



PUBLIC DISCLOSURE AND EXTERNAL COMMUNICATIONS STANDARD

1. BACKGROUND

One of Oil Search Limited's (the Company) core objectives is to be a "top quartile performer on the Australian Stock Exchange amongst the 200 ASX leaders".

In addition, one of the Company's principles is "Trust and integrity: We do what we say and we care.

To achieve top quartile performance, the Company must gain the support of both institutional and retail investors. A wide range of studies has established that decisions by potential shareholders to buy or sell shares in a company are not based solely on financial and operational performance. Trust in the management of a company also plays a significant role in investment decisions.

Communicating with shareholders, advisors and other stakeholders is key in building trust between those stakeholders and the Company.

2. GENERAL PRINCIPLES

Clear, balanced, comprehensive and timely reporting of all material events affecting the Company and its business is the basis of the Company's communication policy. In this regard the Board is committed to ensuring that:

- (a) a written continuous disclosure policy and related procedures are prepared, maintained and enforced;
- (b) appropriate persons within the Company have responsibility for disclosure; and
- (c) management discussion and analysis in relation to the Company's financial results enhance clarity and balance of reporting.

Balanced reporting requires the reporting of bad news as well as good news.

Good corporate governance entails the reporting of all material events even if the Company is not strictly required to do so by the continuous disclosure provisions of the applicable stock exchange listing rules.

The Company aims to keep all stakeholders and regulatory authorities fully informed so that investment and other decisions can be made on an



informed basis. This necessitates the reporting of events and other information as or as soon as possible after they occur or come to hand.

The Company will at all times use its best endeavours to comply with the letter and the spirit of the disclosure obligations imposed on it by the Listing Rules of the ASX and POMSoX and by any applicable legislation.

3. CONTINUOUS DISCLOSURE

From 1 January 2003, all ASX listed companies have been subject to considerably more stringent disclosure obligations. This is so despite the ASX's public statements to the effect that the amendments taking effect on 1 January 2003 simply clarified what had been the position ever since Listing Rule 3.1 was first introduced. The amendments clarify and strengthen the continuous disclosure obligations of listed companies (for example, the Company) particularly in relation to market rumors

3.1 Immediate Notice of Material Information

Listing Rule 3.1 requires the Company to notify the ASX immediately if the Company becomes aware of information concerning the Company that is or is likely to have a material effect on the price or value of the company's shares.

What is or is not "material" is not determined by reference to an arbitrary "\$" figure. Although different views have been expressed on this subject, the better view is that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy, sell or hold, the first mentioned securities.

Listing Rule 3.1 does not apply to particular information while all of the following are satisfied:

- 1) A reasonable person would not expect the information to be disclosed;
- 2) The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- 3) One or more of the following applies:
 - It would be a breach of law to disclose the requirement;
 - The information concerns an incomplete proposal or negotiation;
 - The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - The information is generated for the internal management purposes of the company;



- The information is a trade secret. (Listing Rule 3.1A)

The most significant change to the “carve out” from the Listing Rule 3.1 disclosure obligation is that material information must now be disclosed if the ASX forms the view that the information has ceased to be confidential. Previously, the ASX’s view was that, on a strict interpretation of Listing Rule 3.1, if the other requirements of the carve-out were satisfied, the information did not have to be disclosed so long as it was confidential having regard to an objective standard.

ASX is likely to consider that information has ceased to be confidential if the information, or part of it, becomes known either selectively or generally, whether inadvertently or deliberately. If information becomes known by others in circumstances where the Company does not retain control of its use and disclosure, ASX is likely to form the view that the information has ceased to be confidential regardless of whether the Company or a third party disclosed the information. For example where there are rumors circulating or media comment about the information and the rumors or comment are reasonably specific, ASX will generally view confidentiality as having been lost. Media comment includes an article or item in a reputable newspaper containing or relating to the information. ASX has advised us that generally it will not regard confidentiality as having been lost simply because the information is referred to in a newspaper gossip column (for example The Australian Financial Review’s “Street Talk” section).

3.2 False Market

If ASX considers that there is or is likely to be a false market in the Company’s securities and asks the Company to give ASX information to correct or prevent a false market, the Company must give ASX the information needed to correct or prevent the false market (Listing Rule 3.1B (False Market)).

The obligation to give information to ASX under new Rule 3.1B applies even if the information would not have to be provided under Listing Rule 3.1 because all the limbs of the carve out from Listing Rule 3.1 are satisfied.

ASX will consider that there is or is likely to be a false market in the Company’s securities in the following circumstances:

- The Company has information that has not been released to the market. For example because all of the limbs of the carve out from Listing Rule 3.1 are satisfied; and
- There is a reasonably specific rumor or media comment in relation to the Company that has not been confirmed or clarified by an announcement by the Company to the market; and



- There is evidence that the rumor or comment is having, or ASX forms the view that the rumor or comment is likely to have, an impact on the price of the company's securities.

ASX may make inquiries of the Company under Listing Rule 18.7 to satisfy itself whether there is a false market.

3.3 Media Comment/Market Rumours

Media comment or market rumour concerning the Company or any of its subsidiaries requires an announcement by the Company if the comment or rumour relates to information concerning the Company that is or is likely to have a material effect on the price or value of the Company's shares and if:

- ASX forms the view that the information the subject of the comment or rumor has ceased to be confidential (which ASX will almost certainly assume is the case if the information is reported in a newspaper); or
- ASX considers that without an announcement there is or is likely to be a false market in the Company's shares even if ASX does not also form the view that the information has ceased to be confidential.

