

# ASX Announcement

Thursday, 18 April 2013

## FIRST QUARTER REPORT FOR PERIOD ENDED 31 MARCH 2013

Woodside achieved first quarter production volumes of 21.9 million barrels of oil equivalent (MMboe) in line with our 2013 production guidance. Sales revenue was US\$1,445 million.

Woodside recorded a 55% increase in production compared to the corresponding quarter in 2012, largely due to the continued high reliability of Pluto LNG, coupled with the ongoing strong performance of the North West Shelf business.

### Comparative performance at a glance

Corresponding quarter, prior year		Q1 2013	Q1 2012	Change
Production	MMboe	21.9	14.1	+ 55%
Sales	MMboe	21.7	14.5	+ 50%
Revenue	\$ million	1,445	1,197	+ 21%
Previous quarter		Q1 2013	Q4 2012	Change
Production	MMboe	21.9	24.3	- 10%
Sales	MMboe	21.7	25.9	- 16%
Revenue	\$ million	1,445	1,767	- 18%

*All dollar amounts are in US dollars unless otherwise stated*

### Key points:

- Production volumes were 55% higher compared to the corresponding period, while sales revenue increased 21%. LNG volumes increased 177% and oil volumes decreased 45% resulting in lower average realised prices. The average Brent price for the quarter was \$112.64/bbl, down from \$118.45/bbl in the corresponding period.
- Production was 10% lower than the previous quarter, largely due to the Vincent FPSO being off station for planned shipyard maintenance, coupled with lower volumes from other oil assets predominantly due to an extreme cyclone season. Cyclonic activity accounted for almost half the decrease in oil production experienced in the quarter.

### Highlights

- **Browse:** Commercial evaluation of the proposed Browse LNG Development continued in Q1. On 12 April 2013, Woodside advised that the James Price Point development concept does not meet the company's commercial requirements for a positive final investment decision. Alternative development concepts will be evaluated.
- **Pluto LNG:** During the quarter Pluto LNG delivered its 50<sup>th</sup> LNG cargo.

During the quarter the fourth vessel in the Pluto LNG fleet was named. The 'Woodside Rogers' is scheduled to arrive at Pluto LNG in Q3 2013. Named after Woodside's former Chairman Bill Rogers, the vessel is our second long-term charter vessel for Pluto LNG.

- **Myanmar:** Farm-out agreements were executed for Blocks A6 and AD7 in January and March respectively, and the acquisition of the 1786 km<sup>2</sup> Padauk 3D marine seismic survey in A6 was completed in late March. Initial fast-track data from the Padauk survey should be available in Q2, but final processed data will not be available until Q4.

## Production Summary

Woodside's share of production and sales for the quarter ended 31 March 2013 with appropriate comparatives:

		Q1 2013	Q4 2012	Q1 2012	Year to date 2013	Year to date 2012
NWS PIPELINE NATURAL GAS <sup>1</sup>	Production (TJ)	19,985	20,508	20,227	19,985	20,227
	Sales (TJ)	19,985	20,515 <sup>2</sup>	20,162 <sup>2</sup>	19,985	20,162 <sup>2</sup>
NWS LIQUEFIED NATURAL GAS (LNG)	Production (t)	612,649	656,750	571,409	612,649	571,409
	Sales Delivered (t)	590,933	645,638	547,100	590,933	547,100
	Cargoes Delivered	60	67	54	60	54
NWS CONDENSATE	Production (bbl)	1,644,567	1,828,633	1,944,837	1,644,567	1,944,837
	Sales (bbl)	1,763,553	1,577,223	2,147,716	1,763,553	2,147,716
NWS OIL	Production (bbl)	694,640	991,046	582,287	694,640	582,287
	Sales (bbl)	629,667	1,397,940	627,710	629,667	627,710
NWS LIQUEFIED PETROLEUM GAS (LPG)	Production (t)	27,767	30,370	36,303	27,767	36,303
	Sales (t)	21,464	35,569	36,254	21,464	36,254
PLUTO LIQUEFIED NATURAL GAS (LNG)	Production (t)	972,101	935,069	0	972,101	0
	Sales Delivered (t)	896,487	1,019,506	0	896,487	0
	Cargoes Delivered	15	17	0	15	0
PLUTO CONDENSATE	Production (bbl)	718,004	699,933	1,113	718,004	1,113
	Sales (bbl)	885,307	693,127	0	885,307	0
LAMINARIA–CORALLINA OIL	Production (bbl)	307,344	343,667	371,864	307,344	371,864
	Sales (bbl)	256,796	500,917	697,232	256,796	697,232
MUTINEER–EXETER OIL <sup>4</sup>	Production (bbl)	0	27,398	40,213	0	40,213
	Sales (bbl)	0	74,104	49,040	0	49,040
ENFIELD OIL	Production (bbl)	331,010	656,862	807,689	331,010	807,689
	Sales (bbl)	417,829	778,408	762,624	417,829	762,624
STYBARROW OIL	Production (bbl)	328,157	453,556	616,892	328,157	616,892
	Sales (bbl)	552,744	275,644	551,700	552,744	551,700
VINCENT OIL	Production (bbl)	0	1,263,637	808,455	0	808,455
	Sales (bbl)	221,051	1,904,800	998,439	221,051	998,439
GULF OF MEXICO PIPELINE NATURAL GAS <sup>3</sup>	Production (MMBtu)	237,759	193,916	118,295	237,759	118,295
	Sales (MMBtu)	237,759	193,916	118,295	237,759	118,295
GULF OF MEXICO CONDENSATE <sup>3</sup>	Production (bbl)	219	301	167	219	167
	Sales (bbl)	219	301	167	219	167
GULF OF MEXICO OIL <sup>3</sup>	Production (bbl)	201,688	205,762	165,403	201,688	165,403
	Sales (bbl)	201,688	205,762	165,403	201,688	165,403
<b>Total</b>	<b>Production (boe) #</b>	<b>21,876,504</b>	<b>24,283,939</b>	<b>14,054,370</b>	<b>21,876,504</b>	<b>14,054,370</b>
	<b>Sales (boe) #</b>	<b>21,661,351</b>	<b>25,918,079</b>	<b>14,487,962</b>	<b>21,661,351</b>	<b>14,487,962</b>

1 Woodside's equity share is 50% of the first 414 TJ per day and 16.67% for all gas produced above this amount.

2 Sales volumes exclude sales of natural pipeline gas to the Woodside-operated Pluto LNG Plant during the Pluto commissioning phase.

3 Production and sales volumes are reported net of royalties.

4 Woodside signed a sale and purchase agreement with Santos on 21 December 2012 to sell its 8.2% interest in the Santos-operated Mutineer-Exeter oil project with effect from 1 July 2012. The agreement completed on 26 February 2013.

# Conversion Factors are identified on page 7.

## Sales Revenue and Expenditure

Woodside's share of sales revenue and exploration, evaluation and capital expenditure for the quarter ended 31 March 2013, with appropriate comparatives:

<i>Amounts in US\$ million</i>		<b>Q1 2013</b>	<b>Q4 2012</b>	<b>Q1 2012</b>	<b>Year to date 2013</b>	<b>Year to date 2012</b>
<b>Sales Revenue</b>						
<b>North West Shelf</b>	Pipeline Natural Gas	89.1	92.1	86.5 <sup>1</sup>	89.1	86.5 <sup>1</sup>
	LNG	411.1	422.8	365.6	411.1	365.6
	Condensate	191.9	163.6	243.3	191.9	243.3
	Oil	73.8	153.1	80.6	73.8	80.6
	LPG	21.0	34.7	39.7	21.0	39.7
<b>Pluto</b>	LNG	371.7	406.9	0.0	371.7	0.0
	Condensate	97.2	72.3	0.0	97.2	0.0
<b>Laminaria-Corallina</b>	Oil	26.8	52.6	75.8	26.8	75.8
<b>Mutineer-Exeter</b>	Oil	0.2	8.7	3.7	0.2	3.7
<b>Enfield</b>	Oil	47.8	90.2	98.2	47.8	98.2
<b>Stybarrow</b>	Oil	66.7	32.3	65.7	66.7	65.7
<b>Vincent</b>	Oil	24.9	216.1	119.5	24.9	119.5
<b>Gulf of Mexico<sup>2</sup></b>	Pipeline Natural Gas	1.2	1.0	0.5	1.2	0.5
	Condensate	0.0	0.0	0.0	0.0	0.0
	Oil	21.5	20.7	17.8	21.5	17.8
	<b>Total</b>	<b>1,444.9</b>	<b>1,767.1</b>	<b>1,196.9</b>	<b>1,444.9</b>	<b>1,196.9</b>
<b>Exploration and Evaluation Expense</b>						
	Exploration Expensed	84.0	109.7	20.0	84.0	20.0
	Permit Amortisation	7.1	5.7	6.7	7.1	6.7
	Evaluation Expensed	2.2	93.8	1.6	2.2	1.6
	<b>Total</b>	<b>93.3</b>	<b>209.2</b>	<b>28.3</b>	<b>93.3</b>	<b>28.3</b>
<b>Capital Expenditure</b>						
	Exploration Capitalised <sup>3,4</sup>	31.1	(7.0) <sup>5</sup>	30.1	31.1	30.1
	Evaluation Capitalised <sup>4</sup>	50.7	89.6	106.0	50.7	106.0
	Oil and Gas Properties <sup>4</sup>	110.9	232.6	511.2	110.9	511.2
	Other Property, Plant and Equipment	4.1	6.0	0.4	4.1	0.4
	<b>Total</b>	<b>196.8</b>	<b>321.2</b>	<b>647.7</b>	<b>196.8</b>	<b>647.7</b>

