

ASX Announcement

Thursday, 18 April 2019

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OTC: WOPEY

Woodside Petroleum Ltd.

ACN 004 898 962

Mia Yellagonga
11 Mount Street
Perth WA 6000
Australia

T +61 8 9348 4000

www.woodside.com.au

FIRST QUARTER REPORT FOR PERIOD ENDED 31 MARCH 2019

Performance highlights

- Delivered sales revenue of \$1,221 million and production of 21.7 MMboe.
- Commenced domestic gas production from Wheatstone LNG.
- Secured additional debt funding through the issue of a ten-year \$1,500 million bond on the US Rule 144A/Regulation S market.

Delivering a clear plan across three horizons

- Awarded the FEED contract for the SNE Field Development Phase 1 FPSO facility.
- Subsequent to the period, Woodside signed a heads of agreement with ENN Group for the sale of 1.0 Mtpa of LNG for a period of ten years, commencing in 2025.
- Completed construction of the Pluto truck loading facility.

Woodside CEO Peter Coleman said there had been significant progress on plans to develop the Burrup Hub, including a heads of agreement (HOA) with ENN Group that further demonstrated market support for the development of the Scarborough gas resource through an expansion of Pluto LNG.

“Woodside’s revenue increased 4% compared with the corresponding period in 2018 due to higher realised prices. Despite disruption to operations from cyclone activity, our cyclone preparedness ensured safety was maintained and the impact on production was minimised.

“Our Horizon II growth plans continued to progress this quarter with the award of several contracts for Scarborough and the first phase of the SNE development offshore Senegal.

“The ten-year HOA signed in Shanghai with ENN Group is expected to start in 2025 and is evidence of global demand for long-term LNG supply from our proposed Burrup Hub. This HOA with a growing Chinese gas distributor and retailer is in addition to the 20-year sale and purchase agreement for domestic gas supply we signed with Perdaman Chemicals and Fertilisers Pty Ltd in November last year.

“We are pioneering the development of new domestic markets for LNG in Western Australia. Our new truck loading facility at Pluto LNG was completed in March and will supply LNG for use in remote power generation and transport in the Pilbara and beyond, reducing regional emissions through the replacement of diesel fuel. We also reached a significant milestone in March with the start of domestic gas production at Wheatstone,” he said.

Contacts:

INVESTORS

Damien Gare
W: +61 8 9348 4421
M: +61 417 111 697
E: investor@woodside.com.au

MEDIA

Christine Forster
M: +61 484 112 469
E: christine.forster@woodside.com.au

FIRST QUARTER 2019 REPORT

18 April 2019

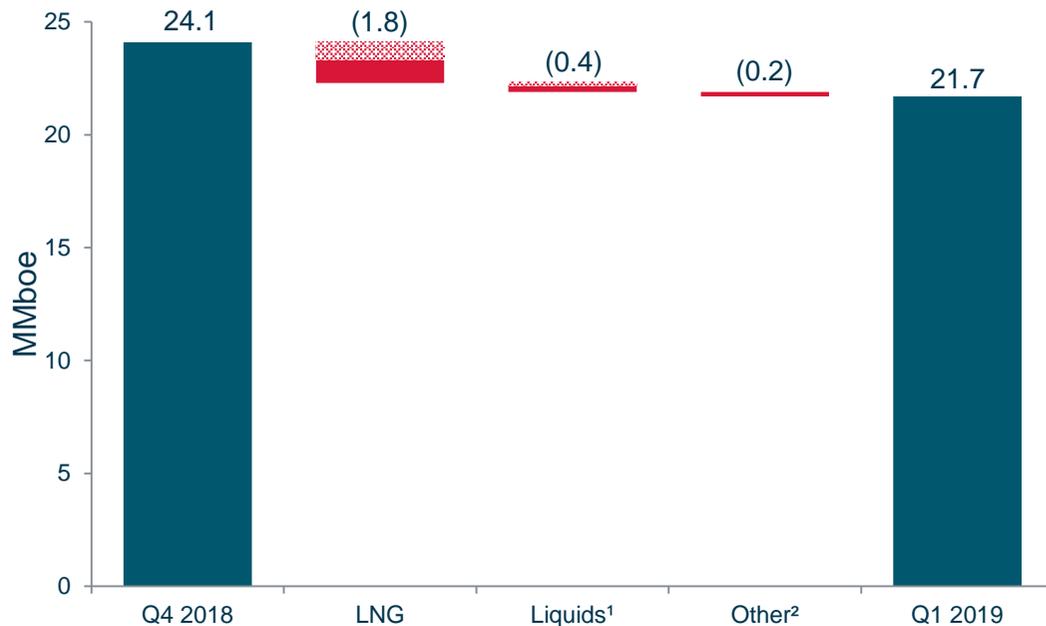


Production

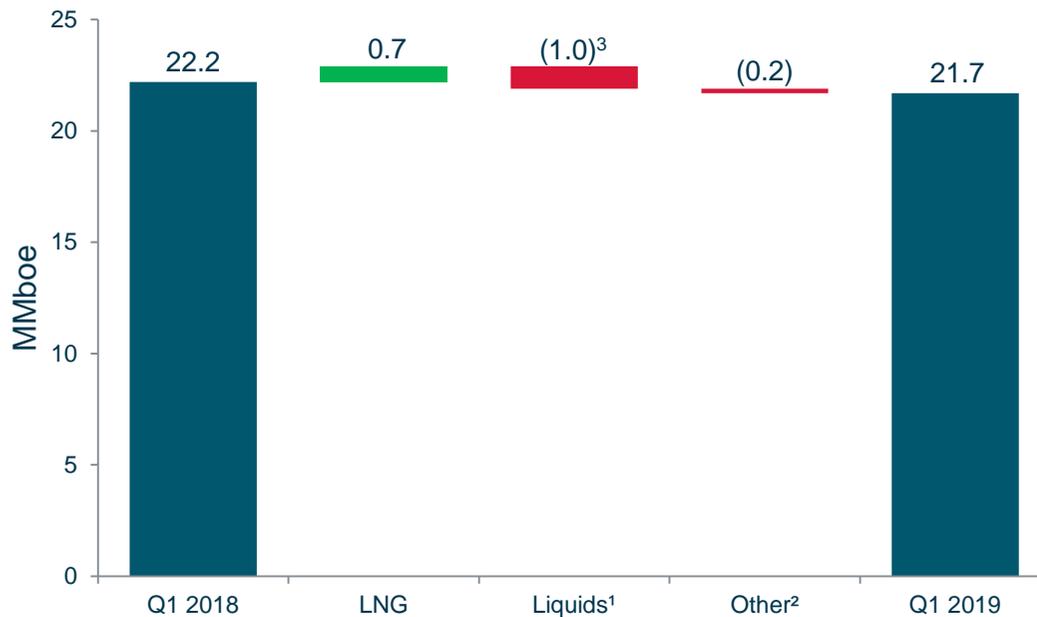
Affected by cyclones and outages



Previous Quarter
(Q4 2018 to Q1 2019)



Corresponding Period
(Q1 2018 to Q1 2019)



Cyclone impact

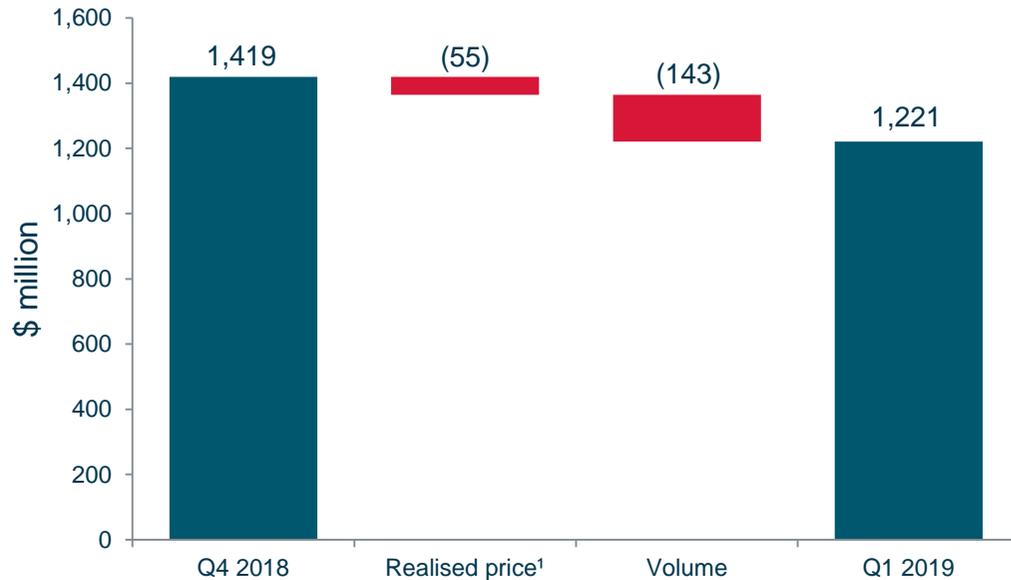
1. Liquids includes oil and condensate.
2. Other includes domestic gas and LPG.
3. Lower liquids production compared to corresponding period is due to the Nganhurra FPSO cessation of production and the Ngujima-Yin FPSO modifications for Greater Enfield.

