

ASX Announcement

Thursday, 21 January 2016

ASX: WPL
 OTC: WOPEY

FOURTH QUARTER REPORT FOR PERIOD ENDED 31 DECEMBER 2015

- Achieved 92.2 MMboe annual production; the second highest result on record.
- Achieved an annualised loaded LNG production rate equivalent of 4.9 mtpa at Pluto LNG (100% project), exceeding the 4.3 mtpa average expected annual production capacity at the time of FID in 2007.
- Commenced production from the Greater Western Flank Phase 1 Project.
- Approved the US\$2.0 billion Greater Western Flank Phase 2 Project off the north-west coast of Australia.
- Discovered gas at the Shwe Yee Htun-1 exploration well in Block A-6 in the Rakhine Basin, located offshore Myanmar. The discovery of gas and reservoir quality rock substantially de-risks the petroleum system, identified leads in the block and our adjacent acreage.
- Completed in excess of 6,800 km² of 3D seismic over Myanmar acreage.
- Entered into two new revolving bilateral debt agreements totalling US\$350 million. The agreements have tenors of three and four years and will be used for general corporate purposes.

Woodside CEO Peter Coleman said ongoing high reliability at Woodside's assets had been key to the strong results.

"We continue to relentlessly focus on delivering the fundamentals of our business and are now seeing the benefits of our productivity programs flow through to our results. The recent significant fall in oil and gas prices has highlighted the quality of our low cost production and approach to balance sheet risk management."

Comparative performance at a glance

Full Year comparison		2015	2014	Change %
Production	MMboe	92.2	95.1	-3.0
Sales	MMboe	92.7	93.2	-0.5
Sales Revenue	\$ million	4,496	7,076	-36.5
Previous quarter		Q4 2015	Q3 2015	Change %
Production	MMboe	24.9	25.3	-1.6
Sales	MMboe	25.2	24.1	4.6
Sales Revenue	\$ million	1,105	1,086	1.7
Corresponding quarter, prior year		Q4 2015	Q4 2014	Change %
Production	MMboe	24.9	23.4	6.4
Sales	MMboe	25.2	24.1	4.6
Sales Revenue	\$ million	1,105	1,762	-37.3

All dollar amounts are in US dollars unless otherwise stated

Key production and sales points for the quarter:

Relative to previous quarter (Q3 2015)

- Production volumes decreased 1.6%, predominantly due to lower volumes from the Balnaves oil asset due to natural reservoir decline. This was partially offset by higher LNG and condensate volumes from the North West Shelf (NWS) Project due to reduced maintenance turnaround activity during the quarter.
- Sales volumes increased 4.6%, reflecting the timing of shipments.
- Sales revenue for the quarter was 1.7% higher reflecting higher LNG and condensate sales volumes, partially offset by lower realised oil prices.

Relative to corresponding period (Q4 2014)

- Production volumes increased 6.4%. This was predominantly due to oil production from the Balnaves oil asset which commenced production for Woodside effective from April 2015 and higher LNG and condensate volumes from Pluto LNG due to higher plant reliability.
- Sales volumes increased 4.6%, reflecting the timing of shipments.
- Sales revenue for the quarter was 37.3% lower reflecting lower realised prices across the portfolio.

Production Summary

Woodside's share of production and sales for the quarter ended 31 December 2015 with appropriate comparatives:

		Q4 2015	Q3 2015	Q4 2014	Full Year 2015	Full Year 2014
NWS PIPELINE NATURAL GAS ¹	Production (TJ)	20,241	20,392	19,857	80,036	81,537
	Sales (TJ)	20,241	20,392	19,857	80,036	81,537
NWS LIQUEFIED NATURAL GAS (LNG)	Production (t)	674,710	654,489	633,446	2,549,237	2,588,522
	Sales Delivered (t)	671,585	619,215	618,169	2,554,352	2,527,516
	Cargoes Delivered ²	67	63	63	252	256
NWS CONDENSATE	Production (bbl)	1,478,829	1,460,950	1,466,683	5,657,886	6,103,036
	Sales (bbl)	1,610,997	1,325,315	1,466,381	5,809,298	5,924,930
NWS OIL	Production (bbl)	683,373	632,947	716,733	2,549,683	2,994,793
	Sales (bbl)	671,476	745,316	869,843	2,622,337	3,032,249
NWS LIQUEFIED PETROLEUM GAS (LPG)	Production (t)	21,165	19,540	23,487	80,416	98,158
	Sales (t)	20,237	18,299	20,997	81,995	97,371
PLUTO LIQUEFIED NATURAL GAS (LNG)	Production (t)	1,108,991	1,146,415	1,046,284	3,905,283	4,186,817
	Sales Delivered (t)	1,122,460	1,022,233	1,010,488	3,926,105	4,016,604
	Cargoes Delivered ²	19	19	16	66	65
PLUTO CONDENSATE	Production (bbl)	776,842	806,362	718,770	2,758,132	2,886,904
	Sales (bbl)	883,463	827,046	1,232,802	2,648,213	3,404,410
LAMINARIA-CORALLINA OIL	Production (bbl)	216,099	186,389	260,254	850,833	994,136
	Sales (bbl)	193,387	- ³	464,852	796,539	940,349
ENFIELD OIL	Production (bbl)	340,734	356,038	386,938	1,186,914	1,334,213
	Sales (bbl)	431,965	378,978	433,159	1,343,969	1,403,713
STYBARROW OIL	Production (bbl)	-	- ⁴	239,121	280,841	1,016,479
	Sales (bbl)	-	214,657	287,699	489,993	837,494
VINCENT OIL	Production (bbl)	1,438,389	1,630,757	1,232,359	5,491,826	5,036,515
	Sales (bbl)	1,341,870	1,934,041	1,381,851	5,633,876	5,029,714
BALNAVES OIL	Production (bbl)	424,206	704,889	N/A	1,956,343	N/A
	Sales (bbl)	442,403	584,728	N/A	1,695,462	N/A
CANADA PIPELINE NATURAL GAS	Production (TJ)	855	173	N/A	1,207	N/A
	Sales (TJ)	855	173	N/A	1,207	N/A
GULF OF MEXICO PIPELINE NATURAL GAS ⁵	Production (MMBtu)	-	-	-	-	131,032
	Sales (MMBtu)	-	-	-	-	131,032
GULF OF MEXICO CONDENSATE ⁵	Production (bbl)	-	-	-	-	324
	Sales (bbl)	-	-	-	-	324
GULF OF MEXICO OIL ⁵	Production (bbl)	-	-	-	-	223,986
	Sales (bbl)	-	-	-	-	223,986
Total	Production (boe)⁶	24,874,999	25,342,156	23,420,601	92,173,094	95,093,890
	Sales (boe)⁶	25,176,609	24,143,708	24,061,112	92,724,233	93,235,109

1 Woodside's equity share is 50% of the first 414 TJ per day (contract flexibilities allow Woodside to receive 50% up to 517.5 TJ per day) and 16.67% for all gas produced above this amount.

2 Cargoes delivered are total venture cargoes, not Woodside share (NWS: Woodside share 16.67%, Pluto: Woodside share 90%).

3 Nil sales volumes in Q3 due to the timing of liftings.

4 Production ceased in Q3 2015. The final cargo was shipped in August 2015.

5 Gulf of Mexico production and sales volumes are reported net of royalties. Woodside completed a sale of its 20% interest in the Neptune asset on 20 May 2014.

