



Woodside Petroleum Ltd.

Investor Briefing 2003 Half Year Results

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21 - 22 August 2003**

Disclaimer and Important Notice

This presentation contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

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

2003 Half Year Financial Performance

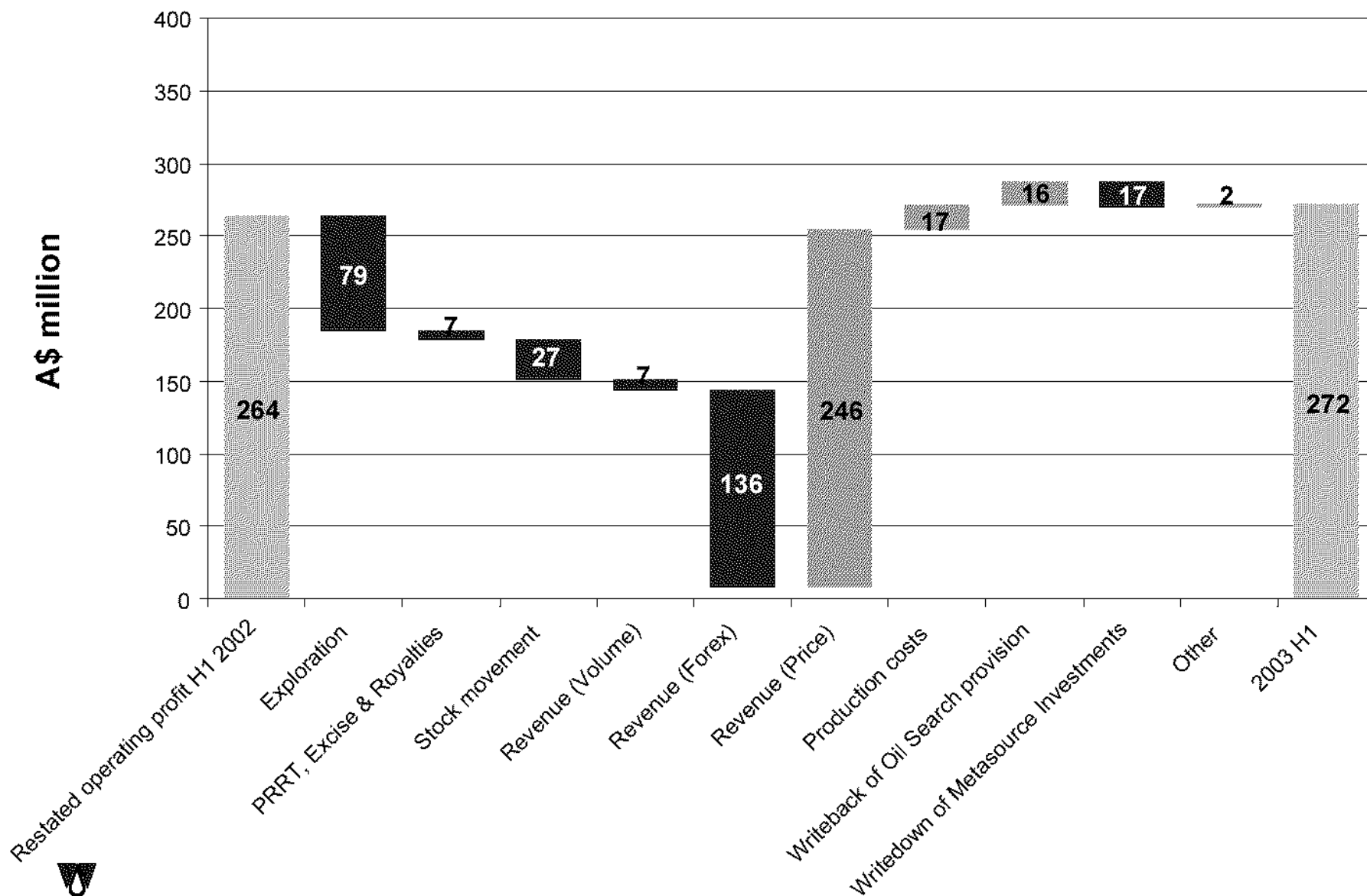
	HY1 2003	HY1 2002 ⁽¹⁾	% VAR
Production volume (million/boe)	29.9	30.9	(3)
Sales volume (million/boe)	30.5	29.7	3
Oil & Gas Revenue (\$m)	1,118.6	977.0	14
EBITDAX	745.0	⁽²⁾ 606.6	23
Exploration expensed (\$m)	(173.4)	(84.4)	105
NPAT	272.2	⁽²⁾ 263.7	3
2002 Significant Items			
Write-down of Oil Search holding post tax (\$m)	-	(92.6)	
Successful Efforts Adjustment post tax (\$m)	-	⁽³⁾ (643.7)	
Reported Profit (post 2002 significant items \$m)	272.2	(472.6)	
Interim dividend (c.p.s)	21	21	
Net Operating Cash Flow (\$m)	568.6	526.7	8
Gearing (%)	35.2	35.5	(1)
Long term debt (US\$m)	850	890	(4)

(1) Restated for Successful Efforts accounting approach.

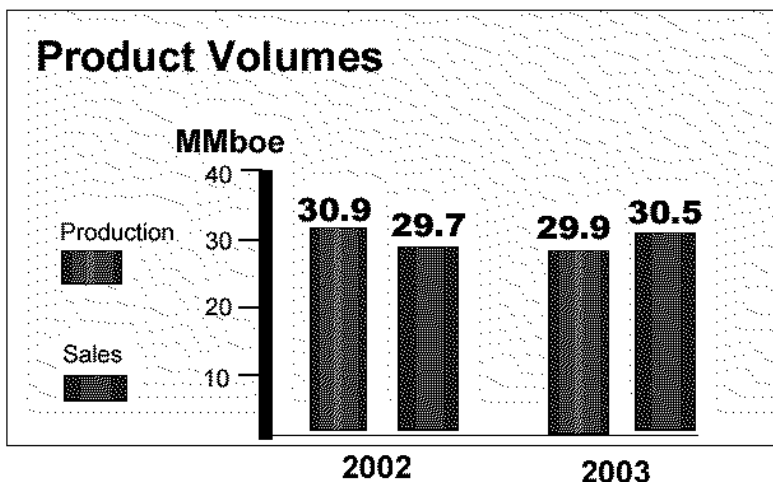
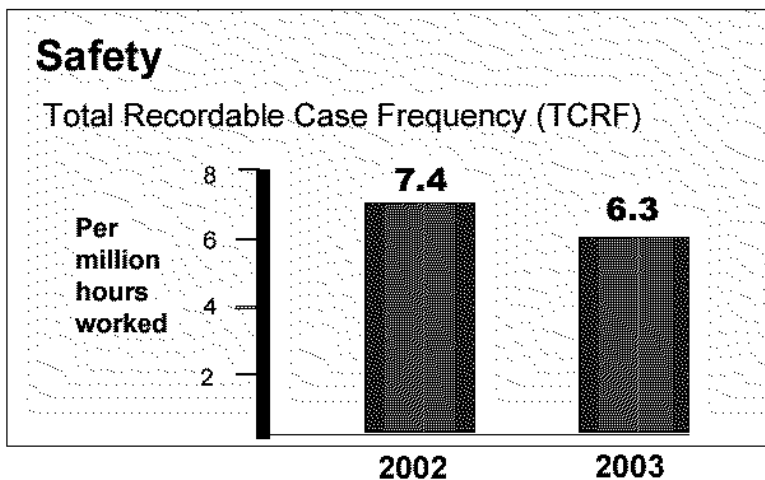
(2) Pre 2002 significant items

(3) Successful Efforts accounting adjustment up to end 2001.

2003 First Half Result - Variance to 2002 First Half

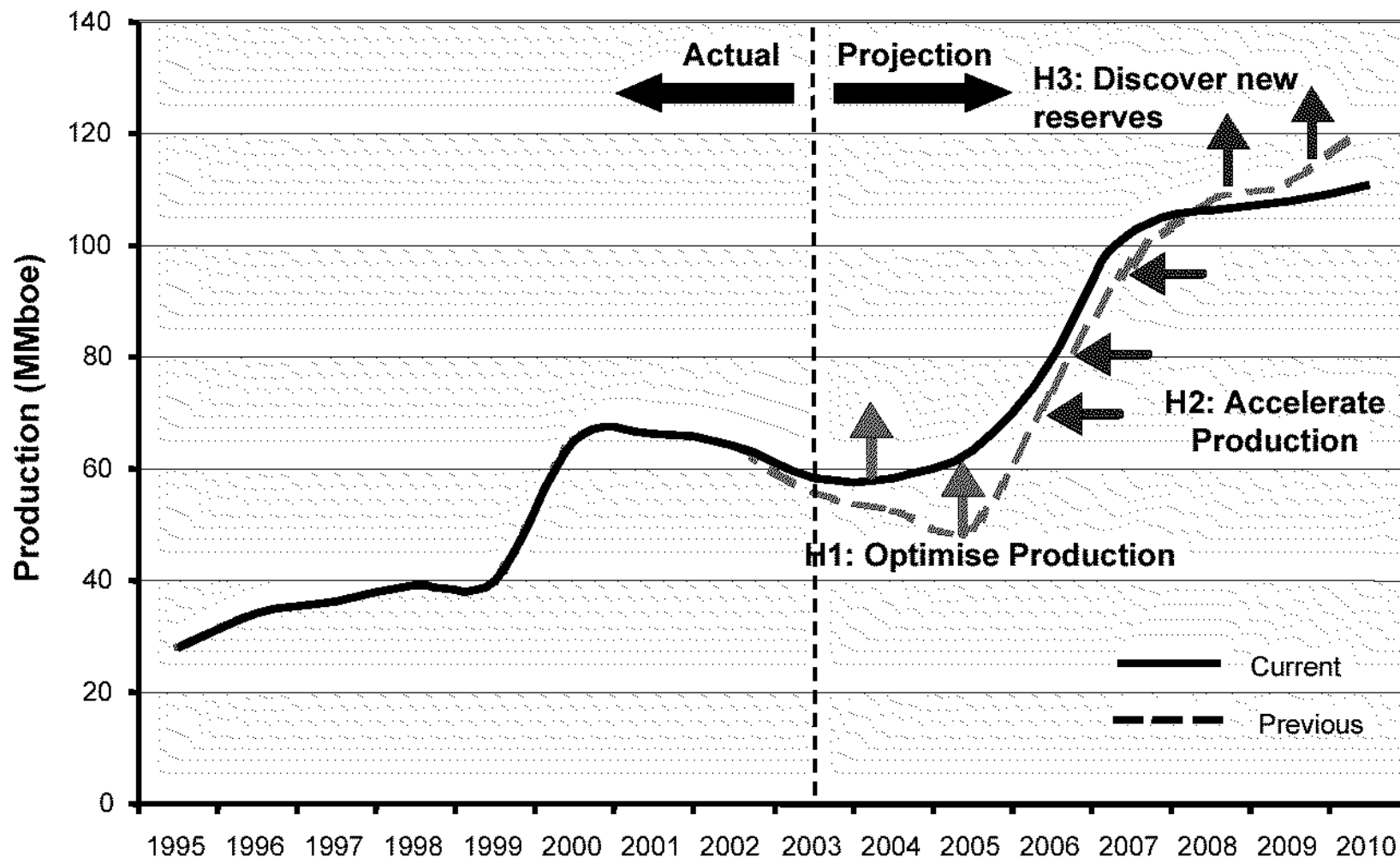


2003 Half Year Operational Performance

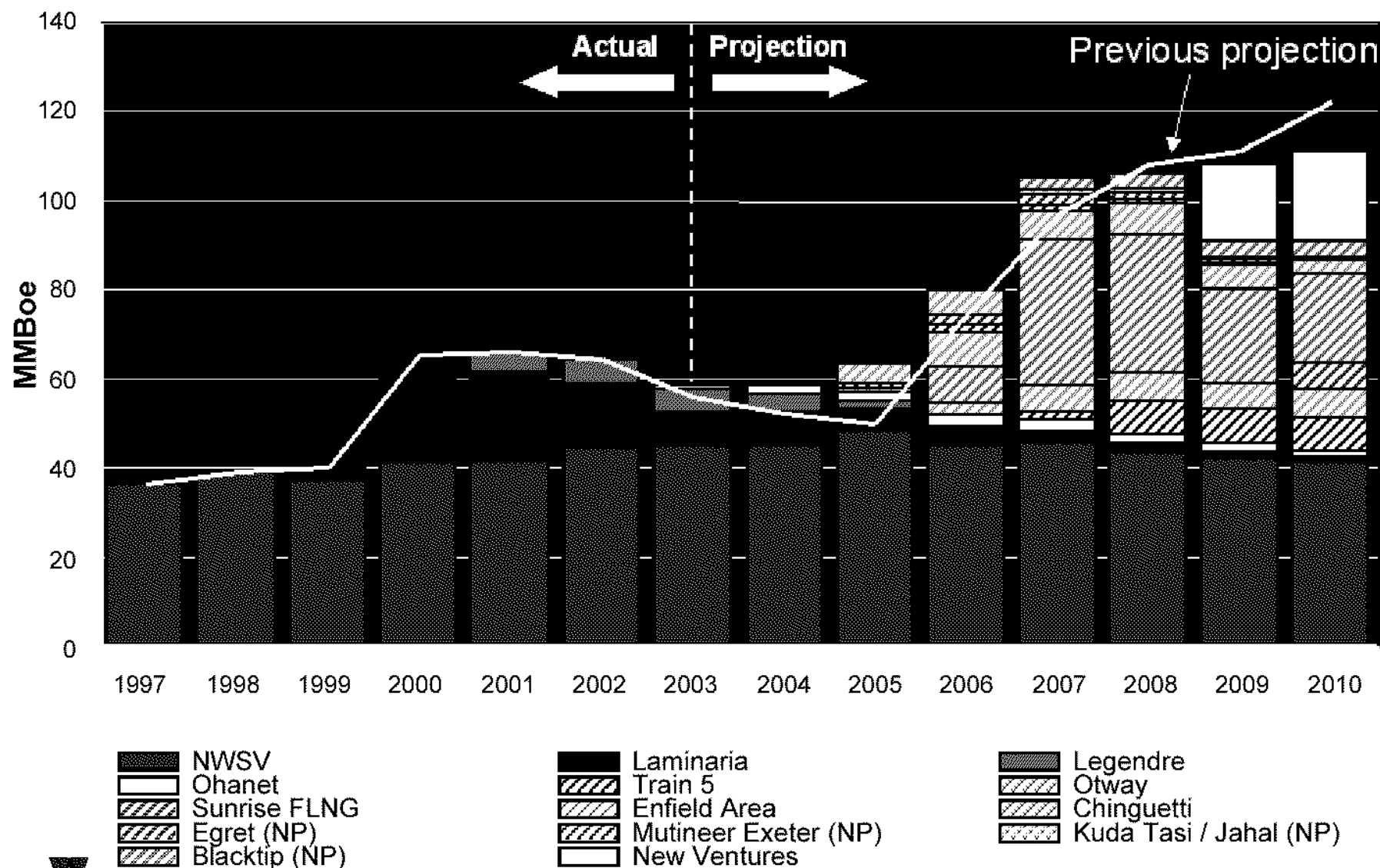


- Total Recordable Case Frequency improved by 15% to 6.3 per million hours worked. Lost Time Injury Frequency improved by 14% to 1.8 per million hours worked
- Product volume of 29.9 MMboe was down 3% from 1H 02. Sales volume of 30.5 MMboe was up 3%
- Domestic gas, condensate & LNG production improved to largely offset the expected decline from Laminaria, Legendre & Cossack
- Condensate production was up due to the Echo-Yodel contribution, higher gas volumes and fewer scheduled shutdowns
- Record quarter for domestic gas at 608 TJ per day (net Woodside 304 TJ per day), due to higher customer demand
- LNG production/sales increased due to high market demand & reliable system operation

