



AUDIT COMMITTEE CHARTER

(as at 1 May 2008)

1. Role:

1.1 The purpose of the Audit committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to financial reporting, accounting policies, internal control systems, internal audit and compliance functions, external audit functions and the company's process for managing compliance with laws and regulations

2. Duties and Responsibilities:

2.1 Review the half-year accounts and annual financial statements and make recommendations to the Board, focusing particularly on:

- The quality and acceptability of the accounting policies, practices and financial reporting disclosures and any changes thereto.
- Major judgmental areas / unusual transactions including, inter alia the financial impact of contingent liabilities.
- Significant adjustments resulting from the audit.
- The ongoing solvency of the business.
- Compliance with loan agreements.
- Compliance with accounting standards.
- Compliance with financial reporting standards, stock exchange, regulatory and legal requirements.
- Mis-statements that have not been corrected and management's response for not adjusting these.

2.2 Review other sections of the annual report and review the processes and procedures in relation to regulatory filings and the accuracy and completeness of the information released to the market.

2.3 Review the external auditors' engagement with respect to proposed audit scope and approach.

2.4 Review and confirm the independence of the external auditors.

2.5 Review the performance of the external auditors.

2.6 Review the external auditors' management letter.

2.7 Discuss and resolve problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).



- 2.8 Make recommendations to Board on the appointment of the external auditor and the external auditors' fee.
- 2.9 Review the carrying value of assets, in particular exploration and development assets, on a six monthly basis, to ascertain whether the assets are recorded at the appropriate level.
- 2.10 Review the level of reserves and the calculation of the amortisation to be used in the accounts.
- 2.11 Review any correspondence with and the findings of any enquiries investigation, subpoena, request for information or other examination by any regulatory authorities which relate to the duties of the Audit Committee.
- 2.12 Review, with the assistance of the internal auditors, Oil Search's internal control systems, in particular:
 - The budgeting / forecasting systems, financial reporting systems and controls
 - The policies for ensuring compliance with regulatory and legal requirements
 - The policies for preventing or detecting fraud
 - Information technology security and control
 - Any findings generated by the external auditors' review
- 2.13 Make recommendations to the Board on the appointment of an internal auditor and the internal auditors' fee.
- 2.14 Confirm or amend the internal audit programme proposed by the Assurance & Compliance Manager for the internal auditors.
- 2.15 Review reports prepared by the internal auditors, following audit reviews, to confirm that management is taking appropriate action to rectify identify weaknesses or problems.
- 2.16 Review the performance of the internal auditors.
- 2.17 Approve, or refer to the Board for approval, any change in accounting policy or treatment.



3. Composition:

- 3.1 The committee will consist of at least 4 non-executive Directors.
- 3.2 At least one member of the committee must have expertise in financial reporting.
- 3.3 The committee may require attendance by the Chief Executive Officer and the Chief Financial Officer to its meetings.
- 3.4 The Manager Assurance and Compliance will attend all Audit Committee meetings.
- 3.5 The committee may invite the engagement partners of the external and internal audit firms to its meetings where appropriate.
- 3.6 The Manager Assurance & Compliance will act as secretary of the committee.

4. Meetings:

- 4.1 The committee must meet at least three times a year including:
 - One meeting to review each of the Half Year and Annual Accounts; and
 - One meeting to review the annual audit plan.
- 4.2 Any Audit Committee member may call a meeting of the committee.
- 4.3 A notice confirming the date, time, venue and agenda must be forwarded to each member of the committee at least one week prior to the date of the committee meeting. The notice must include all relevant supporting papers for the agenda items to be discussed.
- 4.4 The Chairman of the committee will report the deliberations of each meeting of the Committee to the subsequent Board meeting.
- 4.5 Where practicable, copies of agreed minutes of the committee will be circulated to all Directors.
- 4.6 The quorum consists of at least 3 committee members present in person or by telephone or video link.
- 4.7 The committee may invite any executive management team members or other individuals to attend meetings of the committee as they see appropriate.



5. Resources:

- 5.1 The committee will have unlimited access to the Manager Assurance & Compliance, the lead partners of the external and internal auditors and any employee to seek any information it considers necessary to carry out its duties.
- 5.2 The Manager Assurance and Compliance reports to the Managing Director and has unfettered access to the Audit Committee, particularly its Chairman and also to the Chairman of the Board. The Manager Assurance and Compliance is appointed and terminated by the Managing Director and the appointment and termination is approved by the Audit Committee.
- 5.4 The internal auditor will report to the Manager Assurance & Compliance.

