



NEWS RELEASE

July 13, 2017

Barossa Offshore Project Proposal published for public comment

ConocoPhillips is pleased to advise that the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) has published the Barossa Area Development Offshore Project Proposal (Barossa OPP) for public comment.

ConocoPhillips Australia Exploration Pty Ltd (ConocoPhillips) and its co-venturers, SK E&S Australia Pty Ltd and Santos Offshore Pty Ltd is proposing to develop discovered hydrocarbon resources located in Commonwealth waters, approximately 300 kilometres north of Darwin, Northern Territory.

Barossa is an offshore gas and light condensate project that proposes to provide a new source of gas to the existing Darwin LNG (DLNG) facility, subject to suitable commercial arrangements being put in place. The development concept includes a Floating Production Storage and Offloading (FPSO) facility, subsea production system, and a gas export pipeline, all located in Commonwealth waters.

ConocoPhillips' Australia West President Chris Wilson said existing infrastructure owners are assessing several options to backfill DLNG from 2023 when the current offshore gas supply from Bayu-Undan is expected to be exhausted.

"As Operator of the Barossa Project, we believe Barossa is a leading backfill candidate. Barossa represents a further multi-billion-dollar investment that will ensure ConocoPhillips continues to play a key role in building the economies of Darwin, the Northern Territory and the Nation for many years to come," added Wilson.

The Barossa OPP explains ConocoPhillips' proposal to develop the resources to help meet future global demand for natural gas and contribute significant income and employment opportunities for Australia. NOPSEMA released the Barossa OPP to provide the public with the opportunity to comment during the project's early design phase.

The Barossa offshore development area encompasses petroleum retention lease NT/RL5 and potential future phased development in the smaller Caldita Field to the south in retention lease NT/RL6.

The Barossa OPP has been prepared by ConocoPhillips, in accordance with the environmental assessment process for a new petroleum project in Commonwealth waters. The Barossa OPP and all supporting appendices will be available for public comment for an eight-week period from 13 July to 6 September 2017 at www.nopsema.gov.au/consultation/OPP/3696

The NOPSEMA website also contains detailed information on how to make a written submission, the assessment process and guidance on the Barossa OPP's content. The Barossa OPP and a series of information sheets prepared by ConocoPhillips to summarise the purpose and content of each section are also available at the [ConocoPhillips Australia](http://www.conocophillips.com.au) website via the Barossa Project page.

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About ConocoPhillips

ConocoPhillips is the world's largest independent E&P company based on production and proved reserves. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 17 countries, \$88 billion of total assets, and approximately 13,100 employees as of March 31, 2017. Production, excluding Libya,

averaged 1,584 MBOED for the three months ended March 31, 2017, and proved reserves were 6.4 billion BOE as of Dec. 31, 2016.

Our Australia and Timor-Leste portfolio includes the Bayu-Undan field in the Joint Petroleum Development Area of the Timor Sea, Darwin LNG facility in the Northern Territory and Australia Pacific LNG facility in Queensland. We also have exploration and appraisal projects in northern Australia including the Caldita-Barossa, Greater Poseidon and Greater Sunrise fields.

For more information, go to www.conocophillips.com

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Additional Information

OPP process:

- An OPP is required for any new petroleum development projects in Commonwealth waters
- Must be submitted by the proponent in the early stages of the project's design phase
- Provides opportunity for interested members of the public to comment during early development
- Subject to a mandatory period of public comment as part of the assessment process
- Duration of the public comment period and procedure for making a submission are set by NOPSEMA
- Following the public comment period, the proponent prepares a summary of all comments received and the proponents' consideration of and response to the comments
- This summary is included in the final OPP submitted to NOPSEMA for assessment and, if accepted, publication
- Acceptance of an OPP does not mean approval; rather it enables a proponent to proceed with preparing the more detailed Environment Plans (EPs) required for each separate activity
- Each activity EP must then be submitted to NOPSEMA for assessment and include further consultation during its preparation
- Acceptance of an OPP provides the required level of confidence to make the major financial investment required to proceed with further detailed planning, including preparation of the specific EPs

Barossa OPP:

- Barossa is part of a \$1.6 billion exploration and appraisal spend that has been undertaken by ConocoPhillips and our joint venture partners in all permits offshore northern Australia since 2009
- The Barossa offshore development area is within the Bonaparte Basin, approximately 300 km north of Darwin in the Northern Territory (NT). The area encompasses petroleum retention lease NT/RL5 and potential future phased development in the smaller Caldita Field to the south in retention lease NT/RL6.
- ConocoPhillips has been the operator of petroleum retention lease areas NT/RL5 and NT/RL6 since 2004
- The presence of a significant accumulation of natural gas in the permit area has been known since 2006
- Subsequent appraisal drilling activities have confirmed the potential for commercial development of this resource
- Subject to appropriate commercial arrangements being put in place with the existing infrastructure owners, gas from the Barossa Area Development would be used to supply the existing train at the Darwin LNG facility for a further 20-year period
- Floating Production, Storage and Offloading (FPSO) has been selected as the preferred offshore facility type, together with a subsea production gathering system
- The FPSO facility will separate the natural gas and condensate extracted from the field with the dry gas proposed to be transported via a gas export pipeline for onshore processing. The condensate will be exported directly from the FPSO facility to offtake tankers
- A new subsea pipeline would be constructed to export dry gas from the Barossa field. The pipeline would be 26 inches wide and 260 kilometres long

- Subject to appropriate commercial arrangements being agreed with the existing infrastructure owners, the pipeline would tie into the existing Bayu-Undan export pipeline offshore, avoiding the need for a new pipeline shore approach into Darwin harbour
- The Barossa concept proposes that the gas would be processed offshore to a very similar specification to that of the current Bayu-Undan gas supply, avoiding the need for any major modifications of the DLNG plant.

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release contains forward-looking statements. Forward-looking statements relate to future events and anticipated results of operations, business strategies, and other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that such expectation or belief will result or be achieved. The actual results of operations can and will be affected by a variety of risks and other matters including, but not limited to, changes in commodity prices; changes in expected levels of oil and gas reserves or production; operating hazards, drilling risks, unsuccessful exploratory activities; difficulties in developing new products and manufacturing processes; unexpected cost increases; international monetary conditions; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; and general domestic and international economic and political conditions; as well as changes in tax, environmental and other laws applicable to our business. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission. Unless legally required, ConocoPhillips undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.