ASX ANNOUNCEMENT
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PRODUCTION OUTLOOK 2006

Woodside Petroleum's 2006 production target of 76 million barrels of oil equivalent has been revised to 72 million barrels.

The revised target, which is about 5% lower than originally estimated, provides production growth of 21% over last year's production of 59.7 million barrels of oil equivalent.

The company's production outlook has been affected by reservoir under-performance at the Chinguetti oil field in Mauritania and construction delays at the Otway project in southern Australia. In Western Australia, six cyclones early this year significantly affected production on the North West Shelf while in the United States Gulf of Mexico, the production outlook has been affected by development delays due to abnormally high demand for oil and gas services following hurricanes Rita and Katrina in late 2005.

Woodside Chief Executive and Managing Director Don Voelte said "The need to revise the production target is disappointing and the accountability lies with our management team. We are not happy with this result and are extremely focussed on improvement."

"We had expected that our weaker production from Chinguetti and a later start up of our Otway project would have been mitigated by our Enfield oil project in Western Australia coming on line in late May-early June," Mr Voelte said.

"However, the breakage of a winch wire during mooring of the floating production vessel a few days before planned start up has caused us to sail the vessel to Singapore for repairs."

First oil from Enfield is now expected in the third quarter of 2006, still ahead of its initial planned start date in the fourth quarter.

At Chinguetti, Woodside has plans to lift production which include the drilling of up to three new production wells in the coming months.

With Otway, Woodside's hopes of earlier production have receded due to construction at the onshore gas plant falling behind schedule. Mr Voelte said the company continued to work with key contractors to ensure that Otway gas deliveries remained in line with customer requirements.

"Despite the lowering of the 2006 production growth estimate, it is 21% higher than 2005 and the company's growth outlook over the next few years remains strong" he said. "Most, if not all, of the impact is from delays in start-up or ramp-up of new developments or deferral in production due to significant weather events."