

Company: Oil Search Limited
Title: Oil Search Executive Changes Market Update
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Start of Transcript

Operator: Thank you for standing by. Welcome to the Oil Search market update. All participants are in a listen-only mode. There will be a presentation, followed by a question-and-answer session. If you wish to ask a question, you will need to press the star key, followed by the number one on your telephone keypad. I would now like to hand the conference over to Mr Rick Lee, Chairman. Please go ahead.

Rick Lee: Thank you very much. Welcome, everyone. Thanks for finding the time at such short notice to participate in this call. My name is Rick Lee and I'm the Chairman of Oil Search Limited. Joining in with me on the call are Peter Fredricson, who is now Acting Chief Executive of Oil Search and a number of other members of the Executive Leadership Team. Peter will introduce you to them in due course.

By now you will have seen the statement issued to the ASX, outlining the departure of Managing Director, Dr Keiran Wulff. The statement advises that Dr Wulff has resigned for health reasons and has been managing a medical condition which has recently deteriorated. It also states the Board entered into discussions with Dr Wulff, following the receipt of recent concerns and complaints about his behaviour.

In the view of the Board, this unacceptable behaviour was inconsistent with the standards required under the Company's Code of Conduct. Dr Wulff has acknowledged the impact his behaviour has had on others and I personally want to wish him and his family the very best for the future. For confidentiality reasons, we can't delve into the specific instances of Dr Wulff's behaviour and you will understand we are also not at liberty to outline the nature of his illness. But I want to reassure everyone that the Board and the Executive Leadership Team are in the process of dealing with any and all grievances that arise, in a manner that reflects our commitment to the Code of Conduct.

No matter which way you cut it, these are not the circumstances that I expected or hoped to be talking about with you, but when the Board became aware of this unacceptable behaviour, it had no option but to take decisive action. Oil Search has a long and proud history, built on a commitment to teamwork and respect for each other. Each and every Director stands behind the Company's Code of Conduct. These are not empty words and the Code outlines clearly what is expected from everyone in the Company, to safeguard our positive and supportive culture.

Of course, the Board recognises the stress imposed on all staff by the difficult conditions prevailing over the past year or so. There is no doubt that the period since Dr Wulff became Managing Director in February last year has been extremely challenging. It has included global lockdowns associated with the COVID-19 pandemic, a plunge in oil prices, crisis measures to protect the Company's financial position and, of course, an ongoing priority has been to establish a clear strategy which steers a path to a sustainable future for the Company, through the global energy transition now underway. I want to pay tribute to all staff who have ensured Oil Search is in a solid position, with record levels of production in PNG and our Alaskan development plans meeting milestone targets.

You will also be aware, from the statement sent to the ASX, that Peter Fredricson has agreed to become Acting Chief Executive. Peter is a veteran finance and energy sector executive without peer, headlined by a long career at the APA Pipeline company. He joined Oil Search earlier this year as Chief Financial Officer and has hit the ground running. He has formed a great rapport already with staff, including the Executive Leadership Team.

The Board looks forward to working with Peter, to ensure that production projects in Papua New Guinea and development of initiatives in both PNG and Alaska remain on track and on budget. We will, of course, stay in touch with you when we appoint a permanent Managing Director and with interviews with external/internal candidates will be beginning shortly. Again, thanks for your time. I'll now hand over to Peter.

Peter Fredricson: Thanks, Rick. Good morning, everybody. I'd like to start this discussion by thanking the Board for having the confidence in me, as an Executive, to step into this role. Whilst I've only been with the Company some three and a half months, I have found it to be an exciting place to work and I've found a committed group of industry experts who are successfully working towards delivering value for Oil Search shareholders on a daily basis. I'm very privileged to have been asked to provide leadership to them all.

I'd also like to say that neither the Board nor I see this as a caretaker role. Certainly, it is an acting role, but as a Company, we have a lot of things going on and whilst in the role I will ensure that all of the priorities that we have for the Company remain front and centre for the whole team. It's a privilege to have the support of the Executive Leadership Team, all of whom are on this call.

