



HALF-YEAR REPORT 2020

INCORPORATING
APPENDIX 4D

30 JUNE 2020

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Appendix 4D

Results for announcement to the market

[More information on page 20](#)

				US\$ million
Revenue from ordinary activities	Decreased	16% ¹	to	1,907
Net loss for the period attributable to equity holders of the parent	Decreased	1,071% ¹	to	4,067
Underlying net profit after tax ²	Decreased	28% ¹	to	303
Free cash flow ²	Decreased	70% ¹	to	264
Interim dividend – fully franked				26 US cps H1 2020
Record date for determining entitlements to the dividend				25 August 2020

1. Comparisons are to the half-year ended 30 June 2019.
2. These are non-IFRS measures that are unaudited but derived from auditor reviewed Half-Year Financial Statements. These measures are presented to provide insight into Woodside's performance. Refer to pages 4 and 5 for details.

About Woodside

Woodside led the development of the LNG industry in Australia and is applying this same pioneering spirit to solving future energy challenges.

[For more information about Woodside's assets and activities, visit: \[www.woodside.com.au/about-us\]\(http://www.woodside.com.au/about-us\)](#)

On the cover

The Woodside operated North West Shelf Project's Karratha Gas Plant.

Inside cover

Storage facilities at the Woodside operated Pluto LNG.

OVERVIEW

The unprecedented disruption to the global economy has been a key feature of H1 2020. In addition to the widespread impact of the COVID-19 pandemic on energy demand and the broader investment environment, the oil and gas sector has been impacted simultaneously by geopolitical issues resulting in an oversupply of crude oil and LNG. Woodside entered this period of international economic turbulence with a strong balance sheet, characterised by low gearing, high liquidity and an operating model with low unit operating costs.

Swift response to changed market conditions

In March 2020, we announced immediate action to prudently manage cash flow in response to the uncertainty in market conditions.

Woodside's base business, with its reliable, low-cost, high-margin operations, provides resilience to fluctuations in oil and gas prices.

These actions included deferral of final investment decisions (FID) on the Scarborough, Pluto Train 2 and Browse developments, and an approximately 50% reduction in forecast 2020 total expenditure. Additional financial risk management activities were also announced, and there was no change to Woodside's 2020 production guidance of 97-103 MMboe.

Asset value review and onerous contract provision

Our financial results have been impacted by non-cash, post-tax impairment losses of \$3.92 billion and a non-cash, post-tax onerous contract provision for the Corpus Christi LNG sale and purchase agreement. The combined loss of the impairments and the onerous contract provision is \$4.37 billion.

Approximately 80% of the oil and gas properties impairment losses are due to the significant and immediate reduction in oil and natural gas prices assumed up to 2025, impacting Woodside's products in the prevailing economic climate. Additional contributors are increased longer term demand uncertainty impacted by the COVID-19 pandemic, and increased risk of higher carbon pricing.

Strong operational performance

Woodside delivered its highest first-half production result in H1 2020, achieving a record 50.1 MMboe. This is an increase of 28% on the corresponding production in H1 2019.

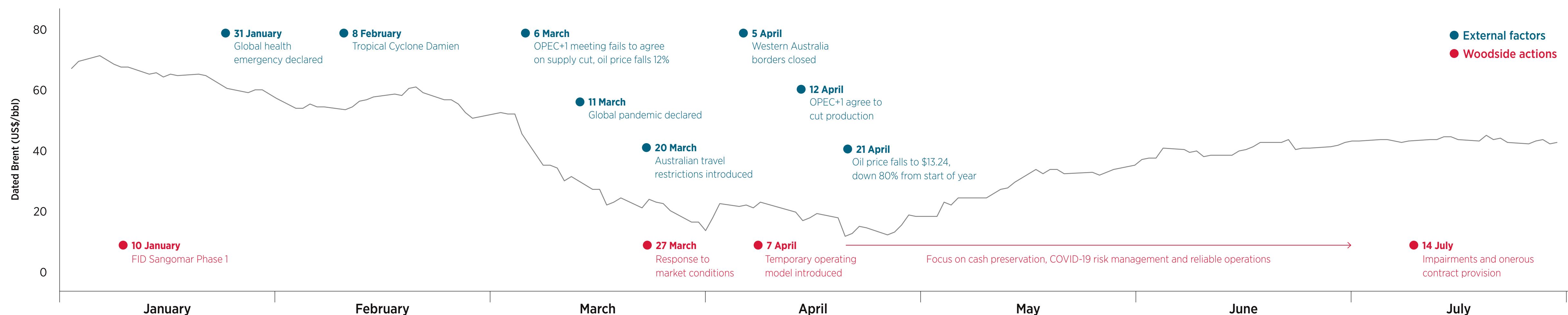
Production has been maintained throughout the pandemic, requiring changes to Woodside's operating model to ensure the safety of our people and the high reliability of our facilities. This has been achieved with a low gas unit production cost of \$3.8/boe.

H1 2020 financial results

A principal impact of the trading conditions in H1 2020 was a reduction in realised prices for Woodside's products. Woodside's reported net loss after tax for the half is \$4,067 million, which has been significantly affected by the non-cash impairment losses and onerous contract provision announced in July 2020.

Underlying NPAT for the half is \$303 million, with the directors declaring a fully-franked interim dividend of 26 US cps. This represents a payout ratio of approximately 80% of the underlying NPAT.

Woodside is in a strong position to take advantage of opportunities which will potentially arise both during and subsequent to this period of market uncertainty.



FINANCIAL SUMMARY

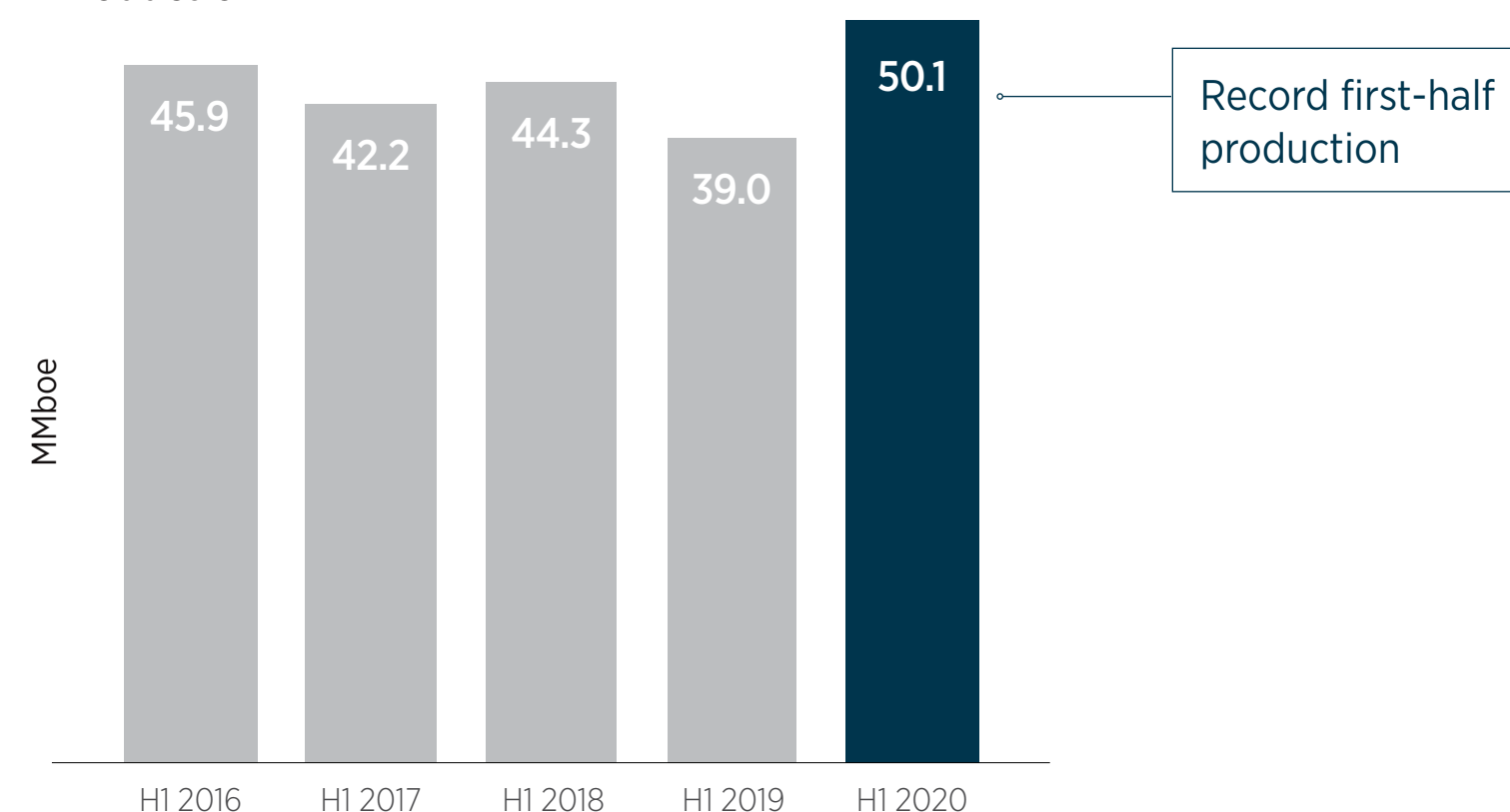
The first half of 2020 was characterised by dynamic market conditions and the global impacts of the COVID-19 pandemic. Incorporating the non-cash impairment losses and onerous contract provision, the reported net loss after tax was \$4,067 million. Despite these challenges, we delivered record first-half production and achieved an underlying profit of \$303 million.

Key metrics

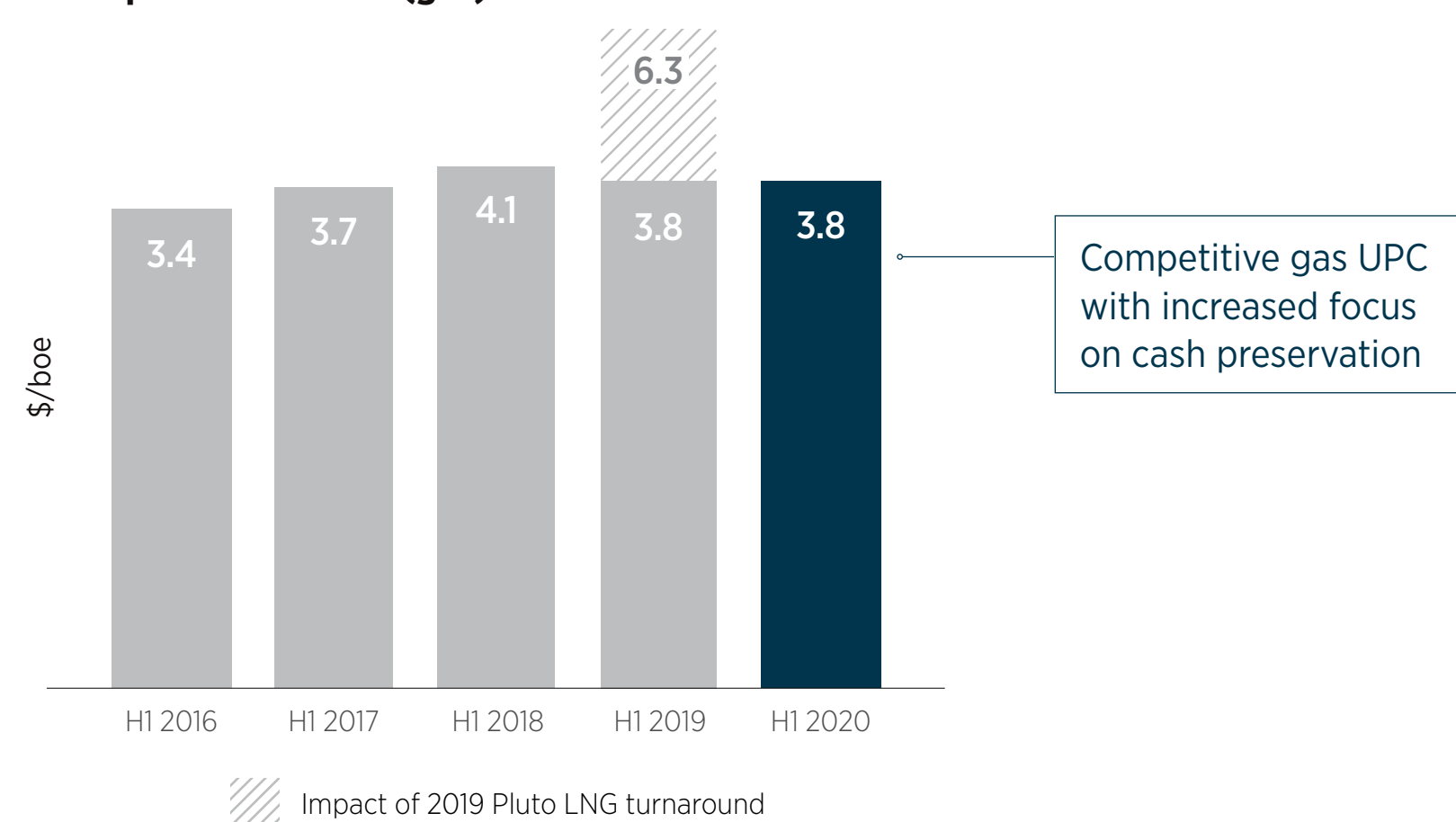
\$ million	H1 2020	H1 2019	Key ratios	H1 2020	H1 2019
Operating revenue	1,907	2,260	Earnings (US cps)	(429.8)	44.8
EBITDA ¹	(4,295)	1,462	Gearing (%)	19.4	17.9
EBIT ¹	(5,242)	699	Production		
Net profit after tax (NPAT) ²	(4,067)	419	Gas (MMboe)	40.5	33.5
Underlying NPAT ^{1,3}	303	419	Liquids (MMboe)	9.6	5.5
Net cash from operating activities	1,107	1,485	Total	50.1	39.0
Investment expenditure	808	637	Sales volumes		
Capital investment expenditure ^{1,4}	773	545	Gas ⁷ (MMboe)	42.1	38.3
Exploration expenditure ^{1,5}	35	92	Liquids (MMboe)	8.9	5.6
Free cash flow ^{1,6}	264	869	Total	51.0	43.9
Dividends distributed	518	852			
Interim dividend declared (US cps)	26	36			

1. These are non-IFRS measures that are unaudited but derived from auditor reviewed Half-Year Financial Statements. These measures are presented to provide further insight into Woodside's performance.
2. Net profit after tax attributable to equity holders of the parent.
3. H1 2020 NPAT adjusted for the impact of impairment of oil and gas properties and exploration and evaluation assets (\$3,923 million) and Corpus Christi onerous contract provision (\$447 million). No adjustments were made to the calculation of H1 2019 underlying NPAT.
4. Excludes exploration capitalised.
5. Excludes prior period expenditure written off and permit amortisation, and includes evaluation expense.
6. Cash flow from operating activities less cash flow from investing activities.
7. 2019 volumes have been adjusted to include volumes from the sale of purchased hydrocarbons.