1 NWS sales revenue excludes sales of natural pipeline gas to the Woodside-operated Pluto LNG Plant, during the Pluto commissioning phase.

2 Gulf of Mexico revenue is reported net of royalties.

3 Exploration Capitalised represents expenditure on successful and pending wells, plus permit acquisition costs during the period and is net of well costs reclassified to expense on finalisation of well results.

4 Project Final Investment Decisions (FID) result in amounts of previously capitalised Exploration and Evaluation expenditure (from current and prior years) being transferred to Oil & Gas Properties. The table above does not reflect the impact of such transfers.

5 The negative capitalised exploration amount primarily reflects adjustments to costs that were a work in progress at the end of the previous quarter.

## Production Activities

Field	Woodside share		Full field		Remarks
	Q1 2013	Q4 2012	Q1 2013	Q4 2012	
<b>Australia NWS - Average daily production</b>					
Pipeline gas (TJ)	222	223	504	510	Production was driven by customer demand for the quarter.
LNG (t)	6,807	7,139	42,062	45,566	Production was lower due to cyclone activity and normal seasonal variation in production capacity. During Q2 a planned shut-down in the order of one month duration is scheduled for LNG Train 2.
Condensate (bbl)	18,273	19,876	86,782	97,647	Production was lower due to cyclone activity.
Oil (bbl)	7,718	10,772	23,155	32,317	Production from the Okha FPSO was lower due to cyclones and maintenance activity. At the end of the quarter, production was approximately 35,000 bbl/day (Woodside share 11,666 bbl/day).
LPG (t)	309	330	1,901	2,086	Production was lower than the previous quarter due to cyclone activity.
<b>Australia Pluto – Average daily production</b>					
LNG (t)	10,801	10,164	12,001	11,293	Production exceeded the previous quarter due to higher reliability of the plant. This was partially offset by cyclone activity and normal seasonal variation in production capacity. A planned 10 to 15 day shut-down is scheduled during Q2.
Condensate (bbl)	7,978	7,608	8,864	8,453	Production was higher than in the previous quarter in line with gas system utilisation.
<b>Other Australia - Average daily production</b>					
Laminaria-Corallina Oil (bbl)	3,415	3,736	5,367	5,872	Production was lower than the previous quarter due to cyclone activity and natural reservoir decline. At the end of the quarter, production was approximately 5,870 bbl/day (Woodside share 3,716 bbl/day). A planned shut-down is scheduled during Q2.
Mutineer-Exeter Oil (bbl)	0	298	0	3,632	Woodside's divestment of its interest in Mutineer-Exeter completed on 26 February 2013. Prior to this the vessel was undertaking planned shipyard maintenance.
Enfield Oil (bbl)	3,678	7,140	6,130	11,900	Production was lower than the previous quarter due to cyclone activity, planned maintenance shutdown and repairs to essential equipment. At the end of the quarter, production was approximately 11,490 bbl/day (Woodside share 6,894 bbl/day). A planned shut-down is scheduled to commence in June.
Stybarrow Oil (bbl)	3,646	4,930	7,292	9,860	Production was lower than the previous quarter due to cyclone activity, repairs to essential equipment and natural reservoir decline. At the end of the quarter, production was approximately 9,370 bbl/day (Woodside share 4,685 bbl/day).
Vincent Oil (bbl)	0	13,735	0	22,892	During the quarter the FPSO was taken to Singapore for planned shipyard maintenance.
<b>United States - Woodside share average daily production</b>					
	<b>Q1 2013</b>	<b>Q4 2012</b>			
Gas (MMBtu)	2,642	2,108	Production increased for the quarter at the Power Play field following new production from the PL-A production zone.		
Oil and Condensate (bbl)	2,243	2,240	Production for the quarter was steady.		