Beth White, our Executive Vice President Sustainability and Technology; Mike Drew, our EVP General Counsel and Company Secretary; Diego Fettweis, our EVP Commercial; Bruce Dingeman, EVP Alaska; [Bart Delphos - sic Bart Lismont], EVP Operations and, I think, Leon Buskens is on leave and an apology for today. I feel privileged, together with the Board, we are all fully committed and accountable to you, our shareholders.

The Executive Team has some 150 years plus of collective experience in the oil and gas sector, incorporating roles in businesses such as ConocoPhillips, ARCO, ExxonMobil, Shell, Texaco, Woodside, Anadarko, Oil Search and others. Similarly, the Board has some 160 years plus of oil and gas experience, from companies such as BP, Texaco, Statoil, Shell, Woodside, Amoco, Oil Search and others.

As a business, we have a portfolio of partners in ExxonMobil, Total, Santos, JX, Kumul, MRDC in PNG and Repsol in North America. That is as good as it gets. Clearly, we have the expertise in and around the business to achieve the aspirations that we set out in our focus-deliver-evolve strategy in November 2020. We are committed to doing just that, going forward.

Something we will be doing in the short term is working towards simplifying our message to the market and our shareholders. We have three high-quality projects that will deliver significant growth in cash flows to our shareholders over the balance of this decade and beyond. We'll deliver on the ongoing support to PNG LNG and engage with our partners on how P'nyang supports that project longer term.

We'll work with our partners to take Papua LNG into FEED next year, with the target for FID in 2023 and first gas in 2027. We will work with our partner Repsol on achieving an appropriate funding structure for our Alaska Project, prior to committing to FID. That includes the work we are currently doing on a possible joint sell-down of equity in the project, consideration of the sale of mid-stream infrastructure within the project and reviewing relevant markets for an appropriate level of debt financing to support the project.

We'll do this whilst protecting the integrity and strength of the Oil Search balance sheet. To that end we are working on a number of initiatives that we believe over the medium to longer term will enhance our access to a broader range of more liquid debt capital markets, whilst also looking to enhance - rather than just maintain - value of the equity that our shareholders retain in the business.

Above all, we will maintain our absolute focus on doing this safely and achieving our Paris-aligned sustainability targets over the longer term. We have confidence in our first-half 2021 results. We expect that they will reflect a half-year of solid production and sales in the context of what has been a COVID-19-impacted year for all business. You'll see our

2Q report in the next week or so and that will reflect ongoing guidance that is in line with what we provided in the first quarter report in all areas, except operating costs, which will be guided to a number around \$10 million higher than Q1, off the back of increased royalties and levies and transportation and fuel costs, driven by increased revenue from our sales at higher commodity prices.

All in all, we've got a strong business, with significant growth in front of us. I intend to work with the Board and wider team in continuing to deliver that growth, whilst ensuring the integrity of our capital allocation, balance sheet and funding. I'm looking forward to working with the Board, the Executive Leadership Team and all of our employees in PNG, Alaska, Asia and Australia, to deliver a solid half-year result and a growing Oil Search beyond that.

As I said earlier, we've got the ELT here on the call with us. So, we'd be happy to take questions, albeit we do note that we are in blackout and we won't be able to comment on anything in respect of the operational performance of the business, other than what I've already spoken to. So, with that, I will hand back to the moderator. Thank you, all.

Operator: Thank you. If you wish to ask a question, please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request, please press star two. If you're on a speaker phone, please pick up the handset to ask your question. Your first question comes from Mark Samter from MST. Please go ahead.

Mark Samter: (MST, Analyst) Yes, morning, everyone. I've got three questions which are all pretty intertwined, to be honest, I think it's probably best to ask to you, Rick, if I may. Yes, over the past 12, 18 months, we've had a failed CFO recruitment process. The first time around we've had a CEO appointment that the Board made that put someone in that - using your words - behaved in a manner inconsistent with your expectations. I think it's fair to say that your shareholders have been pretty let down by your capital allocation strategy and failure to raise equity at the right time over the previous years. At what stage does the Board feel it has to take responsibility for what's happened, rather than it's always been the Executive's fault?

Rick Lee: Well, I think the Board is taking responsibility for what's happening and I think our actions in response to these behavioural issues demonstrates that. We realise we are accountable and we are determined to ensure that the Company and the Executive fulfill those obligations as we do as a Board. We are very committed to that and certainly I don't see the Board in any way not fulfilling those responsibilities.

