WOODSIDE
AUSTRALIAN ENERGY

NEWS RELEASE

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8:00am (WST)

LOW-COST ENTRY TO NEW EXPLORATION REGION

Woodside Energy Ltd. advises that it has acquired from Dana Petroleum (E&P) Limited, a wholly owned subsidiary of Dana Petroleum plc, a 40% interest in four exploration blocks offshore Kenya.

Under the agreement, Dana's interest in the blocks will be 40% with the remaining 20% continuing to be held by Star Petroleum International (Kenya) Limited, a wholly owned subsidiary of Global Petroleum Limited.

As a condition of the farm-in, Woodside will operate the four blocks – L5, L7, L10 and L11 – which cover 47,500sqkm over water depths up to 3000m. The blocks include some onshore areas and coastal waters.

Woodside's commitment under the farm-in is limited to the acquisition of 5000km of two-dimensional seismic in 2003-04 with indicative expenditure of US$3 million. The joint venture has the option of entering the second exploration phase which would include exploration drilling in each of the blocks renewed. Commercial terms have been agreed between the parties should the joint venture decide to enter the drilling phase.

Woodside's Director of New Ventures, Agu Kantsler, said the farm-in followed an extensive regional study of East Africa by Woodside which identified a variety of different geological features with a range of leads of 50 million to 1000 million barrels.

"Our review identified east Africa as an under-explored frontier province that has the potential to replicate Woodside's successful exploration strategy in Mauritania, West Africa," Dr Kantsler said.

"Kenya's oil and gas exploration industry has been virtually inactive since the early 1980s and this opportunity provides Woodside with a relatively low-cost entry to a very large area which we can mature by using our strong technical skills and leveraging from our success in deepwater off Mauritania.

'We are pleased to be able to work with Dana and Global Petroleum on this project."

Woodside will determine its future involvement in the blocks following its initial two-year work program. The farm-in is subject to ratification by the Kenyan Government.

Location map attached

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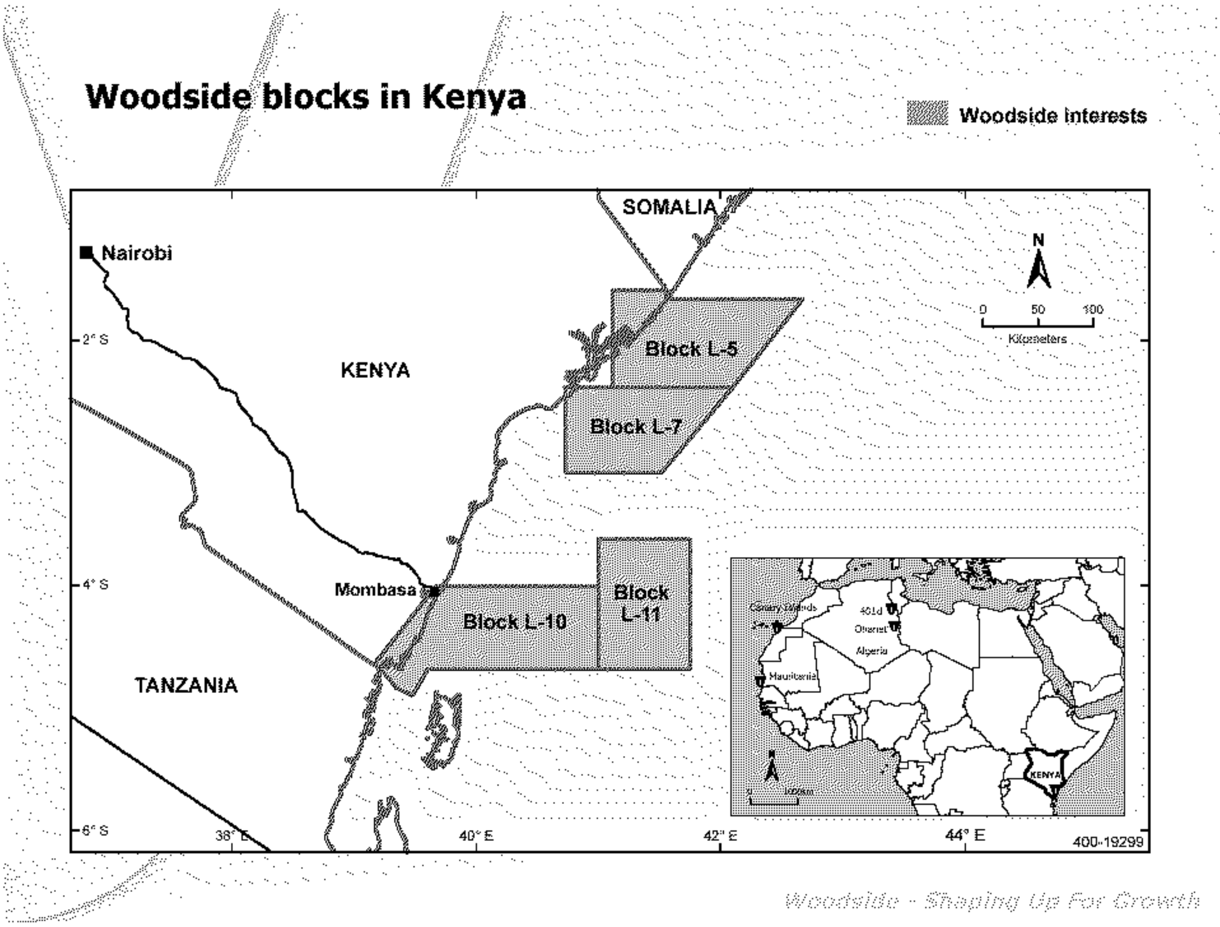
Woodside blocks in Kenya
Woodside interests
SOMALIA
Nairobi
KENYA
Block L-5
Block L-7
Mombasa
Block L-10
Block L-11
TANZANIA
N
0 50 100
Kilometers
2° S
4° S
6° S
38° E
40° E
42° E
44° E
400-19299
Canary Islands
Ohanet
Algeria
Mauritania
KENYA
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