2013 Half-Year Results Briefing

Peter Coleman
CEO & Managing Director
21 August 2013

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

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

Financial headlines

Operating revenue*:	$2,857 million	8%	▲
Reported NPAT:	$873 million	8%	▲
Net debt:	$2.2 billion	54%	▼
Reported earnings per share:	106 cps**	6%	▲
Interim dividend per share:	83 cps	28%	▲
Special dividend per share:	63 cps		

* Operating revenue includes LNG processing revenue of $67 million
** cps = cents per share

▲ Positive increase versus 1H 2012
▼ Positive decrease versus 1H 2012

Business performance

Safety metrics on right trend

- TRIR* of 3.46, on track to top quartile performance by 2017

Step change in production

- Record first-half production of 41.9 MMboe (up 23% on 1H 2012)

Strong balance sheet to fund growth

- Fiscal discipline, special dividend

Capturing potential new value-creating opportunities

- Myanmar, Leviathan, Ireland

Building Strong Leadership

* TRIR = Total Recordable Injury Rate per million hours worked

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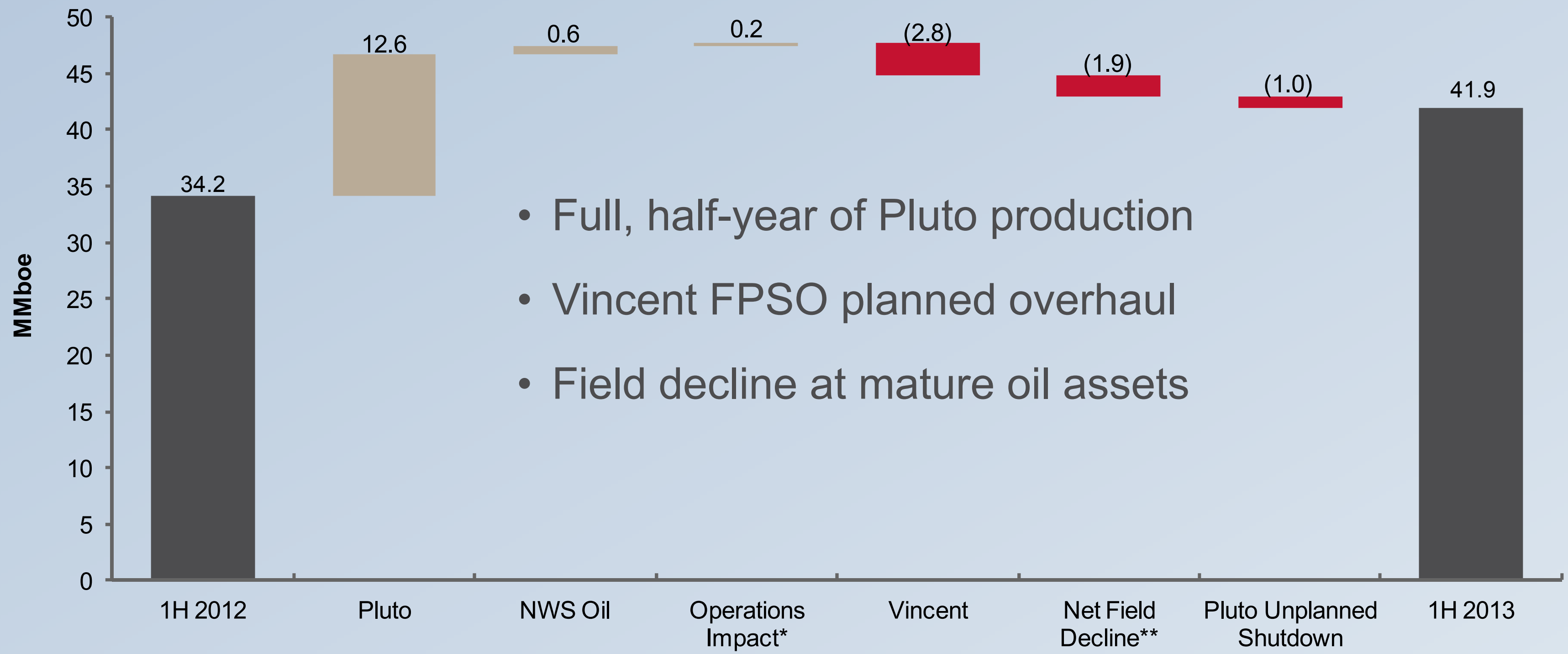
Financial Results

Lawrie Tremaine
Executive Vice President and Chief Financial Officer

Record first half production - up 23%

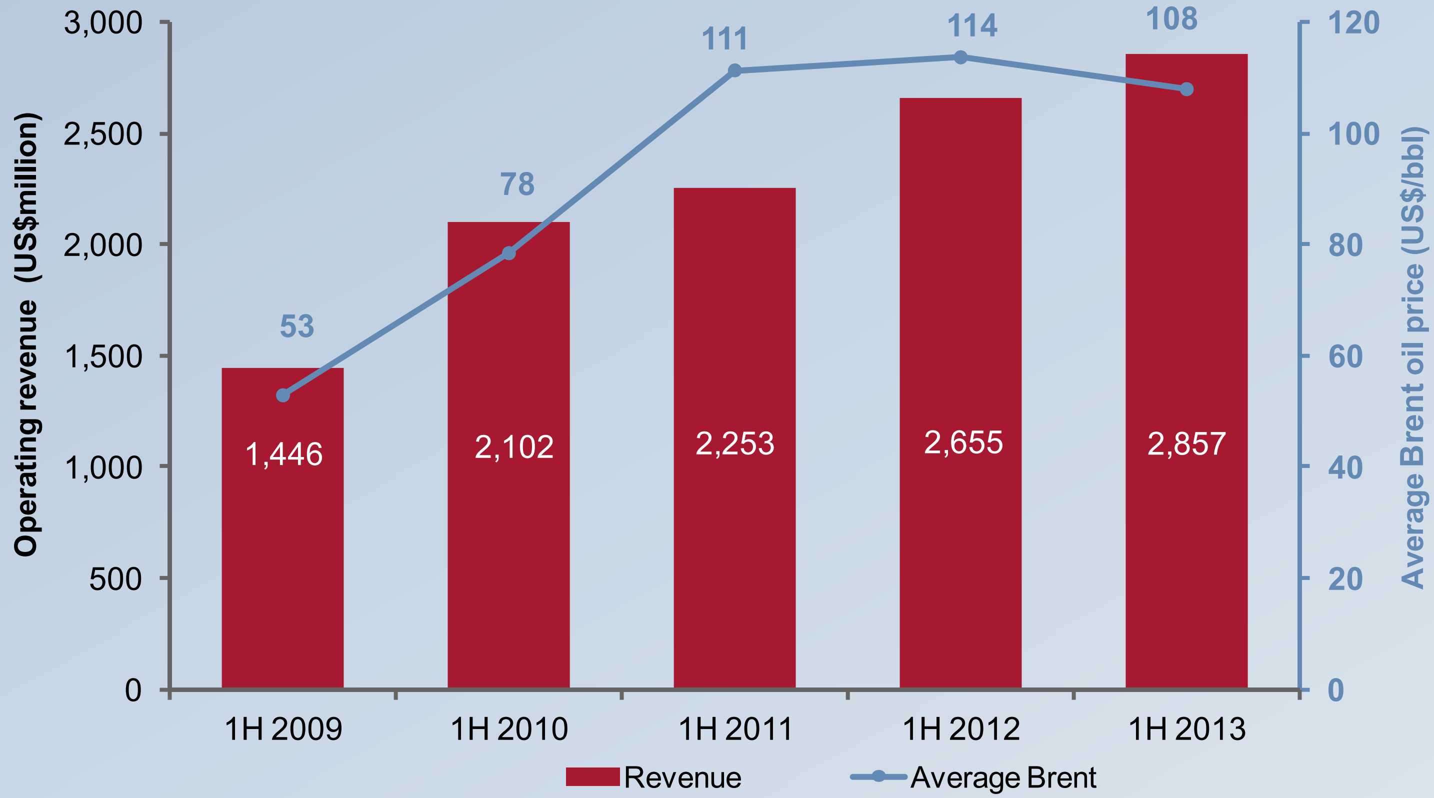


- Full, half-year of Pluto production
- Vincent FPSO planned overhaul
- Field decline at mature oil assets

