

ASX Announcement

Thursday, 18 February 2021

ASX: WPL
OTC: WOPEY

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WOODSIDE FULL-YEAR 2020 RESULTS

Woodside delivered record full-year production of 100.3 million barrels of oil equivalent and its best-ever safety performance despite the difficult external conditions in 2020.

The reported net loss after tax of US\$4,028 million was impacted by the non-cash impairments and onerous contract provision announced in July 2020. Sustained operational excellence helped deliver underlying net profit after tax (NPAT) of US\$447 million.

The directors have declared a final dividend of US 12 cents per share (cps), bringing the full-year dividend to US 38 cps. The dividend was based on the underlying NPAT of US\$447 million.

Woodside CEO Peter Coleman said production topped 100 million barrels of oil equivalent for the first time in Woodside's history.

"Strong production outcomes were delivered even though we weathered a direct hit from Tropical Cyclone Damien in February, followed by operational challenges posed by the pandemic.

"The outstanding performance of our base business in 2020 was reflected in our low unit production cost of \$4.8 per barrel of oil equivalent and the high reliability of our operated LNG facilities.

"The decisions to defer the targeted final investment decision (FID) on our Scarborough and Pluto Train 2 developments and the review of the value of our assets were appropriate responses to extraordinary market uncertainty caused by the pandemic and lower oil and gas prices.

"Our disciplined balance sheet management has safeguarded Woodside's financial resilience and positioned us to take advantage of emerging growth opportunities as markets recover. The potential strength of that recovery is already being signalled by the recent increase in oil price and record spot LNG prices achieved in Asia over the northern hemisphere winter.

"Significant milestones were achieved on our Australian growth projects over the course of 2020. Our teams delivered outstanding execution of the Pxyis Hub and Julimar-Brunello Phase 2 drilling campaigns, which will develop new gas supplies for Pluto and Wheatstone.

"Scarborough remains firmly on track for a targeted FID in the second half of 2021, with around 50% of our expected equity gas production now under contract. In the second half of the year, we seized the opportunity to optimise the project schedule and increase the offshore capacity of Scarborough by approximately 20% to 8 million tonnes per annum of LNG, adding considerable shareholder value to an already world-class development.

"At year-end the North West Shelf Project participants took an historic step towards transforming Australia's first and largest LNG plant into a third-party tolling facility, executing agreements to process gas from Pluto and Waitsia.

"In Senegal we took FID on the Sangomar offshore oil project early in the year. Our project team worked tirelessly managing pandemic-related risks and impacts on the supply chain and we remain on target for first oil in 2023.

“Subsequent to the period, we embarked on a three-well drilling campaign offshore Myanmar. That program is continuing, although we are closely monitoring events in the country, while ensuring all our people are safe and well.

“Our new energy businesses have also progressed, with our proposed H2TAS renewable hydrogen project in Tasmania being shortlisted for Australian Renewable Energy Agency funding.

“As part of our agreement with Greening Australia, Woodside planted 3.6 million native trees on three properties acquired for this purpose in Western Australia. These plantings are a significant addition to the quality carbon offsets that will help us achieve our aspiration of net zero emissions by 2050 or sooner,” he said.

Financial headlines

- NPAT of -\$4,028 million
- Underlying NPAT of \$447 million
- Record annual sales volume 106.8 MMboe
- High cash margin of 78%
- Low unit production cost of \$4.8 per boe
- Operating cashflow of \$1,849 million
- Operating revenue of \$3,600 million
- Cash on hand of \$3,604 million
- Liquidity of \$6.7 billion and gearing of 24.4%
- Declared a final dividend of US 12 cps, bringing the full-year dividend to US 38 cps

Key business activities

- Achieved record annual production of 100.3 MMboe
- Recorded our best-ever total recordable injury rate of 0.88 per million work hours
- Achieved high operated LNG reliability of 97.6%
- Protected against COVID-19 with zero interruptions to supply
- Completed the modified major turnaround schedule
- Executed fully-termed gas processing agreements for processing third-party gas through the North West Shelf Project facilities
- Executed drilling campaigns for Pyxis Hub and Julimar-Brunello Phase 2 under budget

Scarborough

- Contracted gas level increased to 50% of expected equity offtake
- Increased offshore design capacity by approximately 20% to 8.0 Mtpa of LNG
- Received Commonwealth environmental approval
- Production licences granted

Sangomar

- Achieved FID for Sangomar Field Development Phase 1
- Project execution activities continued through the COVID-19 pandemic

Energy transition

- Set clear near- and medium-term emissions reduction targets to support our net-zero 2050 aspiration
- Planted 3.6 million trees
- Shortlisted for ARENA funding for the H2Tas renewable hydrogen project

Sustainable Development Report 2020

Woodside has released its Sustainable Development Report 2020, which summarises our sustainability approach, health and safety performance, social and cultural impacts, progress on our climate change strategy and key sustainability topics.

Full-year results teleconference

A teleconference providing an overview of the full-year 2020 results and a question and answer session will be hosted by Woodside CEO and Managing Director Peter Coleman and Chief Financial Officer Sherry Duhe at 7.15 am AWST (10.15 am AEST) on Thursday, 18 February 2021.

We recommend participants pre-register 5 to 10 minutes prior to the conference call via the following link:

<https://s1.c-conf.com/diamondpass/10011804-d8s73k.html>

Following pre-registration, participants will receive the teleconference details and a unique access passcode.

The full-year results briefing pack follows this announcement and will be referred to during the teleconference. The briefing pack and our Annual Report 2020 will also be available on the Woodside website (www.woodside.com.au).

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This ASX announcement was approved and authorised for release by Woodside's Disclosure Committee.



18 FEBRUARY 2021

FULL-YEAR RESULTS BRIEFING

2021

Disclaimer and important notice

Disclaimer and risks

- This presentation contains forward looking statements that are subject to risk factors associated with oil and gas businesses.
- It is believed that the expectations reflected in these statements are reasonable as at the date of this presentation but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, changes in accounting standards, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.
- Readers are cautioned not to place undue reliance on these forward looking statements. No representation is made or will be made that any forward looking statements will be achieved or will prove to be correct. We do not undertake to update or revise any forward looking statement, whether as a result of new information, future events or otherwise.
- This presentation does not include any express or implied prices at which Woodside will buy or sell financial products.