Production

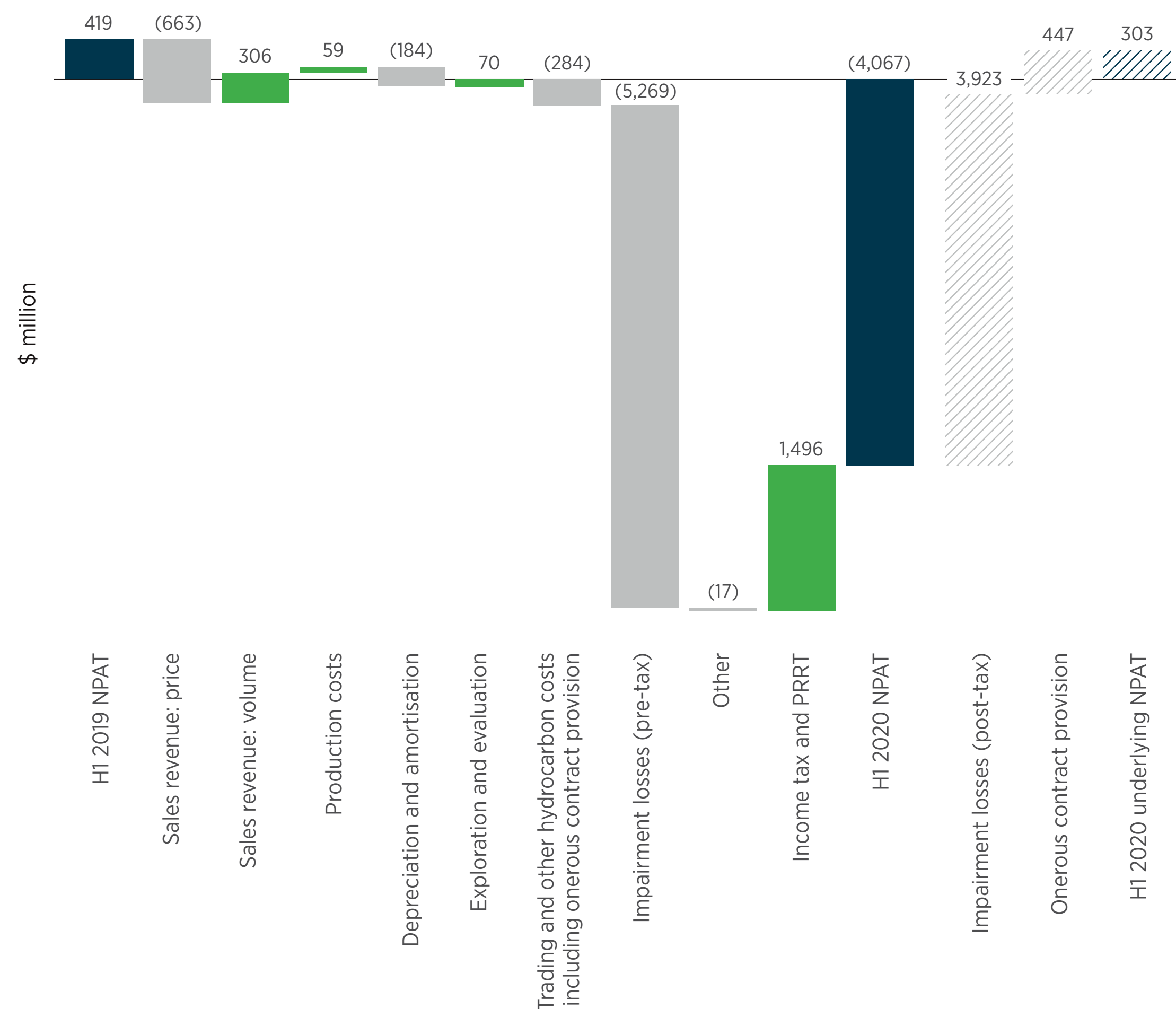


Unit production cost (gas)



FINANCIAL SUMMARY

Net profit after tax reconciliation



Key movements

Sales revenue: price

Oil and spot LNG prices dropped significantly during the half due to the impacts of the COVID-19 pandemic, oversupply and weakened global demand. Accordingly, sales revenue decreased in line with the lower oil and spot LNG prices.

In addition, the combination of strong LNG production and several buyers exercising contractual flexibilities to reduce their offtake resulted in 19 LNG cargoes being sold on the spot market, representing approximately 31% of our produced LNG.

Condensate realised prices were also lower due to the lower average oil price.

Sales revenue: volume

Increased sales volumes were achieved despite the operational complications presented by travel restrictions and physical distancing requirements. Part of our COVID-19 response was to defer non-essential maintenance and implement a temporary operating model to protect our people and assets.

Record first-half production was driven by higher reliability and no major turnarounds at Pluto LNG; higher production from the Ngujima-Yin FPSO following completion of the Greater Enfield project in H2 2019; and higher Wheatstone production. The sales volume increases were partially offset by reduced LNG trading activity.

Production costs

The decrease in production costs was primarily due to not executing any major turnarounds, as well as deferring maintenance as part of our response to COVID-19. This was partially offset by a full six months of production costs for the Ngujima-Yin FPSO.

Depreciation and amortisation

Oil and gas properties depreciation expense increased primarily due to the recommencement of production from the Ngujima-Yin FPSO in H2 2019. As a result of the asset impairments and onerous contract provision announced in July 2020, oil and gas properties depreciation expense is expected to reduce by approximately \$3/boe in H2 2020.

Exploration and evaluation

Exploration and evaluation expense decreased to \$41 million, in line with reduced exploration activity. Exploration expenditure reduction was a cash preservation measure announced as part of our response to market conditions in March 2020.

Trading and other hydrocarbon costs

Trading and other hydrocarbon costs increased by \$284 million primarily due to the onerous contract provision recognised for the Corpus Christi LNG sale and purchase agreement, partially offset by reduced LNG trading activity and no mitigation cargo purchases required to meet LNG sales commitments. Further information on the onerous contract provision is provided in Note D.3 of the Financial Statements.

Impairment losses

Impairment losses were recognised on oil and gas properties and exploration and evaluation assets, largely driven by a reduction in oil and gas price assumptions and increased longer-term uncertainty. Further information on the impairment losses is provided in Note B.3 of the Financial Statements.

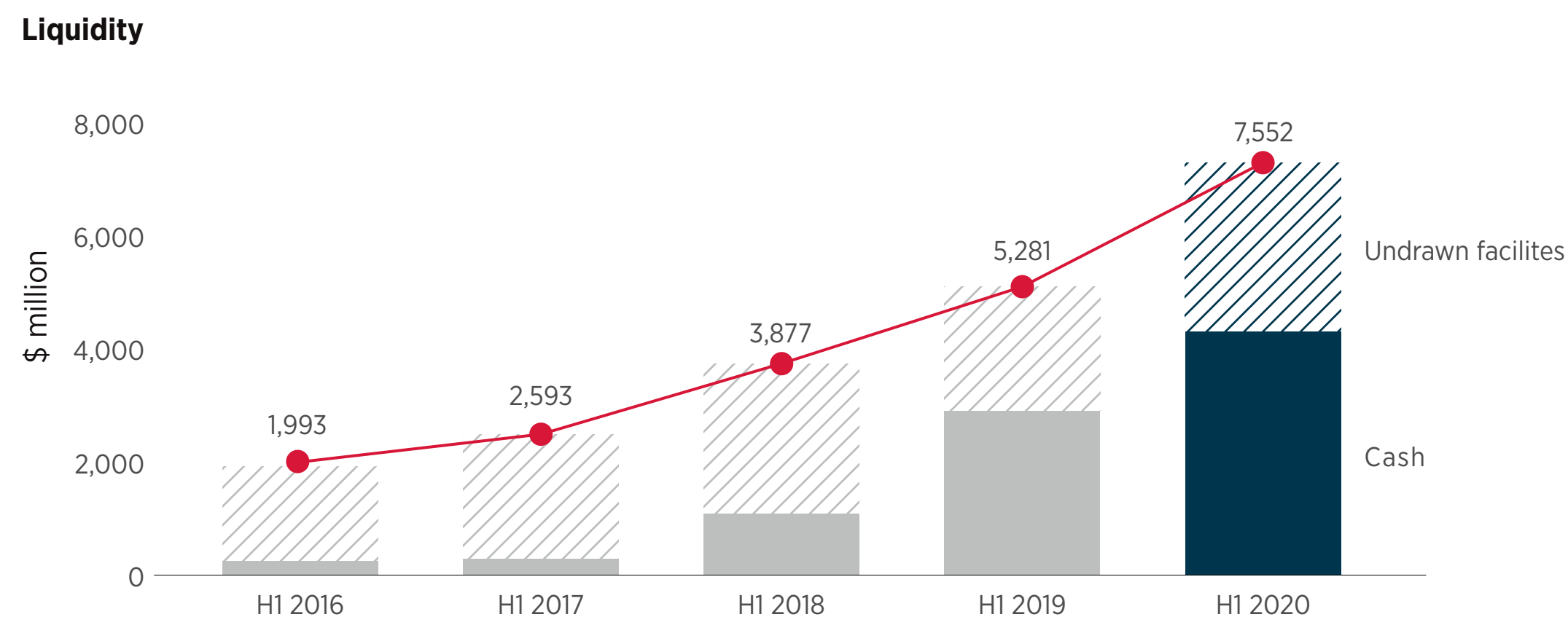
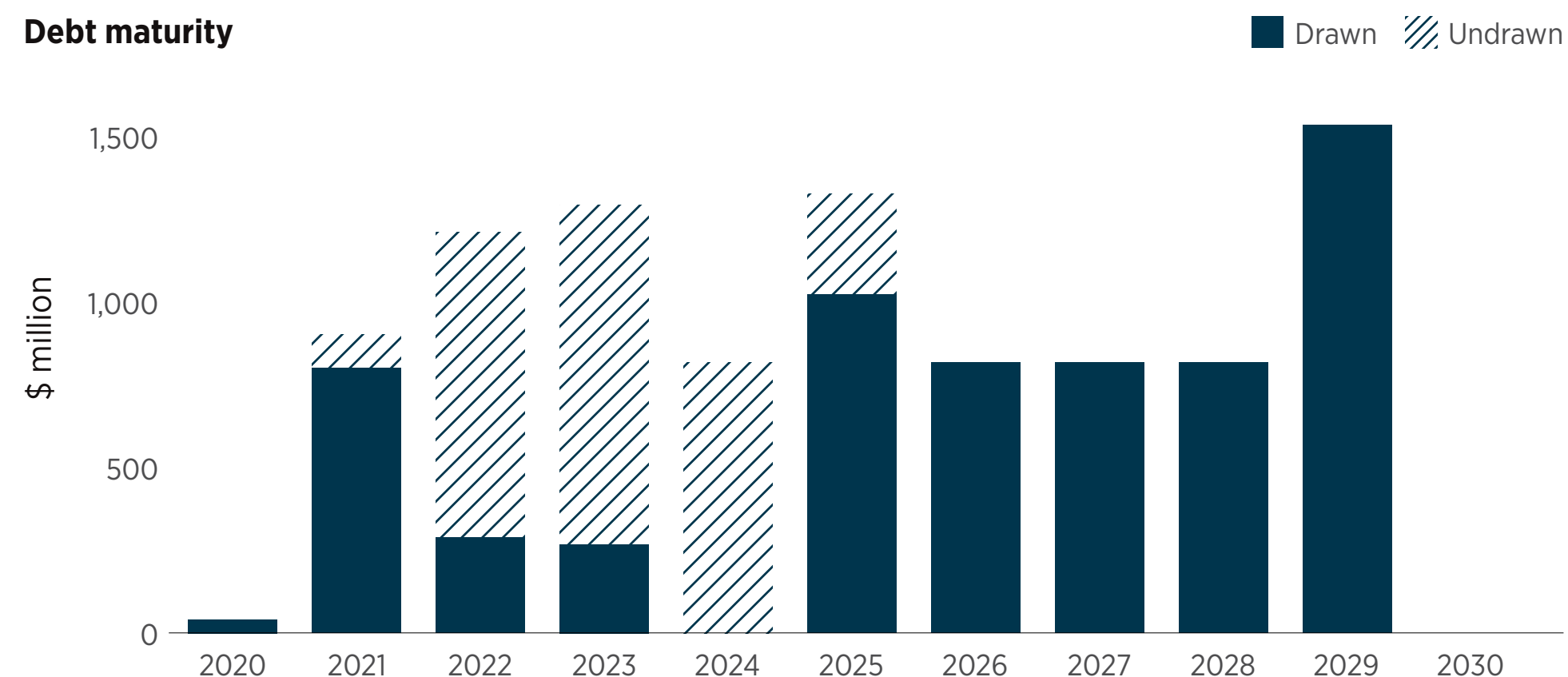
Income tax and PRRT

Income tax and PRRT benefits were primarily a consequence of recognising the impairment losses.