* Operations impact includes changes in maintenance, reliability, cyclone impacts and any other changes not mentioned in the chart above

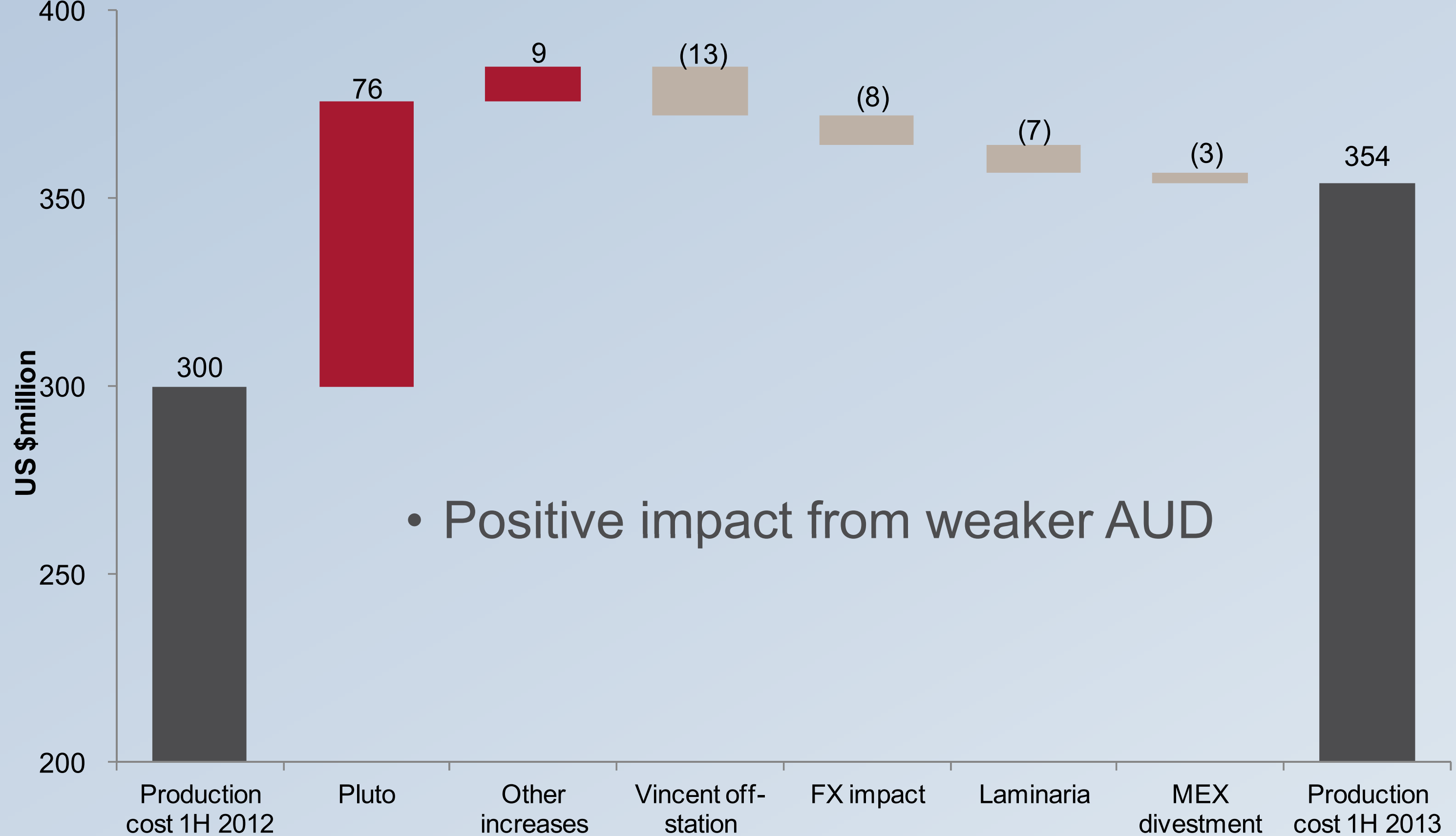
** Excludes Vincent Oil

Record first half revenue – up 8%



Major Variances 2012 to 2013	US$ million
Pluto	600
Vincent volume	-273
Other oil volumes	-199
Other	74
Total	**202**

Pluto production increases first half costs



- Positive impact from weaker AUD

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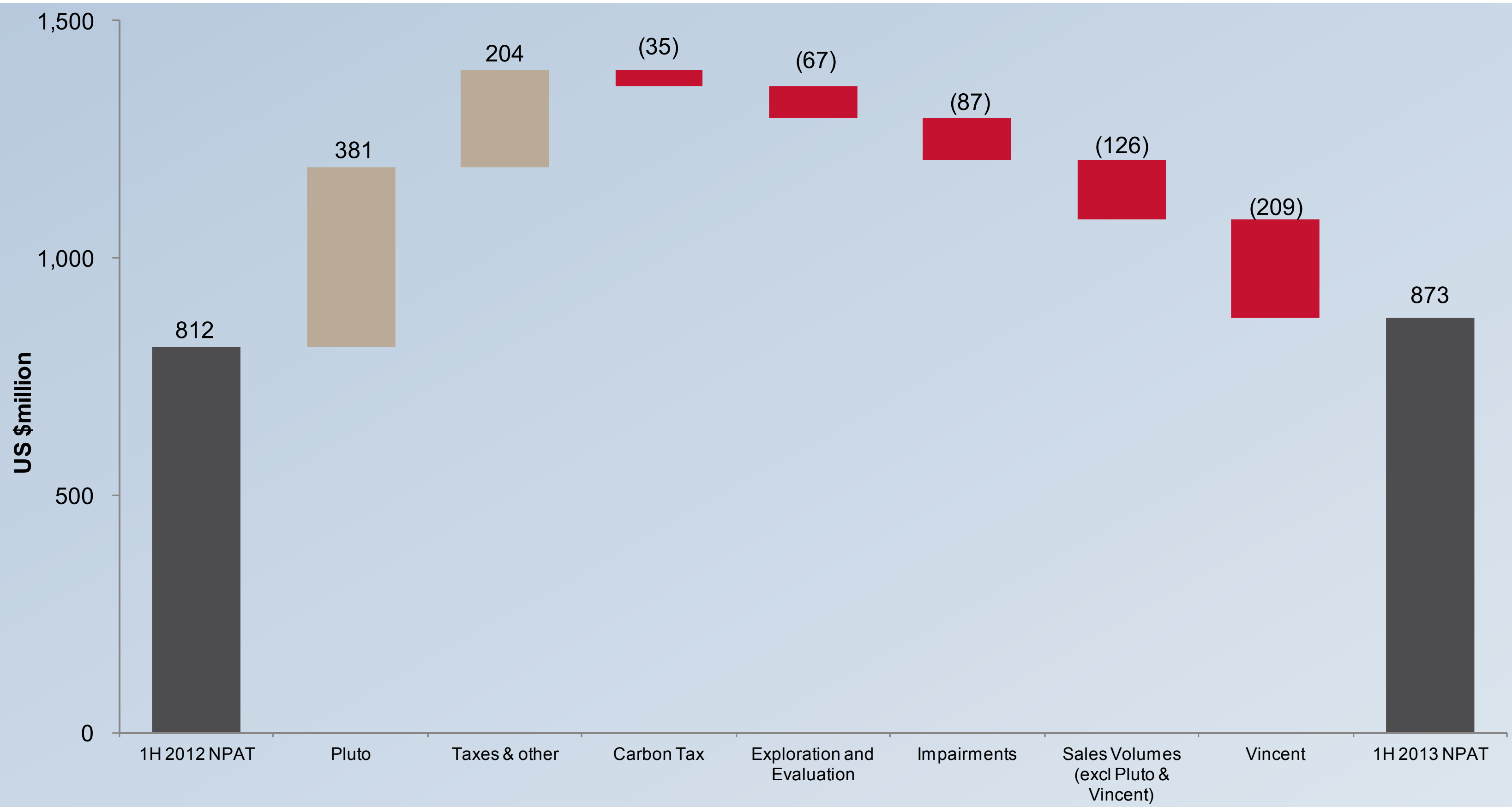
Reported profit drivers – NPAT up 8%



