

## PROPOSED DRILLING ACTIVITIES BLOCK AD-1 AND AD-8, RAKHINE BASIN

### Key Information

- + Woodside is proposing to undertake an offshore drilling program in Blocks AD-1 and AD-8 with the aim of finding gas.
- + At their closest point, Blocks AD-1 and AD-8 are more than 40 miles (64 km, 35 nautical miles) from the nearest land and water depths in the blocks range between approximately 3,000 feet to approximately 6,800 feet.
- + Given the distances from shore and water depths, impacts to local fishing activities are unlikely.
- + Drilling of an initial well is planned to commence in 2020 with the potential for additional wells to be drilled in subsequent years.
- + Woodside has commenced seeking the relevant environmental approvals in accordance with the Myanmar Environmental Impact Assessment Procedure (2015) and is consulting with stakeholders to inform project planning.
- + Woodside has a proven track record in Myanmar and Australia as a responsible operator with world-class health, safety and environmental performance.
- + We have successfully drilled 10 wells in Myanmar since 2015; adding to more than 600 wells we have drilled in Australia and elsewhere in the world.

### Background

Woodside Energy (Myanmar) Pte Ltd (Woodside) is the operator of a proposed drilling program in blocks AD-1 and AD-8 that aims to explore for and appraise potential hydrocarbon reservoirs.

The proposed drilling program would be conducted in accordance with Woodside's policies, standards and procedures and comply with Myanmar's environmental laws and procedures.

Drilling of the first well in the proposed drilling program is planned to commence in 2020 with the potential for additional wells to be drilled in subsequent years, subject to joint venture and regulatory approvals.

### About Woodside

Woodside is Australia's most experienced LNG operator and largest independent oil and gas company. Our proven track record and world-class capabilities are underpinned by 60 years of experience, making us a partner of choice.

Woodside has been operating in Myanmar since 2013 and is the largest acreage holder in the offshore Rakhine Basin, with interests in nine offshore blocks covering approximately 56,600 km<sup>2</sup>.

We recognise that long-term meaningful relationships with communities are fundamental to maintaining our licence to operate, and we work to build mutually beneficial relationships.

We believe that strong health, safety and environment (HSE) performance is essential for the success and growth of our business.

Our aim is to be recognised as an industry leader in HSE by managing our activities in a sustainable manner with respect to our workforce, our communities and the environment.

We are committed to upholding our values of integrity, respect, working sustainably, discipline, excellence and working together.

### Previous Woodside activities

Woodside's drilling activities in Myanmar have been conducted in accordance with good international practice and been completed without significant health, safety and environmental incident or impacts to other marine users.

We have safely and successfully drilled 10 wells and made several gas discoveries in Myanmar.

In 2018, we successfully drilled the Aung Siddhi-1 exploration well in block AD-1, which resulted in a gas discovery.

Woodside is deepwater drilling operator of block AD-7, which is adjacent to blocks AD-1 and AD-8, and has successfully drilled three wells in this block, including a gas discovery at Thalín-1A.

The majority of Woodside's completed and currently planned activities, particularly those in the northern part of the Rakhine Basin, take place in deep offshore waters, with minimal onshore support activities (helicopter staging point) located in Rakhine State.

We have consulted extensively with stakeholders to inform the planning and execution of our activities conducted in

Myanmar to date. These engagement activities have informed our understanding of stakeholder interests and concerns, including fishing activities conducted in coastal waters.

### Proposed drilling

Woodside is planning further drilling in blocks AD-1 and AD-8; with the aim of discovering new gas reservoirs.

While the exact location and timing of the proposed wells has not been finalised, all drilling will be conducted within the boundaries of blocks AD-1 and AD-8.

The nearest boundary of block AD-1 is approximately 40 miles (64 km, 35 nautical miles) from the nearest land. AD-1 covers an area of approximately 988 mi<sup>2</sup> (2560 km<sup>2</sup>).

The nearest boundary of block AD-8 is approximately 57 miles (92 km, 50 nautical miles) from the coastline. AD-8 covers an area of approximately 2008 mi<sup>2</sup> (5200 km<sup>2</sup>).

Water depths in blocks AD-1 and AD-8 range between approximately 3,000 feet to approximately 6,800 feet.