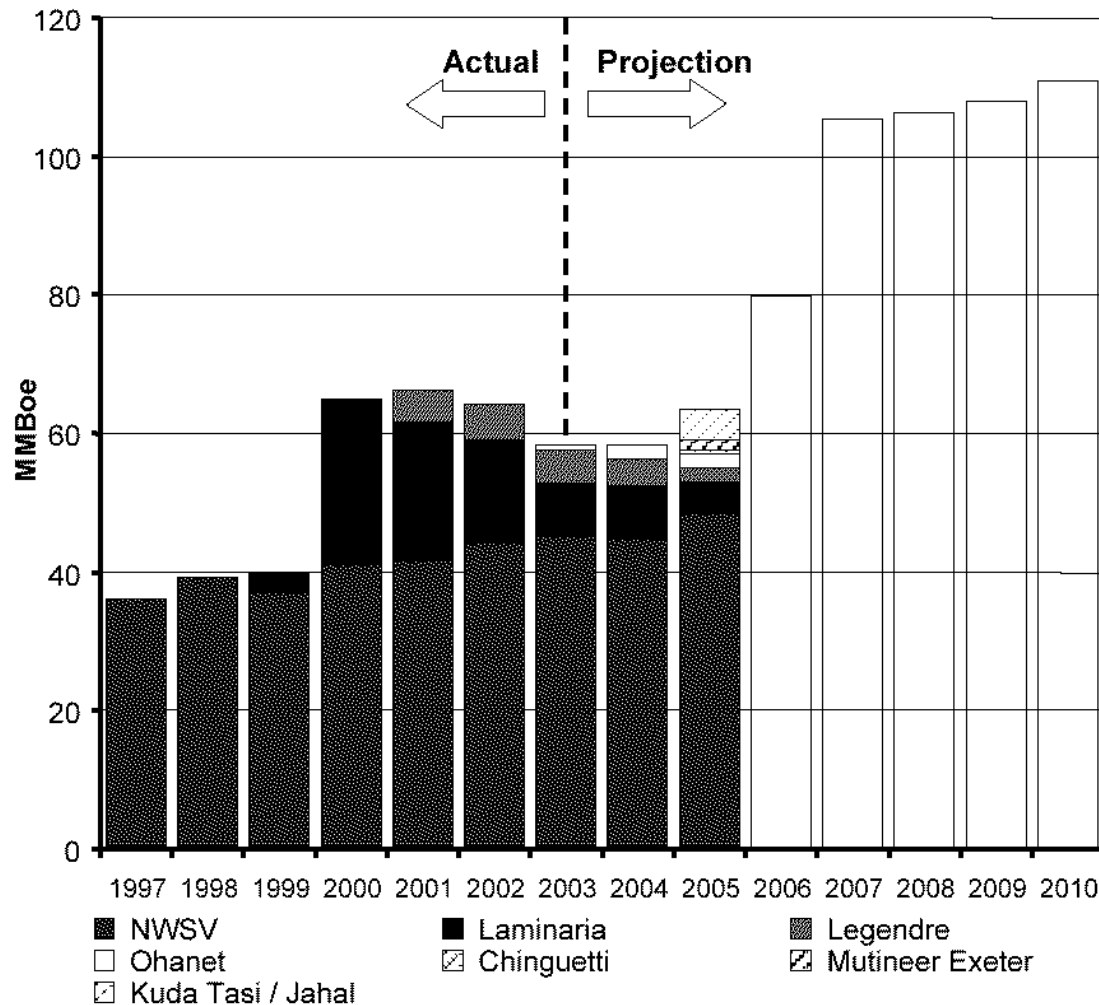
Three Horizons to Secure Growth



Production Projections



Horizon 1: Optimising production & profitability



KEY OBJECTIVES

Lift 2003 production

Create rising profile post 2003

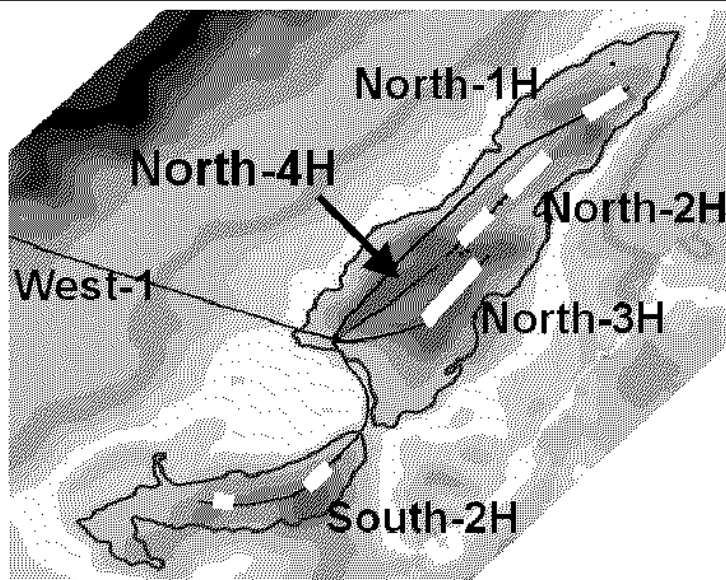
Progress

- Legendre infill successful
- NWS – Strong operational performance
 - Domgas record in Q2 03
 - Increased spot cargoes
 - Condensate up 11%
 - Cossack oil above expectation
- Train 4 mid 2004
- Ohanet online before Q4 03
- Drill Corallina 2 sidetrack Q4 2003
- Kuda Tasi/Jahal – RFSU 1H 2005

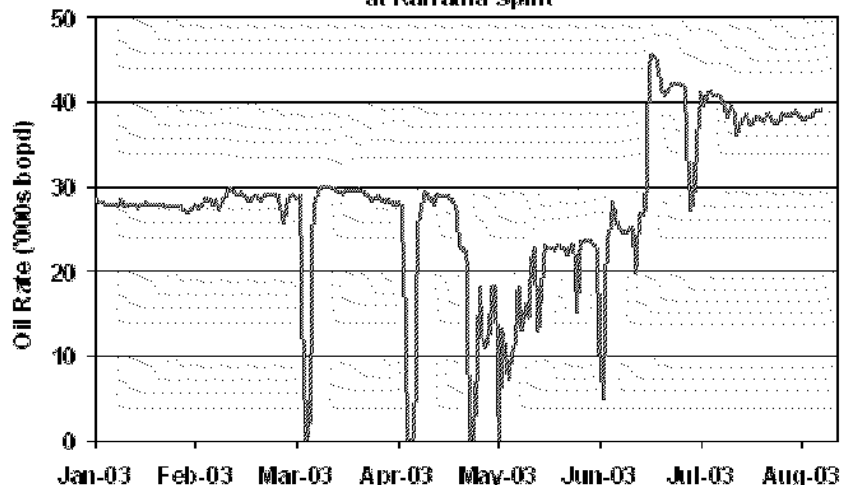
Profitability Enhancement Program

- Implementation is on target

Horizon 1: Legendre Project – successful LN-4H infill well



Legendre 2003 Oil Production (barrels of oil per day)
at Karratha Spirit



- Legendre field 100km NNW of Dampier, in offshore NW Australia
- Woodside 45.94%, water depth 50m
- First oil in May 2001 via 4 horizontal production and 1 gas injector wells
- Mobile offshore production unit, 'Ocean Legend' processes crude pre-transfer to FSO 'Karratha Spirit'
- In late June 2003, the successful Legendre North-4H infill production well became the 5th horizontal producer. Coupled with improved compressor performance this has lifted field production from approx. 29,000bopd to around 40,000bopd

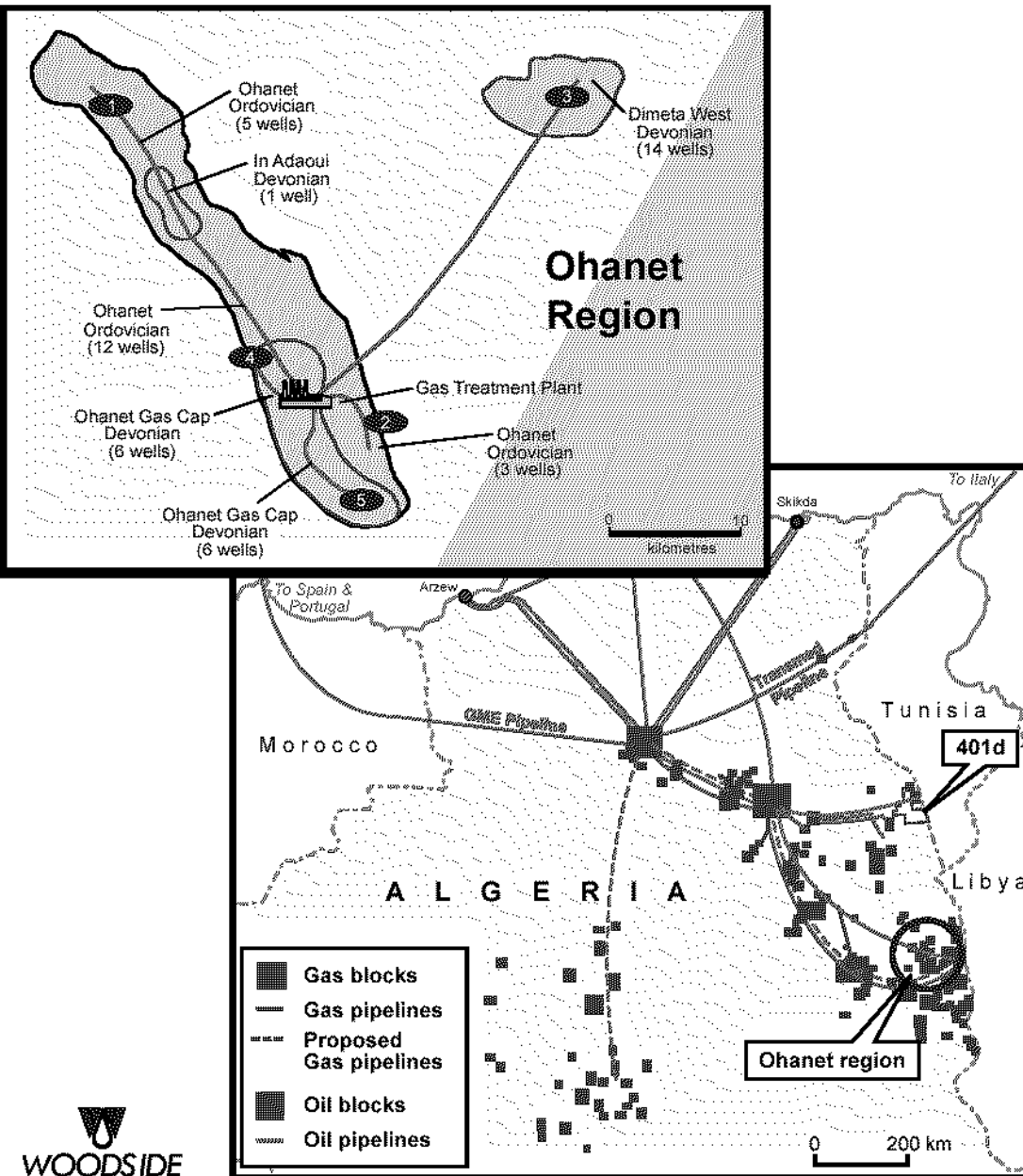
Horizon 1: LNG Expansion Project

Overall project :

- On track for mid 04 start-up as planned
- 3% cost increase
- Woodside share of increase A\$14.2M

	Original estimated cost 100% / A\$M	Estimated final cost 100% / A\$M	% difference
Train 4 onshore plant	1447.0	1572.0	8.6
2nd trunkline / sub-sea work	860.3	822.3	(4.6)
WPL project contingency	93.0	-	
Foreign Exchange variances	-	91.0	
Sub-total	2400.0	2485.0	3.5
LNG Ship	300.0	300.0	-
Total	2700.0	2785.0	3.1

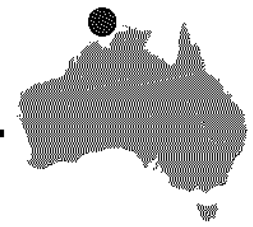
Horizon 1: Ohanet Project



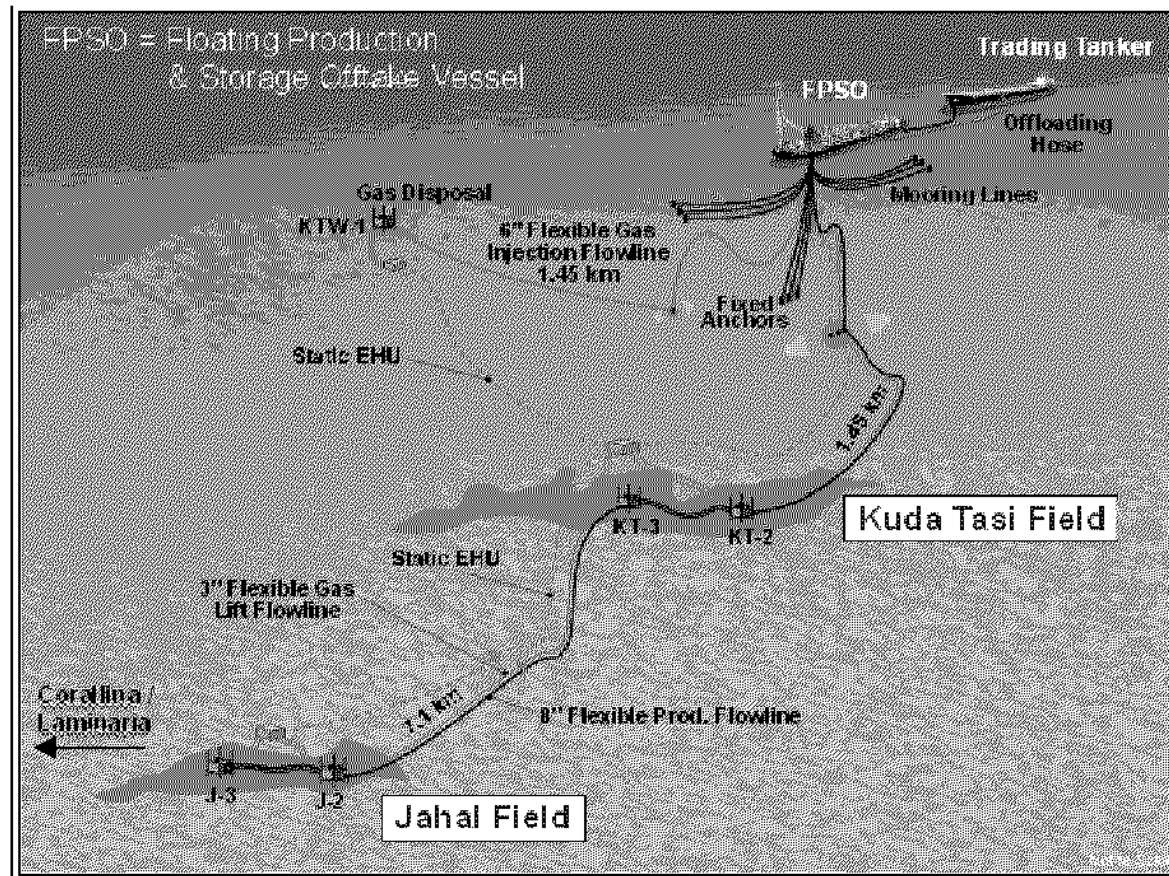
- Total investment US\$1030M.
Woodside 15% share US\$154M
- Gas treatment plant (710mmcf wet gas per day) is on budget & 2 months ahead of schedule with first gas to plant expected Sept 2003 (RFSU* est'd Q4 2003)
- Risk Service Contract to give fixed rate of return based on sale of LPG and condensate. Attributed production varies according to realised prices.
- Block 401d exploration potential in Berkine Basin - 647sq km 3D seismic recently acquired

