Deed.

4 **Deed binding**: This Deed is a valid and binding obligation on STO enforceable in accordance with its terms by appropriate legal remedy.

5 **Transactions permitted**: The execution, delivery and performance by it of this Deed and each transaction contemplated by this Deed did not or will not contravene:

(a) any provision of its constitution; or

(b) any writ, order or injunction, judgement, law or regulation to which it is a party or is subject or by which it is bound.

6 **Solvency**: Neither STO nor any other STO Group Member is subject to an Insolvency Event.

7 **Capital structure**: STO's capital structure, including all issued securities as at the date of this Deed is as set out in Schedule 7, and it has not issued or agreed to issue any other securities, options, warrants, rights or instruments which are still outstanding and may convert into STO Shares other than as set out in Schedule 7.

8 **Continuous disclosure**:

(a) STO has complied in all material respects with its continuous disclosure obligations under ASX Listing Rule 3.1; and

(b) as at the date of this Deed, it is not withholding any material information from public disclosure in reliance on ASX Listing Rule 3.1A (other than information relating to the Transaction).

9 **Scheme Booklet**: At the time OSH commenced sending the Scheme Booklet to OSH Shareholders, the STO Provided Information has been prepared in good faith and is true and correct in all material respects, complies with all applicable Australian and foreign laws, regulations and stock exchange rules and the requirements of any Governmental Agency (including ASIC in connection with any relief sought from the Australian Corporations Act in connection with the Transaction) and does not contain any statement which is misleading or deceptive in any material respect (whether by omission or otherwise), and any statement of opinion or belief contained in the STO Provided Information is or will be honestly held and there are reasonable ground for holding the opinion or belief.

10 **New information:** It will, as a continuing obligation, provide to OSH all further or new information which arises after the Scheme Booklet has been despatched to OSH Shareholders until the date of the Scheme Meeting which is necessary to ensure that the STO Provided Information is not misleading or deceptive (whether by omission or otherwise).

11 **Information provided to Independent Expert**: All information STO has provided or will provide to the Independent Expert as contemplated by clause 5.2(g) or otherwise will be or has been provided in good faith, is accurate in all material respects and not misleading, and STO has not

omitted or will not omit any information required to make the information provided to the Independent Expert not misleading. All information STO has provided or will provide to the Independent Expert has been or will be on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report.

12 **No material breach of laws**:

(a) No STO Group Member has materially breached any Australian or foreign laws, regulations or stock exchange rules applicable to it or orders of Australian or foreign Governmental Agencies having jurisdiction over it, including all applicable tax laws.

(b) Without limiting paragraph 12(a) of this Schedule 1, no STO Group Member (nor any officer or employee, or so far as STO is aware, any agent or contractor of any STO Group Member) has breached any Sanctions applicable to it.

(c) Neither ASIC nor ASX has made a determination against any STO Group Member for any contravention of the requirements of the Australian Corporations Act or the ASX Listing Rules or any rules, regulations or regulatory guides under the Australian Corporations Act or the ASX Listing Rules and, as far as STO is aware, no event has occurred which reasonably could or would reasonably be likely to result in such a determination being made.

13 **Material licences and authorisations**:

(a) The STO Group has all, and holds good title to all, material licences (including petroleum licences), leases, permits and authorisations necessary for it to conduct its activities as they are conducted as at the date of this Deed.

(b) The STO Group has complied in all material respects with material licences (including petroleum licences), leases, permits and authorisations necessary for it to conduct its activities as they are conducted as at the date of this Deed and has not received any notice in respect of the termination, cancellation, surrender, forfeit, revocation, variation or non-renewal of any such licence, lease, permit or authorisation.

14 **STO Due Diligence Material**:

(a) The STO Due Diligence Material and STO Disclosure Letter has been collated and prepared in good faith, and STO is not aware of any information contained in the STO Due Diligence Material or STO Disclosure Letter that is false or misleading in any material respect (including by omission).

(b) STO has not intentionally withheld information from disclosure to OSH which could reasonably be expected to be material to OSH's evaluation of the STO Group and the merits of the Transaction or could reasonably be expected to result in OSH not entering into this document, or entering into it on materially different terms,

however STO does not make any representation or warranty as to the accuracy or adequacy of a forecast, prediction or projection, budget, business plan or other forward looking statement in respect of the future financial position of STO.

15 **Financial Statements**: As far as STO is aware, as at the date of this Deed, there has not been any event, change, effect or development that would require STO to restate STO's financial statements as disclosed to ASX, and STO's financial statements for the financial year ended 31 December 2020 or the half year ended 30 June 2021:

(a) comply with applicable statutory requirements and were prepared in accordance with the Australian Corporations Act, accounting standards and all other applicable laws and regulations; and

For personal use only

(b) give a true and fair view of the financial position and the assets and liabilities of the STO Group.

16 **Litigation**: As at the date of this Deed:

(a) there are no material actions, suits, arbitrations, legal or administrative proceedings taking place, or to STO's knowledge, pending or threatened against any STO Group Member (other than any proceedings which could reasonably be regarded as frivolous or vexatious);

(b) to STO's knowledge, no STO Group Member is the subject of any material, or any material pending or material threatened, investigation, inquiry or commission; and

(c) no STO Group Member or the respective assets, properties or business of any STO Group Member is subject to any judgment, order, writ, injunction or decree of any court, Governmental Agency or arbitration tribunal.

17 **Scheme Consideration:**

(a) The New STO Shares to be issued as Scheme Consideration will, on their issue, rank equally in all respects with all STO Shares on issue at the Implementation Date.

(b) The New STO Shares issued as Scheme Consideration will be entitled to participate in and receive any dividends or distribution of capital paid and any other entitlements accruing in respect of STO Shares after the Implementation Date.

(c) On issue each New STO Share issued as Scheme Consideration will be validly issued, fully paid and free from any Encumbrance or other security interest.

For personal use only

Schedule 2

OSH Representations and Warranties

1 **Status**: It is a corporation duly incorporated and validly existing under the laws of the place of its incorporation.

2 **Power**: It has the power own its property and to carry on its business and to enter into and perform its obligations under this Deed and to carry out, or cause to be carried out, the transactions contemplated by this Deed.

3 **Corporate authorisations**: It has taken all necessary corporate action to authorise entry into and the performance of this Deed by it and to carry out the transactions contemplated by this Deed.

4 **Deed binding**: This Deed is a valid and binding obligation on OSH enforceable in accordance with its terms by appropriate legal remedy.

5 **Transactions permitted:** The execution, delivery and performance by it of this Deed and each transaction contemplated by this Deed did not or will not contravene:

(a) any provision of its constitution; or

(b) any writ, order or injunction, judgement, law or regulation to which it is a party or is subject or by which it is bound.

6 **Solvency**: No OSH Group Member is subject to an Insolvency Event.

7 **Capital structure**: OSH's capital structure, including all issued securities as at the date of this Deed is as set out in Schedule 8 and it has not issued or agreed to issue any other securities, options, warrants, rights or instruments which are still outstanding and may convert into OSH Shares other than as set out in Schedule 8.

8 **Continuous disclosure**:

(a) OSH has complied in all material respects with its continuous disclosure obligations under ASX Listing Rule 3.1; and

(b) as at the date of this Deed, it is not withholding any material information from public disclosure in reliance on ASX Listing Rule 3.1A (other than information relating to the Transaction).

9 **Scheme Booklet**: At the time OSH commenced sending the Scheme Booklet to OSH Shareholders, the OSH Provided Information has been prepared in good faith and is true and correct in all material respects, complies with all applicable Australian and foreign laws, regulations and stock exchange rules and the requirements of any Governmental Agency (including ASIC in connection with any relief sought from the Australian Corporations Act in connection with the Transaction) and does not contain any statement which is misleading or deceptive in any material respect (whether by omission or otherwise) and any statement of opinion or belief contained in the OSH Provided Information is or will be honestly held and there are reasonable ground for holding the opinion or belief.

10 **New Information:** OSH will, as a continuing obligation, ensure that the Scheme Booklet (other than the STO Provided Information and the Independent Expert's Report) is updated or supplemented to include all further or new information which arises after the Scheme Booklet has been sent to OSH Shareholders until the date of the Scheme Meeting which is necessary to ensure that the Scheme Booklet (other than the STO Provided Information and the Independent Expert's Report) is not misleading or deceptive (whether by omission or otherwise).

11 **Information provided to Independent Expert**: All information OSH has provided or will provide to the Independent Expert as contemplated by clause 5.1(f) or otherwise will be or has been

For personal use only

provided in good faith, is accurate in all material respects and is not misleading, and OSH has not omitted or will not omit any information required to make the information provided to the Independent Expert not misleading. All information OSH has provided or will provide to the Independent Expert has been or will be on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report.

12 **No material breach of laws**:

(a) No OSH Group Member has materially breached any Australian or foreign laws, regulations or stock exchange rules applicable to it or orders of Australian or foreign Governmental Agencies having jurisdiction over it, including all applicable tax laws.

(b) Without limiting paragraph 12(a) of this Schedule 2, no OSH Group Member (nor any officer or employee, or so far as OSH is aware, any agent or contractor of any OSH Group Member) has breached any Sanctions applicable to it.

(c) Neither ASIC, ASX, the PNG Registrar of Companies nor the PNGX has made a determination against any OSH Group Member for any contravention of the requirements of the Australian Corporations Act, the PNG Companies Act, the ASX Listing Rules or PNGX Listing Rules or any rules, regulations or regulatory guides under the Australian Corporations Act, PNG Companies Act, the ASX Listing Rules or the PNGX Listing Rules and, as far as OSH is aware, no event has occurred which reasonably could or would reasonably be likely to result in such a determination being made.

13 **Material licences and authorisations**:

(a) The OSH Group has, and holds good title to, all material licences (including petroleum licences), material leases, permits and authorisations necessary for it to conduct its activities as they are conducted as at the date of this Deed.