Notes to petroleum resources 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 ASX and available at <https://www.woodside.com.au/news-and-media/announcements>, net Woodside share at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 degrees 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 the reference point is defined as the outlet of the floating production storage and offloading (FPSO) facility, 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 (10^6) 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 under the supervision of Mr Jason Greenwald, 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 Greenwald's qualifications include a Bachelor of Science (Chemical Engineering) from Rice University, Houston, Texas, and more than 20 years of relevant experience. The estimates have been approved by Mr Ian Sylvester, Woodside's Vice President Corporate Reserves.

Other important information

- 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.

Cover page image: Pluto LNG onshore processing facility, a key component of Woodside's proposed Scarborough development.

Performance summary



Record annual production

100.3 MMboe

▲ 12%

Low unit production cost

\$4.8 per boe

▼ 16%

Net profit after tax

\$-4,028 million

Record annual sales volume

106.8 MMboe

▲ 10%

Cash margin

78%

▼ 1%

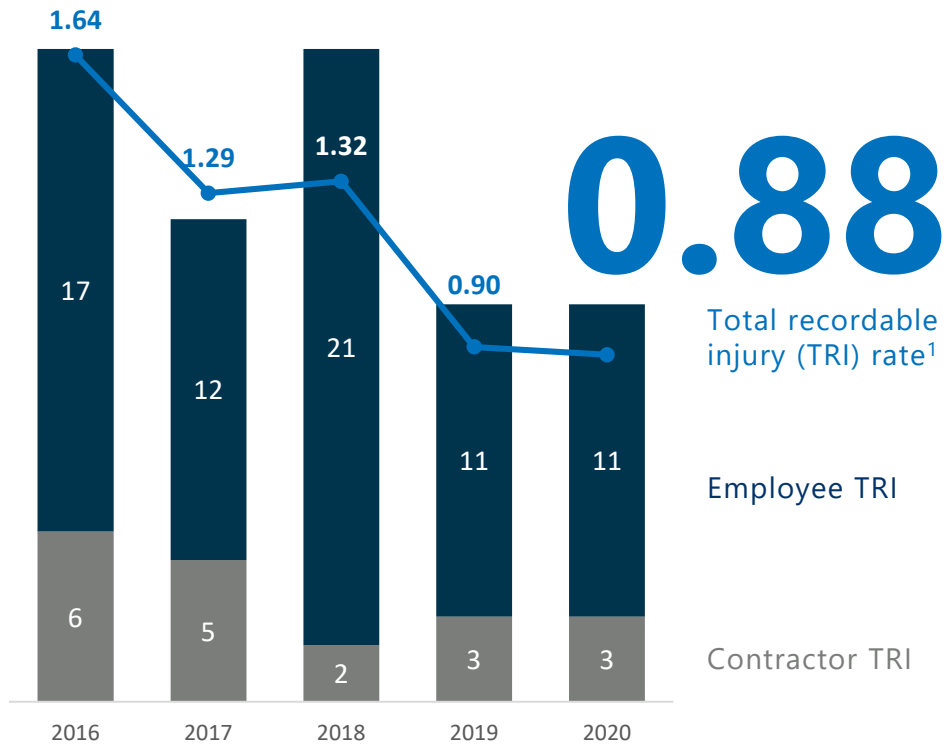
Underlying net profit after tax

\$447 million

Operational highlights



Best-ever safety performance



High operated LNG reliability

97.6%
▲ 4%

Protected against COVID-19

0 cases on Woodside facilities

No interruption to energy supply

1. Per million work hours.

Readying for Scarborough FID targeted in H2 2021



World-class resource¹

11.1 Tcf

Globally competitive project³

< \$6.8 per MMBtu
cost of supply

~20% increase in offshore capacity²

8.0 Mtpa

Equity gas offtake contracted⁴

50%

- ✓ Commonwealth environmental approvals received
- ✓ Production licences received
- ✓ Participating interests aligned
- Field development plan and pipeline licence applications progressing
- Commercial agreements targeting Q1 2021

1. Refer to ASX announcement 'Scarborough resource volume increased by 52%', dated 8 November 2019. Assurance of this work has been provided by an external independent reserves auditor.
2. Offshore capacity sized to deliver 8.0 Mtpa of LNG plus domestic gas.
3. Woodside integrated cost of supply DES North Asia (RT 2021). 10% discount rate, current equity levels and on a 2020 look forward basis.
4. Consists of 2.5 Mtpa of LNG and 125 TJ/day of domestic gas. Assumes current Scarborough upstream equity interest of 73.5%.

Sangomar execution underway



Continued execution

- ✓ Subsea equipment fabrication on schedule
- ✓ Prepared for development drilling
- ✓ VLCC tanker ready for FPSO conversion
- ✓ Completed acquisition of Cairn interest
- ✓ Received first equipment deliveries in Senegal
- ✓ Progressed in-country infrastructure development

Limiting COVID-19 schedule impact

Implemented mitigations:

- Remote site inspections and factory acceptance testing supervision
- Integration and commissioning schedule management to accelerate critical path
- Anticipated resulting delay less than 3 months

Managing disruption to:

- Supply chain by optimised global logistics solutions
- Manufacturing plant and yard access by leveraging experienced local service providers

