

SECURITIES AND EXCHANGE COMMISSION

FORM F-4

Registration statement for securities issued by foreign private issuers in certain business combination transactions

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WOODSIDE PETROLEUM LTD

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SIC: **1311** Crude petroleum & natural gas

Mailing Address

*1 ADELAIDE TERRACE
PERTH
WESTERN AUSTRALIA C3
00000*

Business Address

*1 ADELAIDE TERRACE
PERTH
WESTERN AUSTRALIA C3
00000*

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

**FORM F-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Woodside Petroleum Ltd.

(Exact Name of Registrant as Specified in its Charter)

Australia
(State or Other Jurisdiction of
Incorporation or Organization)

1311
(Primary Standard Industrial
Classification Code Number)

N/A
(I.R.S. Employer
Identification No.)

Woodside Petroleum Ltd.
Mia Yellagonga, 11 Mount Street
Perth, Western Australia 6000
Australia
(618) 9348 4000

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Woodside Energy (USA) Inc.
3040 Post Oak Blvd Floor 18, Suite 1800-124
Houston, TX 77056
(713) 401-0000

(Name, address, including zip code, and telephone number, including area code, of agent of service)

With copies to:
Robert L. Kimball
Scott D. Rubinsky
Vinson & Elkins L.L.P.
2001 Ross Avenue, Suite 3900
Dallas, Texas 75201
(214) 220-7700

Approximate date of commencement of proposed sale of securities to the public: As soon as practicable after the effective date of this registration statement and upon completion of the merger described in the accompanying prospectus.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

Indicate by checkmark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging Growth Company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the U.S. Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

On 17 August 2021, Woodside Petroleum Ltd. (“Woodside”) publicly announced its entry into a merger commitment deed (the “Merger Commitment Deed”) with BHP Group Ltd (“BHP”) to facilitate the combination of their respective oil and gas portfolios through an all-stock merger. The Merger Commitment Deed outlined a process by which Woodside and BHP intended to progress the Merger (as defined below). On 22 November 2021, Woodside and BHP publicly announced they had entered into a share sale agreement (the “Share Sale Agreement”) under which, and subject to the terms and conditions therein, Woodside (or its nominee) will acquire all of the ordinary shares in BHP Petroleum International Pty Ltd (“BHP Petroleum”), a wholly owned subsidiary of BHP that will hold the oil and gas assets of BHP, in exchange for the issuance of new ordinary shares of Woodside, no par value per share (the “Woodside Shares”) and the Completion Payment (as defined below) (subject to adjustment). The Merger effected under the Share Sale Agreement will have an effective time of 11:59 p.m. AEST on 30 June 2021 (the “Effective Time”).

Immediately upon closing of the Merger pursuant to the Share Sale Agreement, the Woodside Shares issued under the Share Sale Agreement (the “New Woodside Shares”) will be issued by Woodside to BHP to be distributed by BHP to eligible holders of ordinary shares of BHP Group Ltd, with no par value per share (the “BHP Shares”), via an in-specie dividend, or to a nominee appointed by BHP following consultation with Woodside (the “Sale Agent”) to receive and sell New Woodside Shares comprising the Share Consideration attributable to the Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders (if applicable).

At its annual general meeting to be held on 19 May 2022 (the “Woodside Shareholders Meeting”), Woodside is proposing a resolution to change its name from “Woodside Petroleum Ltd.” to “Woodside Energy Group Limited.” If approved, this change is expected to take effect shortly after the Woodside Shareholders Meeting. Woodside has also applied to change its ticker symbol on the Australian Securities Exchange (the “ASX”) from “WPL” to “WDS,” subject to shareholder approval of the proposed name change.

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The information contained in this prospectus is not complete and may be changed. The registration statement relating to the securities described in this prospectus has been filed with the U.S. Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY AND SUBJECT TO COMPLETION, DATED 13 APRIL 2022

PROSPECTUS OF WOODSIDE PETROLEUM LTD.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.



MERGER PROPOSED

On 17 August 2021, Woodside Petroleum Ltd. (“Woodside”) publicly announced its entry into a merger commitment deed (the “Merger Commitment Deed”) with BHP Group Ltd (“BHP”) to facilitate the combination of their respective oil and gas portfolios through an all-stock merger. The Merger Commitment Deed outlined a process by which Woodside and BHP intended to progress the Merger (as defined below).

On 22 November 2021, Woodside and BHP publicly announced they had entered into a share sale agreement (the “Share Sale Agreement”) (together with an Integration and Transition Services Agreement which sets out the parties’ obligations in relation to separation, transition and integration of BHP’s oil and gas portfolio with Woodside’s oil and gas portfolio) under which, and subject to the terms and conditions therein, Woodside (or its nominee) will acquire all of the ordinary shares in BHP Petroleum International Pty Ltd (“BHP Petroleum”), a wholly owned subsidiary of BHP that holds the oil and gas assets of BHP, in exchange for the issuance of new ordinary shares of Woodside, no par value per share (the “Woodside Shares”) and the Completion Payment (as defined below) (subject to adjustment). Immediately upon the closing of the Merger pursuant to the Share Sale Agreement (“Implementation”), the Woodside Shares issued under the Share Sale Agreement (the “New Woodside Shares”) will be issued by Woodside to BHP to be distributed by BHP to eligible holders of ordinary shares, with no par value per share, of BHP Group Ltd (the “BHP Shares”) via an in-specie dividend. Woodside refers to the combination of the oil and gas business of BHP with and into Woodside and the other transactions contemplated in the Share Sale Agreement, including the payment or distribution of Woodside Shares to BHP Shareholders upon Implementation, as the “Merger,” and refers to the New Woodside Shares to be issued in the Merger as the “Share Consideration.” The Merger effected under the Share Sale Agreement will have an Effective Time of 11:59 p.m. AEST on 30 June 2021.

Upon Implementation, BHP Shareholders as of the Distribution Record Date (as defined below) will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise (as defined below) and no further declaration of Woodside Dividends (as defined below) occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP Shareholders being Ineligible Foreign BHP Shareholders (as defined below) or Relevant Small Parcel BHP Shareholders (as defined below). Each BHP Shareholder that is not an Ineligible Foreign BHP Shareholder or Relevant Small Parcel BHP Shareholder (“Participating BHP Shareholders”) will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022). The actual number of New Woodside Shares that will be issued and to which each BHP Shareholder will be entitled with respect to each BHP Share will be determined as at the applicable record date for the distribution, prior to Implementation, which will be set by BHP and referred to as the “Distribution Record Date.”

The value of the Share Consideration will fluctuate with the market price of Woodside Shares. You should obtain current share price quotations for Woodside Shares on the Australian Securities Exchange (“ASX”). Based on the closing price of Woodside Shares on the ASX of AS\$22.11 on 19 November 2021, the last trading day before the public announcement of entry into the Share Sale Agreement, and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately AS\$4.00, or \$2.91 (converted into dollars based on the exchange rate for such day reported by the Reserve Bank of Australia (the “RBA”) of \$0.7274 = AS1.00). Based on the closing price of Woodside Shares on the ASX of AS\$21.18 on 16 August 2021, the date before the public announcement of entry into the Merger Commitment Deed, and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Woodside Share distribution per BHP Share represented approximately AS\$3.83, or \$2.81 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7336 = AS1.00). Based on the closing price of Woodside Shares on the ASX of AS\$33.20 and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately AS\$6.00, or \$4.48 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7473 = AS1.00). Eligible holders of American Depositary Shares representing BHP Shares (the “BHP ADSs”) will receive a number of American Depositary Shares, each representing one New Woodside Share (the “New Woodside ADSs”), that corresponds to the New Woodside Shares received on the BHP Shares represented by BHP ADSs (subject to payment of taxes and applicable Woodside Depository and BHP Depository (each as defined below) fees and expenses). Based on the assumptions described above, upon Implementation, each holder of BHP ADSs as of the ADS Distribution Record Date will be entitled to receive 0.3614 of a New Woodside ADSs in respect of each BHP ADS owned on the ADS Distribution Record Date. No fractional New Woodside Shares or New Woodside ADSs will be issued or delivered to holders of BHP Shares or BHP ADSs. Any fractional entitlements to New Woodside Shares will be rounded down to the nearest whole number and aggregated and sold by the Sale Agent (as defined below) and the proceeds retained by BHP. Any fractional entitlements to New Woodside ADSs will be aggregated and sold by Citibank, N.A. (the “BHP Depository”), and the net cash proceeds (after deduction of applicable fees, taxes and expenses) will be distributed to the BHP ADS holders entitled thereto.