(b) The OSH Group has complied in all material respects with all material licences (including petroleum licences), material leases, permits and authorisations necessary for it to conduct its activities as they are conducted as at the date of this Deed and has not received any notice in respect of the termination, cancellation, surrender, forfeit, revocation, variation or non-renewal of any such licence, lease, permit or authorisation.

14 **OSH Due Diligence Material**:

(a) The OSH Due Diligence Material and OSH Disclosure Letter has been collated and prepared in good faith, and OSH is not aware of any information contained in the OSH Due Diligence Material or OSH Disclosure Letter that is false or misleading in any material respect (including by omission).

(b) OSH has not intentionally withheld information from disclosure to STO which could reasonably be expected to be material to STO's evaluation of the OSH Group and the merits of the Transaction or could reasonably be expected to result in STO not entering into this document, or entering into it on materially different terms,

however OSH does not make any representation or warranty as to the accuracy or adequacy of a forecast, prediction or projection, budget, business plan or other forward looking statement in respect of the future financial position of OSH.

15 **Financial Statements**: As far as OSH is aware, as at the date of this Deed, there has not been any event, change, effect or development that would require OSH to restate OSH's financial statements as disclosed to ASX and/or PNGX, and OSH's financial statements for the financial year ended 31 December 2020 or the half year ended 30 June 2021:

(a) comply with applicable statutory requirements and were prepared in accordance with applicable accounting standards and all other applicable laws and regulations; and

For personal use only

(b) give a true and fair view of the financial position and the assets and liabilities of the OSH Group.

16 **Litigation**: As at the date of this Deed:

(a) there are no material actions, suits, arbitrations, legal or administrative proceedings taking place, or to OSH's knowledge pending or threatened, against any OSH Group Member (other than any proceedings which could reasonably be regarded as frivolous or vexatious);

(b) to OSH's knowledge, no OSH Group Member is the subject of any material, or material pending or material threatened, investigation, inquiry or commission; and

(c) no OSH Group Member or the respective assets, properties or business of any OSH Group Member is subject to any judgment, order, writ, injunction or decree of any court, Governmental Agency or arbitration tribunal.

17 **Notifications:** as at 7.00am on the Second Court Date, OSH has given the Agreed Notifications in accordance with the terms of the relevant contracts to which they relate.

For personal use only

For personal use only

Schedule 3

STO Prescribed Occurrence

1 STO converting all or any of its shares into a larger or smaller number of shares.

2 Any STO Group Member (other than a direct or indirect wholly owned Subsidiary) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares.

3 Any STO Group Member (other than a direct or indirect wholly owned Subsidiary):

(a) entering into a buy-back agreement; or

(b) resolving to approve the terms of a buy-back agreement under the Australian Corporations Act.

4 Any STO Group Member (other than a direct or indirect wholly owned Subsidiary) declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders, other than

(a) an interim dividend in respect of first half calendar year 2021 in respect of STO (**STO Interim CY21 Dividend**);

(b) a final dividend for the full calendar year 2021 in respect of STO (**STO CY21 Dividend**); and

(c) an interim dividend in respect of first half calendar year 2022 in respect of STO (**STO Interim CY22 Dividend**),

provided that:

(d) any such dividends are each declared and paid in the ordinary course and in accordance with STO's existing dividend policy as at the date of this Deed;

(e) any such dividends are declared before the Record Date; and

(f) the STO Interim CY21 Dividend and any STO CY21 Dividend and/or STO Interim CY22 Dividend are paid before the Implementation Date,

and provided that nothing in this clause will limit the payment of any dividends by a joint venture entity not controlled by a STO Group Member.

5 Any STO Group Member issuing shares or other securities to a person, or granting an option over or a right to receive its shares or other securities, or agreeing to make such an issue or grant such an option or right, other than:

(a) where the shares or other securities are issued, or where the options or other securities are granted, by an STO Group Member (other than STO) to another STO Group Member;

(b) in the ordinary course of business and consistent with past practice under an STO Group employee incentive scheme;

(c) on vesting or exercise of, or in respect of, or forfeiting, any STO Share (including any restricted or matching STO Share), right to receive STO Shares or other securities, or performance rights or options over STO Shares (whether or not existing as at the date of this Deed or granted under paragraph (b) above), including the issuing of STO Shares upon the exercise or vesting of STO Share Acquisition Right or STO Executive Share Plan Shares which are on issue as at the date of this Deed; or

(d) the issuing of shares or other securities where permitted by and in accordance with a call for capital provision under a joint venture shareholders' agreement which a STO Group Member is a party to.

6 Any STO Group Member making any change to its constitution or other constituent documents.

7 Any STO Group Member disposing, or agreeing to dispose, of the whole, or a substantial part, of the STO Group's business or property.

8 Any STO Group Member creating, or agreeing to create, any security interest over the whole or a substantial part of the STO Group's business or property other than any security interest that arises by operation of law or in the ordinary course of business.

9 An Insolvency Event occurring in relation to an STO Group Member.

10 Any STO Group Member issues, or agrees to issue, convertibles notes, or securities convertible into shares, other than to STO or a wholly owned Subsidiary of STO or in accordance with a joint venture shareholders' agreement which a STO Group Member is a party to.

11 Any STO Group Member being deregistered as a company or otherwise dissolved except, provided OSH provides its prior consent (such consent not to be unreasonably withheld) in the case of an STO Group Member with less than $1 million in net assets as at the date of this Deed.

For personal use only

For personal use only

Schedule 4

OSH Prescribed Occurrences

1 OSH converting all or any of its shares into a larger or smaller number of shares or dealing with any American Depositary Receipts or similar instruments in respect of OSH securities in any respect.

2 Any OSH Group Member (other than a direct or indirect wholly owned Subsidiary) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares.

3 Any OSH Group Member (other than a direct or indirect wholly owned Subsidiary):

(a) entering into a buy-back agreement; or

(b) resolving to approve the terms of a buy-back agreement under the Australian Corporations Act or any other applicable law.

4 Any OSH Group Member (other than a direct or indirect wholly owned Subsidiary) declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders, other than

(a) an interim dividend in respect of first half calendar year 2021 in respect of OSH (**OSH Interim CY21 Dividend**);

(b) a final dividend for the full calendar year 2021 in respect of OSH (**OSH CY21 Dividend**); and

(c) an interim dividend in respect of first half calendar year 2022 in respect of OSH (**OSH Interim CY22 Dividend**),

provided that:

(d) any such dividends are each declared and paid in the ordinary course and in accordance with OSH's existing dividend policy as at the date of this Deed;

(e) any such dividends are declared before the Record Date; and

(f) the OSH Interim CY21 Dividend and any OSH CY21 Dividend and/or OSH Interim CY22 Dividend are paid before the Implementation Date,

and provided that nothing in this clause will limit the payment of any dividends by a joint venture entity not controlled by an OSH Group Member.

5 Any OSH Group Member issuing shares or other securities (including American Depositary Receipts or similar instruments in respect of OSH securities) to a person, or granting an option over or a right to receive its shares or other securities, or agreeing to make such an issue or grant such an option or right, other than:

(a) where the shares or other securities are issued by an OSH Group Member (other than OSH) to another OSH Group Member;

(b) the issuing of shares or other securities where permitted by and in accordance with a call for capital provision under a joint venture shareholders' agreement which an OSH Group Member is a party to;

(c) to the extent expressly permitted by clause 4.6 and the terms of the OSH Disclosure Letter.

6 Any OSH Group Member amending any employee incentive plan existing as at the date of this Deed.

7 Any OSH Group Member making any change to its constitution or other constituent documents.

8 Any OSH Group Member disposing, or agreeing to dispose, of the whole, or a substantial part, of the OSH Group's business or property.

9 Any OSH Group Member creating, or agreeing to create, any security interest over the whole or a substantial part of the OSH Group's business or property other than any security interest that arises by operation of law or in the ordinary course of business.

10 An Insolvency Event occurring in relation to an OSH Group Member.

11 Any OSH Group Member issues, or agrees to issue, convertibles notes, or securities convertible into shares, other than to OSH or a wholly owned Subsidiary of OSH or in accordance with a joint venture shareholders' agreement which a OSH Group Member is a party to.

12 Any OSH Group Member being deregistered as a company or otherwise dissolved except, provided STO provides its prior written consent (such consent not to be unreasonably withheld) in the case of an OSH Group Member with less than $1 million in net assets as at the date of this Deed.

For personal use only

For personal use only

Schedule 5 –

STO Regulated Events

The following are STO Regulated Events:

1 any member of the STO Group acquiring or disposing of (or entering into any legally binding agreement to acquire or dispose of) any undertaking, entity, asset or business or any legal, beneficial, equitable, economic, royalty or other interest in an undertaking, entity, asset or business (whether in one or a number of related transactions), or exercising or waiving any pre-emptive rights or rights of first or last refusal in respect of any undertaking, entity, asset or business (or such interest in an undertaking, entity, asset or business) held by another person, the value of which exceeds, or which could reasonably be expected to exceed, US$250 million (individually or in aggregate) which is otherwise not permitted under the STO Disclosure Letter;

2 any member of the STO Group varying or waiving its rights in any materially adverse respect, or terminating, cancelling, surrendering, forfeiting or allowing to lapse or expire (without renewal on terms and conditions that are no less favourable to the STO Group) any material licence, lease or authorisation (including a material petroleum licence) (or a number of licences, leases or authorisations (including petroleum licences) which, when taken together, are material to the conduct of the business of the STO Group as a whole);

3 any member of the STO Group entering into any production sharing contract or production sharing agreement or other similar concession for the exploration, appraisal, development and/or production of petroleum;

4 any member of the STO Group:

(a) entering into any binding contract or binding commitment or series of related binding contracts or binding commitments (excluding any new financing agreement, any agreement to acquire any undertaking, entity, asset or business, or any agreement to dispose of production in the ordinary course) which:

(i) has a term of greater than, or which is reasonably expected to be greater than, 1 year; and

(ii) requires expenditure or the assumption of potential liabilities, or which could reasonably be expected to require expenditure or the assumption of potential liabilities, by the relevant STO Group Member in excess of US$50 million per annum or US$100 million over the term of the contract or commitment (in each case individually); or