Sales revenue

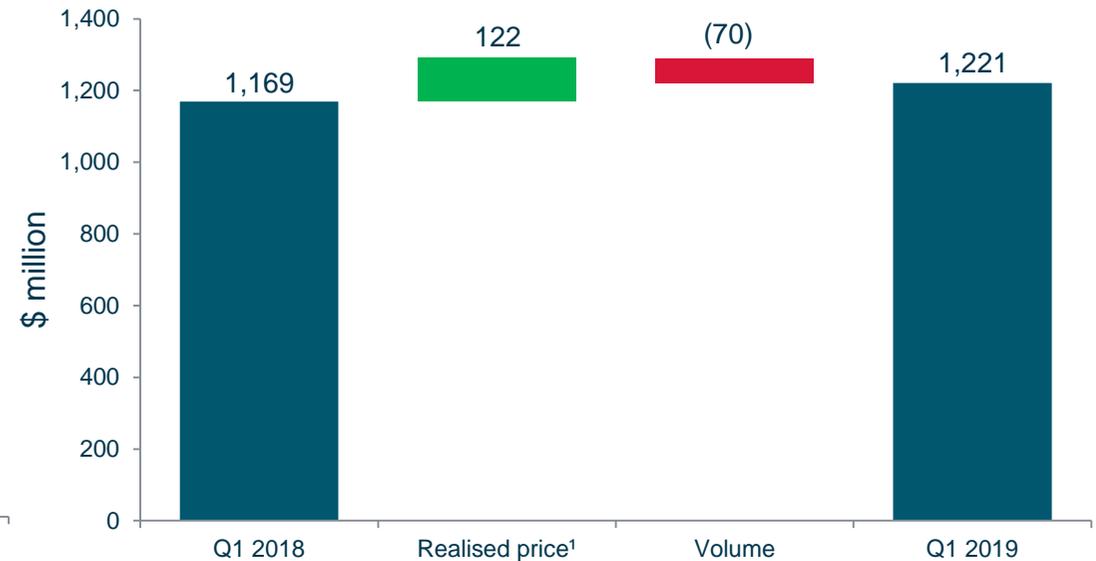
Improved realised price from Q1 2018



Previous Quarter
(Q4 2018 to Q1 2019)



Corresponding Period
(Q1 2018 to Q1 2019)



1. Includes exchange rate impact.

Projects

Pluto LNG truck loading facility construction complete



WHEATSTONE LNG

- Commercial production of domestic gas commenced on 5 March 2019.
- Wheatstone platform was successfully demobilised and run remotely from Perth during Tropical Cyclone Veronica, ensuring continuity of production.

GREATER ENFIELD

- The project remains on schedule and budget and at the end of the quarter was 89% complete.
- Subsea infrastructure installation is nearly complete, with the final production riser scheduled to be installed in April 2019.
- Nine of the project's 12 development wells are complete.
- Commissioning commenced of key equipment on the Ngujima-Yin FPSO. Sailing to Western Australian waters is targeted for Q2 2019, with commissioning and start-up to follow.

PLUTO

- The development of the Pyxis and Pluto North infill wells has commenced front-end engineering design (FEED). A final investment decision (FID) is targeted for late 2019.
- Construction of the Pluto LNG truck loading facility was completed in March 2019 and commissioning activities commenced subsequent to the quarter. The facility is a component of Woodside's strategy to develop domestic LNG use in remote power generation and road and marine transport in the Pilbara region.