The Woodside Shares are listed on the ASX under the ticker symbol “WPL.” Woodside has applied to change its ticker symbol on the ASX from “WPL” to “WDS,” subject to shareholder approval of the proposed name change. No trading market exists in the United States for the Woodside Shares. Woodside has established an American Depositary Receipt program (the “Woodside ADR Program”) for American Depositary Shares representing Woodside Shares (the “Woodside ADSs”), for which Citibank, N.A. is the depository (the “Woodside Depository”), with each Woodside ADS representing one Woodside Share. A registration statement on Form F-6 (Registration No. 333-201669) was filed with the SEC on 23 January 2015 and declared effective 9 February 2015, with respect to existing American Depositary Shares representing Woodside Shares (the “Existing Woodside ADSs”). Existing Woodside ADSs currently trade on the U.S. over-the-counter market through a sponsored ADR facility under the symbol “WOPEY.” Woodside has applied to list the Woodside ADSs on the NYSE under the symbol “WDS” and intends to file a registration statement on Form F-6 with the U.S. Securities and Exchange Commission (the “SEC”) with respect to the New Woodside ADSs (the “F-6 Registration Statement”) and to amend and restate the Woodside Deposit Agreement (as defined below) for the Woodside ADR Program to, among other things, reflect Woodside’s status as an SEC reporting company and certain regulatory changes in Australia and in the United States. Following Implementation, the Woodside Shares will continue to be listed on the ASX and are expected to be listed on the London Stock Exchange plc (the “LSE”).

BHP ADSs are traded on the NYSE under the symbol “BHP,” with each BHP ADS representing two BHP Shares. Each holder of BHP ADSs as of the ADS Distribution Record Date (as defined below) will receive in the Merger, in lieu of New Woodside Shares, New Woodside ADSs. Holders of BHP ADSs will not be able to trade the New Woodside Shares underlying the New Woodside ADSs received as Share Consideration for the BHP ADSs before such New Woodside Shares are deposited with the Woodside Depository and the New Woodside ADSs are issued and delivered to the BHP ADS holders. BHP Shares and BHP ADSs will not be exchanged or cancelled in the Merger, but will continue to represent an interest in BHP without the oil and gas assets in BHP. Following Implementation, Participating BHP Shareholders will hold both New Woodside Shares and BHP Shares, and holders of BHP ADSs will hold both New Woodside ADSs and BHP ADSs.

There can be no assurances regarding the prices at which Woodside Shares or New Woodside ADSs (as applicable) will trade following Implementation of the Merger, including whether the New Woodside ADSs will trade at the equivalent prices at which the Woodside Shares traded prior to the Merger or at which the Woodside Shares may trade following Implementation of the Merger.

The Merger cannot be completed without the satisfaction (or waiver, if permitted) of the several conditions precedent under the Share Sale Agreement (the “Conditions”) by 30 June 2022 (or an agreed later date), including approval by certain regulatory and competition authorities, approval of the shareholders of Woodside (the “Woodside Shareholders”), the issuing of a report with “best interests” conclusions (the “Independent Expert’s Report”) by KPMG Financial Advisory Services (Australia) Pty Ltd (“KPMG”), the independent expert appointed by Woodside (the “Independent Expert”), and the completion of the Restructure of certain of BHP’s subsidiaries. If all Conditions of the Merger are satisfied, including approval by Woodside Shareholders, then (i) 100% of the issued share capital of BHP Petroleum International Pty Ltd will be transferred to Woodside (or its nominee), and BHP Petroleum will become a wholly owned subsidiary of Woodside, (ii) Woodside will pay BHP the Purchase Price (as defined below), including the Share Consideration of approximately 914,768,948 New Woodside Shares in the aggregate which will be issued to BHP, (iii) BHP will immediately distribute to BHP Shareholders (and transfer to the Sale Agent in the case of all New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) as of the Distribution Record Date the Share Consideration, pro rata to their respective ownership of BHP (as more fully defined herein, the “Distribution Entitlement”), and (iv) Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders will receive a cash payment from proceeds of the sale of the New Woodside Shares in lieu of receiving New Woodside Shares. See the section entitled “The Share Sale Agreement and Related Agreements—The Share Sale Agreement—Share Consideration.” From the date of their issuance, the New Woodside Shares received as Share Consideration will be fully paid and rank equally with the Woodside Shares outstanding prior to Implementation of the Merger (the “Existing Woodside Shares”).

Woodside expects to hold a meeting of its shareholders at Perth Convention & Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia, Australia, on 19 May 2022 at 10:00 a.m. (AWST) time (the “Woodside Shareholders Meeting”) to vote on the issuance by Woodside of the New Woodside Shares. As a holder of BHP Shares or BHP ADSs, you are not permitted to vote at the Woodside Shareholders Meeting (assuming you are not also a Woodside Shareholder). **THIS PROSPECTUS IS NOT A PROXY STATEMENT. WE ARE NOT ASKING YOU FOR A PROXY, AND YOU ARE REQUESTED NOT TO SEND US A PROXY.**

More information about Woodside, BHP Petroleum, the Share Sale Agreement, the Merger and the Woodside Shareholders Meeting can be found elsewhere in this prospectus. **In reviewing this prospectus, you should carefully consider the matters described under the caption “Risk Factors” beginning on page 42.**

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE MERGER OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is

2022.

ABOUT THIS PROSPECTUS

This prospectus forms a part of the registration statement on Form F-4 (Registration No. 333-) filed with the SEC on or about the date of this prospectus and constitutes a prospectus of Woodside under Section 5 of the Securities Act of 1933 (the “Securities Act”) with respect to the issuance of the New Woodside Shares to be delivered to BHP in exchange for all of the issued share capital of BHP Petroleum International Pty Ltd pursuant to the Share Sale Agreement and distributed by BHP to BHP Shareholders (or a nominee appointed by BHP following consultation with Woodside (the “Sale Agent”) to receive and sell New Woodside Shares comprising the Share Consideration attributable to the Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders, if applicable) in the form of New Woodside Shares.

Such New Woodside Shares that are issued with respect to the BHP Shares represented by the BHP ADSs will be deposited with the Woodside Depository. The Woodside Depository will issue the New Woodside ADSs representing the New Woodside Shares in connection with the Merger to the BHP Depository for distribution to the BHP ADS holders.

At Implementation, each BHP Shareholder and holder of BHP ADSs, as further described herein, will be entitled to a number of New Woodside Shares or New Woodside ADSs (as applicable) determined in accordance with the Share Sale Agreement. A registration statement on Form F-6 (Registration No. 333-201669) was filed with the SEC on 23 January 2015 and declared effective 9 February 2015 with respect to the Existing Woodside ADSs. Existing Woodside ADSs currently trade on the U.S. over-the-counter market through a sponsored ADR facility under the symbol “WOPEY.” Woodside has applied to list the Woodside ADSs, including those issued to the holders of BHP ADSs in connection with the Merger, on the NYSE under the symbol “WDS,” and intends to file the F-6 Registration Statement with the SEC with respect to the Woodside ADSs and to amend and restate the Woodside Deposit Agreement for the Woodside ADR Program to, among other things, reflect Woodside’s status as an SEC reporting company and certain regulatory changes in Australia and in the United States. The Amended and Restated Deposit Agreement, dated as of 11 February 2015 (the “2015 Woodside Deposit Agreement”) and the form of the Second Amended and Restated Deposit Agreement (the “Woodside Deposit Agreement Amendment” and the 2015 Woodside Deposit Agreement, as so amended and restated, the “Woodside Deposit Agreement”), will be attached as exhibits to the F-6 Registration Statement.

Neither Woodside nor BHP Petroleum has previously filed periodic reports with the SEC. All important business and financial information about Woodside and BHP Petroleum as of the date of this prospectus have been included in or delivered with this prospectus. Woodside is not incorporating by reference any information with respect to Woodside, BHP or BHP Petroleum into this prospectus other than the exhibits filed with Woodside’s registration statement on Form F-4, of which this prospectus forms a part.

You may ask any questions about the Merger or request copies of documents relating to the Merger, without charge, upon oral or written request to Woodside at Mia Yellagonga, 11 Mount Street, Perth, Western Australia 6000, Australia, (61 8) 9348 4000 or merger@woodside.com.au. To obtain timely delivery of requested materials, you must request the information no later than five business days prior to the date of the Woodside Shareholders Meeting. BHP shareholders who have questions for BHP regarding the Merger or any related matter described in this prospectus are referred to the contacts identified in the information included in BHP’s SEC filings, available for review free of charge through the SEC’s website at www.sec.gov or on BHP’s website, www.bhp.com. The information contained in, or that can be accessed through, the SEC’s or BHP’s website is not intended to be incorporated into this prospectus.

All information contained in this prospectus with respect to Woodside and the Merged Group has been provided by Woodside (except to the extent that such information relates solely to BHP Petroleum). All information contained in this prospectus with respect to BHP and BHP Petroleum is from, or derived from, public information or information provided by BHP. You should rely only on the information contained in this

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prospectus as having been authorized by Woodside, BHP or BHP Petroleum. No one has been authorized to provide you with information that is different from that contained in this prospectus. The information contained in this prospectus is accurate only as of the date of this prospectus unless the information specifically indicates that another date applies. The information contained on any website referenced in this prospectus is not incorporated by reference into this prospectus and should not be considered part of this prospectus. Neither the mailing or delivery of this prospectus nor Woodside's issuance of New Woodside Shares pursuant to the Merger will create any implication to the contrary.

This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, including any New Woodside Shares or New Woodside ADSs, in any jurisdiction in which it is unlawful to make any such offer or solicitation in such jurisdiction.

