
Media release

Oil Search supports power to Tari as the first phase of the Ramu Power Project

1 April, 2015

PORT MORESBY, PNG -- Oil Search is working closely with the PNG Government and key power agencies to make electricity available to an extra million people near the Ramu Grid by 2030, through the Ramu Power Project, a major multi-phase power delivery project.

Phase I of the project was delivered today when Prime Minister, Peter O'Neill, announced that PNG Power Ltd (PPL), had commenced continuous 24-hour power generation and supply to Tari. This follows an upgrade of PPL's existing power plant in Tari, with assistance from Oil Search, and the signing of an agreement for Oil Search to provide fuel for the plant from its Hides GTE plant. Round-the-clock power generation will allow power to be transmitted to the Tari Rural Hospital, the local school as well as enable further connections in Tari.

The delivery of power to Tari is the first phase of Oil Search and PPL's proposed Ramu Power Project, a long-term plan for the provision of reliable electricity to people in the PNG Highlands regions. This major integrated power project will provide further infrastructure, including new transmission lines, and up to 100 MW of increased generation capacity. This would enable the connection and delivery of reliable, affordable power to many of the homes, businesses, hospitals and schools which lie within 20 kilometres of the Ramu Grid, PNG's largest power grid. Subsequent phases of the project would ultimately see the Ramu Grid extended into Hela Province.

"Oil Search is committed to increasing access to power for households in PNG, which is why we are in advanced talks with the Government and PPL to deliver the Ramu Power Project," said Peter Botten, Oil Search Managing Director.

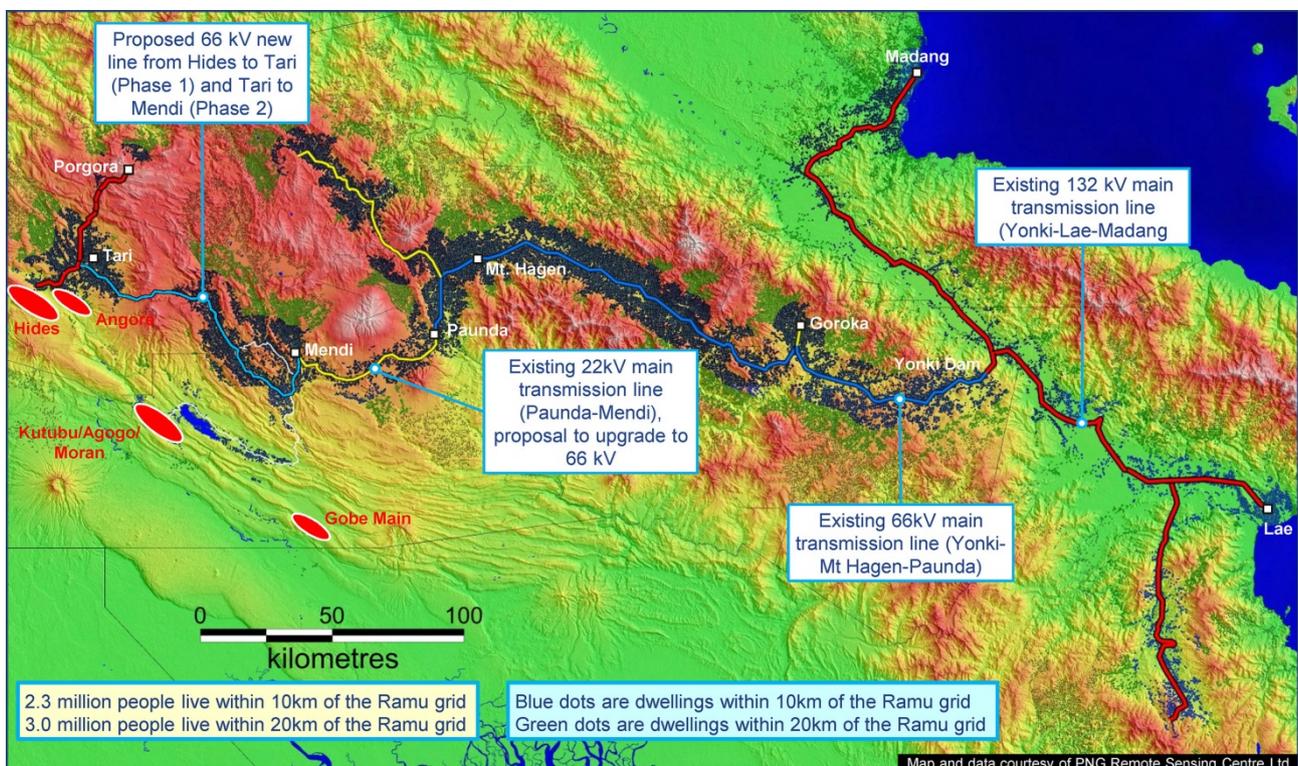
"Since the start-up of the PNG LNG Project, a significant amount of gas is being exported to our Asian neighbours, yet the people of PNG have one of the world's lowest electricity connection rates, with less than 6% of the country currently having access to reliable power in their homes and villages.

"Oil Search is therefore working closely with the PNG Government on the Ramu Power Project, an initiative that would quite literally make PNG's future brighter," he said.

"Delivery of reliable, competitively priced power is a social priority and key industry players must become involved to help overcome this issue.

“The community’s response to now having reliable around-the-clock power in Tari is clear evidence of the importance of ensuring that the country, its schools, hospitals and other organisations have access to power,” said Mr. Botten.

Oil Search is committed to developing sustainable and lower carbon power solutions and is working closely with the PNG Office of Climate Change and government bodies to ensure a sustainable approach to providing power for PNG. Oil Search is partnering with PNG Power in the large-scale, nation-building Ramu Power Project, which seeks to bring together the best of public and private enterprise skills and assets for maximum impact in the domestic market.



ooOENDSOoo

For further information, please contact:

Ruth Waram
Corporate Affairs Coordinator
Tel: +675 322 5538
ruth.waram@oilsearch.com

About Oil Search

Oil Search was established in Papua New Guinea in 1929. More than 95% of the Company’s assets are in PNG, where it operates all of the country’s producing oil fields, holds an extensive exploration and appraisal portfolio and has a 29% interest in the US\$19 billion PNG LNG Project. This world class liquefied natural gas (LNG) development, which shipped its first LNG cargo in May 2014, has added materially to Oil Search’s production base, transforming the Company into a regionally significant oil and gas producer with a long term revenue stream from LNG.

Oil Search has a comprehensive exploration and appraisal programme to underpin LNG expansion in PNG and also has exploration interests in the Middle East and North Africa. It is listed on the Australian and Port Moresby stock exchanges, with a market capitalisation of approximately A\$13 billion (PGK27 billion).

Our vision is to generate top-quartile returns for shareholders through excellence in socially responsible oil and gas exploration and production.