Progress

17%

complete at end of 2020

Targeting

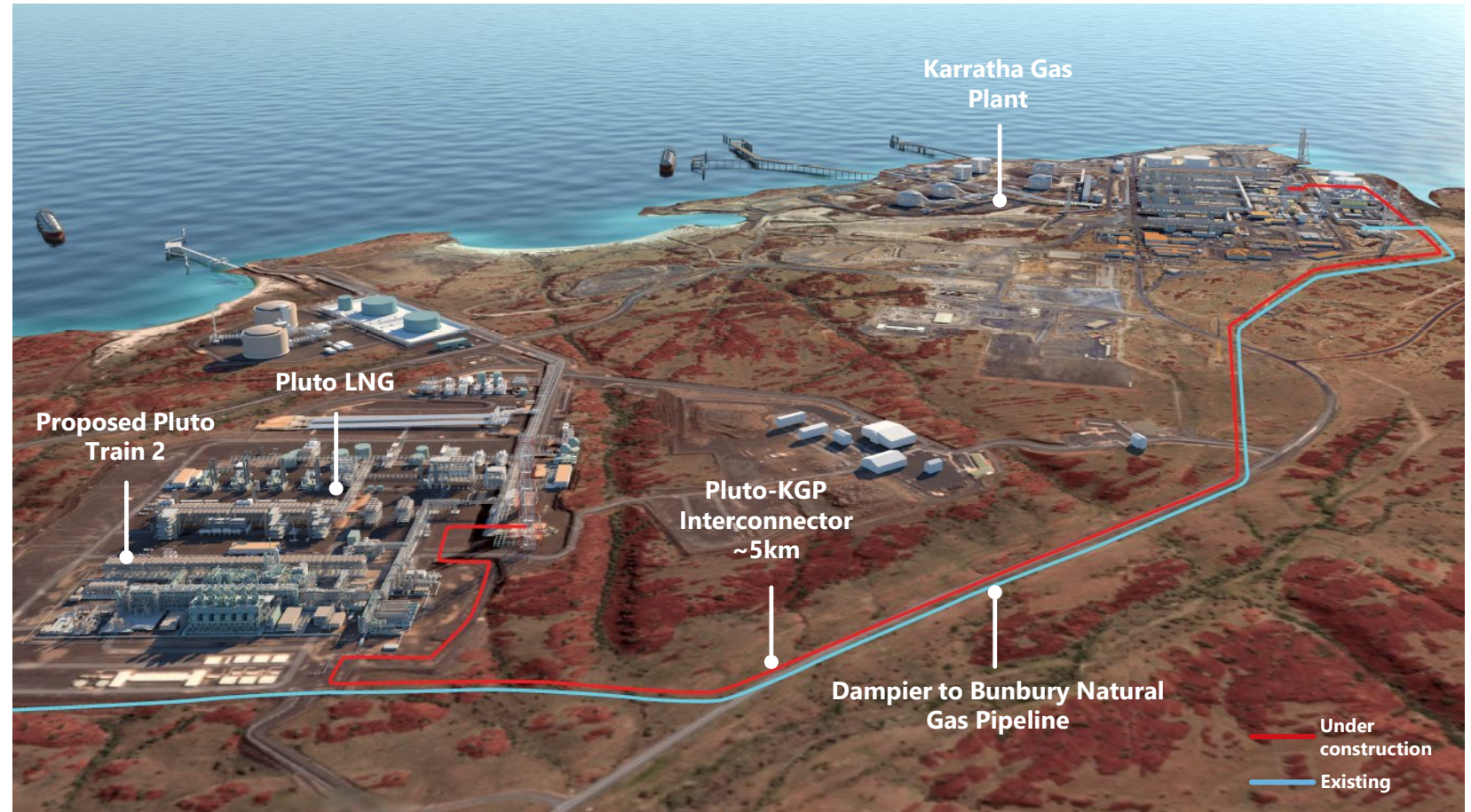
**First oil
2023**

OVERVIEW

NWS Project readying for third-party gas processing



- Third-party gas processing agreements executed for Pluto (3.0 Mt) and Waitsia Stage 2 (7.5 Mt) gas
- Pluto-KGP Interconnector construction commenced
 - Start-up targeted for 2022
- Executed agreements with WA Government
 - Pluto Acceleration Domestic Gas Agreement
 - NWS Additional Proposals for third-party gas processing



Outstanding drilling and completions performance



Julimar-Brunello Phase 2

18%
cost saving

- World's first dual zone open hole gravel packs
- No lost time due to COVID-19

Well interventions

30%
platform intervention cost saving

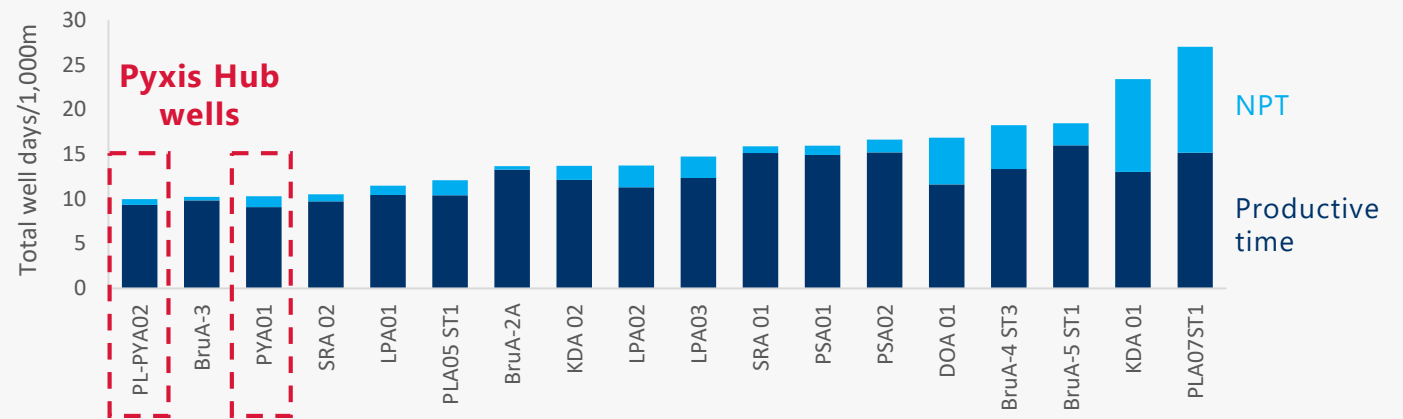
- Platform interventions and maintenance executed under COVID-19 operating model
- Progressed workover capability for further production enhancement

Pyxis Hub

20%
cost saving

- Woodside's deepest water development well (985m)
- Low non-productive time (NPT)
- Outstanding HSE performance
- No lost time due to COVID-19

'Best in basin' performance¹



1. Offset well comparison in the Carnarvon basin. Benchmarking includes drilling & completion phases. Excludes initial blowout preventer run, Xmas tree installation, suspension activities and rig move. Source: Rushmore.