You should not construe the contents of this prospectus as legal, tax or financial advice. You should consult with your own legal, tax, financial or other professional advisers. All summaries of, and references to, the agreements governing the terms of the transactions described in this prospectus are qualified by the full copies of and complete text of such agreements in the forms attached hereto as annexes or filed as exhibits to the registration statement of which this prospectus is a part. Unless otherwise specified, currency amounts referenced in this prospectus are in U.S. dollars.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

DISCLAIMER AND IMPORTANT NOTICES

Service of Process and Enforceability of U.S. Securities Law

Woodside is a public limited company organized under the laws of Australia, and its corporate headquarters will remain in Australia following Implementation of the Merger. Many of Woodside's directors (the "Woodside Directors") and officers are, and following the Merger will be, residents of jurisdictions outside the United States. In addition, although Woodside will, following Implementation of the Merger, have substantial assets in the United States, the majority of Woodside's assets and a large proportion of the assets of certain Woodside Directors and officers will be located outside the United States.

As a result of the foregoing, U.S. investors may find it difficult in a lawsuit based on the civil liability provisions of the United States federal securities laws:

- (1) to effect service within the United States upon Woodside and Woodside's Directors and officers that are located outside the United States;
- (2) to enforce in United States courts or outside the United States, judgments obtained against those persons in United States courts;
- (3) to enforce, in United States courts, judgments obtained against those persons in courts in jurisdictions outside the United States; and
- (4) to enforce against those persons in Australia, whether in original actions or in actions for the enforcement of judgments of United States courts, civil liabilities based solely upon the United States federal securities laws.

Historical Financial Information

The historical financial information presented in this prospectus has been derived from the following:

Woodside

Woodside's audited consolidated financial statements as of 31 December 2021 and 2020 and for the years ended 31 December 2021, 2020 and 2019, which have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"), which differ in certain significant respects from U.S. generally accepted accounting principles ("U.S. GAAP"), and the related notes thereto.

The audited consolidated financial statements of Woodside are presented in U.S. dollars.

BHP Petroleum

BHP Petroleum's audited combined financial statements as of 30 June 2021 and 2020 and for the years ended 30 June 2021 and 2020, and its unaudited combined financial statements as of and for the year ended 30 June 2019, which have been prepared in accordance with IFRS, which differ in certain significant respects from U.S. GAAP, and the related notes thereto. Consistent with applicable reporting rules, the BHP Petroleum financial information as and for the year ended 30 June 2019 is unaudited.

BHP Petroleum's unaudited combined interim financial statements as of 31 December 2021 and for the half years ended 31 December 2021 and 2020, and the related notes thereto.

The audited and unaudited combined financial statements of BHP Petroleum are presented in U.S. dollars.

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Woodside and BHP Petroleum have made rounding adjustments to some of the figures contained in this prospectus. Accordingly, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that preceded them.

Pro Forma Financial Statements

This prospectus includes unaudited pro forma condensed combined financial statements for Woodside. The unaudited pro forma condensed combined statement of profit and loss of Woodside for the twelve months ended 31 December 2021 reflects,

with respect to Woodside, the consolidated income statement of Woodside for the twelve months ended 31 December 2021, and,

with respect to BHP Petroleum, (i) the results for the fiscal year ended 30 June 2021 (derived from BHP Petroleum's audited combined statement of profit and loss for the year ended 30 June 2021), minus (ii) the results for the half year ended 31 December 2020 (derived from BHP Petroleum's unaudited combined historical financial information for the half year ended 31 December 2020), plus (iii) the results for the half year ended 31 December 2021 of BHP Petroleum (derived from BHP Petroleum's unaudited combined interim statement of profit and loss for the half year ended 31 December 2021),

and gives effect to the Merger as if it had been Implemented on 1 January 2021.

The unaudited pro forma condensed combined statement of financial position of Woodside combines the historical statements of financial position of Woodside and BHP Petroleum as of 31 December 2021 and gives pro forma effect to the Merger as if it had been Implemented on 31 December 2021.

The unaudited pro forma condensed combined statement of cash flows of Woodside for the twelve months ended 31 December 2021 reflects,

with respect to Woodside, the consolidated statement of cash flows of Woodside for the twelve months ended 31 December 2021, and,

with respect to BHP Petroleum, (i) the cash flows for the fiscal year ended 30 June 2021 (derived from BHP Petroleum's audited combined statement of statement of cash flows for the year ended 30 June 2021), minus (ii) the cash flows for the half year ended 31 December 2020 (derived from BHP Petroleum's unaudited combined historical financial information for the half year ended 31 December 2020), plus (iii) the cash flows for the half year ended 31 December 2021 of BHP Petroleum (derived from BHP Petroleum's unaudited combined interim statement of cash flows for the half year ended 31 December 2021),

and gives effect to the Merger as if it had been Implemented on 1 January 2021.

The unaudited pro forma condensed combined financial statements for Woodside in this prospectus is presented for illustrative purposes only, is based on certain assumptions, addresses a hypothetical situation and reflects limited historical financial data. Therefore, the unaudited pro forma condensed combined financial statements are not necessarily indicative of what Woodside's actual financial position or results of operations would have been had the Merger been completed on the dates indicated, or of the future consolidated results of operations or financial position of Woodside. Accordingly, Woodside's business, assets, cash flows, results of operations and financial condition may differ significantly from those indicated by the unaudited pro forma condensed combined financial statements included in this prospectus. See the section entitled "*Unaudited Pro Forma Condensed Combined Financial Statements*" for more information.

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Pro Forma Reserve Information

This prospectus includes pro forma reserve information for Woodside. The unaudited pro forma combined reserve information reflects:

- with respect to Woodside, the reserve information as of 31 December 2021, and,
- with respect to BHP Petroleum, the reserve information as of 31 December 2021,

and gives effect to the Merger as if it had been Implemented on 31 December 2021.

This prospectus also includes pro forma information regarding the standardized measure of discounted future net cash flows relating to proved oil, condensate, natural gas liquids (“NGLs”) and natural gas reserves. That information reflects,

- with respect to Woodside, the applicable information for the year ended 31 December 2021,
- with respect to BHP Petroleum, the reserve and production information for the year ended 31 December 2021,

and gives effect to the Merger as if it had been Implemented on 31 December 2021.

Woodside’s reserves as of 31 December 2021 are based on a reserve report prepared by Netherland, Sewell & Associates, Inc., Woodside’s independent reserve engineers. BHP Petroleum’s reserve assessments are prepared each year in connection with BHP Petroleum’s fiscal year end of June 30. The assessments are reviewed prior to BHP Petroleum’s fiscal year end to ensure technical quality, adherence to internally published BHP Petroleum guidelines and compliance with SEC reporting requirements. The December 31 reserves information for BHP Petroleum included in the pro forma reserve information in this prospectus and used for the purposes of BHP Petroleum’s information forming part of the pro forma standardized measure information is an estimate of BHP Petroleum’s reserves as of such date, is derived from internal records, taking into account, among other factors, production, revenues, and operating and capital expenditures for each asset and project, and has not been reviewed by any independent reserve engineers or on the same basis as BHP Petroleum’s reserves are reviewed at BHP Petroleum’s fiscal year end.

The pro forma reserve and production information in this prospectus is presented for illustrative purposes only, is based on certain assumptions, addresses a hypothetical situation and reflects limited historical reserves and production data. Therefore, the pro forma reserve and production information is not necessarily indicative of what the Merged Group’s actual reserve or production data would have been had the Merger been Implemented on the date indicated or of the future reserves or production of the Merged Group. Accordingly, the Merged Group’s reserves and production may differ significantly from those indicated by the pro forma reserve and production information included in this prospectus. See the section entitled “*Risk Factors—Risks Relating to the Implementation of the Merger—The unaudited pro forma condensed combined financial statements and pro forma reserve and production data included in this prospectus may not be representative of the Merged Group’s results after the Merger*” for more information.

Non-GAAP Financial Measures

Certain parts of this prospectus contain financial measures that have not been prepared in accordance with IFRS and are not recognized measures of financial performance or liquidity under IFRS. In addition to the financial information contained in this prospectus presented in accordance with IFRS, certain “non-GAAP financial measures” (as defined in Item 10(e) of Regulation S-K under the Securities Act) have been included in this prospectus.

Woodside believes that the “non-GAAP financial measures” it presents provide a useful means through which to examine the underlying performance of its business. These measures, however, should not be

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considered to be an indication of, or alternative to, corresponding measures of gross profit, net profit, cash flows from operating activities, interest bearing liabilities, or other figures determined in accordance with IFRS. In addition, such measures may not be comparable to similar measures presented by other companies. These measures include:

EBIT, which is calculated as profit before income tax, Petroleum Resource Rent Tax (“PRRT”) and net finance costs;

Underlying EBITDA, which is calculated as profit before income tax, PRRT, net finance costs, depreciation and amortization and impairment;

Gearing, which is calculated as Net debt (as defined below) divided by the sum of Net debt and equity attributable to equity holders of the relevant entity, expressed as a percentage;

Net debt, which is total debt and lease liabilities less cash and cash equivalents;

Adjusted Operating Cash Flow, which is calculated as net cash from operating activities excluding any financing costs (interest received, dividends received and borrowing costs relating to operating activities), plus payments for restoration and less payments for exploration expenditure; and

Unlevered Free Cash Flow, which is calculated as Adjusted Operating Cash Flow minus payments for restoration and minus payments for capital expenditures.