(b) varying or waiving its rights in a material way under, withdrawing from or terminating any binding contract or binding commitment or series of related binding contracts or binding commitments referred to in paragraph 4(a) above,

other than to the extent the expenditure or assumption of potential liabilities under the relevant contract or commitment or series of related contracts or commitments in FY21 or FY22 (as the case may be) is contemplated within the STO Group FY21 Budget, or to the extent the relevant action occurs after the STO Group FY22 Budget is determined by the STO Board, that STO Group FY22 Budget (a copy of which (as determined by the STO Board) has been provided to OSH);

5 varying or waiving its rights in a material way under, withdrawing from or terminating any binding contract or binding commitment or series of related binding contracts or binding commitments (excluding any financing agreement, any agreement to acquire any undertaking, entity, asset or business, or any agreement to dispose of production in the ordinary course) which requires expenditure or the assumption of potential liabilities, or which could reasonably be expected to

require expenditure or the assumption of potential liabilities in connection with such variation or waiver of rights, by the relevant STO Group Member in excess of US$50 million per annum or US$100 million over the term of the binding contract or binding commitment (in each case individually), other than to the extent the expenditure or assumption of potential liabilities under the relevant contract or commitment or series of related contracts or commitments in FY21 or FY22 (as the case may be) is within the STO Group FY21 Budget or to the extent the relevant action occurs after the FY22 Budget is determined by the STO Board, that STO Group FY22 Budget (a copy of which (as determined by the STO Board) has been provided to OSH);

6 any member of the STO Group creating, granting or agreeing to any Encumbrance (other than Encumbrances in favour of another STO Group Member) over any of the assets of any member of the STO Group, other than an Encumbrance that arises by operation of law, legislation or in the ordinary course of business (including but not limited to any joint venture cross security or other Encumbrance required to be granted under any contract entered into by any member of the STO Group, or any Encumbrance required to be granted as part of a wholly internal organisation or restructure);

7 any member of the STO Group:

(a) other than in the usual and ordinary course of business and consistent with past practice:

(i) incurring any additional financial indebtedness by way of borrowings, hedging and other financial facilities, including operating and finance leases (except for draw-downs on existing banking facilities or utilisation of existing securitisation programs); or

(ii) guaranteeing or indemnifying the obligations of any person other than a member of the STO Group;

(b) entering into any new financing agreement or pre-pay arrangement under which a member of the STO Group incurs additional financial indebtedness by way of borrowings in excess of US$50 million (individually or in aggregate), other than from another member of the STO Group or pursuant to and in accordance with STO's obligations and past practices under a joint venture arrangement;

(c) entering into any new financing agreement under which a member of the STO Group provides financial accommodation in excess of US$50 million (individually or in aggregate), other than to a member of the STO Group, or pursuant to and in accordance with STO's obligations and past practices under a joint venture arrangement;

(d) amending the terms of, or terminating or replacing, (i) any existing financing agreement under which a member of the STO Group has incurred, will incur or is reasonably expected to incur financial indebtedness by way of borrowings in excess of US$50 million (individually or in aggregate), or (ii) any financing agreement under which a member of the STO Group has provided, will provide, or is reasonably expected to provide financial accommodation in excess of US$50 million (individually or in aggregate), in each case other than with or to (as applicable) a member of the STO Group;

(e) incurring capital expenditure which is not provided for in the STO Group FY21 Budget disclosed in the STO Due Diligence Materials or capital expenditure after the STO Group FY22 Budget is determined by the STO Board and which is not provided for in such budget (a copy of which (as determined by the STO Board) has been provided to OSH), in excess of US$80 million (in aggregate);

(f) waiving any material third party default where the financial impact on the STO Group will be in excess of US$20 million individually or in aggregate;

For personal use only

(g) accepting as a compromise of a matter less than the full compensation due to a member of the STO Group where the financial impact of the compromise on the STO Group is more than US$50 million individually or in aggregate;

(h) commencing, compromising or settling, or accepting any liability in relation to, any material investigation, inquiry or commission, prosecution, penalty, arbitration or litigation against a member of the STO Group which could reasonably be expected to give rise to a liability for the STO Group of more than US$50 million individually or in aggregate or otherwise materially affect the reputation of the STO Group; or

(i) agreeing to do any of the matters listed in paragraphs (a) to (h) above;

8 any STO Group Member paying or granting to any officer or employee a severance or termination payment other than in accordance with the STO Group's Employee Separation Procedure or under a deed of separation in the ordinary course of business, or to the extent required by law;

9 any member of the STO Group entering into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of this Deed;

10 any member of the STO Group: changing any accounting policy applied to report its financial position other than any change in policy required by a change in accounting standards; or changing any hedging policy;

11 any member of the STO Group entering into a binding contract, including entering into a production sharing contract or production sharing agreement, with a Sanctioned Person or Sanctioned Country;

12 any member of the STO Group entering into a material transaction with any related party of STO (other than a related party which is a member of the STO Group) as defined in section 228 of the Corporations Act (excluding any transaction involving paying amounts or conferring benefits to directors of STO in accordance with or in connection with their employment or engagement terms or their statutory or other entitlements);

13 a member of the STO Group amending in any material respect any arrangement with any financial adviser, or entering into arrangements with a new financial adviser, in respect of the Transaction or a Competing Proposal in respect of STO; and

14 any member of the STO Group agreeing to do any of the matters set out in the paragraphs above.

For personal use only

For personal use only

Schedule 6 –

OSH Regulated Events

The following are OSH Regulated Events:

1 any member of the OSH Group acquiring or disposing of (or entering into any legally binding agreement to acquire or dispose of) any undertaking, entity, asset or business or any legal, beneficial, equitable, economic, royalty or other interest in an undertaking, entity, asset or business (whether in one or a number of related transactions), or exercising or waiving any pre-emptive rights or rights of first or last refusal in respect of any undertaking, entity, asset or business (or such interest in an undertaking, entity, asset or business) held by another person, the value of which exceeds, or which could reasonably be expected to exceed, US$200 million (individually or in aggregate) or which is otherwise not permitted under the OSH Disclosure Letter*;*

2 any member of the OSH Group varying or waiving its rights in any materially adverse respect, or terminating, cancelling, surrendering, forfeiting or allowing to lapse or expire (without renewal on terms and conditions that are no less favourable to the OSH Group) any material licence, lease or authorisation (including a material petroleum licence) (or a number of licences, leases or authorisations (including petroleum licences) which, when taken together, are material to the conduct of the business of the OSH Group as a whole);

3 any member of the OSH Group entering into any production sharing contract or production sharing agreement or other similar concession for the exploration, appraisal, development and/or production of petroleum;

4 any member of the OSH Group:

(a) entering into any binding contract or binding commitment or series of related binding contracts or binding commitments (excluding any new financing agreement, any agreement to acquire any undertaking, entity, asset or business, any guarantee to or financial assurances agreement with the Alaska Department of Natural Resources or in relation to the OSH Group's Alaska assets, or any agreement to dispose of production in the ordinary course) which:

(i) has a term of greater than, or which is reasonably expected to be greater than, 1 year; and

(ii) requires expenditure or the assumption of potential liabilities, or which could reasonably be expected to require expenditure or the assumption of potential liabilities, by the relevant OSH Group Member in excess of US$30 million per annum or US$60 million over the term of the contract or commitment (in each case individually); or

(b) varying or waiving its rights in a material way under, withdrawing from or terminating any binding contract or binding commitment or series of related binding contracts or binding commitments referred to in paragraph 4(a) above,

other than to the extent the expenditure or assumption of potential liabilities under the relevant contract or commitment or series of related contracts or commitments in FY21 or FY22 (as the case may be) is contemplated within the OSH Group FY21 Budget or to the extent the relevant action occurs after the OSH Group FY22 Budget is determined by the OSH Board, that OSH Group FY22 Budget (a copy of which (as determined by the OSH Board) has been provided to STO);

5 varying or waiving its rights in a material way under, withdrawing from or terminating any binding contract or binding commitment or series of related binding contracts or binding commitments

(excluding any financing agreement, any agreement to acquire any undertaking, entity, asset or business, any guarantee to or financial assurances agreement with the Alaska Department of Natural Resources or in relation to the OSH Group's Alaska assets, or any agreement to dispose of production in the ordinary course) which requires expenditure or the assumption of potential liabilities, or which could reasonably be expected to require expenditure or the assumption of potential liabilities in connection with such variation or waiver of rights, by the relevant OSH Group Member in excess of US$30 million per annum or US$60 million over the term of the binding contract or binding commitment (in each case individually), other than to the extent the expenditure or assumption of potential liabilities under the relevant contract or commitment or series of related contracts or commitments in FY21 or FY22 (as the case may be) is within the OSH Group FY21 Budget or to the extent the relevant action occurs after the OSH Group FY22 Budget is determined by the OSH Board, that OSH Group FY22 Budget (a copy of which (as determined by the OSH Board) has been provided to STO);

6 other than to the extent it would result in an OSH Group Member or STO Group Member not being in compliance with all applicable laws, any member of the OSH Group entering into any contract or commitment (whether binding or not), or series of related contracts or commitments (whether binding or not), for the disposal of petroleum to be produced from the petroleum licences comprising Papua LNG or the Pikka Unit without prior notification to STO at least 10 Business Days prior to entry into any such contract or commitment;

7 any member of the OSH Group creating, granting or agreeing to any Encumbrance (other than Encumbrances in favour of another OSH Group Member) over any of the assets of any member of the OSH Group, other than an Encumbrance that arises by operation of law, legislation or in the ordinary course of business (including but not limited to any joint venture cross security or other Encumbrance required to be granted under any contract entered into by any member of the OSH Group, or any Encumbrance required to be granted as part of a wholly internal organisation or restructure);

8 any member of the OSH Group:

(a) other than in the usual and ordinary course of business and consistent with past practice:

(i) incurring any additional financial indebtedness by way of borrowings, hedging and other financial facilities, including operating and finance leases (except for draw-downs on existing banking facilities or utilisation of existing securitisation programs); or

(ii) guaranteeing or indemnifying the obligations of any person other than a member of the OSH Group;

(b) entering into any new financing agreement or pre-pay arrangement under which a member of the OSH Group incurs additional financial indebtedness by way of borrowings in excess of US$30 million (individually or in aggregate), other than from another member of the OSH Group or pursuant to and in accordance with OSH's obligations and past practices under a joint venture arrangement;

(c) entering into any new financing agreement under which a member of the OSH Group provides financial accommodation in excess of US$30 million (individually or in aggregate), other than to a member of the OSH Group, or pursuant to and in accordance with OSH's obligations and past practices under a joint venture arrangement;

(d) amending the terms of, or terminating or replacing, (i) any existing financing agreement under which a member of the OSH Group has incurred, will incur or is reasonably expected to incur financial indebtedness by way of borrowings in excess of US$30 million (individually or in aggregate), or (ii) any financing agreement under which a member of

For personal use only

the OSH Group has provided, will provide, or is reasonably expected to provide financial accommodation in excess of US$30 million (individually or in aggregate), in each case other than with or to (as applicable) a member of the OSH Group;

(e) incurring capital expenditure which is not provided for in the OSH Group FY21 Budget disclosed in the OSH Due Diligence Materials or capital expenditure after the OSH Group FY22 Budget is determined by the OSH Board and which is not provided for in such budget (a copy of which (as determined by the OSH Board) has been provided to STO), in excess of US$50 million (in aggregate);

(f) waiving any material third party default where the financial impact on the OSH Group will be in excess of US$12 million individually or in aggregate;

(g) accepting as a compromise of a matter less than the full compensation due to a member of the OSH Group where the financial impact of the compromise on the OSH Group is more than US$30 million individually or in aggregate;

(h) commencing, compromising or settling, or accepting any liability in relation to, any material investigation, inquiry or commission, prosecution, penalty, arbitration or litigation against a member of the OSH Group which could reasonably be expected to give rise to a liability for the OSH Group of more than US$30 million individually or in aggregate or otherwise materially affect the reputation of the OSH Group; or

(i) agreeing to do any of the matters listed in paragraphs (a) to (h) above;

9 any member of the OSH Group entering into (other than to replace someone who has resigned or has been terminated for cause as an employee of the OSH Group after the date of this Deed but which exception does not apply where an employee of the OSH Group has been made redundant), terminating (other than for cause or where the relevant role is made redundant) or varying any employment, consultant or similar agreement with any person whose total annual fixed salary as at the date of this Deed exceeds (or would exceed in the case of an agreement or arrangement not on foot on the date of this Deed) US$600,000 (***Key Person***);

10 any OSH Group Member:

(a) paying or granting to any officer or employee a severance or termination payment other than pursuant to the terms of their employment or service agreement, in each case in effect as at the date of this Deed, or any redundancy or other policy of the OSH Group in effect as at the date of this Deed and disclosed to STO prior to the date of this Deed, or otherwise to the extent required by law; and

(b) terminating any employment, consultant, severance or similar agreement with any person for the purpose of accelerating or maximising any payment to that person under a retention arrangement.

11 any member of the OSH Group entering into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of this Deed;

12 any member of the OSH Group: changing any accounting policy applied to report its financial position other than any change in policy required by a change in accounting standards; or changing any hedging policy;

13 any member of the OSH Group entering into a binding contract, including entering into a production sharing contract or production sharing agreement, with a Sanctioned Person or Sanctioned Country;

14 any member of the OSH Group:

For personal use only

(a) accelerating, paying any bonus to, or otherwise increasing compensation, benefits or entitlements of any Key Person (including in connection with the termination or cessation of employment or under any retention arrangement);

(b) waiving or accelerating any performance targets or conditions in relation to any OSH Relevant Incentives or OSH 2020 Restricted Shares or OSH 2021 Restricted Shares, or otherwise releasing any OSH Relevant Incentives, OSH 2020 Restricted Shares or OSH 2021 Restricted Shares from restrictions, in each case on or before the Record Date, including by accelerating the vesting of, or waiving any vesting conditions or vesting periods or releasing any disposal restriction, holding lock, forfeiting restriction, service condition or other restriction applying to any such awards or shares,

in each case, other than in accordance with clause 4.6 and the terms of the OSH Disclosure Letter;

15 any member of the OSH Group entering into a material transaction with any related party of OSH (other than a related party which is a member of the OSH Group) as defined in section 228 of the Corporations Act (without limiting any other OSH Regulated Event, excluding any transaction involving paying amounts or conferring benefits to directors of OSH in accordance with or in connection with their employment or engagement terms or their statutory or other entitlements);

16 a member of the OSH Group amending in any material respect any arrangement with any financial adviser, or entering into arrangements with a new financial adviser, in respect of the Transaction or a Competing Proposal in respect of OSH;

17 any member of the OSH Group taking any action under the terms of, or in connection with, or amending, varying, supplementing or replacing the terms of, any Agreed Contract, or entering into any new contract, commitment, agreement, arrangement or understanding, production sharing contract or similar concession with respect to, or in relation to any asset located in, an Agreed Jurisdiction;

18 any member of the OSH Group entering into, varying or terminating a material government agreement or binding commitment in relation to the P'nyang Gas Project (including PRL3) or the Papua LNG Project (including PRL15);

19 any member of the OSH Group entering into, amending or terminating a guarantee or financial assurances agreement with the Alaska Department of Natural Resources or in relation to OSH Group's Alaska assets; and

20 any member of the OSH Group agreeing to do any of the matters set out in the paragraphs above.

For personal use only

Schedule 7

STO details

Security	Total number on issue
STO Shares	2,083,066,041
STO Share Acquisition Rights	15,621,855 share acquisition rights issued pursuant to the Santos Employee Equity Incentive Plan which collectively are capable of being converted into STO Shares 2,455,979 issued pursuant to the ShareMatch Plan which collectively are capable of being converted into STO Shares
STO Executive Share Plan shares	5000 "0" shares each paid to 1 cent 5000 "2" shares each paid to 1 cent.

For personal use only

Schedule 8

OSH details

Security	Total number on issue
OSH Shares	2,077,850,664[1]
OSH Alignment Rights	356,611 which collectively are capable of being converted into OSH Shares
OSH Share Rights	6,473,184 which collectively are capable of being converted into OSH Shares
OSH Performance Rights[2]	5,155,912 which collectively are capable of being converted into OSH Shares
OSH NED Rights	22,971 which are collectively capable of being converted into OSH Shares

[1] Includes 476,769 OSH 2020 Restricted Shares and 852,312 OSH 2021 Restricted Shares.
[2] includes OSH LNG Expansion Rights

For personal use only

Executed and delivered as a Deed

Executed as a deed for **Santos Limited** by its attorney in the presence of:

Attorney Signature

Print Name Jodie Diane Hatherly
General Counsel

Witness Signature

Alex Djuraševich

Print Name

For personal use only

Executed as a deed for **Oil Search Limited** by its attorney under power of attorney dated 9 September 2021 in the presence of:

Attorney Signature

Peter J Fredricson

Print Name

Attorney Signature

MICHAEL DREW

Print Name

For personal use only

Annexure 1

Timetable

Event	Target date
Signing of Merger Implementation Deed	10 September 2021
Finalise Scheme Booklet and Independent Expert's Report	20 October 2021
First Court Date	27 October 2021
Despatch Scheme Booklet to OSH Shareholders	29 October 2021
Record date for Scheme Meeting	25 November 2021
Scheme Meeting	29 November 2021
Second Court Date	1 December 2021
Effective Date	2 December 2021
Record Date	9 December r 2021
Implementation Date	16 December 2021

For personal use only

For personal use only

Annexure 2

Scheme of Arrangement

Scheme of Arrangement pursuant to section 250(1) of the *Companies Act 1997* (PNG)

Between

Oil Search Limited (ARBN 055 079 868) of Ground Floor, Harbourside East Building, Stanley Esplanade, Port Moresby, Papua New Guinea (***OSH***).

And

Each Scheme Shareholder.

Recitals

A OSH is a public company limited by shares, incorporated in Papua New Guinea. OSH Shares are quoted for trading on the ASX and PNGX.

B STO is a company incorporated in South Australia, Australia (***STO***). STO Shares are quoted for trading on the ASX.

C OSH and STO have entered into a Merger Implementation Deed dated 10 September 2021 (the ***Merger Implementation Deed***) pursuant to which STO and OSH have agreed to combine in an all scrip merger pursuant to the Scheme (***Merger***) and:

(a) OSH has agreed to propose the Scheme to OSH Shareholders; and

(b) OSH and STO have agreed to take certain steps to give effect to this Merger.

D If this Scheme becomes Effective, then:

(c) all of the Scheme Shares and all of the rights and entitlements attaching to them on the Implementation Date will be transferred to STO; and

(d) the Scheme Consideration will be provided to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll; and

(e) OSH will enter the name and address of STO or its nominee in the OSH Register as the holder of all of the Scheme Shares.

E By executing the Merger Implementation Deed, OSH has agreed to propose and implement this Scheme, and STO has agreed to assist with that proposal and implementation, on and subject to the terms of the Merger Implementation Deed.

F The Scheme attributes actions to STO but does not itself impose an obligation on it to perform these actions. STO has entered into the Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders that STO will observe and perform the obligations contemplated of it under this Scheme.

It is agreed as follows.

1 Definitions and interpretation

1.1 Definitions

In this document, unless the context requires otherwise:

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market

For personal use only

known as the 'ASX' operated by it.

ASX Listing Rules means the official listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Australian Corporations Act means the *Corporations Act 2001* (Cth), as amended by any applicable ASIC class order, ASIC legislative instrument or ASIC relief.

Australian Register means OSH's share register comprising OSH Shareholders designated in the OSH Register as being on the 'Australian Register' and holding OSH Shares that are capable of being traded on the ASX.