6 Conversion Factors are identified on page 10.

Sales Revenue and Expenditure

Woodside's share of sales revenue and exploration, evaluation and capital expenditure for the quarter ended 31 December 2015, with appropriate comparatives:

Amounts in US\$ million		Q4 2015	Q3 2015	Q4 2014	Full Year 2015	Full Year 2014
Sales Revenue						
North West Shelf	Pipeline Natural Gas	78.2	71.1	79.6	294.9	376.0
	LNG	254.0	230.5	375.3	1,027.6	1,653.5
	Condensate	67.9	68.4	110.1	291.5	568.4
	Oil	28.2	41.2	70.9	140.5	308.0
	LPG	7.9	5.8	14.8	33.7	80.0
Pluto	LNG	526.7	482.5	805.5	2,067.2	2,908.6
	Condensate	37.8	43.4	101.0	129.6	332.5
Laminaria-Corallina	Oil	8.2	-1.0 ¹	37.5	38.8	85.5
Enfield	Oil	19.5	17.9	37.9	71.2	146.1
Stybarrow	Oil	-	9.4	22.5	27.2	83.2
Vincent	Oil	56.2	88.2	107.3	283.8	510.6
Balnaves	Oil	19.8	28.1	N/A	88.7	N/A
Canada	Pipeline Natural Gas	0.9	0.1	N/A	1.4	N/A
Gulf of Mexico²	Pipeline Natural Gas	-	-	-	-	0.9
	Condensate	-	-	-	-	-
	Oil	-	-	-	-	22.1
Total Sales Revenue		1,105.3	1,085.6	1,762.4	4,496.1	7,075.4
LNG Processing Revenue		49.5	50.9	54.9	179.6	199.0
Gross Trading Revenue		96.9	85.0	1.8	353.9	160.9
Total Operating Revenue		1,251.7	1,221.5	1,819.1	5,029.6	7,435.3
Exploration and Evaluation Expense						
Exploration Expensed		118.0	84.4	125.1	377.9	274.4
Permit Amortisation		5.7	5.6	2.2	21.8	21.4
Evaluation Expensed		0.1	2.7	2.1	1.6	11.3
Total		123.8	92.7	129.4	401.3	307.1
Capital Expenditure						
Exploration Capitalised ^{3,4}		4.3	-2.7 ⁶	-13.3 ⁶	100.2	131.9
Evaluation Capitalised ⁴		37.0	23.5	30.7	136.7	128.9
Evaluation Capitalised – acquired assets ⁵		65.3	85.9	-	1,068.5	-
Oil and Gas Properties ⁴		120.3	100.1	159.2	485.7	410.4
Oil and Gas Properties Capitalised – acquired assets ⁵		339.9	365.7	-	3,804.9	-
Other Property, Plant and Equipment		2.1	7.7	6.6	18.5	14.3
Total		568.9	580.2	183.2	5,614.5	685.5

1 The negative sales revenue represents an adjustment between the estimated price in June, and the final realised price in July.

2 Gulf of Mexico revenue is reported net of royalties. Woodside completed a sale of its 20% interest in the Neptune asset on 20 May 2014.

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 result in amounts of previously capitalised Exploration and Evaluation expense (from current and prior years) being transferred to Oil and Gas Properties. The table above does not reflect the impact of such transfers.

5 Acquired assets include Kitimat in Evaluation Capitalised and Balnaves and Wheatstone in Oil and Gas Properties Capitalised.

6 The negative capitalised exploration amount primarily reflects a well previously capitalised during drilling which has subsequently been expensed.