BHP Petroleum presents the non-GAAP financial measure, Underlying EBITDA, which it believes is useful to help assess current operational profitability, excluding the impacts of sunk costs (*i.e.*, depreciation from initial investment). BHP Petroleum defines Underlying EBITDA as profit from operations plus depreciation and amortization expense, net impairments and other. BHP Petroleum also presents net costs, a non-GAAP financial measure, in connection with its presentation of BHP Petroleum unit costs, which BHP Petroleum believes provides a consistent benchmark relative to volumes, that is in line with external market comparisons. BHP Petroleum also uses these non-GAAP financial measures to assess the performance of BHP Petroleum. These measures, however, should not be considered to be an indication of, or alternative to, corresponding measures of gross profit, net profit, cash flows from operating activities or other figures determined in accordance with IFRS. In addition, the measures may not be comparable to similar measures presented by other companies.

Accordingly, undue reliance should not be placed on the non-GAAP financial measures contained in this prospectus, and the non-GAAP financial measures should not be considered in isolation or as a substitute for financial measures computed in accordance with IFRS. Although certain of these data have been extracted or derived from Woodside’s and BHP Petroleum’s consolidated or combined financial statements (as applicable), these data have not been audited or reviewed by Woodside’s or BHP Petroleum’s independent auditors. You are urged to read carefully the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside*,” Woodside’s consolidated financial statements and related notes thereto, the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum*” and BHP Petroleum’s combined financial statements and related notes thereto.

A reconciliation of EBIT, Underlying EBITDA, Unlevered Free Cash Flow, Gearing, Net debt, and Adjusted Operating Cash Flow to Woodside’s financial statements can be found in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside–Non-GAAP Financial Measures*.” A reconciliation of Underlying EBITDA to BHP Petroleum’s financial statements can be found in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum–Financial Results–Underlying EBITDA*.” A reconciliation of net costs to BHP Petroleum’s financial statements can be found in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum–Business Overview, Strategy and Key Performance Drivers–Business Environment–BHP Petroleum Costs*.”

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Currencies and Exchange Rates

References in this prospectus to “dollars,” “USD,” “\$,” or “cents” are to the currency of the United States and references to “A\$” are to the currency of Australia. All dollar figures are expressed in United States currency, unless otherwise stated. Unless otherwise indicated, the U.S. dollar value of Share Consideration presented herein is converted into dollars based on the exchange rate for such day reported by the Reserve Bank of Australia (the “RBA”).

Trademarks and Service Marks

Woodside, BHP, BHP Petroleum and their respective subsidiaries own or have rights to various trademarks, logos, service marks and trade names that each uses in connection with the operation of its business. Woodside, BHP, BHP Petroleum and their respective subsidiaries each also owns or has the rights to copyrights that protect the content of its respective products. Solely for convenience, the trademarks, service marks, trade names and copyrights referred to in this prospectus are listed without the ™, ® and © symbols, but such references do not constitute a waiver of any rights that might be associated with the respective trademarks, service marks, trade names and copyrights included or referred to in this prospectus.

Industry and Market Data

This prospectus contains industry, market and competitive position data that are based on industry publications and studies conducted by third parties as well as Woodside’s internal estimates and research. These industry publications and third-party studies generally state that the information they contain has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While Woodside believes that each of these publications and third-party studies is reliable, Woodside has not independently verified the market and industry data obtained from these third-party sources. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements contained in this prospectus and may differ among third-party sources. These forecasts and forward-looking information are subject to uncertainty and risk due to a variety of factors, including those described in the sections entitled “*Risk Factors*” and in “*Cautionary Statement Regarding Forward-Looking Statements.*” These and other factors could cause results to differ materially from those expressed in each of Woodside’s and BHP Petroleum’s forecasts or estimates or those of independent third parties. While Woodside believes its internal research is reliable and its selection of industry publications and third-party studies and the description of its market and industry are appropriate, neither such research nor these descriptions have been verified by any independent source. In addition, references to “independent energy company” in this prospectus exclude government-backed national oil companies (“NOCs”), companies with free float less than 60% (e.g., LUKOIL, Wintershall Dea and Rosneft), major integrated oil and gas companies (being BP, Chevron, Eni, ExxonMobil, Repsol, Shell and Total) and Canadian oil sands companies (e.g., Canadian Natural Resources, Cenovus and Suncor). The companies with free float less than 60% and the Canadian oil sands companies identified in the prior sentence are not exhaustive. However, the list of major integrated oil and gas companies includes all such companies that Woodside identifies as major integrated oil and gas companies and that are excluded from the definition of “independent energy company” for the purpose of this prospectus.

Non-Applicability of U.S. Proxy and Other Rules

Woodside will be exempt from certain rules under the Securities Exchange Act of 1934 (the “Exchange Act”), including the proxy rules, which impose certain disclosure and procedural requirements for proxy solicitations under Section 14 of the Exchange Act, and will not be required to comply with Regulation FD, which addresses certain restrictions on the selective disclosure of material information. In addition, among other matters, Woodside’s officers, Directors and principal shareholders will be exempt from the reporting and “short-swing” profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of Woodside Shares. If Woodside loses its status as a foreign private issuer, it will no longer be exempt from such rules and, among other things, will be required to file periodic reports and financial statements as if it were a domestic U.S. issuer.

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Exchange Controls

The United States does not presently impose restrictions on the transfer of capital to and from the United States beyond certain currency reporting requirements or economic sanctions regimes. Non-United States resident shareholders may currently receive dividend payments without United States governmental approval so long as the recipient is not a designated target of United States sanctions.

Under Australian foreign exchange controls currently in effect, transfers of capital to and from Australia are not subject to prior government approval and, except as described below, Australia does not restrict the flow of currency into or out of the country. Regulations may be made under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 of Australia (“AML/CTF Act”) prohibiting the entering into of transactions involving prescribed foreign countries. As of the date of this prospectus, no such regulations are in place. To control tax evasion and money laundering, the AML/CTF Act also requires certain transactions to be reported to the Australian Transaction Reports and Analysis Center, and prohibits reporting entities from providing certain services to customers without having complied with certain obligations under the AML/CTF Act (for example “know your customer” checks). The Autonomous Sanctions Regulations 2011 promulgated under the Autonomous Sanctions Act 2011 of Australia, the Charter of the United Nations Act 1945 of Australia and other acts and regulations in Australia restrict or prohibit payments, transactions or other dealings with assets having a proscribed connection with certain countries or named individuals or entities subject to financial sanctions or identified with terrorism. The Australian Department of Foreign Affairs and Trade maintains a list of all persons and entities subject to financial sanctions or having a proscribed connection with terrorism which is available to the public at the Department of Foreign Affairs and Trade’s website. There are no specific restrictions regarding the remittance of profits, dividends, or capital.

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CERTAIN DEFINED TERMS

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|------------------------------|---|
| \$, \$m | US dollars unless otherwise stated, millions of dollars |
| 1P | proved reserves |
| 2P | proved plus probable reserves |
| A\$ | Australian dollars |
| ACCC | Australian Competition and Consumer Commission |
| Adjusted Operating Cash Flow | calculated as net cash from operating activities excluding any financing costs (interest received, dividends received and borrowing costs relating to operating activities), plus payments for restoration and less payments for exploration expenditure |
| ADS Distribution Record Date | the record date for determining holders of BHP ADSs entitled to receive New Woodside ADSs, which will be publicly announced by the BHP Depository. The ADS Distribution Record Date is expected to be 5:00 p.m. (New York City time) on 26 May 2022. This date and time are indicative and subject to change. |
| ADRs | American Depositary Receipts evidencing American Depositary Shares |
| AEDT | Australian Eastern Daylight Time |
| AEMO | Australian Energy Market Operator |
| AEST | Australian Eastern Standard Time |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange Ltd or the Australian Securities Exchange, as the context requires |
| ASX Listing Rules | the listing rules of the ASX |
| ASX Recommendations | the ASX Corporate Governance Council' s Corporate Governance Principles and Recommendations (4th Edition) |
| ATO | Australian Taxation Office |
| AWST | Australian Western Standard Time |
| BHP | BHP Group Ltd, a public company incorporated in Australia with registration number 004 028 077 and having its registered office at 171 Collins Street, Melbourne, Victoria 3000, Australia, which, prior to Implementation, is the ultimate parent company of BHP Petroleum |
| BHP ADSs | American Depositary Shares representing BHP Shares; each BHP ADS represents the right to receive, and to exercise the beneficial ownership interests, in two BHP Shares |
| BHP Board | the directors of BHP from time to time acting as a board |