4. PUBLIC ANNOUNCEMENTS

The Board and management recognise that ill considered announcements have the capacity to damage the Company and its business.

Great care is required in making public announcements, particularly announcements that contain forward looking statements.

The Managing Director must approve in advance all public announcements. In the case of public announcements containing forward looking statements and, before approving the announcement, the Managing Director must discuss such announcement with the Chairman.

Forward looking statements in any public release will normally be reviewed in advance by a committee comprising the Managing Director and any one of the Chief Financial Officer, General Manager Commercial, Company Secretary or Investor Relations Manager plus relevant operational senior management. The committee will review all forward looking statements to ensure their accuracy and consistency with internal data. The information to be reviewed by the committee is likely to include:

- Production forecasts, on a field-by-field and total Company basis
- Profit statements
- Target dates
- Signing of contracts



Generally a forward looking statement should have at least a 90% chance of being realised before the statement is included in a public announcement.

If circumstances change and a previously issued forward looking statement appears unlikely to be realised then an announcement correcting the statement must be made as soon as possible.

5. Nominated Spokespersons

On operational issues the Managing Director, General Manager Commercial, Investor Relations Manager or a person specifically nominated by the Managing Director in connection with that issue, are the only people authorised to speak to the media, shareholders and other interested parties on that issue.

On other issues (that is, issues other than operational issues) the following are nominated to speak to shareholders, interested parties and the media:

- Managing Director
- General Manager, Commercial
- Company Secretary
- Investor Relations Manager

6. External Presentations

Presentations to shareholders, potential shareholders, advisors and other external parties are a regular part of the Company's operations.

In preparing and delivering any presentation, especially a presentation to external parties, the Company owes a duty of care to the recipients of the presentation. The duty is to ensure that the information contained in the presentation is complete and accurate and not misleading or deceptive by reason of the inclusion or omission of any information or because of how the presentation is made.

Preparation is the key to any good presentation and the following rules are to be followed:

- Prior to the proposed presentation date, the Managing Director, General Manager Commercial and Investor Relations Manager should meet to discuss key themes of the presentation and the responsibilities for preparation of the report should be established.
- If input is required by parties other than the Managing Director, General Manager Commercial and Investor Relations Manager, the



Investor Relations Manager should compile a preparation schedule for the presentation.

- This schedule should be emailed to all parties who are required to make contributions and who have responsibility for that contribution, with an electronic form indicating acknowledgment of the inputs required and that they will be available to provide the inputs on the dates specified. If they are not available, an alternative should be nominated.
- As appropriate, the Managing Director and/or Investor Relations Manager will be responsible for compiling and completing the presentation in a timeframe that provides sufficient time for adequate internal review (see below) and, if required, Board input, prior to sign-off by the Managing Director.
- As part of the internal review process, the Chief Financial Officer or Company Secretary, should review any external presentation. In particular, all forward looking statements must be verified.

7. Periodic Reporting Procedures

Periodic reporting (quarterly, half yearly, yearly, etc) is required by the ASX Listing Rules and is a potential source of significant liability if deadlines are not met or reports are inaccurate.

7.1 Reporting Calendar

- Before the end of May each year, the Investor Relations Manager will put together a proposed reporting calendar for the following year.
- This is to be distributed to the Managing Director, Chief Financial Officer and Company Secretary for approval, prior to end June.
- Once approved, the reporting calendar will be posted on the Company's website and intranet.
- The reporting calendar should include proposed reporting dates for the quarterly reports, interim and final financial results, and dividend dates (ex, record and payment).

7.2 Preparation of quarterly reports and interim and final results reports (excluding financial data)

- At least one month prior to the proposed reporting date, the Managing Director, General Manager Commercial, Company Secretary and Investor Relations Manager should meet to discuss key themes of the report.
- The Investor Relations Manager should then compile a release schedule for the relevant report, highlighting timeframe and required inputs.



- The release schedule should be emailed to all parties who are required to make contributions to the report and who have responsibility for that contribution, with an electronic form indicating acknowledgment of the inputs required and that they will be available to provide the inputs on the dates specified. If they are not available, an alternative should be nominated.
- In accordance with the release schedule, the Investor Relations Manager will be responsible for compiling the report and providing it to the Managing Director for sign-off in a timeframe that provides sufficient time for adequate internal review (see below) and, if required, Board input.
- As part of the internal review process, the Chief Financial Officer, General Manager, Commercial or Company Secretary should review any major release. In particular, all forward looking statements should be verified.

7.3 Sign-offs on reports, releases

- For quarterly reports, interim and final results reports, press releases and external presentations, the Managing Director must provide a final sign-off before release.
- For reports which do not contain substantive or price sensitive information (eg the well is drilling ahead, daily buy-back notice), the Managing Director, General Manager Commercial, Company Secretary or General Manager, Drilling and Security must provide final sign-off.
- For any report or external presentation that contains substantive or price sensitive information, the Managing Director (or Alternate) must provide a final sign-off.

8. Summary

In summary the Company recognise the importance of good communication and acknowledges clear, balanced, comprehensive and timely reporting as a key objective.