Other

Other costs have increased due to an unfavourable movement in restoration from lower bond rates, increase in finance costs primarily due to the US 144A bond issued in March 2019 and a new syndicated facility taken out in H1 2020, and other individually immaterial items; partially offset by favourable foreign exchange movements.

FINANCIAL SUMMARY



Capital management

Capital allocation

We delivered positive free cash flow of \$264 million despite the challenging market conditions. We responded to the uncertain global investment environment arising from the spread of COVID-19, combined with lower oil and gas prices, by taking a prudent approach to cash flow management and implementing a number of cash preservation measures. We reduced forecast 2020 total expenditure by approximately 50%, including an approximately 60% reduction in guided 2020 investment expenditure. We deferred the targeted final investment decisions (FIDs) for Scarborough, Pluto Train 2 and Browse.

Our balance sheet strength and disciplined approach to capital management provides optionality to pursue inorganic growth opportunities should they emerge.

Dividend payments

A fully franked interim dividend of US 26 cents per share (cps) has been declared. The interim dividend is based on the H1 2020 underlying NPAT of \$303 million and reflects the performance of our high-reliability and low-cost operations during the half.

The value of the interim dividend payment is \$248 million, representing a payout ratio of approximately 80% of underlying NPAT. Consistent with disciplined capital management we will continue to review the payout ratio as we progress our growth opportunities.

The dividend reinvestment plan remains active, allowing eligible shareholders to reinvest their dividends directly into shares at a 1.5% discount.

Debt service

During the first half of 2020 we generated \$1,107 million of cash flow from operating activities. We ended the period with liquidity of \$7,552 million.

Our gearing ratio increased from 14.4% at the end of 2019 to 19.4%, primarily as a result of asset impairments and the onerous contract provision. The gearing ratio remains within our target range of 15-35%. Our credit ratings of Baa1 and BBB+ were both reaffirmed during 2020 by Moody's and S&P Global respectively.

We prudently and strategically manage our debt portfolio by minimising near-term maturities and maintaining a low cost of debt. During H1 2020, we completed a \$600 million syndicated facility with a term of seven years. Our weighted average term to maturity decreased from 5.2 to 4.9 years, and our portfolio cost of debt decreased from 3.6% to 3.0%. Our drawn debt at the end of the period was \$6,238 million. We will continue to actively manage our debt portfolio throughout the remainder of 2020.

Hedging

In response to lower and volatile oil and gas prices, we commenced hedging activities in Q1 2020 to provide improved revenue certainty through the remainder of 2020. We hedged the price of 13.4 million barrels of oil production at a minimum average sales price of \$33/bbl. The transactions include options which allow us to realise the benefit of higher oil price in H2 2020, if the monthly price averages above \$40/bbl.

BASE BUSINESS

Pluto LNG

Woodside achieved outstanding production performance at Pluto LNG, delivering 22.1 MMboe of production (Woodside share) in the first half of 2020. This was an increase of 56% compared to the first half of 2019, which was impacted by Pluto LNG's first major turnaround.

This record first-half outcome was due to strong reliability and the improvements delivered during the 2019 turnaround. Leveraging the facility's remote operation capabilities, Woodside was able to safely achieve uninterrupted LNG production at Pluto LNG throughout Tropical Cyclone Damien, which passed over the facility in February 2020.

As part of our ongoing efforts to improve efficiency and reduce emissions, application of new technologies were trialled in the half, with positive results. These included fin-fan misting, which can improve facility performance during high ambient temperatures, and the operation of both boil-off compressors in parallel to increase LNG production and reduce flaring.

Drilling activities commenced in March 2020 for the Pyxis Hub project, which comprises the subsea tie-back of the Pyxis, Pluto North and Xena infill wells.

Progress continued on the Pluto water handling project, which involves the construction and installation of a water handling module on the Pluto platform to enable wet gas production from 2021. Lift of the module remains on target for H2 2020.

Woodside interest: 90%

Australia Oil

Woodside's share of production from the Okha FPSO, which produces oil from the Cossack, Wanaea, Lambert and Hermes resources, was 0.5 MMboe. Production was down from 0.7 MMboe in the first half of 2019, primarily due to natural field decline.

Woodside's share of production from the Ngujima-Yin FPSO, which produces oil from the Vincent and Greater Enfield resources, was 3.8 MMboe. Production recommenced in H2 2019 following the completion of the Greater Enfield project, which involved the subsea tieback of the Greater Enfield resources to the FPSO.

Woodside commenced re-drilling of the Laverda well during the period to support improved production from the facility.

Woodside interest: 33.33% Okha, 60% Ngujima-Yin

North West Shelf Project

Woodside achieved strong production from the North West Shelf (NWS) Project in the first half of 2020, maintaining safe and reliable operations despite the impacts of Tropical Cyclone Damien and the COVID-19 pandemic. Woodside's share of production was 16.5 MMboe.

To reduce operating expenditure and mitigate the COVID-19 transmission risk, we reduced the number of people on site and deferred non-essential maintenance activities. The planned turnaround schedule at Karratha Gas Plant (KGP) was amended, and the 2020 scope for life extension activities was reduced. A major turnaround involving LNG Train 3 is scheduled for September 2020.

A significant improvement project was delivered in H1 2020, to enable temporary remote operation of the offshore North Rankin Complex. This change will help mitigate the operational risks posed by COVID-19, and enable improved production performance during future cyclone seasons.

In July 2020, the NWS Project participants executed amendments to the joint venture governance documents enabling the processing of third party gas through the NWS Project facilities.

Woodside interest: 16.67%

Wheatstone

Wheatstone continued to deliver solid production performance, driven by good reliability. Woodside's share of production was 7.2 MMboe.

Woodside interest: 13% Wheatstone, 65% Julimar-Brunello

Exploration

As part of our response to market conditions, 2020 exploration expenditure was reduced significantly. Exploration activities planned in Australia, Myanmar, Republic of Korea and Ireland were deferred, including the planned Gemtree-A exploration well offshore north-west Australia and a 3D seismic survey offshore the Republic of Korea in Blocks 8 and 6-1N.

Committed exploration activities were executed as planned. Woodside completed seismic survey activities in Australia and Senegal in H1 2020 covering approximately 1,865 km².

The Government of the Republic of the Congo confirmed Woodside's participation in the production sharing contract (PSC) for the offshore block Marine XX. This supports our exploration strategy of focusing on opportunity capture in emerging basins with proven petroleum systems. The PSC has a one-well commitment that is due before the end of 2025.

Marketing, Trading & Shipping

Woodside is navigating a challenging market environment by managing our existing long-term sales contracts and proactively optimising our LNG portfolio. We have worked with our customers to manage their changing requirements due to the demand volatility resulting from COVID-19.

Our Corpus Christi LNG offtake commenced in May 2020 and we are managing this commitment through our portfolio marketing approach and contractual flexibility. We elected not to lift three cargoes but have sold the majority of cargoes to be lifted under this contract for the remainder of the year.

Throughout the first half of 2020, we continued to engage with customers regarding contracts to underpin our future LNG growth projects.

Woodside's equity domestic gas sales grew by 40% from H1 2019 to H1 2020. The conclusion of the remaining NWS jointly marketed domestic gas contracts provides more opportunities to expand our domestic gas business.

In the oil market, we have managed price volatility and other risks through discrete sales optimisation activities and utilisation of facility-based storage.

DEVELOPMENTS

Sangomar Field Development

Final investment decision was achieved in January 2020 for the Sangomar Field Development Phase 1 by the Rufisque Offshore, Sangomar Offshore and Sangomar Deep Offshore (RSSD) joint venture. Project execution activities have commenced in support of targeted first oil in 2023.

Early action was taken to proactively manage the emerging impacts of COVID-19 on the supply chain and project schedule. We worked with our contractors, the Government of the Republic of Senegal and the joint venture participants to optimise near-term spend whilst protecting the overall value of the investment.

We are working with the contractor to progress contracting and procurement activities and detailed engineering for the FPSO, including major topsides equipment fabrication.

A VLCC tanker was purchased by the FPSO contractor in February 2020 and is due to undergo tank inspection and cleaning in Q3 2020. Commencement of tanker modifications is targeted for Q4 2020. Manufacturing activities in relation to the subsea, umbilical, riser and flowlines (SURF) are progressing, and the subsea tree assembly works commenced in July 2020.

Purchase orders for long-lead items continue to be awarded in readiness for commencement of drilling operations, targeted for mid-2021. Preparation is underway in Senegal to support these activities.

Processing of the high definition 3D marine seismic data acquired in Q1 2020 is progressing as planned.

Subsequent to the half, Petrosen exercised an option to increase its participating interest from 10% to 18%. Woodside's revised participating interest in the RSSD joint venture is 31.89%.

Woodside interest: 31.89%

Project execution activities commenced for Sangomar Field Development Phase 1.



Scarborough and Pluto Train 2

In response to the impacts of COVID-19, lower oil and gas prices and increased demand uncertainty, Woodside deferred the targeted FIDs for Scarborough and Pluto Train 2 from 2020 to H2 2021.

Engineering, commercial and regulatory work streams continued in support of Woodside's revised targeted FIDs. Contractor work plans were updated in readiness for when investment conditions improve.

Woodside and BHP agreed to extend the validity of the tolling price for processing gas from the Scarborough offshore field at Pluto LNG, originally agreed in November 2019, until the end of 2020.

The Scarborough Offshore Project Proposal was accepted by the National Offshore Petroleum Safety and Environmental Management Authority in April 2020, securing the primary environmental approval for the offshore scope. Work has commenced on developing associated environment plans.

In February 2020, Woodside and BHP aligned their participating interests across the WA-1-R (Scarborough) and WA-62-R (North Scarborough) titles, resulting in Woodside holding a 73.5% interest and BHP holding a 26.5% interest in each title.

Applications were submitted to the regulator in February 2020 for production licences over the WA-1-R and WA-62-R titles. Retention lease renewal applications over the WA-61-R (Jupiter) and WA-63-R (Thebe) titles were submitted in May 2020.

Woodside interest: 73.5% Scarborough, 100% Pluto Train 2

Pluto-KGP Interconnector

Work on the Pluto-KGP Interconnector continued in support of Woodside's targeted ready for start-up (RFSU) date in 2022.

The pipeline licence and easement for the Pluto-KGP Interconnector were received by AGIG, the operator of the pipeline. In Q2 2020, Woodside commenced site works for the Interconnector at Pluto LNG and awarded a contract to WA-based engineering company Civmec Construction & Engineering Pty Ltd for the supply and fabrication of equipment within Pluto LNG.

Commencement of construction of the pipeline and associated facilities is targeted for H2 2020.

Commercial negotiations are ongoing in respect of the processing of accelerated gas from the Pluto fields at the NWS Project via the Interconnector and in relation to the construction of the Interconnector facilities.

Woodside interest: 100%

DEVELOPMENTS

Browse

In response to the current market conditions, Woodside's targeted FID for Browse has been deferred. Woodside is targeting FID from 2023.

The Browse Joint Venture (BJV) is reviewing the development schedule and continues to progress all necessary commercial agreements and regulatory approvals to ensure Browse is well placed to progress as market conditions improve. The BJV has taken prudent capital management decisions to moderate project expenditure in the near-term given the external conditions arising from COVID-19 and lower oil and gas prices.

The Browse Draft Environmental Impact Statement/Environmental Review Document (EIS/ERD) Supplement is being finalised for submission following completion of the eight-week public comment period in February 2020.

In April 2020, production licence applications were submitted to the relevant State and Commonwealth regulators for the Calliance and Torosa fields, over the WA-28-R, WA-29-R, WA-30-R, WA-31-R, TR/5 and R2 titles. A retention lease renewal application was also submitted in relation to Brecknock, over the WA-32-R title. These applications are currently being assessed.