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| BHP Competing Proposal | as defined in the Share Sale Agreement, including a proposal which, if entered into or completed, would result in a party other than Woodside directly or indirectly acquiring BHP Petroleum or a substantial part of its business or assets (or would result in a similar outcome), or which would require BHP to abandon or not proceed with the Merger |
| BHP Deposit Agreement | the Second Amended and Restated Deposit Agreement, dated as of 2 July 2007, by and among BHP Group Limited, Citibank, N.A., as BHP Depositary, and the Holders and Beneficial Owners of BHP ADSs issued thereunder |
| BHP Depositary | Citibank, N.A., as depositary bank for the BHP ADSs |
| BHP Petroleum | BHP Petroleum International Pty Ltd with registration number 006 923 897 and, unless context otherwise requires, its subsidiaries, presented on a post-Restructure basis and excludes BHP BK Limited, BHP Billiton Petroleum Great Britain Limited, BHP Mineral Resources Inc., BHP Copper Inc. and its subsidiaries and BHP Capital Inc. |
| BHP Register | the register of members of BHP maintained under the Corporations Act |
| BHP Shareholders | holders of BHP Shares |
| BHP Shares | fully paid ordinary shares in the capital of BHP, including shares held by the custodian in respect of which BHP ADSs have been issued |
| Brent | Intercontinental Exchange (ICE) Brent Crude deliverable futures contract (oil price) |
| Browse | the Browse Project located in the offshore Browse Basin, approximately 425 km north of Broome in Western Australia, comprising the Brecknock, Calliance and Torosa fields |
| Business Day | a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Australia; Perth, Australia; London, United Kingdom; or New York City, United States of America |
| CFIUS | the Committee on Foreign Investment in the United States |
| CGT | capital gains tax |
| Chairman | the Chairman of the Woodside Board |
| CHF | Swiss francs |
| CNOOC | CNOOC Limited and / or any one or more of its subsidiaries, as the context requires |
| Code | the Internal Revenue Code of 1986, as amended |
| Completion Payment | the Woodside Dividend Payment, plus or minus the Locked Box Payment (as appropriate) and any other adjustments in accordance with the Share Sale Agreement |
| Condensate | hydrocarbons that are gaseous in a reservoir but that condense to form liquids as they rise to the surface |

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| Conditions | the conditions precedent to Implementation of the Merger as set out in the Share Sale Agreement and as detailed in the section entitled “ <i>The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions</i> ” |
| Corporations Act | Corporations Act 2001 (Cth) |
| Cps | cents per share |
| CY | calendar year ended 31 December |
| Dated Brent | pricing marker for physical cargo of North Sea Brent light crude oil, which has been allocated a specific forward-loading date |
| Distribution Entitlement | the Share Consideration to be distributed to BHP Shareholders (and transferred to the Sale Agent in the case of New Woodside Shares attributable to all Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) pro rata to their respective ownership of BHP |
| Distribution Record Date | the time determined by the BHP Board as the date for determining BHP Shareholders’ entitlement to the distribution of the Share Consideration, which is expected to be (i) 7:00 p.m., AEST, on 26 May 2022, for BHP Shareholders on the Australian Register, (ii) 6:00 p.m. (British Summer Time) on 26 May 2022, for BHP depository interest holders, and (iii) 5:00 p.m. (South African Standard Time) on 26 May 2022, for BHP Shareholders on the South African branch register. These times and dates are indicative and subject to change. BHP will publicly announce any change to the indicative Distribution Record Date, if applicable |
| DRS | direct registration system |
| DTC | The Depository Trust Company |
| Effective Time | 11:59 p.m. (AEST) on 30 June 2021, the effective time of the Merger |
| EIP | the Executive Incentive Plan |
| EIS | the Executive Incentive Scheme |
| Equity Award Rules | the rules approved by the Woodside Board in February 2018 that govern offers of incentive securities to eligible employees |
| Equity Right | a right to receive a fully paid Woodside Share (or, in the Woodside Board’ s discretion, a cash equivalent), of a type granted under the Woodside Equity Plan or Supplementary Woodside Equity Plan |
| Equity Ratio | as defined in the Share Sale Agreement |
| ESG | environmental, social and governance |
| Exchange Act | the U.S. Securities Exchange Act of 1934 |
| Executive Committee | Woodside’ s executive committee (including the Executive Directors) |
| Executive Director | a Woodside Director who is an employee of Woodside |
| Existing Woodside ADSs | the Woodside ADSs outstanding prior to Implementation |

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| Existing Woodside Shareholders | Woodside Shareholders prior to Implementation |
| Existing Woodside Shares | the Woodside Shares on issue prior to Implementation |
| ExxonMobil | Exxon Mobil Corporation and / or any one or more of its subsidiaries, as the context requires |
| F-6 Registration Statement | a registration statement on Form F-6 to be filed with the SEC with respect to the New Woodside ADSs |
| FAR | Fixed Annual Reward |
| FID | final investment decision |
| FIRB | Foreign Investment Review Board |
| FPSO | floating production storage and offloading |
| FPU | floating production unit |
| FY | with respect to BHP Petroleum, refers to its fiscal year ended 30 June; with respect to Woodside, refers to its fiscal year ended 31 December |
| GDP | gross domestic product |
| Gearing | Net debt divided by the sum of Net debt and equity attributable to the equity holders of the relevant entity, expressed as a percentage |
| GIP | Global Infrastructure Partners |
| GPA | gas processing agreement |
| Greater Sunrise | the Greater Sunrise Project, which comprises the Sunrise and Troubadour gas and condensate fields, collectively known as Greater Sunrise, located between Australia and Timor- Leste |
| Gresham | Gresham Advisory Partners Limited |
| GST | goods and services tax |
| Hess | Hess Corporation and / or any one or more of its subsidiaries, as the context requires |
| Historical Financial Information | the historical financial information of Woodside and the historical financial information of BHP Petroleum, being the information and the accompanying notes contained in this prospectus, as referred to in the section entitled “ <i>Disclaimer and Important Notices–Historical Financial Information</i> ” |
| HSEQ | health, safety, environment and quality |
| HH | Henry Hub |
| HSR Act | the Hart- Scott- Rodino Antitrust Improvements Act of 1976, as amended |
| IFRS | International Financial Reporting Standards, as issued by the International Accounting Standards Board |

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| Implement or Implementation | completion of the Merger pursuant to the Share Sale Agreement |
| Implementation Date | the date on which Implementation occurs |
| Independent Expert | KPMG, the independent expert appointed by Woodside |
| Independent Expert' s Report | the report completed by the Independent Expert assessing whether the Merger is in the best interests of Existing Woodside Shareholders, including the Independent Technical Specialist Report completed by Gaffney Cline & Associates Limited annexed thereto, which is included as an exhibit to the registration statement of which this prospectus is a part |
| Independent Technical Specialist Report | the report issued by the independent technical specialist, Gaffney Cline & Associates Limited annexed to the Independent Expert' s Report, which is included as an exhibit to the registration statement of which this prospectus is a part |
| Ineligible Foreign BHP Shareholder | (i) a BHP Shareholder whose address is shown in the BHP Register (as determined by BHP) on the Distribution Record Date as being in a jurisdiction other than one of the following jurisdictions: Australia, Canada, Chile, France, Germany, Ireland, Italy, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, the United Arab Emirates, the United Kingdom, the United States, or any other jurisdiction in respect of which BHP determines (acting reasonably and following consultation with Woodside) that it is not prohibited or unduly onerous or impractical to transfer or distribute New Woodside Shares to the BHP Shareholders in those jurisdictions, or (ii) one of certain South African BHP Shareholders who does not validly elect to receive New Woodside Shares in accordance with arrangements to be outlined by BHP |
| Inpex | Inpex Corporation and / or any one or more of its subsidiaries, as the context requires |
| Integration and Transition Services Agreement or ITSA | Integration and Transition Services Agreement, dated as of 22 November 2021, by and between BHP and Woodside |
| IRS | the U.S. Internal Revenue Service |
| JCC | the Japanese Crude Cocktail, which is the average price of customs-cleared crude oil imports into Japan as reported in customs statistics |
| JKM | Japan Korea Marker |
| JV | joint venture |
| Key Management Personnel or KMP | key management personnel, which refers to, under Australian law, those persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any director (whether executive or otherwise) of that entity |

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| KGP | Karratha Gas Plant |
| KPI | key performance indicator |
| KPMG | KPMG Financial Advisory Services (Australia) Pty Ltd |
| Letter Agreement | the letter agreement, dated 7 April 2022, by and between Woodside and BHP, for the purpose of confirming a variety of mechanical matters under the Share Sale Agreement, as further detailed in the section entitled “ <i>The Share Sale Agreement and Related Agreements–Letter Agreement with Respect to Certain Matters Under the Share Sale Agreement</i> ” |
| LNG | liquefied natural gas |
| Locked Box Payment | has the meaning given in the Share Sale Agreement, being in general terms the net cash flow of BHP Petroleum (subject to various adjustments) as calculated in accordance with the Share Sale Agreement |
| LSE | the London Stock Exchange plc |
| LPG | liquefied petroleum gas |
| Merged Group | the combined company following Implementation of the Merger, which will comprise Woodside and its subsidiaries (including BHP Petroleum) |
| Merged Group Board | the board of directors of the Merged Group |
| Merger | the acquisition of BHP Petroleum by Woodside pursuant to the Share Sale Agreement |
| Merger Commitment Deed | the Merger Commitment Deed, dated 17 August 2021, by and between Woodside and BHP |
| Merger Resolution | the ordinary resolution to approve the issue of the New Woodside Shares comprising the Share Consideration under the Merger for the purposes of ASX Listing Rule 7.1 and for all other purposes |
| MIMI | Japan Australia LNG (MIMI) Pty Ltd and / or any one or more of its subsidiaries, as the context requires |
| Mitsui | Mitsui E&P Australia Pty Ltd and / or any one or more of its subsidiaries, as the context requires |
| MPRL | MPRL E&P Pte Ltd. and / or any one or more of its subsidiaries, as the context requires |
| MSR | minimum shareholding requirements |
| Myanmar Oil and Gas Enterprise | Myanmar Oil and Gas Enterprise and / or any one or more of its subsidiaries, as the context requires |
| National Gas Company | The National Gas Company of Trinidad and Tobago and / or any one or more of its subsidiaries, as the context requires |
| NEDSP | the Non-Executive Director Share Plan |
| Net debt | total debt and lease liabilities less cash and cash equivalents |

