

FOURTH QUARTER REPORT FOR PERIOD ENDED 31 DECEMBER 2020

27 January 2021

ASX: OSH | PNGX: OSH | ADR: OISHY

Strongest safety performance since taking operatorship in 2003

- 2020 TRIR of 0.94, strongest since assuming operatorship in 2003

Record annual PNG LNG production, improving price environment

- Record annual PNG LNG production rate of 8.8 MTPA (gross)
- Total net annual production of 29.0 mmbœ, up 4% from 2019
- Fourth quarter operating revenue of US\$259.5 million, up 37% from Q3 2020

Discipline and focus continue to deliver value

- Cost reductions sustained, unit production costs within full year guidance of US\$9.50 - 10.50/boe

Developments progressing

- PNG Parliament passed all remaining amendments to Acts for Papua LNG fiscal stability
- Pikka project on track for FEED entry in early 2021, with strong joint venture alignment
- Alaska resources upgraded by 33% following independent certification

Liquidity position reinforced

- US\$1.44 billion total liquidity (US\$541m cash, US\$896m undrawn credit facilities)
- Net debt reduced by 20% compared to 31 December 2019

Managing Director Dr. Keiran Wulff said “Oil Search has delivered another solid quarter, resulting in record annual PNG LNG production against a backdrop of improving commodity prices.

“Our focus on performance, cost and capital allocation continued to deliver results in the fourth quarter. We are embedding sustainable cost reduction initiatives and enhancing operations across the Company to drive improved performance over the longer term.

“Our developments are also regaining momentum. During the quarter, the PNG Parliament passed all remaining amendments to Acts for Papua LNG fiscal stability. Extensive assurance reviews were completed for the Pikka Unit Development and the project is ready to enter front-end engineering and design (FEED) in early 2021. Strong alignment has been achieved with our partner, Repsol, for the phased development program which is now targeting first oil in 2025 at 80,000 bopd from a single well pad. Initial development costs have more than halved and the breakeven cost of supply¹ under US\$40/bbl makes the project resilient to lower oil prices.

“Despite the material challenges of 2020, PNG LNG continued to outperform in the fourth quarter, ending the year with its highest ever annual production of 8.8 MT. The North West Moran oil field was also brought back online during the

¹ Including a 10% return on capital

quarter following a shut-in due to the 2018 earthquake. The recommencement of production was a great effort by all involved and resulted in a gross contribution of around 2,500 bopd, notwithstanding remote operational challenges and COVID-19 travel restrictions.

“Our resource position also continued to improve, with independently certified Alaska 2C contingent resources at 967.9 mmbbl (gross), representing a 94% increase since asset acquisition. Most of this upgrade was due to our discoveries earlier in 2020 at Mitquq and Stirrup, which reinforced the potential for an additional stand-alone development in our core Alaska development area.

“At our investor briefing in November, we shared our renewed purpose and ambition and laid out our new strategy to focus on delivering full value and enhancing our appeal to all stakeholders through building resilience to lower and more uncertain commodity prices. We have sustainably lowered our cost base and breakeven costs for existing production and new developments, enhanced productivity and tightened our capital management. In addition, we have substantially increased our focus on sustainability in every part of our business so as to reduce our environmental footprint, optimise our carbon abatement, and allow us to be preferred energy company for all stakeholders.

“We expect that 2021 will continue to be another challenging year and the Company is absolutely focussed on maintaining the operational discipline that resulted in excellent results in 2020 despite the difficult conditions. Oil Search is increasingly well positioned to manage through uncertainty and deliver our projects in 2021 and beyond.”

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This ASX announcement was authorised for release by the Oil Search Board of Directors

DISCLAIMER

This report contains forward-looking statements. By their nature, forward-looking statements and statements of current intentions involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of Oil Search. Actual outcomes may differ materially from those expressed in such statements, due to a variety of factors.