Production Activities

Field	Woodside share		Full field		Remarks
	Q4 2015	Q3 2015	Q4 2015	Q3 2015	
Australia NWS - Average daily production					
Pipeline gas (TJ)	220	222	492	502	Production was driven by customer demand for the quarter.
LNG (t)	7,334	7,114	46,726	45,411	Production was slightly higher due to reduced maintenance turnaround activity, partially offset by lower reliability and higher ambient temperatures reducing plant capacity.
Condensate (bbl)	16,074	15,880	79,206	77,891	Production was higher in line with LNG production.
Oil (bbl)	7,428	6,880	22,284	20,640	Production was higher due to higher facility utilisation.
LPG (t)	230	212	1,452	1,342	Production was higher in line with LNG production.
Australia Pluto - Average daily production					
LNG (t)	12,054	12,461	13,394	13,846	Production was lower due to higher ambient temperatures reducing plant capacity. Quarterly production reflected an annualised loaded LNG production rate equivalent of 4.9 mtpa (100% project).
Condensate (bbl)	8,444	8,765	9,382	9,739	Production was lower in line with LNG production.
Other Australia - Average daily production					
Laminaria-Corallina Oil (bbl)	2,349	2,026	3,707	3,175	Production was higher due to increased facility utilisation.
Enfield Oil (bbl)	3,704	3,870	6,173	6,450	Production was lower due to natural reservoir decline.
Vincent Oil (bbl)	15,635	17,726	26,058	29,543	Production was lower due to natural reservoir decline.
Balnaves Oil (bbl)	4,611	7,662	7,094	11,780	Production was lower due to natural reservoir decline.
Canada - Average daily production					
Pipeline gas (TJ)	9	2	19	4	Production increased due to contribution from the D-A28-B appraisal well.

Development Activities

Australia

Browse FLNG

Delivering targeted cost savings and improving project value during the front-end engineering and design (FEED) phase has progressed well and is continuing. Work continues on a range of activities related to the commercialisation, timing and sequencing of FLNG development required to support a final investment decision (FID) in 2H 2016.

Wheatstone

The Wheatstone Project (non-operated) is more than 65% complete. The project comprises the Wheatstone and Iago fields, an offshore platform, a pipeline to shore and the onshore plant.

The Julimar Project (Woodside-operated) is more than 80% complete and remains on target to achieve start-up on budget and schedule in 2H 2016. The project comprises the Julimar and Brunello fields and ties into the Wheatstone offshore platform.

Greater Enfield Development

The preliminary Field Development Plan was submitted to government for approval during the quarter. Offshore geophysical, geotechnical and environmental surveys were completed.

The proposed development involves the tie-back of the Laverda Canyon, Norton over Laverda and Cimatti oil accumulations through a 31 km flowline to the Ngujima-Yin floating production storage and offloading (FPSO) vessel and is targeting gross (100%) contingent resource (2C) of 70 MMboe (net Woodside share of 42 MMboe). The proposed development is targeting to be ready for FID in late 2016.

North West Shelf

Persephone

Project drilling commenced in Q4 2015 and remains on budget and schedule for expected start-up in early 2018. Platform modifications and fabrication of key subsea infrastructure on the North Rankin Complex continued during the quarter.

Greater Western Flank Phase 1 Project

The project commenced production in December 2015.

Greater Western Flank Phase 2 Project

The NWS Project participants approved the US\$2.0 billion project (100%), which will develop gross (100%) proved plus probable (2P) reserves of 1.6 Tcf raw gas (net Woodside share ~270 Bcf) from the combined Keast, Dockrell, Sculptor, Rankin, Lady Nora and Pemberton fields using subsea infrastructure and a 35 km pipeline connecting to the existing Goodwyn A platform.

Gas delivery is expected to commence in 2H 2019 from five wells in the Lady Nora, Pemberton, Sculptor and Rankin fields, with the remaining three wells in the Keast and Dockrell fields expected to commence production in 1H 2020.

Lambert Deep

FEED activities continued to support a planned FID in 1H 2016.

International

Kitimat LNG

The Kitimat Joint Venture brought its first development scale appraisal well (D-A28-B) into production during the quarter. The second development scale appraisal well (B-B03-K) was completed during the quarter and will be brought into production in early 2016. Production from these wells will help confirm the performance of the Liard Basin. The project continues to progress through the concept select phase.

Sunrise LNG

No change to project status.

Exploration and Appraisal Activities

Australia

Planning is in progress to drill two oil targets in permit WA-472-P in the Beagle Sub-basin. The Skippy Rock-1 well is planned to spud in Q1 2016 to target a lower Triassic structure. The well will then be side-tracked to an adjacent prospect targeting a new Permian play.

Morocco

In the Rabat Ultra Deep Offshore Reconnaissance Licence, Woodside acquired 1,074 km of 2D seismic data during Q3 2015. Processing was underway during Q4 2015 with final data delivery expected in Q1 2016.