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| New Woodside ADSs | Woodside ADSs to be delivered in connection with Implementation to holders of BHP ADSs in the Merger |
| New Woodside Shares | Woodside Shares to be issued on Implementation of the Merger as Share Consideration |
| NGL | natural gas liquids |
| NOC | government-backed national oil company |
| Non-Executive Director | a Woodside Director who is not an employee of Woodside |
| NOPSEMA | National Offshore Petroleum Safety and Environmental Management Authority |
| NOPTA | National Offshore Petroleum Titles Administrator |
| NT | Northern Territory |
| NWS | North West Shelf |
| NWS Project or North West Shelf Project | the North West Shelf project consisting of several offshore conventional gas and condensate fields in the Carnarvon Basin off the Pilbara coast of Western Australia and associated offshore and onshore infrastructure |
| NYSE | the New York Stock Exchange |
| NYSE Listing Rules | the listing rules of the NYSE |
| OPEC | the Organization of the Petroleum Exporting Countries |
| OPEC+ | the OPEC and non-OPEC oil producing countries participating in the “Declaration of Cooperation” |
| Participating BHP Shareholders | BHP Shareholders as of the Distribution Record Date that are not Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders |
| Performance Rights | each Performance Right is a right to receive a fully paid Woodside Share (or, in the Board’s discretion, as cash equivalent). No amount is payable by the executive on the grant or vesting of a Performance Right |
| Permitted Equity Raise | as defined in the Share Sale Agreement |
| Petrosen | Société Des Pétroles Du Sénégal and / or any one or more of its subsidiaries, as the context requires |
| PRRT | the Petroleum Resources Rent Tax |
| PSC | production sharing contract |
| PUD | proved undeveloped reserves |

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| Purchase Price | <p>the consideration payable by Woodside to BHP in respect of the Merger pursuant to the Share Sale Agreement (defined as the “Purchase Price” in the Share Sale Agreement) comprising:</p> <ul style="list-style-type: none">the Share Consideration;plus the Woodside Dividend Payment;plus the Locked Box Payment (if payable by Woodside), or less the Locked Box Payment (if payable by BHP, in which case if the Locked Box Payment exceeds the Woodside Dividend Payment then BHP will pay Woodside the difference); and <p>subject to adjustments in accordance with the Share Sale Agreement</p> |
| Put Option | BHP’ s option to sell to Woodside its interests in the Scarborough, Jupiter and Thebe Projects on agreed terms and conditions pursuant to the Scarborough Put Option Deed |
| RAP | Registered Aboriginal Party |
| RBA | the Reserve Bank of Australia |
| Relevant Small Parcel BHP Shareholder | a Small Parcel BHP Shareholder who validly elects (in accordance with the instructions to be issued by BHP) to have the New Woodside Shares to which they will be entitled pursuant to the Merger and the subsequent distribution of New Woodside Shares sold by the Sale Agent under the sale facility |
| Repsol | Repsol, S.A. and / or any one or more of its subsidiaries, as the context requires |
| Restricted Shares | Woodside Shares that are awarded to executives as the deferred component of their short-term award or as a part of their VAR under the EIS. No amount is payable by the executive on the grant or vesting of a Restricted Share |
| Restructure | the transfer out of BHP Petroleum of certain entities to members of BHP which do not otherwise form part of BHP Petroleum |
| RSSD | Rufisque Offshore, Sangomar Offshore and Sangomar Deep Offshore |
| RTSR | relative total shareholder return |
| Sale Agent | a nominee appointed by BHP following consultation with Woodside to receive and sell New Woodside Shares comprising the Share Consideration attributable to the Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders (if applicable) |
| Sangomar Oil Field Development | the greenfield Sangomar Oil Field Development Phase 1 Project offshore Senegal |
| Santos | Santos Limited and / or any one or more of its subsidiaries, as the context requires |

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| Sale Shares | all of the issued share capital in BHP Petroleum International Pty Ltd |
| SARB | South African Reserve Bank |
| Scarborough Put Option Deed | the Put Option Deed, dated 17 August 2021, between Woodside Energy Ltd, Woodside Energy Scarborough Pty Ltd and certain subsidiaries of BHP relating to the Scarborough, Jupiter and Thebe Projects |
| SEC | the U.S. Securities and Exchange Commission, an independent agency of the U.S. federal government |
| Securities Act | the U.S. Securities Act of 1933 |
| Senior Executive | a member of the Executive Committee that is a KMP under Australian law |
| Share Consideration | the number of New Woodside Shares to be issued as part of the Purchase Price |
| Share Sale Agreement | the Share Sale Agreement, dated 22 November 2021, by and between Woodside and BHP |
| Small Parcel BHP Shareholders | BHP Shareholders (other than an Ineligible Foreign BHP Shareholder): who are registered on the BHP Australian principal share register and hold 1,000 BHP shares or less or on the BHP depository interest register and hold 1,000 BHP depository interests or less; whose registered address in the BHP Australian principal share register or BHP depository interests register is in any of Australia, Canada, Chile, France, Germany, Ireland, Japan, Jersey, Luxembourg Malaysia, New Zealand, Norway, Spain, Sweden, Switzerland, the United Arab Emirates and the United Kingdom; and who are not, and are not acting for the account or benefit of persons, in the United States |
| Special Dividend | BHP' s distribution of the New Woodside Shares and New Woodside ADSs by way of an in-specie dividend to be issued in connection with the Merger |
| T&T | Trinidad & Tobago |
| TTF | Title Transfer Facility |
| Treasury | the U.S. Department of the Treasury |
| Unlevered Free Cash Flow | calculated as Adjusted Operating Cash Flow minus payments for restoration and minus payments for capital expenditure |
| U.S. GAAP | accounting principles generally accepted in the United States |
| U.S. GOM | United States Gulf of Mexico |
| USD or \$ | US dollars |

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| VAR | Variable Annual Reward |
| Variable Pay Right or VPR | a right to receive a fully paid Woodside Share (or, in the Board's discretion, a cash equivalent), of a type granted under the EIP prior to 2018. No amount is payable by the executive on the grant or vesting of a Variable Pay Right |
| WA | Western Australia |
| Woodside | Woodside Petroleum Ltd., a public company incorporated in Australia with registration number 004 898 962 and having its registered office at Mia Yellagonga, 11 Mount Street, Perth, Western Australia 6000, Australia, and its subsidiaries |
| Woodside ADSs | American Depositary Shares representing Woodside Shares; each Woodside ADS represents the right to receive, and to exercise the beneficial ownership interests in, one Woodside Share |
| Woodside Board | the board of directors of Woodside |
| Woodside Competing Proposal | as defined in the Share Sale Agreement, including a proposal which if entered into or completed, would result in a party other than BHP directly or indirectly: acquiring Woodside or a substantial part of its business or assets (or would result in a similar outcome); or acquiring a relevant interest (as defined by the Corporations Act) in 15% or more of Woodside Shares, or which would require Woodside to abandon or not proceed with the Merger |
| Woodside Constitution | the constitution adopted by Woodside, as amended or replaced from time to time |
| Woodside Custodian | in the case of Woodside ADSs, Citicorp Nominees Pty Limited, located at Level 15, 120 Collins Street, Melbourne VIC 3000, Australia |
| Woodside Deposit Agreement | prior to Implementation, the Amended and Restated Deposit Agreement, dated as of 11 February 2015, by and among Woodside, Citibank, N.A., as Woodside Depositary, and the Holders and Beneficial Owners of Woodside ADSs issued thereunder, (which we refer to as the "2015 Woodside Deposit Agreement"), and, following Implementation, the Second Amended and Restated Deposit Agreement to be entered into in connection with the Merger (which we refer to as the "Woodside Deposit Agreement Amendment"), as applicable |
| Woodside Depositary | Citibank, N.A., as depositary bank for the Woodside ADSs |
| Woodside Directors | members of the Woodside Board |
| Woodside Dividend | each dividend declared by Woodside that has a record date that occurs following the Effective Time, but prior to Implementation |