* RFSU = Facility Ready For Start Up

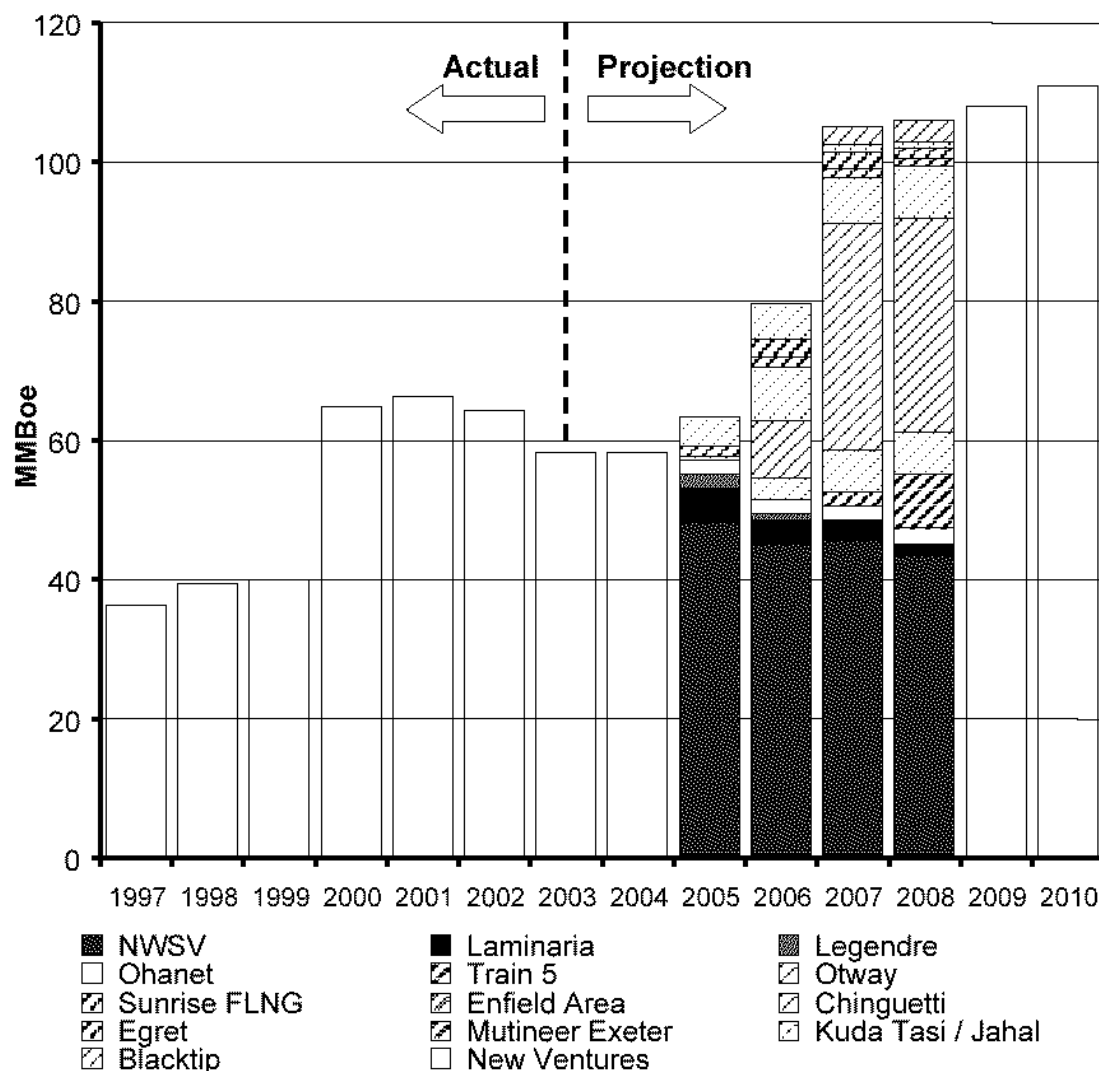
Horizon 1: Corallina-2 Sidetrack & Kuda-Tasi Jahal



- Corallina-2 well (WPL 50%) to be sidetracked to accelerate production (online Q1 2004)
- Kuda Tasi Jahal (WPL 40%) possible stand-alone FPSO (1H 2005)
- Base case 2 wells for each of the Kuda Tasi and Jahal oil fields.



Horizon 2: Creating new production



KEY OBJECTIVES

Execute projects on schedule & budget

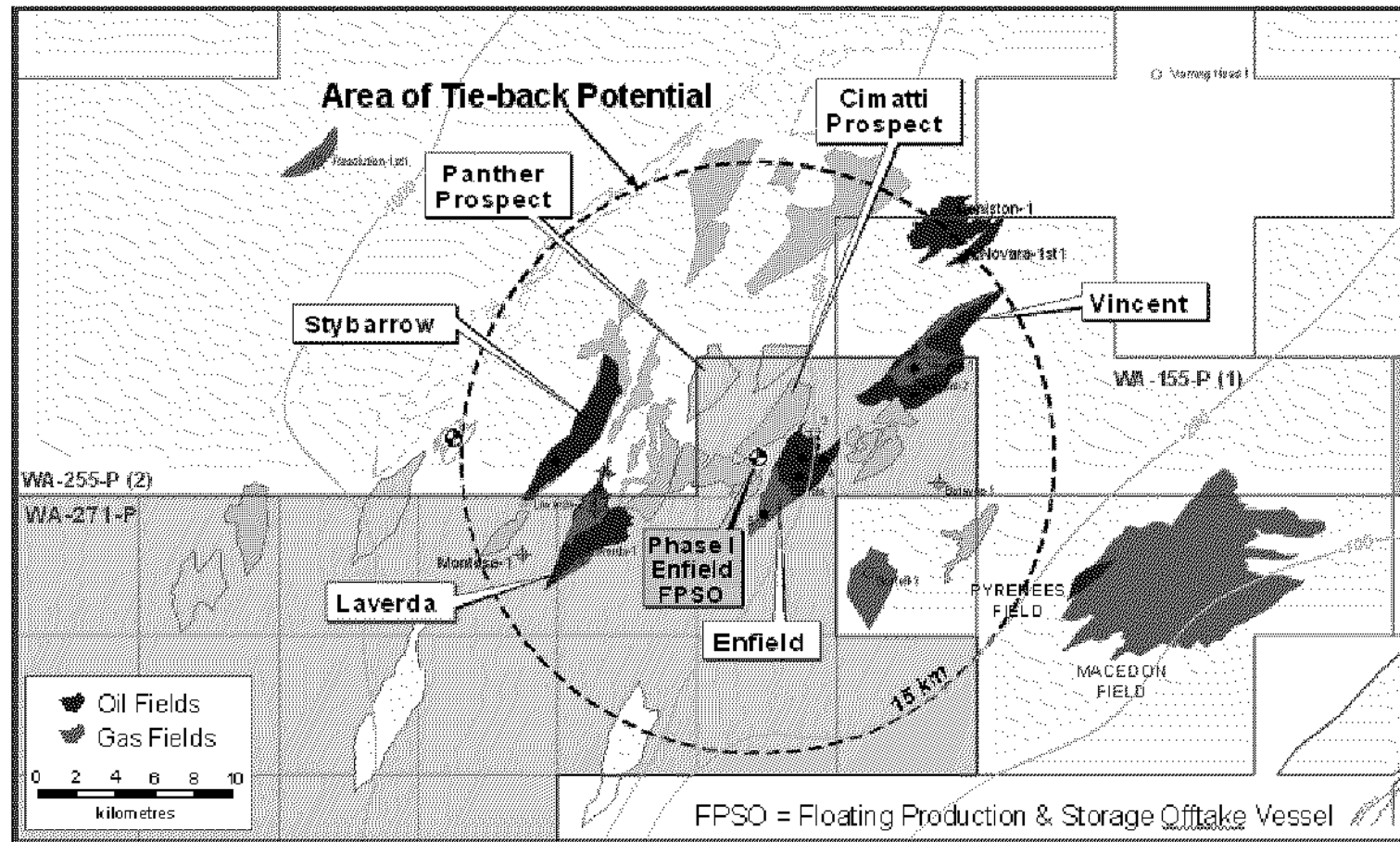
Accelerate new production

- Mutineer Exeter RFSU mid 2005
- Chinguetti RFSU in late 2005
- Thylacine–Geographe RFSU mid 2006
- Enfield RFSU in Oct 2006
- Egret RFSU mid 2006
- Blacktip RFSU in 2007
- Train 5 RFSU in 2007/08
- GoM – Texas shelf can provide short cycle-time of 12-18mths on discovery

Horizon 2: Phase I - Enfield stand-alone

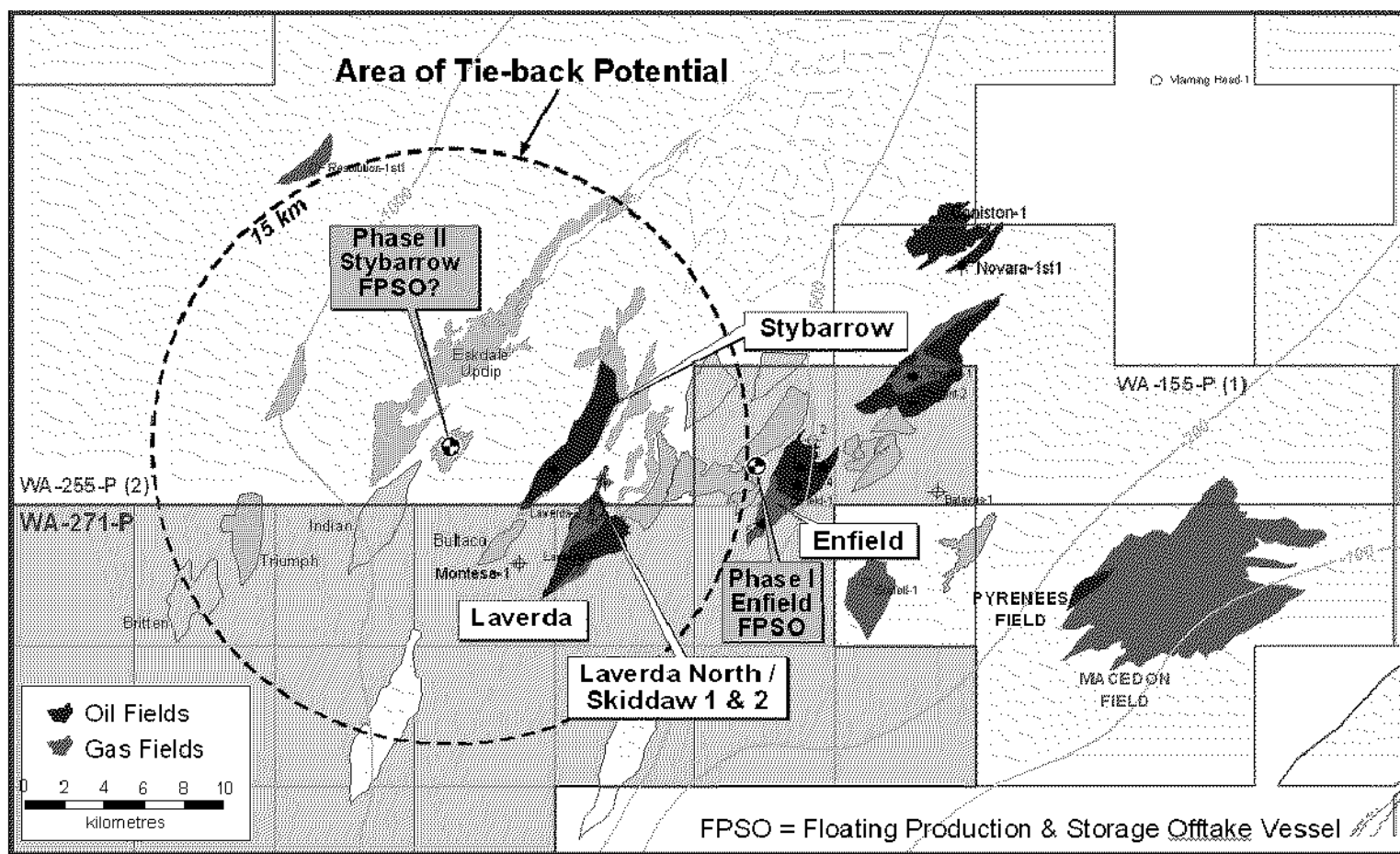


- Phase 1 Enfield stand-alone capex estimated at A\$1.5b for 100,000 bopd
- Entered FEED June. Three major contracts awarded
- Environmental approval from the Commonwealth Govt obtained in July
- FID targeted for Q1 2004. RFSU Oct 2006. Woodside 100% share