Woodside interest: 30.6%

NWS Project Extension

The purpose of the NWS Project Extension is to refurbish and extend the life of the NWS Project's facilities, to support the processing of third-party gas in the coming decades.

The North West Shelf Gas Development (Woodside) Agreement Amendment Bill 2019 (WA) was passed by the Western Australian Parliament, extending the term of the North West Gas Development (Woodside) Agreement Act 1979 (WA) to 2059. The extension will enable the continued operation of KGP and allow the processing of gas from other fields through KGP.

We are progressing the NWS Project Extension Environmental Review Document (ERD) following completion of the eight-week public comment period in February 2020.

Woodside interest: 16.67%



Julimar-Brunello Phase 2

Woodside commenced a multi-well drilling campaign for Julimar-Brunello Phase 2 in Q1 2020, following FID in Q4 2019. The project will develop gas from the Julimar reservoir as a subsea tieback to the existing Brunello infrastructure. At the end of the half, activities were on budget and on schedule.

Woodside interest: 65%

Greater Western Flank Phase 3

Final investment decision was achieved in January 2020 for Greater Western Flank Phase 3, including Lambert Deep (GWF-3). GWF-3 is a subsea tieback development and supports continued, efficient commercialisation of NWS reserves. Execution of project activities commenced during H1 2020.

Woodside interest: 16.67%

Myanmar

The A-6 Development in Myanmar is targeting the development of natural gas from Block A-6 for sale to domestic and export markets. Woodside is working with the Block A-6 joint venture participants and the Government of Myanmar to progress the A-6 Development to front-end engineering design (FEED), following agreement of fiscal terms in late-2019. Negotiations are underway across commercial and marketing work streams. Technical work, including studies and surveys, continues.

The impacts of COVID-19 have delayed the planned exploration drilling campaign offshore Myanmar. Woodside is drilling operator, and worked with joint venture partners and contractors to develop and agree a suitable revised drilling program. Drilling is subject to government and joint venture approvals.

We are targeting H1 2021 for the start of drilling.

Woodside interest: 40% A-6 Development

SUSTAINABILITY

HSE performance

The impacts of Tropical Cyclone Damien and COVID-19 in the first half of 2020 required a sustained, adaptive response across the organisation to support our people as they delivered safe and reliable operations.

Mental and physical health and wellbeing have been a critical focus, given the heightened exposure to psycho-social risks through these unprecedented times. We developed and implemented a Health & Wellbeing Framework, which was subsequently adopted nationally by industry bodies APPEA and Safer Together. To preserve longer-term HSE performance, we are working with our employees and contractors to mitigate the impact of cumulative fatigue. By aiming for a Perfect HSE Day every day, we remain focussed on the tasks at hand and pre-emptively manage risk.

Our record first-half production was achieved with strong health and safety performance, delivering our best recorded personal safety result.

Environment and climate change

For the first half of 2020, we achieved a 6.2% improvement in energy efficiency performance against our 2016 baseline, positioning us well to meet our overall target of 5% over the 2016-2020 period by the end of 2020. High reliability has played a major role in this achievement. We are preparing to implement our new 2021-2025 target for an additional 5% improvement of our operating emissions intensity.

In May 2020, we commenced the first phase of native tree planting under our partnership with Greening Australia, which is expected to sequester approximately 700,000 tonnes of CO₂ equivalent over 25 years. This supports our target to offset our global equity reservoir carbon emissions from 2021.

We continue to expand our carbon-related strategy and climate-related disclosure, in accordance with our aspiration to be net-zero for direct emissions by 2050. Our newly appointed Senior Vice President Climate is driving these efforts.

We commenced a review of our industry association memberships for alignment with our climate change positions. This review will be published in November 2020.

New energy

Woodside continued to progress the development of markets and supply chains for our targeted future products, hydrogen and ammonia.

We signed an agreement in March 2020 with Japanese companies JERA Inc, Marubeni Corporation and IHI Corporation to undertake a joint study examining the large-scale export of hydrogen as ammonia to decarbonise coal-fired power generation in Japan.

The consortium received approval from Japan's New Energy and Industrial Technology Development Organization (NEDO) for a feasibility study covering the entire hydrogen-as-ammonia value chain.

As part of the study, Woodside will be investigating the transition from blue to green hydrogen for export. Blue hydrogen is produced from natural gas using steam methane reforming, with related carbon management. Green hydrogen is produced by electrolysis of water, powered by renewable energy.

In both production processes hydrogen can be combined with nitrogen to form ammonia, enabling it to be shipped as a liquid. Ammonia does not produce any on-site carbon emissions when consumed in a power plant.

In July 2020, Woodside was shortlisted to apply for renewable hydrogen funding from the Australian Renewable Energy Agency for two projects.

Reconciliation Action Plan

Woodside's 2019 Reconciliation Action Plan (RAP) report was released during National Reconciliation Week in May 2020. The report reflects on our progress against our commitments to respect, relationships, opportunities and national leadership as outlined in our 2016-2020 Reconciliation Action Plan. It highlights our continued commitment to reconciliation, and achievements such as a 98% increase in contract awards to Indigenous businesses since 2016. In the first half of 2020 we commenced implementation of the two new enhanced benefits agreements with Traditional Owner groups in the Pilbara, which were signed in November 2019.

The report also features a nine-month pilot for a new pre-employment program, which prepares Indigenous people for ongoing employment. Eight Pilbara-based trainees will be the first group to graduate from the pilot program in 2020.

Woodside continues to participate in weekly coordination discussions with the National Indigenous Australians Agency to explore options to support Indigenous communities in response to COVID-19.

Community investment

We finalised a social investment strategy and expanded benefits agreements with our Traditional Owner partners in the north-west region of Australia. We also launched a new Woodside community grants program across regional communities in March 2020. The program, which provides grants of up to A\$5,000 to support local organisations, was used by City of Karratha groups to help rebuild after Tropical Cyclone Damien. Woodside is also supporting new initiatives with regional chambers of commerce which aim to build capability and capacity of regional businesses in our host communities.

COVID-19 Community Fund

The Woodside COVID-19 Community Fund was established to support community organisations through the unprecedented challenges caused by the COVID-19 pandemic. Over A\$4 million has already helped more than 60 not-for-profit organisations deliver humanitarian and health support within the communities where we are active. Almost A\$2 million has been donated to organisations that support homelessness and women and children facing domestic violence.

Supporting local suppliers

We have taken steps to identify small, local and Indigenous businesses, shorten payment terms for new invoices received and expedite payment of pending invoices. Eighty-two suppliers have been identified and can benefit from our expedited payment terms. During the first half of 2020, these suppliers received over A\$24 million in payments for goods and services.

ESG ratings

We have maintained our 'AAA' leader rating in the Morgan Stanley Capital International (MSCI) Environment, Social and Governance (ESG) ratings for the sixth consecutive year. Woodside's Sustainalytics ESG Risk Rating also improved, ranking us in the top 2% of oil and gas producers globally.

GOVERNANCE

The directors of Woodside Petroleum Ltd present their report (including the review of operations set out on pages 3-10) together with the Financial Statements of the Group.

Board of directors

The names of the directors in office during or since the end of the period are as follows:

Mr Richard Goyder, AO (Chairman)

Mr Peter Coleman (CEO and Managing Director)

Mr Larry Archibald

Mr Frank Cooper, AO

Ms Swee Chen Goh

Dr Christopher Haynes, OBE

Mr Ian Macfarlane

Ms Ann Pickard

Dr Sarah Ryan

Mr Gene Tilbrook.

Rounding of amounts

The amounts contained in this report have been rounded to the nearest million dollars under the option available to the Group under Australian Securities and Investments Commission (ASIC) Instrument 2016/191 dated 24 March 2016, unless otherwise stated.

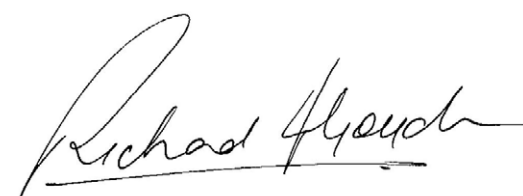
Management assurance

Consistent with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition), before the adoption by the Board of the Half-Year Financial Statements 2020, the Board received written declarations from the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) that the financial records of the company have been properly maintained in accordance with section 286 of the *Corporations Act 2001*, and the company's financial statements and notes comply with accounting standards and give a true and fair view of the consolidated entity's financial position and performance for the financial period. The CEO and the CFO have also stated in writing to the Board that the statement relating to the integrity of Woodside's financial statements is founded on a sound system of risk management and internal control that is operating effectively.

Auditor's Independence Declaration

The Auditor's Independence Declaration, as required under section 307C of the *Corporations Act 2001*, is set out on this page and forms part of this report.

Signed in accordance with a resolution of the directors.



R J B Goyder, AO

Chairman

Perth, Western Australia

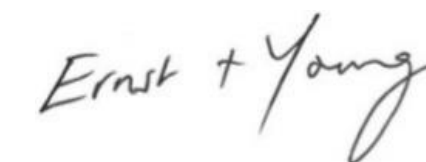
13 August 2020

Auditor's Independence Declaration to the Directors of Woodside Petroleum Ltd

As lead auditor for the review of the financial report of Woodside Petroleum Ltd for the half-year ended 30 June 2020, I declare to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Woodside Petroleum Ltd and the entities it controlled during the financial period.



Ernst & Young



T S Hammond

Partner

Perth, Western Australia

13 August 2020

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HALF-YEAR FINANCIAL STATEMENTS

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Significant changes in the current reporting period

The financial performance and position of the Group were particularly affected by the following events and transactions during the reporting period:

- In January 2020, the Group took unconditional FID on Sangomar Field Development Phase 1. Exploration and evaluation assets were transferred to oil and gas properties (refer to Notes B.1 and B.2).
- In January 2020, the Group completed a \$600 million syndicated facility with a term of seven years (refer to Note C.3).
- The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The outbreak and the response of Governments in dealing with the pandemic has affected general activity levels within the global community, economy and business operations. The COVID-19 crisis and a decline in oil prices have impacted and will continue to impact the Group's earnings, cash flow and financial position. The condensed half-year financial statements have been prepared based on assumptions and conditions prevalent as at 30 June 2020. Given ongoing economic uncertainty, these assumptions could change in the future. Key impacts in the reporting period are:
 - The decline in forecast prices, weaker demand and ongoing uncertainties, resulted in impairment losses (pre-tax) of \$5,269 million (refer to Note B.3) and an onerous contract provision of \$447 million (refer to Note D.3);
 - The decline in long-term government bond rates increased restoration liabilities by \$299 million. The majority of this was recognised as a corresponding increase in restoration assets, included within oil and gas properties (refer to Note D.3); and
 - The Group hedged a percentage of its exposure to commodity price risk through several commodity swaps and call option derivative financial instruments (refer to Note D.4).

CONSOLIDATED INCOME STATEMENT

for the half-year ended 30 June 2020

	Notes	2020 US\$m	2019 US\$m
Operating revenue	A.1	1,907	2,260
Cost of sales	A.1	(1,770)	(1,395)
Gross profit		137	865
Other income	A.1	50	4
Other expenses	A.1	(5,429)	(170)
(Loss)/profit before tax and net finance costs		(5,242)	699
Finance income		44	44
Finance costs	A.2	(168)	(149)
(Loss)/profit before tax		(5,366)	594
Petroleum resource rent tax (PRRT) benefit	A.5	257	46
Income tax benefit/(expense)	A.5	1,071	(214)
(Loss)/profit after tax		(4,038)	426
(Loss)/profit attributable to:			
Equity holders of the parent		(4,067)	419
Non-controlling interest		29	7
(Loss)/profit for the period		(4,038)	426
Basic and diluted (losses)/earnings per share attributable to equity holders of the parent (US cents)	A.4	(429.8)	44.8

The accompanying notes form part of the Half-Year Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the half-year ended 30 June 2020

	2020 US\$m	2019 US\$m
(Loss)/profit for the period	(4,038)	426
Other comprehensive (loss)/income		
Items that may be reclassified to the income statement in subsequent periods:		
(Losses)/gains on hedges	(82)	1
Tax effect on employee share plans	-	(2)
Items that will not be reclassified to the income statement in subsequent periods:		
Remeasurement (losses)/gains on defined benefit plan	(3)	1
Other comprehensive loss for the period, net of tax	(85)	-
Total comprehensive (loss)/income for the period	(4,123)	426
Total comprehensive (loss)/income attributable to:		
Equity holders of the parent	(4,152)	419
Non-controlling interest	29	7
Total comprehensive (loss)/income for the period	(4,123)	426

The accompanying notes form part of the Half-Year Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2020

