

NEWS RELEASE

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Barossa Offshore Project Enters Front-End Engineering Design (FEED) Phase

PERTH - The Barossa joint venture, consisting of ConocoPhillips Australia Exploration Pty Ltd (ConocoPhillips), SK E&S Australia Pty Ltd and Santos Offshore Pty Ltd, have approved entering the Front-End Engineering Design (FEED) phase on the Barossa Offshore Project.

Barossa is an offshore gas and light condensate project that proposes to provide a new source of gas to the existing Darwin LNG facility, subject to suitable commercial arrangements being put in place. The offshore development concept includes a Floating Production Storage and Offloading (FPSO) facility, subsea production system, and gas export pipeline, located in Commonwealth waters about 300 kilometres north of Darwin. The existing Darwin LNG infrastructure owners are assessing several options to backfill the facility 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 candidate to extend the life of the Darwin LNG facility for another two decades, hence our decision to enter the FEED phase,” said Chris Wilson, president, ConocoPhillips Australia West. “Developing the Barossa field utilising existing infrastructure and applying strong cost discipline, together with positive appraisal results, has enabled Barossa to compete in our global portfolio and provide the confidence required to make this significant FEED commitment. It is imperative that this cost discipline is continued and project value is preserved in order to support a Final Investment Decision (FID) at the end of 2019.”

“Barossa would meet future global demand for natural gas and contribute significant income, employment and other benefits to the Northern Territory and Australia through continued operation of the DLNG facility for a further 20 plus years,” added Wilson. “During the FEED phase the costs and technical definition for Barossa will be matured, access arrangements negotiated with the owners of the Darwin LNG facility and Bayu-Undan to Darwin pipeline, and LNG sales agreements negotiated and finalised. The major engineering FEED contracts for the FPSO, subsea infrastructure and gas export pipeline facilities will be awarded shortly. The primary goal of FEED is to provide sufficient certainty of cost, schedule and execution planning to support FID.”

In March, the Barossa Offshore Project received initial environmental acceptance from the National Offshore Petroleum Safety and Environment Management Authority (NOPSEMA) and approval of its Australian Industry Participation (AIP) Plan. These important milestones provided added confidence for the project to progress into the next phase.

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About the Barossa Offshore Project

The Barossa joint venturers are ConocoPhillips (operator, 37.5%), SK E&S Australia Pty Ltd (37.5%) and Santos Offshore Pty Ltd (25.0%). The 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. Gas would be exported to Darwin LNG via a new export pipeline tied into the existing Bayu-Darwin Pipeline, subject to agreement with the infrastructure owners.

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, \$73 billion of total assets, and approximately 11,400 employees as of Dec. 31, 2017. Production, excluding Libya, averaged 1,356 thousand barrels of oil equivalent per day in 2017, and proved reserves were 5.0 billion BOE as of Dec. 31, 2017.

ConocoPhillips’ 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 as well as exploration and appraisal projects in northern Australia including Caldita-Barossa, Greater Poseidon and Greater Sunrise. For more information go to www.conocophillips.com.au

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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 or technical difficulties in constructing, maintaining, or modifying company facilities; international monetary conditions and exchange rate fluctuations; our ability to liquidate the common stock issued to us by Cenovus Energy Inc at prices we deem acceptable, or at all; our ability to complete the sale of our announced dispositions on the timeline currently anticipated, if at all; the possibility that regulatory approvals for our announced dispositions will not be received on a timely basis, if at all, or that such approvals may require modification to the terms of our announced dispositions or our remaining business; business disruptions during or following our announced dispositions, including the diversion of management time and attention; the ability to deploy net proceeds from our announced dispositions in the manner and timeframe we currently anticipate, if at all; 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.