Mark Samter: (MST, Analyst) Yes, but I guess, I mean, shareholders will probably argue that [everyone] - the Board isn't being held accountable, because they all remain in their position and continue to get paid for the job, they're paid to represent shareholders. I guess, along that same thinking, we've certainly seen globally a number of successful mergers of companies that have probably found themselves in a similar position to Oil Search. Do you think the Board needs to be more pragmatic? Are you open to working with others? Are you open to approaches and can you even tell us if there have been any approaches made?

Rick Lee: Well, we certainly don't comment on those kinds of things, but I mean, our objective, primary objective is really creating shareholder value through whatever source. So, we have absolutely no concerns about any particular initiatives that lead to that, but it will be tested against that parameter and benchmark of shareholder value. Obviously, we're very mindful of disclosure rules, so at the point where a disclose is appropriate it will be made.

Mark Samter: (MST, Analyst) Okay, thank you. I mean, I presume you would agree that at a \$3.75 share price, at a \$75 oil price, the market's marking you pretty harshly on that and doesn't back the Company to be able to do it. I guess, Alaska strategy, as part of that, can you confirm you are definitively saying that you think the Company can undertake the selldown and take FID before a new CEO is in place to sign off on the strategy?

Rick Lee: I think, well, Peter perhaps is best to comment on that. He made some comments to that end in his introductory presentation. So, we have our strategy, I think it's been very clearly articulated as to what our priorities are.

We will certainly continue with those. We will keep the market properly informed about progress, as and when it comes. So, Peter, do you want to add to that comment?

Peter Fredricson: Yes, Mark, I'm not sure we've said that we can achieve an equity selldown and an FID before a new CEO is appointed. I think what we've tried to message to the market for some time now is that, before taking FID, we will have appropriate funding and that could include a selldown in equity. It could include the sale of infrastructure. We have a number of processes going and they're ongoing. Again, as they come to fruition, we'll talk to the market about them. But I think we've been clear in the fact that we won't go to FID without an appropriate structure in place.

Mark Samter: (MST, Analyst) Yes, okay, thank you.

Operator: Thank you. Your next question comes from Adam Martin from Morgan Stanley. Please go ahead.

Adam Martin: (Morgan Stanley, Analyst) Yes, good afternoon, Rick, Peter and team. Peter, perhaps a question for you. I mean, can you just provide an update where you actually are at on that Alaskan process, are you first/second round offers, just level of interest, please? Can you provide the market with a bit of an update there, please?

Peter Fredricson: No, look, we're not in a position to do that at this time. I think we'll leave that for 24 August, in the half-year results.

Adam Martin: (Morgan Stanley, Analyst) Okay. Just back on Mark's questions or partly on his question, just that timeline for a new CEO and committing to that project, I mean, what's your thoughts there? Because typically a new CEO would like to back or to push forward on a project. So, can you just talk through that, please?

Rick Lee: Well, perhaps I should pick that one up, Adam. I think, certainly in terms of the timeline for a CEO appointment, it is clear that Peter is in the position as CEO, he's Acting CEO and certainly, we don't see the current title Acting in any way changing the approach that we take to these kinds of decisions. So, we will be initiating a search for the CEO, but we obviously at this stage don't have any clear timeline in mind for that, because we have a great deal of confidence in Peter and the Leadership Team to continue the business and the strategy the way that we've articulated to the market.

So, we'll obviously keep you informed as and when there are developments on those, the CEO appointment. But at this stage the Company has very clearly articulated plans and we'll be reporting against those at the half-year results announcement.

Adam Martin: (Morgan Stanley, Analyst) Okay. Thanks, Rick, thanks, Peter. That's all from me.

Rick Lee: Okay.

Operator: Thank you. Your next question comes from Saul Kavonic from Credit Suisse. Please go ahead.

Saul Kavonic: (Credit Suisse, Analyst) Thank you, gents. A few quick questions, if I may, first directed to you, Rick. How long have the behaviour issues that you've announced today been known by the Board? Does this extend back into last year?

Rick Lee: The behavioural issues that we became alerted to through a whistle-blower statement have been known since the middle of June.

