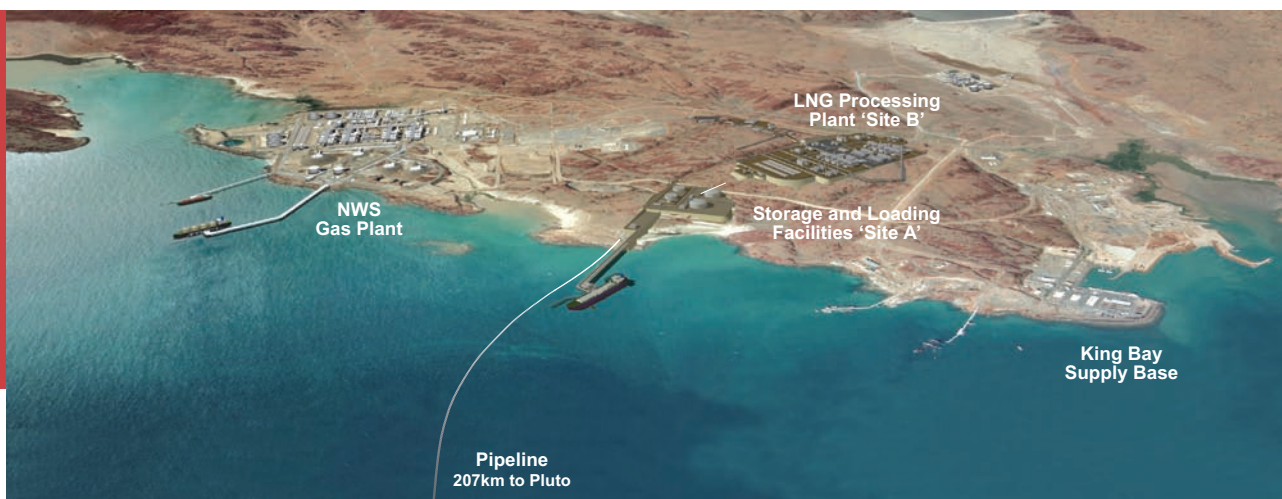


CONCISE ANNUAL REPORT | 2006





Pluto development schematic: gas will travel just under 30 kilometres to a riser platform before being exported 180 kilometres to a processing site onshore.

Creating a new project for LNG aggregation, with community collaboration.

Pluto LNG		
Interest	WA-350-P	100%*
Operator	Woodside	
Location	190 km north west of Karratha, WA	
Water depth	400 - 1,000 metres	

* Kansai Electric and Tokyo Gas each have an option to acquire a 5% interest in the Pluto development.

Woodside discovered the Pluto field in April 2005, less than two years after we were awarded the WA-350-P permit. The first appraisal well was completed in July 2005 and the decision to develop the field as an LNG project was announced a month later.

We have drawn upon our core LNG capabilities and developed strong relationships with the local community and government to rapidly progress development of Pluto. With a clear strategy, an integrated team has been able to meet all planned project milestones to date, and is on track to deliver LNG to Pluto's foundation customers, Kansai Electric and Tokyo Gas, by late 2010.

During 2006, the basis of design for Pluto facilities was completed, and front end engineering design (FEED) commenced. In December 2006, Woodside approved commitments of up to \$1.4 billion for site preparation and procurement of long lead items ahead of a final investment decision. Following the granting of certain environmental and heritage approvals, site preparation for the LNG storage tanks began in early 2007.

We drilled three wells in 2006, to delineate the size and extent of the field which enabled revision of the field's contingent resource estimate. As a result, the preliminary estimate of 3.6 trillion cubic feet (Tcf) of gas was increased to 4.1 Tcf.

Woodside is planning to construct a Burrup LNG Park to process Pluto and other resource owners' gas. This will provide capital efficiencies for all gas owners in the area and will allow early commercialisation of resources which may otherwise languish. Initially, the Burrup LNG Park will have a processing capacity of five to six million tonnes per year for Pluto gas, but approvals are being sought for up to 12 million tonnes per year to allow for expansion.

With challenging cost pressures in the industry, we will use performance benchmarks of the NWSV Phase 5 expansion to ensure costs are managed. Schedule synergies between Pluto and Phase 5 will also enable transition of management, labour, suppliers and contractors.

An environmental impact assessment for the overall development, including offshore and onshore aspects, is underway under Western Australian and Australian legislation.