Ministerial approval for entering the First Renewal Period of the Reconnaissance Licence was provided on 30 December 2015, with the licence now expiring in December 2016.

Canada (Nova Scotia)

Processing of the Tangiers 3D marine seismic survey (over 7,000 km²) was nearing completion at the end of Q4 2015. Delivery of data is expected in January 2016.

Myanmar

Discovered gas at the Shwe Yee Htun-1 exploration well in Block A-6 in the Rakhine Basin, located offshore Myanmar. The discovery of gas and reservoir quality rock substantially de-risks the petroleum system, identified leads in the block and our adjacent acreage.

On 4 January 2016 Woodside announced that approximately 15 m of net gas pay was interpreted within the primary target interval. The net gas pay has increased to approximately 32 m following completion of nuclear magnetic resonance and resistivity image logging, formation fluid sampling and pressure testing.

The Thalin-1 well in Block AD-7 was spudded on 20 January 2016.

Extensive 2D and 3D seismic surveys (including gravity and magnetic data acquisition) over Blocks A-4, A-7, AD-2 and AD-5 commenced in late 2015 and will continue into Q2 2016. Programs of extensive seabed coring in these blocks are also planned to commence in 2016.

The AD-7 Production Sharing Contract was amended to provide for the expansion of Block AD-7, adding 1,100 km² (70%) to the Block's area. A 1,200 km² 3D survey will be acquired mainly in the expansion area in early 2016.

New Zealand

Processing of the data from the Vulcan and Toroa 3D seismic surveys is underway and final outputs will be available in Q2 2016.

Republic of Korea

The Hongge-1 exploration well was spudded on 21 September 2015 and reached a total depth of 3,900 m below the rotary table on 22 October 2015. Drilling confirmed the presence of a petroleum system with a significant gas column within the primary target. However a high percentage of inert gas in the hydrocarbon column has resulted in a non-commercial discovery.

Permits and Licences

Key changes to permit and licence holdings during the quarter are noted below.

Region	Permit or Licence Area	Change in Interest (%) Increase or (Decrease)	Woodside's Current Interest %	Remarks
AUSTRALIA				
Outer Canning Basin	WA-462-P	(55.00)	0.00	Surrender

Exploration or appraisal wells drilled during Q4 2015

Well Name	Basin/ Area	Target	Woodside Interest (%)	Spud Date	Water Depth ¹ (metres)	Total Depth ² (metres)	Remarks
MYANMAR							
Shwe Yee Htun-1	Rakhine Basin, Block A-6	Gas	40.00	27/11/15	2,034	5,306	Gas discovery
REPUBLIC OF KOREA							
Hongge-1	Ulleung Basin, Block 8	Oil/Gas	50.00	21/09/15	1,977	3,900	Exploration, non-commercial discovery
CANADA³							
ACL LA JOLIE B-A03-K/94-O-12	Liard Basin	Gas	50.0	15/01/15	N/A	6,795	Appraisal, in progress
ACL LA JOLIE B-E03-K/94-O-12	Liard Basin	Gas	50.0	21/03/14	N/A	7,216	Appraisal, in progress
ACL LA JOLIE B-C03-K/94-O-12	Liard Basin	Gas	50.0	14/10/15 ⁴	N/A	6,960	Appraisal, in progress
ACL LA JOLIE B-03-K/94-O-12	Liard Basin	Gas	50.0	6/11/15 ⁴	N/A	7,045	Appraisal, in progress

Notes:

- 1 Water depth measured at lowest astronomical tide.
- 2 Well depths referenced to the rig rotary table.
- 3 Liard wells are dual appraisal and production wells.
- 4 Well re-entry date (top holes were pre-drilled).