Drilling is planned to commence in 2020 with the potential for additional wells to be drilled in subsequent years, subject to joint venture and regulatory approvals. Each well could take approximately 40 days to drill.

We will communicate key information, such as the timing and location of drilling activities, prior to the commencement of drilling activities.

### Environmental approvals

In accordance with the Myanmar Environmental Impact Assessment Procedure (2015), Woodside undertakes impact assessments to support environmental approvals and to inform planning for proposed activities.

Woodside has previously completed an environmental impact assessment (EIA) for block AD-1, which was approved by the Ministry of Natural Resources and Environmental Conservation (MONREC) in April 2018. In line with approval conditions, Woodside is preparing an Environmental Management Plan (EMP) to support the proposed drilling in block AD-1.

Woodside has commenced scoping for an EIA for proposed drilling in block AD-8.

When complete, the AD-8 EIA will be submitted to the MONREC for review via Myanmar Oil and Gas Enterprise (MOGE).

Prior to any drilling activities, we will develop and implement an EMP that is aligned with Woodside's management system and international practice.

### Management of impacts

The proposed wells will be drilled by a mobile offshore drilling unit (MODU) that could be either a drillship or a semi-submersible drilling rig. Support vessels will be present for the duration of the drilling operations and at least one vessel will be on standby in the vicinity of the selected MODU at all times.

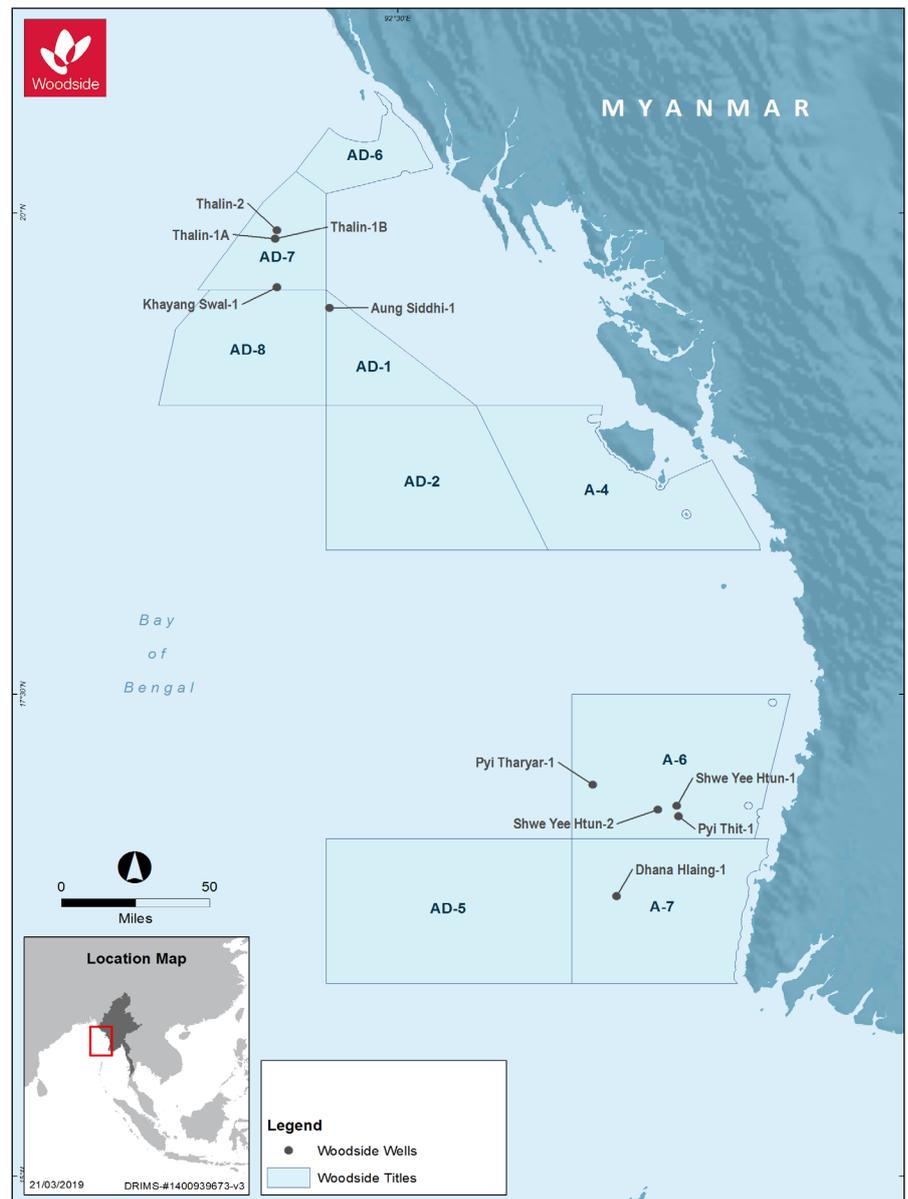
A 1,500 ft radius safety exclusion zone will be in place around the MODU while it is operating. We also request marine users to observe a 2.5 nautical mile radius precautionary zone for safety reasons.