Subject to any terms implied by applicable law, which cannot be excluded, or the ASX Listing Rules, Oil Search disclaims any obligation or undertaking to publicly update any forward-looking statement or future financial prospects resulting from future events or new information.

Comparative performance

Production^{1,2}

| ('000 boe unless noted) | QUARTER END | | | FULL YEAR | |
|--------------------------------|--------------|------------------|--------------|---------------|---------------|
| | DEC 2020 | SEP 2020 | DEC 2019 | DEC 2020 | DEC 2019 |
| PNG LNG Project ³ | 6,419 | 6,554 | 6,295 | 25,723 | 24,994 |
| PNG oil production ('000 bbls) | 564 | 675 ⁴ | 337 | 2,619 | 1,571 |
| Other production ⁵ | 78 | 70 | 374 | 676 | 1,382 |
| Total Production | 7,061 | 7,298 | 7,006 | 29,017 | 27,947 |
| Total Sales | 7,181 | 7,546 | 7,920 | 28,388 | 27,785 |

Sales¹

| (US\$ million unless noted) | QUARTER END | | | FULL YEAR | |
|---|--------------|-------------------|--------------|----------------|----------------|
| | DEC 2020 | SEP 2020 | DEC 2019 | DEC 2020 | DEC 2019 |
| LNG and gas sales ⁶ | 198.4 | 133.2 | 336.5 | 854.9 | 1,246.3 |
| Oil and condensate sales | 52.6 | 50.2 | 99.2 | 188.7 | 295.5 |
| Other revenue ⁷ | 8.5 | 5.6 | 11.1 | 30.6 | 42.9 |
| Total Operating Revenue | 259.5 | 189.0 | 446.7 | 1,074.2 | 1,584.8 |
| Average realised oil and condensate price ⁸ (US\$/bbl) | 40.35 | 36.52 | 61.71 | 37.22 | 62.86 |
| Average realised LNG and gas price (US\$/mmBtu) | 5.99 | 4.23 ⁹ | 9.47 | 6.49 | 9.58 |

Financial Data¹

| (US\$ million unless noted) | QUARTER END | | | FULL YEAR | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| | DEC 2020 | SEP 2020 | DEC 2019 | DEC 2020 | DEC 2019 |
| Cash | 540.8 | 752.7 | 396.2 | 540.8 | 396.2 |
| Debt ^{10,11} | | | | | |
| PNG LNG financing | 2,617.0 | 2,803.5 | 2,939.4 | 2,617.0 | 2,939.4 |
| Corporate facilities | 300.0 | 300.0 | 440.0 | 300.0 | 440.0 |
| Net debt | 2,376.2 | 2,350.8 | 2,983.2 | 2,376.2 | 2,983.2 |

- Numbers may not add due to rounding.
- Gas and LNG volumes have been converted to barrels of oil equivalent using an Oil Search specific conversion factor of 5,100 scf = 1 boe, which represents a weighted average, based on Oil Search's reserves portfolio, using the actual calorific value of each gas volume at its point of sale. Minor variations to the conversion factors may occur over time.
- Production and sales net of fuel, flare, shrinkage and SE Gobe wet gas.
- Kutubu field volumes restated for third quarter due to a minor revision in field allocations.
- SE Gobe gas sold to PNG LNG, Hides GTE gas and liquids.
- Includes LNG provisional price adjustment.
- Other revenue consists of infrastructure tariffs, rig lease income, electricity, and naphtha sales.
- Average realised price for Kutubu Blend including PNG LNG condensate.
- Excludes LNG provisional price adjustment of US\$14 million relating to seven cargoes delivered during the second quarter.
- Excludes lease liabilities recorded as borrowings.
- As at 31 December 2020, the Company's corporate facilities totaled US\$1.20 billion, of which US\$300 million had been drawn down and US\$4.4 million had been utilised for letters of credit.