Geophysical surveys conducted during Q4 2015

Location	Survey name	Progress
AUSTRALIA		
Carnarvon Basin - Production Licence WA-34-L (Pluto)	2015 Pluto 4D MSS	608 km ² of 1,230 km ² planned (Incomplete) ¹
MYANMAR		
Rakhine Basin – Blocks A-7 & AD-5	Thazin 3D MSS	3,426 km ² of 14,210 km ² planned (Incomplete)
Rakhine Basin – Blocks A-4 & AD-2	BG15MY 3D MSS	3,390 km ² of 14,560km ² planned (Incomplete)

Notes:

- 1 As part of planned reservoir surveillance and management activities, the area of 1,230 km² consists of both the 4D and HD3D phases of the survey.

Exploration or appraisal wells planned to commence in Q1 2016

Well Name	Basin / Area	Target	Woodside Interest (%)	Water Depth (metres) ¹	Proposed Total Depth (metres) ²	Remarks
MYANMAR						
Thalin-1	Rakhine Basin, Block AD-7	Gas	40.00	836	2,988	Exploration
AUSTRALIA						
Skippy Rock-1	Carnarvon Basin, Permit WA-472-P	Oil	100.00	66.5	1,990	Exploration
Skippy Rock-1 Side track-1 (Stokes prospect)	Carnarvon Basin, Permit WA-472-P	Oil	100.00	66.5	2,340	Exploration

Notes:

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

Corporate Activities

Business Development

Proposal to Oil Search Limited

On 8 December 2015, Woodside informed Oil Search that it had withdrawn its conditional proposal to merge and confirmed that it was not pursuing any alternative transactions to combine the businesses.

Grassy Point LNG (British Columbia, Canada)

Woodside is progressing the Environmental Assessment process required under the Sole Proponent Agreement.

Finance Facilities

During the quarter, Woodside entered into two new revolving bilateral debt agreements totalling US\$350 million. The agreements have tenors of three and four years and will be used for general corporate purposes.

Preliminary 2015 income statement, line item guidance

The following numbers are provided as an indicative guide and are subject to external audit processes and Woodside Board approval of the 2015 Financial Statements.

- **Onerous lease provision**

A provision will be recognised in 2015 for remaining payment obligations under the Balnaves FPSO lease. The amount is anticipated to be in the range of \$120 million to \$140 million pre-tax (\$80 million to \$100 million after income tax and PRRT).

- **Depreciation, Depletion and Amortisation (DD&A)**

DD&A for 2015 is anticipated to be in the range of \$1,450 million to \$1,550 million. This is higher than the prior year largely due to the acquisition of the Balnaves oil asset.

- **Impairments of oil and gas properties**

Following the biannual review of the Company's asset values and reflecting lower short and long term oil price assumptions, impairment charges for full-year 2015 are anticipated to be in the range of \$1,000 million to \$1,200 million pre-tax (\$700 million to \$850 million after income tax and PRRT).

Impairments of asset values at 31 December 2015 will be considered by the Board prior to the release of the full-year results on Wednesday, 17 February 2016.

- **Petroleum Resource Rent Tax (PRRT)**

PRRT expense for 2015 is anticipated to be in the range of \$100 million to \$200 million. This includes the de-recognition of deferred tax assets (DTA) related to Pluto LNG of ~\$360 million (~\$250 million after income tax).

Dividend

Consistent with established practice, profit for the purpose of calculating the final dividend is expected to be adjusted for impairments and other one off material non-cash charges.

The final dividend is subject to Board approval.

2016 Production Outlook

Woodside's production target range for 2016 is 86 to 93 MMboe, comprising a product split of approximately 42% Pluto LNG, 25% NWS LNG, 14% NWS pipeline natural gas, 18% condensate, oil and LPG, and 1% Canadian pipeline natural gas.

