ASX ANNOUNCEMENT
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WOODSIDE FORMS GULF OF MEXICO ALLIANCE WITH EXPLORE ENTERPRISES

Woodside Energy (USA) Inc., a wholly owned subsidiary of Woodside Petroleum Ltd., has formed an alliance with Explore Enterprises of Louisiana LLC to jointly conduct exploration, acquisition, development and production activities in the United States Gulf of Mexico.

Under the agreement, Woodside and Explore Enterprises will jointly invest in the shelf and deep waters of the Gulf.

For each project, Woodside will hold 95% of the alliance's combined interests while Explore Enterprises will hold the remaining 5%. As part of the agreement, Explore Enterprises will also pay Woodside for a 5% interest in Woodside's existing leases in the Gulf, excluding Woodside's Neptune and Midway discoveries.

Explore Enterprises' interest in each project will increase from 5% to 12.5% after Woodside has recovered the present value of its invested capital in those projects.

The alliance is for five years and includes an option to extend for a further two years. The Explore Enterprises management team will be accountable to the board of Woodside Energy (USA) Inc. which is chaired by Woodside's Chief Executive Officer. The alliance will maintain offices in Houston, Texas, and Covington, Louisiana.

Woodside's Chief Executive Officer, Don Voelte, said the alliance was an important step in the development of Woodside's Gulf of Mexico business and its strategy to improve its competitive positioning in the region.

"It builds on our strategic objectives for the Gulf of Mexico by bringing an established and experienced management team to Woodside's Gulf business," Mr Voelte said.

Woodside's Director of Exploration, Agu Kantsler, said the management of Explore Enterprises had more than 120 years of combined experience in building successful businesses in the Gulf of Mexico.

"We believe that the combination of this team with Woodside's technical expertise and substantial lease position will provide both companies with significant benefits," Dr Kantsler said.

The Chief Executive of Explore Enterprises, Bill Bethea, said Woodside had built an outstanding set of exploration assets in the Gulf of Mexico.

"We believe that our experience in the region will allow the alliance to unlock the full value of its existing asset base and build a substantial business during the term of the agreement," he said.

EXPLORE ENTERPRISES OF LOUISIANA LLC

Explore Enterprises is a privately held oil and gas exploration and production company focused on the United States Gulf of Mexico.

The company was founded by William C. Bethea and David M. McCubbin. Mr Bethea was a co-founder of W&T Offshore, a company formed in 1988 to explore the Gulf of Mexico and which now has an enterprise value of more than US$1 billion. Mr Bethea sold his stake in W&T Offshore in 2002 and, with Mr McCubbin, established Explore Enterprises in 2003. Between 2001 and the end of 2003, W&T Offshore drilled 55 exploration wells, 49 of which were successful.

Explore Enterprises is based in Covington, Louisiana.

Among the officers of Explore Enterprises are:

BILL BETHEA: From 1988-2002, Mr Bethea was the co-founder of W&T Offshore. Before that, he was employed by Taylor Energy and Texaco Corporation. He holds a degree in petroleum engineering from Louisiana State University.

DAVID MCCUBBIN: From 1991-2002, Mr McCubbin was executive vice president and head of acquisitions for W&T Offshore. He was previously employed by Exxon Corporation. He has degrees in mechanical engineering from Louisiana State University and Tulane University.

CHERYL COLLARINI: From 1985-2002, Ms Collarini was the founder and president of Collarini Associates, a reservoir engineering firm which evaluated several hundred opportunities in the Gulf of Mexico. She was previously employed by Mobil Oil Corporation. She has a civil engineering degree from Massachusetts Institute of Technology and an MBA from the University of New Orleans.

LEON HIRSCH: Mr Hirsch has more than 30 years' experience as a landman for Amoco and BP, where his roles included lead commercial negotiator for Amoco exploration joint ventures. He has a business degree from Louisiana State University.

Web site: www.exploreenterprises.com