Coronavirus update

Oil Search has maintained the previously implemented COVID-19 controls to protect our personnel, the communities where we work and the continuity of our operations during the quarter. Following the implementation of our enhanced COVID-19 testing protocols in PNG, our workforce continues to be subject to reduced quarantine periods in strict quarantine zones. Our 2020 Alaska field-based operations were completed in October. When operations recommence, we plan to require a mandatory negative COVID-19 test or proof of vaccination before personnel are approved for travel to the North Slope.

As we move into 2021, Oil Search will continue to monitor health advice around COVID-19, as well as the progress of the global COVID-19 vaccination programmes. We continue to assess the risks to our workforce and operating performance and will modify our COVID-19 protocols in response.

Guidance for Full Year 2020

The Company's financial results for the year to 31 December 2020 will be released to the market on Tuesday 23 February 2021.

Guidance for the 2020 full year results is as follows:

- **Unit production costs:** Within the US\$9.50 – 10.50/boe guidance range
- **Other operating costs¹:** Guidance increased to US\$110 – 130 million due to higher future site restoration estimates relating to assets previously impaired.
- **Depreciation and amortisation charges:** Within the US\$12.00 – 13.00/boe guidance range

The underlying effective tax rate for the full year ending 31 December 2020, excluding one-off items such as impairment, site restoration cost increases for assets previously impaired, and the net derecognition of certain deferred tax assets, is expected to be between 27% and 31%. The total one-off derecognition of net deferred tax assets for the full year 2020 is expected to be between US\$50 – 80 million.

The guidance is subject to the finalisation of the financial statements, Board review and the year-end audit currently underway.

¹ Includes gas purchase costs, royalties, and levies, selling and distribution costs, rig operating costs, power expense, corporate administration costs (including business development), expenditure related to inventory movements, other expenses, and site restoration costs relating to assets previously impaired.

2021 Guidance¹

(US\$ million unless noted)

2021 GUIDANCE

Production²

| | |
|--|-------|
| Oil Search operated (ex-Hides GTE) (mmboe) | 2 – 3 |
| Hides GTE (mmboe) | 0 – 1 |

PNG LNG Project³

| | |
|-------------------------------|-----------|
| LNG (bcf) | 107 – 110 |
| Power (bcf) | 1 – 2 |
| Liquids (mmbbl) | 2 – 3 |
| Total PNG LNG Project (mmboe) | 23 – 25 |

| | |
|---------------------------------|--------------------|
| Total production (mmboe) | 25.5 – 28.5 |
|---------------------------------|--------------------|

Operating Costs

| | |
|--|---------------|
| Unit production costs (US\$/boe) | 10.50 – 11.50 |
| Other operating costs ⁴ | 105 – 125 |
| Depreciation and amortisation (US\$/boe) | 12.50 – 13.50 |

Investment Expenditure

| | |
|---|-----------|
| Production Expenditure (PNG) | 60 – 80 |
| Development Expenditure | 85 – 115 |
| Exploration and Evaluation Expenditure ⁵ | 110 – 150 |
| Biomass | 50 – 70 |
| Other Plant and Equipment | 20 – 30 |

| | |
|-------------------------------------|------------------|
| Total Investment Expenditure | 325 – 445 |
|-------------------------------------|------------------|

1. Numbers may not add due to rounding.
2. Gas volumes have been converted to barrels of oil equivalent using an Oil Search specific conversion factor of 5,100 scf = 1 boe, which represents a weighted average, based on Oil Search's reserves portfolio, using the actual calorific value of each gas volume at its point of sale.
3. Includes SE Gobe gas sales exported to the PNG LNG Project (OSH – 22.34%).
4. Includes gas purchase costs, royalties and levies, selling and distribution costs, rig operating costs, power expense, corporate administration costs (including business development), expenditure related to inventory movements, and other expenses.
5. Exploration and Evaluation Expenditure includes FEED costs in relation to Pikka Development Unit, and pre-FEED costs for LNG expansion projects in PNG.

Production for 2021 is expected to be lower than 2020 due to scheduled service programmes for the PNG LNG plant for trains one (deferred from 2020) and two. A major maintenance shutdown in the operated facilities, which occurs every four years, is also planned to coincide with the PNG LNG programmes to minimise impacts on production.