Saul Kavonic: (Credit Suisse, Analyst) Is that the middle of June this year or the middle of June 2020?

Rick Lee: Middle of June this year we received the whistle-blower announcement report.

Saul Kavonic: (Credit Suisse, Analyst) Understood. Have there been any - had behavioural issues by the CEO had anything to do with the CFO departure last year, the interim CFO departure?

Rick Lee: No.

Saul Kavonic: (Credit Suisse, Analyst) Great, thanks. The target sell-down, can you just confirm if you are still targeting sell-down and FID for Alaskan second half of this year, regardless of whether permanency or appointment schedule turns [out to be]?

Peter Fredricson: Saul, I think what we've been trying to - the message we've been trying to get across in respect of FID for Alaska is that it's not targeted to a specific date. If the market has felt that that was the case in the past, it's certainly not the case today. FID for that project will be dependent on ourselves and our partners, Repsol, agreeing that we've achieved an appropriate sharing of risk with other investors, either by way of an equity sell-down, or by way of a mid-stream infrastructure sell-down and appropriate levels of funding available to see the project through to first oil. Those are the things that come first. When we get to that point, then we will consider FID at that point. But we're not constrained here by any targeted date whatsoever.

Saul Kavonic: (Credit Suisse, Analyst) Understood. A follow-up for that, Peter, if I may. Keiran was obviously known for being very passionate about Alaska and driving that through the business. Do you have the same level of passion for the Alaska project?

Peter Fredricson: I think the business has the same level of passion for the project, from the Board, through the ELT, through to people working in the business. As I said, for us, it's very much a matter of how and when we fund it to a point to go forward. That delivers very many different options to us and we'll consider those all as we go forward.

Saul Kavonic: (Credit Suisse, Analyst) Great thanks. Rick, just one final question and I'm sorry to reiterate it, it's just, it would be good - there's all kinds of rumours circulating in the market, so just to really put it to bed, just, Rick, can you confirm that you've not had any concerns regarding the CEO's behaviour raised to you prior to middle of June this year?

Rick Lee: I can confirm that we responded to a whistle-blower statement which alerted to the Board the behavioural issues. I think that was around the middle of June. We've been working hard in the period since then. We have certainly, over a long period since Keiran's appointment, we have certainly supported him in what was a pretty challenging role from day one. Our priority was to protect the Company to make the changes that were made and pursue the strategy that was articulated last November. I think through that period we had absolutely no concerns whatsoever.

Saul Kavonic: (Credit Suisse, Analyst) Right. Thank you very much, Rick. That's all from me.

Operator. Thank you. Your next question comes from Daniel Butcher from CLSA. Please go ahead.

Daniel Butcher: (CLSA, Analyst) Hi, everyone. Just had a couple of questions if that's all right and sorry to labour the point, maybe for Rick. I'm still a bit confused, to be honest. Did Keiran resign for health or was he going to be asked to leave anyway for his overbearing management style? If it was for health, why mention the latter? If it's the latter, why say he resigned?

Rick Lee: Look, he resigned on medical grounds. We can't go into detail of his medical condition for obvious reasons, but we had alerted him to the issues raised in the whistle-blower statement and entered into discussions with him and that was the result of those discussions.

Daniel Butcher: (CLSA, Analyst) So, if he's resigned for health reasons, why [shred] his reputation on the way out?

Rick Lee: Sorry, what was the question?

Daniel Butcher: (CLSA, Analyst) If he resigned for health reasons, why even mention the behavioural issues on the way out?

Rick Lee: Well, the behavioural issues were the catalyst for the Board making investigations. So, as you would expect, in a whistle-blower situation, we have to understand the circumstances and address them in a very - what would you say - committed way. The Board responded very quickly to that and dealt with it in a way that was recognising the concerns of the staff at Oil Search. That's what our responsibility is. We're absolutely committed to the kinds of behaviours that are set out in our Code of Conduct and we had been drawn to our attention that some of Keiran's behaviours weren't aligned with that. So, that was the situation.

