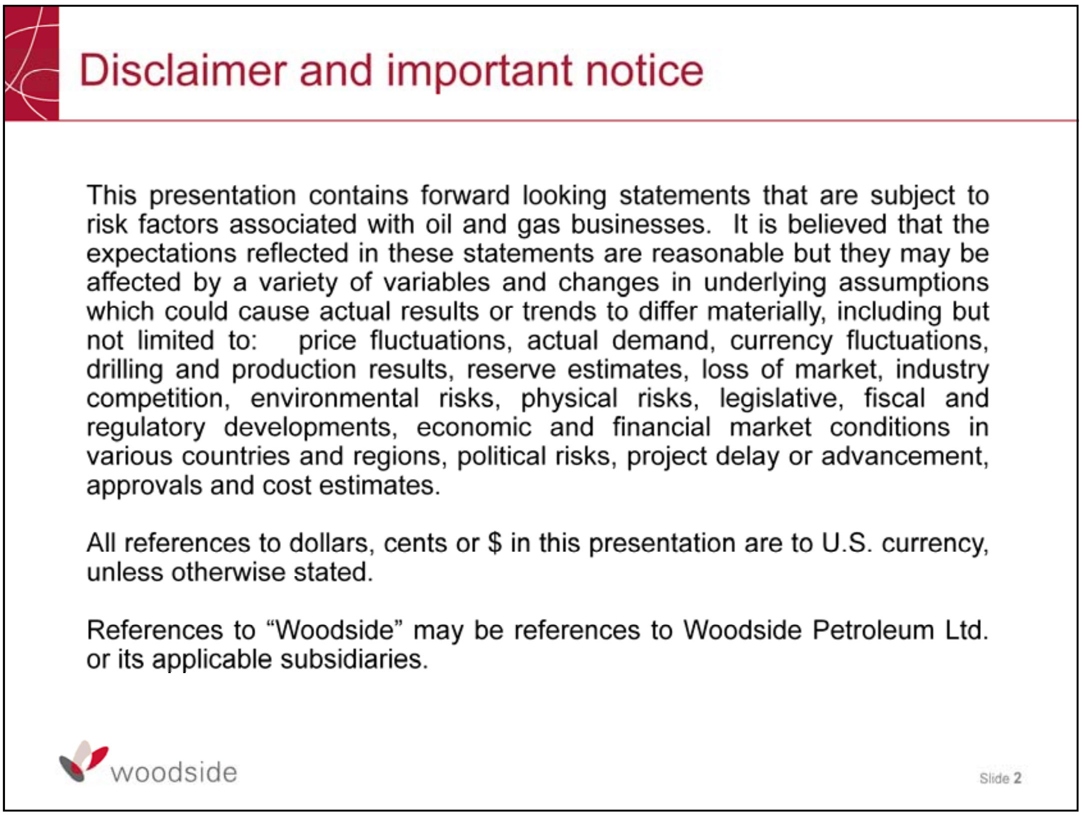
Good morning all and welcome to our 2011 Half-Year Results briefing, my first for Woodside. Once again we appreciate everyone calling in today and we appreciate your continued interest in Woodside.

Sharing the conference call today is Lawrie Tremaine, our CFO.

Slide 2.



I would like to draw your attention to our normal disclaimer.

And another reminder that any dollars in this presentation are US dollars, unless otherwise noted.

Slide 3.

Woodside strategy

Delivery of sustained growth in shareholder value through operation and development of our portfolio of world class assets.

1) Foundation Business:

- **NWS**: Reliable operation of multiple assets provides capacity for growth
- **Australian Oil**: Actively pursuing growth options with exploration and potential tie-backs to existing infrastructure

2) Growth:

- **Pluto LNG Train 1**: cargoes estimated to commence in March 2012
- **Pluto expansion**: leveraging Pluto footprint for growth
- **Browse and Sunrise**: world class projects being advanced

3) Opportunities:

- Select new opportunities that leverage our capabilities
- World leading operator and partner for safety, reliability and efficiency

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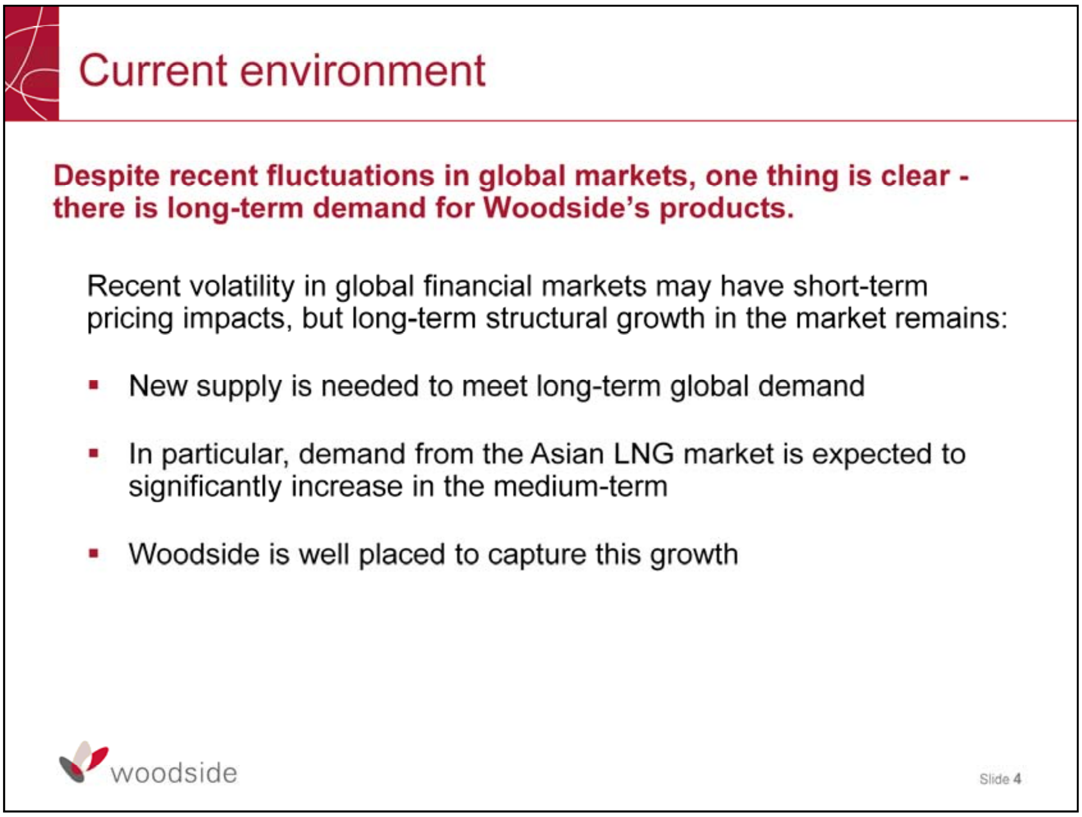
Slide 3

Before we get into the financial details today I want to remind you of Woodside's strategy.

The strategy should be familiar to most of you, but it's important we keep this in mind as we talk about our business activities.

We will continue to focus on long-term shareholder value as we deliver across our foundation business, LNG growth and the select opportunities currently being evaluated. I say "select opportunities" as we will be examining each opportunity in a robust and disciplined manner.

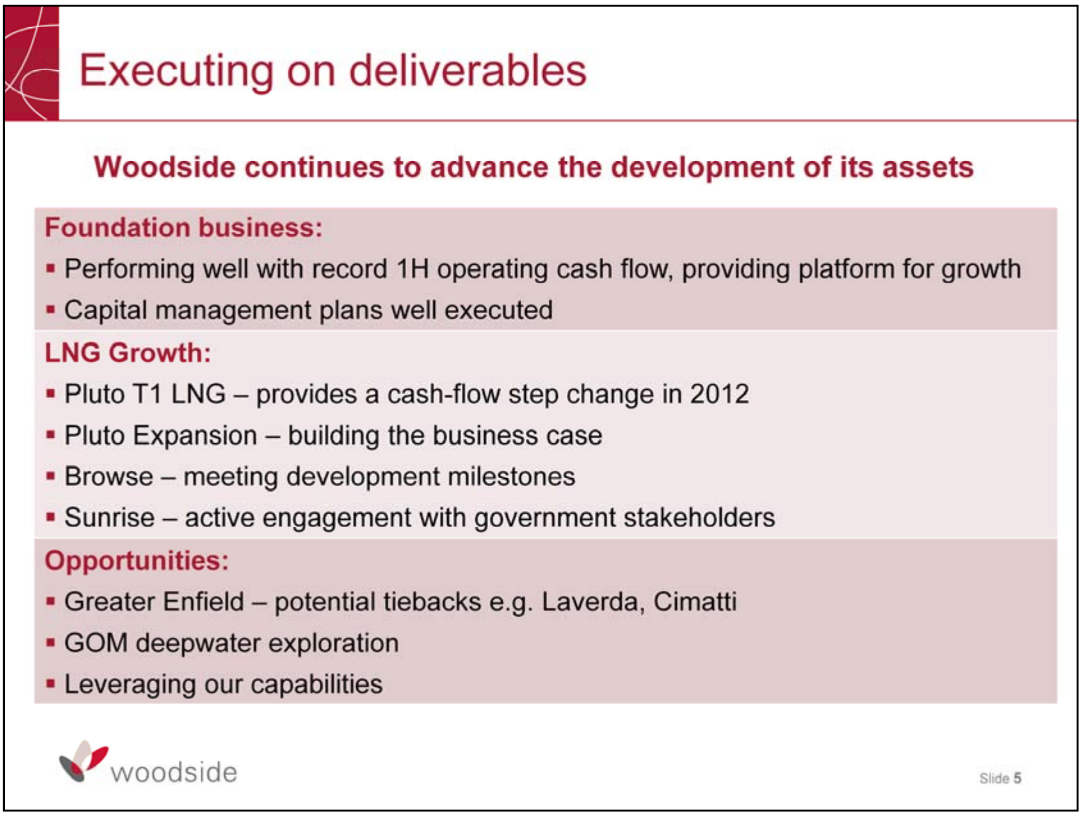
Slide 4.