Unit operating costs are expected to be higher than 2020 due to the lower expected production as outlined above.

Investment expenditure for 2021 is expected to be in line with 2020, with the PNG LNG Angore development due to restart in 2021, along with FEED and other activities related to the Pikka Development in Alaska, and pre-FEED costs associated with the LNG expansion projects in PNG.

Papua New Guinea

Production^{1,2}

| | QUARTER END | | | FULL YEAR | |
|---|--------------|------------------|--------------|---------------|---------------|
| | DEC 2020 | SEP 2020 | DEC 2019 | DEC 2020 | DEC 2019 |
| PNG LNG Project Production³ | | | | | |
| LNG (mmscf) | 28,604 | 29,143 | 27,970 | 114,456 | 110,768 |
| Gas to power (mmscf) ⁴ | 139 | 134 | 137 | 495 | 598 |
| Domestic gas (mmscf) | 190 | 166 | - | 651 | - |
| Condensate ('000 bbls) | 661 | 698 | 710 | 2,738 | 2,852 |
| Naphtha ('000 bbls) | 85 | 83 | 74 | 318 | 305 |
| Total PNG LNG Project ('000 boe) | 6,419 | 6,554 | 6,295 | 25,723 | 24,994 |
| Oil Search Operated Production | | | | | |
| Oil Production ('000 bbls) | | | | | |
| Kutubu | 281 | 383 ⁵ | 317 | 1,534 | 1,392 |
| Moran | 277 | 286 | 9 | 1,051 | 132 |
| Gobe Main | 3 | 2 | 3 | 11 | 13 |
| SE Gobe | 4 | 4 | 7 | 23 | 33 |
| Total oil production ('000 bbls) | 564 | 675 | 337 | 2,619 | 1,571 |
| Hides GTE⁶ | | | | | |
| Sales gas (mmscf) | - | - | 1,376 | 1,804 | 5,088 |
| Liquids ('000 bbls) | - | - | 25 | 31 | 96 |
| SE Gobe gas to PNG LNG (mmscf) ⁷ | 397 | 355 | 403 | 1,483 | 1,470 |
| Total operated production ('000 boe) | 642 | 745 | 711 | 3,295 | 2,953 |
| Total production ('000 boe) | 7,061 | 7,298 | 7,006 | 29,017 | 27,947 |

- Numbers may not add due to rounding.
- Gas and LNG volumes have been converted to barrels of oil equivalent using an Oil Search specific conversion factor of 5,100 scf = 1 boe, which represents a weighted average, based on Oil Search's reserves portfolio, using the actual calorific value of each gas volume at its point of sale. Minor variations to the conversion factors may occur over time.
- Production net of fuel, flare, shrinkage and SE Gobe wet gas.
- Gas to power has previously been accounted for as losses within the PNG LNG Plant.
- Kutubu field volumes restated for third quarter due to a minor revision in field allocations.
- Hides GTE production is reported on a 100% basis for gas and associated liquids purchased by the Hides (GTE) Project Participant (Oil Search 100%) for processing and sale to the Porgera power station. Sales gas volumes are inclusive of approximately 2% unrecovered process gas.
- SE Gobe wet gas reported at inlet to plant, inclusive of fuel, flare and naphtha.

Total fourth quarter production from the PNG LNG Project, net to Oil Search, was 6.42 mboe, representing an annualised production rate of 8.7 MTPA (gross), down from 8.9 MTPA (gross) in the third quarter. The production rate for 2020 from the PNG LNG Project was 8.8 MT (gross), the highest ever annual rate for the project.

The PNG LNG Project supplied 655 mmscf of gas (excluding third party purchases), corresponding to a net contribution from Oil Search of 190 mmscf, to the NiuPower-operated Port Moresby power station, 14% higher than the third quarter.