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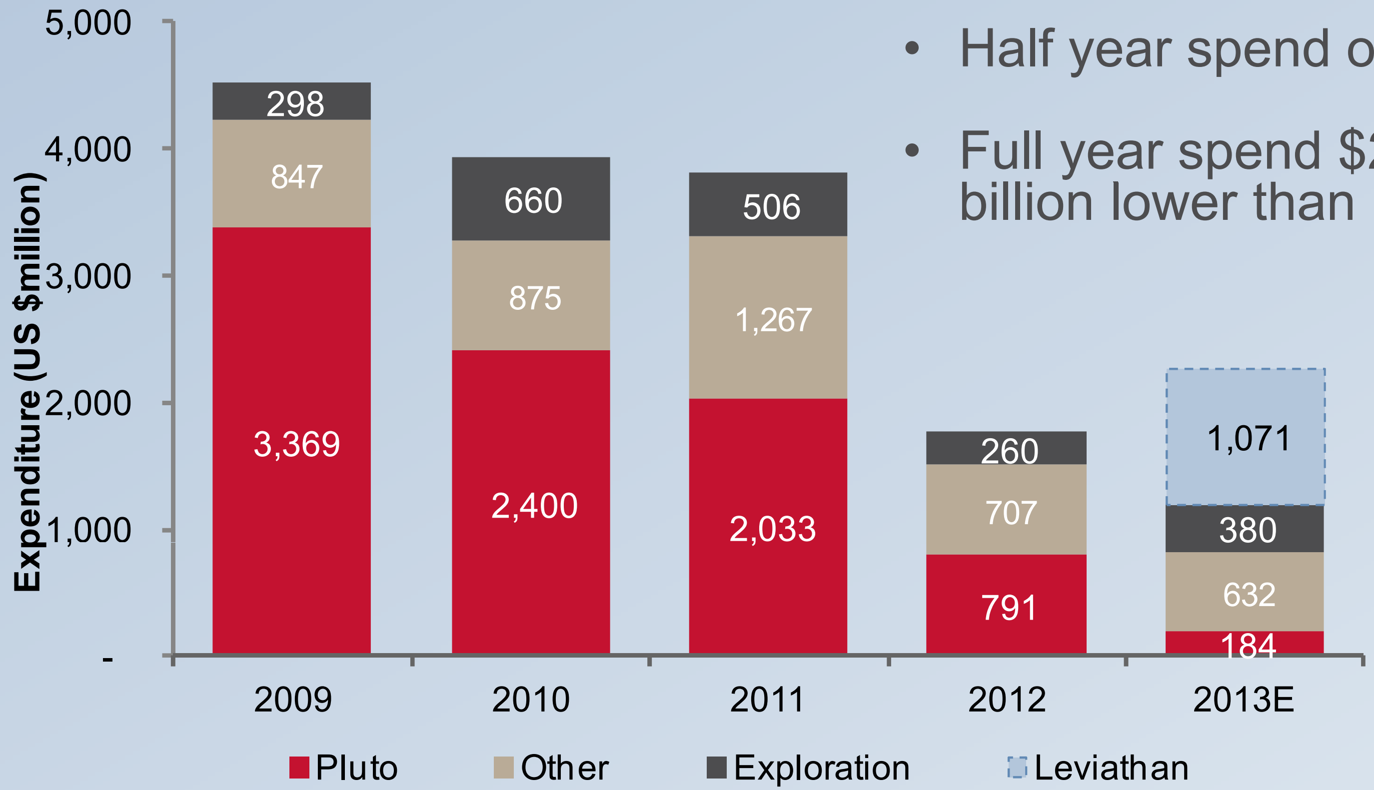
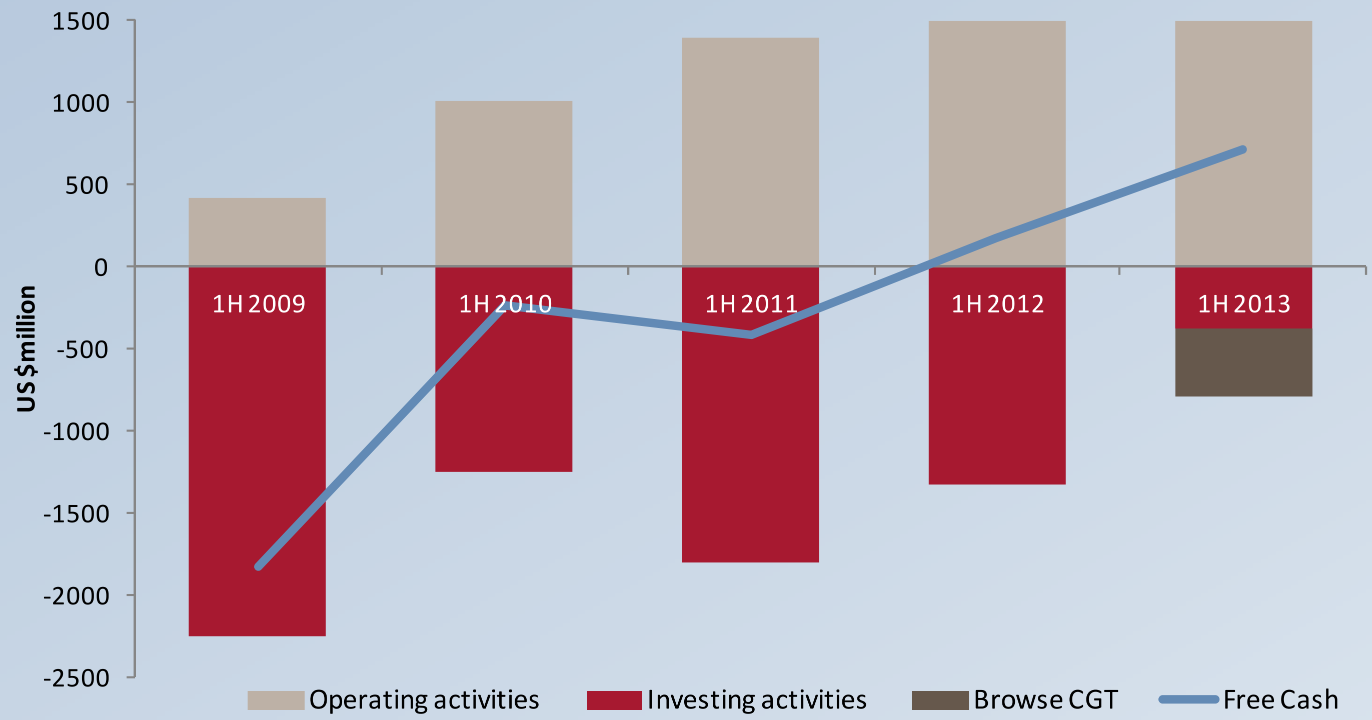
Investment expenditure



- Half year spend only $0.5 billion
- Full year spend $2.3 billion, $0.3 billion lower than previous guidance

Generating positive free cash flows



- Strong operating cashflow and lower investment outflows
- 2013 investing activities impacted by US$405 million tax payment for Browse partial equity sale