We have a strong business with real cash flows and we believe the outlook for commodities over the long-term is robust.

New supply is required to meet long-term energy demands and despite the recent fluctuations in global markets, it is quite clear there is long-term demand for the products that Woodside supplies.

Slide 5.



Let me make it quite clear that we need to focus on execution if we are to realise the full potential of our three value horizons.

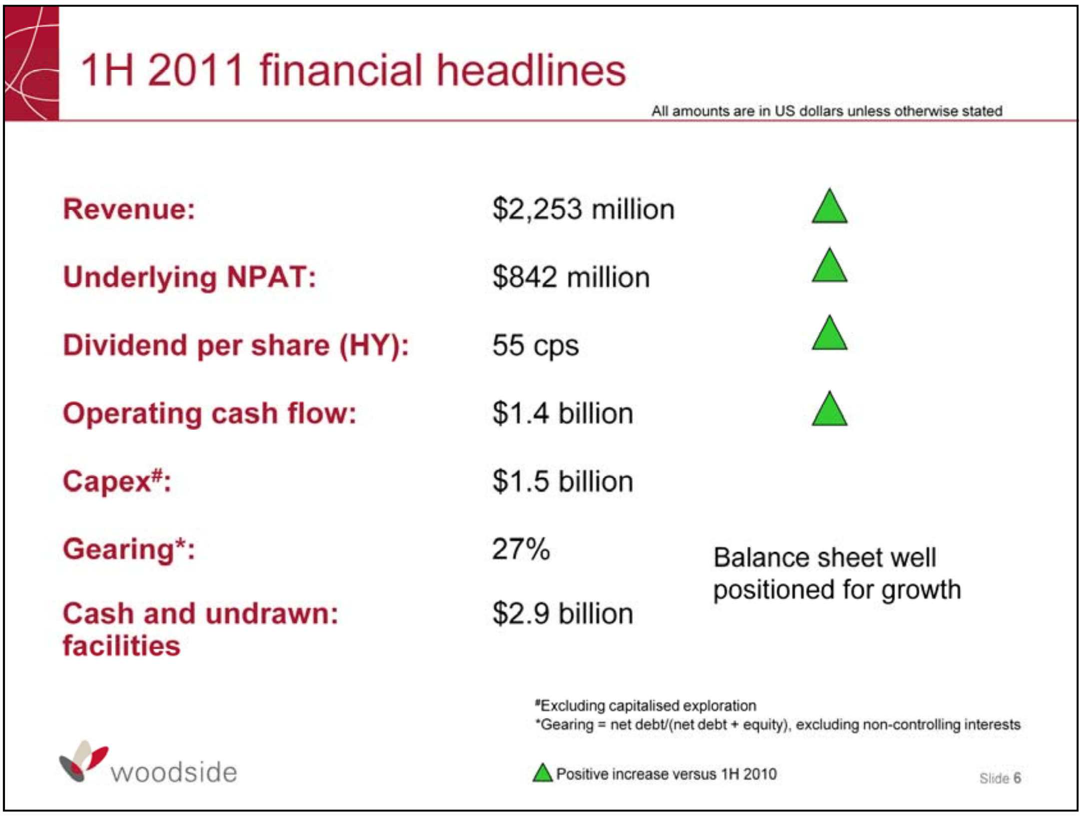
Our ability to execute well is evident at the North West Shelf where five LNG trains have been installed and are operating with high reliability. This strong performance delivered a record first-half revenue for the North West Shelf.

But its not just operational execution – earlier this year Woodside issued a $700 million bond which was very well supported in the market. Lawrie will talk more about capital management later on.

These activities underpin and provide the momentum for Woodside to pursue its LNG growth options as shown on the slide.

But its not just all about LNG. We continue to look at other value adding opportunities with Australian oil and the Gulf of Mexico, plus other opportunities that leverage our capabilities.

Slide 6.



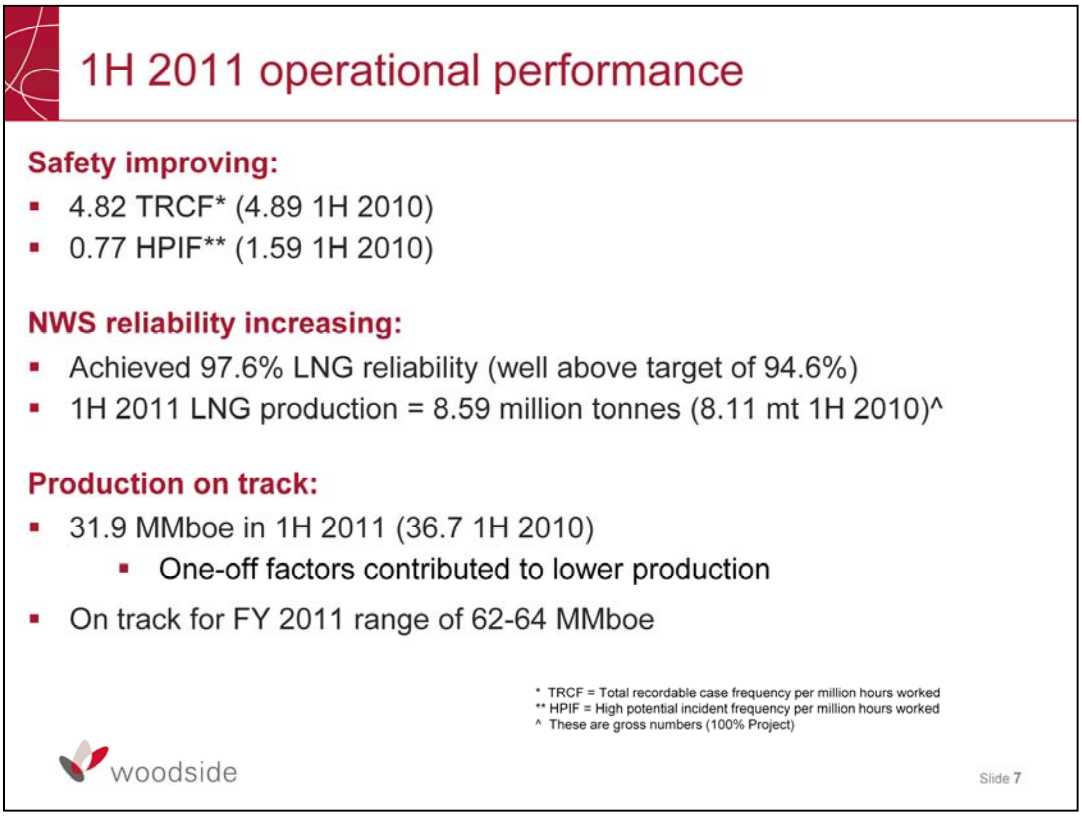
Today's financial results highlight the ongoing strength of the company's base business.

First-half 2011 revenue rose 7.2% compared to the previous corresponding period.

The underlying profit increased 3.6% and was underpinned by the strong performance of the North West Shelf and higher revenues.

With our operating cash flow covering the majority of our investment spend, coupled with around $2.9 billion of cash and undrawn facilities, we are well positioned for growth.

Slide 7.



Our focus on operational excellence continues to deliver outstanding results.

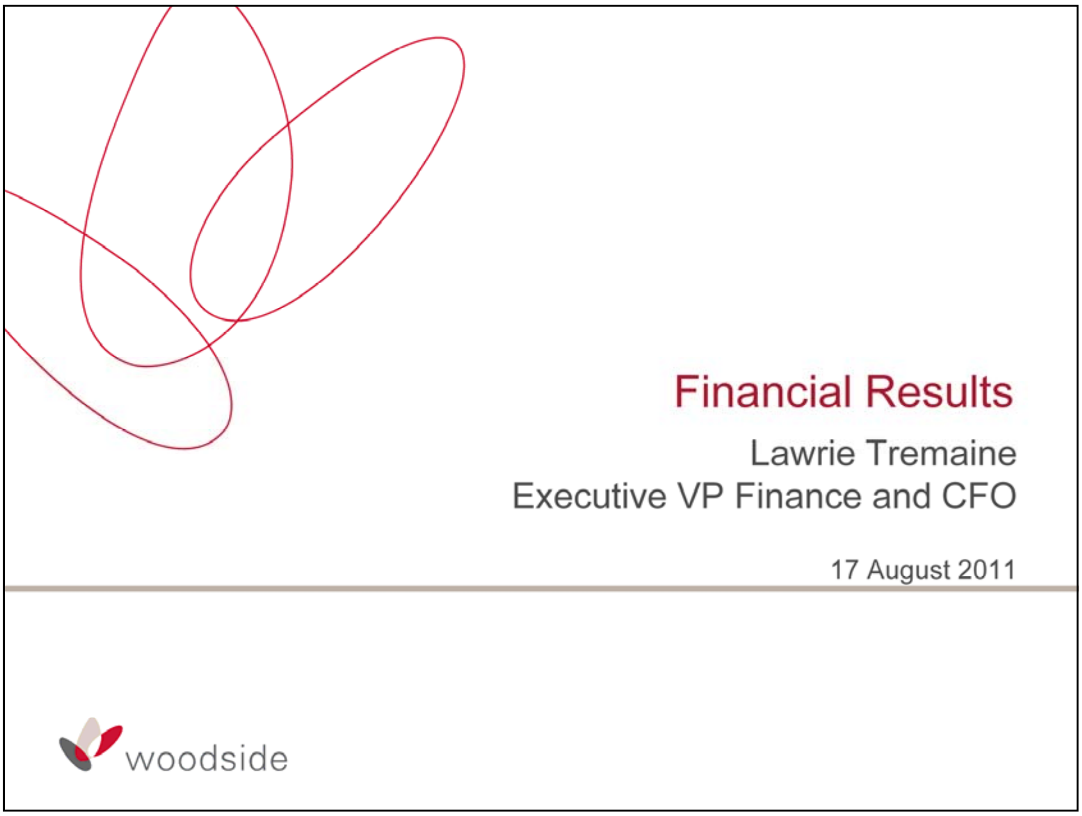
While our safety numbers improved in the first-half, we still need to strive for further improvement.