## Development Activities

### Australia

#### Pluto LNG

Front-end engineering and design (FEED) has commenced for the Xena gas field. Xena is part of the original development plan for Pluto.

#### Pluto expansion

At present, there are no active discussions with other resource owners with regard to Pluto expansion. Woodside is continuing its efforts in the pursuit of expansion gas and has exploration activities scheduled in the region over the coming years.

#### Browse LNG

Commercial analysis and evaluation for the offshore and onshore infrastructure for the proposed Browse LNG Development continued in Q1. The evaluation was completed in line with the conditions of the Browse Retention Leases with the development located at the Western Australian Government's Browse LNG Precinct near James Price Point.

On 12 April 2013, Woodside advised that it had completed its technical and commercial evaluation and determined that the development concept does not meet the company's commercial requirements for a positive final investment decision. Alternative development concepts will be evaluated.

Additionally in Q1, Woodside did not exercise its right to match the offer made by PetroChina International Investment (Australia) Pty Ltd for BHP Billiton Petroleum (North West Shelf) Pty Ltd's entire equity stake in the Browse joint ventures.

#### Greater Enfield Area

The company continues to mature the Laverda development opportunity and expects to further define a preferred development concept in 2013. The proposed Cimatti-Enfield tieback concept will not be taken forward. Cimatti is now being considered as part of a larger Greater Enfield development opportunity.

#### North West Shelf

##### North Rankin Redevelopment Project:

Hook-up and commissioning activities on the North Rankin B Platform continue to progress. The project remains on budget and is scheduled for start-up in 2013. The project will access 5Tcf of discovered, undeveloped low-pressure gas reserves once complete (100% project).

##### Greater Western Flank Phase 1 Project:

Engineering, procurement and fabrication activities are progressing to plan. The project remains on budget and is scheduled for start-up in early 2016. The Greater Western Flank development (Phase 1 and subsequent phases) will potentially access discovered, undeveloped volumes of around 3Tcf of gas and 100 MMbbl of condensate (100% project).

### International

#### Sunrise LNG

Woodside has held several engagements in Q1 with stakeholders from the Australian and Timor Leste governments. Although these engagements do not represent any agreement at this stage, the dialogue continues developing common ground with both governments to agree a way forward. The collaborative effort will continue, engaging on all aspects of the development.

#### Leviathan

During the quarter work continued on converting an in-principle agreement to take 30% equity in the Leviathan field into a fully-termed agreement.

#### Myanmar

Farm-out agreements were executed for Blocks A6 and AD7 in January and March respectively, and the acquisition of the 1786 km<sup>2</sup> Padauk 3D marine seismic survey in A6 was completed in late March. Initial fast-track data from the Padauk survey should be available in Q2, but final processed data will not be available until Q4.

## Exploration and Appraisal Activities

### Exploration or appraisal wells drilled during Q1 2013

Well Name	Basin/ Area	Target	Woodside Interest (%)	Spud Date	Water Depth <sup>1</sup> (metres)	Total Well Depth <sup>2</sup> (metres)	Remarks
<b>AUSTRALIA</b>							
Goodwyn North-1	Carnarvon Basin, WA-1-L	Gas	15.78	03/01/2013	136	3,027	Exploration, dry hole
Gumbo-1	Carnarvon Basin, WA-430-P	Gas	70.00	11/02/2013	1,246	4,025 <sup>3</sup>	Exploration, drilling at end of quarter, subsequently dry hole

Notes:

- 1 Water depth measured at lowest astronomical tide (LAT).
- 2 Reported depths referenced to the rig rotary table.
- 3 Proposed total depth.