Daniel Butcher: (CLSA, Analyst) All right. I might leave that one there. Just on the replacement, I know some of your competitors in Australia have taken a long time to find a replacement for their CEOs who've resigned, over six months. You haven't set a target timeline, but how long do you think it might take you to find a candidate? Do you think the focus of the search will be external rather than internal? Is Peter Fredricson in the mix for that, or will he be going back to CFO when that search is complete?

Rick Lee: All a little early, but we would expect to certainly have both internal and external candidates. We will go through the process. Yes, these things aren't - what would you say - they're not quick processes by any means and we are not looking for a quick process, we're looking for a right outcome. We have every confidence in Peter in the Acting CEO role, pending the final decision about a new appointment. So, I mean, from our point of view the ELT is still there. It's now led by Peter rather than Keiran and it's business as usual.

Daniel Butcher: (CLSA, Analyst) Who will be Acting CFO or is Peter Fredricson juggling both?

Rick Lee: At this stage, well, Peter's contemplating that particular matter as we speak. We haven't yet made decisions on that, but those decisions will be worked through in the very short term.

Daniel Butcher: (CLSA, Analyst) Okay. Maybe one final question if I can just squeeze one in. Are you concerned at all that without a permanent front person at this stage, Oil Search might be seen as a bit of a lame duck in terms of spending off or maximising value from takeover offers or anything else that have been swirling around as rumours or thought bubbles in the market?

Rick Lee: Well, certainly not - what would you say - we don't see ourselves as a lame duck. We're obviously working very hard to create value for shareholders and we are well prepared for that. We are just as well prepared if someone were to approach us. But that hasn't happened and at the appropriate time, if it does happen, you will be the first to know.

Daniel Butcher: (CLSA, Analyst) Hopefully not the very first, but thanks for taking my questions.

Operator: Thank you. Your next question comes from Tom Allen from UBS. Please go ahead.

Tom Allen: (UBS, Analyst) Good afternoon, Rick. Just following your comment there that you're looking for the right outcome from Executive Management, what are you looking for specifically for an executive skillset or what would you think is most important to bring into Oil Search from where you stand today?

Rick Lee: Well, I think the most important thing for the Company is to have the Leadership Team led by an individual who has a leadership approach that is consistent with the Company's values and standards. That's what we're looking for. Peter fills that role in an acting capacity, simply because of the short time that we've had to deal with this unfortunate affair, but we are looking for that. We obviously are going into a period where there is the likelihood of significant project development, so we'd be looking for people who have that kind of expertise.

As a Company, as Peter said in his introductory remarks, we have a Leadership Team that collectively has significant experience in the business already and we have a Board that likewise has significant experience. We will get together and work out what the particular priorities may be at the moment. But pending that and pending the initiation of the search and the like, we have every confidence that Peter will be able to fill the role and the ELT that he leads will do the job admirably for us as we move forward. So, from our point of view, this is an unfortunate set of circumstances, but it's business as usual.

Daniel Butcher: (CLSA, Analyst) All right. Thanks, Rick.

Operator: Your next question comes from Gordon Ramsay from RBC. Please go ahead.

Gordon Ramsay: (RBC, Analyst) Thank you very much. I just want to say I've known Keiran for a long time and I've seen nothing but a professional, dedicated attitude towards his job and the industry. So, I'm obviously somewhat perplexed by all of this. I just want to clear up one thing that's come through on this call and that's related to the timing on the Pikka Project in Alaska. I've asked this on calls before and Keiran has answered me numerous times about the timing. My understanding was the goal was to do the selldown and FID of the project before the end of this year. I just heard on the call that there is now no timing on this project. Is that correct?

Peter Fredricson: Gordon, the answer to that question is that you could put a time on anything, a definitive date in the diary and then if you determine that you're going to go ahead with that, with whatever you want to do at that date, without reference to anything else, then the outcome could be suboptimal. We've always said that we wanted to ensure that both ourselves and Repsol, indeed, want to ensure that we have taken some of the risk of this project off our own balance sheets. That has begun, that process has begun in the context of the selldown of an equity holding, an equity interest of between 14% and 15% for each of us. That's a process that we have been running and we are running.