Our focus on reliability at the North West Shelf (NWS) Project continues to reap benefits, which is translating to the bottom line.

Our solid first-half production keeps us on track to achieve our 2011 full-year target of 62-64 MMboe.

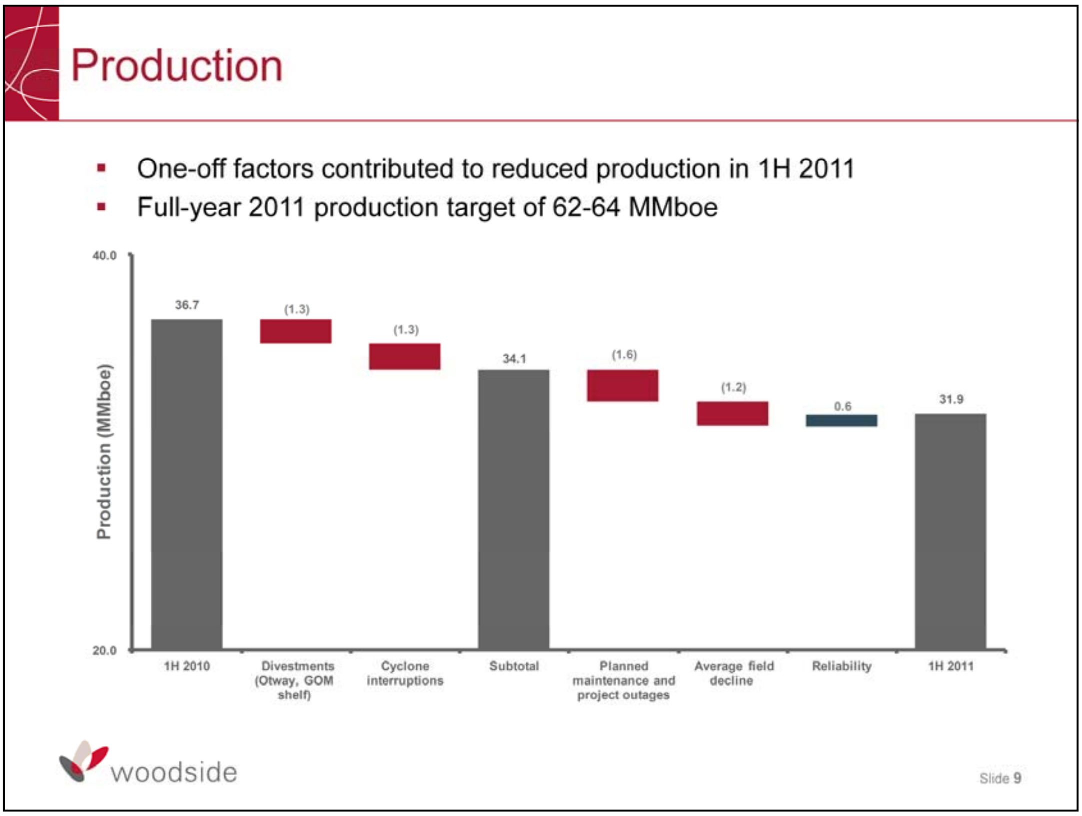
Now, I'll hand over to our CFO, Lawrie Tremaine, to take us through the financial results.

Slide 8.



Thanks Peter, and good morning to everyone.

I'm going to review our 2011 half-year results beginning with production on slide 9.



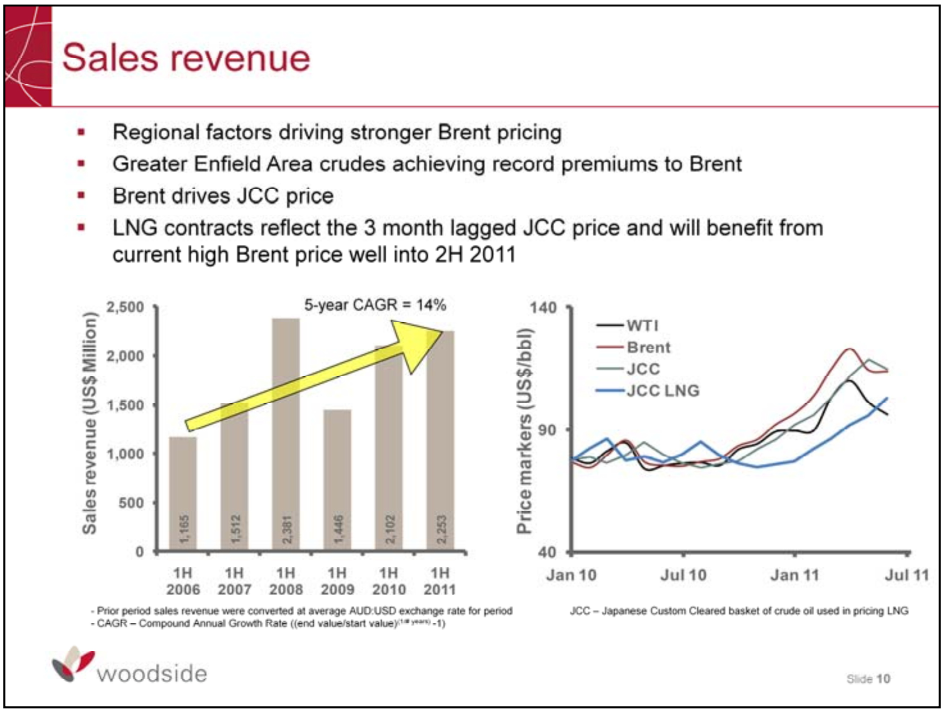
Production for the first-half of 2011 was 31.9 MMboe, down 13%.

After adjusting for the one-offs of the sale of Otway and the unusually high level of cyclone and other weather interruptions, production was 6% lower year-on-year.

Increased North West Shelf LNG production, which was 7% higher than the first-half of 2010, has partially offset the impact of field decline and planned maintenance and project outages.

Our full-year production outlook remains within the 62 to 64 MMboe range disclosed previously.

Now to Sales Revenue on Slide 10.



Sales revenue for the first half was $2.3 billion. This represents a 7% increase over that of the first-half in 2010. Our revenues have grown at a very creditable, compound annual growth rate of 14%, over the period shown on the left hand chart.

Not surprisingly, stronger oil prices were the primary reason for this very positive result, more than offsetting the impact of lower volumes. Average daily Brent prices were $111.30/bbl in the first-half of 2011, 42% higher than the first-half of 2010.

Woodside's oil is typically sold off Dated Brent. In 2011, we have benefited from the regional supply and demand forces which have resulted in stronger Brent prices, relative to WTI.

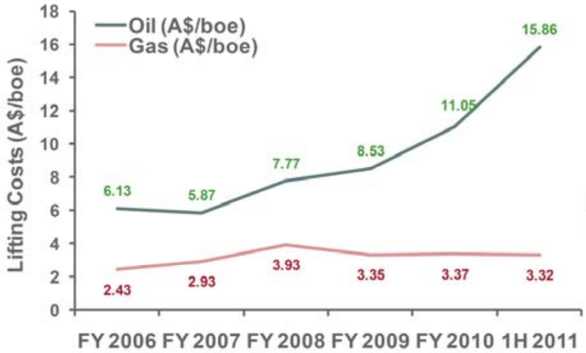
In addition, we have also achieved significant premiums over Dated Brent for our heavy Greater Enfield Area crudes. These premiums are as a consequence of strong Asia Pacific demand for gasoil. In the first half we have achieved average premiums from the Enfield and Stybarrow fields of US$6/bbl over Dated Brent.

The chart on the right shows the relationship between the WTI, Brent and Japan Custom Cleared prices. Also shown is the 3 month lagged Japanese Custom Cleared price, which is typically referenced in long-term LNG contract pricing. There are a couple of points to note from this chart. Firstly, the JCC price correlates closely to Brent pricing with a one month lag. Our LNG prices will benefit from the stronger Brent prices relative to WTI. Secondly, due to LNG contracts referencing the 3 month lagged JCC, the strong oil prices experienced in the first half will be reflected in our realised LNG prices well into the second half of this year.

Next, Lifting Costs on Slide 11.

Lifting costs

	1H 2011	1H 2010
Total Lifting costs (A$ millions)	193	193
Gas Lifting costs (A$ millions)	78	84
Oil Lifting costs (A$ millions)	115	109



Oil lifting costs

- Cost increase of A$6 million together with lower volumes (planned maintenance, cyclones and field decline) raised per unit cost to A$15.86/boe

Gas lifting costs

- Cost decrease of A$6 million together with higher reliability (which lifted production) has driven per unit cost lower to A$3.32/boe

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Lifting costs = production costs (excluding insurance, third party gas and FPSO lease costs) / production
Ohanet Risk Sharing Contract derived volumes and cost are excluded