GREATER WESTERN FLANK PHASE 3

- The Greater Western Flank Phase 3 (GWF3) project entered concept definition phase in January 2019.
- GWF3 will target the recovery of 435 Bcf (P50, 100%, Woodside share 66 Bcf) of gas via four subsea wells tied back to existing North West Shelf Project infrastructure, with ready for start-up (RFSU) targeted for 2022.
- Key contracts have been awarded for technical studies supporting basis of design for the project.

Developments

Heads of agreement signed with ENN Group



SNE FIELD DEVELOPMENT PHASE 1 (SENEGAL)

- In January 2019, the Rufisque Offshore, Sangomar Offshore and Sangomar Deep (RSSD) joint venture secured an extension of the production sharing contract for the SNE area until 4 December 2019.
- In February 2019, a FEED contract for the FPSO facility was awarded to MODEC International Inc for the conversion of an existing tanker.
- Subsequent to the quarter, a high-definition 3D marine seismic survey contract was awarded to Shearwater GeoServices Ltd to improve reservoir definition supporting SNE well positioning and optimisation. The survey is scheduled to commence in June 2019.
- FID is targeted for as early as possible in H2 2019 to accommodate outstanding regulatory and joint venture approvals and funding activities.

SCARBOROUGH AND PLUTO LNG TRAIN 2

- Tolling agreement negotiations are proceeding for a targeted completion in H2 2019.
- Woodside personnel were deployed to The Hague and Houston to support execution of engineering design activities for Scarborough and Pluto LNG Train 2 respectively.
- In February 2019, the Scarborough preliminary field development plan was submitted for review by the National Offshore Petroleum Titles Administrator.

- Subsequent to the quarter, Woodside signed a heads of agreement (HOA) with ENN Group for the sale of 1.0 Mtpa of LNG for a period of 10 years, commencing in 2025. The HOA is conditional on the execution of a sale and purchase agreement, obtaining all necessary approvals and FID for Scarborough.

BROWSE TO NORTH WEST SHELF PROJECT

- Gas processing agreement negotiations are proceeding well.
- A geophysical, geotechnical, and environmental survey program along the proposed trunkline route commenced in March 2019.
- Environmental assessments are progressing as planned:
 - The Western Australian Environmental Protection Authority advised on 22 January 2019 that it will assess the project as a public environmental review, with a six week public review period.
 - The Commonwealth regulator determined on 22 February 2019 that the project requires assessment under the Environment Protection and Biodiversity Conservation Act. The project will be assessed by an environmental impact statement.

FINANCING ACTIVITIES

- Woodside issued a \$1,500 million Rule 144A/Regulation S senior unsecured bond with a coupon of 4.50% and a term of ten years. The bond matures in March 2029.

SUSTAINABILITY

- Woodside released its Sustainable Development Report 2018 on 7 March 2019.
- Woodside's sustainability performance was recognised in the release of the 2018 FTSE4Good Index, which assesses environmental, social and governance practices. The results place Woodside in the top 3% of global exploration and production companies.

EXPLORATION

- The Boca Satipo Este-1 exploration well in Peru reached target depth in early February 2019 with hydrocarbon shows in the primary target reservoir. The well has been temporarily abandoned and the drill rig has safely demobilised. Further studies are being undertaken to inform future activities in the block.
- Subsequent to the period, the Khan Kubrat-1 exploration well was spudded in Block 1-14 Khan Kubrat, offshore Bulgaria.

ANNUAL GENERAL MEETING

- Woodside's Annual General Meeting (AGM) will be held at 2.00pm (AWST) on Thursday, 2 May 2019 at the Perth Convention & Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia. The AGM will be webcast live at <https://webcast.openbriefing.com/5174/>. An archive version will be made available for later viewing.

DATA TABLES

Data supplement containing production, sales, revenue and expenditure tables in Excel format is available on the Woodside website.