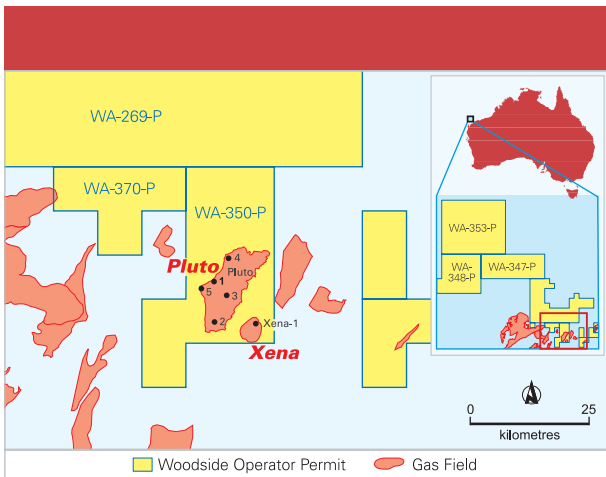
Financial forecasts indicate that the Pluto LNG development will create thousands of jobs, contribute over \$17 billion to Australia's economy, and provide significant opportunities for local businesses.

An exciting year ahead

In 2007, Woodside plans to complete Sales and Purchase Agreements with our foundation customers and to progress shipping arrangements for Pluto gas.

Front end engineering design will be completed and site preparation activity on the LNG tank site will continue allowing for commencement of construction of the LNG plant once full environmental and heritage approvals are received later this year.

We expect to be in a position to make a final investment decision in mid 2007 to enable delivery of first LNG to Tokyo Gas and Kansai Electric by late 2010.



The Xena field, discovered by Woodside in 2006 will add volumes to the Pluto development.

Best practice heritage management

The Burrup Industrial Estate, where Woodside is planning to develop the Burrup LNG Park, is located within the 27,000 hectare Dampier Rock Art Precinct*. Experts estimate that the rock art precinct may contain up to one million engravings. Most of the rock art precinct is set aside for conservation.

The Burrup LNG Park will use less than half of the 200 hectares set aside for the project, which equates to less than one percent of the Dampier Rock Art Precinct.

Our intention is to conserve rock art while developing the Burrup LNG Park. Through extensive consultation with traditional custodians, heritage experts and government agencies, the design of the LNG Park facilities has been modified to avoid heritage sites where possible. As a result, 95% of the 3,000 engravings on the Burrup LNG Park lease will be undisturbed by the development.

We will carefully relocate the remaining 150 engravings to undeveloped areas within our leases, under a cultural heritage management plan prepared in consultation with the traditional custodians.

Carnarvon Basin exploration

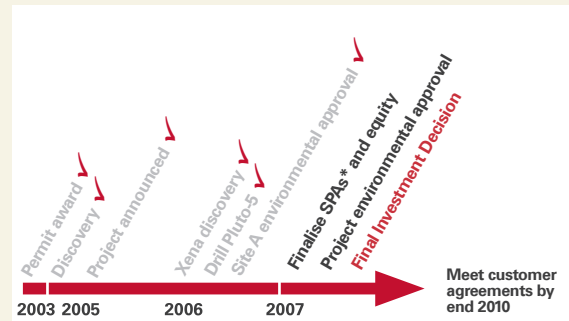
Woodside holds between 50 and 100% interest in a number of permits outboard from Pluto covering a total of 27,823 km². Water depths range from 500 to over 1,500 metres. The permits are between 20 and 250 km north west of Pluto and 200 to 500 km from Karratha. Seismic surveys and exploration drilling are planned in this area during 2007 and 2008.

Xena discovery

In September 2006, Woodside discovered the Xena field, near Pluto in the WA-350-P permit. The well intersected a gross gas column of approximately 50 metres, in good quality reservoir sand.

Xena has a contingent resource of 0.4 trillion cubic feet of dry gas. Development of the Xena field is being incorporated into the Pluto LNG development plans.

Meeting Milestones for 2010 LNG delivery



* sales and purchase agreement

Dampier Rock Art

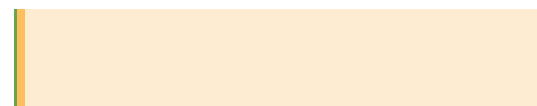


The Burrup Peninsula and surrounding islands near Karratha in north-western Australia contain numerous rock engravings and stone arrangements created by the indigenous inhabitants of the area, dating back to the Pleistocene period almost 40,000 years ago.

Dampier Rock Art Statistics



Total Land Area of precinct	27,000 ha
Burrup Peninsula	12,000 ha
Total industrial area	3,000 ha
Pluto lease area	200 ha



Engravings in precinct*	250,000 -1,000,000
Engravings in Pluto lease area*	3,000
Engravings to be moved*	150 (<0.1%)

*Estimated number

Woodside's Pluto plant will occupy approximately 1% of the precinct and will involve the careful relocation of 150 of the area's estimated up to 1,000,000 rock engravings, in collaboration with local owners.

*as defined by the National Trust