Slide 11

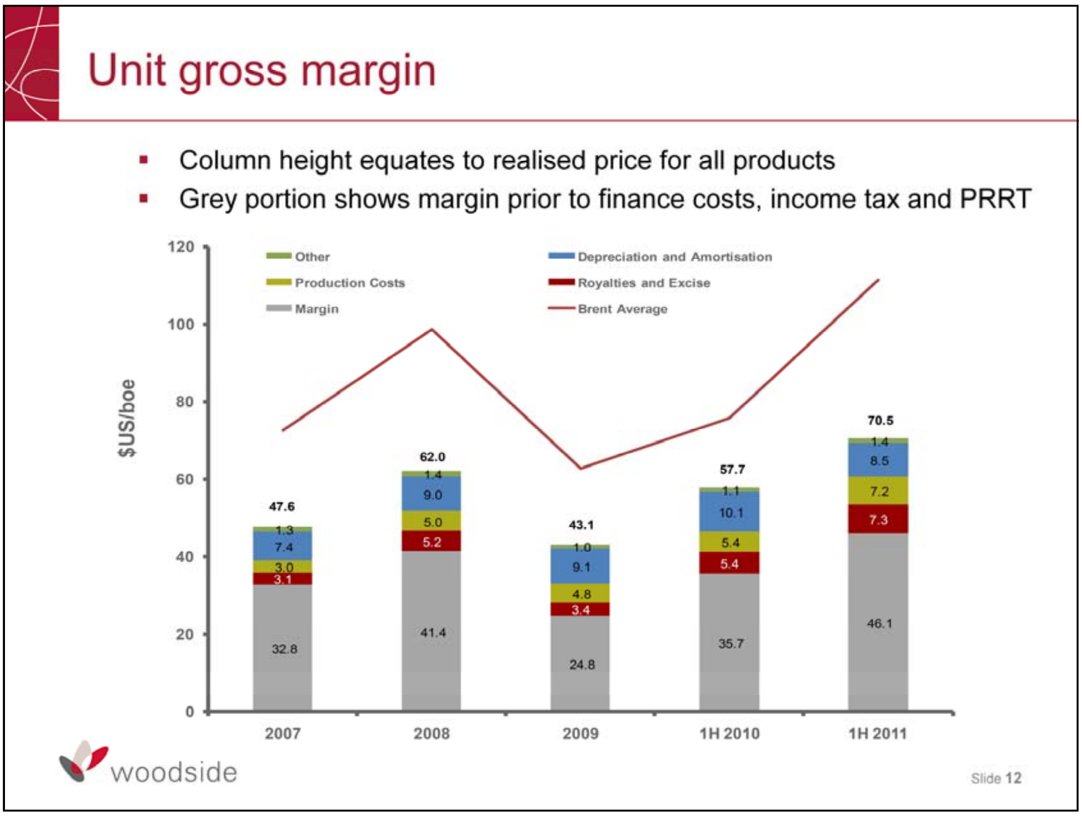
In the table at the top of the slide you can see our total lifting costs, in Australian dollars, have remained flat when compared to the same period last year.

Oil lifting costs increased by A$6 million to A$115 million. This increase, along with lower production, mainly due planned maintenance, cyclone activity and field decline, has resulted in an increase of oil lifting costs to A$15.86 per barrel.

Gas lifting costs reduced A$6 million to A$78 million in first-half 2011. This was a very good result and together with incremental production growth, has enabled us to sustain and further improve the flat gas lifting cost trend of the past few years.

With major shut downs at NWS Train 5 and North Rankin A, we expect higher unit gas lifting costs in the second half.

Moving on to Unit Margins on Slide 12.



The height of the columns in this chart represents our average realised price per barrel, across all products, and the bottom grey section of the columns represent the Gross Margin per barrel. The chart highlights that our unit margins have been increasing, largely in line with oil prices.

Our unit Gross Margin for the first half of 2011 was $46/bbl compared to $36/bbl in the first-half 2010.

Slide 13.

Underlying profit

- 1H 2010 profit was boosted by the Otway asset sale and a lower effective tax rate
- After adjusting for significant items, the 1H 2011 underlying profit was 3.6% higher than the prior year

	1H 2011	1H 2010
	$M	$M
Reported NPAT	828	901
Significant items after tax:		
Coniston impairment	(14)	-
Gain on sale of Otway	-	149
Gain on adoption of US functional currency*	-	71
Neptune impairment	-	(92)
USA deferred tax asset write down	-	(40)
Deduct subtotal of significant items after tax	(14)	88
Underlying NPAT (before significant items)	842	813

*Functional currency impact due to restatement of deferred tax balances

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Slide 13

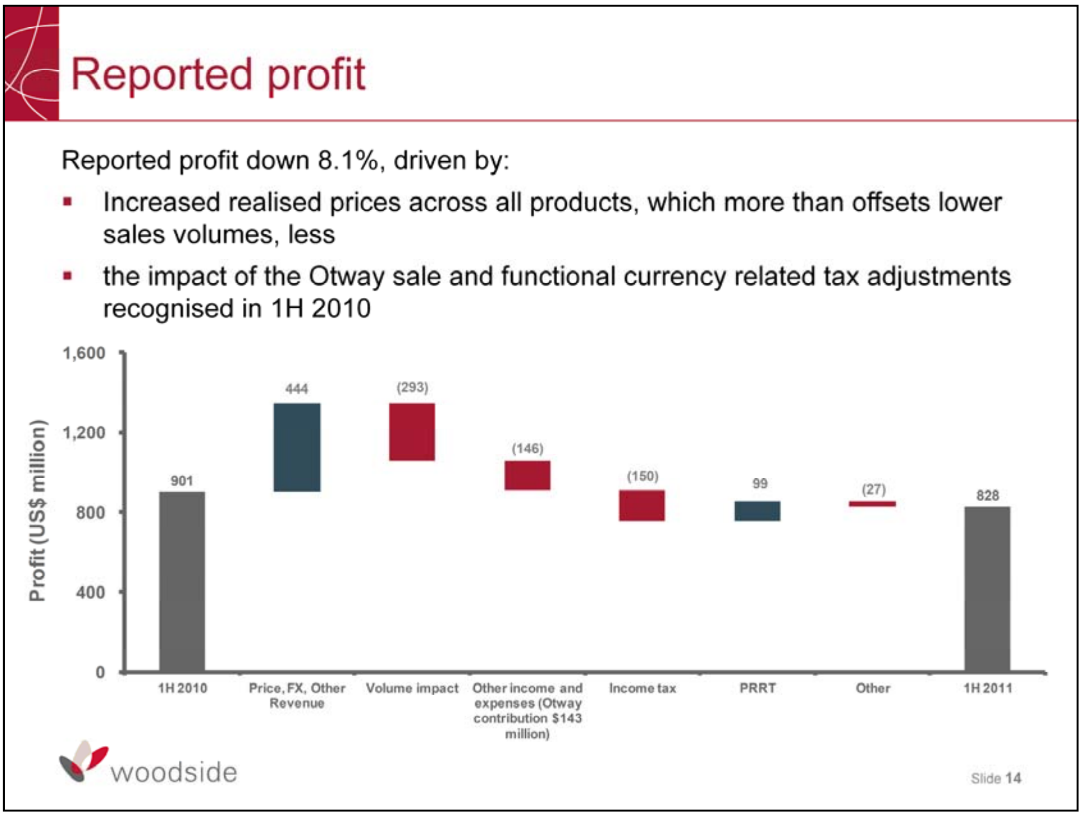
Our first-half 2011 underlying profit was a very pleasing result, reflecting good operational performance, which Peter will discuss in more detail, and strong oil prices which I have discussed at length already.

The underlying profit was $842 million, a 3.6% increase on the $813 million recorded in the first half of 2010.

In first-half 2010, we had net significant items of $88 million after tax. These were reported last year, but to recap, they included; the gain on sale of Otway and a positive once off adjustment to deferred tax liabilities on adoption of the USD functional currency; offset by the impairment of the Neptune asset and the write back of US tax losses.

The only significant item in the first half of 2011 is the $14 million impairment of the Coniston asset.

Turning to Reported Profit on Slide 14.

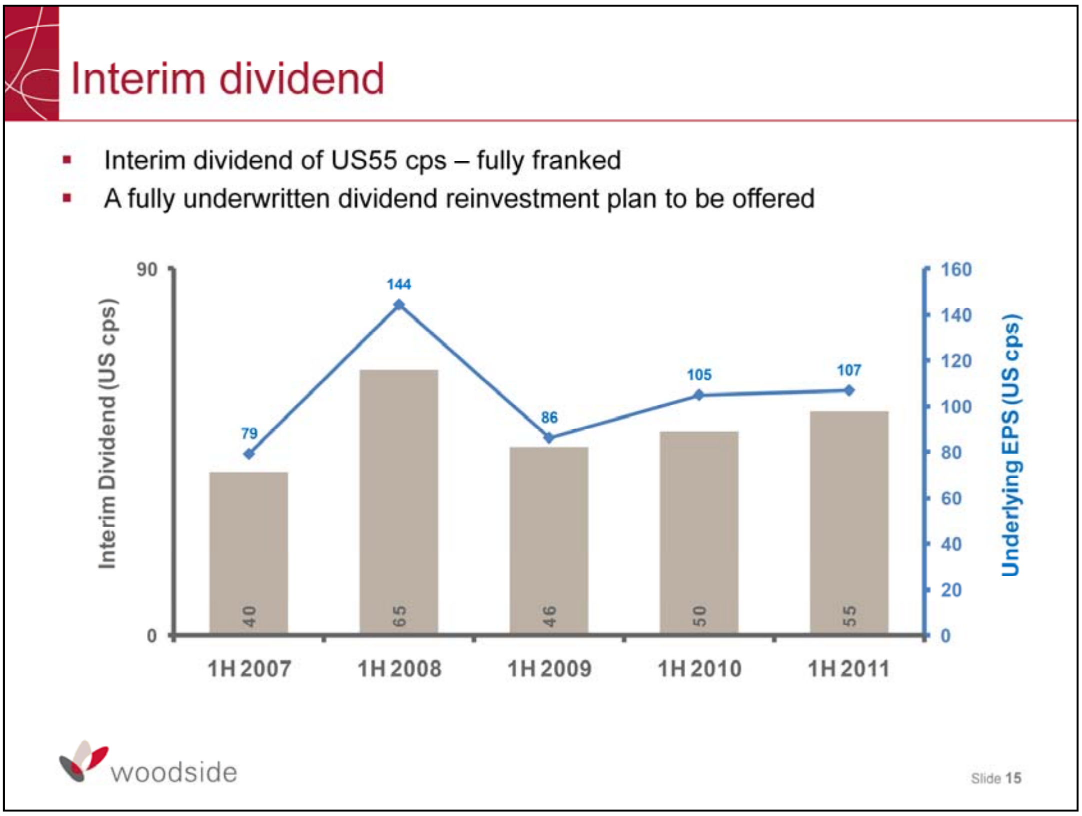


You can see from the waterfall, higher selling prices partially offset by lower volumes are the major drivers of the result between the two periods.

The variance in other income in expense is predominantly the gain on sale of Otway from 2010.