Business Day means any day that is each of the following:

(a) a Business Day within the meaning given in the ASX Listing Rules and the PNGX Listing Rules; and

(b) a day that banks are open for business in Sydney, Australia, Adelaide, Australia and Port Moresby, Papua New Guinea.

CHESS means the Clearing House Electronic Subregister System for the electronic transfer of securities, operated by ASX Settlement Pty Limited (ABN 49 008 504 532).

Constitution means the constitution establishing OSH, as amended from time to time.

Controlled Entity means, in relation to a party:

(a) a related body corporate of that party; or

(b) an entity, fund or partnership over which a party (or a related body corporate of a party) exercises control, or by which a party is controlled, within the meaning of section 50AA of the Australian Corporations Act (but read as though section 50AA(4) were omitted).

Court means the National Court of Papua New Guinea or such other court of competent jurisdiction as STO and OSH may agree in writing.

Deed Poll means the deed poll substantially in the form of Annexure 3 of the Merger Implementation Deed (or in such other form as STO and OSH may agree in writing) executed on or about the date of this document by STO in favour of the Scheme Shareholders.

Effective means, when used in relation to the Scheme, the coming into effect, pursuant to section 250 of the PNG Companies Act, of the orders of the Court under section 250(1) of the PNG Companies Act in relation to the Scheme, but in any event at no time before a certified copy of the orders of the Court are lodged with the PNG Registrar of Companies.

Effective Date means the date on which this Scheme becomes Effective.

Encumbrance means any mortgage, lien, charge, pledge, assignment by way of security, security interest, preferential right or trust arrangement, claim, covenant, profit a prendre, easement, overriding royalty, production payment, net profits interest or any other security arrangement or any other arrangement having the same effect.

End Date means the date that is 9 months after the date of the Merger Implementation Deed, or such later date as STO and OSH may agree in writing.

Governmental Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency or similar entity or organisation, or securities exchange, in each case in any part of the world or in any federation, state, province or legal government area of any part of the world.

For personal use only

Implementation Date means the date that is five Business Days after the Record Date, or such other date as STO and OSH may agree in writing.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in the OSH Register is a place outside Australia and its external territories, New Zealand, Papua New Guinea and the United States of America (unless otherwise agreed by the parties in writing, acting reasonably) or any other jurisdictions agreed by the parties in writing (each acting reasonably), unless STO is satisfied that the laws of that place permit the allotment and issue of STO Shares to that Scheme Shareholder under the Scheme, either unconditionally or after compliance with conditions that STO regards as acceptable and not unduly onerous or impracticable.

Message has the meaning given to that term in the ASX Settlement Operating Rules.

New STO Share means an STO Share to be issued to Scheme Shareholders under the terms of this Scheme.

Opt-in Notice means a notice by an Unmarketable Parcel Shareholder requesting to receive the Scheme Consideration as New STO Shares pursuant to clause 5.2 of the Scheme.

OSH Register means the register of members of OSH maintained in accordance with the PNG Companies Act.

OSH Share means a fully paid ordinary share in OSH.

OSH Shareholder means a person who is registered in the OSH Register as a holder of an OSH Shares from time to time.

Participant has the meaning given to that term in the ASX Settlement Operating Rules.

PNG Broker means a stock broker to be appointed by OSH on or before the Business Day before the First Court Date (as approved by STO in writing) registered to operate on PNGX under Papua New Guinea law and being a participating organisation for the purposes of and as defined in the business rules of PNGX.

PNG Companies Act means the *Companies Act 1997* (PNG).

PNG Register means that part of OSH's share register comprising OSH Shareholders designated in the OSH Register as being on the 'PNG Register' and holding OSH Shares that are capable of being traded on the PNGX.

PNG Registrar of Companies means the Registrar of Companies appointed under section 394(1) of the PNG Companies Act.

PNGX means PNGX Markets Limited or, as the context requires, the financial market operated by it.

Record Date means 7:00pm on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between STO and OSH.

Registered Address means, in relation to an OSH Shareholder, the address of that Scheme Shareholder shown in the OSH Register as at the Record Date.

Related Company has the meaning given in the PNG Companies Act, except that references to 'subsidiary' have the meaning given to 'Subsidiary' in this document.

Sale Agent means a person appointed by STO to sell the New STO Shares that are attributable to Ineligible Foreign Shareholders (and any Unmarketable Parcel Shareholders who have not provided an Opt-in Notice by the Opt-in Notice Date if applicable).

Scheme means the scheme of arrangement under Part XVI of the PNG Companies Act between OSH and Scheme Shareholders substantially in the form of this document or in such other form

For personal use only

as STO and OSH may agree in writing (each acting reasonably).

Scheme Consideration means the consideration to be provided by STO to each Scheme Shareholder for the transfer of the Scheme Shares, as set out in clause 5.

Scheme Meeting means the meeting of OSH Shareholders to be ordered by the Court to be convened under section 250(2)(b) of the PNG Companies Act in relation to the Scheme, and includes any adjournment of that meeting.

Scheme Shareholders means each person who is registered in the OSH Register as a holder of Scheme Shares as at the Record Date.

Scheme Shares means the OSH Shares on issue as at the Record Date.

Scheme Transfer means a duly completed and executed proper instrument of transfer in respect of the Scheme Shares in the form prescribed in Appendix 8B of the PNGX Listing Rules, in favour of STO as transferee, which may be a master transfer of all or part of the Scheme Shares.

Second Court Date means the first day of hearing of an application made to the Court by OSH for orders for the Second Court Order or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Second Court Order means an order, pursuant to section 250(1) of the PNG Companies Act, approving the Scheme.

STO means Santos Limited (ABN 80 007 550 923).

STO Group means STO and its Controlled Entities.

STO Share means a fully paid ordinary share issued in the capital of STO.

Subsidiary has the meaning given in the PNG Companies Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is controlled by that entity (as 'control' is defined in section 6 of the PNG Companies Act) and, without limitation:

(a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share;

(b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and

(c) an entity will also be deemed to be a Subsidiary of an entity if that entity is required by the accounting standards to be consolidated with that entity.

Transmit has the meaning given to that term in the ASX Settlement Operating Rules.

Unmarketable Parcel Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Record Date, would, on Implementation, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of New STO Shares (assessed by reference to price of STO Shares on the ASX as the close of trade on the trading day prior to the Record Date) as Scheme Consideration.

1.2 Interpretation

(a) Headings are for convenience only and do not affect interpretation.

(b) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.

(c) The following rules apply unless the context requires otherwise.

(i) The singular includes the plural, and the converse also applies.

For personal use only

(ii) A gender includes all genders.

(iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.

(v) A reference to a clause or Schedule or Annexure is a reference to a clause or Schedule or Annexure of this document.

(vi) A reference to an agreement or document (including a reference to this document) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this document or that other agreement or document.

(vii) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.

(viii) A reference to a party to this document or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).

(ix) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

(x) A reference to an agreement includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a document includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.

(xi) A reference to *dollars* or *$* is to Australian currency and a reference to *US dollars* or *US$* is to the currency of the United States of America.

(xii) Words and phrases not specifically defined in this document have the same meanings (if any) given to them in the PNG Companies Act.

(xiii) A reference to time is to Port Moresby, Papua New Guinea time. If a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day. A reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later.

(xiv) If the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing must be done on the immediately succeeding Business Day.

(xv) A reference to the ASX Listing Rules, the ASX Settlement Operating Rules or the PNGX Listing Rules includes any variation, consolidation or replacement of those rules and is to be taken to be subject to any waiver or exemption granted by the ASX to the compliance of those rules.

(xvi) Any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally.

2 Conditions

2.1 Conditions Precedent

This Scheme is conditional upon, and will have no force or effect until, the satisfaction of each of

For personal use only

the following conditions precedent:

(a) as at 8:00am on the Second Court Date each of the conditions precedent set out in clause 3.1 of the Merger Implementation Deed (other than the condition precedent relating to the approval of the Court set out in clause 3.1(b) of the Merger Implementation Deed) has been satisfied or waived in accordance with the Merger Implementation Deed;

(b) as at 8:00am on the Second Court Date, neither the Merger Implementation Deed nor the Deed Poll has been terminated in accordance with its terms;

(c) the Court makes orders approving the Scheme under section 250(1) of the PNG Companies Act, including with such alterations made or required by the Court under section 251(1) of the PNG Companies Act as are acceptable to STO and OSH (each acting reasonably);

(d) such other conditions made or required by the Court under section 250 or section 251 of the PNG Companies Act in relation to this Scheme as are acceptable to STO and OSH (each acting reasonably) have been satisfied or waived in accordance with the Merger Implementation Deed; and

(e) the orders of the Court made under section 250(1) of the PNG Companies Act approving the Scheme coming into effect on or before the End Date.

2.2 Certificate

(a) OSH and STO will provide to the Court on the Second Court Date a certificate (or such other evidence as the Court may request) confirming (in respect of matters within its knowledge) whether or not all of the conditions precedent in clauses 2.1(a) and (b) have been satisfied or waived in accordance with the Merger Implementation Deed as at 8.00am on the Second Court Date.

(b) The certificate referred to in clause 2.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived or taken to be waived in accordance with the Merger Implementation Deed.

2.3 Lapsing

This Scheme will lapse and be of no further force or effect if:

(a) the Effective Date does not occur on or before the End Date; or

(b) the Merger Implementation Deed or the Deed Poll is terminated in accordance with its terms unless OSH and STO otherwise agree in writing.

3 Scheme becoming Effective

Subject to clause 2.3, this Scheme will take effect on and from the Effective Date.

4 Implementation of Scheme

4.1 Lodgement of Court order

OSH must lodge with the PNG Registrar of Companies, in accordance with section 250(4) of the PNG Companies Act, an office copy of the Court orders approving the Scheme as soon as possible after the Court approves the Scheme and in any event by no later than 5.00pm on the first Business Day after the date on which the Court makes the Second Court Order, or such other date as agreed by OSH and STO in writing.