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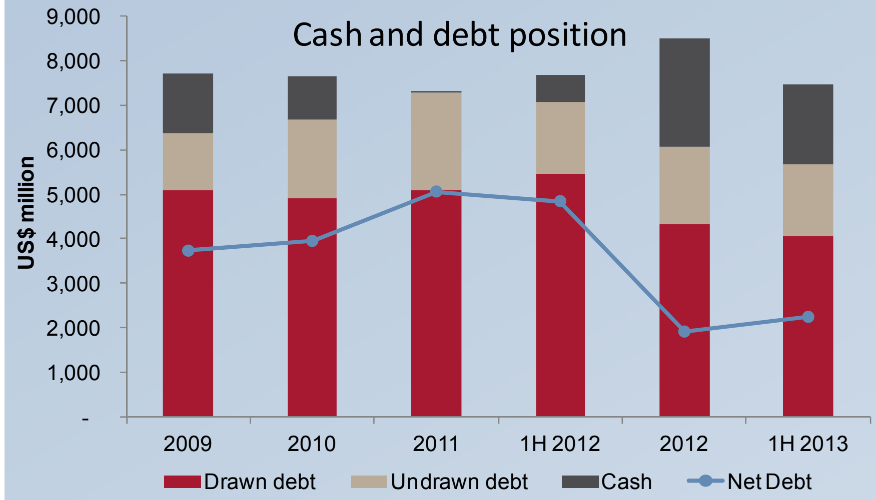
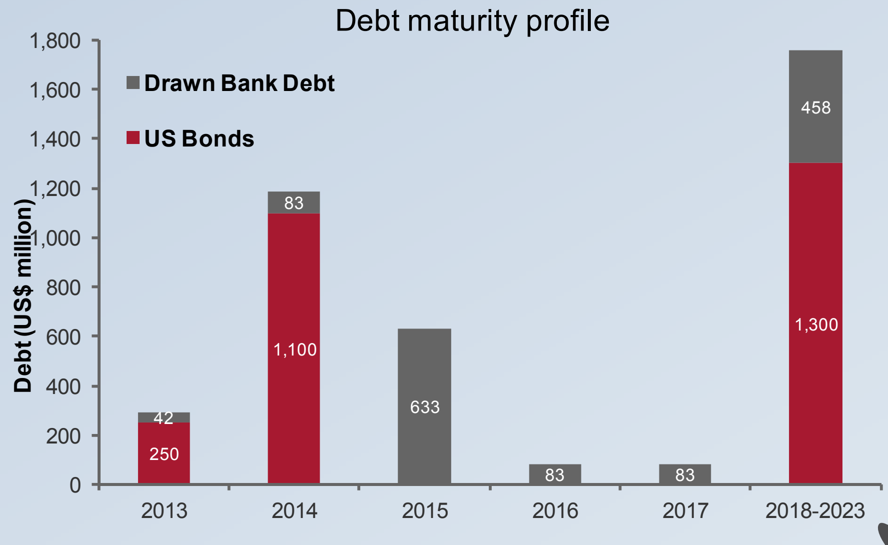
Liquidity to fund growth



- Net debt of US$2.2 billion, down 54% from 1H 2012
- Average cost of debt 3.6% on a portfolio basis
- Special dividend payment in 1H 2013



- Cash and undrawn facilities of US$3.4 billion to fund growth
- US$2.1 billion in debt matures by end 2015

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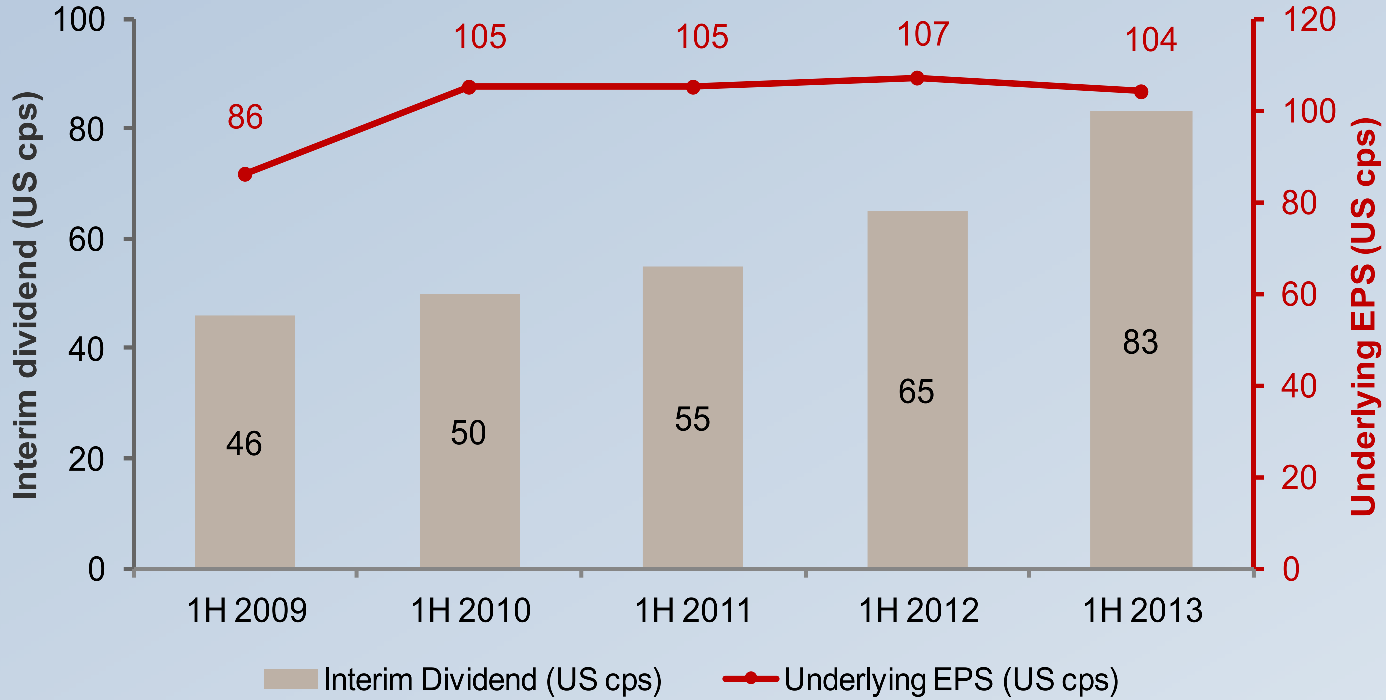
Interim dividend 83 cps, up 28%



- 80% payout ratio achieved
- 1H dividends of US146 cents per share, including special dividend
- Weaker AUD provides higher AUD dividends
- Negative impact of impairment on EPS