Once again, the adoption of the USD functional currency in 2010 resulted in once off adjustments to deferred tax liabilities, positively impacting income tax and negatively impacting Petroleum Resource Rent Tax.

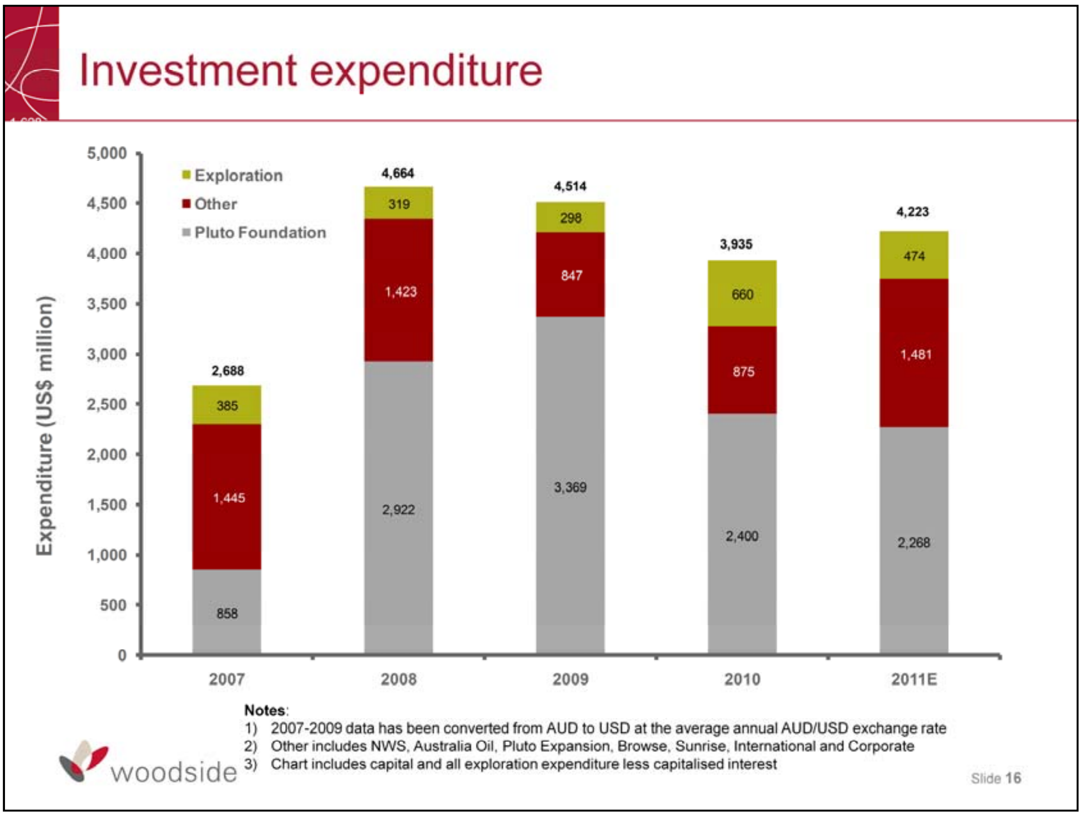
Dividends on Slide 15.



The Directors have declared a fully franked interim dividend of US55 cents per share. This compares to the 2010 interim dividend of US50 cents per share and the 2010 final dividend of US55 cents per share.

The dividend reinvestment plan will again be offered and will be fully underwritten for this interim dividend.

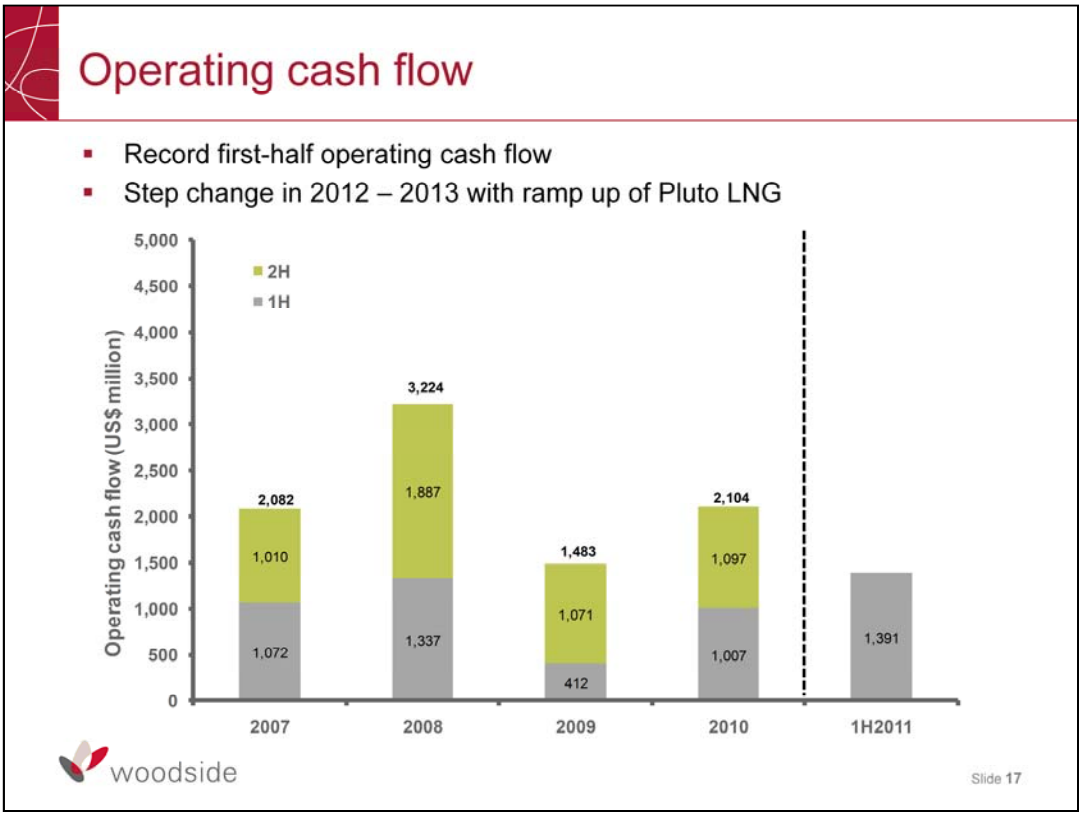
Now to investment expenditure on Slide 16.



The chart on slide 16 shows our current estimate of 2011 capital and exploration expenditure. The Pluto foundation project continues to dominate our expenditures, representing over 50% of forecasted 2011 spending. The increasing “other” category represents higher spending in 2011 on the Browse project, particularly front-end engineering and design and expenditure on other growth projects across our business.

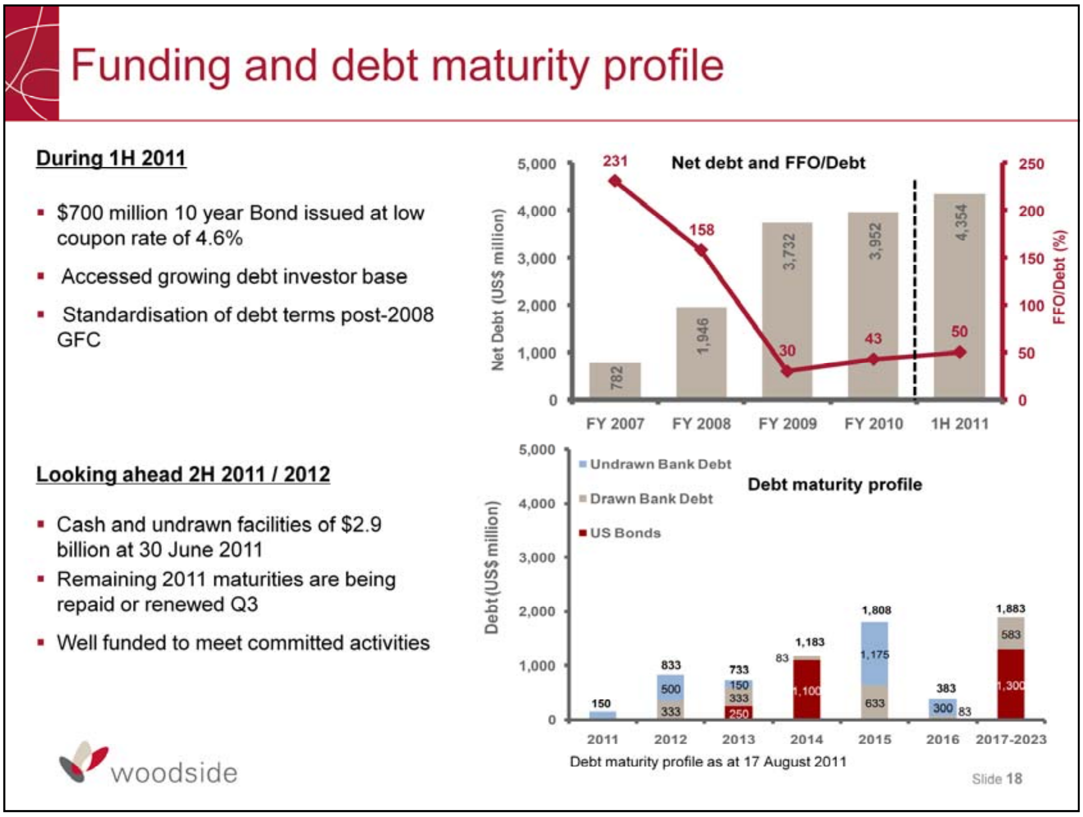
As reported in the second quarter report our year-to-date investment expenditure was US$1.8 billion.

To operating cash flow on Slide 17.



The operating cash flow result reinforces the great first half we have had. $1.4 billion represents a record first half result and a 38% increase on the first-half of 2010. This result is largely due to higher selling prices and lower income tax and Petroleum Resource Rent Tax payments.

And finally to capital management on Slide 18.



Net debt has increased by $402 million in the first half of 2011 to almost $4.4 billion. Gearing is at 27% and Funds from Operations over Debt is 50%. The latter is a key metric the credit rating agencies use to measure our leverage. Through the balance of the Pluto development phase, we are targeting a Funds from Operations over Debt of above 35%.