But we're not going to put ourselves in a position where we say that it has to be completed by 1 November to go to FID, just so that we go to FID on that date. What we've said is we will go to FID when we've got the appropriate risk allocation and funding in place and that may not be 1 November. You work for an investment bank that works on these sorts of projects all the time and we know that they don't always run to a timetable like a bus. Well, maybe some buses don't run to timetables either, but you know what I'm saying.

So, at the end of the day, the most important thing for us is not the timetable, but is getting the funding structure right. We think that adds most value for our shareholders. We don't think a delay in FID from a date in November this year is particularly value decreative, in fact we don't see it as value decreative at all, to be fair. So, from our perspective, we want to get the funding right. That's both ourselves and our partner.

Gordon Ramsay: (RBC, Analyst) Just to confirm, this is completely independent of Keiran leaving the Company?

Peter Fredricson: I don't understand what that means?

Gordon Ramsay: (RBC, Analyst) Well, what I'm asking is the fact that he's leaving the Company, has that had any effect on the timing?

[Over speaking]

Peter Fredricson: No, and again, in the time that I've been with Oil Search and sat in meetings with Keiran, we've talked more about getting the funding structure right than we have about a date. Certainly, people have had in mind a date, but I don't think we've ever been in a position where we've said, damn the horses, we'll go on the date, no matter what. A date has been there for guidance, but a date is not - we're not absolutely wedded to a date. We are wedded to a structure for funding and we've got to get that right.

Gordon Ramsay: (RBC, Analyst) Got you. Okay, thanks.

Operator: Thank you. Your next question comes from Baden Moore from Goldman Sachs. Please go ahead.

Baden Moore: (Goldman Sachs, Analyst) Afternoon, Peter. I appreciate you've only been in the seat three months or so, but I was just wondering as we've been talking about the re-fi of the corporate debt at Oil Search, I think, since November last year, do you have any positive update there for us on how that's progressing? Then just picking up on one of your comments earlier, I think you said that you're hopeful of achieving a more simple message to investors going forward. Just listing to the call [now], can you just explain what you meant by that comment?

Peter Fredricson: Sure. As indicated, financing process is underway and is very well advanced. We hope to be able to confirm to the market either on or before the release of our results on 24 August where we are with that. You'll be aware that as a PNG domiciled entity, the last part of the process requires Bank of PNG approvals. We'll make announcements when we have all of that and everything else in place, we're comfortable with where we are in that whole process.

In terms of the simplicity of message, yes, I mean, for mine, we've got three projects, we've got PNG LNG, which is supported by our oil production activities and we've got Papua and we've got Alaska. I think that what we want to do is make it very clear as to what are the two or three priorities around each of those and give the market a very clear understanding of what our expectations are on each of those projects going forward. Now, you may say that you've got that. That's fine. I think that some of the feedback we have is not entirely in that vein. So, we would try to ensure that we get a clearer message to investors.

I mean, this, the view around Pikka, I think, is a case in point. We've had an internal view as to what we thought the message in the market place was, but it's clear to me, when we take questions like this or like we've had on this call, that the market's had a different view as to what we've had. So, it's really about clarifying those sorts of things, Baden.

Baden Moore: (Goldman Sachs, Analyst) Thank you.

Operator: Thank you. Once again, if you wish to ask a question, please press star one on your telephone and wait for your name to be announced. You now have a follow-up question from Mark Samter from MST. Please go ahead.

Mark Samter: (MST, Analyst) Yes, hi, guys. Sorry to labour the point, but I'm just keen to understand when we talk about the exact timelines of the whistle-blower complaint to the Board, because I'm just cognisant that Mubadala sold a large stake in the Company on I think it was 22 June and obviously they had someone on the Board who has subsequently stepped down. I'm just curious about whether he was obviously aware about that whistle-blower event as Mubadala were selling their stock? Hello? [Rick are you on...]

Rick Lee: Sorry, just on mute. Bakheet was on the board when we received the whistle-blower complaint, but he resigned from the Board as a result of the sale of the [Bardla] position.

Mark Samter: (MST, Analyst) So, I mean, again, sorry to labour the point, but as part of your Constitution, he's - I mean, that's not deemed to be material information, that there's a whistle-blower?

Rick Lee: Not until we've investigated it.

Mark Samter: (MST, Analyst) Okay.