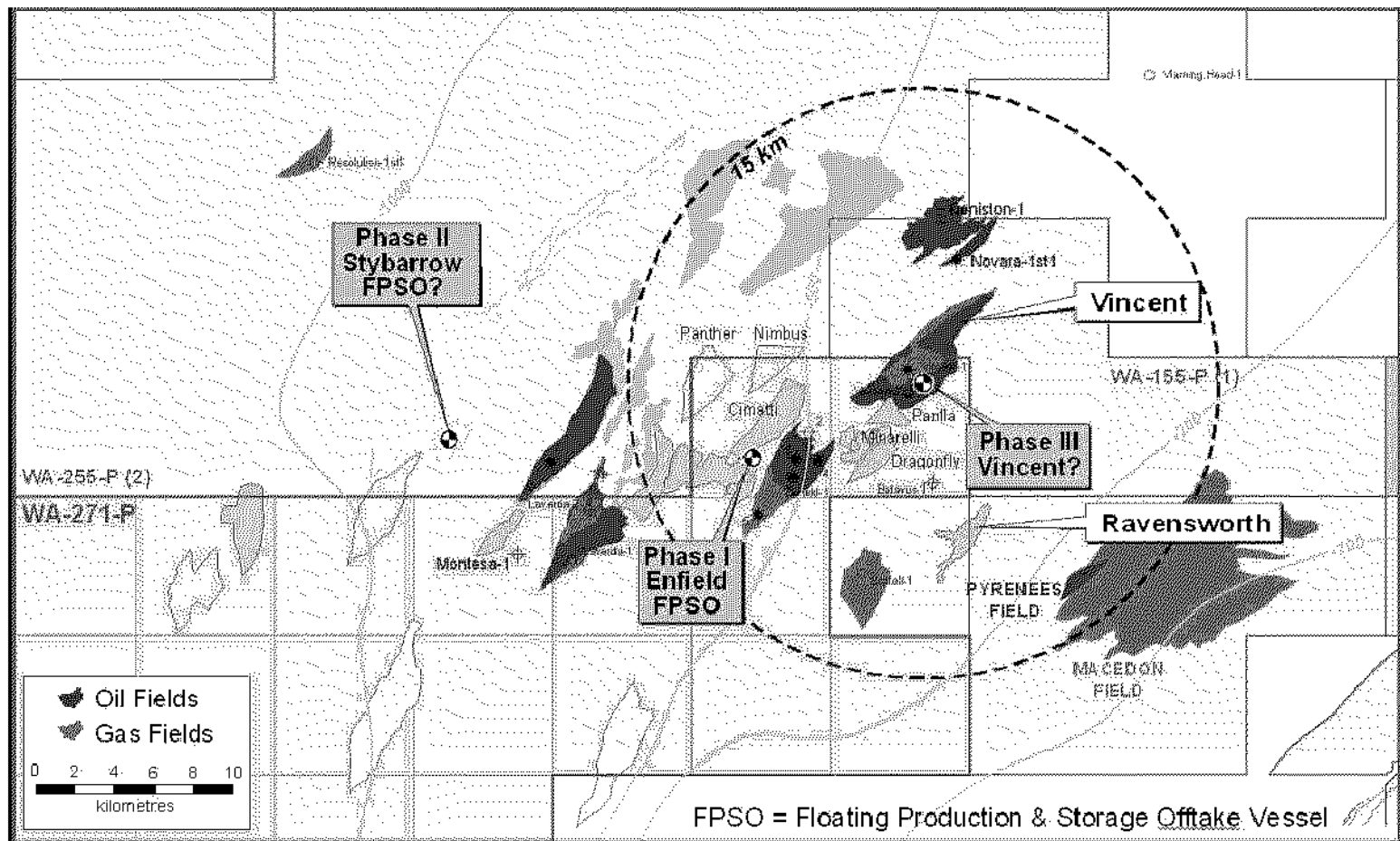
Enfield Area Development: Phase II - second facility?

- Acquired 50% of WA-255-P in Feb'03. First exploration well = oil discovery at Stybarrow
- 2004 exploration will target further prospects to evaluate possibility of an additional production hub (eg a second facility with area of tie-back potential West of Stybarrow?)
- If no further exploration success, Laverda / Stybarrow may be tied back to Enfield
- If Laverda tie-back proceeds, estimated additional capex of \$0.6billion (100%)

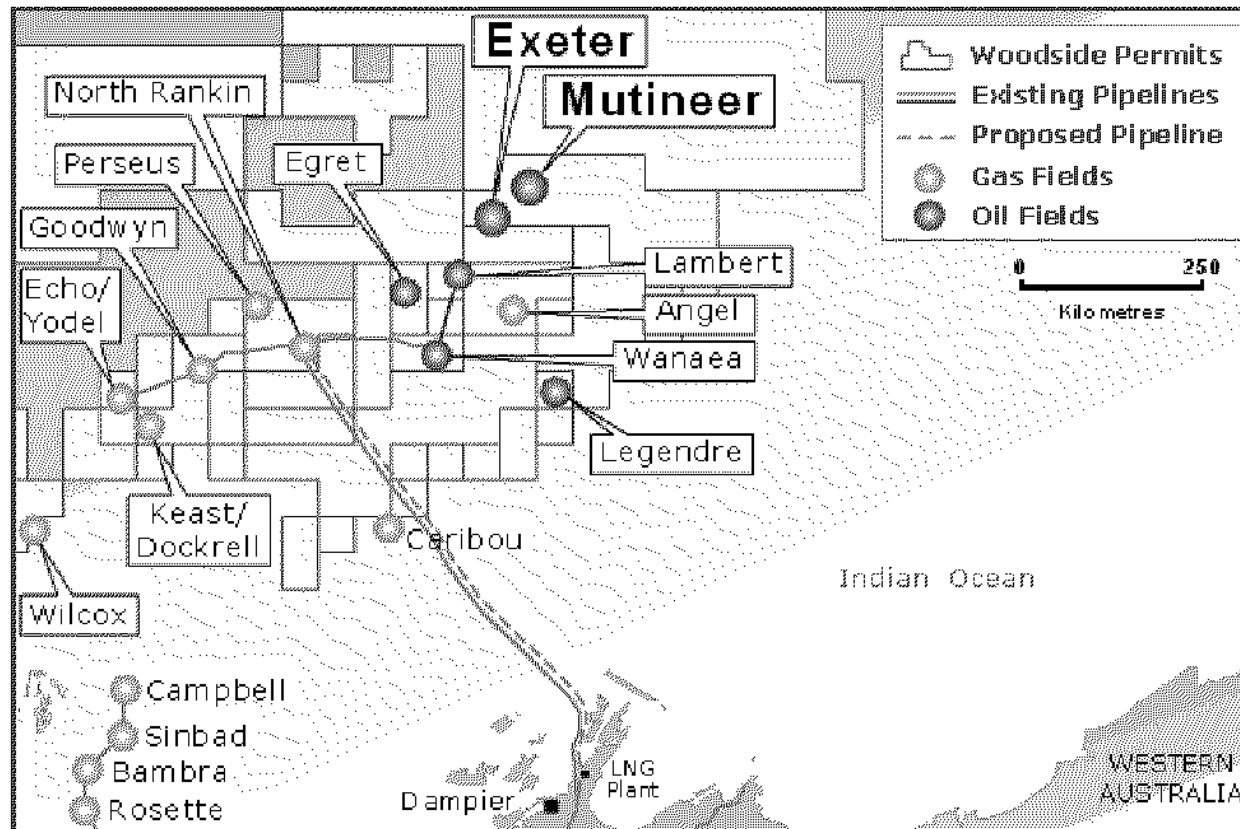


Enfield Area Development: Phase III - Vincent?

- WA-155-P (BHPB, Apache, Inpex) plan to drill on northern flank of Vincent
- WA-155-P/271-P studies underway to identify optimum development concept
- Vincent is more likely to be a stand-alone rather than a tie-back to Enfield
- Recent BHPB discovery at Ravensworth (30m oil) may have impact



Horizon 2: Mutineer- Exeter development concept

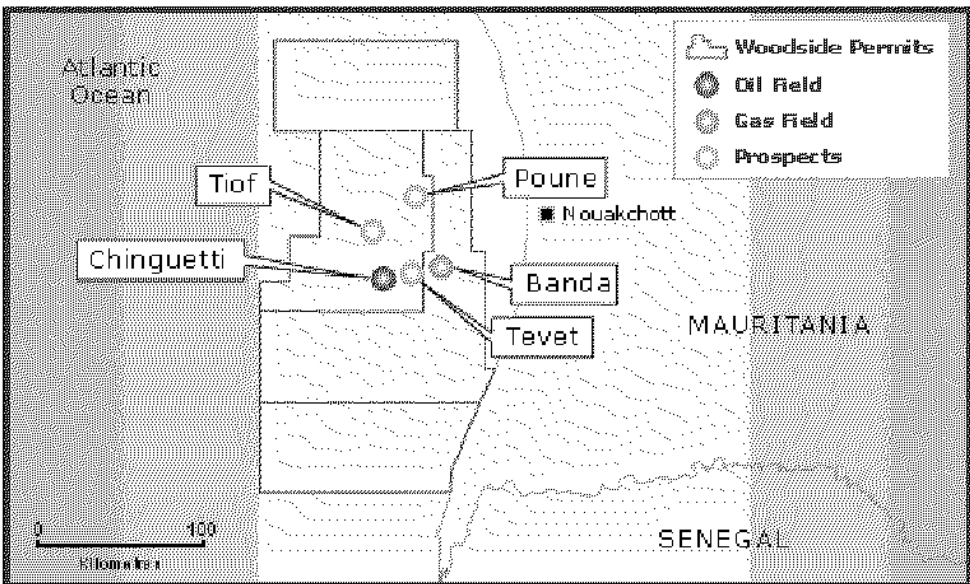
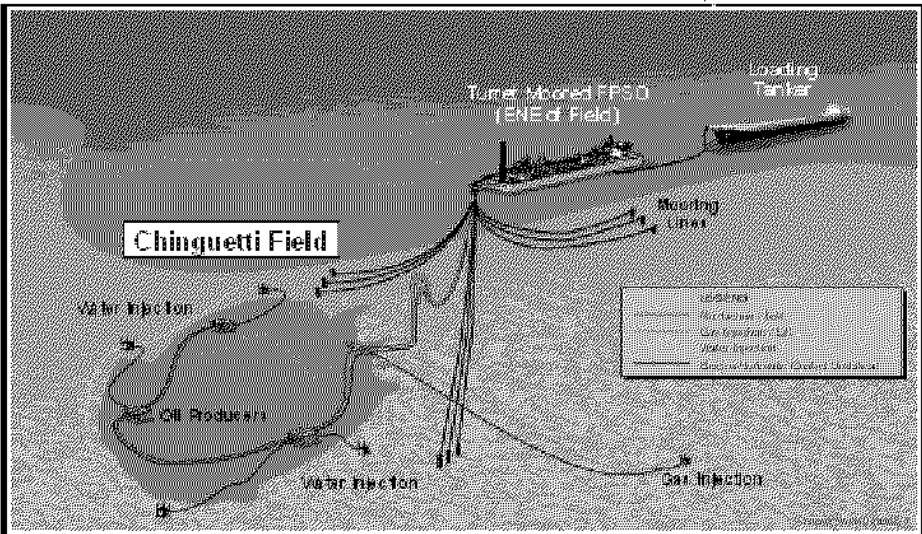


- First production expected mid 2005
- Proposed production rate approximately 100,000 barrels per day
- Early production start-up being assessed
- FID in Q4 2003. Woodside 8.2% share

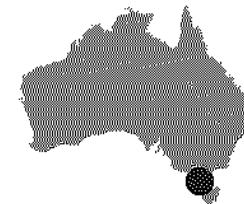
Horizon 2: Mauritania (West Africa)



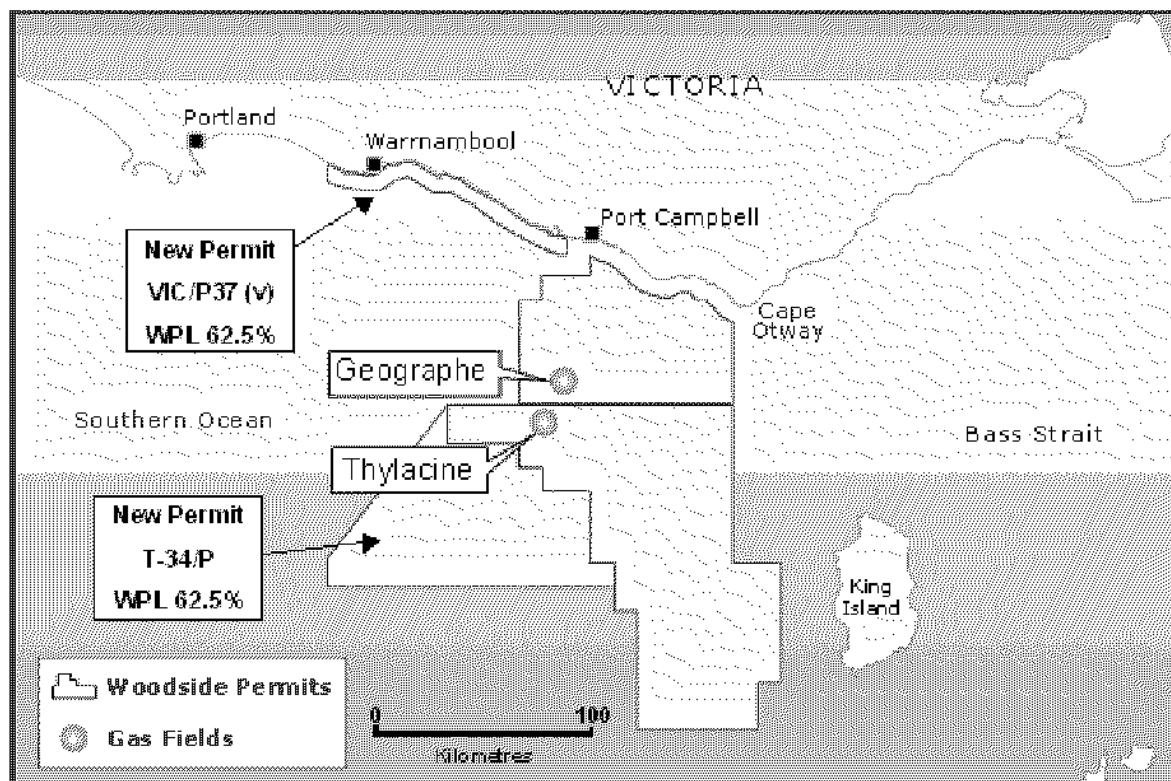
- Woodside 35% equity & operator
- Chinguetti oil discovery in 2001, Banda gas and oil discovery in 2002
- Drill and test appraisal / early development well on Chinguetti at end Q3 / early Q4. Declaration of Commerciality possible in Q4 2003
- Estimate FID mid 2004. Development concept using FPSO with oil capacity of 50 - 75,000 bopd
- First oil targeted for late 2005
- Drill Tiof prospect in Q4 2003, with option for an additional exploration well before year end. Targets were selected from approx. 50 prospects & leads



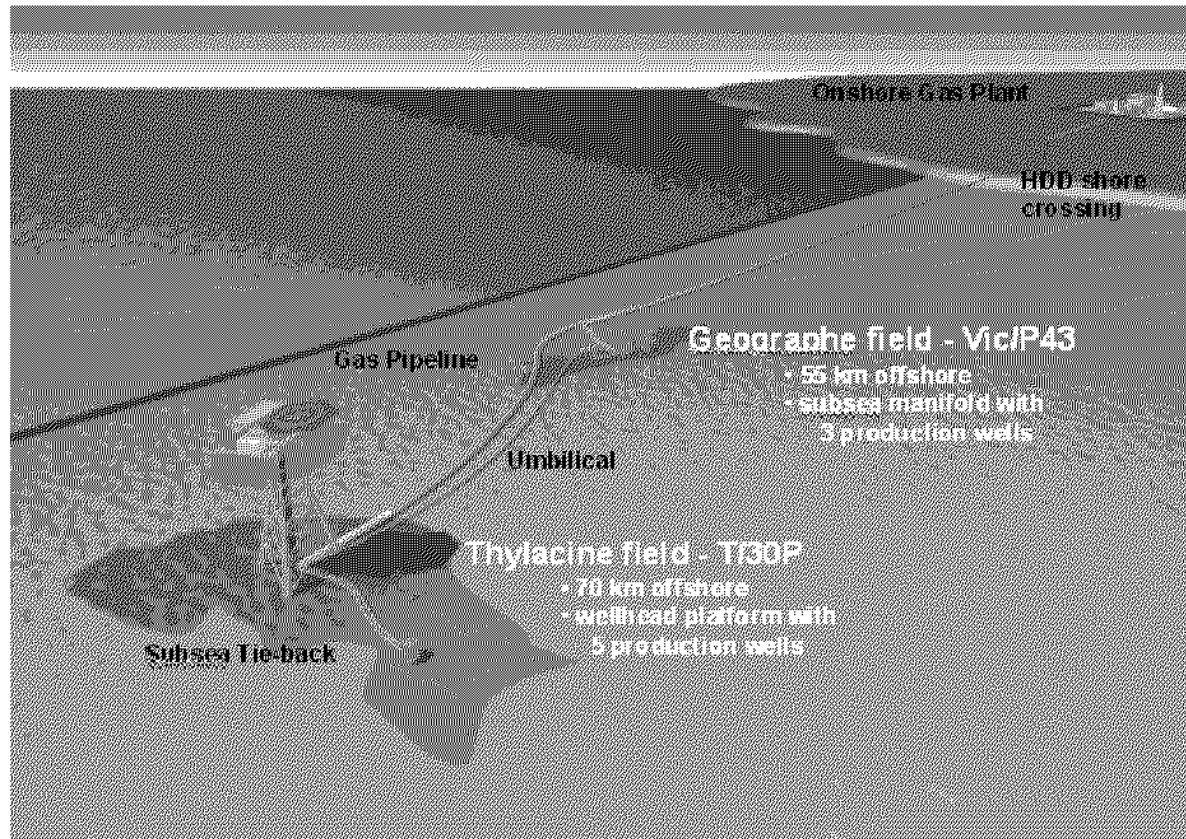
Horizon 2: Thylacine/Geographe development