Clear emissions reduction targets



Over
2.2Mt

equity CO₂-e offset or
avoided since 2008

15%

below baseline
by 2025

30%

below baseline
by 2030

**NET
ZERO**

aspiration by
2050 or sooner

DELIVERED

NEAR-TERM

MEDIUM-TERM

LONG-TERM

Reducing our footprint



Delivering energy efficiency improvements

- Optimisation of KGP fuel operation improving fuel intensity
- Novel optimisation of FPSO gas compression to reduce flaring
- Dual boil-off gas compressors at Pluto to reduce flaring

Extending hydrogen capability

- Shortlisted for ARENA funding for H2Tas project in Tasmania
- Investing in retail hydrogen distribution in South Korea
- Studying ammonia export to Japan for power generation

Assessing carbon capture and storage

- Screening opportunities across the portfolio, including Browse

Building a cost-effective offsets portfolio

Planted since 2008

29 million trees

Targeting low portfolio carbon cost

<\$15 per tonne



Leading sustainability performance

Top 5% of industry peers

Member of
Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Maintained AAA leader rating



Top 2% of 271 industry peers



Reconciliation

Completed 2016-2020 RAP



Stewardship

Environment Company Excellence Award





FINANCIAL UPDATE

Sherry Duhe

Executive Vice President and CFO

Balance sheet discipline throughout the cycle



Operating revenue

\$3,600 million

▼ 26%

Operating cashflow

\$1,849 million

▼ 44%

Cash margin

78%

▼ 1%

Liquidity

\$6.7 billion

▼ 4%

Gearing

24.4%

▲ 10%

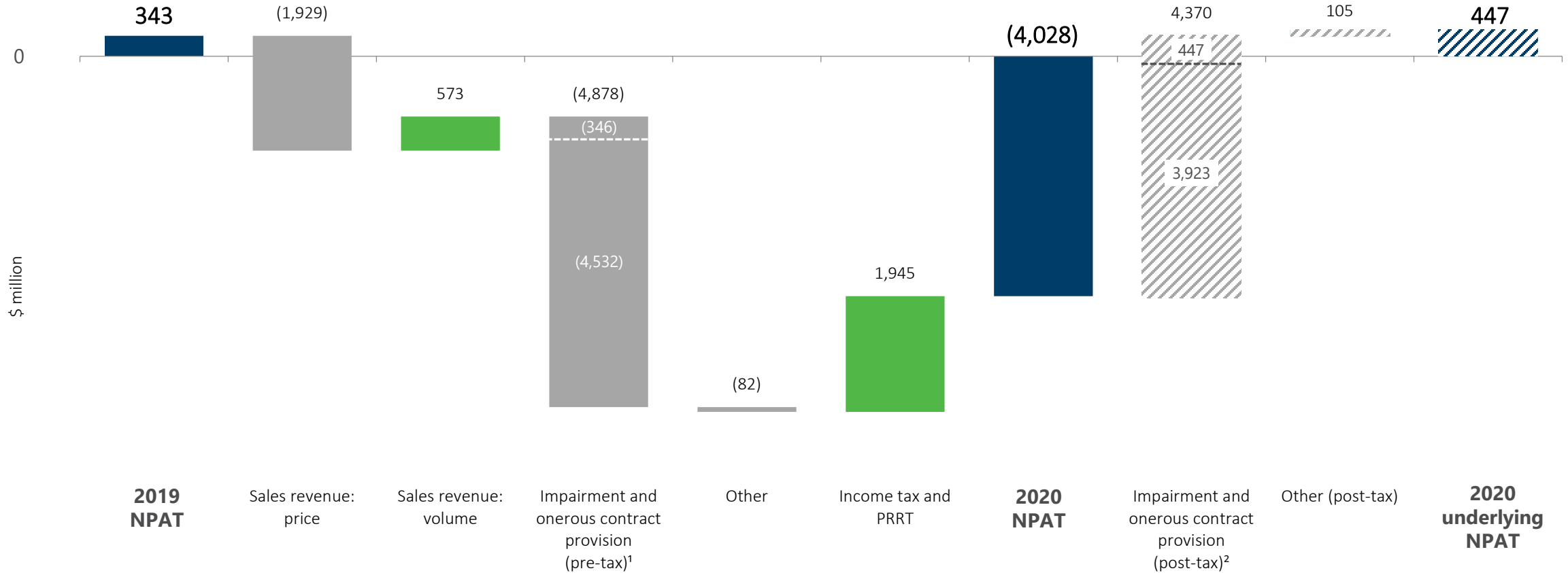
Dividend per share¹

38 US cps

▼ 58%

1. Full-year dividend consists of US 26 cps interim dividend and US 12 cps final dividend.

Net profit after tax reconciliation



1. Impairment losses (pre-tax) of \$5,269 million and Corpus Christi onerous contract provision of \$346 million. The provision was partially utilised during 2020 and was revalued at 31 December 2020.
 2. Impairment losses (post-tax) of \$3,923 million and Corpus Christi onerous contract provision recognition of \$447 million.

