

ASX Announcement

2021 Scheme Meeting – Chairman's Address

7 December 2021

ASX: OSH | PNGX: OSH | ADR: OISHY

Oil Search Limited ("Oil Search") refers to the proposed merger with Santos Limited ("Santos") announced to the ASX on 10 September 2021. As set out in that announcement, the Merger is proposed to be effected by a scheme of arrangement under PNG law whereby Santos will acquire all of the shares in Oil Search and Oil Search shareholders will receive 0.6275 new Santos shares for each Oil Search share ("the Scheme").

In accordance with ASX Listing Rule 3.13.3, attached to this announcement are the following documents to be presented at the Scheme Meeting of Oil Search commencing at 10:00am (Port Moresby time) / 11:00am (Sydney time) today:

- a copy of the address to be delivered by the Chairman at the Scheme Meeting; and
- the Scheme Meeting presentation slides.

Oil Search shareholders (or their proxies, attorneys or corporate representatives) will be able to attend and vote at the Scheme Meeting through an online platform available at <https://web.lumiagm.com/399778470>.

Oil Search shareholders and their authorised proxies, attorneys or corporate representatives may be eligible to ask verbal and/or written questions during the Scheme Meeting.

The voting results of the Scheme Meeting will be communicated to the ASX shortly after the conclusion of the Scheme Meeting.

Contacts:

Investors

Narelle Checchin
SVP – IR & Communications
+61 466 329 059
narelle.checchin@oilsearch.com

Media

Ian Pemberton
P&L Corporate
+61 402 256 576
ian.pemberton@plcorporate.com.au

This ASX announcement was authorised for release by the Acting Chief Executive Officer.

About Oil Search

Oil Search is a responsible energy company, with a proud history and strong heritage, that contributes to a sustainable future. Established in 1929, the organisation's purpose is to deliver low cost, high value energy that meets society's needs, and its ambition is to be the preferred energy company for all stakeholders.

With activities well supported by a clear hierarchy for allocating capital, prioritising sustaining capital and a strong, flexible balance sheet, Oil Search is a safe, low-cost, reliable business with a clear path to future growth.

Recognised for its proven capability to operate in challenging environments, Oil Search has a world-class resource base and a strong track record of working with communities and stakeholders. Sustainability is embedded across the Company and it aspires to set the standard for sustainable development.

Oil Search is listed on the Australian and PNG security exchanges (ticker: OSH) and its ADRs trade on the US Over the Counter market (ticker: OISHY).

Slide 1: Chairman's welcome

Good morning everyone and welcome to the Scheme Meeting of Oil Search Limited. My name is Rick Lee. I am the Chairman of Oil Search and I will be Chairing this meeting. The time is now [10:00 am] (PNG time) and I declare this meeting [open].

In accordance with the Constitution I confirm that the necessary quorum is present today. I propose to take the Notice of Meeting as read.

On behalf of the Oil Search Board and management team, I would like to welcome our shareholders, and their proxies, attorneys or representatives – thank you all for attending today.

The purpose of this meeting is for shareholders to vote on the proposed merger of Oil Search with Santos Limited which is to be effected by way of a scheme of arrangement under PNG law. Under the terms of the Scheme, Santos will acquire all of the shares in Oil Search and Oil Search shareholders will receive 0.6275 new Santos shares for each Oil Search share that they hold.

Slide 2: Introductions

Given the ongoing health risks associated with the COVID-19 pandemic, today's Scheme Meeting is being held via an online platform, Lumi, in the same manner as our 2020 Annual Meeting. Joining me at the virtual meeting today are my fellow Oil Search Board members being Susan Cunningham, Eileen Doyle, Fiona Harris, Agu Kantsler, Michael Utsler and Musje Werror.

All other attendees are listening to a live webcast of the meeting, and are also able to ask questions and submit votes through the Lumi platform.

If we experience any technical issues during today's meeting that results in a significant number of shareholders being unable to reasonably participate, I will adjourn this meeting. We would hope that any technical issues could be resolved quickly, and the reconvened meeting held later today. Please check the PNGX or ASX if this eventuates.

Slide 3: Procedural Matters

I will now provide an overview of the online platform, including how to ask questions and vote.