- Woodside 51.55% share & Operator
- 55km and 70km offshore, south-western Victoria
- Combined probable reserves 0.85 Tcf dry gas and 10.7 MMbbl condensate (100% basis)
- Woodside signed Heads of Agreement with TXU for 30PJ/yr for 10+ years from 2006. Covers sale of Woodside's share of gas from both fields

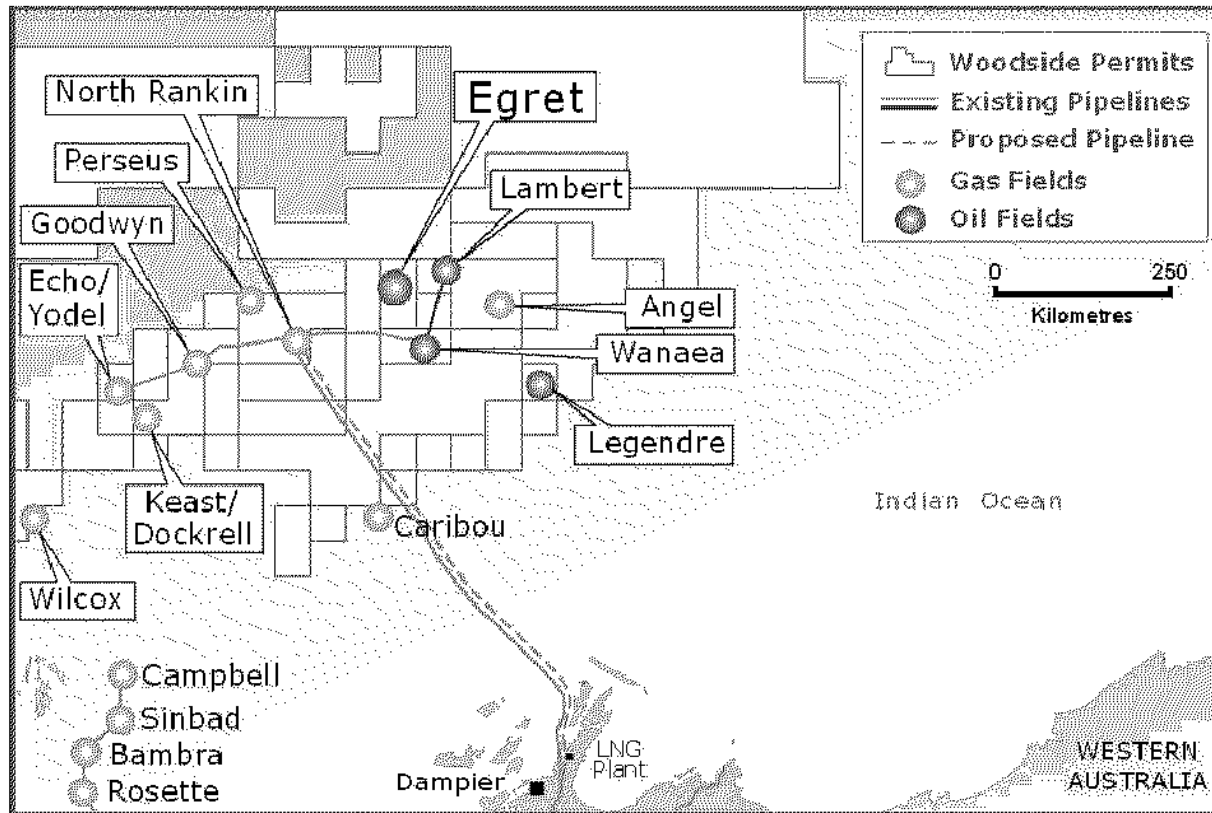


Horizon 2: Thylacine / Geographe development



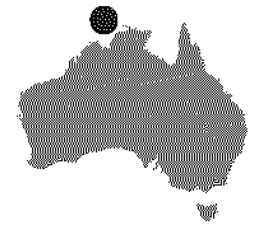
- Concept selection achieved Q2 2003
- Environmental approval (EES/EIS) due Q1 2004
- FID Q2 2004. First gas expected mid 2006
- Total CAPEX approximately A\$1 billion (100%)
- Phase 1 development at Thylacine, Phase 2 - Geographe tied-in later

Horizon 2: Egret development potential



- FID (Q4 2004) waiting on results of Demeter 3D seismic
- If commercial, 2 wells will likely be tied-back to Cossack Pioneer
- Egret 10-15km to NW of Cossack in 120m water depth
- WPL oil equity 33.3%

Horizon 2: Blacktip development concept



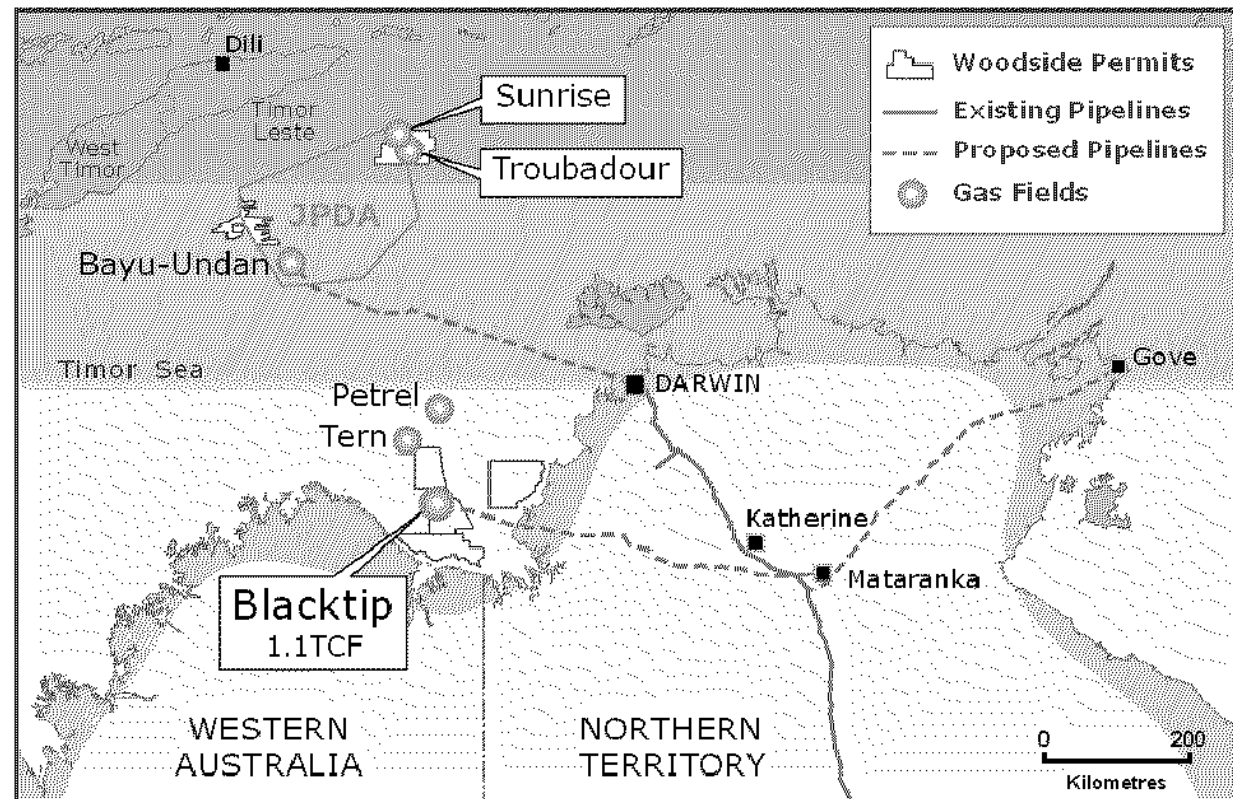
- HoA (Jun 03) to supply 40PJ pa of gas over 20yrs to Alcan Gove PL
- Conditional on FID (Q4 04), regulatory approvals, pipeline arrangements
- Scope for recovery of 1.1 Tcf gas

Woodside Share

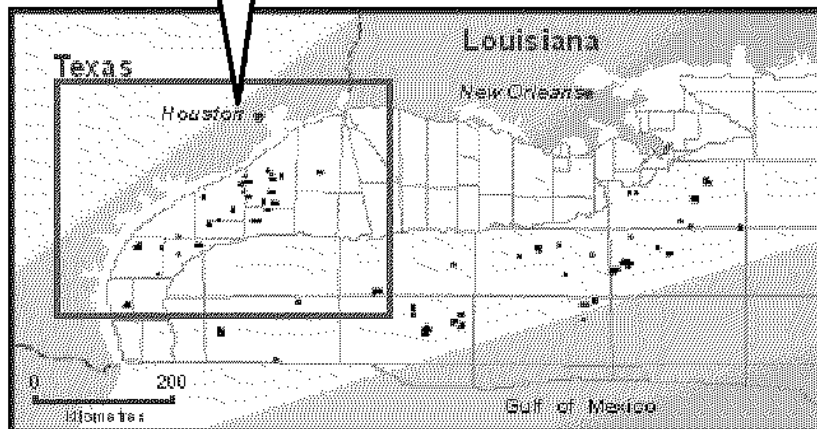
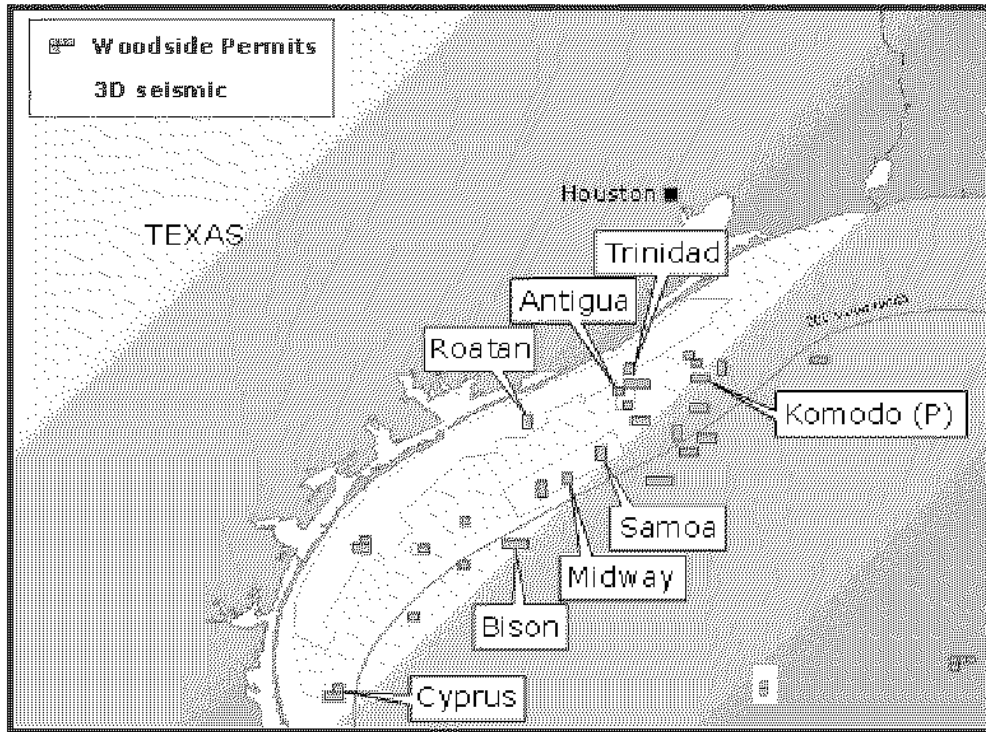
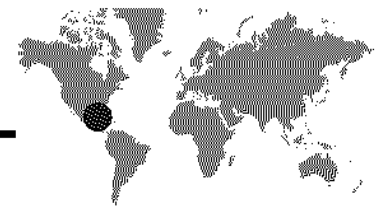
WA-279-P: 53.85%

WA-313-P: 50%

NT/P57: 66.67%



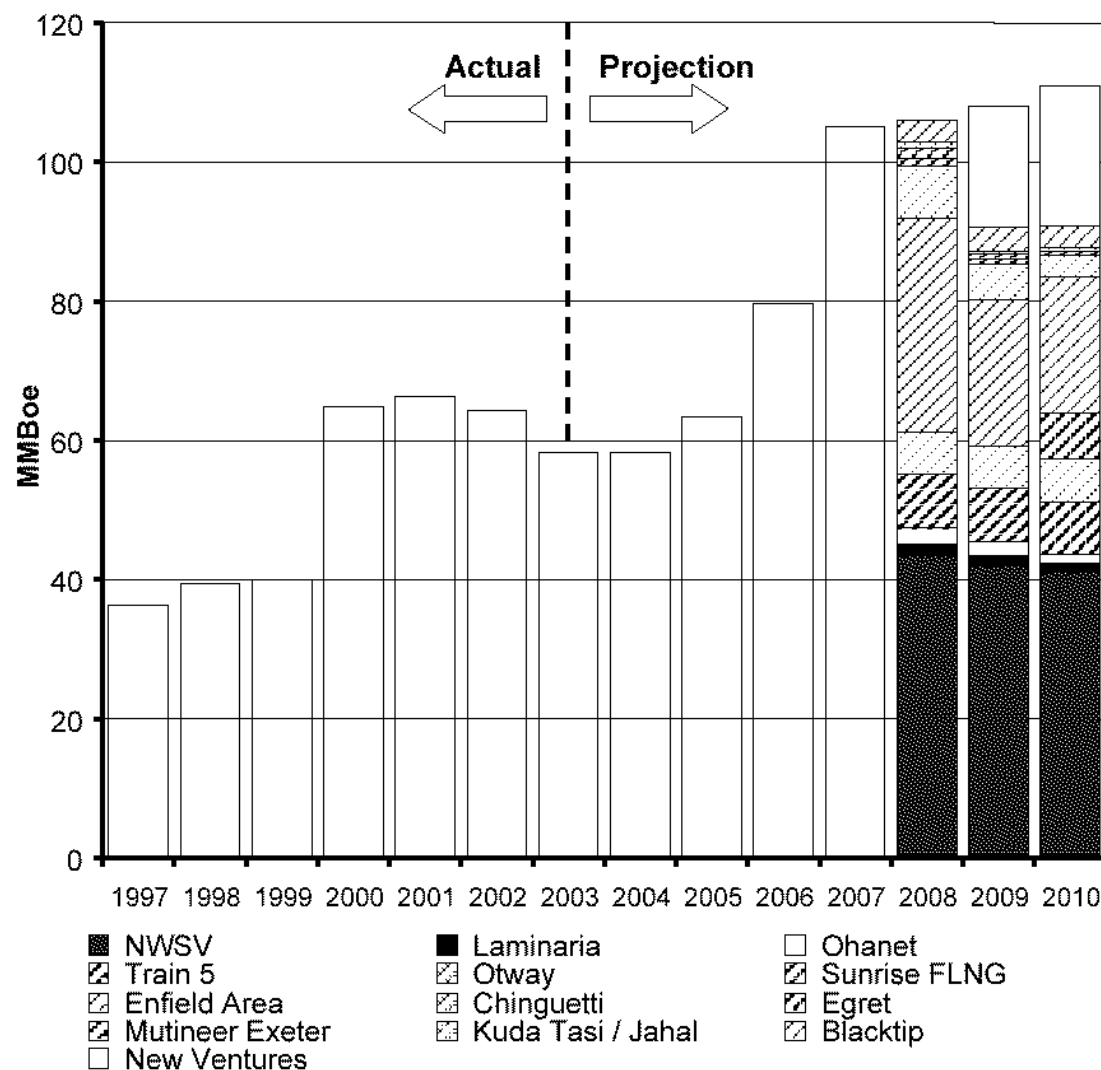
Horizon 2: GoM - Texas shelf deep gas targets