6. Duration:

- 6.1 This charter will be reviewed annually by the committee and the Board.



FINANCE AND RISK COMMITTEE CHARTER

(as at 20 April 2009)

1. Role:

- 1.1 The role of the Finance and Risk Committee is to assist the Board to review policies, processes, practices and reporting systems covering all aspects of the Group's exposure to business and financial risks, except those specifically assigned to other board committees. The Committee is also responsible for checking that all identified, material risks arising in the course of the Group's activities have clearly defined ownership/accountability within the Board and Committee structure.

2. Duties and responsibilities:

Financial risks

- 2.1 Review the company systems and processes intended to identify and manage significant financial risks, other than those addressed by the Audit Committee.
- 2.2 Recommend to the Board the company's objectives in managing financial risks.
- 2.3 Review and recommend to the Board financial risk management strategies and the use of hedging and financial instruments for the management of commodity (oil and gas) price exposure, foreign exchange exposure, interest rate exposure and counterparty credit exposure, ensuring that where the use of these or like instruments creates other risks, these risks are also addressed.
- 2.4 Review and recommend to the Board group financial structure including but not limited to debt considerations, appropriate gearing levels, interest cover, liquidity levels and strategic tax planning.
- 2.5 Review compliance with financial risk management policies and lender financial covenants.

Business risks

- 2.6 Review the company's systems and processes intended to identify and manage significant business risks including particularly reviewing and approving the reserves audit plan and recommending to the Board the reserves audit report.
- 2.7 Review managements understanding of the probability and potential impact of high risk elements across the organisation under various scenarios.
- 2.8 Review actions taken by management to mitigate risks that have been identified.
- 2.9 Review the effectiveness of the company's risk management procedures.
- 2.10 Review the use by management of mitigants other than insurance and encourage management to see that these have been fully exploited, subject to an acceptable cost/benefit outcome.



- 2.11 Review scope, cover and cost of group insurances.
- 2.12 Review any correspondence with and the findings of any enquiries investigation, subpoena, request for information or other examination by any regulatory authorities other than those which relate to the duties of the Audit Committee or the Board.

3. Composition:

- 3.1 The Committee will consist of at least four non-executive Directors.
- 3.2 At least one member of the Committee must have expertise in risk management.
- 3.3 The Committee may require attendance by the Chief Executive Officer and the Chief Financial Officer to its meetings.
- 3.4 The Chief Financial Officer will act as secretary of the Committee.

4. Meetings:

- 4.1 The Committee must meet at least three times a year.
- 4.2 Any Committee member may call a meeting of the Committee.
- 4.3 A notice confirming the date, time, venue and agenda must be forwarded to each member of the Committee at least one week prior to the date of the Committee meeting. The notice must include all relevant supporting papers for the agenda items to be discussed.
- 4.4 The Chairman of the Committee will report the deliberations of each meeting of the Committee to the subsequent Board meeting.
- 4.5 Where practicable, copies of agreed minutes of the Committee will be circulated to all Directors.
- 4.6 The quorum consists of at least three Committee members present in person or by telephone or video link.
- 4.7 The Committee may invite any executive management team members or other individuals to attend meetings of the Committee as they see appropriate.

5. Resources:

- 5.1 The Committee will have unlimited access to the Chief Financial Officer, the Operations Risk Manager, the Assurance and Compliance Manager and any other employees to seek any information it considers necessary to carry out its duties.



OIL SEARCH LIMITED

6. Duration:

6.1 This charter will be reviewed annually by the Committee and the Board.



REMUNERATION AND NOMINATIONS COMMITTEE CHARTER

(as at 22 October 2008)

1. **Role:**

The Remuneration and Nominations Committee provides advice and recommendations to the Board regarding the remuneration of Directors, executives and other employees with the objective that the Group:

- has coherent remuneration policies and practices which are observed and which enable it to attract and retain the talent necessary to create value for shareholders;
- fairly and responsibly rewards Directors, executives and other employees having regard to the performance of the Group, the general pay environment and the individual performance of each executive and employee; and
- Complies with all relevant legal and regulatory provisions.

