2007 Full-Year Results Briefing

Overview

Don Voelte, Managing Director and CEO
This presentation contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

All references to dollars, cents or $ in this presentation are to Australian currency, unless otherwise stated.

References to “Woodside” may be references to Woodside Petroleum Ltd. or its applicable subsidiaries.
Financial overview

- **Production:** 70.6 MMboe, up 4%
  - extending upward trend since 2004

- **Annual revenue:** $4,004 million, up 5%
  - includes discontinued operations
  - extending upward trend since 2003

- **Cashflow:** $2,967 million, up 26%
  - increased sales volumes and commodity prices
  - extending upward trend since 2003

- **Underlying NPAT:** $1,182 million, down 15% due to:
  - adverse AUD/USD movement
  - higher exploration expenses and
  - increased depreciation and amortisation
  - outweighing benefits of both higher production and commodity prices
Projects progressing

- **Pluto** – construction underway for planned start-up end 2010
- **Enfield** – performance slightly exceeded expectations
- **Stybarrow** – strong first production
- **Neptune** – commissioning
- **Vincent** – FPSO preparing to leave Singapore
- **Angel** – jacket installed, pipelines under construction, topsides ready for tow
- **NWSV T5** – hook-up and commissioning
- **Otway** – production resumed in February
Outstanding LNG sales achieved

LNG market remaining firm

- Pluto SPAs with Kansai Electric and Tokyo Gas
- Pluto foundation customers have become joint venture participants
- All 8 original NWSV customers renewed long term LNG commitments
- NWSV: further agreements with Kogas and Tohoku Electric
- KTAs signed with PetroChina and CPC Corporation

SPA: Sales and Purchase Agreement
KTA: Key Terms Agreement – sets the key commercial terms, including price, for good faith negotiations.
Our performance

Health and Safety

- 2003: 15.3 million man-hours
- 2007: 32.2 million man-hours

Environment

* Other incidents include dark smoke emissions, chemical spills, exceeding a turbidity limit and incorrectly following conditions of approval for a seismic survey.
Reserves: Replacement Ratio of 334%*

Reserve additions of 108MMboe**

* Proved + Probable, 3 year rolling average
** Proved + Probable
Financial Results

Mark Chatterji, Executive Vice President and CFO
## Profit variance: key significant items

The table below details the variance in results for the years 2007 and 2006:

<table>
<thead>
<tr>
<th>Variance in results</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit after tax (NPAT)</strong></td>
<td>$m</td>
<td>$m</td>
</tr>
<tr>
<td>Underlying NPAT</td>
<td>1,182</td>
<td>1,396</td>
</tr>
<tr>
<td><strong>Significant items</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of Kipper assets</td>
<td>-</td>
<td>31</td>
</tr>
<tr>
<td>Sale of Legendre assets</td>
<td>57</td>
<td>-</td>
</tr>
<tr>
<td>Sale of PNG assets</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Sale of Jahal assets</td>
<td>16</td>
<td>-</td>
</tr>
<tr>
<td>Sale of Mauritanian assets</td>
<td>(233)</td>
<td>-</td>
</tr>
<tr>
<td><strong>NPAT as reported</strong></td>
<td>1,030</td>
<td>1,427</td>
</tr>
</tbody>
</table>

**Strategic focus: non-core assets divested**
Reported profit – key drivers

Drivers:
exchange rate, DD&A, exploration write off, loss on discontinued operations outweighed increased production and commodity prices
Full year dividend of 104 cents, maintaining past payout ratio of 60% on underlying profit.

* Dividend yield = total yearly dividend / share price at year end x 100%.
Up 26% largely due to increased sales volumes and commodity prices
5% increase resulted from both higher production and commodity prices which outweighed the adverse AUD/USD exchange rate movement.