Production summary



Woodside's share of production for the quarter ended 31 March 2019 with appropriate comparatives:

Production			Three months ended			Year to date	
			31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018
North West Shelf	LNG	Tonne	617,164	702,321	667,332	617,164	667,332
	Condensate	Bbl	1,150,979	1,272,043	1,149,593	1,150,979	1,149,593
	LPG	Tonne	15,129	17,965	18,225	15,129	18,225
Pluto	LNG	Tonne	1,079,716	1,174,168	1,100,928	1,079,716	1,100,928
	Condensate	Bbl	725,727	799,233	737,736	725,727	737,736
Wheatstone	LNG	Tonne	271,826	295,654	120,275	271,826	120,275
	Condensate	Bbl	439,865	435,743	199,835	439,865	199,835
Enfield ⁴	Oil	Bbl	-	75,373	200,035	-	200,035
Vincent	Oil	Bbl	-	-	997,242	-	997,242
Okha	Oil	Bbl	349,541	503,315	382,432	349,541	382,432
Australia	Domestic gas ¹	TJ	6,514	7,506	7,741	6,514	7,741
Canada	Domestic gas ²	TJ	1,924	1,682	1,696	1,924	1,696
Total³		boe	21,702,688	24,079,846	22,178,413	21,702,688	22,178,413

1. Includes jointly and independently marketed gas sales.
2. Produced into the Canadian gas network for distribution in North America.
3. Conversion factors are identified on slide 15.
4. The Nganhurra FPSO ceased production in November 2018.

Product sales



Woodside's sales for the quarter ended 31 March 2019 with appropriate comparatives:

Sales			Three months ended			Year to date	
			31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018
North West Shelf	LNG ¹	Tonne	652,246	667,682	681,880	652,246	681,880
	Condensate	Bbl	1,299,911	1,332,478	1,352,253	1,299,911	1,352,253
	LPG	Tonne	45,604	-	-	45,604	-
Pluto	LNG ²	Tonne	1,107,131	1,218,616	1,158,036	1,107,131	1,158,036
	Condensate	Bbl	1,080,503	463,906	1,184,250	1,080,503	1,184,250
Wheatstone	LNG ³	Tonne	175,932	308,547	91,709	175,932	91,709
	Condensate	Bbl	338,417	661,734	-	338,417	-
Enfield	Oil	Bbl	-	166,150	282,201	-	282,201
Vincent	Oil	Bbl	-	-	747,899	-	747,899
Okha	Oil	Bbl	-	638,016	648,675	-	648,675
Australia	Domestic gas	TJ	6,505	7,128	7,741	6,505	7,741
Canada	Domestic gas	TJ	1,924	1,682	1,696	1,924	1,696
Total⁴		Boe	21,706,180	24,249,856	22,961,360	21,706,180	22,961,360

1. NWS Project delivered 58 cargoes in the quarter (total project).
2. Pluto LNG delivered 19 cargoes in the quarter (total project).
3. Wheatstone LNG delivered 32 cargoes in the quarter (total project).
4. Conversion factors are identified on slide 15.

Revenue



Woodside's sales and operating revenue for the quarter ended 31 March 2019 with appropriate comparatives:

Revenue (US\$ million)		Three months ended			Year to date	
		31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018
Sales revenue						
North West Shelf	LNG	318	318	276	318	276
	Condensate	78	91	92	78	92
	LPG	23	-	-	23	-
Pluto	LNG	591	681	536	591	536
	Condensate	63	32	82	63	82
Wheatstone	LNG	108	178	42	108	42
	Condensate	21	43	-	21	-
Enfield	Oil	-	11	21	-	21
Vincent	Oil	-	-	52	-	52
Okha	Oil	-	46	43	-	43
Australia	Domestic gas	17	19	24	17	24
Canada	Domestic gas	2	-	1	2	1
	Total sales revenue	1,221	1,419	1,169	1,221	1,169
LNG processing revenue		49	52	49	49	49
Gross trading revenue		100	89	23	100	23
Other hydrocarbon revenue¹		54	-	1	54	1
	Total revenue	1,424	1,560	1,242	1,424	1,242

1. Revenue from sale of non-produced hydrocarbons.

Expenditure



Woodside's share of exploration, evaluation and capital expenditure for the quarter ended 31 March 2019 with appropriate comparatives:

Expenditure (US\$ million)	Three months ended			Year to date	
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018
Exploration and evaluation expense					
Exploration expensed ¹	39	31	35	39	35
Permit amortisation	4	7	6	4	6
Evaluation expensed	1	2	1	1	1
Total	44	40	42	44	42
Capital expenditure					
Exploration capitalised ^{2,3}	8	16	37	8	37
Evaluation capitalised ³	67	56	478	67	478
Oil and gas properties ³	171	213	226	171	226
Other property, plant and equipment	3	17	50	3	50
Total	249	302	791	249	791

1. Exploration expense includes the impact of reclassification of well results during the period.

2. Exploration capitalised represents expenditure on successful and pending wells, plus permit acquisition costs during the period and is net of well costs reclassified to expense on finalisation of well results.