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|--------------------------------|---|
| Woodside Dividend Payment | the aggregate amount of all dividend payments in respect of all Woodside Dividends (excluding franking credits) where the dividend payment for each Woodside Dividend is the amount equal to: <ol style="list-style-type: none">(1) the Equity Ratio (as defined in the Share Sale Agreement) at the time the Woodside Dividend is paid multiplied by the total amount of that Woodside Dividend (in respect of all Woodside Shares); less(2) the value of Woodside Shares issued under Woodside' s dividend reinvestment plan issued after the Effective Time, determined in accordance with the Share Sale Agreement |
| Woodside Prescribed Occurrence | other than otherwise agreed, the occurrence of any of the following: (i) Woodside converting all or any of its shares into a larger or smaller number of shares, (ii) Woodside resolving to reduce its share capital in any way, (iii) Woodside entering into a buy-back agreement or resolving to approve the terms of a buy-back agreement, (iv) Woodside issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, subject to certain exceptions, (v) Woodside issuing or agreeing to issue securities or other instruments convertible into shares, subject to certain exceptions, (vi) Woodside disposing of the whole or a material part of Woodside' s business or property, subject to certain exceptions, (vii) Woodside granting a security interest in the whole or a material part of Woodside' s business or property, subject to certain exceptions, (viii) an "insolvency event" occurs in relation to Woodside, (ix) Woodside reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares, subject to certain exceptions, or (x) Woodside making any change to its constitution |
| Woodside Register | the register of members of Woodside maintained under the Corporations Act |
| Woodside Shareholder | a holder of Woodside Shares from time to time |
| Woodside Shareholder Approval | approval of the Merger Resolution by Existing Woodside Shareholders |
| Woodside Shareholders Meeting | the meeting of Woodside Shareholders to consider, among others, the Merger Resolution |
| Woodside Shares | ordinary shares in the capital of Woodside |
| WTI | refers to West Texas Intermediate, a grade of light sweet crude oil used as benchmark pricing in the United States |
| Units of measure | |
| bbl | barrel |
| bbl/d | barrels per day |
| Bcm | billion cubic meters |
| Bcf | billion cubic feet |
| boe | barrel of oil equivalent |
| CO ₂ -e | carbon dioxide equivalent |
| kbb1/d | thousand barrels per day |
| kPa | thousand pascals |

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| | |
|---------|-------------------------------------|
| km | kilometers |
| kt | thousand tonnes |
| Mcf | thousand cubic feet |
| MMbbl | million barrels |
| MMbbl/d | million barrels per day |
| MMboe | million barrels of oil equivalent |
| MMBtu | million British thermal units |
| MMscf | million standard cubic feet |
| MMscf/d | million standard cubic feet per day |
| MPa | million pascals |
| Mtpa | million tonnes per annum |
| PJ | petajoule |
| psi | pounds per square inch |
| scf | standard cubic feet |
| t | tonnes |
| Tcf | trillion cubic feet |
| TJ | terajoules |

Conversion factors

Except as otherwise disclosed, the following conversion factors are applied in this prospectus.

| Product | Factor | Conversion factors |
|-------------------------------|---------------|---------------------------|
| Pipeline natural gas | 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 |
| Dry gas | 1 MMboe | 5.7 Bcf |

Minor changes to some conversion factors can occur over time due to gradual changes in the process stream.

QUESTIONS AND ANSWERS ABOUT THE MERGER

The following are some questions that you may have regarding the proposed Merger and related matters and brief answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this prospectus, and these questions and answers are qualified in their entirety by the more detailed descriptions and explanations contained elsewhere in this prospectus. Woodside urges you to carefully read the remainder of this prospectus in its entirety, including the sections of this prospectus entitled “Risk Factors,” “The Merger,” and “The Share Sale Agreement and Related Agreements”; the management’s discussion and analysis of financial condition and results of operations of Woodside and BHP Petroleum, the business description of Woodside, BHP Petroleum and the Merged Group, and Woodside’s and BHP Petroleum’s consolidated financial statements and related notes, in addition to the exhibits to the registration statement on Form F-4 of which this prospectus forms a part and the annexes attached hereto, as they contain important information about Woodside, BHP Petroleum, the New Woodside Shares, the New Woodside ADSs, the Share Sale Agreement and the Merger.

Q: What is the proposed transaction?

A: On 17 August 2021, Woodside publicly announced its entry into the Merger Commitment Deed with BHP to facilitate the combination of their respective oil and gas portfolios through an all-stock merger in which Woodside (or its nominee) will acquire all of the ordinary shares of BHP Petroleum (the “Merger”).

With the combination of two high quality asset portfolios, the Merger is expected to create a top 10 global independent energy company by hydrocarbon production (Woodside analysis based on the Wood Mackenzie Corporate Benchmarking Tool Q4 2021, 1 December 2021, see the section titled “*Disclaimer and Important Notices—Industry and Market Data*” for clarification of independent energy company) and the largest energy company listed on the ASX. Woodside believes that the Merger will help it supply the energy needed for global growth and support its financial resilience through the energy transition. The Merger will be on a cash-free and debt-free basis, where BHP Petroleum will settle all intercompany loan balances prior to Implementation of the Merger. See the section entitled “*Unaudited Pro Forma Condensed Combined Financial Statements*” for additional information.

On 22 November 2021, Woodside and BHP publicly announced they had entered into the Share Sale Agreement, under which, and subject to the terms and conditions therein, Woodside (or its nominee) will acquire (with such acquisition to be deemed to have occurred as of the Effective Time) all of the ordinary shares in BHP Petroleum International Pty Ltd, a wholly owned subsidiary of BHP that, following completion of the Restructure, will hold the oil and gas assets of BHP, in exchange for the Share Consideration and the Completion Payment (subject to adjustment). Immediately upon Implementation, the Share Consideration will be issued by Woodside to BHP to be distributed immediately to BHP Shareholders (and transferred to the Sale Agent in the case of all New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) via an in-specie dividend. Upon Implementation, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP Shareholders being Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders. Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022). Based on the assumptions described above, upon Implementation, each holder of BHP ADSs as of the ADS Distribution Record Date will be entitled to receive 0.3614 of a New Woodside ADS in respect of each BHP ADS owned on the ADS Distribution Record Date (subject to payment of taxes and applicable Woodside Depositary and BHP Depositary fees and expenses).

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The Woodside Shares are listed on the ASX under the ticker symbol “WPL.” Woodside has applied to change its ticker symbol on the ASX from “WPL” to “WDS,” subject to shareholder approval of the proposed name change. No trading market exists in the United States for the Woodside Shares. Woodside has established the Woodside ADR Program for the Existing Woodside ADSs, with each Woodside ADS representing one Woodside Share. Woodside has applied to list the Woodside ADSs on the NYSE under the symbol “WDS,” and intends to file the F-6 Registration Statement with the SEC with respect to the New Woodside ADSs and to amend and restate the Woodside Deposit Agreement for the Woodside ADR Program to, among other things, reflect Woodside’s status as an SEC reporting company and certain regulatory changes in Australia and in the United States.

BHP ADSs are traded on the NYSE under the symbol “BHP,” with each BHP ADS representing two BHP Shares. Each holder of BHP ADSs as of the ADS Distribution Record Date will receive in the Merger, in lieu of New Woodside Shares, New Woodside ADSs (subject to payment of taxes and applicable Woodside Depositary and BHP Depositary fees and expenses). Holders of BHP ADSs will not be able to trade the New Woodside Shares underlying the New Woodside ADSs received as Share Consideration for the BHP ADSs before such New Woodside Shares are deposited with the Woodside Depositary and the corresponding Woodside ADSs are issued and delivered to the BHP ADS holders. BHP Shares and BHP ADSs will not be exchanged or cancelled in the Merger, but will continue to represent an interest in BHP without the oil and gas assets in BHP. Following Implementation, BHP Shareholders as of the Distribution Record Date that are not Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders (“Participating BHP Shareholders”) will hold both New Woodside Shares and BHP Shares, and holders of BHP ADSs will hold both New Woodside ADSs and BHP ADSs.

Following Implementation, the Woodside Shares will continue to be listed on the ASX and are also expected to be listed on the LSE.

The Merger cannot be completed without the satisfaction (or waiver, if permitted) of several Conditions under the Share Sale Agreement by 30 June 2022 (or an agreed later date), including approval by certain regulatory and competition authorities, approval of Woodside Shareholders, the issuing of the Independent Expert’s Report and the completion of the Restructure. See the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions.*”

If all Conditions of the Merger are satisfied, including the approval of the Woodside Shareholders, then (i) 100% of the issued share capital of BHP Petroleum International Pty Ltd will be transferred to Woodside (or a related entity of Woodside, at Woodside’s direction) and BHP Petroleum will become a wholly owned subsidiary of Woodside, (ii) Woodside will pay the Purchase Price, including the Share Consideration, (iii) BHP will immediately distribute the Share Consideration to BHP Shareholders (and transfer to the Sale Agent in the case of all New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) as of the Distribution Record Date, and (iv) Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders (each as defined below), if applicable, will receive a cash payment in lieu of receiving New Woodside Shares. See the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Purchase Price.*”

Q: Why is Woodside proposing the Merger?

A: The board of directors of Woodside (the “Woodside Board”) considers that the Merger of Woodside and BHP Petroleum is a highly attractive opportunity that is expected to create a top 10 global independent energy company by hydrocarbon production (Woodside analysis based on the Wood Mackenzie Corporate Benchmarking Tool Q4 2021, 1 December 2021, see the section titled “*Disclaimer and Important Notices–Industry and Market Data*” for clarification of independent energy company) and the largest energy company listed on the ASX.