* Includes revenue contribution from Mauritania
Production

Continuing the upward production growth trend since 2004

- 2004: 57.4 MMboe
- 2005: 59.7 MMboe
- 2006: 67.9 MMboe
- 2007: 70.6 MMboe
Maintaining competitive lifting costs

Gas lifting costs increased:
due to higher maintenance costs at NWS onshore and offshore

Oil lifting costs fell:
as Enfield production contribution increased … despite increased costs from full year operation of Enfield and Stybarrow start up

*excluding FPSO leasing costs
Managing costs – in a challenging environment

Finding Cost (US$/boe)*

Finding & Development Cost (US$/boe)*

Corporate Costs (US$/boe)

Production Cost (US$/boe)

*3 year rolling average

Histogram bars for our peer group are from JS Herold, based on 2006 data as 2007 results are not yet available. Red bars indicate Woodside’s 2006 ranking. Woodside 2007 figures (red arrows) are internally calculated. Whilst effort has been made to align calculations, method may differ slightly from JS Herold.
...And managing our gearing levels

Indicative gearing at US$60-90 / bbl

Gearing below 15%, down from 26% in 2006

DRP suspended for the 2007 final dividend
Investing in our future

Significant expenditure on Pluto during 2008

E = estimated
2008 production expected to be 80-86 MMboe

Range does not yet include acquisition of Shell NWS oil equity.*

*Transaction subject to standard approvals. 2008 outlook is to be updated after completion of transaction.
International

Americas

Gulf of Mexico
- Production from 19 fields in 2007
- Neptune and Powerplay: 2008 start-up
- Woodside resumed management of WEUSA

Oceanway
- US Deepwater Port permit application accepted
- Expect decision by Q3 2009

Brazil
- Potential for 1-2 wells 2008/2009

Asia

Korea
- Plan ~3,500 km 2D seismic block 6/8-1N

Africa
- Assets in Mauritania sold
- Rest of portfolio under review
Australia Oil

**NWSV**
- Agreement to purchase Shell’s NWS oil assets
- Oil fields’ life extension

**Enfield**
- Currently producing ~35,000 – 40,000 bopd
  - ENA-01 to be sidetracked, production expected late Q2
  - ENA-02 currently choked back
  - ENA-03 currently producing ~18,000 bopd

**Stybarrow** (BHPB operated)
- Since November 2007, averaged 75,000 bopd

**Vincent Project**
- 1st manifold start-up late Q2
- 2nd manifold start-up planned Q4 2008

**Laminaria Corallina**
- Corallina appraisal well to be drilled Q2
- Corallina riser to be replaced in Q3

49% of our 2007 revenue

expect increase in 2008
Pipeline Natural Gas
- NWS prices firming
- Otway producing

NWS LNG
- Delivered 206 cargoes in 2007 (inc 8 spot)

Projects
NWSV Train 5
- Hook-up and commissioning underway
- On schedule for first LNG by Q4 2008

Angel
- Jacket launched, topside fabrication underway
- On track for start-up Q3 2008

NR2
- Final investment decision planned 1H 2008
Pluto LNG Project

- **Approved** July 2007 ($12 billion)

- **Construction underway**
  - Plant site, LNG and condensate storage tanks
  - Rock art moved without damage or incident

- **Additional Pluto reserves booked 2007**
  - 0.9 Tcf gas + 10 MMbbl condensate from additional volumes not covered by contracts

- **Spare capacity for spot market or contracts**
  - Expected production 4.3 mtpa
  - 15 year contracts for up to 3.75 mtpa
Pluto – designed for expansion

- Pluto-2 will be engineered for FID by end 2008 for potential RFSU 2012
- Timing of FID depends on securing gas
  - Exploration
  - 3rd party
- Construction of Train1 will facilitate expansion
- Pluto-3 could follow shortly after
  - Subject to securing gas

Pluto 2 – target FID by end 2008
Sunrise LNG Development

CEO Summit in January 2008

- Partners aligned to move forward: ‘this is the year we need to be moving out on Sunrise’ (J Mulva, CEO CoP)
- Resources sufficient for viable development
- Expect rapid progress towards concept select and FID

Our targets:

- FID in 2009
- RFSU as early as 2013
Woodside will:

- Accelerate concept select this year
- Lead joint marketing
- 2009: lodge field development plan with governments
- 2010: anticipate FID
- 2013 – 2015: RFSU
We have the energy...

Woodside has enviable energy resources

>98% of these volumes are in Australia

- Production
- + Proved Reserves
- + Probable Reserves
- + Contingent Resources

Reserves/Production ratio

Woodside 2007
- 334%

Histogram bars are from JS Herold, based on 2006 data as 2007 results are not yet available. Red bar indicates Woodside's 2006 ranking.