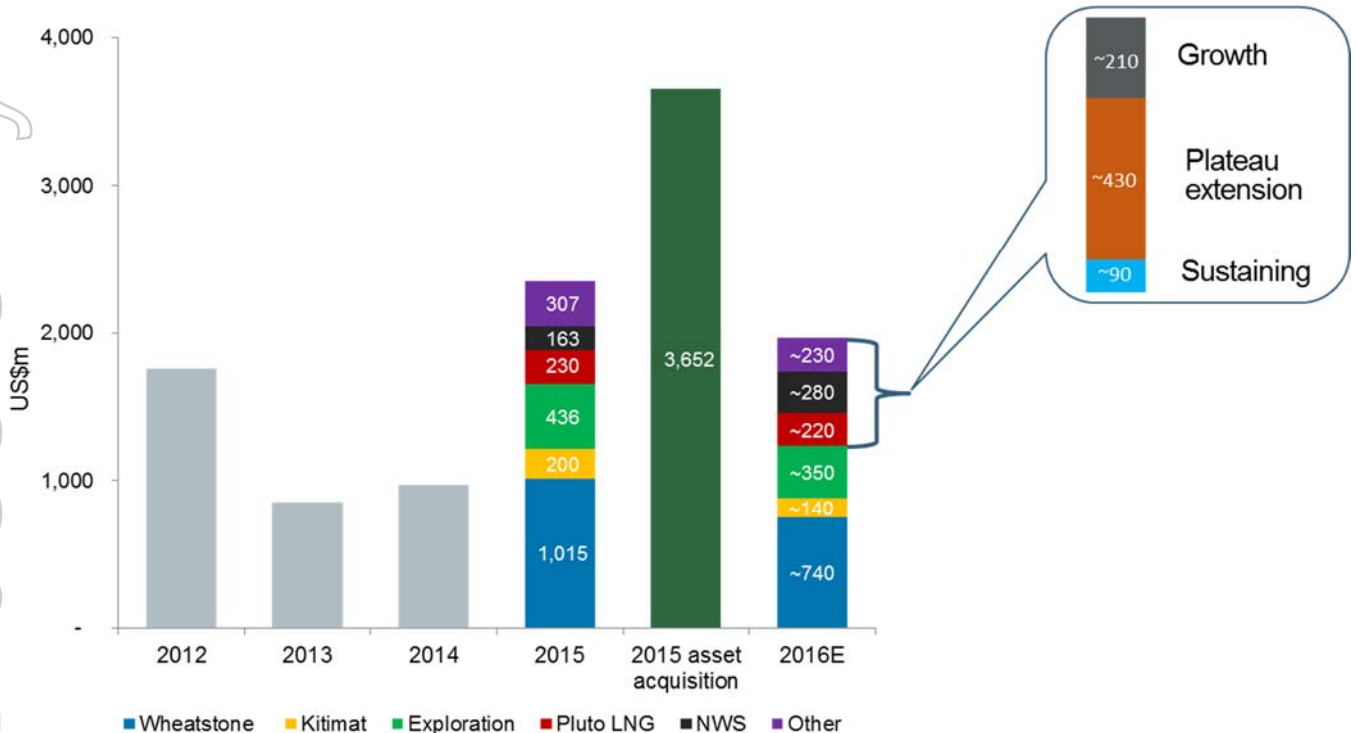
Relative to 2015, the main production differences expected in 2016 are:

MMboe

- | | |
|---|--------|
| • Pluto LNG – no planned turnaround in 2016 | ~2.5 |
| • Pluto LNG debottlenecking | ~1.2 |
| • Field decline across oil assets | ~(3.8) |
| • Asset sale and production cessation (Laminaria Corallina and Stybarrow) | ~(0.8) |
| • NWS pipeline natural gas – variance due to lower customer demand | ~(0.8) |

2016 Investment Expenditure Outlook

Woodside's total estimated investment expenditure (exploration and capital) for 2016 is expected to be approximately US\$1.96 billion (excluding post FID expenditure for Browse LNG).



- "Other" includes Australia Oil, Browse, International, Sunrise and Corporate.
- Chart includes capital, exploration and restoration expenditure and excludes capitalised interest.