Exploration Activity

- 8 wells planned over 2003-04
- Two wells drilled (Roatan, Bison) with sub-commercial gas
- Samoa currently drilling. Midway and Cyprus still to come in 2003
- Short cycle times - if discovery made, production is possible within 12-18mths
- Provides balance to deep-water oil targets with longer lead times

Horizon 3: Reserves replacement and growth

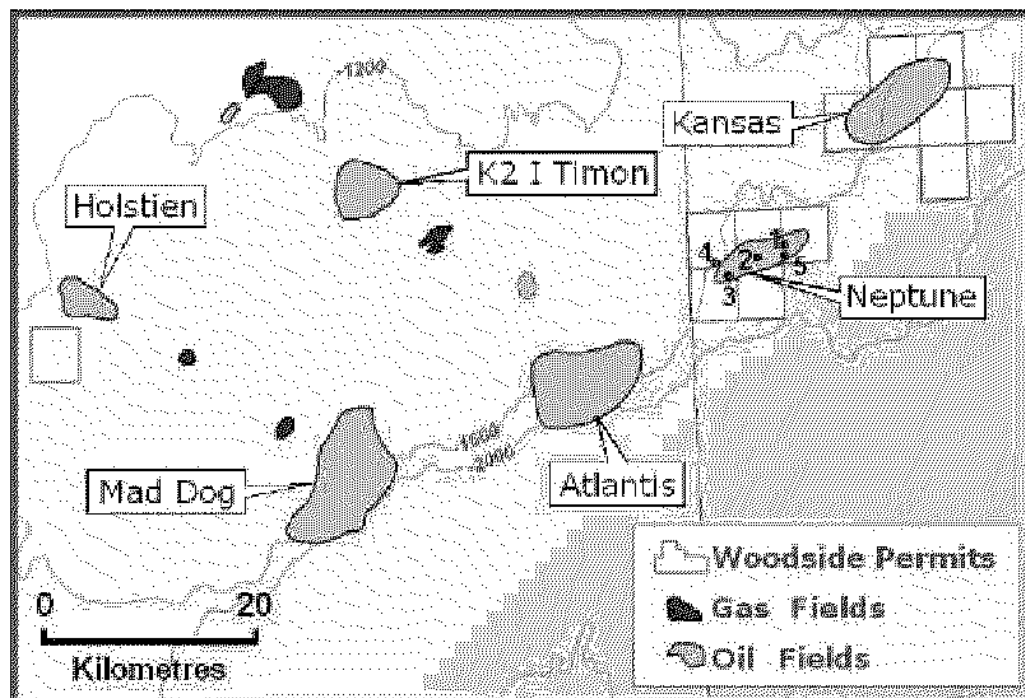


KEY OBJECTIVES

Add to reserves & ongoing growth through exploration and acquisitions

- **Active Exploration in GoM, Africa & Australia**
- **Marketing effort for gas resources - Sunrise and Brecknock / Scott Reef**
- **Look for acquisitions in focus areas with growth potential. Must add shareholder value using project assumptions**

Horizon 3: Gulf of Mexico - deep water oil targets

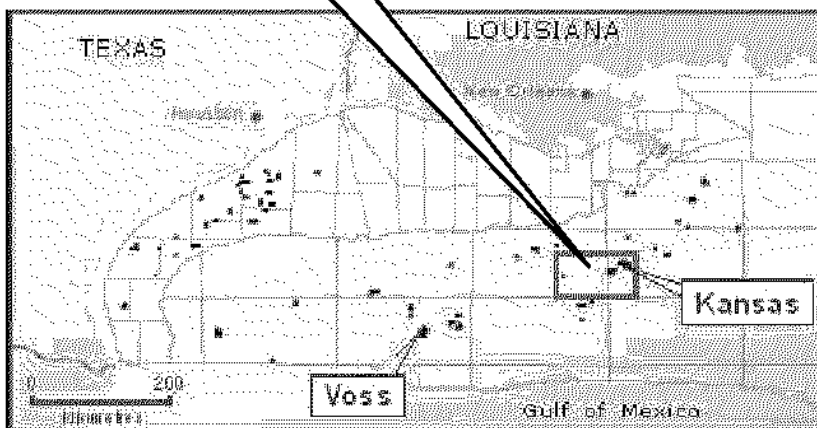


Exploration Activity

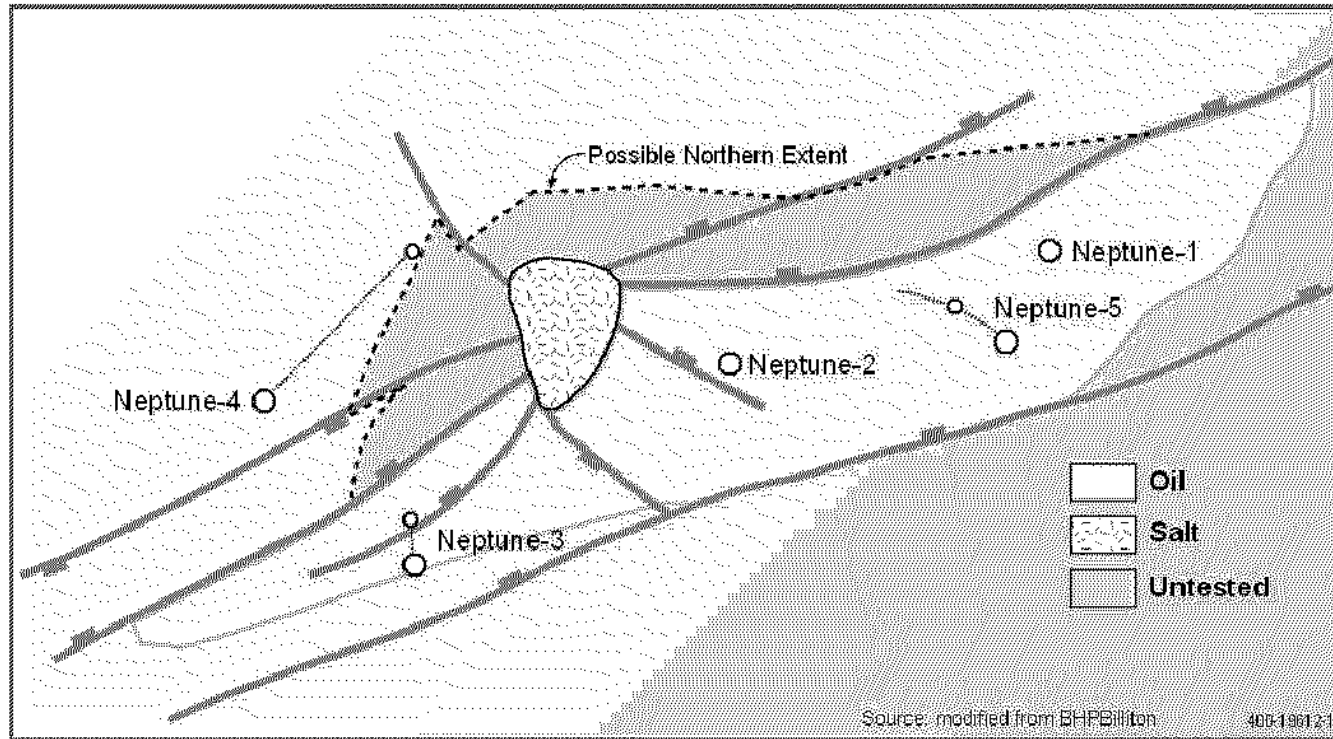
- 7 wells drilled with minor oil discovery at Timberwolf
- Kansas, Voss P&A in 2002/3

Development Activity

- Neptune 1,2,3 & 5 successful
- Development options being assessed after encouraging result



Horizon 3: Gulf of Mexico Neptune Oil Field



Development prospects boosted with successful Neptune-5 appraisal

- Neptune-5 is 3rd appraisal well drilled since Woodside (20%) farmed in
- Neptune-5 encountered more than 500 feet of net oil pay
- Net column significantly larger than that of previous Neptune wells
- Preliminary evaluation indicates relatively good quality oil

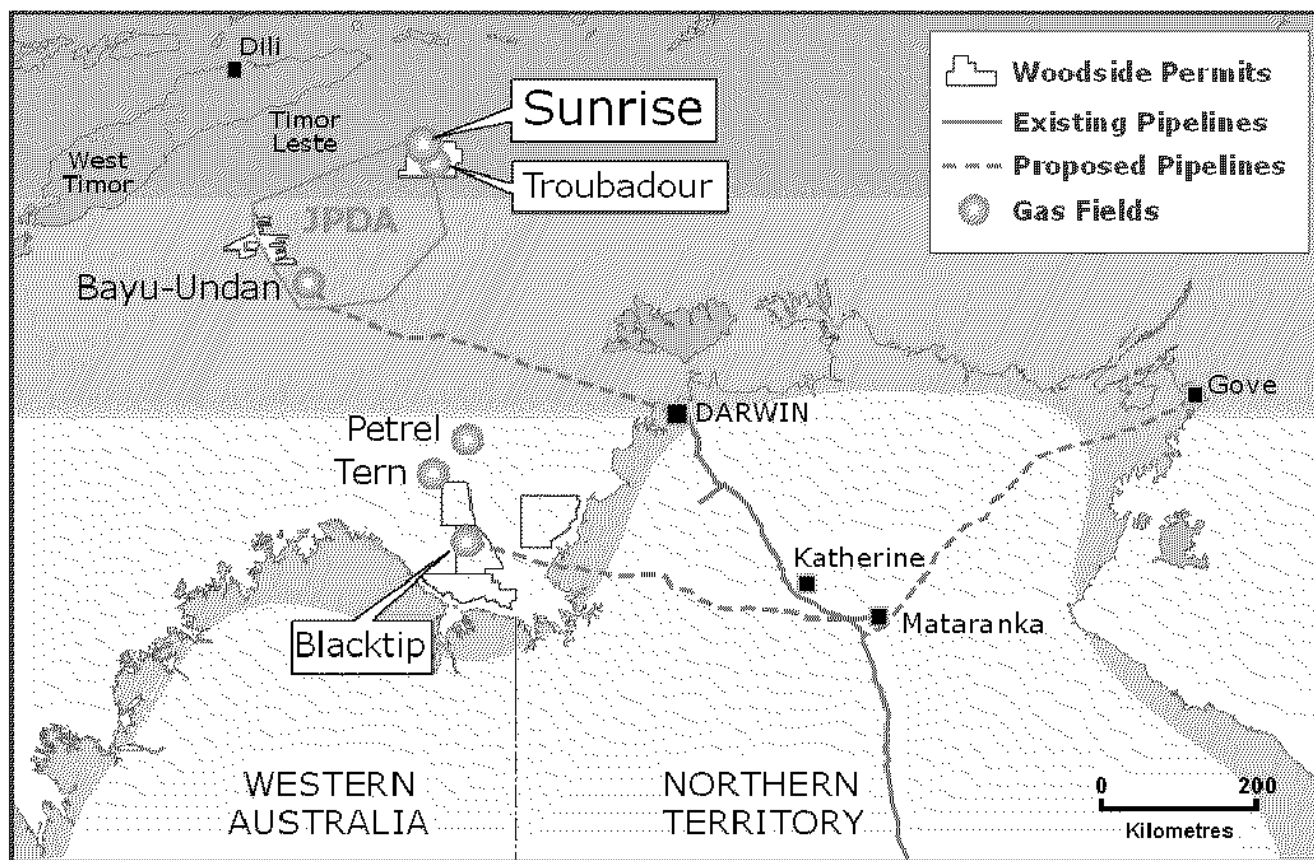
Next Steps : Neptune-5 is being sidetracked, down-dip and up-dip.