Woodside 2007 figures (red arrow) are internally calculated. Whilst effort has been made to align calculations, method may differ slightly from JS Herold.

And we are looking to the future, beyond existing assets

*3 year rolling average

Histories bars are from JS Herold, based on 2006 data as 2007 results are not yet available. Red bar indicates Woodside's 2006 ranking. Woodside 2007 figures (red arrow) are internally calculated. Whilst effort has been made to align calculations, method may differ slightly from JS Herold.
We have the experience...

Shipping: With more than 2,400 cargoes delivered from a fleet of nine ships, Woodside has an enviable track record in deliveries.

Modular LNG: Having set a new standard in LNG train design and construction, Woodside will use the same approach for Pluto.

Operations: Over almost two decades, we have established an exemplary LNG capability at the Karratha gas plant, whilst maintaining an excellent safety and environmental record.

Exploration: Woodside's exploration success has provided organic growth for the company for many years.

Gas Field Development: We developed the North Rankin gas and condensate field over 20 years ago and the Goodwyn gas and condensate field 1964. They are both still producing today.

Approvals: Woodside carried out a number of surveys and studies as part of the process of obtaining environmental and heritage approvals for the construction of the Pluto LNG plant.

Pipelines: Woodside uses a combination of divers and remotely operated vehicles to check and maintain subsea equipment such as pipelines.

Platforms: The Angel platform was launched from a barge to stand on the seabed. It weighs over 7,000 tonnes and is over 90 metres high.
We have the capability...

People

Investment in graduate and apprentice training over many years

and technology

Leading Australian application of cutting edge technology, such as 4D seismic
...and we have the drive

We have a clear aspiration, the right assets, the right people and the right attitude

to deliver growth and value to our shareholders
<table>
<thead>
<tr>
<th>Well Name</th>
<th>Location</th>
<th>Target</th>
<th>Result</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>GC246-1</td>
<td>GoM Deepwater</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>41.67%</td>
</tr>
<tr>
<td>Pomboo-1</td>
<td>Kenya</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>30.00%</td>
</tr>
<tr>
<td>B1-NC206</td>
<td>Libya Onshore</td>
<td>Oil &amp; Gas</td>
<td>Unsuccessful</td>
<td>45.00%</td>
</tr>
<tr>
<td>Sculptor-3</td>
<td>Carnarvon</td>
<td>Gas</td>
<td>Unsuccessful</td>
<td>15.78%</td>
</tr>
<tr>
<td>C1-NC206</td>
<td>Libya Onshore</td>
<td>Oil &amp; Gas</td>
<td>Unsuccessful</td>
<td>45.00%</td>
</tr>
<tr>
<td>A1-35/3</td>
<td>Libya Offshore</td>
<td>Oil &amp; Gas</td>
<td>Unsuccessful</td>
<td>55.00%</td>
</tr>
<tr>
<td>MU803</td>
<td>GoM Shelf</td>
<td>Gas</td>
<td>Unsuccessful</td>
<td>75.00%</td>
</tr>
<tr>
<td>A1-36/2</td>
<td>Libya Offshore</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>55.00%</td>
</tr>
<tr>
<td>A1-53/2</td>
<td>Libya Offshore</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>55.00%</td>
</tr>
<tr>
<td>Lady Nora-1</td>
<td>Carnarvon</td>
<td>Gas</td>
<td>Commercial Success *</td>
<td>15.78%</td>
</tr>
<tr>
<td>A1-52/4</td>
<td>Libya Offshore</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>55.00%</td>
</tr>
<tr>
<td>Glenridding-1</td>
<td>Laverda Stybarrow</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>50.00%</td>
</tr>
<tr>
<td>Corona Del Mar</td>
<td>GoM Deepwater</td>
<td>Oil</td>
<td>Suspended</td>
<td>14.25%</td>
</tr>
<tr>
<td>B1-NC209</td>
<td>Libya Onshore</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>45.00%</td>
</tr>
<tr>
<td>Blicoso</td>
<td>Carnarvon</td>
<td>Gas</td>
<td>Unsuccessful</td>
<td>100.00%</td>
</tr>
<tr>
<td>A1-NC207</td>
<td>Libya Onshore</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>45.00%</td>
</tr>
<tr>
<td>Norbil</td>
<td>Carnarvon</td>
<td>Gas</td>
<td>Unsuccessful</td>
<td>45.94%</td>
</tr>
<tr>
<td>Ixion-1</td>
<td>Carnarvon</td>
<td>Gas</td>
<td>Top hole drilled - yet to complete</td>
<td>50.00%</td>
</tr>
<tr>
<td>Terrebonne</td>
<td>GoM Deepwater</td>
<td>Oil</td>
<td>Unsuccessful</td>
<td>39.60%</td>
</tr>
<tr>
<td>Snarf-1</td>
<td>Browse</td>
<td>Gas</td>
<td>Top hole drilled - yet to complete</td>
<td>25.00%</td>
</tr>
<tr>
<td>Calthorpe-1</td>
<td>Carnarvon</td>
<td>Oil</td>
<td>Top hole drilled - yet to complete</td>
<td>60.00%</td>
</tr>
</tbody>
</table>