Net production from our operated PNG assets was 0.64 mmboe, 14% lower than the third quarter result due to unplanned downtime on an export utility system at the Kumul Marine Terminal and planned downtime to address issues with a Central Processing Facility stabiliser. This shortfall was partially offset by production from the North West Moran wells which were successfully brought back on stream during the quarter.

Hides GTE remained offline during the quarter following the shut-in of the Porgera gold mine since April 2020.

Sales^{1,2}

| | QUARTER END | | | FULL YEAR | |
|---|--------------|--------------|--------------|---------------|---------------|
| | DEC 2020 | SEP 2020 | DEC 2019 | DEC 2020 | DEC 2019 |
| PNG LNG Project Sales | | | | | |
| LNG (billion btu) | 32,865 | 34,735 | 34,043 | 128,865 | 124,589 |
| Domestic gas (billion btu) | 265 | 148 | - | 816 | - |
| Condensate ('000 bbls) | 692 | 663 | 1,086 | 2,559 | 2,913 |
| Naphtha ('000 bbls) | 96 | 80 | 93 | 333 | 343 |
| Total PNG LNG Project Sales ('000 boe) | 6,571 | 6,834 | 7,126 | 25,522 | 24,933 |
| Oil Sales ('000 bbls) | 610 | 713 | 494 | 2,490 | 1,723 |
| Hides GTE | | | | | |
| Gas (billion btu) | - | - | 1,478 | 1,941 | 5,460 |
| Liquids ('000 bbls) ³ | - | - | 38 | 32 | 103 |
| Total oil and GTE sales ('000 boe) | 610 | 713 | 795 | 2,866 | 2,793 |
| Total sales ('000 boe) | 7,181 | 7,546 | 7,920 | 28,388 | 27,785 |

1. Numbers may not add due to rounding.

2. Gas and LNG volumes have been converted to barrels of oil equivalent using an Oil Search specific conversion factor of 5,100 scf = 1 boe, which represents a weighted average, based on Oil Search's reserves portfolio, using the actual calorific value of each gas volume at its point of sale. Minor variations to the conversion factors may occur over time.

3. Relates to refined products delivered under the Hides GTE Gas Sales Agreement or sold in the domestic market and condensate.

29 LNG cargoes were delivered to customers during the fourth quarter (compared to 31 in the third quarter), comprising 26 cargoes sold under contract (including five under mid-term sale and purchase agreements) and three on the spot market. Two DES cargoes were on the water at the end of the period, the same as at the end of the third quarter. Three naphtha cargoes were delivered during the quarter, the same as in the prior quarter. Four full Kutubu Blend cargoes were sold during the quarter, the same as in the prior period.

Pricing

The average oil and condensate price realised during the fourth quarter was US\$40.35 per barrel, up 10% on the prior quarter. The average realised LNG and gas price increased 41% to US\$5.99 per mmBtu in the fourth quarter, due to strengthening oil prices and improving North Asian LNG spot market prices.

LNG Expansion

On 11 November, the PNG Parliament passed the remaining six amendments to Acts required to implement fiscal stability in accordance with the intent of the Papua Gas Agreement. The PNG Government noted it was looking forward to imminent discussions with the project Operator, Total, regarding project progress. The PNG Government also noted its support to progressing P'nyang gas field discussions.

Exploration and Evaluation

Due to the challenging market conditions and a disciplined approach to capital allocation, Oil Search has continued to minimise exploration activities and review its exploration portfolio in PNG. No exploration operations occurred during the fourth quarter. Technical and commercial assessment of opportunities within the portfolio continues.

Consistent with Oil Search's focus on minimising near-term spend and pursuing only value-accretive exploration and development activities, the Company has relinquished, or is in the process of relinquishing, exploration licences PPLs 219, 504, 569 and 595. Additionally, PRLs 8, 9 and 10 expired in October 2020. These expiries and relinquishments are in line with the non-cash impairment announcement made in July 2020 and included in the 2020 first half results. 2C Resources of 695.2 bcf of gas and 5.5 mmbbl of liquids in PRLs 8, 9, 10 and PPL219 have been removed from Oil Search's resource bookings and will be reflected in the resource statement released in the 2020 Annual Report.