	Notes	30 June 2020 US\$m	31 December 2019 US\$m
Current assets			
Cash and cash equivalents		4,452	4,058
Receivables		261	343
Inventories		162	176
Other financial assets	D.4	86	28
Other assets		43	42
Total current assets		5,004	4,647
Non-current assets			
Receivables		303	245
Inventories		21	-
Other financial assets	D.4	36	35
Other assets		35	21
Exploration and evaluation assets	B.1	1,951	3,809
Oil and gas properties	B.2	15,119	18,298
Other plant and equipment		185	177
Deferred tax assets		1,122	1,173
Lease assets		904	948
Total non-current assets		19,676	24,706
Total assets		24,680	29,353
Current liabilities			
Payables		477	581
Interest-bearing liabilities		776	77
Other financial liabilities	D.4	90	12
Other liabilities		55	34
Provisions	D.3	403	272
Tax payable		18	86
Lease liabilities		72	69
Total current liabilities		1,891	1,131
Non-current liabilities			
Interest-bearing liabilities		5,462	5,602
Deferred tax liabilities		640	2,193
Other financial liabilities	D.4	42	15
Other liabilities		43	46
Provisions	D.3	2,604	1,856
Lease liabilities		1,057	1,101
Total non-current liabilities		9,848	10,813
Total liabilities		11,739	11,944
Net assets		12,941	17,409
Equity			
Issued and fully paid shares	C.1	9,191	9,010
Shares reserved for employee share plans	C.1	(42)	(39)
Other reserves	C.2	1,634	992
Retained earnings		1,359	6,654
Equity attributable to equity holders of the parent		12,142	16,617
Non-controlling interest		799	792
Total equity		12,941	17,409

The accompanying notes form part of the Half-Year Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 30 June 2020

	Notes	2020 US\$m	2019 US\$m
Cash flows from operating activities			
(Loss)/profit after tax for the period		(4,038)	426
Adjustments for:			
Non-cash items			
Depreciation and amortisation		902	720
Depreciation of lease assets		45	43
Change in fair value of derivative financial instruments		(10)	1
Net finance costs		124	105
Tax (benefit)/expense		(1,328)	168
Exploration and evaluation written off		2	47
Impairment losses		5,269	-
Restoration		11	(20)
Onerous contract provision		447	-
Other		(37)	17
Changes in assets and liabilities			
Decrease in trade and other receivables		83	205
Decrease in inventories		12	4
(Decrease)/increase in provisions		(15)	32
(Decrease)/increase in lease liabilities		(10)	45
(Decrease)/increase in other assets and liabilities		(52)	7
Decrease in trade and other payables		(18)	(58)
Cash generated from operations		1,387	1,742
Purchases of shares and payments relating to employee share plans		(9)	(24)
Interest received		48	39
Dividends received		1	1
Borrowing costs relating to operating activities		(93)	(59)
Income tax paid		(211)	(204)
Payments for restoration		(16)	(10)
Net cash from operating activities		1,107	1,485
Cash flows used in investing activities			
Payments for capital and exploration expenditure		(788)	(600)
Proceeds from disposal of non-current assets held for sale		-	6
Borrowing costs relating to investing activities		(22)	(22)
Advances to other external entities	D.2	(33)	-
Net cash used in investing activities		(843)	(616)
Cash flows from financing activities			
Proceeds from borrowings	C.3	600	1,500
Repayment of borrowings		(42)	(42)
Borrowing costs relating to financing activities		(13)	(17)
Repayment of lease liabilities		(33)	(14)
Borrowing costs relating to lease liabilities		(42)	(45)
Contributions to non-controlling interests		(57)	(34)
Dividends paid outside of DRP		-	(852)
Dividends paid (net of DRP)		(285)	-
Net cash from financing activities		128	496
Net increase in cash held		392	1,365
Cash and cash equivalents at the beginning of the period		4,058	1,674
Effects of exchange rate changes		2	(2)
Cash and cash equivalents at the end of the period		4,452	3,037

The accompanying notes form part of the Half-Year Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 30 June 2020

	Issued and fully paid shares	Shares reserved for employee share plans	Employee benefits reserve	Foreign currency translation reserve	Hedging reserve	Distributable profits reserve	Retained earnings	Equity holders of the parent	Non-controlling interest	Total equity
Notes	C.1 US\$m	C.1 US\$m	US\$m	US\$m	US\$m	C.2 US\$m	US\$m	US\$m	US\$m	US\$m
At 1 January 2020	9,010	(39)	211	793	(12)	-	6,654	16,617	792	17,409
Transfers	-	-	-	-	-	710	(710)	-	-	-
Loss for the period	-	-	-	-	-	-	(4,067)	(4,067)	29	(4,038)
Other comprehensive loss	-	-	(3)	-	(82)	-	-	(85)	-	(85)
Total comprehensive (loss)/income for the period	-	-	(3)	-	(82)	-	(4,067)	(4,152)	29	(4,123)
Dividend reinvestment plan	181	-	-	-	-	-	-	181	-	181
Employee share plan purchases	-	(9)	-	-	-	-	-	(9)	-	(9)
Employee share plan redemptions	-	6	(6)	-	-	-	-	-	-	-
Share-based payments (net of tax)	-	-	23	-	-	-	-	23	-	23
Dividends paid	-	-	-	-	-	-	(518)	(518)	(22)	(540)
At 30 June 2020	9,191	(42)	225	793	(94)	710	1,359	12,142	799	12,941
At 1 January 2019	8,880	(31)	206	793	(14)	-	7,500	17,334	833	18,167
Profit for the period	-	-	-	-	-	-	419	419	7	426
Other comprehensive income/(loss)	-	-	(1)	-	1	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	(1)	-	1	-	419	419	7	426
Employee share plan purchases	-	(24)	-	-	-	-	-	(24)	-	(24)
Employee share plan redemptions	-	14	(14)	-	-	-	-	-	-	-
Share-based payments (net of tax)	-	-	30	-	-	-	-	30	-	30
Dividends paid	-	-	-	-	-	-	(852)	(852)	(35)	(887)
At 30 June 2019	8,880	(41)	221	793	(13)	-	7,067	16,907	805	17,712

The accompanying notes form part of the Half-Year Financial Statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the half-year ended 30 June 2020

About these statements

Woodside Petroleum Ltd (Woodside or the Group) is a for-profit entity limited by shares, incorporated and domiciled in Australia. Its shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the Base business and Developments sections and in the segment information below.

The condensed half-year financial statements were authorised for issue in accordance with a resolution of the directors on 13 August 2020.

Statement of compliance

The condensed half-year financial statements are condensed general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard (AASB) 134 *Interim Financial Reporting*.

The condensed half-year financial statements do not include all notes of the type normally included in annual financial statements. Accordingly, these condensed half-year financial statements are to be read in conjunction with the Financial Statements within the Annual Report for the year ended 31 December 2019 (2019 Financial Statements) and any public announcements made by Woodside during the period ended 30 June 2020 in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

The accounting policies are consistent with those disclosed in the 2019 Financial Statements except for the impact of new or amended standards and interpretations effective 1 January 2020. The adoption of these standards and interpretations did not result in any significant changes to the Group's accounting policies.

The Group early adopted AASB 2019-3 *Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform* (AASB 2019-3) in the prior year, effective from 1 January 2019.

Currency

The functional and presentation currency of Woodside and all its subsidiaries is US dollars.

Transactions in foreign currencies are initially recorded in the functional currency of the transacting entity at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange ruling at that date. Exchange differences in the consolidated financial statements are taken to the income statement.

Rounding of amounts

The amounts contained in the condensed half-year financial statements have been rounded to the nearest million dollars under the option available to the Group under Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016, unless otherwise stated.

Basis of preparation

The condensed half-year financial statements have been prepared on a historical cost basis, except for derivative financial instruments and certain other financial assets and financial liabilities, which have been measured at fair value or amortised cost adjusted for changes in fair value attributable to the risks that are being hedged in effective hedge relationships. Where not carried at fair value, if the carrying value of financial assets and financial liabilities does not approximate their fair value, the fair value has been included in the notes to the condensed half-year financial statements.

The condensed half-year financial statements comprise the financial results of the Group and its subsidiaries for the period ended 30 June 2020. Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date at which the Group ceases to have control.

The subsidiaries of the Group have the same reporting period and accounting policies as the parent company. All intercompany balances and transactions, including unrealised profits and losses arising from intra-group transactions, have been eliminated in full.

Non-controlling interests are allocated their share of the net profit after tax in the consolidated income statement, their share of other comprehensive income, net of tax, in the consolidated statement of comprehensive income, and are presented within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

The condensed half-year financial statements provide comparative information in respect of the previous period. Reclassifications of items in the financial statements of the previous period have been made in accordance with the classification of items in the condensed half-year financial statements of the current period.

Reporting segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources.

The reporting segments are consistent with the 2019 Financial Statements. In the period, the following changes were made and 2019 amounts have been restated:

- Revenue from sale of hydrocarbons – the Group changed the presentation of LNG revenue to align with the marketing and sale of LNG on a portfolio basis. LNG revenue includes the sale of produced and purchased LNG and is measured for each segment at the average realised price of all LNG sold. The sale of purchased LNG was previously classified as trading revenue or other hydrocarbon revenue in the segment note in the 2019 Financial Statements.
- Shipping and other revenue – was previously classified as trading revenue in the 2019 Financial Statements.

The geographical location where the Group generates revenue from contracts with external customers has not significantly changed from the year ended 31 December 2019.

A. Earnings for the period

A.1 Segment revenue and expenses

	Producing								Development		Other				Consolidated	
	North West Shelf		Pluto		Australia Oil		Wheatstone		Development		Other segments		Unallocated items		2020	2019 ¹
	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m	2020 US\$m	2019 ¹ US\$m
Liquefied natural gas	425	626	783	789	-	-	220	242	-	-	24	151	-	-	1,452	1,808
Domestic gas	32	35	4	1	-	-	7	4	-	2	-	-	-	-	43	42
Condensate	97	164	45	63	-	-	41	66	-	-	-	-	-	-	183	293
Oil	-	-	-	-	156	36	-	-	-	-	-	-	-	-	156	36
Liquefied petroleum gas	-	23	-	-	-	-	-	-	-	-	-	-	-	-	-	23
Revenue from sale of hydrocarbons	554	848	832	853	156	36	268	312	-	2	24	151	-	-	1,834	2,202
Processing and services revenue	-	-	70	46	-	-	-	-	-	-	-	-	-	-	70	46
Shipping and other revenue	-	-	-	-	-	-	-	-	-	-	3	12	-	-	3	12
Other revenue	-	-	70	46	-	-	-	-	-	-	3	12	-	-	73	58
Operating revenue from contracts with customers	554	848	902	899	156	36	268	312	-	2	27	163	-	-	1,907	2,260
Production costs	(56)	(65)	(89)	(145)	(52)	(41)	(30)	(30)	-	(2)	-	-	3	-	(224)	(283)
Royalties and excise	(56)	(107)	-	-	(1)	(2)	-	-	-	-	-	-	-	-	(57)	(109)
Insurance	(4)	(3)	(9)	(7)	(2)	(1)	(1)	(1)	-	-	-	-	(4)	(3)	(20)	(15)
Inventory movement	3	1	(7)	(7)	(13)	-	(4)	(1)	-	-	-	-	-	-	(21)	(7)
Costs of production	(113)	(174)	(105)	(159)	(68)	(44)	(35)	(32)	-	(2)	-	-	(1)	(3)	(322)	(414)
Land and buildings	(2)	(2)	(13)	(12)	-	-	(14)	(14)	-	-	-	-	-	-	(29)	(28)
Transferred exploration and evaluation	(8)	(9)	(17)	(17)	(23)	(1)	(13)	(12)	-	-	-	-	-	-	(61)	(39)
Plant and equipment	(125)	(125)	(385)	(367)	(147)	(9)	(133)	(127)	-	-	-	-	-	-	(790)	(628)
Marine vessels and carriers	(1)	(2)	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(2)
Oil and gas properties depreciation and amortisation	(136)	(138)	(415)	(396)	(170)	(10)	(160)	(153)	-	-	-	-	-	-	(881)	(697)
Shipping and direct sales costs	(24)	(30)	(30)	(19)	-	-	(15)	(15)	-	-	15	9	-	-	(54)	(55)
Trading costs ²	(2)	(19)	(26)	(38)	-	-	(1)	(3)	-	-	(484)	(80)	-	-	(513)	(140)
Other hydrocarbon costs	-	-	-	(35)	-	-	-	(54)	-	-	-	-	-	-	-	(89)
Other cost of sales	(26)	(49)	(56)	(92)	-	-	(16)	(72)	-	-	(469)	(71)	-	-	(567)	(284)
Cost of sales	(275)	(361)	(576)	(647)	(238)	(54)	(211)	(257)	-	(2)	(469)	(71)	(1)	(3)	(1,770)	(1,395)
Gross profit	279	487	326	252	(82)	(18)	57	55	-	-	(442)	92	(1)	(3)	137	865
Other income³	4	5	1	2	-	-	9	-	1	(4)	-	-	35	1	50	4
Exploration and evaluation expenditure	(2)	(1)	-	(1)	-	(2)	(2)	(1)	(1)	(1)	(27)	(50)	-	-	(32)	(56)
Amortisation	-	-	-	-	-	-	-	-	-	-	(7)	(8)	-	-	(7)	(8)
Write-offs	-	(4)	-	-	-	-	-	-	-	-	(2)	(43)	-	-	(2)	(47)
Exploration and evaluation	(2)	(5)	-	(1)	-	(2)	(2)	(1)	(1)	(1)	(36)	(101)	-	-	(41)	(111)
General, administrative and other costs	-	(2)	-	-	-	(1)	-	-	2	1	2	1	(48)	(27)	(44)	(28)
Depreciation of other plant and equipment	-	-	-	-	-	-	-	-	-	-	-	(1)	(14)	(14)	(14)	(15)
Depreciation of lease assets	-	-	(13)	(13)	-	-	-	-	-	-	(16)	(16)	(16)	(14)	(45)	(43)
Restoration movement	-	-	-	-	(11)	20	-	-	-	-	-	-	-	-	(11)	20
Impairment losses ⁴	(454)	-	(1,291)	-	(674)	-	(1,401)	-	(1,298)	-	(151)	-	-	-	(5,269)	-
Other ³	(11)	(2)	13	2	(9)	1	9	8	-	-	-	-	(7)	(2)	(5)	7
Other costs	(465)	(4)	(1,291)	(11)	(694)	20	(1,392)	8	(1,296)	1	(165)	(16)	(85)	(57)	(5,388)	(59)
Other expenses	(467)	(9)	(1,291)	(12)	(694)	18	(1,394)	7	(1,297)	-	(201)	(117)	(85)	(57)	(5,429)	(170)
(Loss)/profit before tax and net finance costs	(184)	483	(964)	242	(776)	-	(1,328)	62	(1,296)	(4)	(643)	(25)	(51)	(59)	(5,242)	699

1. 2019 amounts have been restated for the application of reporting on a LNG portfolio basis as detailed in 'About these statements'.