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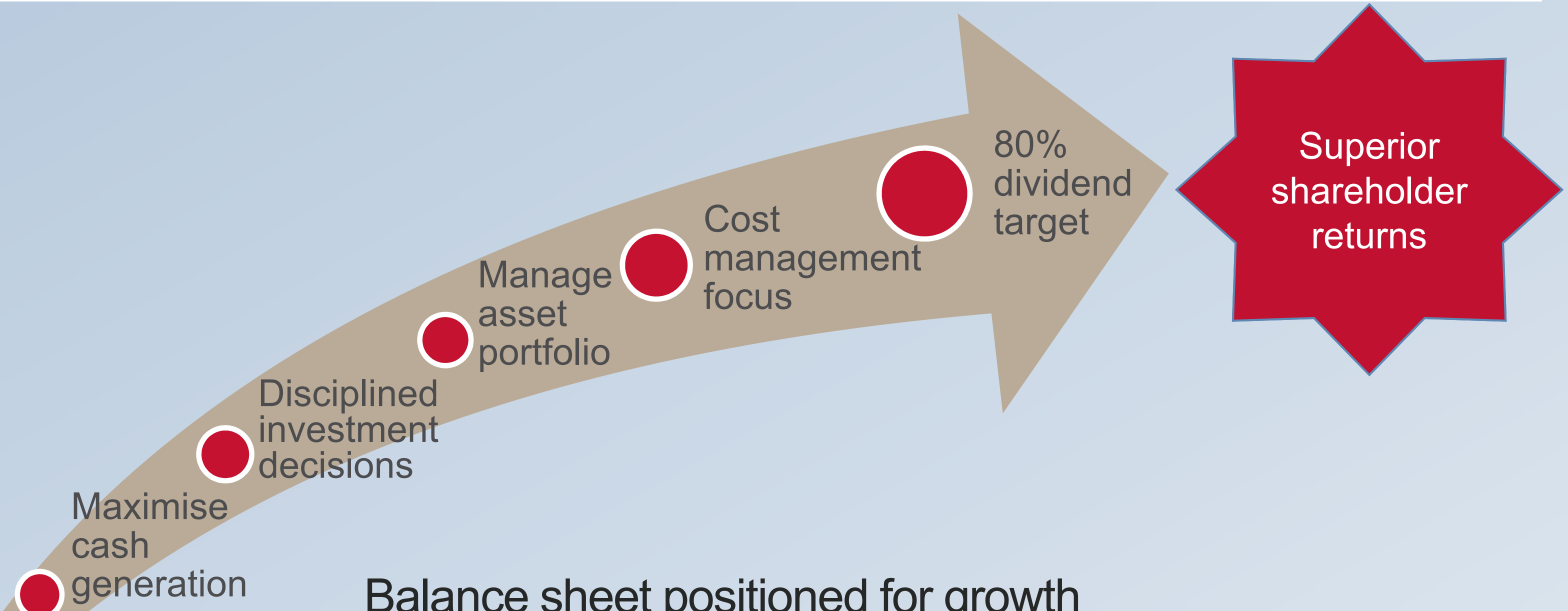
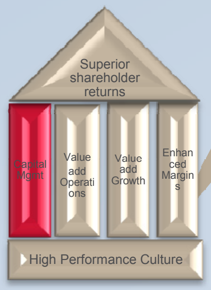
Capital management – 2013/14 focus area



Balance sheet positioned for growth

- 13% gearing
- S&P credit rating – outlook positive (BBB+)



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Strategy and Delivery

Peter Coleman
CEO & Managing Director

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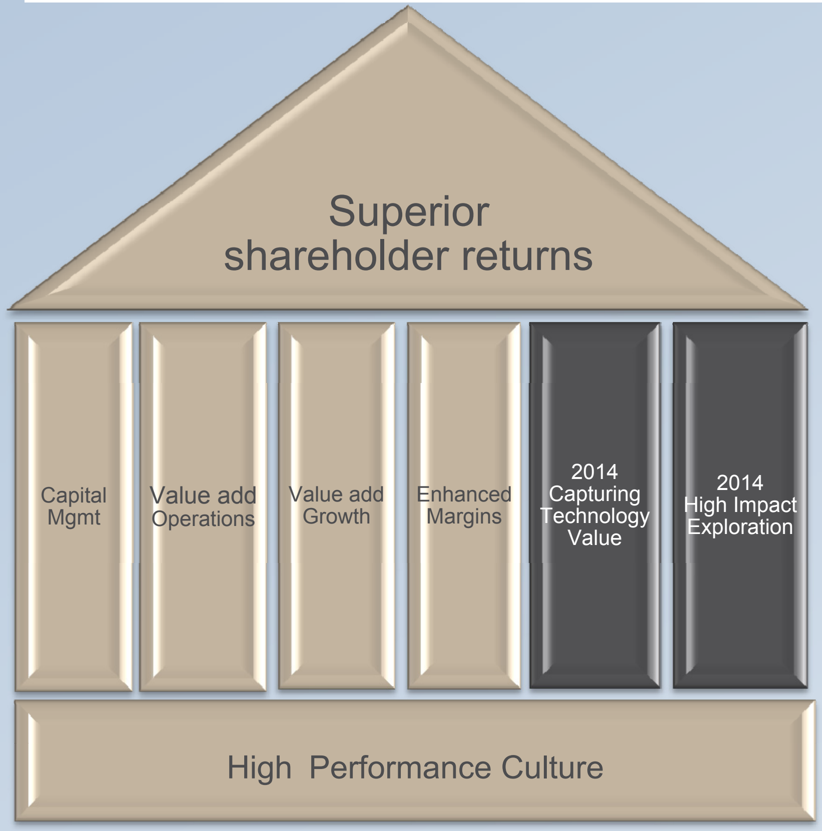
Company Strategy – well advanced

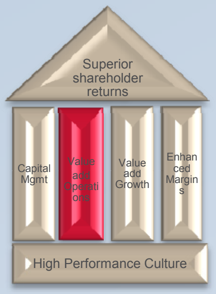


- Strong culture and values underpin performance
- 2013 focus areas well advanced

2014 and beyond

- Capturing value through technology
- High impact exploration

Additional value from base business



More value from operations:

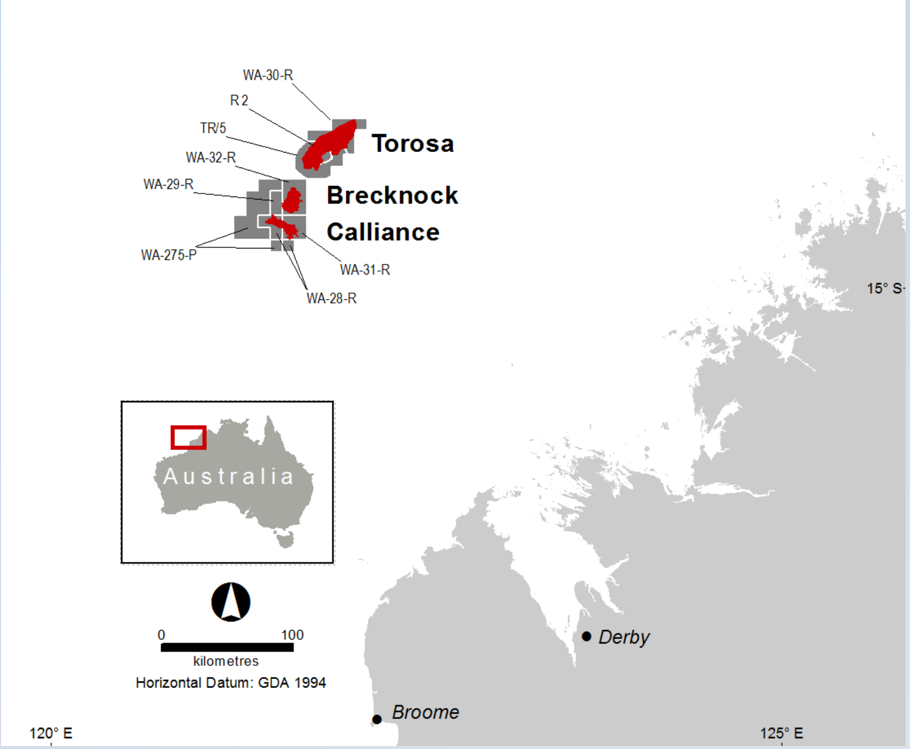
- Pluto sustained production
- Okha FPSO increased production
- NWS and Pluto 2013 shutdowns complete

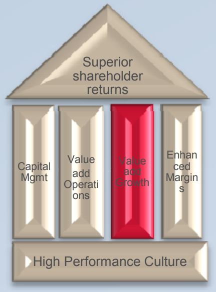
Major projects in progress:

- Vincent
- NRB
- GWF Phase-1

Browse FLNG enables earliest commercialisation

- Joint Venture re-aligned
- James Price Point not commercially viable
- Alternative development concepts evaluated
    - Browse to Burrup
    - Browse to Kimberley
    - FLNG
- Shell FLNG key principles agreed
- Commonwealth retention leases varied