Oil Search is not planning any exploration or appraisal drilling in PNG in 2021.

North Slope, Alaska, USA

Development Activities

Optimisation studies for the Pikka Unit Development are complete and have produced material cost savings through an updated phased project approach, utilising a process facility design with standardised modular equipment that can be transported by road to the North Slope. The design allows the project to start production from the Pikka field utilising a facility that meets initial processing requirements of 80,000 bopd, with the ability to add capacity as subsequent phases of the project are undertaken.

The Joint Venture is well aligned on the phased project approach and design, positioning the project to progress into FEED in early 2021 with a single drill site in the first phase. This capital efficient approach is expected to deliver a breakeven cost of supply¹ of less than US\$40/bbl with gross capital costs of approximately US\$3.0 billion². Production from the first phase is expected to occur in 2025 and support funding for future expansions.

In addition, significant progress has been made in permitting the new Seawater Treatment Plant (STP) at Oliktok Point. In November 2020, The United States Army Corps of Engineers approved the STP construction plan, issuing a modification of Oil Search's existing permit to include the STP which will provide confidence of water availability and quality to support the Pikka Unit Development waterflood.

Resource Upgrade³

Independent reserves auditor, Ryder Scott, has certified a gross 2C contingent recoverable oil resource of 967.9 mmbbl (493.6 mmbbl net before royalties to Oil Search⁴) for the Pikka Unit Development and the Stirrup and Mitquq discoveries. This increases gross recoverable resource by 33% for Oil Search, including a 40.0 mmbbl gross increase

¹ Breakeven cost of supply is the oil price required to achieve a 10% return on the project.

² Estimated costs are on a real 2020-dollar basis.

³ See ASX Announcement "Alaska Update" on the 19 November 2020 for further detail to the resource upgrade. Oil Search is not aware of any new information or data that materially affects the information included in the previous announcement and all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed.

⁴ Based on a 51% working interest.

for the Pikka field. The other 200.3 mmbbl gross 2C contingent recoverable oil resource additions are attributed to Stirrup and Mitquq, representing resources in the areas directly around the exploration wells.

Exploration and Evaluation

During the quarter, Oil Search continued to evaluate the results of the Mitquq and Stirrup discoveries. In combination with reprocessed 3D seismic data, the results have improved understanding of the geology and potential productivity of the Nanushuk play. Results to date support the potential development of Mitquq as a satellite to Pikka and Stirrup as a potential stand-alone development. Further appraisal drilling of the Mitquq and Stirrup trends will be required to confirm the full size and extent of these discoveries.

Financial Performance

Revenue

Total fourth quarter revenue from LNG, gas, oil and condensate sales was US\$259.5 million, up 37% on the prior quarter. The higher revenue was due to an increase in the average realised LNG and oil and condensate prices. Other revenue, comprising infrastructure tariffs, electricity and naphtha sales was US\$8.5 million, up 52% from the prior quarter.

Liquidity

At 31 December 2020, Oil Search held liquidity of US\$1.44 billion, comprising US\$540.8 million in cash and US\$895.6 million in undrawn credit facilities. During the quarter, no drawings or repayments were made to the revolving credit facilities, and US\$186.5 million in principal was repaid for the PNG LNG Project.

Capital expenditure

During the quarter, Oil Search spent US\$33.3 million on exploration and evaluation expenditure activities. This primarily related to pre-FEED activities for the Pikka Unit Development and lease purchases in Alaska (US\$24.1 million), and pre-FEED activities for LNG expansion in PNG (US\$9.2 million). US\$7.8 million of this amount, relating to seismic acquisition costs and geological, geophysical, and general and administration expenses in PNG and Alaska, was expensed.

Development expenditure for the fourth quarter totalled US\$8.7 million, which included US\$8.3 million spent on the PNG LNG Project.