Rick Lee: We've taken the actions today. We don't announce the whistle-blower until the complaints are fully investigated and we've obviously got all kinds of protections around confidentiality and procedural fairness in these things. That's what we've been going through over the last few weeks.

Mark Samter: (MST, Analyst) Yes, okay. I guess, there's still confusion whether you have taken action or whether Keiran quit. But I expect that's going to be semantics we're not going to resolve today. Okay, thank you for that.

Operator: Thank you. Your next question comes from Saul Kavonic from Credit Suisse. Please go ahead.

Saul Kavonic: (Credit Suisse, Analyst) Hi again, gents. Again, sorry to follow up and labour the point, but is Michael Drew on the call as well?

Peter Fredricson : Yes, he is.

Saul Kavonic: (Credit Suisse, Analyst) Hi, Michael. I also wanted to direct a similar question to you, I guess. Have you at any point in the last 18 months been made aware of a complaint or concern raised regarding Keiran Wulff's behaviour which predates June this year? If so, did you deal with it and bring it to the Board's attention?

Michael Drew: Sorry, I was on mute as well. I think, Saul, I'd refer you to the answer that Rick gave earlier.

Saul Kavonic: (Credit Suisse, Analyst) So, shall I take that as you're not willing to confirm that, because, I mean, Rick's answer sounds like it's been read off a legal document and I don't think it necessarily actually answered the question about whether any concern has been raised, even it's not at the Board level, at least at some level within the Company over the last 12 months. Because this comes down to, fundamentally, is this just a one-off isolated issue, which is brought to the Board's attention last month, or is this a concern which has been ongoing well into last year or previously?

Rick Lee: Can I just - the whistle-blower complaint came in in June this year. We have investigated it in the way that you would expect it to be investigated. We have acted in the way that I believe the Board is required to act in relation to concerns expressed around behaviours that are inconsistent with the Code of Conduct. That is the situation. We, having brought that to Keiran's attention, the medical issues which we were aware of, he reflected on that and resigned under medical grounds, as in accordance with his contract, because his medical condition was not being managed in the way that he knew it needed to be to fulfil his responsibilities as CEO.

Saul Kavonic: (Credit Suisse, Analyst) All right. Yes. Thanks, gents. I appreciate the delicacy of the situation and all. Just I think part of the concern in the market here is that the refusal to confirm whether there have been any other concerns raised prior to this, I mean, the silence can be deafening, but appreciate this may be all we get today. Thanks again. Really appreciate the disclosure as always.

Operator: Thank you. There are no further questions at this time. I'll now hand back to Mr Lee for closing remarks.

Rick Lee: Well, thank you, all, and thanks for responding to the short-notice call. It is obviously a very difficult situation. We have obligations to the employees of Oil Search generally who raised some concerns and we have obligations to Keiran, in terms of his own circumstances. We have a duty of care to all of those people, including Keiran. We've tried to respect that in what has been a very challenging situation. The announcement, I think, sets out exactly the

circumstances that have happened. From an ongoing point of view and from a Board perspective, that is the most important thing for ourselves and for shareholders, clearly, and the Company.

We have absolute confidence in Peter's capacity to step in and take on the Acting CEO role. I'm sure he and the Leadership Team who have expressed support for Peter's appointment in this capacity will continue to pursue the strategies the Company's clearly articulated, both in relation to day-to-day operations, which remain challenging as you would know in PNG, but are, so far, thankfully COVID-free and also obviously the development projects, both in PNG and Alaska. We'll continue to keep you informed.

We've got a quarterly coming out in a little over a week's time, which will update you there. Peter gave some commentary around the way these numbers are looking. We'll certainly update you at the half year in all of these matters. But our focus is really to ensure that the Company continues to move forward and what has been an unfortunate situation is not in any way a trigger or a catalyst for anything other than continuing the focus on performance and the clearly articulated focus-deliver-evolve strategy that was announced last November. So, thank you, all, for joining the call. No doubt we'll have other opportunities to communicate on this matter going forward. Thanks very much. Thanks, Peter, and thanks, team, for being on the call.

Peter Fredricson: Thanks, Rick, and thanks, everybody.

Operator: Thank you. That does conclude our conference for today. Thank you for participating. You may now disconnect.

End of Transcript