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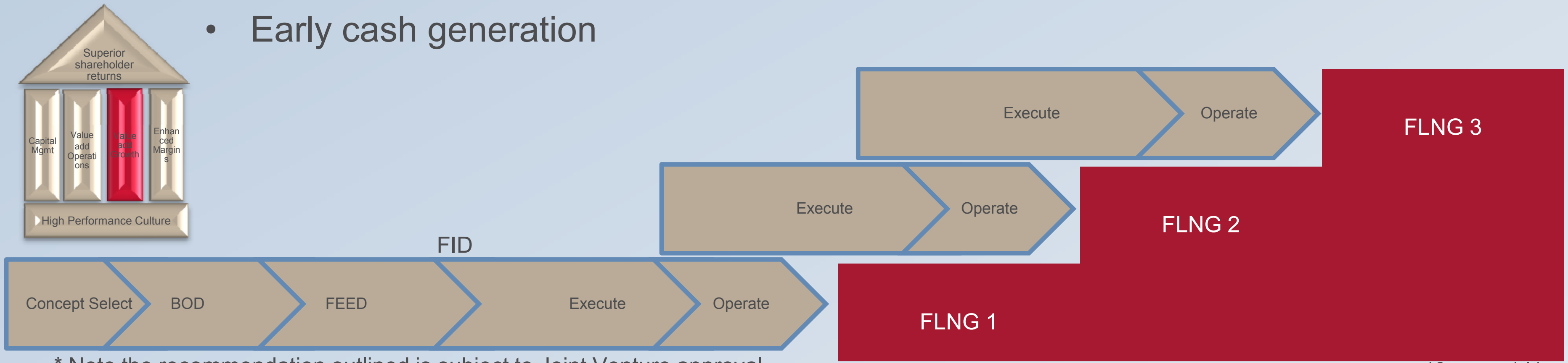
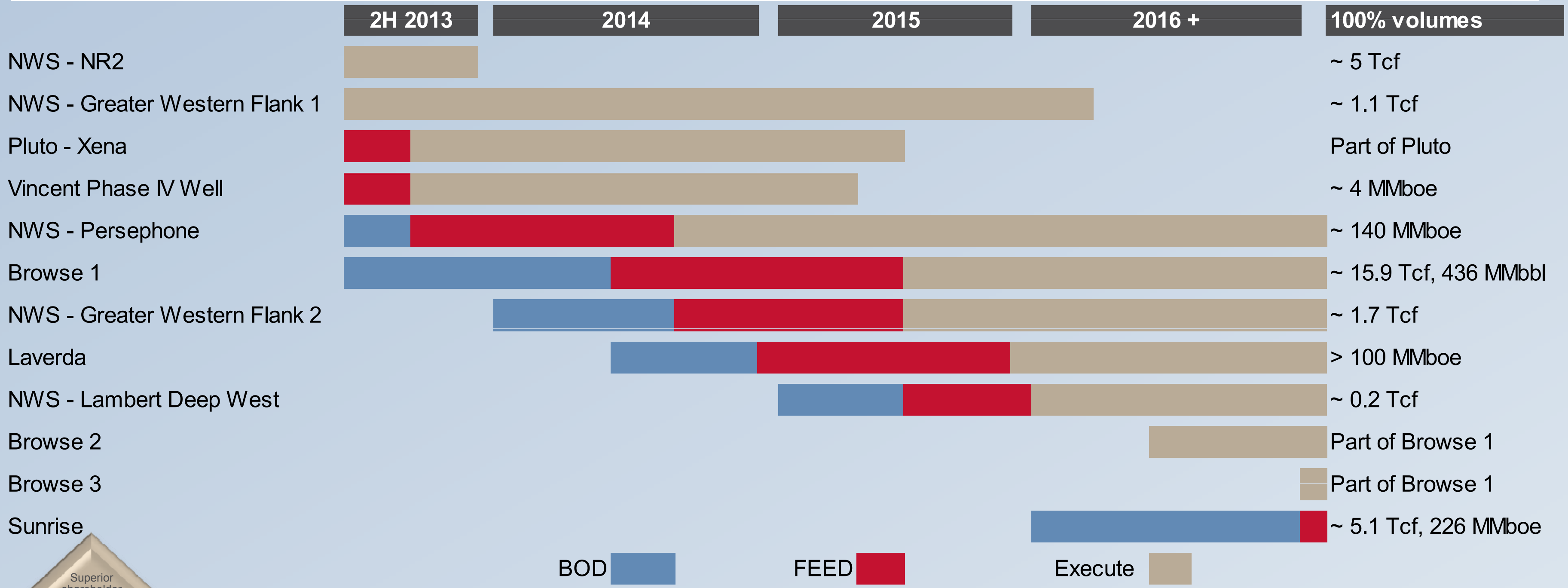
Phased FLNG development lowers risk

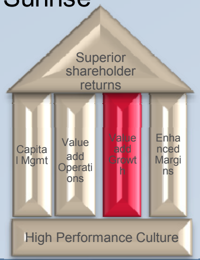
- Woodside recommends FLNG to Browse Joint Venture*
  - Targeting mid 2015 FID
  - Reference case - 3 facilities
- FLNG provides
  - Phased capital expenditure
  - Improved risk profile
  - Early cash generation



* Note the recommendation outlined is subject to Joint Venture approval

Managing our growth





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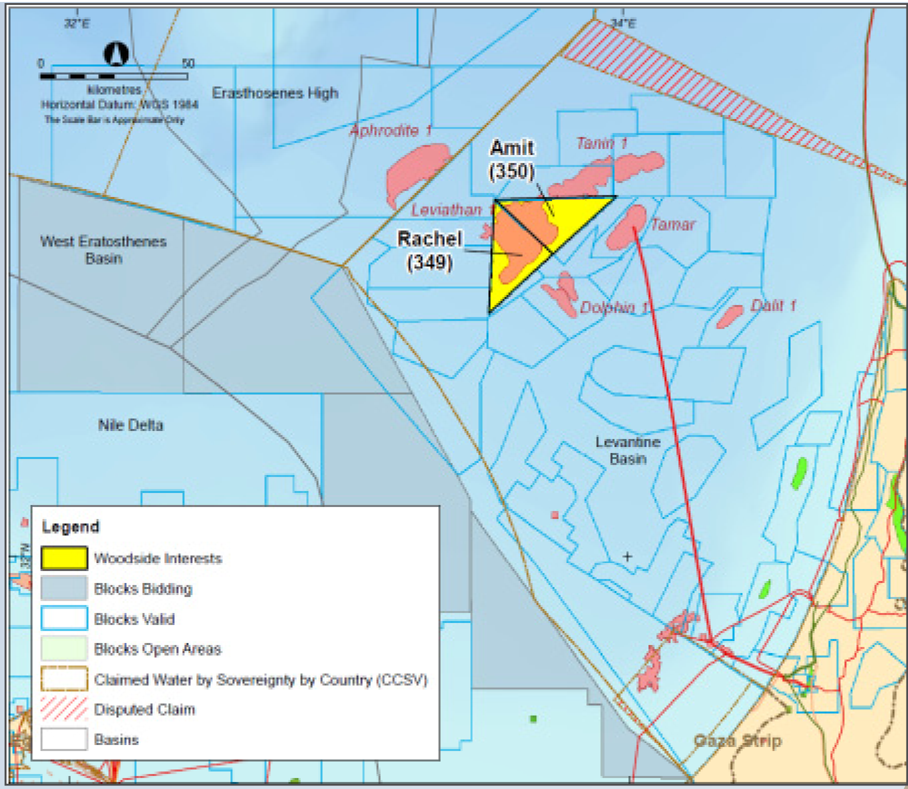
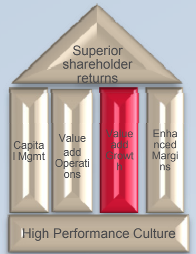
Leviathan gas reservation supports investment case

- A world class asset with gross mean resources estimated at 18 Tcf of natural gas
- Leviathan domestic gas reservation of 50%
- Further clarity from high court in September
- Development concept enables LNG