2. Trading costs includes the recognition of an onerous contract provision of \$447 million (refer to Note D.3 for further details).

3. Other comprises foreign exchange gains and losses, fair value movements on financial instruments and expenses not associated with the ongoing operations of the business.

4. Impairment losses represent charges on exploration and evaluation of \$1,557 million and oil and gas properties of \$3,712 million. Refer to Note B.3 for further details.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the half-year ended 30 June 2020

A.2 Finance costs

	2020 US\$m	2019 US\$m
Interest on interest-bearing liabilities	120	102
Interest on lease liabilities	42	45
Accretion charge	19	22
Other finance costs	10	7
Less: Finance costs capitalised against qualifying assets	(23)	(27)
	168	149

A.3 Dividends paid and proposed

Woodside Petroleum Ltd, the parent entity, paid and proposed dividends as set out below:

	2020 US\$m	2019 US\$m
(a) Dividends paid during the financial half-year		
Prior year fully franked final dividend US\$0.55, paid on 20 March 2020 (2019: US\$0.91, paid on 20 March 2019)	518	852
(b) Dividend declared subsequent to the reporting period (not recorded as a liability)		
Current year fully franked interim dividend US\$0.26 to be paid on 18 September 2020 (2019: US\$0.36, paid on 20 September 2019)	248	337

The dividend reinvestment plan (DRP) was approved by the shareholders at the Annual General Meeting in 2003 for activation as required to fund future growth. The DRP was reactivated for the 2019 interim dividend and will remain in place until further notice.

A.4 (Losses)/earnings per share

	2020	2019
(Loss)/profit attributable to equity holders of the parent (US\$m)	(4,067)	419
Weighted average number of shares on issue	946,226,194	934,696,636
Basic and diluted (losses)/earnings per share (US cents)	(429.8)	44.8

A.5 Taxes

Except as disclosed below, the recognition and measurement of PRRT and income tax benefits/(expenses) are consistent with Note A.5 of the 2019 Financial Statements.

As a result of long-term oil price assumptions (as disclosed in Note B.3), \$348 million of the Pluto PRRT deferred tax asset (DTA) has been derecognised. It is no longer probable that future taxable profits will be in excess of future augmentation of the deductible general expenditure. A long-term bond rate of 1.0% (31 December 2019: 1.3%) was used for the purposes of augmentation. All other deferred PRRT and income tax movements are a result of the effective income tax rates applicable to each Australian or foreign jurisdiction.

B. Production and growth assets

B.1 Exploration and evaluation

	Oceania US\$m	Asia US\$m	Canada US\$m	Africa US\$m	Other US\$m	Total US\$m
Half-year ended 30 June 2020						
Carrying amount at 1 January 2020	2,243	199	742	623	2	3,809
Additions	221	12	67	-	-	300
Amortisation of licence acquisition costs	(4)	(2)	-	(1)	-	(7)
Expensed ¹	-	-	-	-	(2)	(2)
Impairment losses ²	(748)	-	(809)	-	-	(1,557)
Transferred exploration and evaluation	(10)	-	-	(582)	-	(592)
Carrying amount at 30 June 2020	1,702	209	-	40	-	1,951
Year ended 31 December 2019						
Carrying amount at 1 January 2019	2,002	192	1,408	563	15	4,180
Additions	325	11	54	60	29	479
Amortisation of licence acquisition costs	(11)	(4)	-	-	-	(15)
Expensed ¹	(4)	-	-	-	(42)	(46)
Impairment losses ²	-	-	(720)	-	-	(720)
Transferred exploration and evaluation	(69)	-	-	-	-	(69)
Carrying amount at 31 December 2019	2,243	199	742	623	2	3,809

1. \$2 million of exploration and evaluation expensed relates to unsuccessful wells written off during the period (31 December 2019: \$46 million).

2. Refer to Note B.3 for details on impairment.

B.2 Oil and gas properties

	Land and buildings US\$m	Transferred exploration and evaluation US\$m	Plant and equipment US\$m	Marine vessels and carriers US\$m	Projects in development US\$m	Total US\$m
Half-year ended 30 June 2020						
Carrying amount at 1 January 2020	1,068	729	15,813	36	652	18,298
Additions	-	-	249	-	573	822
Depreciation and amortisation	(29)	(61)	(790)	(1)	-	(881)
Impairment losses ¹	(264)	(199)	(2,636)	(23)	(590)	(3,712)
Completions and transfers	-	-	28	-	564	592
Carrying amount at 30 June 2020	775	469	12,664	12	1,199	15,119
At 30 June 2020						
Historical cost	1,722	1,348	31,191	184	1,847	36,292
Accumulated depreciation and impairment	(947)	(879)	(18,527)	(172)	(648)	(21,173)
Net carrying amount	775	469	12,664	12	1,199	15,119
Year ended 31 December 2019						
Carrying amount at 1 January 2019	1,100	625	15,460	66	1,630	18,881
Additions	-	-	122	-	831	953
Disposals at written down value	-	-	(3)	(13)	(2)	(18)
Depreciation and amortisation	(57)	(101)	(1,412)	(4)	-	(1,574)
Impairment losses ¹	-	-	-	(17)	-	(17)
Completions and transfers	25	205	1,646	4	(1,807)	73
Carrying amount at 31 December 2019	1,068	729	15,813	36	652	18,298
At 31 December 2019						
Historical cost	1,722	1,348	30,928	184	710	34,892
Accumulated depreciation and impairment	(654)	(619)	(15,115)	(148)	(58)	(16,594)
Net carrying amount	1,068	729	15,813	36	652	18,298

1. Refer to Note B.3 for details on impairment.

In January 2020, the Group took unconditional FID on Sangomar Field Development Phase 1 and entered into capital expenditure commitments of \$714 million.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the half-year ended 30 June 2020

B.3 Impairment of exploration and evaluation and oil and gas properties

Impairment of non-current assets

The policy for impairment testing and methods used to determine recoverable amounts are consistent with the disclosure in Note B.4 of the 2019 Financial Statements. The recoverable amount of an asset or cash-generating unit (CGU) is determined as the higher of its value in use (VIU) and fair value less cost of disposal (FVLCD). Oil and gas properties are typically tested at the CGU level. Exploration and evaluation assets, where applicable, are assessed at the area of interest (AOI) level using FVLCD as there is no VIU.

Recognised impairment

The Group assessed each AOI and CGU and identified the following indicators of impairment for certain AOIs and all CGUs:

- AOIs – uncertainties on fiscal conditions and/or development strategies have led to a lack of substantive ongoing and/or planned activity; and
- CGUs – the decrease in global oil and gas prices due to the impacts of the COVID-19 pandemic, oversupply and weakened global demand.

Impairment losses before tax are recognised in other expenses, refer to Note A.1.

The results are set out in the following table, which includes AOIs and CGUs which were subject to impairment testing:

Segment	AOI/CGU	Recoverable amount ¹ US\$m	Exploration and evaluation US\$m	Impairment losses					Total US\$m
				Oil and gas properties					
				Land and buildings US\$m	Transferred exploration and evaluation US\$m	Plant and equipment US\$m	Marine vessels and carriers US\$m	Projects in development US\$m	
Producing	Pluto (WA-404-P) ²	-	429	-	-	-	-	-	-
Development	Kitimat LNG	-	809	-	-	-	-	-	-
	Sunrise	-	168	-	-	-	-	-	-
Other segments	Toro (WA-93-R)/Ragnar (WA-94-R) ³	-	151	-	-	-	-	-	-
Producing	North West Shelf	1,922	-	2	15	387	23	27	454
	Pluto	9,712	-	54	59	666	-	83	862
	Australia Oil								
	Vincent (Ngujima-Yin)	836	-	-	64	517	-	26	607
	NWS Oil (Okha)	102	-	-	3	61	-	3	67
	Wheatstone	3,029	-	208	58	1,005	-	130	1,401
Development	Sangomar	415	-	-	-	-	-	321	321
	Total	16,016	1,557	264	199	2,636	23	590	3,712

1. The recoverable amounts for exploration and evaluation assets and oil and gas properties have been determined using the FVLCD and VIU methods, respectively. The carrying amount of the CGUs includes all assets allocated to the CGU. Refer to key estimates and judgements for further details.
2. The impairment of Pluto (WA-404-P) has resulted in a reclassification of the Greater Pluto (WA-404-P) Proved (1P) Undeveloped Reserves of 91 MMboe and Proved plus Probable (2P) Undeveloped Reserves of 123 MMboe, to Best Estimate (2C) Contingent Resources.
3. Converted from WA-430-P.

B.3 Impairment of exploration and evaluation and oil and gas properties (cont.)

Sensitivity analysis

It is estimated that changes in the key assumptions would result in a higher or lower impairment for the following CGUs in 2020:

			Sensitivity ¹					
			Discount rate: increase of 1% ²	Discount rate: decrease of 1% ²	Oil price: increase of 10%	Oil price: decrease of 10%	FX: increase of 12%	FX: decrease of 12%
Oil and gas properties	Producing	North West Shelf	(72)	78	269	(269)	(89)	89
		Pluto	(487)	528	1,210	(1,244)	(219)	219
		Australia Oil						
	Development	Vincent (Ngujima-Yin)	(24)	26	105	(105)	(33)	33
		NWS Oil (Okha)	(5)	5	40	(40)	(25)	25
		Wheatstone	(266)	305	514	(514)	(118)	118
	Sangomar	(61)	67	122	(130)	N/A	N/A	

1. The sensitivities represent reasonable possible changes to the discount rate, oil price and FX assumptions.
2. A change of 1% represents 100 basis points.

Key estimates and judgements

Recoverable amount calculation key assumptions

In determining the recoverable amounts of exploration and evaluation assets, the market comparison approach using adjusted market multiples (fair value hierarchy Level 3) has been utilised to determine FVLCD.

In determining the recoverable amount of CGUs, estimates are made regarding the present value of future cash flows. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can also affect the assumptions used and the rates used to discount future cash flow estimates.

The basis for the estimates used to determine recoverable amounts is set out below:

- Resource estimates – 2P reserves for oil and gas properties as disclosed in the reserves and resources statement in the 31 December 2019 Annual Report on pages 44 to 47.
- Inflation rate – an inflation rate of 2.0% has been applied (31 December 2019: 2.0%).
- Foreign exchange rates – a rate of \$0.75 US\$:AU\$ (31 December 2019: \$0.75) is based on management's view of long-term exchange rates.
- Discount rates – a range of pre-tax discount rates between 9.3% and 14.8% (post-tax discount rates 7.5% and 11.0%) for CGUs has been applied. The discount rate reflects an assessment of the risks specific to the asset, including country risk.
- An evaluation of climate risk impacts, including a long-term Australian carbon price of US\$80/tonne (real terms 2020), applicable to Australian emissions that exceed facility-specific baselines in accordance with Australian regulations.
- LNG price – the majority of LNG sales contracts are linked to an oil price marker; accordingly the LNG prices used are consistent with oil price assumptions.
- Oil prices – derived from long-term views of global supply and demand, building upon past experience of the industry and consistent with external sources. Prices are adjusted for premiums and discounts based on the nature and quality of the product. The nominal Brent oil prices (US\$/bbl) used were:

	2020	2021	2022	2023	2024	2025
30 June 2020	35	45	57	62	67	72 ¹
31 December 2019	63	63	68	72	76	80 ¹

1. Based on US\$65/bbl (2020 real terms) from 2025 and prices are escalated at 2.0% onwards (31 December 2019: US\$72.5/bbl (2020 real terms) and prices are escalated at 2.0% onwards).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the half-year ended 30 June 2020

C. Debt and capital

C.1 Contributed equity

Issued and fully paid shares

	Number of shares	US\$m
Half-year ended 30 June 2020		
Opening balance	942,286,900	9,010
DRP – ordinary shares issued at A\$25.61 (2019 final dividend)	12,072,034	181
Amounts as at 30 June 2020	954,358,934	9,191
Year ended 31 December 2019		
Opening balance	936,151,549	8,880
DRP – ordinary shares issued at A\$31.34 (2019 interim dividend)	6,135,351	130
Amounts as at 31 December 2019	942,286,900	9,010

All shares are a single class with equal rights to dividends, capital distributions and voting. The Company does not have authorised capital nor par value in respect of its issued shares.