102 metre gross gas column *
Planned exploration 2008

<table>
<thead>
<tr>
<th>Well Name</th>
<th>Location</th>
<th>Title</th>
<th>Target</th>
<th>% Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ixion-1*</td>
<td>Carnarvon</td>
<td>WA-370-P</td>
<td>Gas</td>
<td>50</td>
</tr>
<tr>
<td>Snarf-1*</td>
<td>Browse</td>
<td>WA-275-P</td>
<td>Gas</td>
<td>25</td>
</tr>
<tr>
<td>Calthorpe-1*</td>
<td>Carnarvon</td>
<td>WA-271-P</td>
<td>Oil</td>
<td>60</td>
</tr>
<tr>
<td>Nereus</td>
<td>Carnarvon</td>
<td>WA-28-P</td>
<td>Gas</td>
<td>15.78</td>
</tr>
<tr>
<td>Cordelia</td>
<td>Carnarvon</td>
<td>WA-370-P</td>
<td>Gas</td>
<td>50</td>
</tr>
<tr>
<td>Deimos</td>
<td>Carnarvon</td>
<td>WA-370-P</td>
<td>Gas</td>
<td>50</td>
</tr>
<tr>
<td>Lambert West</td>
<td>Carnarvon</td>
<td>WA-16-L</td>
<td>Gas</td>
<td>15.78</td>
</tr>
<tr>
<td>Razorback</td>
<td>Otway</td>
<td>T/30P T/34P</td>
<td>Gas</td>
<td>51.55</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Libya</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-5 wells</td>
<td>Onshore</td>
<td>EPSA III</td>
<td>Oil / Gas</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brazil</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panoramix</td>
<td>Brazil Offshore</td>
<td>S-M-674</td>
<td>Gas</td>
<td>25</td>
</tr>
</tbody>
</table>

* Top holes drilled during first half 2007. Rig is planned to return to drill bottom holes in 2008.
Woodside’s Mauritanian assets, which were sold in Dec. 2007, are considered ‘discontinued operations’ under accounting standards. The table below sets out the derivation of net profit after tax for the discontinued operations in Mauritania for 2007 and 2006.

<table>
<thead>
<tr>
<th>Mauritanian contribution – discontinued operations</th>
<th>2007 A$M</th>
<th>2006 A$M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil &amp; gas revenues</td>
<td>162.9</td>
<td>334.9</td>
</tr>
<tr>
<td>EBITDAX</td>
<td>111.8</td>
<td>263.2</td>
</tr>
<tr>
<td>Exploration and evaluation expensed</td>
<td>(8.3)</td>
<td>(42.1)</td>
</tr>
<tr>
<td>Depreciation and amortisation expensed</td>
<td>(88.6)</td>
<td>(98.8)</td>
</tr>
<tr>
<td>Net finance income/(costs)</td>
<td>(19.5)</td>
<td>(19.8)</td>
</tr>
<tr>
<td>Income tax expense before significant items</td>
<td>(1.2)</td>
<td>(37.5)</td>
</tr>
<tr>
<td><strong>NPAT before significant items</strong></td>
<td><strong>(5.8)</strong></td>
<td><strong>65.0</strong></td>
</tr>
</tbody>
</table>