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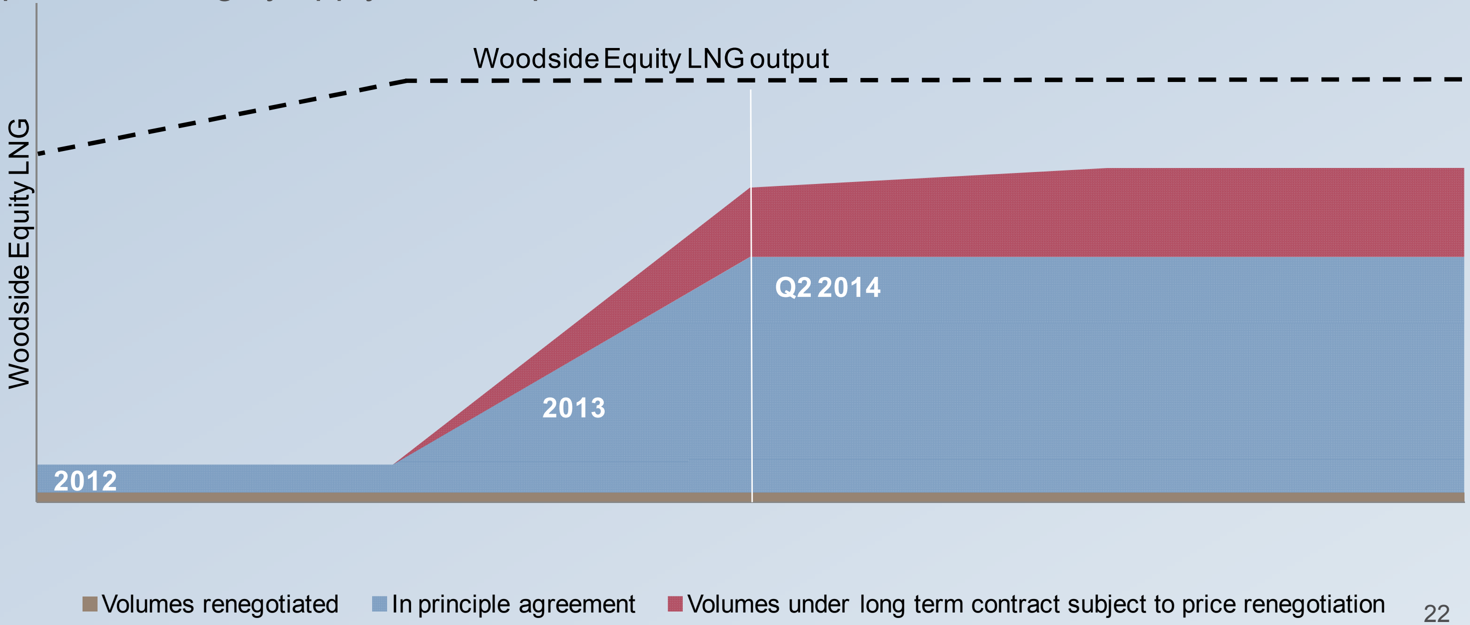
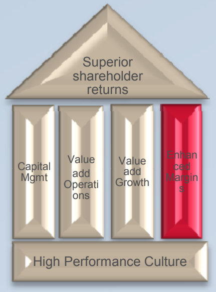
Enhanced margins through price renegotiation

Positive progress on LNG price review negotiations

- On trend with current regional pricing and traditional regional indexation
- We have reached in-principle agreement on new pricing for significant portion of volumes
- New prices will largely apply from 1 April 2014





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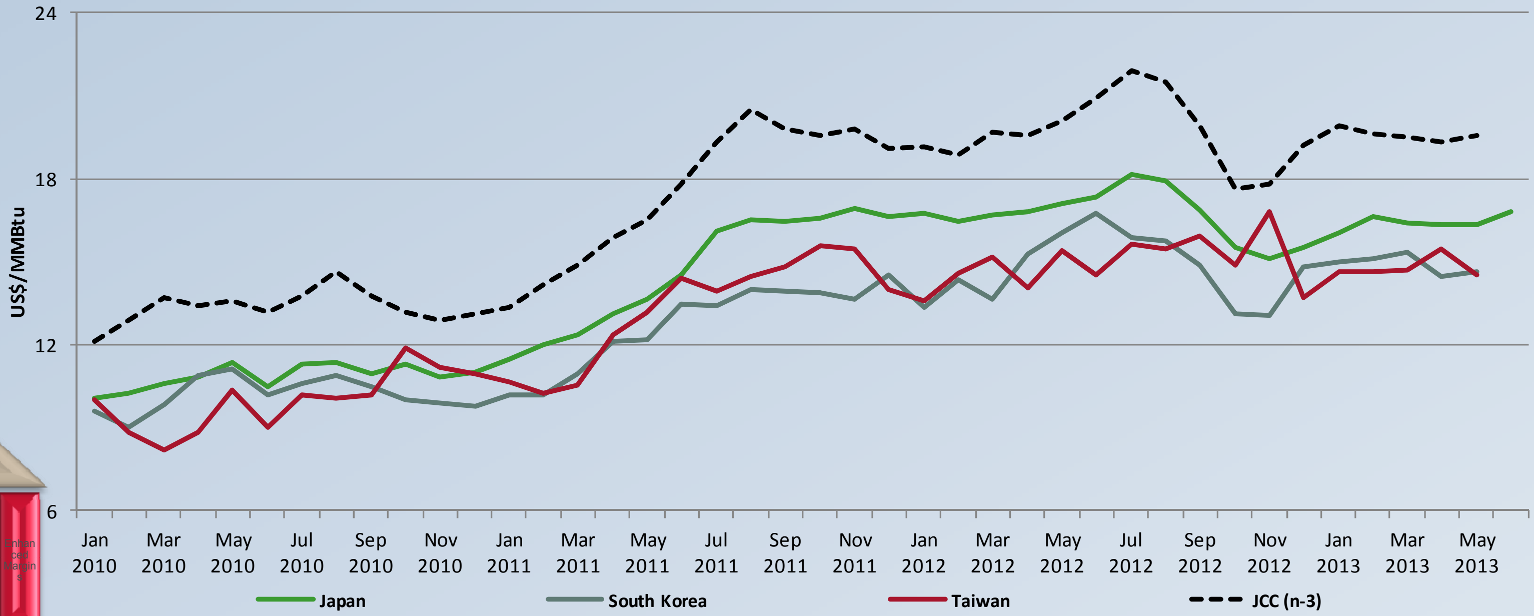
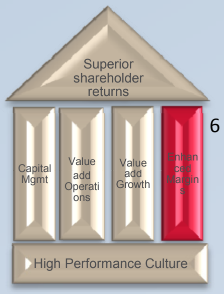
Regional pricing remains strong

- Potential US LNG supply to have limited influence on weighted average prices
- Medium term LNG demand and prices remain solid

Weighted average LNG price *

(Source: Poten & Partners)





JCC = average price of crude oil imports into Japan. Asian long term LNG price formulae typically include a 3 month lag to the relevant JCC / oil index.

* For Japan, South Korea and Taiwan with comparison to the Japan Customs-Cleared Crude Oil Price ("JCC")

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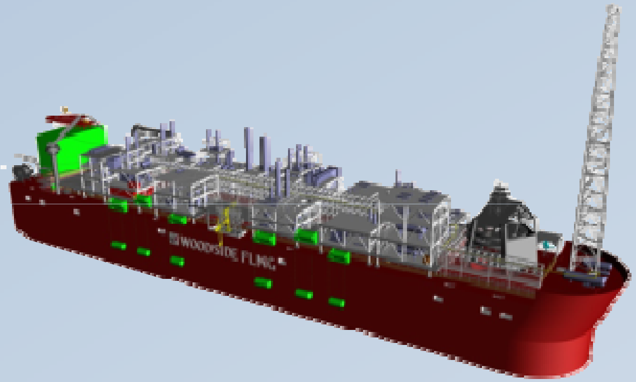
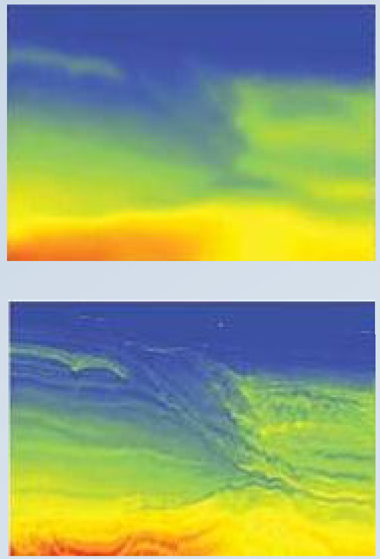
Technology delivering results