Woodside has extensive experience successfully drilling exploration, appraisal and production wells. Accordingly, a number of mitigation and management measures that were successfully implemented during the Aung Suddhi-1 well will continue to be implemented during the proposed drilling program including:

- + A notice to mariners describing the location of the activity will be sent to relevant stakeholders prior to activities commencing
- + A temporary 1,500 feet radius safety exclusion zone will be in place around the MODU during drilling to prevent vessel collisions.

- + A support vessel will be on standby and assist in communication during the drilling activities.
- + Measures will be taken to protect marine fauna from vessel activities and to prevent vessel collisions.
- + Routine discharges will meet Myanmar national standards and comply with the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78).
- + Drill cuttings will be appropriately managed and discharged below the water line
- + Other solid wastes will be contained on-board the vessels and appropriately managed at land-based facilities.
- + Refuelling procedures will be applied to prevent spills to the marine environment.
- + Appropriate spill response plans, equipment and materials will be in place.

Additional mitigation and management measures could be identified as a result of feedback received during stakeholder consultation.



Location map in Myanmar

## Public consultation

We are consulting with stakeholders in support of environmental approvals and to inform project planning for the proposed drilling campaign.

Woodside has previously consulted with stakeholders for drilling conducted in AD-1 during 2018 and for activities conducted in block AD-7, which adjoins both blocks AD-1 and AD-8.

This consultation found that due to the distant offshore and short-term nature of the activities, any potential impacts as a result of project activities would be small in scale and of limited extent and duration.

Stakeholder consultation found there is unlikely to be any interaction between local artisanal fishing vessels and project activities, with the majority of local fishing conducted within 10 miles (19 km) of the coast.

Some larger commercial vessels from outside Rakhine State are known to fish in deeper waters offshore Rakhine State but any impacts are likely to be temporary and minimal.

Activities conducted in blocks AD-1 and AD-7 have confirmed information provided by

stakeholders, with very few vessel sightings and minimal disruption to other marine users.

## Joint venture participants

Blocks AD-1 and AD-8 are held by Woodside (50%) and CNPCI (50%). Woodside will operate all drilling activities.

## Woodside's Grievance Mechanism

Woodside seeks to build strong relationships with stakeholders and manage the impact of its business activities on individuals and communities. Woodside's Grievance Mechanism enables community stakeholders to raise questions or concerns with Woodside and have them addressed in a prompt and respectful manner.

People wishing to lodge a grievance or raise a query with Woodside can use a variety of communication methods, including phone, email or in person. If a query or grievance is received, Woodside will:

- + Acknowledge receipt of the complaint.
- + Record, assess and assign the grievance to an internal "owner" who will be responsible for investigating the matter.

- + After investigating the matter, we will provide an appropriate response to the complainant.
- + If the response is accepted by the complainant, any relevant actions will be implemented and the matter closed.
- + If the complainant does not accept the response, a review will be carried out and the process repeated.
- + Resolved grievances will be recorded in a register for future reference.

Queries or grievances can be provided to Woodside in a variety of ways:

- + In writing by emailing: [feedback@woodside.com.au](mailto:feedback@woodside.com.au) or [woodside.myanmar@erm.com](mailto:woodside.myanmar@erm.com)
- + By calling Woodside on +95 (0) 1 2307460
- + Directly to staff at Woodside's and ERM's offices in Yangon, as follows:
  - + Woodside Myanmar office: Vantage Tower, Level 6, 623 Pyay Road, Kamayut Township, Yangon.
  - + ERM Yangon office: Unit 01, 20th Floor, Crystal Tower, Junction Square, Kyun Taw Road, Kamayut Township, Yangon.