For personal use only

4.2 Transfer of Scheme Shares

On the Implementation Date, subject to the provision of the Scheme Consideration in the manner contemplated in clause 5, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to STO (or, if STO has nominated a nominee, to its nominee), without the need for any further act by any Scheme Shareholder (other than acts performed by OSH or any of its directors and officers as attorney and agent for Scheme Shareholders under clause 8.3 in accordance with clauses 4.3 and 4.4.

4.3 PNG Register

(a) In respect of Scheme Shareholders holding Scheme Shares on the PNG Register, each such Scheme Shareholder, as transferor, authorises and directs the PNG Broker to effect a transfer of their Scheme Shares on the PNG Register to STO on the Implementation Date and for that purpose each such Scheme Shareholder authorised and directs the PNG Broker to execute a transfer of the Scheme Shares on the PNG Register on their behalf.

(b) OSH must enter STO in the PNG Register as the holder of all of the Scheme Shares on the PNG Register as soon as practicable on the Implementation Date.

(c) OSH is liable for, and must arrange for payment of, any fees, costs or expenses incurred by the PNG Broker in connection with the transfer contemplated in clause 4.3(a).

4.4 Australian Register

(a) In respect of Scheme Shareholders holding Scheme Shares on the Australian Register, each such Scheme Shareholder, as transferor, authorises and directs OSH to enter STO in the Australian Register as holder of those Scheme Shares, or to procure those Scheme Shares are otherwise transferred to STO on the Implementation Date by any means reasonably determined by OSH (after having consulted in good faith with STO) including but not limited to:

(i) a transfer in accordance with the *Corporations Regulations 2001* (Cth) and ASX Settlement Operating Rules;

(ii) a Holding Adjustment; or

(iii) a Scheme Transfer,

and each such Scheme Shareholder further authorises and directs OSH to take any action which OSH reasonably determines is necessary or appropriate to give effect to the entry in the Australian Register or transfer (as applicable), including but not limited to:

(iv) executing and delivering, or causing to be executed and delivered, any documents;

(v) giving instructions to any relevant Participant under the ASX Settlement Operating Rules; or

(vi) Transmitting, or causing to be Transmitted, any Message.

(b) OSH must enter STO in the Australian Register as the holder of all of the Scheme Shares on the Australian Register as soon as practicable on the Implementation Date.

(c) Notwithstanding clause 4.4(a), OSH or STO may take any and all further action (including but not limited to the execution of a Scheme Transfer) which it deems necessary or advisable in order to validly effect the transfer of the Scheme Shares on the Australian Register to STO.

For personal use only

5 Scheme Consideration

5.1 Entitlement to Scheme Consideration

Subject to the terms of the Scheme, on the Implementation Date and in consideration for the transfer to STO of the Scheme Shares, each Scheme Shareholder (other than an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder who has not provided an Opt-in Notice by the Opt-in Notice Date) will be entitled to receive as Scheme Consideration 0.6275 New STO Shares for each Scheme Share held by that Scheme Shareholder at the Record Date, as adjusted in accordance with clause 4.7 of the Merger Implementation Deed (if applicable).

5.2 Provision of Scheme Consideration

Subject to clauses 5.3 to 5.9 (inclusive), STO must:

(a) on or before the Implementation Date:

(i) issue and allot to each Scheme Shareholder such number of New STO Shares (if any) to which that Scheme Shareholder is entitled under this clause 5;

(ii) enter into the register of members of STO the name and address of each Scheme Shareholder in respect of the aggregate number of New STO Shares issued to them under clause 5.2(a)(i);

(b) subject to clause 5.5, as soon as practicable after the Implementation Date and no later than 10 Business Days after the Implementation Date, send or procure the dispatch to each Scheme Shareholder, to their Registered Address as at the Record Date, a share certificate or holding statement (or equivalent document) representing the number of New STO Shares issued to that Scheme Shareholder pursuant to this Scheme.

5.3 Ineligible Foreign Shareholders

(a) STO will be under no obligation under the Scheme to issue, and will not issue, any New STO Shares under this Scheme to any Ineligible Foreign Shareholder, and instead STO will subject to clauses 5.7 and 5.9 issue to the Sale Agent on or before the Implementation Date the New STO Shares to which each Ineligible Foreign Shareholder, having regard to the operation of clause 5.1, would otherwise have been entitled under this Scheme (if they were a Scheme Shareholder that was not an Ineligible Foreign Shareholder).

(b) STO will procure that, as soon as reasonably practicable after the Implementation Date, the Sale Agent sells or procures the sale (including on an aggregated or partially aggregated basis), of all the New STO Shares issued to the Sale Agent in the manner, and on the terms the Sale Agent determines in good faith. For the purpose of this clause 5.3, the **Proceeds** will be the proceeds of the sale by the Sale Agent of all of the New STO Shares contemplated by this clause 5.3 (after deduction of any applicable brokerage, stamp duty and other costs, taxes and charges incurred in connection with the sale of the New STO Shares).

(c) STO will procure that the Sale Agent pay, or procure the payment, to each Ineligible Foreign Shareholder of the amount calculated in accordance with the following formula and rounded down to the nearest cent:

A=(B/C) x D

where:

A is the amount to be paid to the Ineligible Foreign Shareholder;

For personal use only

B is the number of New STO Shares attributable to, and that would otherwise have been issued to, that Ineligible Foreign Shareholder had it not been a Ineligible Foreign Shareholder and which are instead issued to the Sale Agent;

C is the total number of New STO Shares attributable to, and which would otherwise have been issued to, all Ineligible Foreign Shareholders collectively and which are instead issued to the Sale Agent; and

D is the Proceeds (as defined in clause 5.3(b)).

(d) The Ineligible Foreign Shareholders acknowledge that none of STO, OSH or the Sale Agent gives any assurance as to the price that will be achieved for the sale of New STO Shares described in clause 5.3(b), and the sale of the New STO Shares under this clause 5.3 will be at the risk of the Ineligible Foreign Shareholder.

(e) If STO or the Sale Agent receives professional advice that any withholding or other tax is required by law or by a Governmental Agency to be withheld from a payment to an Ineligible Foreign Shareholder, the Sale Agent is entitled to withhold the relevant amount before making the payment to the Ineligible Foreign Shareholder (and payment of the reduced amount shall be taken to be full payment of the relevant amount for the purposes of this Scheme, including clause 5.3(c)). STO or the Sale Agent must pay any amount so withheld to the relevant taxation authorities within the time permitted by law, and, if requested in writing by the relevant Ineligible Foreign Shareholder, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Ineligible Foreign Shareholder.

(f) Each Ineligible Foreign Shareholder appoints STO as its agent to receive on its behalf any financial services guide (or similar or equivalent document) or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Australian Corporations Act or any other applicable law.

(g) Payment of the amount calculated in accordance with clause 5.3(c) to an Ineligible Foreign Shareholder in accordance with this clause 5.3 satisfies in full the Ineligible Foreign Shareholder's right to Scheme Consideration.

(h) Where the issue of New STO Shares to which a Scheme Shareholder would otherwise be entitled under this Scheme would result in a breach of law**:**

(i) STO will issue the maximum possible number of New STO Shares to the Scheme Shareholder without giving rise to such a breach; and

(ii) any further New STO Shares to which that Scheme Shareholder is entitled, but the issue of which to the Scheme Shareholder would give rise to such a breach, will instead be issued to the Sale Agent and dealt with under the preceding provisions in this clause 5.3, as if a reference to Ineligible Foreign Shareholders also included that Scheme Shareholder and references to that person's New STO Shares in that clause were limited to the New STO Shares issued to the Sale Agent under this clause.

5.4 Election by Unmarketable Parcel Shareholders

(a) OSH must provide each Unmarketable Parcel Shareholder with, or procure the provision to each Unmarketable Parcel Shareholder of, an Opt-in Notice.

(b) An Unmarketable Parcel Shareholder may elect to receive the Scheme Consideration as New STO Shares pursuant to clause 5.2 of the Scheme by providing OSH with a duly

For personal use only

completed Opt-in Notice prior to 5:00pm on the Business Day prior to the Record Date (the **Opt-in Notice Date**).

(c) Unless an Unmarketable Parcel Shareholder provides OSH with a duly completed Opt-in Notice by the Opt-in Notice Date pursuant to clause 5.4(b), STO will be under no obligation under this Scheme or Deed Poll to issue, and will not issue, any New STO Shares to any Unmarketable Parcel Shareholder, and instead, unless STO and OSH otherwise agree, OSH must procure that the New STO Shares that each Unmarketable Parcel Shareholder who would otherwise be entitled to receive as Scheme Consideration are dealt with in accordance with clause 5.3 of this Scheme (as if a reference in that clause to an 'Ineligible Foreign Shareholder' was a reference to an 'Unmarketable Parcel Shareholder').

5.5 Unknown Registered Address

Clause 5.2(b) does not apply to a Scheme Shareholder who does not have a Registered Address or where OSH and STO reasonably believe that such Scheme Shareholder is not known at their Registered Address.

5.6 Joint holders

In the case of Scheme Shares held in joint names:

(a) the New STO Shares to be issued under this Scheme must be issued to and registered in the name of the joint holders;

(b) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of OSH, the holder whose name appears first in the OSH Register as at the Record Date or to the joint holders; and

(c) holding statements or notices confirming the issue of the STO New Shares (or any other documents required to be sent under this Scheme), will be forwarded to either, at the sole discretion of OSH, the holder whose name appears first in the OSH Register as at the Record Date or to the joint holders.

5.7 Fractional entitlements

(a) Where the calculation of the number of New STO Shares to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a New STO Share, that fractional entitlement will be rounded down to the nearest whole number of New STO Shares with fractions of 0.5 or more being rounded up.