Excellent operational cost performance

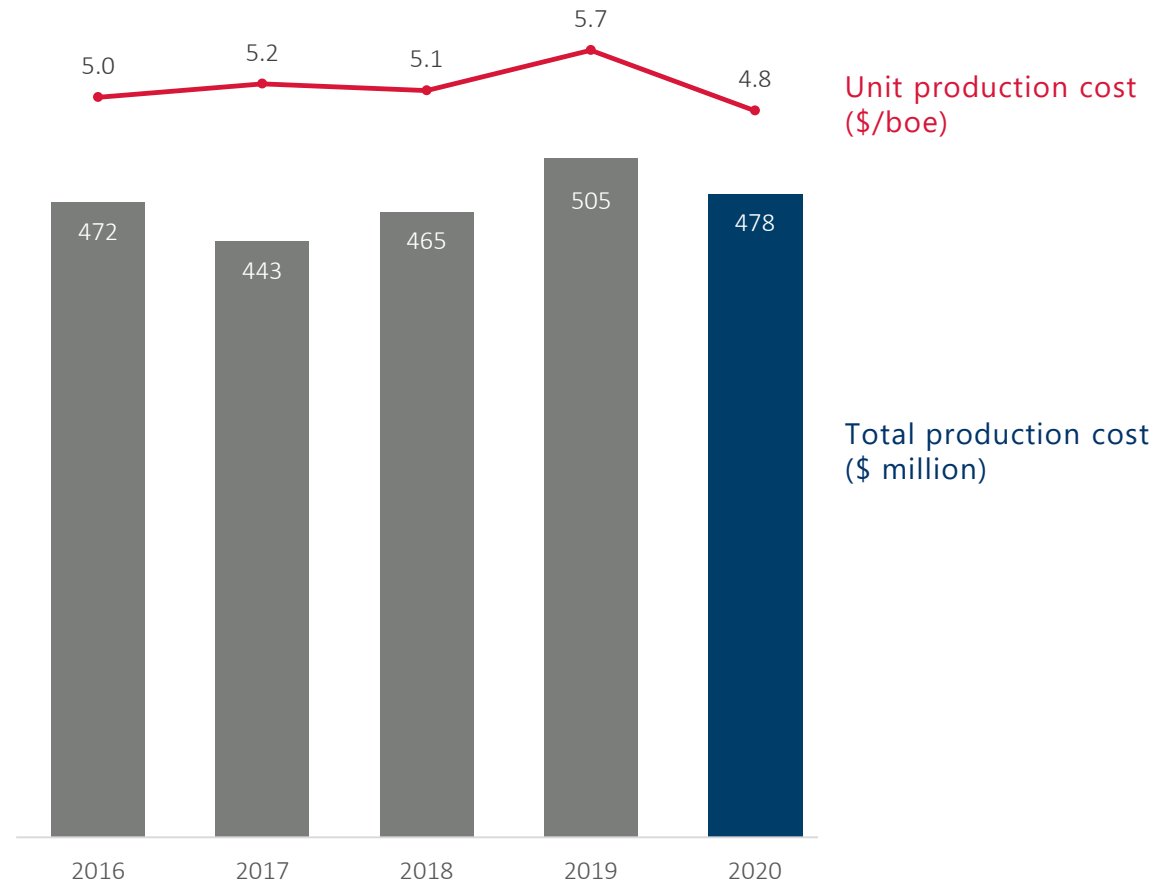


UPC trend reflecting record annual 2020 production

Production cost drivers:

- Full-year Ngujima-Yin FPSO production (additional ~\$19m)
- Extraordinary expenses
 - COVID-19 (~\$28m)
 - Organisational review (~\$7m)
- Reduced maintenance cost due to safe rescheduling of NWS turnaround activity (saved ~\$14m)

Unit production cost



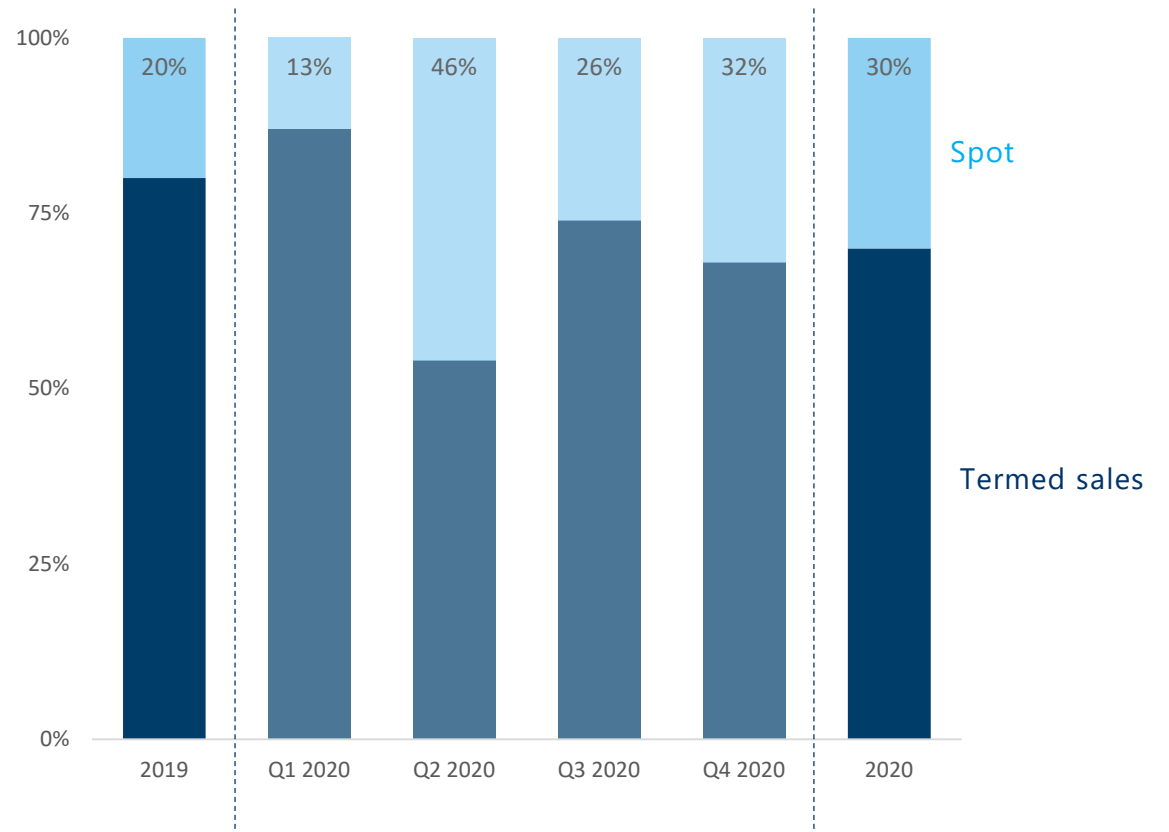
FINANCIAL UPDATE

2020 sales mix



- No production shut-in
- Immediate increase in spot sales in Q2 due to:
 - LNG demand crashing in the early stages of the pandemic
 - As a result, LNG buyers exercised contractual flexibility
 - Higher production due to strong reliability and rescheduled turnarounds