Shares reserved for employee share plans

	30 June 2020 US\$m	31 December 2019 US\$m
2,035,434 (2019: 1,985,306) reserved shares	(42)	(39)

C.2 Other reserves

Distributable profits reserve

As approved by resolution on 29 June 2020, profits generated by the parent entity, Woodside Petroleum Ltd, from current and prior periods of \$710 million, were transferred to a distributable profits reserve established during the period.

C.3 Financing facilities

On 17 January 2020, the Group completed a \$600 million syndicated facility with a term of seven years. Interest is based on the USD London Interbank Offered Rate (LIBOR) plus 1.2%. Interest is paid on a quarterly basis.

The Group has 14 bilateral loan facilities totalling \$1,900 million with terms ranging between three to five years (31 December 2019: 13 bilateral loan facilities totalling \$1,694 million).

During the period, the 2021 US bond for \$700 million was reclassified from non-current to current interest-bearing liabilities due to its maturity date of 10 May 2021.

Fair value

The carrying amount of interest-bearing liabilities approximates their fair value, with the exception of the Group's unsecured bonds and the medium term notes. The unsecured bonds have a carrying amount of \$4,777 million (31 December 2019: \$4,775 million) and a fair value of \$5,059 million (31 December 2019: \$5,060 million). The medium term notes have a carrying amount of \$582 million (31 December 2019: \$578 million) and a fair value of \$593 million (31 December 2019: \$594 million). The fair value of the bonds and notes was determined using quoted prices in an active market, classified as Level 1 on the fair value hierarchy.

D. Other assets and liabilities

D.1 Segment assets and liabilities

	30 June 2020 US\$m	31 December 2019 US\$m
(a) Segment assets		
NWS	2,002	2,541
Pluto	9,439	10,917
Australia Oil	1,067	1,803
Wheatstone	3,128	4,423
Development	2,220	3,028
Other segments	573	754
Unallocated items	6,251	5,887
	24,680	29,353
	30 June 2020 US\$m	31 December 2019 US\$m
(b) Segment liabilities		
NWS	711	643
Pluto	884	823
Australia Oil	846	755
Wheatstone	313	212
Development	250	189
Other segments	482	510
Unallocated items	8,253	8,812
	11,739	11,944

Refer to 'About these statements' for information relating to the Group's segments. Unallocated assets mainly comprise cash and cash equivalents, lease assets and deferred tax assets. Unallocated liabilities mainly comprise interest-bearing liabilities, lease liabilities and deferred tax liabilities.

D.2 Receivables

On 9 January 2020, Woodside Energy Finance (UK) Ltd entered into a secured loan agreement with Petrosen (the Senegal National Oil Company), to provide up to \$450 million for the purpose of funding Sangomar project costs. The facility has a maximum term of 12 years and semi-annual repayments of the loan are due to commence at the earlier of 12 months after RFSU or 30 June 2025. The carrying amount of the loan receivable is \$33 million at 30 June 2020 (31 December 2019: \$nil), which approximates its fair value.

D.3 Provisions

	Restoration of operating locations ¹ US\$m	Employee benefits US\$m	Onerous contracts US\$m	Other US\$m	Total US\$m
Half-year ended 30 June 2020					
At 1 January 2020	1,869	189	-	70	2,128
Change in provision	342	67	447	5	861
Unwinding of present value discount	18	-	-	-	18
Carrying amount at 30 June 2020	2,229	256	447	75	3,007
Current	25	233	70	75	403
Non-current	2,204	23	377	-	2,604
Net carrying amount	2,229	256	447	75	3,007
Year ended 31 December 2019					
At 1 January 2019	1,572	171	-	55	1,798
Change in provision	259	18	-	15	292
Unwinding of present value discount	38	-	-	-	38
Carrying amount at 31 December 2019	1,869	189	-	70	2,128
Current	35	167	-	70	272
Non-current	1,834	22	-	-	1,856
Net carrying amount	1,869	189	-	70	2,128

1. 2020 change in provision is due to a revision of discount rates of \$299 million, new provisions and change in estimates of \$57 million offset by provisions used of \$14 million.

Recognition and measurement

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Onerous contract provision

More closely connected global gas markets and the Group's view of likely reduced margins available between North American and other gas markets has given rise to a loss-making contract.

Provision is made for loss-making contracts at the present value of the lower of the net cost of fulfilling and the cost arising from failure to fulfill each contract.

Key estimates and judgements

Onerous contracts

The onerous contract provision assessment requires management to make certain estimates regarding the unavoidable costs and the expected economic benefits from the contract. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can affect the assumptions. The present value of the provision was estimated using the assumptions set out below:

- Contract term – 20 years; the provision is released as contract deliveries are made from 2020 to 2040.
- Discount rate – a pre-tax, risk free US government bond rate of 1.138% has been applied.
- LNG pricing – forecast sales and purchase prices are subject to a number of price markers. Price assumptions are derived from long-term views of global supply and demand, building upon past experience of the industry and consistent with external sources. The nominal Brent oil prices and Henry Hub gas prices used were:

	2020	2021	2022	2023	2024	2025
Brent (US\$/bbl)	35	45	57	62	67	72 ¹
Henry Hub (US\$/MMBtu)	2.3	2.5	2.6	2.7	2.7	3.3 ²

The effects of changes to discount rate and long-term oil prices on the carrying value of the provision are estimated as follows:

Change in assumption	US\$m
Discount rate: increase of 1% ³	26
Discount rate: decrease of 1% ³	(29)
Oil price ¹ : increase of 10%	657
Oil price ¹ : decrease of 10%	(657)
Gas price ² : increase of 10%	(329)
Gas price ² : decrease of 10%	329

- Long-term oil prices are based on US\$65/bbl (2020 real terms) from 2025 and prices are escalated at 2.0% onwards.
- Long-term gas prices are based on US\$3.0/MMBtu (2020 real terms) from 2025 to 2030 and thereafter, US\$3.5/MMBtu (2020 real terms). All prices are escalated at 2.0%.
- A change of 1% represents 100 basis points.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the half-year ended 30 June 2020

D.4 Other financial assets and liabilities

	30 June 2020 US\$m	31 December 2019 US\$m
Other financial assets		
Financial instruments at fair value through profit and loss		
Derivative financial instruments designated as hedges	35	-
Other financial assets at fair value through profit and loss		
Other financial assets	87	63
Total other financial assets	122	63
Current	86	28
Non-current	36	35
Net carrying amount	122	63
Other financial liabilities		
Financial instruments at fair value through profit and loss		
Derivative financial instruments designated as hedges	129	7
Other financial liabilities at fair value through profit and loss		
Other financial liabilities	3	20
Total other financial liabilities	132	27
Current	90	12
Non-current	42	15
Net carrying amount	132	27

Derivative financial instruments

During the period, the Group hedged a percentage of its exposure to commodity price risk, entering into 13.4 million barrels of oil swap derivatives to achieve a minimum average sales price of \$33 per barrel. The Group also entered into 7.9 million barrels of oil call options, to take advantage of increases in oil prices above \$40 per barrel, for a premium of \$37 million. The derivatives have expiry dates between April 2020 and December 2020. The swaps and call options have been designated as cash flow hedges. At 30 June 2020, swaps and options for 7.9 million barrels of oil are outstanding.

The Group has the following hedging relationships which are exposed to interest rate benchmarks impacted by the Interest Rate Benchmark Reform:

- Interest rate swaps were entered into in the period to hedge the LIBOR interest rate risk associated with the \$600 million syndicated facility (refer to Note C.3). The interest rate swaps were designated as cash flow hedges, converting the variable interest into fixed interest US dollar debt, and mature in 2027.
- The Group has a fixed rate 175 million Swiss Franc (CHF) denominated medium term note, which it hedges with cross-currency interest rate swaps designated in both fair value and cash flow hedge relationships. The cross-currency interest rate swaps are referenced to LIBOR.

The Group early adopted AASB 2019-3 in the prior financial year. This Accounting Standard amended AASB 9 *Financial Instruments* (AASB 9) to provide temporary relief from applying specific hedge accounting requirements to hedge relationships directly affected by interest rate benchmark reforms. The relief provided by the amendment to AASB 9 allows the Group to assume that the interest rate benchmark component at initial designation is separately identifiable and that the interest rate benchmark rate is not altered for the purposes of assessing the economic relationship between the hedged item and the hedging instrument.

Fair value

Except for other financial assets of \$122 million (31 December 2019: \$63 million) and other financial liabilities of \$132 million (31 December 2019: \$27 million), there are no material financial assets or financial liabilities carried at fair value. The fair value of derivative financial instruments is determined based on observable quoted forward pricing and swap rates and is classified as Level 2 on the fair value hierarchy. The fair values of other financial assets and other financial liabilities are predominantly determined based on observable quoted forward pricing and are predominantly classified as Level 2 on the fair value hierarchy.

E. Other items

E.1 Contingent liabilities and assets

	30 June 2020 US\$m	31 December 2019 US\$m
Contingent liabilities at reporting date		
Not otherwise provided for in the financial statements:		
Contingent liabilities	503	505
Guarantees	9	9
	512	514

Contingent liabilities relate predominantly to possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of uncertain future events, and therefore the Group has not provided for such amounts in these condensed half-year financial statements. Additionally, there are a number of other claims and possible claims that have arisen in the course of business against entities in the Group, the outcome of which cannot be estimated at present and for which no amounts have been included in the table above.

Included in the table above are contingent payments totalling \$450 million (31 December 2019: \$450 million) that are due on a positive final investment decision to develop the Scarborough field.

Additionally, the Group has issued guarantees relating to workers' compensation liabilities.

There were no contingent assets as at 30 June 2020 or 31 December 2019.

E.2 Changes to the composition of the Group

Woodside Energy Services (Qingdao) Co., Ltd. was incorporated on 16 July 2020 – a wholly owned subsidiary incorporated in Qingdao, China.

There have been no other significant changes to the composition of the Group since the last annual reporting date.

E.3 Events after the end of the reporting period

In August 2020, Petrosen exercised an option to increase its participating interest in the Rufisque Offshore, Sangomar Offshore and Sangomar Deep Offshore (RSSD) joint venture from 10% to 18%. Woodside's revised participating interest in the RSSD joint venture is 31.89%.

DIRECTORS' DECLARATION

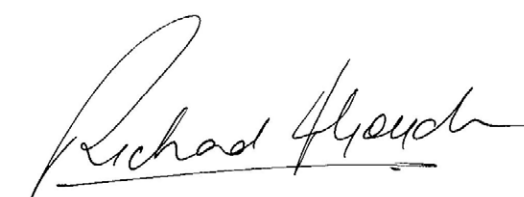
for the half-year ended 30 June 2020

In accordance with a resolution of directors of Woodside Petroleum Ltd, we state that:

In the opinion of the directors:

- the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the half-year ended on that date; and
 - complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
- there are reasonable grounds to believe that Woodside Petroleum Ltd will be able to pay its debts as and when they become due and payable.

On behalf of the Board



R J B Goyder, AO
Chairman

Perth, Western Australia
13 August 2020



P J Coleman
Chief Executive Officer and Managing Director

Perth, Western Australia
13 August 2020

INDEPENDENT REVIEW REPORT

for the half-year ended 30 June 2020



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Independent auditor's review report to the members of Woodside Petroleum Ltd

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Woodside Petroleum Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position of the Group as at 30 June 2020 and of its consolidated financial performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's consolidated financial position as at 30 June 2020 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

T S Hammond
Partner
Perth
13 August 2020

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APPENDIX 4D

for the half-year ended 30 June 2020

For 'Results for announcement to the market', refer to page 2.

Dividends

Ex-dividend date	24 August 2020
Record date for the interim dividend	25 August 2020
Date the dividend is payable	18 September 2020

	Current period	Previous corresponding period ¹
Interim dividend - fully franked	US cents per share	
	26	36

None of these dividends are foreign sourced.

Net Tangible Assets (NTA)

	Current period US\$	Previous corresponding period ¹ US\$
Net tangible assets (US\$ per ordinary security) ²	12.72	18.06

Details of Associates and Joint Venture Entities

Name of entity	Percentage of ownership interest held at end of period or date of disposal	
	Current period	Previous corresponding period ¹
North West Shelf Gas Pty Ltd	16.67%	16.67%
North West Shelf Liaison Company Pty Ltd	16.67%	16.67%
China Administration Company Pty Ltd (formerly North West Shelf Australia LNG)	16.67%	16.67%
International Gas Transportation Company Limited	16.67%	16.67%
North West Shelf Shipping Service Company Pty Ltd	16.67%	16.67%
North West Shelf Lifting Coordinator Pty Ltd	16.67%	16.67%
Blue Ocean Seismic Services Limited	30.00%	-

1. Comparisons are to the half-year period ended 30 June 2019.

2. Includes lease assets and lease liabilities as a result of AASB 16 *Leases*.

SHAREHOLDER INFORMATION

Key announcements 2020

January	Sangomar Field Development Phase 1 final investment decision Fourth quarter 2019 report
February	Full-year 2019 results Sustainable Development Report 2019 Scarborough participating interest alignment
March	Response to market conditions
April	Scarborough Offshore Project Proposal accepted First quarter 2020 report

Events calendar 2020-21

Key calendar dates for Woodside shareholders in 2020-21. Please note dates are subject to review.