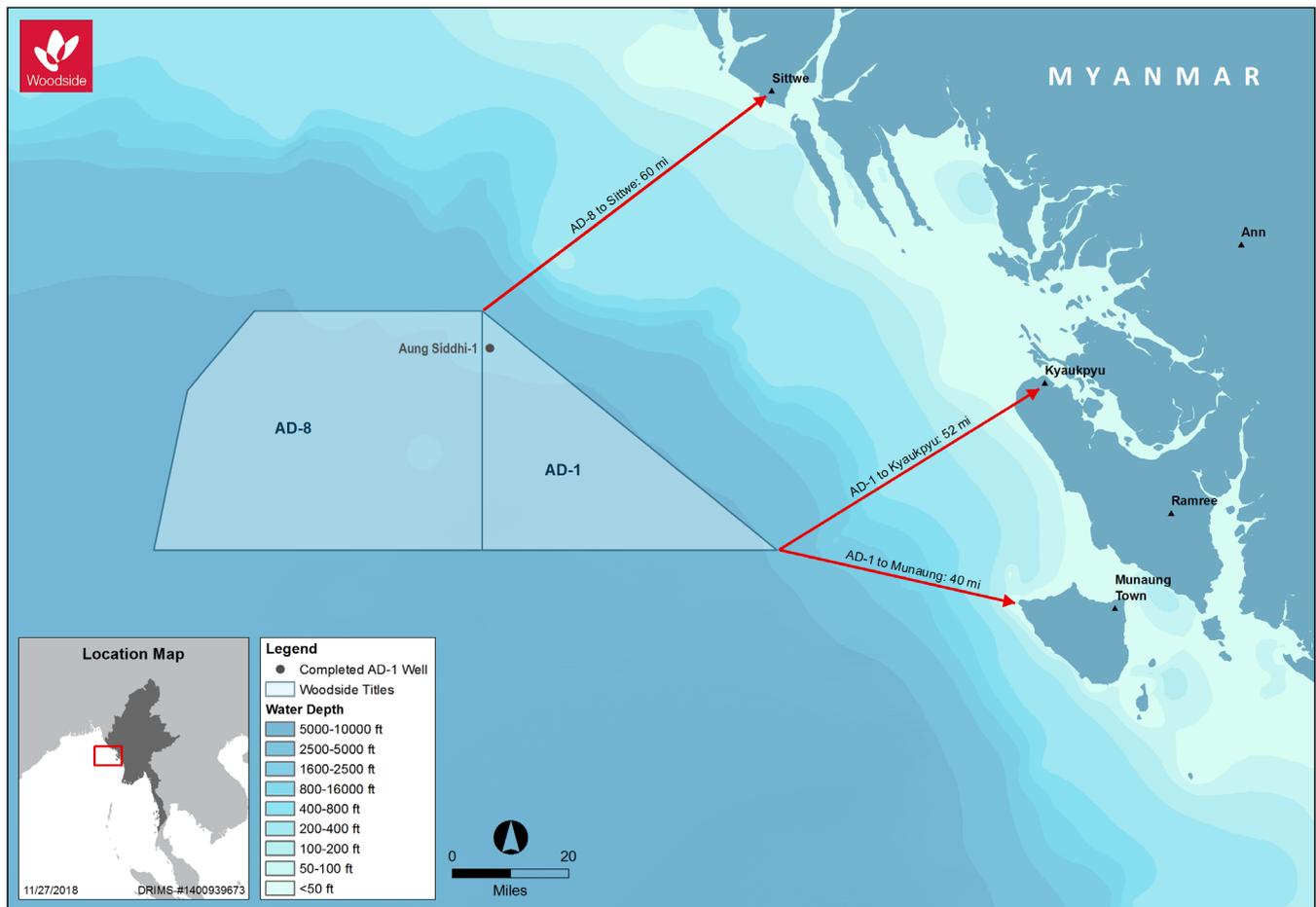


Figure 1: Permit WA-404-P wellhead locations

## Providing feedback and further information

This fact sheet is available at [www.woodside.com.au](http://www.woodside.com.au)

All information is current as at April 2019. Proposed timing may be subject to change. Proposed developments are subject to joint venture approvals, regulatory approvals and relevant commercial arrangements.