
ASX ANNOUNCEMENT
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**MEDIA**

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JOINT VENTURE APPROVES CHINGUETTI PROJECT

The Woodside-operated Chinguetti oil development in Mauritania will proceed following joint venture approval of the project. The capital investment expected to execute Phase 1 is approximately US\$600 million.

The Chinguetti project is in Production Sharing Contract Area B, about 90km west of the Mauritanian capital, Nouakchott. Chinguetti, which was discovered in 2001, has proven and probable reserves estimated at around 120 million barrels of oil.

Woodside holds 53.846% of the project with Hardman Resources holding 21.6%, BG Group 11.63%, Premier 9.231% and Roc Oil 3.693%.

Woodside's Africa Business Unit Director, Ian Jackson, said the joint venture's decision to proceed would allow work to begin immediately under key contracts. Based on the award of contracts and anticipated timing of vessel availability, first oil is expected to be produced by March 2006.

"The Chinguetti project represents a key step in Woodside's international growth strategy and positions the company to secure significant value from its Mauritanian business," Mr Jackson said.

"It will be the first production operated by Woodside outside of Australia and will be a major contributor to our production and revenue stream.

"The approval of the Chinguetti project is an important first step for Woodside in establishing a foundation for future business in Mauritania."

The Chinguetti field development will include six production wells and four water injection wells for reservoir pressure support with flowlines to a permanently moored floating production, storage and offloading vessel moored over the field in about 800 metres of water. Surplus gas not required for fuel will be returned to a nearby reservoir via a gas injection well.

The floating production facility will be a converted trading tanker owned and operated under a service agreement with Bergesen d.y. Offshore AS, of Norway. Bergesen is a specialist provider and operator of floating production systems with current operations experience in Equatorial Guinea and Angola. The floating production facility will have a storage capacity of 1.6 million barrels. Oil production is expected to begin at about 75,000 barrels a day.

Subsea hardware will be supplied by FMC and drilling will be conducted by Smedvig and Stena Drilling. The drilling program is substantial and could contain around 20 wells which includes Chinguetti development and additional exploration and appraisal targets.

During project development, Woodside will directly manage logistics for the main contractors from its operations base in Nouakchott.

LOCATION MAP