You will see today's presentation slides on the online platform. These presentation slides were lodged with the PNGX and ASX this morning and are available on the PNGX and ASX websites.

If at any stage you have difficulties with the platform, there is a helpline number displayed at the top of the page which you can call. That number is 03 9415 4024 (within Australia) and +61 3 9415 4024 (outside Australia).

Slide 4: How to ask a question

I would like to briefly summarise the process for submitting a question to the Scheme Meeting.

Online attendees can submit questions at any time.

To ask a question, select the messaging tab at the top of the Lumi platform. At the top of that tab there is a section for you to type your question. Once you have finished typing please hit the arrow symbol to send.

If you have joined this meeting via telephone and would like to ask a question, when I call for questions on the Scheme Resolution, you will be asked to press * (star)1 on your keypad to raise your hand. When it is time to ask your question, the moderator will introduce you to the meeting and your line will be unmuted. If you no longer wish to ask your question, you can lower your hand by pressing * (star) 2 on your keypad.

Please note that while you can submit questions from now on, I will not address them until the relevant time in the meeting.

Narelle Checchin, Senior Vice President Investor Relations and Communications, is our questions moderator today and will read out your name and question.

Please also note that your questions may be moderated or if we receive multiple questions on the same topic, amalgamated. Finally, if we run out of time to answer all your questions we will answer them in due course via email or by posting responses on our website.

Slide 5: How to vote

I would also like to briefly summarise the voting procedures which apply to this meeting.

As outlined in the Scheme Booklet, the Scheme Resolution will be conducted by a poll. Shareholders or their proxyholders, attorneys and corporate representatives are entitled to vote on the Scheme Resolution. In order to provide you with enough time to vote, I will shortly open voting for the Scheme Resolution.

At that time, if you are eligible to vote at this meeting, a new voting tab will appear. Selecting this tab will bring up the one resolution and present you with voting options.

To cast your vote simply select one of the options. There is no need to hit a submit or enter button as the vote is automatically recorded.

You do however, have the ability to change your vote, up until the time I declare voting closed.

I now declare voting open on all items of business. The voting tab will soon appear, please submit your votes at any time.

As Chair, I will vote all available proxies in favour of the Scheme Resolution and during the meeting we will display the number of proxy votes received prior to the meeting in relation to the Scheme Resolution.

After the meeting closes, your votes will be counted by our registry, Computershare, and the results will be lodged on the ASX and PNGX as soon as available today.

I will now hand over to Gloria Arabagali who was part of our PNG Graduate Program in 2014 and is now a Commercial Analyst. She will explain the online voting procedure in Tok Pisin.

Thank you Gloria.

Scheme overview (Slide 6)

Slide 7: Scheme overview

Before moving to our formal business, I would like to say a few words about the proposed merger to be effected by a scheme of arrangement under the PNG Corporations Act. Details of the merger are also outlined in detail in the Scheme Booklet, which was released to the ASX on 11 November 2021.

For the Scheme to proceed, at least 75% of votes cast on the Scheme Resolution by eligible Oil Search Shareholders must be in favour of the Scheme, and the Scheme must be approved by the Court.

If the Scheme becomes Effective, Oil Search will become a wholly-owned subsidiary of Santos and part of the Merged Group, and will be delisted from the PNGX and ASX. On implementation of the Scheme, existing Oil Search Shareholders would own approximately 38.5% of the Merged Group and existing Santos Shareholders would own approximately 61.5% of the Merged Group.

Slide 8: Reasons to vote for or against the Scheme

The Oil Search Board has identified several reasons why you might vote in favour of the Scheme and various reasons why you might vote against it.

These are set out in detail in the Scheme Booklet and summarised on the slide now showing.

Slide 9: Independent Expert's Conclusion and Board Recommendation

Oil Search appointed Grant Samuel as the Independent Expert to provide a report on whether the Merger is in the best interests of Oil Search shareholders. Grant Samuel appointed GaffneyCline as the Independent Technical Expert to prepare the Independent Technical Expert's Report contained in the Independent Expert's Report.

In its report, the Independent Expert has concluded that the Merger is in the best interests of shareholders in the absence of a Superior Proposal.