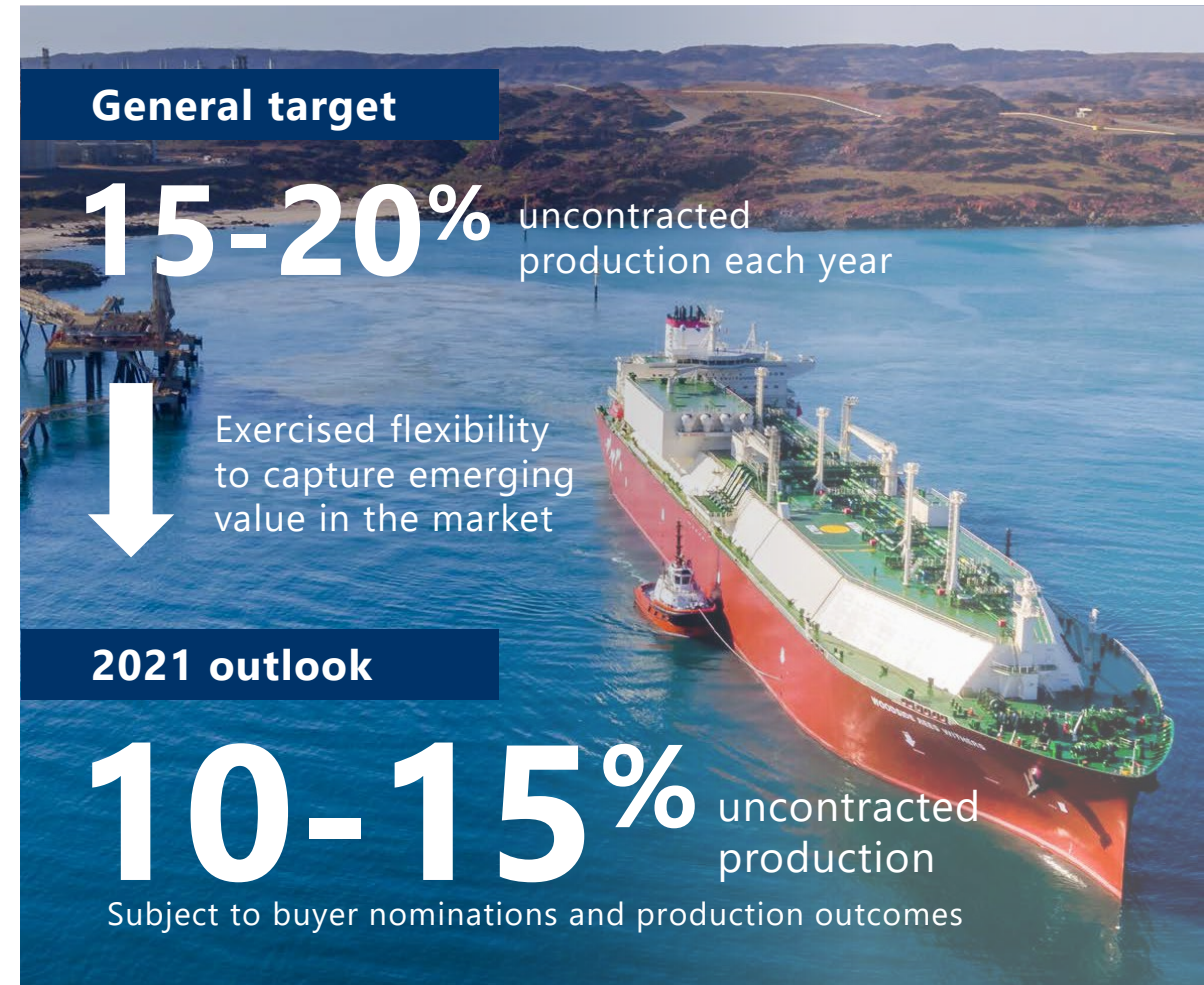
2019 and 2020 sales mix



Leveraging our marketing capability



- Uncontracted production provides flexibility to capture value
- Significant increase in Asian spot LNG prices emerged in January 2021, influenced by:
 - Colder northern hemisphere winter
 - Supply interruptions
- Implemented strategy to:
 - Match uncontracted production profile with seasonal demand fluctuations
 - Capture higher spot LNG pricing for Q1 2021 deliveries
 - Secure higher contract pricing for Q2-Q4 2021 deliveries



Strong investment grade credit rating



S&P ratings of peers¹

S&P Rating Category	Rating	Company
Investment grade	A-	ConocoPhillips
	A-	Inpex Corporation
	BBB+	Woodside
	BBB	Origin Energy Limited
	BBB-	Hess Corporation
Sub-investment grade	BBB-	Marathon Oil Company
	BBB-	Santos Limited
	BB+	Apache Corporation
	BB	Murphy Oil Corporation
Not rated	B	Kosmos Energy
	CCC+	Tullow Oil PLC
	NR	Beach Energy
	NR	Oil Search Limited