(b) If STO and OSH are of the opinion, formed reasonably, that two or more Scheme Shareholders, each of which holds a holding of Scheme Shares which results in rounding in accordance with clause 5.7(a) have, before the Record Date, been party to a shareholding splitting or division in an attempt to obtain an advantage by reference to such rounding, then OSH and STO must consult in good faith to determine whether such matters have arisen and if agreement is reach between OSH and STO following such consultation, OSH must give notice to those Scheme Shareholders:

(i) setting out the names and Registered Address for all of them;

(ii) stating that opinion; and

(iii) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

For personal use only

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice will, for the purposes of the Scheme, be taken to hold all those Scheme Shares and each of the other Scheme Shareholder whose names are set out in the notice shall, for the purposes of the Scheme, be taken to hold no Scheme Shares.

(c) STO, in complying with the other provisions of this Scheme relating to it in respect of the Scheme Shareholders specifically identified in a notice given under clause 5.7(b) as the deemed holder of all of the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of this Scheme.

5.8 Unclaimed monies

(a) STO may cancel a cheque issued under this clause 5 if the cheque:

(i) is returned to STO; or

(ii) has not been presented for payment with 12 months after the date on which the cheque was sent.

(b) During the period of one year commencing on the Implementation Date, on request in writing from an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder who has not provided an Opt-in Notice by the Opt-in Notice Date, STO must, or must procure the Sale Agent, reissue a cheque that was previously cancelled under this clause 5.8.

(c) The PNG *Unclaimed Monies Act 1963* will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in that Act).

5.9 Orders of a court

(a) If written notice is given to OSH (or the OSH Share Registry) or STO (or the STO Registry) of an order or direction made by a court that:

(i) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by OSH in accordance with this clause 5, then OSH shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or

(ii) prevents OSH from providing consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment or issuance of such consideration is otherwise prohibitive by applicable law, OSH shall be entitled to (as applicable):

(A) in the case of an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder who has not provided an Opt-in Notice by the Opt-in Notice Date, retain an amount, in Australian dollars, equal to the relevant Ineligible Foreign Shareholder's or Unmarketable Parcel Shareholder's share of the Proceeds; and

(B) not issue (or, in the case of OSH, direct STO not to issue), or to issue (or, in the case of OSH, direct STO to issue) to a trustee or nominee, any Scheme Consideration that Scheme Shareholder would otherwise be entitled to under clause 5.1,

until such time as payment of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) court or direction or otherwise by law.

For personal use only

(b) To the extent that amounts are so deducted or withheld in accordance with clause 5.9(a), such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of which such deduction and withholding was made, provided that such deducted or withheld amounts are actually remitted as required.

(c) For the avoidance of doubt, any payment or retention by STO or OSH (as applicable) under clause 5.9(a) will constitute the full discharge of STO's obligations under clause 5.2 with respect to the amount so paid or retained, in the case of clause 5.9(a)(ii), the amount is no longer required to be retained.

6 Dealings in OSH Shares

6.1 Dealings in OSH Shares by Scheme Shareholders

For the purpose of establishing the identity of the persons who are Scheme Shareholders, dealings in OSH Shares or other alterations to the OSH Registry will be only recognised provided that:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the OSH Register as the holder of the relevant OSH Shares by the Record Date; and

(b) in all other cases, registrable transfers or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received by the OSH Share Registry by 5.00pm on the day which is the Record Date at the place where the OSH Register is located (in which case OSH must register such transfers or transmission applications before 7.00pm on that day),

and OSH will not accept for registration, nor recognise for the purpose of establishing the persons who are Scheme Shareholders nor for any other purpose (other than to transfer to STO pursuant to this Scheme and any subsequent transfers by STO and its successors in title), any transfer or transmission application or other request in respect of OSH Shares received after such times, or received prior to such times but not in actionable or registrable form (as appropriate).

6.2 Register

(a) OSH must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 6.1(b) before the Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires OSH to register a transfer that would result in a OSH Shareholder holding a parcel of OSH Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the operating rules of the ASX).

(b) OSH will, until the Scheme Consideration has been provided and the name and address of STO has been entered in the OSH Register as the holder of all of the Scheme Shares, maintain, or procure the maintenance of, the OSH Register in accordance with this clause 6, and the OSH Register in this form and the terms of this Scheme will solely determine entitlements to the Scheme Consideration.

(c) As from the Record Date (and other than for STO following the Implementation Date), each entry in the OSH Register as at the Record Date relating to Scheme Shares will cease to have any effect other than as evidence of the entitlements of Scheme Shareholders to the Scheme Consideration in respect of those Scheme Shares.

(d) As soon as possible on or after the Record Date, and in any event by 5.00pm on the first Business Day after the Record Date, OSH will ensure that details of the names,

Registered Addresses and holdings of OSH Shares for each Scheme Shareholder as shown in the OSH Register are available to STO in the form STO reasonably requires.

6.3 Effect of share certificates and holding statements

As from the Record Date (and other than for STO following the Implementation Date), all share certificates and holding statements for Scheme Shares (other than statements of holding in favour of STO) will cease to have effect as documents of title in respect of those Scheme Shares.

6.4 No disposals after Record Date

If this Scheme becomes Effective, each Scheme Shareholder, and any person claiming through that Scheme Shareholder, must not dispose of or purport or agree to dispose of any Scheme Shares or any interest in them after 5.00pm on the Record Date (other than to STO in accordance with this Scheme and any subsequent transfers by STO and its successors in title), and any attempt to do so will have no effect and OSH shall be entitled to disregard any such disposal, purported disposal or agreement.

7 Suspension and termination of quotation of OSH Shares

(a) OSH must apply to the ASX and PNGX to suspend trading in OSH Shares with effect from the close of trading on the Effective Date.

(b) On a date after the Implementation Date to be determined by STO, OSH must apply to ASX and PNGX for termination of official quotation of the OSH Shares on ASX and the removal of OSH from the official list of ASX and PNGX.

8 General provisions

8.1 Further assurances

(a) Each Scheme Shareholder and OSH will do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of this Scheme and the transactions contemplated by it.

(b) Without limiting OSH's other powers under this Scheme, OSH has power to do all things that it considers necessary or desirable to give effect to this Scheme and the transactions contemplated by it.

8.2 Scheme Shareholders' agreements and consents

Each Scheme Shareholder (and the Sale Agent on behalf of all Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders who have not provided an Opt-in Notice by the Opt-in Notice Date, as applicable) irrevocably:

(a) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares, to STO in accordance with the terms of this Scheme;

(b) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;

(c) agrees to become a member of STO and to be bound by the terms of the constitution of STO and to have their name registered in the STO Register as a holder of STO Shares (in respect of the New STO Shares which they are issued pursuant to the Scheme);

(d) acknowledges and agrees that this Scheme binds OSH and all Scheme Shareholders (including those that were excluded from attending and voting at the Scheme Meeting, or who did not attend the Scheme Meeting or did not vote at that meeting or voted against

For personal use only

this Scheme at that Scheme Meeting) and, to the extent of any inconsistency, overrides the Constitution; and

(e) consents to OSH and STO doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Scheme and the transactions contemplated by it,

without the need for any further act by that Scheme Shareholder.

8.3 Appointment of OSH as attorney for implementation of Scheme

(a) Each Scheme Shareholder, without the need for any further act by that Scheme Shareholder, on the Effective Date, irrevocably appoints OSH and each of its directors and officers (jointly and each of them severally) as that Scheme Shareholder's agent and attorney for the purpose of:

(i) doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of this Scheme and the transactions contemplated by it, including the effecting of a valid transfer or transfers (or the execution and delivery of any Scheme Transfers) under clause 4.2; and

(ii) enforcing the Deed Poll against STO,

and OSH accepts such appointment. OSH, as agent and attorney of each Scheme Shareholder, may sub delegate its functions, authorities or powers under this clause 8.3 to all or any of its directors and officers (jointly, severally, or jointly and severally).

(b) For the avoidance of doubt, nothing in this clause 8.3 shall impact the authorisation under clause 4.3(a).

8.4 Warranty by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to STO on the Implementation Date, and, to the extent enforceable, to have appointed and authorised OSH as that Scheme Shareholder's agent and attorney to warrant to STO on the Implementation Date, that all of their Scheme Shares (including all rights and entitlements attaching to those Scheme Shares) will, at the time of the transfer of them to STO pursuant to this Scheme, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to sell and to transfer their Scheme Shares (together with any rights and entitlements attaching to those Scheme Shares) to STO pursuant to this Scheme, and as at the Record Date, they have no existing right to be issued any other Scheme Shares or any other form of securities in OSH. OSH undertakes in favour of each Scheme Shareholder that it will provide such warranty, to the extent enforceable, to STO on behalf of that Scheme Shareholder.

8.5 Title to and rights in Scheme Shares

(a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to STO will, at the time of transfer of them to STO, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind.

For personal use only

For personal use only

(b) Immediately upon the provision of the Scheme Consideration in the manner contemplated by clause 5, STO will be beneficially entitled to the Scheme Shares transferred to it under this Scheme pending registration by OSH of the name and address of STO in the OSH Register as the holder of the Scheme Shares.

(c) For the avoidance of doubt, notwithstanding clause 8.5(b), to the extent that clause 5.8(a) applies to any Scheme Shareholder, STO will be beneficially entitled to any Scheme Shares held by that Scheme Shareholders immediately upon compliance with clause 5.8 on the Implementation Date as if STO had provided the Scheme Consideration to that Scheme Shareholder.

8.6 Appointment of STO as sole proxy

(a) From the time that STO has provided the Scheme Consideration to each Scheme Shareholder in the manner contemplated in clause 5.2 and until STO is registered in the OSH Register as the holder of all Scheme Shares, each OSH Shareholder:

(i) without the need for any further act by that OSH Shareholder, is deemed to irrevocably appoint STO as its sole proxy to (and irrevocably appoints STO as its agent and attorney for the purpose of appointing any director or officer of STO as that OSH Shareholder's sole proxy and, where appropriate, its corporate representative to):

(A) attend shareholders' meetings of OSH;

(B) exercise the votes attaching to the OSH Shares registered in the name of the OSH Shareholder; and

(C) sign any OSH Shareholders' resolution or document (whether in person, by proxy or by corporate representative);

(ii) must take all other action in the capacity of an OSH Shareholder as STO reasonably directs; and

(iii) acknowledges and agrees that in exercising the powers referred to in clause 8.6(a), STO and any person nominated by STO under clause 8.6(a) may act in the best interests of STO as the intended registered holder of the Scheme Shares.

