

GLOSSARY

API gravity

The America Petroleum Institute's scale for specific gravity for liquid hydrocarbons, measured in degrees.

Appraisal well

An exploratory well drilled for the purpose of evaluating the commerciality of a geological trap in which petroleum has been discovered.

Bbls

Barrels

Bcf

Billion cubic feet

Boe

Barrels-of-oil-equivalent

DD&A

Depreciation, depletion and amortisation

Provision for Dismantlement

Post closure and other environmental exit

Lifting costs per barrel

(Operating expenditures + production taxes)/total net production

Downstream business

Refinery and petrochemical processing

Finding costs

For a given period, costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and gas reserves, including costs of drilling exploratory wells.

FPSO

Floating, Production, Storage and Offloading

LNG

Liquefied Natural Gas

Mbbls

Thousand barrels

Mboe

Thousand barrels of equivalent

Mcf

Thousand cubic feet

Million Boe or mmboe

Million barrels-of-oil equivalent

Mmbbls

Million barrels

Mmcf

Million cubic feet

Net Proved Reserves

"Net proved reserves" are derived from proved reserves less certain adjustments, where: proved reserves is equal to the

sum of (i) our 100% interest in our independent oil and gas properties (excluding the proved reserves attributable to our associated company); and (ii) our participating interest in the properties covered under our production sharing contracts in the PRC and Indonesia; while the adjustments equal the sum of (i) an adjustment for our share of royalties payable to the PRC government and our participating interest in share oil payable to the PRC government under our production sharing contracts in the PRC; (ii) an adjustment for production allocable to foreign partners under our production sharing contracts in the PRC as reimbursement for exploration expenses attributable to our working interest and (iii) an adjustment for share oil payable under our Indonesian production sharing contracts to Pertamina, the Indonesian state-owned oil and gas company and the domestic market obligation.

We use "share oil" to refer to the portion of production that must be allocated to the relevant government entity or company under our production sharing contracts and technical assistance contracts. Net proved reserves do not include any deduction for production taxes payable by us, which are included in our operating expenses.

Net Production

Net production is calculated in the same way as net proved reserves.

Net reserve additions

Total additions of reserves plus or minus reserves revisions

Offshore

Areas under water with a depth of five metres or greater

PSC

Production sharing contract

Total production costs per barrel

(operating expenditures + production taxes + provision for dismantlement + DD&A + SG&A)/total net production

Upstream business

Oil and gas exploration and production

Wildcat well

A well drilled on any geological trap for the purpose of searching for petroleum accumulations in an area or rock formation that has no known reserves or previous discoveries

Reserve replacement ratio

For a given year, gross additions to proved reserves divided by production during the year.

Note: In calculating barrels-of-oil equivalent, or BOE, we have assumed that 6,000 cubic feet of natural gas equals one BOE, with the exception of natural gas from certain fields which is converted using the actual heating value of the natural gas.