July	14	Asset value review and other items
	15	Second quarter 2020 report
August	13	Half-year 2020 results
	24	Ex-dividend date for interim dividend
	25	Record date for interim dividend
September	18	Payment date for interim dividend
October	22	Third quarter 2020 report
November	11	Investor Briefing Day 2020
December	31	Woodside financial year end
January	21	Fourth quarter 2020 report

Business directory

Registered office:

Woodside Petroleum Ltd
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11 Mount Street
Perth WA 6000
Australia

Postal address:

GPO Box D188
Perth WA 6840
Australia

T: +61 8 9348 4000

Investor enquiries

Requests for specific information on the company can be directed to Investor Relations at:

Postal address:

Investor Relations
Woodside Petroleum Ltd
GPO Box D188
Perth WA 6840
Australia

T: +61 8 9348 4000

E: investor@woodside.com.au

W: woodside.com.au

Share registry enquiries

Investors seeking information about their shareholdings should contact the company's share registry:

Computershare Investor Services Pty Limited

Level 11, 172 St Georges Terrace, Perth WA 6000

Postal address:

GPO Box D182, Perth WA 6840


T: 1300 558 507 (within Australia)

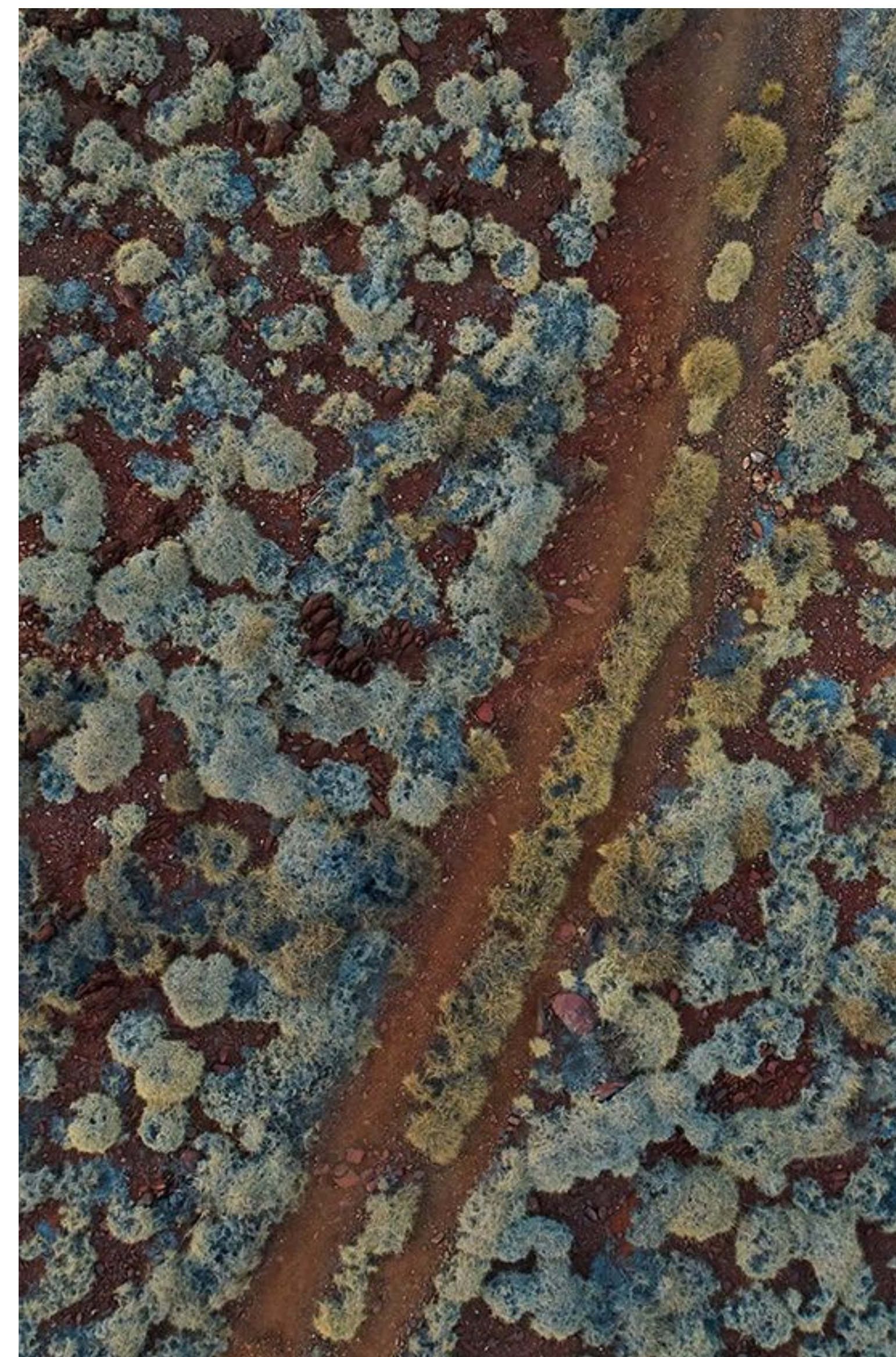
+61 3 9415 4632 (outside Australia)

E: web.queries@computershare.com.au

W: investorcentre.com/wpl

The share registry can assist with queries on share transfers, dividend payments, the dividend reinvestment plan, notification of tax file numbers and changes of name, address or bank details.

 Details of shareholdings can be checked conveniently and simply by visiting the share registry website at www.investorcentre.com/wpl



ASSET FACTS

Producing facilities

Australia ¹				
North West Shelf	Karratha Gas Plant	North Rankin Complex	Goodwyn A Platform	Angel Platform
Role	Operator	Operator	Operator	Operator
Equity	16.67%	16.67%	16.67%	16.67%
Product	LNG, pipeline natural gas, condensate and LPG	LNG, pipeline natural gas, condensate and LPG	LNG, pipeline natural gas, condensate and LPG	LNG, pipeline natural gas, condensate and LPG
Australia Oil	Ngujima-Yin FPSO	Okha FPSO	Wheatstone	
Role	Operator	Operator	Non-operator	
Equity	60%	33.33%	13%	
Product	Oil	Gas and oil	LNG, pipeline natural gas and condensate	
Pluto LNG	Pluto A Platform	Pluto LNG Plant		
Role	Operator	Operator		
Equity	90%	90%		
Product	LNG, pipeline natural gas and condensate	LNG, pipeline natural gas and condensate		

Developments

Australia ¹				
	Greater Scarborough	Browse	Julimar-Brunello Phase 2	Greater Western Flank Phase 3
Role	Operator	Operator	Operator	Operator
Equity	50-73.5%	30.60%	65%	16.67%
Product	LNG and pipeline natural gas	LNG, pipeline natural gas and condensate	LNG, pipeline natural gas and condensate	LNG, pipeline natural gas and condensate
	Senegal		Myanmar	
	Sangomar Phase 1		A-6 Development	
Role	Operator		Joint operator	
Equity	31.89% ²		40%	
Product	Oil		Pipeline natural gas	
	Canada		Australia/Timor-Leste	
	Kitimat LNG		Sunrise LNG	
Role	Non-operator		Operator	
Equity	50%		33.44%	
Product	LNG and pipeline natural gas		LNG, pipeline natural gas and condensate	

Exploration

Asia-Pacific					
Myanmar	A-7	AD-7 and A-6	AD-1 and AD-8	Republic of Korea	8, 6-1N
Role	Operator	Joint operator	Joint operator	Role	Joint operator
Equity	45%	40%	50%	Equity	50%
Product	Gas prone basin	Gas prone basin	Gas prone basin	Product	Gas prone basin

Europe

Bulgaria	1-14 Khan Kubrat	Ireland	FEL 5/13	FEL 11/18
Role	Non-operator	Role	Operator	Operator
Equity	30%	Equity	100%	90%
Product	Oil or gas prone basin	Product	Oil or gas prone basin	Oil or gas prone basin

Africa

Africa			Latin America		
Senegal	Rufisque, Sangomar and Sangomar Deep	Congo	Marine XX	Peru	Block 108
Role	Operator	Role	Non-operator	Role	Non-operator
Equity	31.89% ²	Equity	42.5%	Equity	35%
Product	Oil prone basin	Product	Oil prone basin	Product	Oil prone basin

1. For further information on Woodside's Australian titles, please refer to the titles register website (neats.nopta.gov.au).

2. Subsequent to the period.

NOTES

Glossary

Term	Definition
\$, \$m	US dollars unless otherwise stated, millions of dollars
A\$	Australian dollars
AASB	Australian Accounting Standards Board
Cash margin	Revenue from sale of hydrocarbons less production costs, royalties and excise, insurance and shipping and direct sales costs, divided by revenue from sale of hydrocarbons
cps	Cents per share
EBIT	Calculated as profit before income tax, PRRT and net finance costs
EBITDA	Calculated as profit before income tax, PRRT, net finance costs and depreciation and amortisation
FEED	Front-end engineering design
FID	Final investment decision
FPSO	Floating production storage and offloading
Free cash flow	Cash flow from operating activities less cash flow from investing activities
Gearing	Net debt divided by net debt and equity attributable to the equity holders of the parent
Gross margin	Gross profit divided by operating revenue. Gross profit excludes income tax, PRRT, net finance costs, other income and other expenses
GWF	Greater Western Flank

HSE	Health, safety and environment
IFRS	International Financial Reporting Standards
JV	Joint venture
KGP	Karratha Gas Plant
Liquidity	Total cash and cash equivalents and available undrawn debt facilities
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
MOU	Memorandum of understanding
Net debt	Total debt less cash and cash equivalents
NPAT	Net profit after tax
NWS	North West Shelf
PRRT	Petroleum resource rent tax
PSE	Process safety event
RAP	Reconciliation Action Plan
RFSU	Ready for start-up
SPA	Sale and purchase agreement
Unit production costs	Production costs divided by production volume
VLCC	Very large crude carrier

Conversion factors¹

Pipeline natural gas	1 TJ	163.6 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
Natural gas	1 MMBtu	0.1724 boe

1. Minor changes to some conversion factors can occur over time due to gradual changes in the process stream.

Units of measure

bbl	barrel
Bcf	billion cubic feet
boe	barrel of oil equivalent
kt	kilotonne
MMbbl	million barrels
MMboe	million barrels of oil equivalent
MMBtu	million British thermal units
MMscf/d	million standard cubic feet per day
Mtpa	million tonnes per annum
t	tonnes
Tcf	trillion cubic feet
TJ	terajoules

NOTES

Notes on petroleum resource estimates

Unless otherwise stated, all petroleum resource estimates are quoted as at the balance date (i.e. 31 December) of the Reserves Statement in Woodside's most recent Annual Report released to the Australian Securities Exchange (ASX) and available at <https://www.woodside.com.au/investors/reports-publications>, net Woodside share at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 degrees Celsius). Woodside is not aware of any new information or data that materially affects the information included in the Reserves Statement. All the material assumptions and technical parameters underpinning the estimates in the Reserves Statement continue to apply and have not materially changed.

The Reserves Statement dated 31 December 2019 has been subsequently updated by ASX announcements dated 26 February 2020 and 14 July 2020.

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 facility (FPSO), while for the onshore gas projects the reference point is defined as the inlet to the downstream (onshore) processing facility.

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.

'MMboe' means millions (10^6) 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.

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 Ian 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.

Forward-looking statements

This report contains forward-looking statements, including statements of current intention, statements of opinion and expectations regarding Woodside's present and future operations, possible future events and future financial prospects. Such statements are not statements of fact and may be affected by a variety of known and unknown risks, variables and changes in underlying assumptions or strategy that could cause Woodside's actual results or performance to differ materially from the results or performance expressed or implied by such statements. There can be no certainty of outcome in relation to the matters to which the statements relate, and the outcomes are not all within the control of Woodside. Some matters are subject to approval of joint venture participants.

Woodside makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statement. The forward-looking statements in this report reflect expectations held at the date of this report. Except as required by applicable law or the ASX Listing Rules, Woodside disclaims any obligation or undertaking to publicly update any forward-looking statements, or discussion of future financial prospects, whether as a result of new information or of future events.

About this report

This Half-Year Report 2020 is a summary of Woodside's operations, activities and financial position as at 30 June 2020. Woodside Petroleum Ltd (ABN 55 004 898 962) is the parent company of the Woodside group of companies. In this report, unless otherwise stated, references to 'Woodside', 'the company', 'the Group', 'we', 'us' and 'our' refer to Woodside Petroleum Ltd and its controlled entities as a whole. The text does not distinguish between the activities of the parent company and those of its controlled entities.

References to 'H1' refer to the first half of the year, i.e. the period between 1 January 2020 and 30 June 2020. All dollar figures are expressed in US currency unless otherwise stated. Production and sales volumes, reserves and resources are quoted as Woodside share. A glossary of key terms, units of measure and conversion factors is on page 23.

This report should be read in conjunction with the Annual Report 2019 and the Sustainable Development Report 2019, available on Woodside's website, www.woodside.com.au.

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