2015 Full Year Results Webcast

The 2015 annual results, 2015 Annual Report and the associated investor briefing presentation will be available on Woodside's website at www.woodside.com.au on Wednesday, 17 February 2016. A media conference call will take place at 6.30am (AWST) on 17 February 2016 and a separate investor/analyst conference call will take place at 7.30am (AWST) on 17 February 2016. The conference calls will be streamed live to Woodside's website.

2015 Financial Report changes

Woodside intends to improve the content and presentation of its 2015 Financial Report adopting a streamlined reporting approach. The key benefits for readers will include increased segment reporting disclosures, increased relevance of information, improved readability and greater ease of navigation.

Annual General Meeting

In accordance with ASX Listing Rule 3.13.1, Woodside advises that its Annual General Meeting will be held in Perth, Western Australia on Thursday, 21 April 2016 at 10.00am (AWST).

Investor Briefing Day

Woodside advises that its 2016 Investor Briefing Day will be held in Sydney, New South Wales on Friday, 20 May 2016.

Site visit

Woodside advises that a Karratha site visit will be scheduled during the second half of 2016. The date will be advised by the end of April 2016.

Notes on Petroleum Resource Estimates

1. Unless otherwise stated, all petroleum resource estimates in this document are quoted as at the balance date (i.e. 31 December) of Woodside's most recent Annual Report released to ASX and available at www.woodside.com.au/Investors-Media/Annual-Reports, net Woodside share at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 deg Celsius).
2. Woodside reports reserves net of the fuel and flare required for production, processing and transportation up to a reference point. For offshore oil projects, the reference point is defined as the outlet of the floating production storage and offloading (FPSO) vessel, while for the onshore gas projects the reference point is defined as the inlet to the downstream (onshore) processing facility.
3. Woodside uses both deterministic and probabilistic methods for estimation of petroleum resources at the field and project levels. Unless otherwise stated, all petroleum estimates reported at the company or region level are aggregated by arithmetic summation by category. Note that the aggregated Proved level may be a very conservative estimate due to the portfolio effects of arithmetic summation.
4. 'MMboe' means millions (10⁶) of barrels of oil equivalent. Dry gas volumes, defined as 'C4 minus' hydrocarbon components and non-hydrocarbon volumes that are present in sales product, are converted to oil equivalent volumes via a constant conversion factor, which for Woodside is 5.7 Bcf of dry gas per 1 MMboe. Volumes of oil and condensate, defined as 'C5 plus' petroleum components, are converted from MMbbl to MMboe on a 1:1 ratio.
5. Unless otherwise stated all petroleum resource estimates refer to those estimates set out in the Reserves Statement in Woodside's most recent Annual Report released to the ASX and available at www.woodside.com.au/Investors-Media/Annual-Reports. All petroleum resource estimates related to acquired assets (net share of Wheatstone LNG Project, Balnaves oil interests and Kitimat LNG Project) are referred to in the 10 April 2015 ASX announcement titled "Woodside closes purchase of Apache interest in Kitimat Assets" available at www.woodside.com.au/Investors-Media/Annual-Reports. All petroleum resource estimates related to the Pyxis-1 discovery refer to those estimates and accompanying notes set out in the 19 August 2015 ASX Announcements.
6. The estimates of petroleum resources are based on and fairly represent information and supporting documentation prepared by qualified petroleum reserves and resources evaluators. The estimates have been approved by Mr Ian F. Sylvester, Woodside's Vice President Reservoir Management, who is a full-time employee of the company and a member of the Society of Petroleum Engineers. Mr Sylvester's qualifications include a Master of Engineering (Petroleum Engineering) from Imperial College, University of London, England, and more than 20 years of relevant experience.

CONVERSION FACTORS

(boe) = barrel of oil equivalent

(TJ) = terajoules

(bbl) = barrel

(MMBtu) = million British thermal units

(MMcfcg) = million cubic feet of gas

(t) = tonne

(Bcf) = billion cubic feet of gas

(kt) = thousand tonnes

Product	Factor	Conversion Factors*
Australian Pipeline Natural Gas	1TJ =	163.6 boe
Canadian Pipeline Natural Gas	1TJ =	172.0 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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