3. Project Final Investment Decisions result in amounts of previously capitalised exploration and evaluation expense (from current and prior years) being transferred to oil and gas properties. The table above does not reflect the impact of such transfers. There were no such transfers during the quarter.

Production rates



Average daily production rates (100% project) for the quarter ended 31 March 2019 with appropriate comparatives:

Production rates	Woodside share	100% project		Remarks
		Q1 2019	Q4 2018	
Australia NWS				
LNG (t/d)	16.3%	42,096	48,683	Production was lower due to higher summer ambient temperatures and Tropical Cyclone Veronica.
Condensate (bbl/d)	16.4%	78,209	87,462	
LPG (t/d)	16.3%	1,028	1,236	
Australia Pluto				
LNG (t/d)	90.0%	13,330	14,181	Production was lower due to higher summer ambient temperatures and an unplanned production interruption in February.
Condensate (bbl/d)	90.0%	8,960	9,653	
Australia Wheatstone				
LNG (t/d)	13.0%	23,290	26,642	Production was lower due to higher summer ambient temperatures and unplanned production interruptions in February.
Condensate (bbl/d)	16.6%	29,451	33,240	
Other Australia				
Enfield Oil (bbl/d)	60.0%	-	1,365	The Nganhurra FPSO ceased production in November 2018.
Vincent Oil (bbl/d)	60.0%	-	-	Production is targeted to resume in mid-2019 in accordance with the Greater Enfield project schedule.
Okha Oil (bbl/d)	33.3%	11,651	16,412	Production was lower due to Tropical Cyclone Veronica.
Australia Domestic Gas				
Domestic gas (TJ/d) ¹		72	81	Production was lower due to reduced customer demand.
Canada				
Domestic gas (TJ/d)	50.0%	43	37	Liard Basin production is expected to cease in mid-2019.

1. Australian domestic gas includes the aggregate Woodside equity domestic gas production from all Australian projects.

Realised prices



Realised product prices for the quarter ended 31 March 2019 with appropriate comparatives:

Realised Price	Units	Three months ended			Units ¹	Three months ended		
		31 Mar 2019	31 Dec 2018	31 Mar 2018		31 Mar 2019	31 Dec 2018	31 Mar 2018
NWS LNG	\$/MMBtu	9.4	9.2	7.8	\$/boe	55	53	45
Pluto LNG	\$/MMBtu	10.3	10.8	9.0	\$/boe	60	63	52
Wheatstone LNG	\$/MMBtu	11.9	11.2	8.9	\$/boe	69	65	51
Domestic gas	\$/GJ	2.3	2.3	2.6	\$/boe	14	14	16
Condensate	\$/bbl	59	68	69	\$/boe	59	68	69
LPG	\$/tonne	512	-	-	\$/boe	63	-	-
Oil	\$/bbl	-	70	69	\$/boe	-	70	69
Average realised price					\$/boe	56	59	51
Dated Brent					\$/bbl	63	68	67
JCC (lagged three months) ²					\$/bbl	78	77	58

1. Conversion factors are identified on slide 15.

2. Lagged Japan Customs-cleared Crude (JCC) is the typical reference price for long-term LNG contracts.

Permits and licences

Key changes to permit and licence holdings during the quarter ended 31 March 2019 are noted below.