JV assessing development options for Neptune

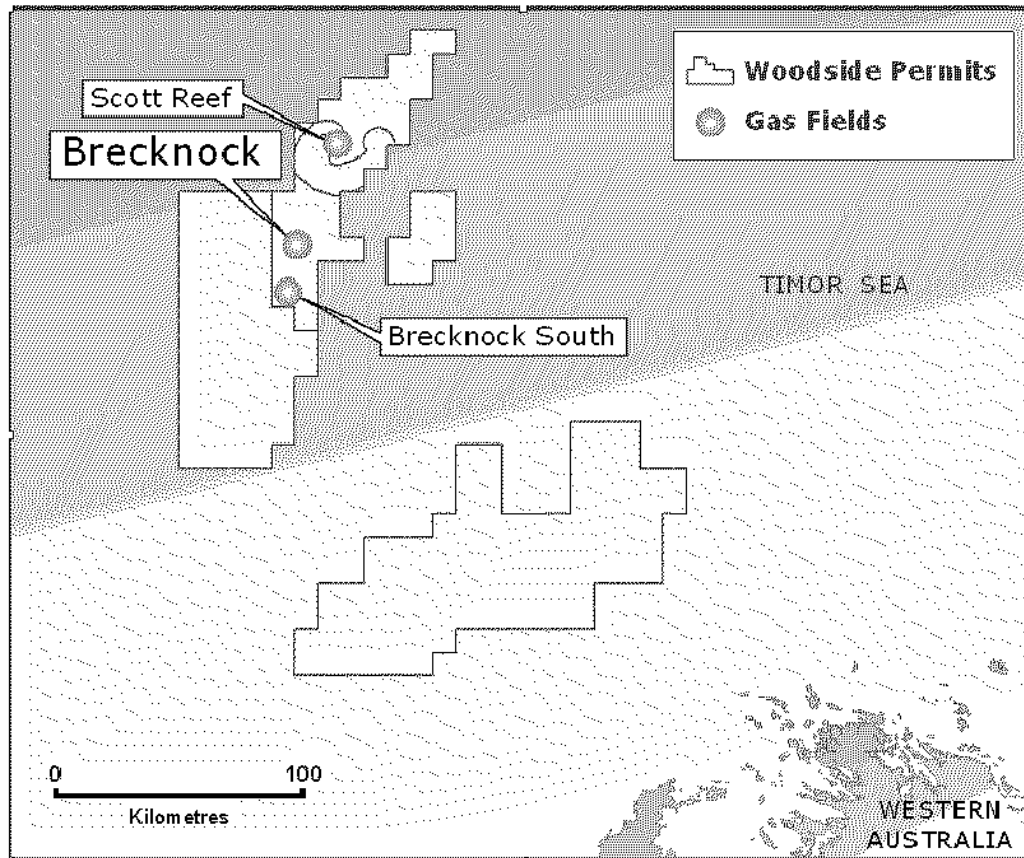
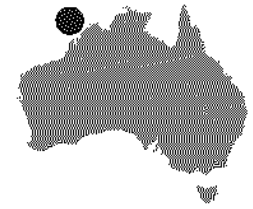
Horizon 3: Sunrise development concept



- Floating LNG is viable with market mix of Asia Pacific/West coast US
- Onshore LNG is technically viable but an economic case is yet to be identified
- Studies are ongoing. Woodside 33.44% share & Operator

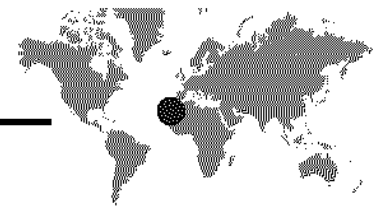


Horizon 3: Browse Basin development concept



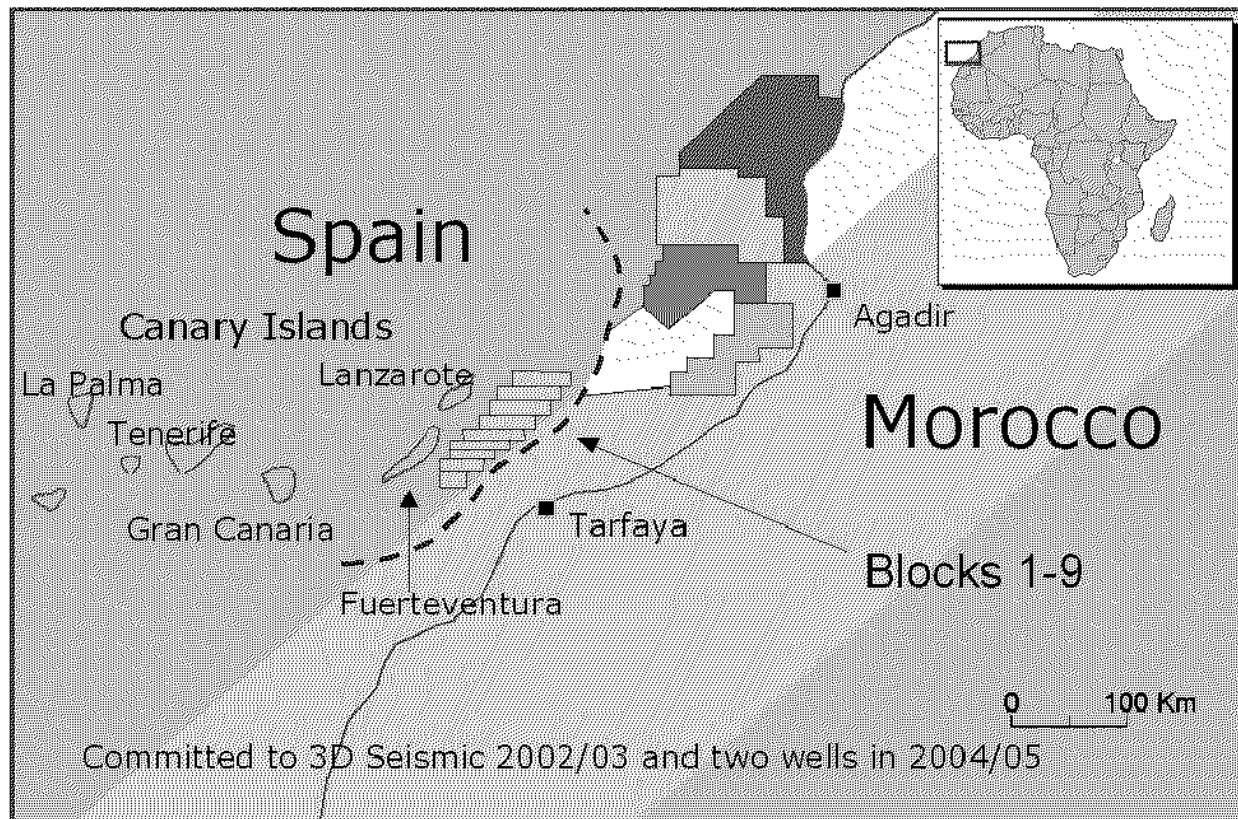
- Scope for Recovery of 20.49 Tcf dry gas and 311 MMbbl condensate (Woodside share 9.65 Tcf and 142 MMbbl)
- Retention Leases being finalised
- Evaluating market opportunities and project timing
- Development alternatives include onshore LNG, floating LNG and pipeline gas
- Woodside share
- 50% WA-33-P; 25% WA-275-P

Horizon 3: Canary Islands exploration

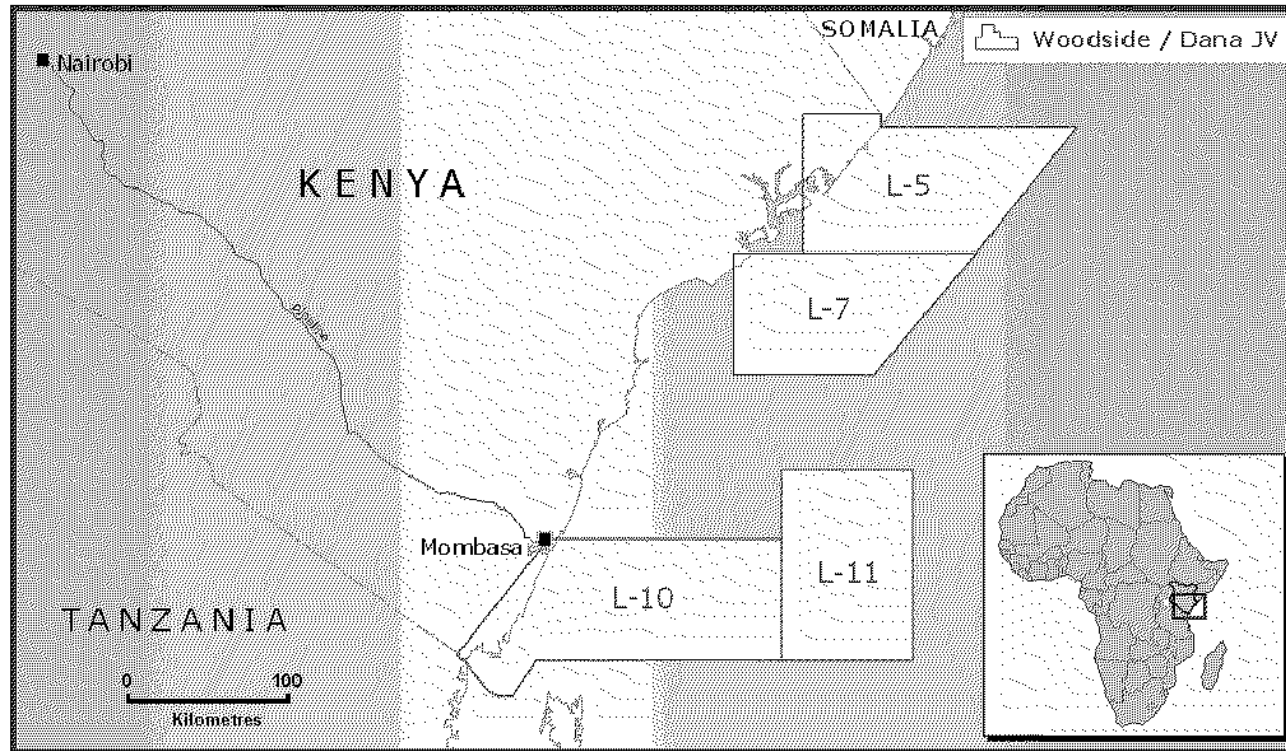
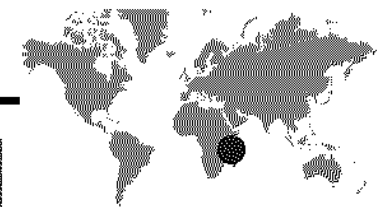


Exploration in under-explored basin in Canary Islands

- Farmed into Repsol-YPF Blocks 1-9 during March 2002
- Woodside 30%, RWE-DEA 20% and Repsol-YPF (Operator) 50%
- Prospective geology similar to successful Mauritanian area
- Over 3,200 sq km of 3D seismic acquired in first half 2003
- Acreage contains more than 25 leads



Horizon 3: Pre-focus area - Kenya



Low cost entry to under-explored frontier

- Woodside 40% and operator in 4 blocks (47,500sq km May 2003)
- The initial term involves 5,000km seismic (net cost US\$3.0M)
- Staged approach – can exit in Q4 2004, prior to decision to drill
- Variety of leads (range of 50 million to 1 billion barrel potential)
- Potential to replicate Mauritanian success

Outlook

Optimise production, costs and profitability

- Target 2003 production of 58 Mmboe, rising production profile post 2003
- Production optimisation from existing assets
- PEP - implementation on target

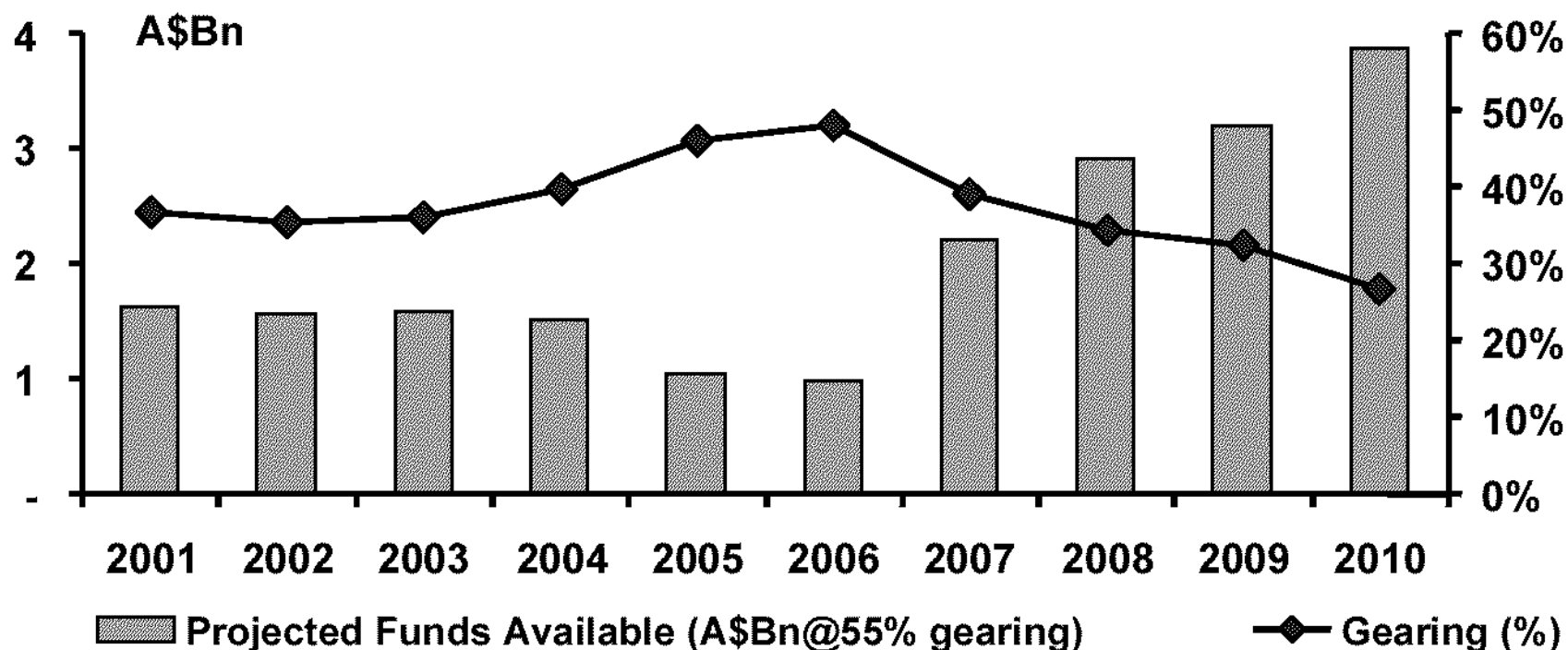
Ensure delivery of new projects. Accelerate where possible

- Enfield
- Chinguetti
- Thylacine & Geographe

Replenish our long term growth portfolio

- Aggressive marketing of uncommitted gas reserves
- Continue to build US business
- Evaluate growth opportunities (eg Canaries, Kenya)
- Seek new exploration/acquisition opportunities

Woodside - Project Funding Capabilities



* Note: Strong cashflow can support project development while not exceeding gearing of 55%. Green bars show cumulative funding in each year after financing existing business, ongoing exploration and defined projects (NWS Train 5, Sunrise, Otway, Enfield Area, Chinguetti, Egret, Mutineer Exeter, Kuda Tasi / Jahal and Blacktip). Projection is based on following oil price assumptions: 2003 US\$29.19, 2004 US\$24.00, 2005 US\$23.00, 2006 US\$22.00, and 2007 onwards US\$21.40. A\$/US\$ Exchange rate: 2003 \$0.63, 2004 \$0.62, 2005 \$0.60, 2006 \$0.58, 2007 \$0.56, and 2008 onwards \$0.54.

* Assumes dividend payout consistent with past practice.

* Calculations reflect "Successful Efforts" exploration accounting policy.