In its report, the Independent Expert has made an assessment of the underlying value of both Oil Search and Santos and, on the basis of its view of those relative underlying values, has suggested that Oil Search Shareholders are contributing a greater proportion to the underlying value of the Merged Group than the 38.5% which they will receive under the terms of the Merger. However, the Independent Expert also notes the strategic, commercial and funding benefits of the Merger, and has ultimately concluded that Oil Search Shareholders are likely to be better off if the Merger proceeds than if it does not.

As set out in the Scheme Booklet, your Directors unanimously recommend that, in the absence of a Superior Proposal, Oil Search Shareholders vote in favour of the resolution at today's meeting.

In making our recommendation, the Oil Search Board considered an extensive range of issues while being cognisant of our overarching responsibility to act in the best interests of all shareholders.

Having regard to all of these factors, the Oil Search Board believes that Oil Search Shareholders will be better off if the Merger proceeds than if it does not.

Slide 10: Status of Conditions

Implementation of the Scheme is now principally conditional on:

- Oil Search shareholders approving the resolutions at today's meeting;
- approval from the Independent Consumer and Competition Commission of PNG (**ICCC**);
- the National Court of PNG approving the Scheme.

The Scheme is also subject to certain matters not occurring before the Second Court Hearing (for example, no material adverse change) which are described in detail in the Scheme Booklet.

As set out in the Scheme Booklet, clearance or approval from the ICCC is required to implement the Scheme.

Slide 11: Indicative implementation timetable

If the Scheme is approved by shareholders today and ICCC approval is received prior to the Second Court Hearing, the timetable to implement the Scheme and pay shareholders their Scheme Consideration will be as follows:

- **(Thursday, 9 December 2021)** the Second Court Date for approval of the Scheme;
- **(Friday, 10 December 2021)** the Effective Date of the Scheme and the last trading day in Oil Search shares;
- **(Monday, 13 December 2021)** New Santos shares commence trading on ASX on a deferred settlement basis);
- **(5.00pm (Port Moresby time) / 6.00pm (Sydney time) Monday, 13 December 2021)** the last date and time for receipt of Opt-in Notices by Unmarketable Parcel Shareholders requesting to receive the Scheme Consideration as New Santos Shares;
- **(6.00pm (Port Moresby time) / 7:00pm (Sydney time) on Tuesday, 14 December 2021)** the Scheme Record Date – all shareholders who hold Oil Search shares on this date will be entitled to receive the Scheme Consideration; and
- **(Friday, 17 December 2021)** the Scheme will be implemented, and the Scheme consideration will be paid.

Slide 12: Questions

I will now respond to questions in relation to the business of the meeting that shareholders have submitted over the course of today's meeting. I will endeavour to answer your questions straight away, however I may take a question on notice if necessary.

Scheme Resolution and Voting Thresholds

Slide 13: Scheme Vote

I will now turn to the formal business of the meeting.

Slide 14: Scheme resolution and voting threshold

There is only one item of business before this meeting today, being the Scheme Resolution, which is set out on the screen.

For the proposed Scheme to be approved, at least 75% of the total number of votes cast by Oil Search shareholders (in person or by proxy) must be in favour of the scheme resolution.

I now ask shareholders to cast their vote in relation to the scheme resolution if they have not already done so.

Slide 15: Proxy voting

Voting will close in a few minutes, please remember to lodge your votes

While you are finalising your votes, I will read out details of proxies received.

The proxies received in respect of the scheme resolution are now shown on the screen and are as follows:

- 1,379,862,270 votes in favour representing 95.43% of votes cast;
- 3,141,766 votes undirected including 2,642,458 directed to the Board, which I will vote in favour and 499,308 open votes directed to other third parties representing 0.21% of votes cast; and
- 63,107,026 votes against representing 4.36% of votes cast
- 842,744 proxies abstained and are accordingly not counted when determining the outcome of the Scheme Resolution.

I now declare voting on the Scheme closed.

Meeting Close and Thank You

Slide 16: Meeting Close

The results of this meeting will be released on the PNGX and ASX as soon as they are available later today and will also be available on the Oil Search website.

This now concludes the official business of this meeting.

Thank you all for attending – I now declare the Scheme Meeting CLOSED for all purposes, subject to the conduct and conclusion of the poll.

Thank you.