(b) From the time that STO has provided the Scheme Consideration to each Scheme Shareholder in the manner contemplated in clause 5.2 until STO is registered in the OSH Register as the holder of all Scheme Shares, no OSH Shareholder may attend or vote at any meetings of OSH Shareholders or sign any OSH Shareholders' resolution (whether in person, by proxy or by corporate representative) other than under clause 8.6)(a).

8.7 Alterations and conditions to Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

(a) OSH may, by its counsel or solicitors, and with the prior written consent of STO, consent on behalf of all persons concerned, including each OSH Shareholder, to those alterations or conditions; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which OSH has consented to.

8.8 Enforcement of Deed Poll

OSH undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against STO on behalf of and as agent and attorney for the Scheme Shareholders.

For personal use only

8.9 Instructions and Elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Governmental Agency), all instructions, notifications or elections by a Scheme Shareholder to OSH that are binding or deemed binding between the Scheme Shareholder and OSH relating to OSH or OSH Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on OSH Shares; and

(c) notices or other communications from OSH (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by STO in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to STO and to be a binding instruction, notification or election to, and accepted by, STO in respect of the New STO Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to STO at its registry.

8.10 Binding effect of Scheme

This Scheme binds OSH and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of OSH.

8.11 Consent

Each of the Scheme Shareholders consents to OSH doing all things necessary or incidental to the implementation of this Scheme, whether on behalf of the Scheme Shareholders, OSH or otherwise.

8.12 Notices

(a) Where a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to OSH, it will not be deemed to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at OSH's registered office or by the OSH Share Registry, as the case may be.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by an OSH Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

8.13 Duty

STO will pay all duty (including stamp duty and any related fines, penalties and interest) payable on or in connection with the transfer by Scheme Shareholders of the Scheme Shares to STO pursuant to this Scheme.

8.14 Governing law and jurisdiction

This document is governed by the laws of the Independent State of Papua New Guinea. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction there and courts of appeal from them in connection with matters concerning this document. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

8.15 No liability when acting in good faith

Each Scheme Shareholder agrees that neither OSH, STO nor any director, officer, secretary or any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

For personal use only

For personal use only

Annexure 3

Deed Poll

This Deed Poll is made on

Parties

Santos Limited (ABN 80 007 550 923) (a company incorporated under the laws of the Commonwealth of Australia) of 60 Flinders Street, Adelaide, SA 5000, Australia (***Santos***).

In favour of

Each Scheme Shareholder.

Recitals

A Santos and Oil Search Limited (a company incorporated in and domiciled in Papua New Guinea) (***Oil Search***) have entered into a merger implementation deed dated 10 September 2021 (the ***Merger Implementation Deed***).

B Oil Search has agreed in the Merger Implementation Deed to propose the Scheme, pursuant to which, subject to the satisfaction or waiver of certain conditions precedent, Santos will acquire all of the Scheme Shares from Scheme Shareholders for the Scheme Consideration.

C In accordance with the Merger Implementation Deed, Santos is entering into this Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders that it will observe and perform the obligations contemplated of it under the Scheme.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

Terms defined in the Merger Implementation Deed have the same meaning in this Deed Poll, unless the context requires otherwise.

1.2 Interpretation

The provisions of clause 1.2 and 1.3 of the Merger Implementation Deed form part of this Deed Poll as if set out in full in this Deed Poll, and on the basis that references to 'this deed' in that clause are references to 'this Deed Poll'.

2 Nature of Deed Poll

Santos acknowledges that:

(a) this Deed Poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though the Scheme Shareholder are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints Oil Search as its agent and attorney to enforce this Deed Poll against Santos on behalf of that Scheme Shareholder.

For personal use only

3 Conditions Precedent and Termination

3.1 Conditions precedent

This Deed Poll and Santos's obligations (as relevant) under this Deed Poll are subject to the Scheme becoming Effective.

3.2 Termination

If the Merger Implementation Deed is terminated before the Effective Date or the Scheme does not become Effective on or before the End Date, the obligations of Santos under this Deed Poll will automatically terminate and the terms of this Deed Poll will be of no further force or effect, unless Oil Search and Santos otherwise agree in writing in accordance with the Merger Implementation Deed.

3.3 Consequences of termination

If this Deed Poll is terminated under clause 3.2, then, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) Santos is released from its obligations under this Deed Poll; and

(b) each Scheme Shareholder retains any rights, powers or remedies that Scheme Shareholder has against Santos in respect of any breach of its obligations under this Deed Poll that occurred before termination of this Deed Poll.

4 Compliance with Scheme Obligations

4.1 Obligations of Santos

Subject to clause 3, in consideration for the transfer to Santos (or its nominee) of the Scheme Shares in accordance with the Scheme, Santos covenants in favour of each Scheme Shareholder that it will observe and perform all obligations contemplated of it under the Scheme, including the relevant obligations relating to the provision of the Scheme Consideration, subject to and in accordance with the terms of the Scheme.

4.2 Provision of Scheme Consideration

(a) Subject to clause 3, Santos will, on the Implementation Date, provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme; and

(b) the New STO Shares to be issued to each Scheme Shareholder under the Scheme will be:

(i) validly issued and fully paid up and will rank equally in all respects with all other STO Shares on issue as at the Implementation Date; and

(ii) free from any Encumbrance or other security interest.

5 Representations and Warranties

Santos makes the following representations and warranties.

(a) (**Status**) It is a corporation duly incorporated and validly existing under the laws of the place of its incorporation.

(b) (**Power**) It has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll.

For personal use only

(c) (**Corporate authorisations**) It has taken all necessary corporate action to authorise the entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll.

(d) (**Document binding**) This Deed Poll is valid and binding on it and enforceable against it in accordance with its terms.

(e) (**Transactions permitted**) The execution and performance by it of this Deed Poll and each transaction contemplated by this Deed Poll does not and will not violate in any respect a provision of:

(i) a law, judgment, ruling, order or decree binding on it; or

(ii) its constitution or other constituent documents.

6 Continuing Obligations

This Deed Poll is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

(a) Santos having fully performed its obligations under this Deed Poll; and

(b) termination of this Deed Poll under clause 3.

7 Further Assurances

Santos will, on its own behalf and, to the extent authorised by the Scheme, on behalf of each Scheme Shareholder, do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this Deed Poll and the transactions contemplated by it.

8 General

8.1 Notices

Any notice, demand, consent or other communication (a ***Notice***) given or made under this Deed Poll:

(a) must be in writing and signed by the sender or a person duly authorised by the sender;

(b) must be delivered to the intended recipient by prepaid post (or if posted to an address in another country, by registered airmail) or by hand or email to the address or email address (as applicable) below or the address or email address (as applicable) last notified by the intended recipient to the sender:

Santos:	Address:	60 Flinders Street Adelaide SA 5000
	Email:	Jodie.Hatherly@santos.com
	Attention:	Jodie Hatherly, Vice President ESG & Legal

with a copy to (which by itself does not constitute a Notice)
tony.damian@hsf.com and amelia.morgan@hsf.com

(c) will be conclusively taken to be duly given or made:

(i) in the case of delivery in person, when delivered;

(ii) in the case of delivery by post, six Business Days after the date of posting (if posted to an address in the same country) or ten Business Days after the date of posting (if posted to an address in another country); and

For personal use only

(iii) in the case of delivery by email, at the earliest of:

(A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;

(B) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and

(C) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that two hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made:

(iv) on a day that is not a business day in the place to which the Notice is sent or later than 5:00pm (local time), then it will be taken to have been duly given or made at the start of business on the next business day in that place; or

before 9:00am (local time) on a business day in the place to which the Notice is sent, then it will be taken to have been duly given or made at 9:00am (local time) on that business day in that place other than in respect of any Notice given on, and prior to 8.00am on, the Second Court Date.

8.2 No waiver

No failure to exercise nor any delay in exercising any right, power or remedy by Santos or by any Scheme Shareholder operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver of any right, power or remedy on one or more occasions does not operate as a waiver of that right, power or remedy on any other occasion, or of any other right, power or remedy. A waiver is not valid or binding on the person granting that waiver unless it is in writing and signed by the person granting the waiver.

8.3 Remedies cumulative

The rights, powers and remedies of Santos and of each Scheme Shareholder under this Deed Poll are in addition to, and do not exclude or limit, any right, power or remedy provided by law or equity or by any agreement independently of this Deed Poll.

8.4 Amendment

No amendment or variation of this Deed Poll is valid or binding unless:

(a) either:

(i) before the First Court Date, the amendment or variation is agreed to in writing by Oil Search and Santos; or

(ii) on or after the First Court Date, the amendment or variation is agreed to in writing by Oil Search and Santos, and is approved by the Court; and

(b) Santos enters into a further deed poll in favour of the Scheme Shareholders giving effect to that amendment or variation.

8.5 Assignment

(a) The rights and obligations of Santos and of each Scheme Shareholder under this Deed Poll are personal. They cannot be assigned, encumbered or otherwise dealt with and no person may attempt, or purport, to do so without the prior consent of Santos.

(b) Any purported dealing in contravention of clause 8.5(a) is invalid.

8.6 Duty

(a) All duty (including stamp duty and any fines, penalties and interest) payable on or in connection with this Deed Poll and any instrument executed under or any transaction effected by this Deed Poll must be borne by Santos.

(b) Santos must indemnify each Scheme Shareholder on demand against any liability arising from failure to comply with clause 8.6(a).

8.7 Governing law and jurisdiction

This Deed Poll is governed by the laws of New South Wales, Australia. Santos submits to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this Deed Poll.

For personal use only

Executed and delivered as a Deed.

Executed as a deed for **Santos Limited** by its attorney in the presence of

Attorney Signature	Witness Signature
Print Name	Print Name

For personal use only