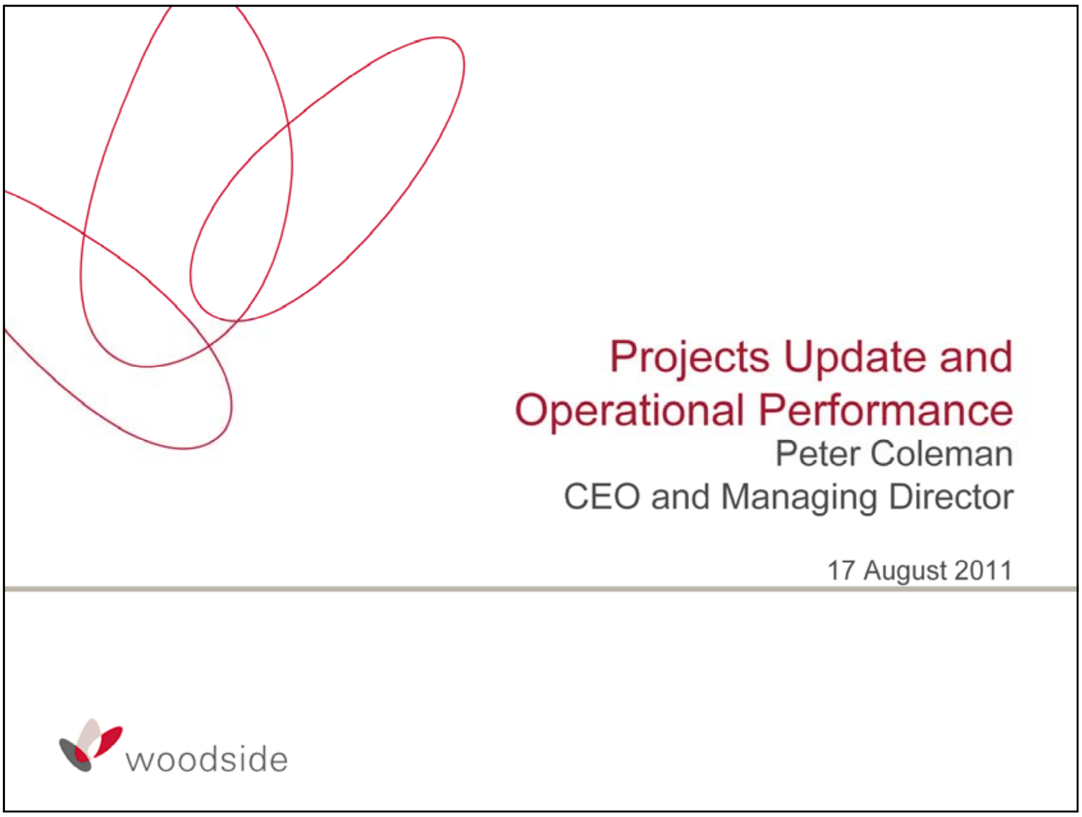
During the first half we successfully raised $700 million in the corporate bond market. This transaction was satisfying in so far as the credit spread we paid over US treasury rates better reflected the inherent quality of our existing cash flows and the imminent growth in cash flows from Pluto. We also accessed a broader debt investor base than in earlier transactions.

We finished the first half with cash and undrawn debt facilities of $2.9 billion. This is adequate funding to meet existing commitments well into 2012, given current oil price and exchange rates.

Our balance sheet remains well positioned to fund our continuing growth.

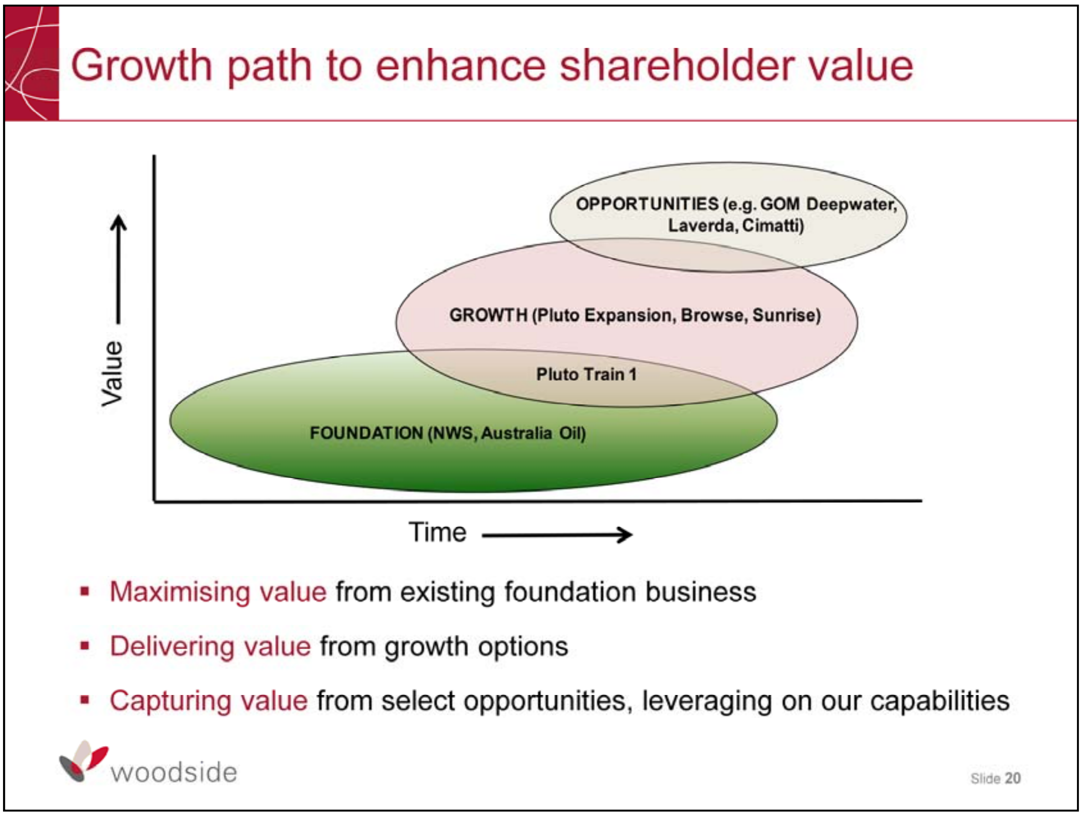
Thanks for listening, I will now pass you back to Peter, to discuss our projects and operational performance.

Slide 19.



Thanks Lawrie.

Slide 20.



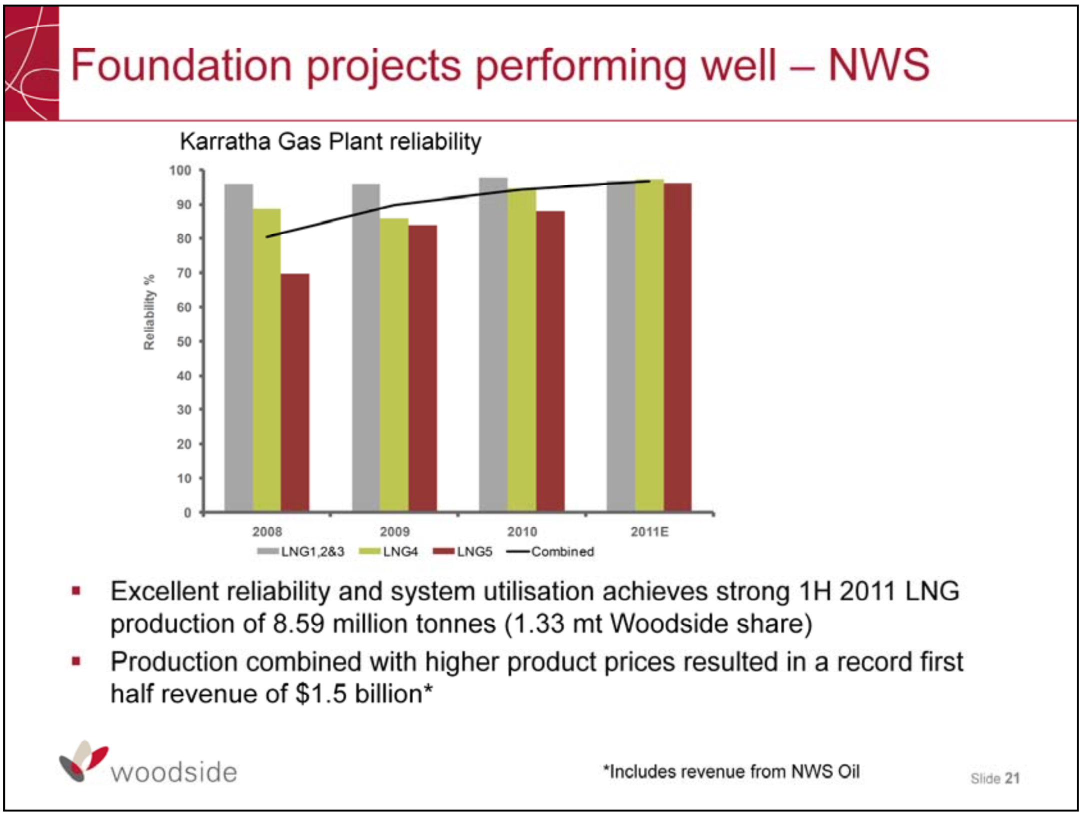
We often don't spend enough time talking about the strength of Woodside's base business – in terms of priority, I can assure you that my team is very focused on maximising value from these great assets.

Our base business grows significantly next year, with Pluto adding production and cash flow to those generated by NWS and the Australia oil business.

Our tier-one LNG growth options include Pluto expansion, Browse and Sunrise. We have large equity stakes in these projects and this means we have additional options. Through a disciplined approach and robust processes we will deliver value from the LNG growth options over the medium to longer term.

The quality of our LNG growth options won't have us ignore other opportunities outside of LNG, which can provide future value and enhance our portfolio. These opportunities may include Laverda, Cimatti and the Gulf of Mexico deepwater. We are also planning to drill an exploration well offshore South Korea this year. There is plenty going on.