The Remuneration and Nominations Committee also:

- Provides advice and recommendations to the Board regarding the skills needed and available to the Board to discharge its duties and add value to the Group.
- Considers, and recommends to the Board, plans and candidates for non-executive director and senior executive succession.
- Reviews and oversees the implementation of the Group Code of Conduct.

Ultimate responsibility for the Group's remuneration, recruitment, retention, termination and other employment policies rests with the Board.

2. **Duties and Responsibilities:**

Employee remuneration policies

Review the ongoing appropriateness and competitiveness of the Group's policies and practices on employee remuneration and benefit programmes, including those for determining remuneration levels and other benefits, and make recommendations to the Board concerning any proposed amendments.

Oversee the implementation of remuneration and benefit policies within the Group.



Consider and make recommendations to the Board on the entire specific remuneration for each Executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy.

Review and approve and report to the Board on the proposed remuneration (including incentive awards, equity awards and service contracts) of all executives remunerated under the Senior Executive remuneration policy, and any other direct reports of the CEO.

Review and recommend to the Board budgets for annual remuneration rewards to staff.

Employee incentive plans (including equity based plans)

Review and make recommendations to the Board on the design of all employee incentive plans.

Review and make recommendations to the Board on the total proposed rewards under each employee incentive plan.

Review and make recommendations each year to the Board on performance measures required for the implementation of incentive plans.

It is Oil Search's practice to submit to shareholders for approval all new proposed equity based incentive plans including material amendments to those plans. Except as required by law, it is not Oil Search's practice to ask shareholders to approve specific allocations under equity based incentive plans.

Recruitment, Retention and Termination

Review the ongoing appropriateness and competitiveness of the Group's recruitment, retention and termination policies for Executive Directors, executives and other employees and make recommendations to the Board regarding any proposed amendments.

Oversee the implementation of these recruitment, retention and termination policies within the Group.

Aid the CEO in seeking the support of the Board for any new Senior Executive appointment by ensuring that the CEO's preferred candidate is first interviewed by at least two non-Executive Directors (normally the



Chairman of the Board and the Chairman of the Remuneration and Nominations Committee) with a third Director to join the interview where

appropriate (for example the Chairman of the Audit Committee for a financial position).

Propose to the Board contracts for new non-executive and executive directors.

Approve terms and conditions and contracts for any new executives to be remunerated under the Senior Executive remuneration policy.

Non-Executive Director Remuneration

Review and provide recommendations to the Board regarding remuneration of non-executive Directors.

Board Composition and Skills

Assess the skills required to competently discharge the Board's duties, having regard to the strategic direction of the Group.

Assess the size, composition and skill mix of the Board and whether they meet the requirements as identified.

Make recommendations to the Board on the means by which skill levels of existing non-executive Directors can be enhanced.

On request of the Board, establish processes for the identification of suitable candidates for appointment to the Board.

Having regard to the skills required and the skills represented, and on the request of the Board, evaluate potential Board candidates and recommend a shortlist of individuals to the Board.

Prepare, review and update on a regular basis Directors' education and skills enhancement programme.



Board & Senior Executive Succession

Prepare and update on a regular basis Board and senior executive succession plans. A report to the Board on these plans is to be prepared and submitted at least once per year.

Other

Review the Group Code of Conduct and the effectiveness of its implementation once per year.

Review and approve the "Remuneration Report" before its inclusion in the Annual Report.

3. Composition:

- The committee will consist of at least 4 non-executive Directors.

4. Meetings:

- The committee will meet at least 3 times a year.
- Any Remuneration and Nominations Committee member may call a meeting of the committee.
- A notice confirming the date, time, venue and agenda must be forwarded to each member of the committee at least a week prior to the date of the committee meeting. The notice must include all relevant supporting papers for the agenda items to be discussed.
- The Chairman of the committee will report the deliberations of each meeting of the Committee to the subsequent Board meeting.
- Where practicable, copies of agreed minutes of the committee will be circulated to all Directors.
- The quorum consists of 3 committee members present in person or by telephone or video link.
- The committee may invite any executive management team members or other individuals to attend meetings of the committee as the committee sees appropriate.



5. Resources:

- The committee will have unlimited access to senior management and may seek any information it considers necessary to carry out its duties.
- The committee may engage external advisors as appropriate.

6. Duration:

- This charter will be reviewed annually by the committee and the Board