### Exploration or appraisal wells planned to commence in Q2 2013

Well Name	Basin / Area	Target	Woodside Interest (%)	Water Depth (metres) <sup>1</sup>	Proposed Total Depth (metres) <sup>2</sup>	Remarks
<b>INTERNATIONAL</b>						
Panoramix-3	Santos Basin, BM-S-48	Oil	12.50	209	4,209	Appraisal

Notes:

- 1 Water depth measured at lowest astronomical tide (LAT).
- 2 Reported depths referenced to the rig rotary table.

### Geophysical surveys conducted during Q1 2013

Location	Survey name	Type	2D (line km full fold) 3D (km <sup>2</sup> full fold) 4D (km <sup>2</sup> full fold)
<b>AUSTRALIA</b>			
WA-447-P, WA-449-P	Admiral 3D MSS (Browse exploration)	3D	423 km <sup>2</sup> of 2,868 km <sup>2</sup> in Q1 (Complete)
WA-465-P, WA-467-P, WA-472-P, WA-473-P	Polly 3D MSS (Beagle Basin exploration)	3D	4,752 km <sup>2</sup> of 7,326 km <sup>2</sup> in Q1 (Incomplete)
WA-461-P, WA-463-P	Pivot 2D MSS (Exmouth Sub-basin exploration)	2D	386 km in Q1 (Complete)
<b>INTERNATIONAL</b>			
Myanmar (Block A-6)	Padauk 3D MSS (Rakhine Basin exploration)	3D	1,781 km <sup>2</sup> in Q1 (Complete)

### Permits and Licences

Key changes to permit and licence holdings during the quarter are noted below (some transactions may be subject to government and regulatory approval).

Region	Permit or Licence Area	Change in Interest (%) Increase or (Decrease)	Woodside's Current Interest %	Remarks
<b>AUSTRALIA</b>				
Carnarvon Basin	WA-26-L	(8.20)	0	Equity disposal
Carnarvon Basin	WA-27-L	(8.20)	0	Equity disposal
<b>UNITED STATES</b>				
GOM	GB 773/30850; GB 774/31660; GB 817/26684	(50.00)	0	Equity disposal

Region	Permit or Licence Area	Change in Interest (%) Increase or (Decrease)	Woodside's Current Interest %	Remarks
<b>INTERNATIONAL</b>				
Myanmar, Rakhine Basin	Block A-6	50.00	50.00	Equity acquisition <sup>1</sup>
Myanmar, Rakhine Basin	Block AD-7	40.00	40.00	Equity acquisition <sup>1</sup>

Note:

1 Subject to regulatory and government approval

## Corporate Activities

### Mutineer-Exeter

Woodside signed a sale and purchase agreement with Santos on 21 December 2012 to sell its 8.2% interest in the Santos-operated Mutineer-Exeter oil project with effect from 1 July 2012. The agreement completed on 26 February 2013.

### Production for 2013

Woodside's production target range for 2013 remains unchanged at 88 to 94 MMboe, comprising 47% from NWS Gas facilities, 41% from Pluto LNG and 12% from other assets.

## CONVERSION FACTORS

(boe) = barrel of oil equivalent (TJ) = Terajoules (t) = tonne (bbl) = barrel (MMBtu) = Million British Thermal Units

(MMcft) = million cubic feet of gas (Bcf) = billion cubic feet of gas (kt) = thousand tonnes

Product	Factor	Conversion Factors*
Australian Pipeline Natural Gas	1TJ =	163.6 boe
Liquefied Natural Gas (LNG)	1 tonne =	8.9055 boe
Condensate	1 bbl =	1.000 boe
Oil	1 bbl =	1.000 boe
Liquefied Petroleum Gas (LPG)	1 tonne =	8.1876 boe
Gulf of Mexico Pipeline Natural Gas	1 MMBtu =	0.1724 boe

\* minor changes to some conversion factors can occur over time due to gradual changes in the process stream

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