**Long-term,
investment grade
credit rating**

**High quality,
low credit risk
issuer**

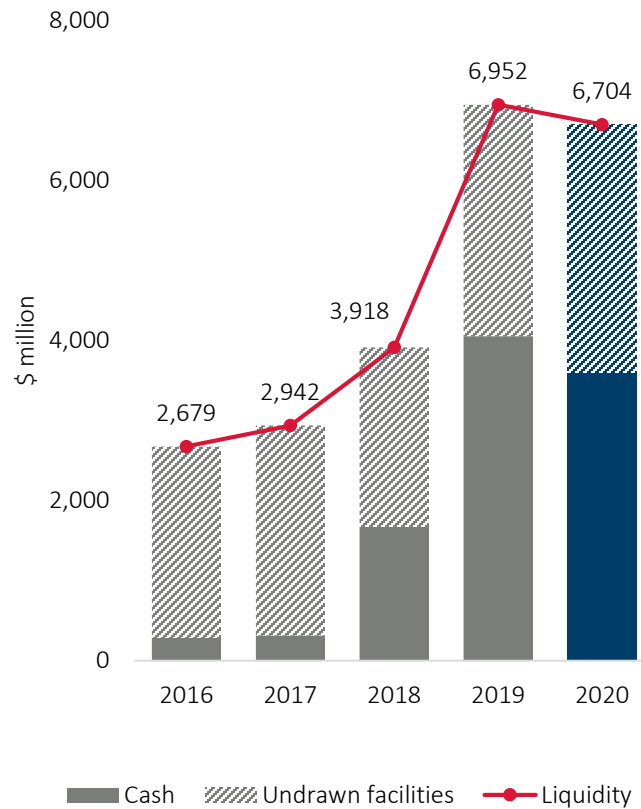
1. As at 17 February 2021.

Maintaining a strong balance sheet for FID in H2 2021

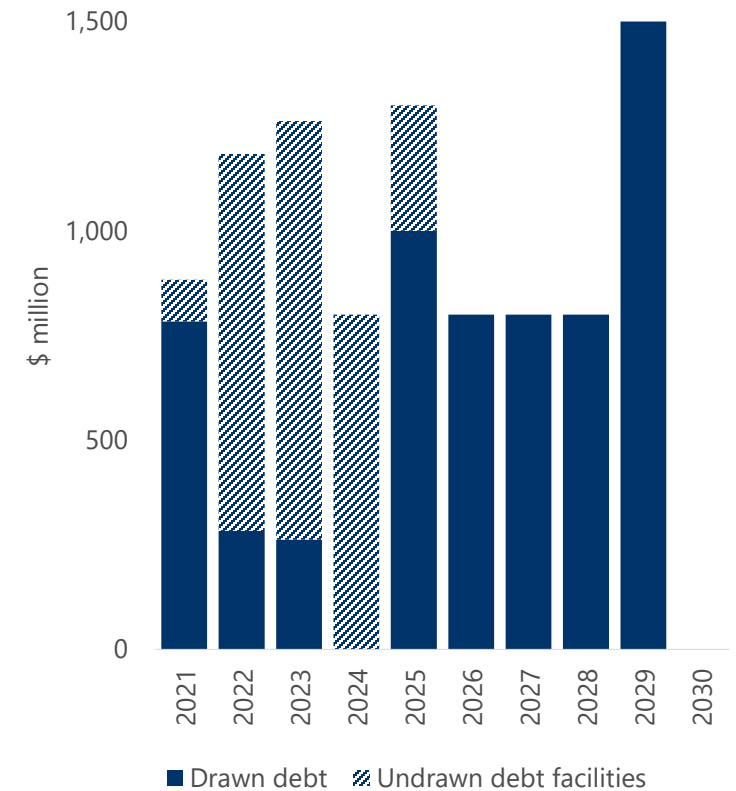


- Gearing increased to 24.4%
 - Asset impairments and onerous contract provision (4.6%)
 - Cairn acquisition (2.5%)
- Reduced portfolio cost of debt
- Liquidity cover of ~12-18 months

Continuing strong liquidity



Balanced debt maturity profile





Multiple capital management levers to support Scarborough FID

1 Equity reduction targets

Sangomar to approximately 40-50%

- Continuing buyer interest
- Improved market conditions
- Reduces capital spend by approximately \$1.2 billion¹

Pluto Train 2 to approximately 50%

- Sales process recommencing
- Targeting completion prior to Scarborough FID
- Reduces capital spend to RFSU by approximately \$3 billion¹

Testing market for Scarborough upstream

- World-class, valuable asset
- Improved market conditions

2 Focused expenditure management

- Cash preservation
- Operating cost focus in 2021+

3 Dividend

- Reinvestment plan remains active
- Payout ratio policy remains under continuous review

4 Active debt management

1. Excludes proceeds of sell-down. Reduced Woodside share spend up to RFSU.



- 2021 production guidance is 90 – 95 MMboe
- KGP LNG Trains 2 and 4 will each be shutdown for approximately one month:
 - LNG Train 4 in Q2 2021 aligned with the Goodwyn platform
 - LNG Train 2 in Q3 2021 aligned with North Rankin Complex train shutdowns

Production guidance

	2020 actual (MMboe)	2021 guidance (MMboe)
LNG	75.0	70 – 72
Liquids ¹	19.5	17 – 20
Australian domestic gas ²	5.3	~ 2.5
LPG	0.5	~ 0.5
Total	100.3	90 – 95