Slide 21.



The North West Shelf Project continues to be a strong and proven performer for Woodside with excellence in production and utilisation. The chart shows how reliability has improved over the past four years. This strong performance has delivered a first-half revenue record of around $1.5 billion Woodside share and continues to provide about two-thirds of our revenue.

Our key priority is to sustain safe and reliable production. Consequently, an ongoing maintenance program is essential to retain continued reliability. In the second half of 2011, our planned maintenance program has concurrent shut-downs scheduled for LNG Train 5 (around 35 days) and the North Rankin A offshore platform (around 20 days).

Slide 22.

Maximising value by extending NWS production

North Rankin Redevelopment Project

- Extends North Rankin and Perseus supply
- Compression enables recovery of 5 Tcf gas (100% project)
- Utilises existing NWS infrastructure hub
- On budget and schedule for completion 2013

NWS Oil Redevelopment Project

- Okha FPSO first oil estimated for Oct' 2011
- Extends NWS oil production beyond 2020
- Remaining 2P reserves of around 90 MMbbl (100% project)

Greater Western Flank

- Maintaining gas supply into the next decade
- Phased development with first phase a subsea tieback to the Goodwyn platform
- FID targeted for 2012

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Slide 22

On this slide we outline three projects that are designed to extend North West Shelf production and maximise the value of this existing infrastructure hub.

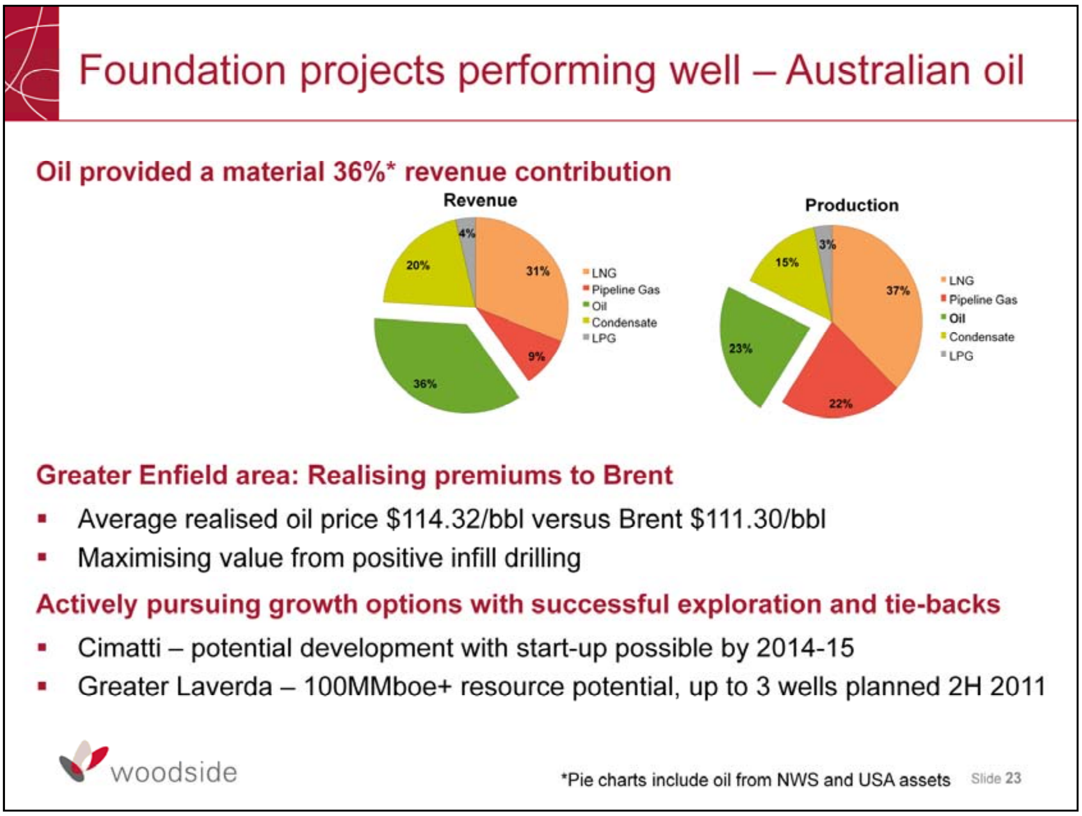
The North West Shelf Oil Redevelopment Project will extend production well into the next decade. The critical path subsea work is complete and we are on-track for first oil in October.

The North Rankin Redevelopment Project will unlock low pressure gas at the North Rankin and Perseus fields in order to supply gas for decades to come.

A bit further down the track the phased development of the Greater Western Flank will also provide additional gas supply. This project reminds us that sometimes the best opportunities are those found closest to home.

Phase 1 FEED studies for a subsea tie-back of the Tidepole and Goodwyn GH fields to the Goodwyn platform, are currently underway.

Slide 23.



We're often seen as an LNG company these days, but take a look at the revenue chart and you'll be reminded just how important oil remains to our business. I should point out that the large green slice of the pie-chart represents all of our oil assets, including NWS oil and our share of Neptune in the USA.

As Lawrie mentioned, Woodside continues to sell cargoes at very attractive pricing benchmarked off Brent with the Greater Enfield area a stand-out performer. Our strategy here is to maximise value from the existing operations while reducing the typical oil decline profile by extending production through infill drilling and near-field exploration.

I certainly see a strong continuing role in our business for oil especially with new opportunities like Laverda and Cimatti. Beyond these there are other attractive exploration targets.

Slide 24.

LNG growth - Pluto LNG Train 1

Onshore

- Commissioning gas safely introduced to onshore plant
- Gas turbine generators started up, providing electrical power to site

Offshore

- Trunkline, pipelines and flowlines pressurised with commissioning gas
- Commissioning gas safely flared through the platform

First LNG cargo estimated March 2012

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Slide 24

We announced a revision of our cost and schedule forecast on 17 June - our first cargo is now estimated for March 2012 and the project cost has risen to A$14.9 billion (100% project).

With LNG projects it is important to take a long-term view. Pluto is an attractive project underpinned by 15-year sales contracts with additional uncontracted gas volumes and room to expand.

Now to slide 25.

Pluto commissioning progressing

PROJECT ELEMENT	2007	Current
Pluto and Xena reserves (dry gas)*	3.89 Tcf	4.84 Tcf
Estimated total investment**	A$12 billion	A$14.9 billion

OFFSHORE COMMISSIONING	COMPLETION DATE
Trunkline, pipelines and flowlines pressurised with commissioning gas	May 2011 ✓

ONSHORE COMMISSIONING	COMPLETION DATE
Commissioning gas enters plant	March 2011 ✓
1st gas turbine generator provides power to site	March 2011 ✓
Central control room handed over to production team	June 2011 ✓
Replacement flare towers in-place with risers	July 2011 ✓
Jetty, storage and loading	Q4 2011
Common user facilities, ready for use	Q4 2011
Liquefaction train	Q1 2012
First LNG cargo	**March 2012**

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* Proved + probable reserves 100% project ** 100% project including pre-FID spend and includes arrangements with customers affected by the delay

Slide 25

As you can see from the slide our 2P reserves have increased since FID, which will add value over the longer term.

The first-half milestones are listed on this slide. Good progress is being made. Over the ensuing months the focus will be on commissioning the onshore LNG plant to ensure a safe and reliable start-up with first cargoes estimated for March 2012.

Slide 26.

Leveraging Pluto footprint for growth

Building business case for LNG expansion

- **Equity gas**
  - Building volumes, but additional work required
  - Forward program includes additional exploration and appraisal work
  - Focused on delivering value
- **Other Resource Owner gas**
  - Discussions are active and maturing

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Slide 26

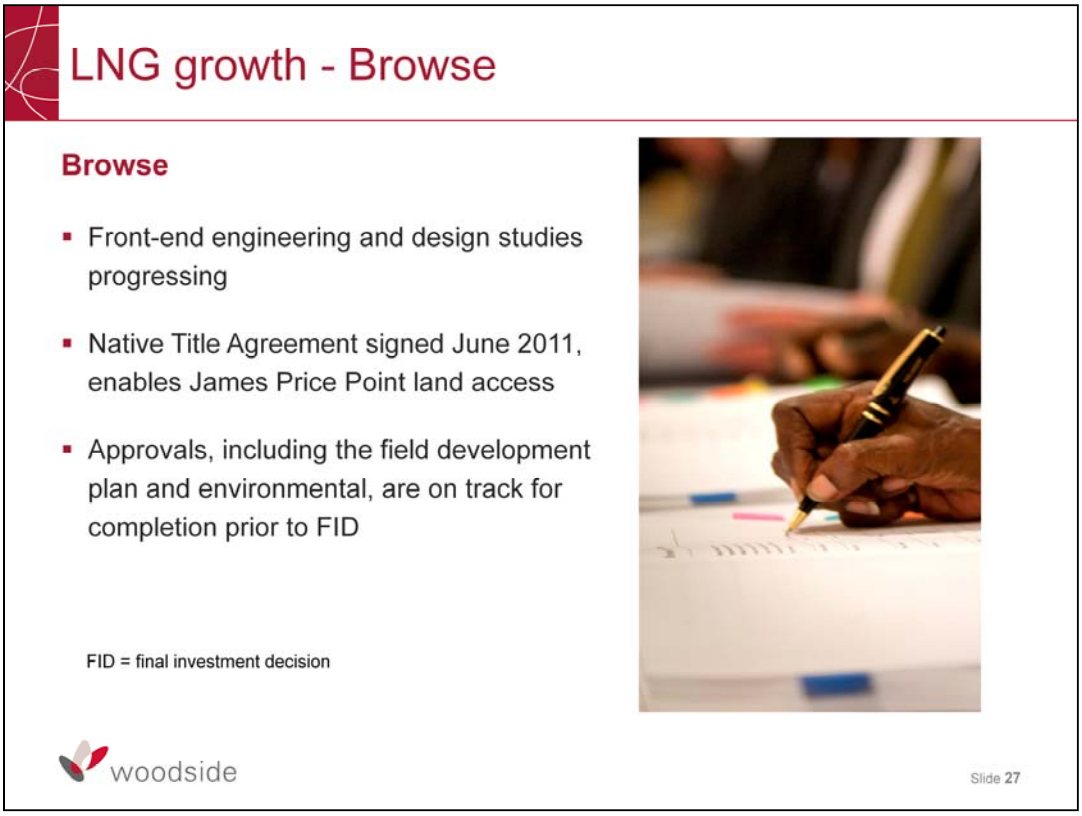
We are progressing the business case for our expansion options, but haven't reached a decision on ordering Long Lead Items.