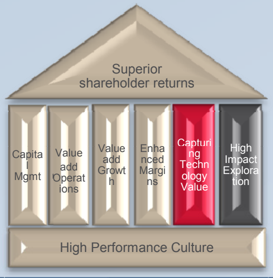
Floating LNG



Subsea Compression

High-definition seismic





Source: Offshore Magazine

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Exploration Activities

Phil Loader
Executive Vice President Global Exploration

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Building the foundation for exploration growth

Predictive, consistent delivery

Balance between:

- Frontier
- Emerging
- Mature

Build momentum and scale

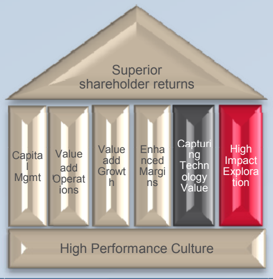
- High impact
- Material value
- Diversity

Woodside exploration culture

- Creative, innovative
- Science-based
- Full engagement between experts and explorers

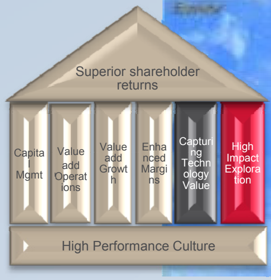
Leverage our capabilities

- Technology
- Organisational competitiveness
- Technical / commercial excellence

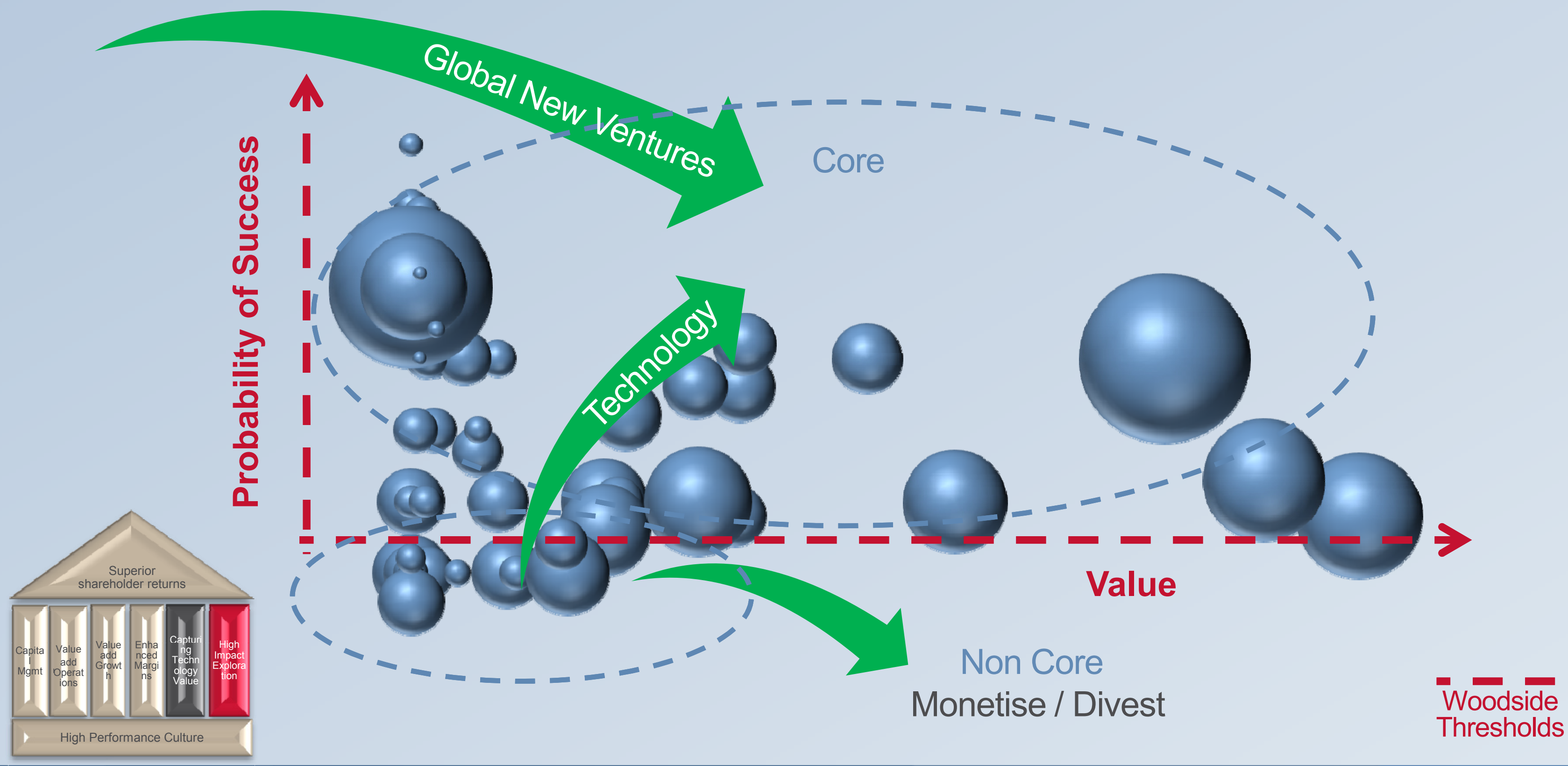


A global approach

- Frontier / emerging basins; multiple play types; petroleum system driven
- Technical / commercial rigour – building scale and value
- Building for future predictive and consistent delivery



Building a balanced portfolio



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Foundations for excellence and growth

Leading-edge Technology

- Fortuna 3D seismic survey
- First application of IsoMetrix™ in Australia
- Superior subsurface imaging; cost savings

Innovative Culture

- Petroleum Systems Analysis (Source, Reservoir, Migration, Trap, Seal)
- Expert / Explorer engagement (leverage core competencies to mitigate risk & manage uncertainty)

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Conclusion

Peter Coleman
CEO & Managing Director

Laying the foundations for long-term success

- Strong financial position
  - sustained high dividends
  - ability to fund growth
- LNG pricing remains robust
- Company growth strategy well advanced
- Global exploration strategy underway

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Questions and Answers

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Appendix

Biographies

Phil Loader

Executive Vice President Global Exploration

Industry Experience: 33 years

Joined Woodside: 2013

Previous Industry Roles:
Senior Vice President Exploration Mubadala Petroleum, Vice President International Exploration Anadarko Exploration Company, Exploration Manager West Africa Triton Energy, International Exploration Manager Sasol Petroleum limited, Johannesburg

Shaun Gregory

Senior Vice President Health, Safety, Environment and Technology

Industry Experience: 21 years

Joined Woodside: 1995

Previous Woodside roles:

VP Global New Ventures, VP Geoscience, Technology & Operations, GM Geotechnical Operations, GM Business & Strategic Infrastructure Browse, Houston Deepwater Exploration Manager, Chief Geophysicist

Previous industry roles: Explorationist BHP

Biographies

Stephen Rogers

Senior Vice President Browse

Industry Experience: 36 years

Joined Woodside: 2012

Previous Industry Roles:
President & CEO Nautilus Minerals Group, CEO Oil & Gas Clough, Managing Director Technip Oceania
Prior to this involved in a variety of corporate and project management roles, with both contracting and operating companies.

Philip Allison

Senior Vice President Projects

Industry Experience: 35 years

Joined Woodside: 2012

Previous Industry Roles:
Chief Project Manager, Santos, Vice President Projects BP Egypt,
Project Director BTC & SCP Projects BP Azerbaijan, Project Manager Decommissioning NW Hutton BP Aberdeen, Programme Manager BP Alaska, Project Manager BP Colombia, Manager Technical Support Group BP Aberdeen,
Project Manager, Foster Wheeler