Region	Permit or licence area	Change in interest (%)	Current interest (%)	Remarks
Australia	WA-536-P	65	65	Cash bid block award
Korea	Blocks 8 and 6-1N	50	50	Transaction completed post 31 March

Exploration or appraisal wells drilled during Q1 2019

Well name	Basin / area	Target	Interest (%)	Water depth (m)	Total depth ¹ (m)	Remarks
Boca Satipo Este-1X	Peru, Block 108, Ucayali Basin	Oil	35	Onshore	3,020	See p.6

Exploration or appraisal wells planned to commence in Q2 2019

Well name	Basin / area	Target	Interest (%)	Water depth (m)	Total depth ¹ (m)	Remarks
Achernar-1	Dampier sub-basin, WA-28-P	Gas	15.78	124	3,348	Planned to spud May 2019
Khan Kubrat-1	Black Sea Basin	Oil	30	1200	3,327	Spudded early April 2019

1. Well depths are referenced to the rig rotary table.

Notes on petroleum resource estimates, forward looking statements and conversion factors



Notes on petroleum resource estimates

1. Unless otherwise stated, all petroleum resource estimates are quoted as at the balance date (i.e. 31 December) of the Reserves Statement in Woodside's most recent Annual Report released to the Australian Securities Exchange (ASX) and available at <http://www.woodside.com.au/Investors-Media/Announcements>, net Woodside share at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 deg Celsius). Woodside is not aware of any new information or data that materially affects the information included in the Reserves Statement. All the material assumptions and technical parameters underpinning the estimates in the Reserves Statement continue to apply and have not materially changed.
2. Woodside reports reserves net of the fuel and flare required for production, processing and transportation up to a reference point. For offshore oil projects and floating LNG (FLNG) projects, the reference point is defined as the outlet of the floating production storage and offloading (FPSO) facility or FLNG facility respectively, while for the onshore gas projects the reference point is defined as the inlet to the downstream (onshore) processing facility.
3. Woodside uses both deterministic and probabilistic methods for estimation of petroleum resources at the field and project levels. Unless otherwise stated, all petroleum estimates reported at the company or region level are aggregated by arithmetic summation by category. Note that the aggregated Proved level may be a very conservative estimate due to the portfolio effects of arithmetic summation.
4. 'MMboe' means millions (10⁶) of barrels of oil equivalent. Dry gas volumes, defined as 'C4 minus' hydrocarbon components and non-hydrocarbon volumes that are present in sales product, are converted to oil equivalent volumes via a constant conversion factor, which for Woodside is 5.7 Bcf of dry gas per 1 MMboe. Volumes of oil and condensate, defined as 'C5 plus' petroleum components, are converted from MMbbl to MMboe on a 1:1 ratio.
5. The estimates of petroleum resources are based on and fairly represent information and supporting documentation prepared by qualified petroleum reserves and resources evaluators. The estimates have been approved by Mr Ian F. Sylvester, Woodside's Vice President Reservoir Management, who is a full-time employee of the company and a member of the Society of Petroleum Engineers. Mr Sylvester's qualifications include a Master of Engineering (Petroleum Engineering) from Imperial College, University of London, England, and more than 20 years of relevant experience.

Disclaimer and important notice

This report contains forward looking statements, including statements of current intention, statements of opinion and expectations regarding Woodside's present and future operations, possible future events and future financial prospects. Such statements are not statements of fact and may be affected by a variety of known and unknown risks, variables and changes in underlying assumptions or strategy which could cause Woodside's actual results or performance to differ materially from the results or performance expressed or implied by such statements. There can be no certainty of outcome in relation to the matters to which the statements relate, and the outcomes are not all within the control of Woodside.

Woodside makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statement. The forward looking statements in this report reflect expectations held at the date of this report. Except as required by applicable law or the ASX Listing Rules, Woodside disclaims any obligation or undertaking to publicly update any forward looking statements, or discussion of future financial prospects, whether as a result of new information or of future events.

All figures are Woodside share for the quarter ending 31 March 2019, unless otherwise stated.

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

References to "Woodside" may be references to Woodside Petroleum Ltd or its applicable subsidiaries.

Product	Factor	Conversion Factor ¹
Domestic gas ²	1 TJ	163.6 boe
Liquefied natural gas (LNG)	1 tonne	8.9055 boe
Condensate	1 bbl	1.000 boe
Oil	1 bbl	1.000 boe
Liquefied petroleum gas (LPG)	1 tonne	8.1876 boe
Natural gas	1 MMBtu	0.1724 boe

boe = barrel of oil equivalent
TJ = terajoules
bbl = barrel
MMBtu = million British thermal units
MMscf = million cubic feet of gas
t = tonne
Bcf = billion cubic feet of gas
kt = thousand tonnes

1. Minor changes to some conversion factors can occur over time due to gradual changes in the process stream.
2. Includes both Canadian and Australian products.