

ASX Announcement

Tuesday, 15 November 2016

ASX: WPL
OTC: WOPEY

Woodside Petroleum Ltd.
ACN 004 898 962
Woodside Plaza
240 St Georges Terrace
Perth WA 6000
Australia
www.woodside.com.au

WOODSIDE COMPLETES ACQUISITION OF HALF OF BHP BILLITON'S SCARBOROUGH AREA ASSETS

In September 2016, Woodside entered into binding Sale and Purchase Agreements to acquire half of BHP Billiton's Scarborough area assets in the Carnarvon Basin, located offshore Western Australia.

The acquisition has completed successfully for a purchase price of US\$250 million and a contingent payment of US\$150 million payable upon a positive final investment decision to develop the Scarborough field. The effective date of the transaction is 1 July 2016.

Under the terms of the Sale and Purchase Agreements, Woodside has acquired a 25% interest in WA-1-R and a 50% interest in WA-61-R, WA-62-R and WA-63-R. Woodside will operate WA-61-R, WA-62-R and WA-63-R. ExxonMobil is the operator of WA-1-R.

The Scarborough area assets include the Scarborough, Thebe and Jupiter gas fields, which are estimated to contain gross 8.7 Tcf of dry gas resources at the 2C confidence level.

As a result of the completion of the acquisition, Woodside's Best Estimate Contingent Resources (2C) increase by 462 MMboe. The attached notes on petroleum resource estimates form part of this announcement.

Contacts:

MEDIA

Michelle Grady
W: +61 8 9348 5995
M: +61 418 938 660
E: michelle.grady@woodside.com.au

INVESTORS

Damien Gare
W: +61 8 9348 4421
M: +61 417 111 697
E: investor@woodside.com.au

Reporting of Woodside contingent resource estimate for Scarborough area resources

The Woodside contingent resource estimate for the Scarborough area resources is based on SPE-PRMS.

1. As at the date of this release, the Woodside contingent resource estimate for the Scarborough area resources, being the Scarborough, Thebe and Jupiter gas fields, is gross (100%) 8.7 Tcf of dry gas (at the 2C confidence level). Woodside's net share is estimated to be 2,632 Bcf of dry gas (462 MMboe).
2. The Woodside contingent resource estimate for the Scarborough area resources has been calculated using deterministic methods and has been based on a potential development scenario involving FLNG offshore technology.
3. Woodside has acquired a 25% interest in WA-1-R and a 50% interest in WA-61-R, WA-62-R and WA-63-R. The fields covered by the contingent resource estimate are contained within these retention leases.
4. WA-1-R and WA-62-R together contain the Scarborough gas field. For the purposes of estimating Woodside's net share of the Scarborough gas field, Woodside's net share has been based on Woodside's WA-1-R interest only.
5. The Woodside contingent resource estimate is based on Woodside's technical evaluation of subsurface and seismic data made available to Woodside as part of the transaction with BHP Billiton. There is no requirement for further appraisal to confirm the estimate. There is no identified requirement for the development of new technology.
6. Technical and commercial maturation of a development concept will be required to later book the contingent resources as reserves.

Notes to petroleum resource estimates

1. 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 ASX and available at <http://www.woodside.com.au/Investors-Media/Announcements>, net Woodside share at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 deg 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.
2. Subsequent to the Reserves Statement dated 31 December 2015, reserves and resources have been updated by ASX announcements dated 20 May 2016 and 27 June 2016.
3. Woodside reports reserves net of the fuel and flare required for production, processing and transportation up to a reference point. For offshore oil projects and floating LNG (FLNG) projects, the reference point is defined as the outlet of the floating production storage and offloading (FPSO) facility or FLNG facility respectively, while for the onshore gas projects the reference point is defined as the inlet to the downstream (onshore) processing facility.
4. 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.
5. 'MMboe' means millions (10⁶) 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.
6. 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 Mr Ian F. 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.