

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

ABN/ARSN

Woodside Petroleum Ltd (**Company**)

55 004 898 962

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Selective buy-back
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	823,910,657
6	Whether shareholder/unitholder approval is required for buy-back	Yes – shareholder approval will be sought at a general meeting of the Company, details of which will be released in due course
7	Reason for buy-back	Ongoing capital management. See further the announcement by the Company on the date of this Appendix 3C.

⁺ See chapter 19 for defined terms.

8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)	<p>See the announcement by the Company on the date of this Appendix 3C and Annexure A to this Appendix 3C (which contains a summary of the material terms of the buy-back agreement).</p> <p>Further information will be provided to shareholders in the notice of meeting and accompanying explanatory memorandum and independent expert's report on the terms of the buy-back.</p>
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On-market buy-back

9	Name of broker who will act on the company's behalf	N/A
10	Deleted 30/9/2001.	
11	<p>If the company/trust intends to buy back a maximum number of shares - that number</p> <p><small>Note: This requires a figure to be included, not a percentage.</small></p>	N/A
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	N/A
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	N/A

Employee share scheme buy-back

14	Number of shares proposed to be bought back	N/A
15	Price to be offered for shares	N/A

Selective buy-back

16	Name of person or description of class of person whose shares are proposed to be bought back	Shell Energy Holdings Australia Limited
17	Number of shares proposed to be bought back	78,271,512
18	Price to be offered for shares	US\$2,679,758,089 being US\$34.24 per share

Equal access scheme

19	Percentage of shares proposed to be bought back	N/A
20	Total number of shares proposed to be bought back if all offers are accepted	N/A
21	Price to be offered for shares	N/A
22	⁺ Record date for participation in offer <small>Cross reference: Appendix 7A, clause 9.</small>	N/A

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Warren Baillie

Sign here:

Date: 17 June 2014

Print name:

Warren Baillie, Company Secretary

⁺ See chapter 19 for defined terms.

Annexure A

Company name: Woodside Petroleum Ltd
ABN: 55 004 898 962

This is Annexure "A" of 2 pages referred to in the Appendix 3C lodged with ASX and dated 17 June 2014.

1 Overview

Woodside Petroleum Ltd (**Company**) has entered into a buy-back agreement with Shell Energy Holdings Australia Limited (**Seller**) in relation to a selective buy-back of certain shares in the Company held by the Seller (**Buy-Back Agreement**).

This Annexure A contains a summary of the material terms of the Buy-Back Agreement.

2 Buy-back and consideration

Under the Buy-Back Agreement, the Company has agreed to undertake a selective buy-back of 78,271,512 of the Seller's shares, subject to the conditions set out in section 3 below.

The consideration for the buy-back of the shares is US\$2,679,758,089, being US\$34.24 per share. This consideration is payable by the Company in cash on completion.

3 Conditions precedent

The Buy-Back Agreement is subject to the satisfaction or waiver of the following conditions precedent:

- (a) shareholders of the Company (other than the Seller and its associates) approving the buy-back by the requisite majorities for the purposes of section 257D(1)(a) of the *Corporations Act 2001* (Cth) (**Corporations Act**) and Listing Rule 10.1, and for all other purposes;
- (b) an independent expert concluding that the buy-back is fair and reasonable to shareholders of the Company (other than the Seller and its associates);
- (c) the Company receiving all consents to the buy-back required under its facility agreements; and
- (d) the Seller having entered into a block trade agreement with one or more sale banks for the sale of 78,271,512 shares in the Company held by the Seller and such agreement having become unconditional and not being terminated by the day that is 5 business days after the date of the agreement.

If these conditions precedent are satisfied or, if applicable, waived, completion of the buy-back is expected to occur in August 2014.

The Company has undertaken to use all reasonable endeavours to ensure that conditions precedent (a) and (b) are satisfied expeditiously. The Company has also undertaken to use its best endeavours to ensure that condition precedent (c) is satisfied expeditiously; however, if there is a delay in receiving the consents, the Company will ensure that it has alternative funding in place.

4 Representations and warranties

Under the Buy-Back Agreement, the Company and the Seller give standard mutual warranties as to status, authority, solvency and the binding nature of the agreement.

In addition, the Seller represents and warrants to the Company that:

- (a) the Seller is the registered and beneficial owner of the shares the subject of the Buy-Back Agreement which are free from all encumbrances;
- (b) there is no restriction on the transfer of the shares which are the subject of the Buy-Back Agreement; and
- (c) as at the date of the agreement, it is not in possession of any 'inside information' within the meaning given in Part 7.10, Division 3 of the *Corporations Act*.

The Company also represents and warrants to the Seller that:

- (a) as at the date of the general meeting to approve the buy-back and as at completion, it will have available to it sufficient funds to satisfy its obligation to pay the consideration in accordance with the agreement;

- (b) it will have sufficient franking credits available to it to pay the component of the consideration deemed to be a dividend as a fully franked dividend;
- (c) the franking percentage for the component of the consideration deemed to be a dividend will be 100% under section 203-35 of the *Income Tax Assessment Act 1997* (Cth);
- (d) the component of the consideration debited against amounts standing to the credit of the Company's share capital account will be a specified amount per share;
- (e) the share capital account of the Company is not tainted for the purposes of Division 197 of the *Income Tax Assessment Act 1997* (Cth);
- (f) as at the date of the agreement, it has complied in all material respects with its continuous disclosure obligations under Listing Rule 3.1 and, other than in respect of the buy-back, it is not relying on the carve-out in Listing Rule 3.1A to withhold any material information from public disclosure; and
- (g) as at the date of the agreement, it is not in possession of any 'inside information' within the meaning given in Part 7.10, Division 3 of the Corporations Act.

5 Termination

The Buy-Back Agreement may be terminated by either party if:

- (a) any condition precedent is not satisfied or, if applicable, waived by 30 September 2014;
- (b) a majority of the board of the Company change their recommendation that shareholders vote in favour of the buy-back because of a variation in the conclusion by the independent expert; or
- (c) there is a material breach of a warranty by the other party.

Signed by
Warren Baillie
Company Secretary, Woodside Petroleum Ltd



sign here ►

date ► 17 June 2014