The Way Forward

- **New production ideas and optimisation can make 2003 the “bottom of the hill”**
- **Enfield Phase I, Chinguetti, Thylacine-Geographe and Blacktip are on schedule to deliver new medium-term value**
- **Neptune success can consolidate Woodside’s US position**
- **Canaries, Kenya and new opportunities will be pursued for long-term growth (post 2007)**

Appendices

Horizon 1 : Meeting the Production Challenge

	FEED	FID	RFSU	% EQUITY
Legendre Infill	✓	✓	✓	45.94
Ohanet	✓	✓	Q4 03	15.0
Kuda Tasi - Jahal	Q3 03	Q4 03	1H 05	40.0
Corallina-2	✓	✓	Q1 04	50.0
T4	✓	✓	mid 04	16.67
Mutineer-Exeter	Project sanction by end 03	Q4 03	mid 05	8.2

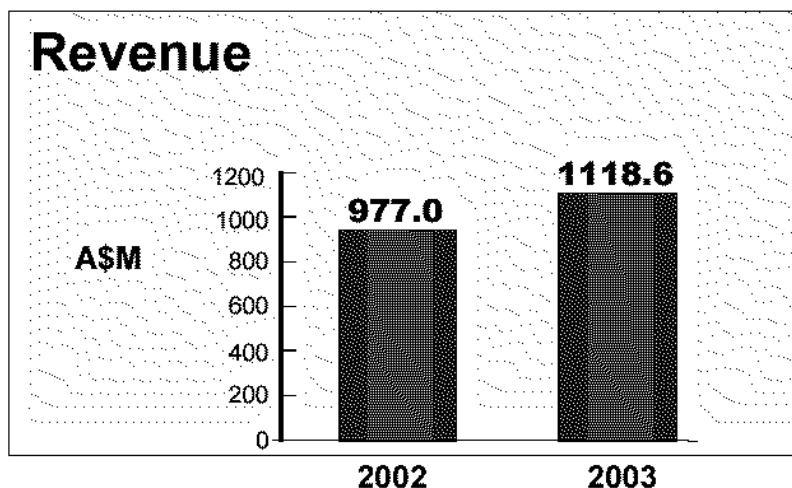
FEED – Front End Engineering Design; FID – Final Investment Decision; RFSU – Ready For Start Up

Horizon 2 : Creating new production

PROJECT	FIELD size (100%)	FEED	FID	RFSU	% EQUITY
Enfield Phase 1	145 MMbbl	Jun 03	Q1 04	Oct 06	100.0
Otway	0.85 Tcf / 10.7 MMbbl cond.	Jun 03	Q2 04	mid 2006	51.55
Chinguetti	100 MMbbl (SFR)	Q1 04	mid 04	late 05	35.0
Blacktip	1.1 tcf / 1.7 MMbbl cond.(SFR)	Q1 04	Q4 04	Q1 07	53.85
Egret	-	Q2 04	Q4 04	mid 2006	8.2
Train 5	-	Reviewing by end 03	-	2007/8	16.67

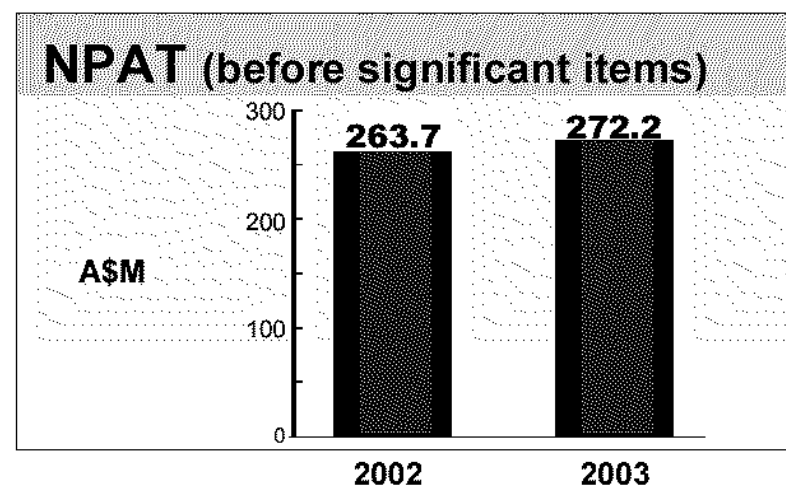
- Field size at probable reserve levels unless otherwise stated (from 2002 Annual Report)
- SFR – Scope For Recovery (as defined in 2002 Annual Report)
- FEED – Front End Engineering Design; FID – Final Investment Decision; RFSU – Ready For Start Up

Financial Performance Summary



- Sales revenue of \$1,118.6 million was up 14% due to higher oil prices and an overall higher sales volume

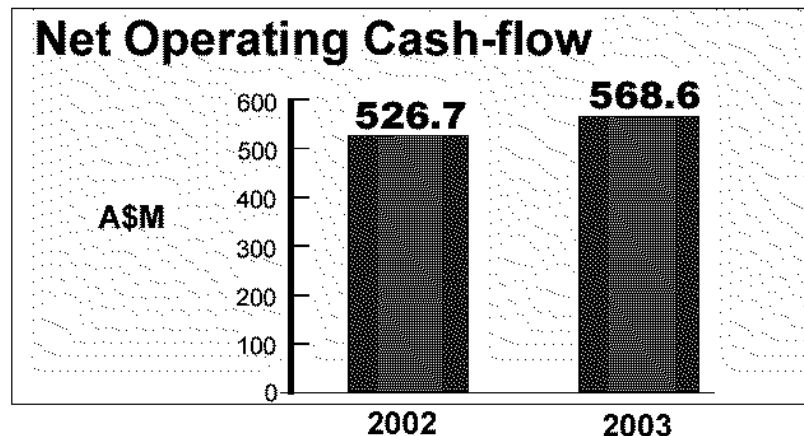
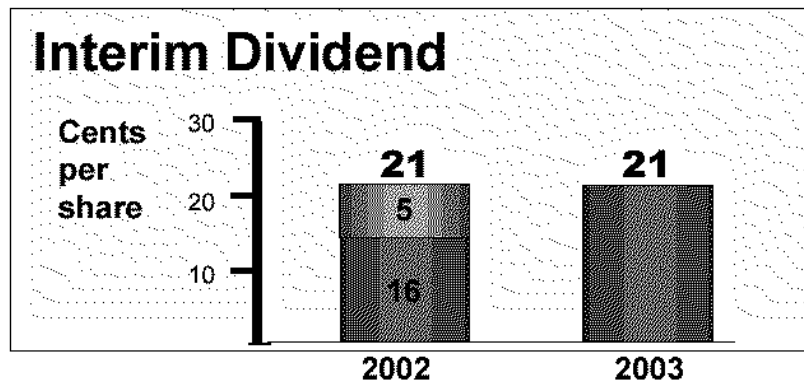
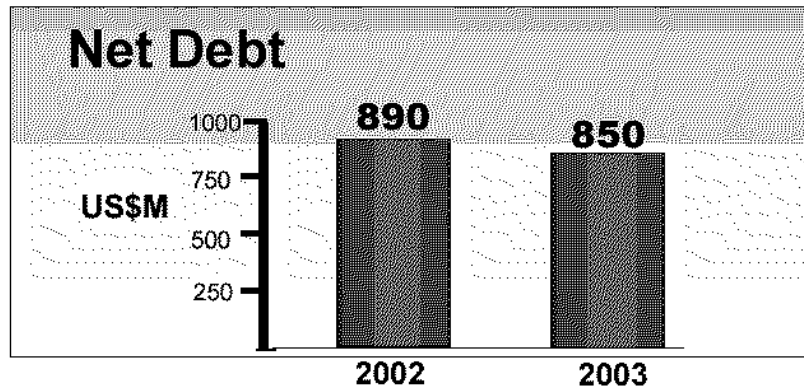
- Reported NPAT was \$272.2million (compared to a restated loss of \$472.6 million in 1H 02 which included a \$92.6 million write-down in carrying value of Oil Search holding plus an adjustment for Successful Efforts)



- NPAT before significant items of \$272.2 million was up 3% from the 1H 02 of \$263.7 million

Figures for 2002 restated for Successful Efforts

Financial Performance Summary



- Debt for 1H 03 of US\$850 million was down 4% from US\$890 million in 1H 02
- Interim dividend 21 cps (fully franked) same as 2002 total interim dividend (16cps ordinary dividend and 5cps special dividend)
- Payout ratio for 1H 03 51.4%
- Net Operating Cash Flow has improved 8% in 1H 2003 compared to previous corresponding period in 2002

2003 Half Year Production Summary

PRODUCTION	1H 2003	1H 2002	% VAR
Domestic Gas (Tj/d)	302	245	23
LNG (k tonnes)	666.9	592.6	13
Condensate (million/bbl)	5.2	4.7	11
LPG (k tonnes)	65	68	(4)
Oil (million/bbl)			
• Cossack	3.3	3.7	(13)
• Laminaria	4.7	7.5	(38)
• Legendre	2.1	2.7	(22)
TOTAL million/boe(Production)	29.9	30.9	(3)
TOTAL million/boe(Sales)	30.5	29.7	+3
➤ Gas up with strong demand; oil down with natural decline of reservoirs ➤ LNG up due to high demand & reliable system operations ➤ Condensate up due to higher gas production, fewer shut-downs and Echo Yodel contribution			

2003 Half Year Revenue Summary

REVENUE (\$m)	1H 2003	1H 2002	% VAR
Domestic Gas / LNG	358.3	292.4	23
Condensate	233.0	166.3	40
LPG	37.6	14.3	163
Oil			
• Cossack	180.0	146.2	23
• Laminaria	186.0	241.2	(23)
• Legendre	102.2	92.2	11
LNG Ship Charter	21.4	24.4	(12)
TOTAL REVENUE	1,118.6	977.0	13
Av' oil price WTI (US\$/bbl)	31.12	24.02	30
Exchange rate (A\$:US\$)	0.6171	0.5312	(16)

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Oil Price Risk Management from 1 July 2003

	Year 1	Year 2	Year 3
Total (Swaps)			
BOE cover (million/bbl)	4.80	0.90	-
Proportion of production (%)	9.00	2.00	-
Proportion of exposure covered (%)	17.00	3.00	-
Avg. Hedge Price (US\$/bbl)	20.45	21.65	-

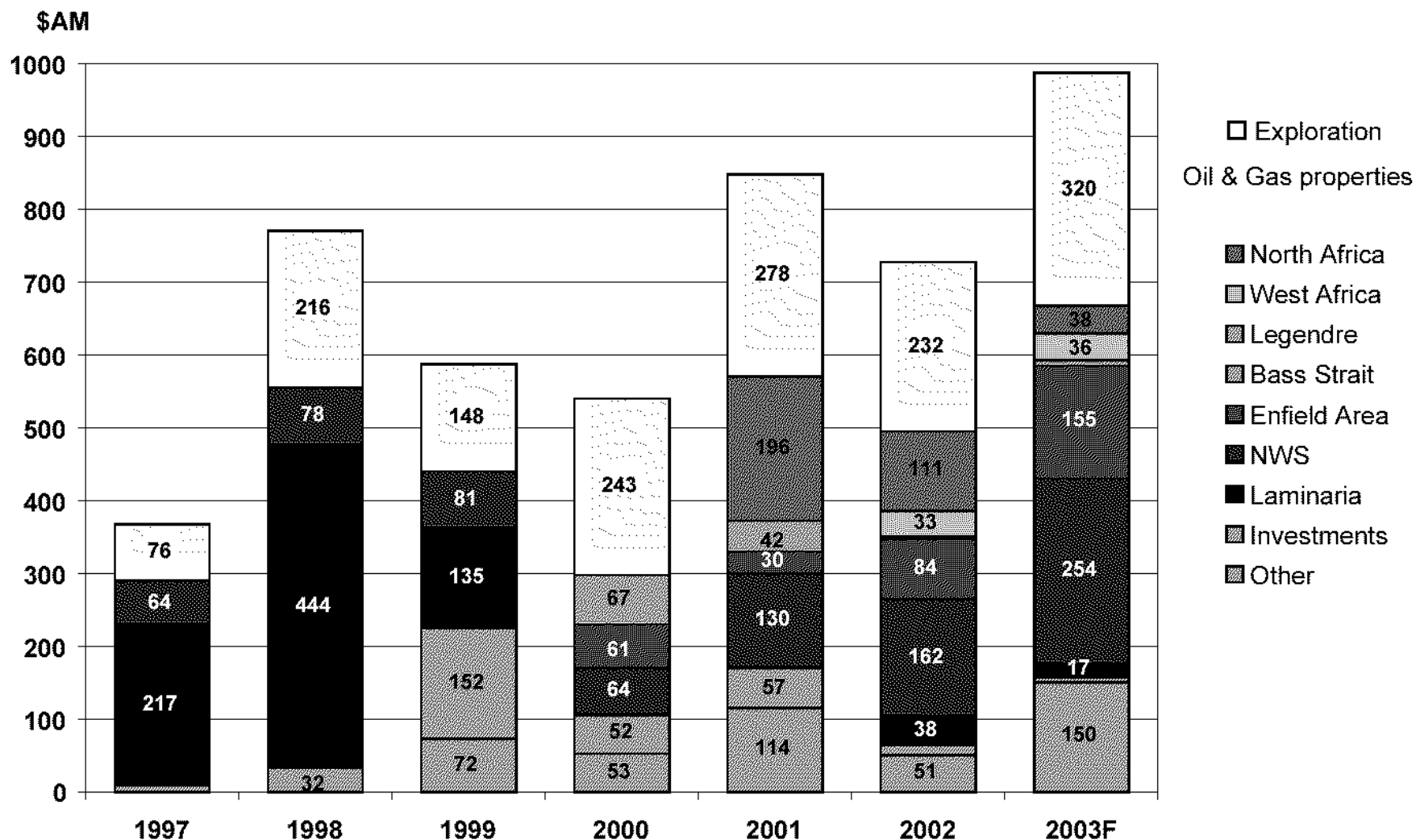
Mark to market oil hedge position at 30 June 2003 was negative A\$53.2 million
Compared to negative A\$125.2 million at 30 June 2002

Net Profit Sensitivities

		(A\$M) 2003	(A\$M) 2002
Realised Oil Price	US \$1/bbl	11.0	16.0
Exchange Rates (\$A/US)	1 cent	6.0	8.0
US Interest Rate	1%	2.0	2.0

For balance of year. ie: 6mths

Capital, Exploration and Investment Expenditure



2003 Drilling Program - Australia



Well Name	Location	Target	Result	%Equity
Shakespeare-1	NT/P57	Oil	P&A	60
Whitetail-1	WA-296-P	Gas	P&A	14.3
Weasel-1	WA-279-P	Gas	P&A	35
Scallop-1	VIC RL2	Gas	P&A	30
Stybarrow-1 & 2 ⁽¹⁾	WA-255-P	Oil	Successful	50
Skiddaw-1 + sidetrack	WA-255-P	Oil	Successful	50
Eskdale-1	WA-255-P	Oil	P&A	50
Egret Deep 1	WA-10-R	Gas	P&A	16.7
Guilford-1	WA-269-P	Gas	P&A	80
Carteret-1	WA-4-L	Oil	P&A	33
Tigger-1	WA-248-P	Oil	P&A	80
Gnarlyknots-1	EPP-29	Oil	P&A	40
Nickol-1	WA-255-P	Oil	P&A	45.9
Corallina-2 sidetrack ⁽¹⁾	AC/L5	Oil		50
Kuda Tasi / Jahal ⁽¹⁾	JPDA 03-01	Oil		40

2003 Drilling Program - International



Well Name	Location	Target	Result	% Equity
Gulf of Mexico				
Voss-1	GoM	Oil	P&A	15
Neptune-4 ⁽¹⁾	GoM	Oil	P&A	20
Roatan-1	GoM	Gas	P&A	50
Bison-1	GoM	Gas	P&A	50
Samoa-1	GoM	Gas	Current	50
Neptune-5 ⁽¹⁾	GoM	Oil	Successful	20
Midway-1	GoM	Gas		50
Mauritania				
Chinguetti AED ⁽¹⁾	Mauritania Area B	Oil		35
Tiof	Mauritania Area B	Oil		35
Optional well	Mauritania Area B	Oil		35
<i>Note AED = appraisal / early development well</i>				

Exploration - 2003 Program

