



Dear Shareholder,

IMPORTANT NOTIFICATION

Oil Search Limited's dividend payment methods

Please note the following changes in respect of Oil Search Limited's dividend payment methods:

- 1. Payment of dividends in US dollars now offered:** Oil Search declares its dividends in US dollars and shareholders will have the option to receive their dividend payments in US dollars. Shareholders who elect to receive their dividend payments in US dollars must do so via mandatory direct credit to their nominated US dollar bank account. Payment by US dollar cheque will not be offered.
- 2. Mandatory direct credit for dividends paid in Australian dollars:** Shareholders registered in Australia who elect, or who have previously elected, to receive their dividend payments in Australian dollars will receive dividend payments only via mandatory direct credit to a nominated Australian dollar bank account. Payment by cheque will not be offered to Australian registered shareholders.

This change will become effective for all dividends paid after 31 December 2016.

Why mandatory direct credit for dividends paid in Australian dollars?

Direct crediting is a more secure and convenient way for you to receive your dividend payments. The benefits include:

- your dividends are deposited into your bank account electronically on the payment date, meaning you can access your funds immediately rather than having to deposit a cheque and then wait for the funds to clear;
- your dividends are not subject to postal delays;
- your dividends are transmitted electronically, thus minimising the chance of loss or fraud; and
- it is the most cost effective means to distribute dividends.

Dividend payment options

Shareholders registered in PNG who elect to receive their dividend payments in PNG kina can continue to receive their payment via direct credit to their PNG kina bank account or via a PNG kina cheque.

Shareholders who elect to receive their dividend payments in US dollars will be paid via mandatory direct credit to their nominated US dollar bank account.

Shareholders who elect to receive their dividend payments in British pounds will be paid via mandatory direct credit to their nominated British pound bank account.

Shareholders registered in Australia who elect to receive their dividend payments in Australian dollars will be paid via mandatory direct credit to their nominated Australian dollar bank account.

Any shareholders not registered in Papua New Guinea, the United States, the United Kingdom or Australia and who do not elect to receive their dividend in the respective currencies of those countries, will receive their dividend payments via an Australian dollar cheque.

What you need to do

If you have previously provided our share registry, Computershare Investor Services Pty Limited (Computershare), with your bank account details for the receipt of dividend payments, you do not need to take any further action.

If you have not previously provided Computershare with your bank account details, in order to receive future dividends via direct credit, we ask that you provide Computershare with details of your nominated bank account. This may be done in either of the following ways:

1. Log in to <https://www-au.computershare.com/investor>. If you have already registered a user name and password to access your shareholding account online, you can log in as an “Existing User”. If you have not already registered, click on “New User” to elect a user name and password and then log in; or
2. Complete and return the enclosed personalised Direct Credit election form.

The enclosed Direct Credit election form applies only to the specific shareholding identified by the SRN/HIN and the name appearing on the front of the form.

You have until the record date for the proposed 2016 final dividend (indicatively early March 2017) to provide your bank account details.

What happens if you don't provide your bank account details in time?

If you do not provide your bank account details online or complete and return the attached Direct Credit election form, you will not be able to receive any dividends that are paid after 31 December 2016 until valid direct credit instructions have been provided. If the Direct Credit election form is returned incomplete, unsigned or is invalid in any other way, you also will not be able to receive any dividends that are paid after 31 December 2016 until valid direct credit instructions have been provided. Outstanding dividend payments will not accrue interest while unpaid.

However, if your registered address is in Papua New Guinea and you have elected to receive your dividend payment in PNG kina, but have not provided your PNG kina bank account details, you will continue to receive your dividend payments via PNG kina cheque.

Do you have any outstanding AUD or PNG Kina dividend cheques?

Oil Search has recently changed its banking arrangements. As a result, any Australian dollar or PNG Kina dividend cheques issued prior to 30 June 2016 will not be honoured if deposited after 1 July 2017. Please ensure that any outstanding cheques are deposited prior to 1 July 2017.

Who do I contact for more information?

Should you wish to change your bank account, email or postal address details, you will need to advise Computershare at <https://www-au.computershare.com/investor> or by calling 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia).

Most enquiries in relation to your Oil Search shares, including payment of dividends or issuance of holdings statements, should be directed to Computershare. However, there may be times when you need to contact Oil Search. In this case, please contact Oil Search's Sydney office on +61 2 8207 8400, the Port Moresby office on +675 322 5599 or email: investor@oilsearch.com.

Oil Search would like to thank you for your ongoing interest in and support of the Company.

Yours faithfully,

OIL SEARCH LIMITED

Stephen Gardiner

Group Secretary