Production capital expenditure for the fourth quarter of US\$17.3 million primarily related to expenditure associated with bringing the North West Moran wells back online following the 2018 earthquake. Expenditure on property, plant and equipment was US\$4.3 million for the quarter, mainly related to ongoing implementation and optimisation of the Company's enterprise resource planning system.

Summary of Investment Expenditure¹

| (US\$ million unless noted) | QUARTER END | | | YEAR TO DATE | |
|--|-------------|-------------|--------------|--------------|--------------------|
| | DEC 2020 | SEP 2020 | DEC 2019 | DEC 2020 | DEC 2019 |
| Investment Expenditure | | | | | |
| Exploration and Evaluation | | | | | |
| PNG | 9.2 | 1.7 | 54.9 | 57.4 | 159.9 |
| USA | 24.1 | 10.3 | 61.4 | 145.2 | 539.8 ² |
| MENA | - | - | - | - | 0.3 |
| Total Exploration and Evaluation Expenditure | 33.3 | 12.0 | 116.3 | 202.6 | 700.0 |
| Development | | | | | |
| PNG LNG | 8.3 | 5.2 | 20.9 | 40.9 | 45.0 |
| Pikka Unit Development | 0.4 | 9.4 | - | 99.6 | - |
| Total Development Expenditure | 8.7 | 14.7 | 22.9 | 140.5 | 53.8 |
| Production | 17.3 | 6.1 | 21.1 | 49.8 | 81.0 |
| Property Plant and Equipment | 4.3 | 4.7 | 14.8 | 23.1 | 35.8 |
| Biomass | 3.6 | 2.0 | 2.0 | 9.3 | 8.8 |
| Total Investment Expenditure | 67.2 | 39.5 | 175.2 | 425.4 | 870.7 |
| Exploration and Evaluation Expensed^{3,4} | | | | | |
| PNG | 5.6 | (1.0) | 2.1 | 38.0 | 24.4 |
| USA | 2.2 | 2.1 | 8.4 | 38.1 | 22.5 |
| MENA | - | - | - | - | 0.3 |
| Total current year expenditures expensed | 7.8 | 1.1 | 10.6 | 76.2 | 47.2 |
| Prior year expenditures expensed ⁵ | - | - | - | 27.2 | - |
| Total Exploration and Evaluation Expensed | 7.8 | 1.1 | 10.6 | 103.3 | 47.2 |

1. Numbers may not add due to rounding.

2. Includes US\$450 million Alaska acquisition costs on exercising the Armstrong / GMT Option, net of US\$70.5 million farm-down proceeds.

3. Exploration costs expensed includes unsuccessful wells, exploration seismic and certain costs related to administration costs and geological and geophysical activities. Costs related to permit acquisitions, the drilling of wells that have resulted in a successful discovery of potentially economically recoverable hydrocarbons and appraisal and evaluation of discovered resources are capitalised.

4. Numbers do not include expensed business development costs of US\$0.1 million in the fourth quarter of 2020 (US\$0.2 million in the third quarter of 2020).

5. Prior year expenditures expensed relate to Gobe Footwall drilling costs.

Gas/LNG Glossary and Conversion Factors Used^{1,2}

| | |
|-------------|--|
| mmscf | Million (10 ⁶) standard cubic feet |
| mmBtu | Million (10 ⁶) British thermal units |
| bcf | Billion (10 ⁹) standard cubic feet |
| Billion Btu | Billion (10 ⁹) British thermal units |
| bopd | Barrels of oil per day |
| MTPA (LNG) | Million tonnes per annum |
| boe | Barrel of oil equivalent |
| 1 mmscf LNG | Approximately 1.10 - 1.14 billion btu |
| 1 boe | Approximately 5,100 standard cubic feet |
| 1 tonne LNG | Approximately 52 mmBtu |

1. Minor variations in conversion factors may occur over time, due to changes in gas composition.
2. Conversion factors used for forecasting purposes only.