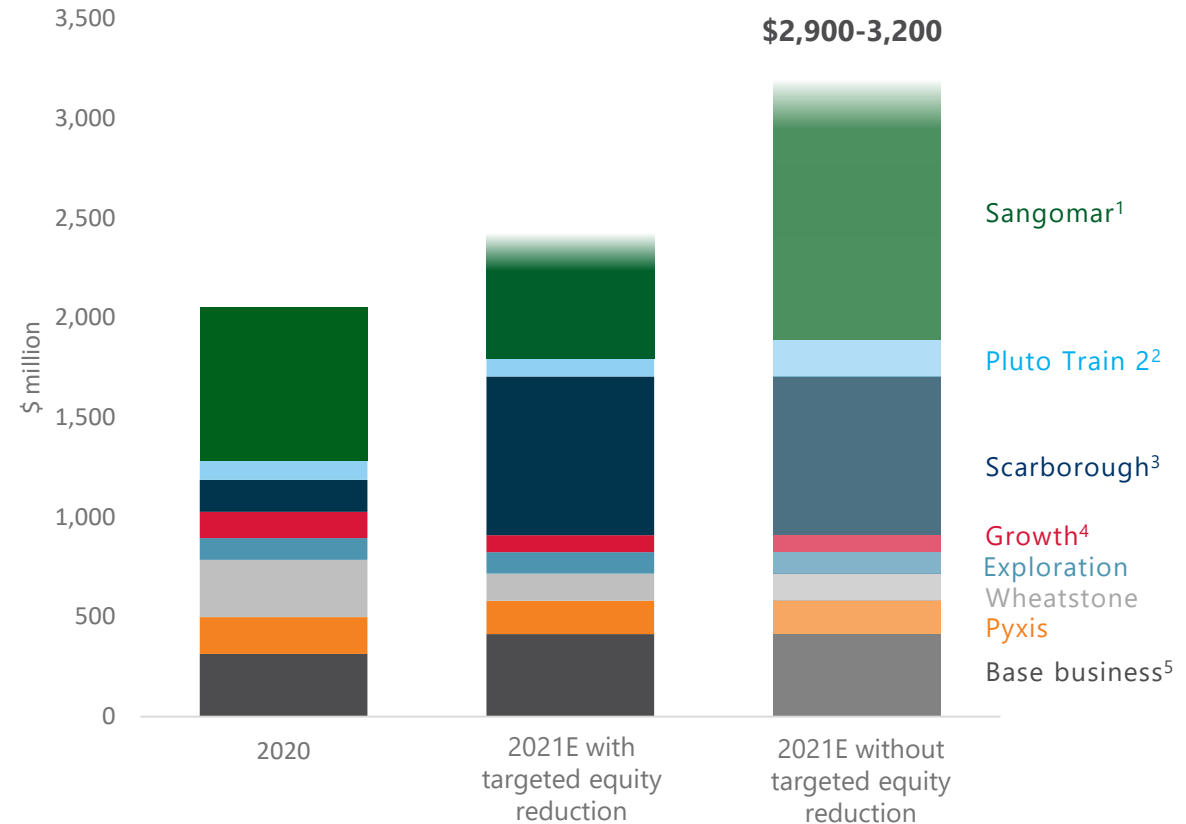
1. Liquids includes oil and condensate.

2. Includes pipeline gas production from NWS Project, Pluto and Wheatstone.

Investment expenditure guidance



Investment expenditure guidance



- 2021 investment expenditure guidance is \$2,900 – 3,200 million
- Key drivers are Sangomar Phase 1 and Scarborough
- Investment expenditure reduces with targeted equity sell-downs of Pluto Train 2 and Sangomar

1. Sangomar includes the acquisition completion payment and additional expenditure resulting from increased equity from FAR (subject to completion). 2021E represents 82% participating interest with a targeted equity reduction to approximately 40-50% effective 1 January 2021. Excludes proceeds of sell-down.
2. Pluto Train 2 2021E represents 100% participating interest with a targeted equity reduction to approximately 50%. Excludes proceeds of sell-down.
3. Scarborough includes \$450 million due to ExxonMobil and BHP on a positive FID to develop the Scarborough field.
4. Growth includes Pluto-KGP Interconnector, Myanmar A-6, Browse, Kitimat and other spend.
5. Base business includes Pluto LNG, NWS Project, Australia Oil and Corporate.



SUMMARY

Peter Coleman

CEO and Managing Director

SUMMARY

Scarborough preparing for FID



Technical

- ✓ Engineering work to support execution
- ✓ Scarborough resource increase
- ✓ Increased offshore design capacity to 8.0 Mtpa

Commercial

- ✓ Participating interests aligned
- Finalise commercial agreements (early 2021)

Construction

- ✓ Long lead items ordered
- ✓ Experienced, high quality contractors
- ✓ Ramping up contractor activity

Marketing

- ✓ Binding SPAs for ~50% of equity offtake
- Ongoing market engagement

Regulatory

- ✓ Commonwealth environmental approval
- ✓ Production licences received
- Field development plan and pipeline licence

2021 priorities

Execute remaining commercial agreements

Sell-down Pluto Train 2

Secure remaining environmental approvals and agreements with government

Targeting FID H2 2021



PRUDENT BALANCE SHEET MANAGEMENT

- 1** Sell-down Pluto Train 2
- 2** Sell-down Sangomar

CREATE AND PROTECT VALUE

- 3** Scarborough targeting FID H2 2021
- 4** Safe execution and delivery of Sangomar

DISCIPLINED EXPENDITURE

- 5** Operations cost and efficiency transformation

BUILD OUR SUSTAINABLE FUTURE

- 6** Continue growing carbon abatement business



ANNEXURE

ANNEXURE

Realised price



Products	2020 (\$/boe)	2019 (\$/boe)	Variance (%)	Revenue impact (\$ million)
LNG ^{1,2,3}	31	50	(37)	(1,506)
Domestic gas	14	14	-	-
Condensate	40	60	(33)	(204)
Oil	44	66	(32)	(206)
LPG	44	59	(24)	(5)
Volume-weighted average³	32	49	(33)	(1,921)
Average Dated Brent	42	64	(35)	
Average 3-month lagged JCC	51	70	(27)	

1. 2020 LNG realised price includes an adjustment of \$113 million related to price reviews currently under negotiation for multiple contracts across NWS Project and Pluto LNG, affecting revenue recognised in current and prior periods, and adjustments for price reviews completed during the period.
2. Includes an amount recognized in other income reflecting the arrangements governing Wheatstone LNG sales.
3. 2019 has been restated to include revenue and volumes from the sale of purchased hydrocarbons to be consistent with treatment in 2020.

ANNEXURE

Corporate performance



		2020	2019
Production volume	MMboe	100.3	89.6
Operating revenue	\$ million	3,600	4,873
EBITDA	\$ million	1,922	3,531
EBIT	\$ million	(5,171)	1,091
Net finance costs	\$ million	269	229
Tax (benefit)/expense	\$ million	(1,465)	480
Non-controlling interest	\$ million	53	39
NPAT	\$ million	(4,028)	343

ANNEXURE

2020 segment performance



		NWS	Pluto	Australia Oil	Wheatstone
Production volume	MMboe	31	44	10	15
Operating revenue	\$ million	976	1,587	432	486
EBITDA	\$ million	702	1,274	222	355
EBIT	\$ million	1	(925)	(735)	(1,323)
Cash margin	%	74	81	74	75
Gross margin	%	48	24	3	15



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