Expansion options include both equity gas and other resource owner gas.

On the equity side volumes are building, but additional work is required.

Other Resource Owner discussions are active and maturing and we are pleased with the progress.

Slide 27.



Aside from Pluto expansion we are pursuing two other LNG growth options. First, with Browse, FEED studies got underway at the start of the year.

FEED studies plus environmental and field development plan approvals are progressing.

We make no secret of the fact that Browse has a tight and challenging schedule, however we continue to target to be ready to make a final investment decision by mid-2012, in line with our retention lease conditions.

Slide 28.

LNG growth - Sunrise

Sunrise

- Actively re-engaging with Timor-Leste and Australian governments
- Potential to provide Timor-Leste with significant revenue and opportunities for training, jobs, social investment and local content

Hydrocarbon volumes apportioned to Australia 81.9%, Timor-Leste 18.1%

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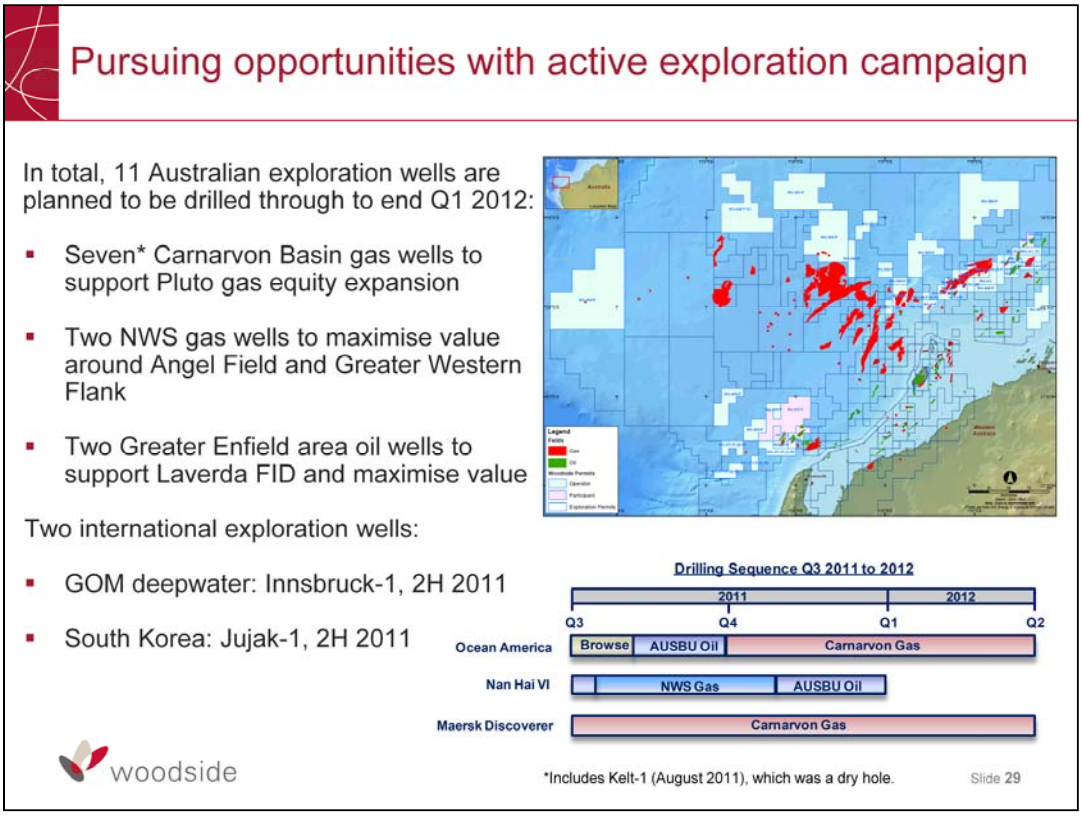
Slide 28

With regard to Sunrise, we are actively re-engaging with Government stakeholders. Sunrise is an attractive project, which has the potential to provide Timor-Leste with significant revenue and opportunities for training, jobs, social investment and local content.

Slide 29.



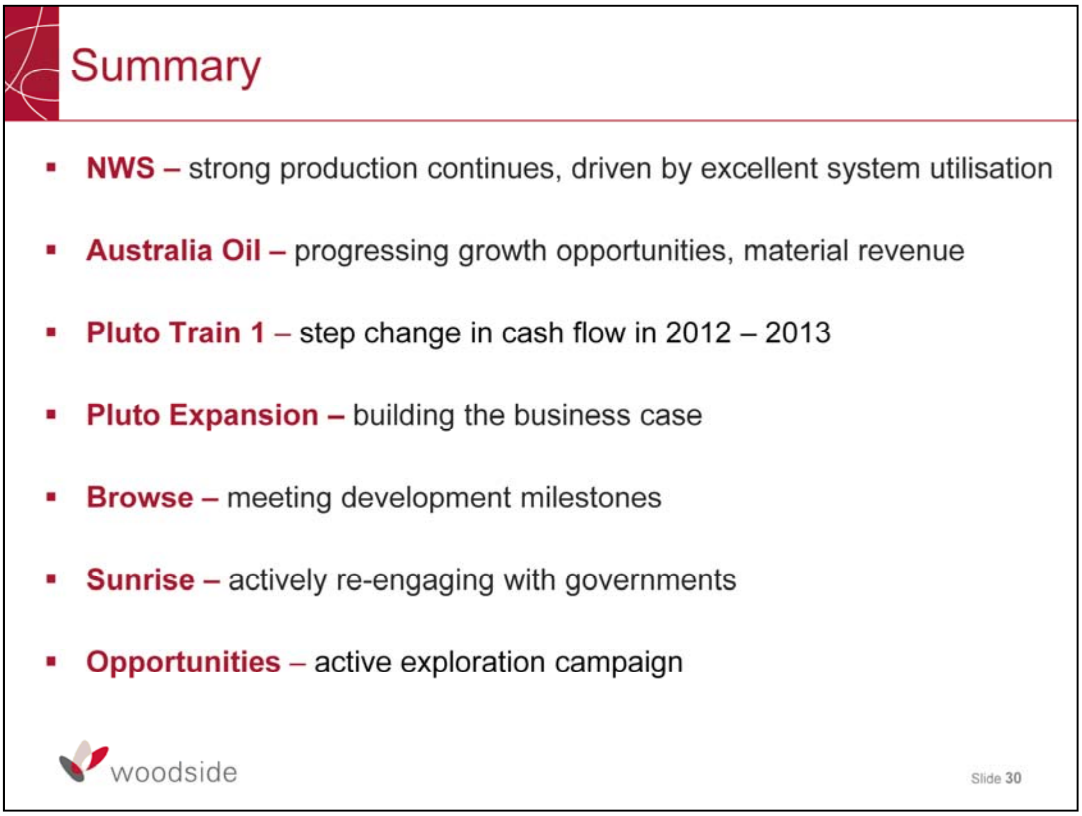
We've already talked about the foundation business and our LNG growth projects. We now turn to an additional area of activity, which is focused on capturing value from other opportunities, including exploration.

Our leased drilling rigs will be busy again in the second half of the year as we continue to explore for gas in the Carnarvon Basin. We will also be drilling two exploration wells at the North West Shelf, together with two wells to support Laverda.

Internationally, we will be drilling an exploration well in offshore South Korea (Jujak-1), plus the resumption of drilling of the Innsbruck-1 well, which was impacted by the Gulf of Mexico deepwater drilling moratorium in 2010.

We will only pursue opportunities that make sense. The key here is to look at select, value-add opportunities.

Slide 30.



To summarise, it's all about value.

We have a clear strategy and a clear focus on delivering long-term shareholder value. We have a strong underlying business with real cash flows and capacity for growth.

Despite the recent fluctuations in global markets we will continue to focus on the things we can control. We will maintain a disciplined approach to investment to maximise, deliver and capture value from our existing business, our LNG growth options and select opportunities.

Thank you for your time today.

Appendix

17 August 2011

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Profit and loss: pre- and post-significant items

	1H 2011	1H 2010	Variance %
	$M[1]	$M[1]	-
Oil and gas revenues	2,253	2,102	7.2%
EBITDAX[2]	**1,739**	**1,691**	**2.8%**
Exploration and evaluation expensed	(213)	(145)	-
Depreciation and amortisation	(279)	(379)	-
EBIT[3]	**1,247**	**1,167**	**6.9%**
Net finance income/(costs)	(15)	22	-
Income tax expense	(374)	(261)	-
Petroleum resource rent tax expense	(16)	(115)	-
Total taxes	(390)	(376)	-
Underlying profit NPAT (before significant items)	**842**	**813**	**3.6%**
Significant items:			
Coniston impairment	*(14)*	-	
Gain on sale of Otway assets	-	*149*	
Gain on adoption of US Functional Currency	-	*71*	
Neptune impairment	-	*(92)*	
USA deferred tax asset write down	-	*(40)*	
Deduct sub-total of significant items after tax	*(14)*	*88*	-
Reported profit	**828**	**901**	**-8.1%**

(1) All amounts are in US$M and exclude non-controlling interests, unless otherwise stated.

(2) EBITDAX = earnings before interest, tax, depreciation, amortisation and exploration (excludes significant items).

(3) EBIT = earnings before interest and tax (includes significant items).

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NPAT sensitivities

Oil price, US$1/bbl increase	Increase by US$8 million
Exchange rate, 1 cent increase	Decrease by US$2 million

Numbers provided are for remainder 2011

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