The Merger is expected to deliver benefits for both Woodside Shareholders and BHP Shareholders by creating a long-life conventional portfolio of scale and diversity of geography, product and end markets. See the section entitled “*The Merger–Woodside’s Reasons for the Merger.*”

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Q: After the Merger, how much of the combined company will BHP Shareholders own?

A: Upon Implementation, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP Shareholders being Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders. Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022). For additional information relating to the Purchase Price, see the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Purchase Price.*”

Eligible holders of BHP ADSs will receive a number of New Woodside ADSs that corresponds to the Woodside Shares received with respect to the BHP Shares represented by their BHP ADSs (subject to payment of taxes and applicable Woodside Depository and BHP Depository fees and expenses). Based on the assumptions described above, upon Implementation, each holder of BHP ADSs as of the ADS Distribution Record Date will be entitled to receive 0.3614 of a New Woodside ADS in respect of each BHP ADS owned on the ADS Distribution Record Date. See the section entitled “*Description of Woodside American Depositary Shares.*”

Q: Will any new directors be appointed to the Woodside Board in connection with the transaction?

A: Following Implementation, it is intended that the Woodside Board will select a current BHP director to be appointed to the Woodside Board.

Q: What relationship will exist between Woodside and BHP following the Merger with respect to the BHP Petroleum business?

A: Following Implementation, Woodside and BHP will remain as separate entities, with their respective securities listed on several stock exchanges. With respect to BHP Petroleum, the relationship of the two companies will continue through an Integration and Transition Services Agreement, dated as of 22 November 2021, which BHP and Woodside entered into simultaneously with their entry into the Share Sale Agreement. See the section entitled “*The Share Sale Agreement and Related Agreements–The Integration and Transition Services Agreement.*”

Q: Is the obligation of each of Woodside and BHP to complete the Merger subject to any conditions?

A: Implementation of the Merger is subject to the satisfaction (or waiver, if permitted) of a number of Conditions as set forth in the Share Sale Agreement by 30 June 2022 (or an agreed later date), including, among others, approval by certain regulatory and competition authorities, approval of Woodside Shareholders, the issuing of the Independent Expert’s Report, and the completion of the Restructure. No vote of BHP Shareholders is required to complete the Merger nor for the BHP Shareholders to receive the Share Consideration.

The Merger Resolution will be approved if more than 50% of the Woodside Shareholders who cast a vote at the meeting of Woodside Shareholders (the “Woodside Shareholders Meeting”) vote in favor of the Merger Resolution. Three Woodside Shareholders present at the Woodside Shareholders Meeting will constitute a quorum. If the Merger Resolution is not approved by the Woodside Shareholders (or if any other Condition to completion of the Merger is not met or waived), the Merger will not be completed, and BHP Shareholders and BHP ADS holders will not receive the Share Consideration.

For a more detailed discussion of the Conditions to the completion of the Merger, see the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions.*”

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Q: Are there risks associated with the Merger?

A: Yes. There are important risks involved. You are urged to carefully read the section entitled “*Risk Factors*” included in this prospectus, in its entirety.

Q: When will the Merger be completed?

A: Woodside and BHP are working to complete the Merger in accordance with the timetable set out in the Share Sale Agreement. In addition to regulatory approvals, and assuming that the Merger Resolution is approved by the Woodside Shareholders at the Woodside Shareholders Meeting, other important Conditions to the completion of the Merger exist. Assuming the satisfaction of all necessary Conditions, Woodside and BHP are targeting Implementation of the Merger on 1 June 2022.

The Share Sale Agreement contains a cut-off date of 30 June 2022 for Implementation, which may be extended at the agreement of Woodside and BHP. For a discussion of the Conditions to the completion of the Merger, see the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions.*”

Q: What happens if the Merger is not completed?

A: If the Merger is not completed for any reason, BHP Shareholders will not receive the Share Consideration (meaning BHP Shareholders and holders of BHP ADSs will not be entitled to receive any New Woodside Shares or New Woodside ADSs, as applicable, under the Merger), and BHP Petroleum will remain a wholly owned subsidiary of BHP (unless BHP determines otherwise).

Q: Is the Distribution Entitlement subject to adjustment based on changes in the prices of Woodside Shares or BHP Shares? Can it be adjusted for any other reason?

A: BHP Shareholders will be entitled to receive a fixed number of New Woodside Shares and holders of BHP ADSs will be entitled to receive a fixed number of New Woodside ADSs, that will be determined based on a fixed percentage of total outstanding Woodside Shares and the total number of BHP Shares outstanding at the time of the Merger. The market value of Woodside Shares and the market value of BHP Shares at Implementation may vary significantly from their respective values on the date that the Share Sale Agreement was executed or at other dates, such as the date of this prospectus or the date of the Woodside Shareholders Meeting. Share price changes may result from a variety of factors, including changes in Woodside’s or BHP’s respective businesses, operations or prospects, regulatory considerations, and general business, market, industry or economic conditions. The number of New Woodside Shares to be issued to BHP will be adjusted in very limited circumstances but will not be adjusted to reflect any changes in the market value of Woodside Shares or market value of BHP Shares. Therefore, the aggregate market value of the New Woodside Shares and New Woodside ADSs that BHP Shareholders and holders of BHP ADSs, respectively, are entitled to receive at the time that the Merger is completed could vary significantly from the value of such shares on the date of this prospectus.

Q: What are the material U.S. federal income tax consequences of the Special Dividend to U.S. holders of BHP Shares or BHP ADSs?

A: In general, for U.S. federal income tax purposes, a U.S. holder of BHP Shares or BHP ADSs must include in its gross income the gross amount of any dividend paid by BHP to the extent of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). However, BHP does not calculate earnings and profits in accordance with U.S. federal income tax principles. Accordingly, U.S. holders of BHP Shares or BHP ADSs should expect to treat the entire amount of the New Woodside Shares or New Woodside ADSs to be issued in connection with the Merger and distributed by BHP by way of an in-specie dividend (the “Special Dividend”) as a taxable dividend for U.S. federal income tax purposes. Tax matters

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are very complicated and the tax consequences of the Special Dividend to each U.S. holder of BHP Shares or BHP ADSs may depend on the holder's particular facts and circumstances. BHP Shareholders and holders of BHP ADSs are urged to consult with and rely solely upon their own tax advisers to understand fully the tax consequences to them of the Special Dividend and of holding Woodside Shares or Woodside ADSs (as applicable). See the sections entitled "*Material U.S. Federal Income Tax Considerations*" and "*Material Australian Tax Considerations*" for additional information.

Q: Where can I find more information about Woodside, BHP Petroleum and the transactions contemplated by the Share Sale Agreement?

A: You can find out more information about Woodside, BHP Petroleum and the transactions contemplated by the Share Sale Agreement by reading this prospectus. See the sections entitled "*Business and Certain Information About Woodside*," "*Business and Certain Information About BHP Petroleum*" "*Business and Certain Information About the Merged Group*," "*Regulatory Information About the Merged Group*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations of Woodside*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum*," "*Unaudited Pro Forma Condensed Combined Financial Statements*," "*Board of Directors and Management of the Merged Group After the Merger*," and "*Executive Compensation*" for more information about Woodside, BHP Petroleum and the Merged Group. See "*The Merger*," "*The Share Sale Agreement and Related Agreements*" and "*Regulatory Approvals Related to the Merger*" for more information about the transactions contemplated by the Share Sale Agreement.

Q: Who can answer my questions?

A: If you are a Woodside Shareholder or a holder of Existing Woodside ADSs and you have any questions about the Merger or you would like to request additional documents, including copies of this prospectus, please contact Woodside at (61 8) 9348 4000 or merger@woodside.com.au.

BHP Shareholders who have questions for BHP regarding the Merger or any related matter described in this prospectus are referred to the contacts identified in the information included in BHP's SEC filings, available for review free of charge through the SEC's website at www.sec.gov or on BHP's website, www.bhp.com. The information contained in, or that can be accessed through, the SEC's or BHP's website is not intended to be incorporated into this prospectus.

You also are urged to consult your own legal, tax and/or financial advisers with respect to any aspect of the Merger, the Share Sale Agreement or other matters discussed in this prospectus.

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QUESTIONS AND ANSWERS ABOUT WOODSIDE ORDINARY SHARES AND AMERICAN DEPOSITARY SHARES

For the purposes of this section, “I,” “my,” “you” and “your” refer to each Participating BHP Shareholder as of the Distribution Record Date and holder of BHP ADSs as of the ADS Distribution Record Date, as further described herein. The following is only a summary of the questions and answers you may have relating to the Woodside Shares or New Woodside ADSs that you may be entitled to receive as Share Consideration upon Implementation. If you are a holder of BHP ADSs, following distribution of the New Woodside ADSs, your rights as a New Woodside ADS holder will be governed by, among other things, the terms of the Woodside Deposit Agreement. You should read the section below in conjunction with the section entitled “Description of the Woodside American Depositary Shares” and the Woodside Deposit Agreement, which will be amended and restated in connection with the Merger. The Woodside Deposit Agreement and the form of amendment thereto are included as exhibits to the registration statement on Form F-4 of which this prospectus forms a part. For details on how to obtain a full copy of the Woodside Deposit Agreement, see the section entitled “Where You Can Find Additional Information.”

Q: What is an American Depositary Share?

A: An American Depositary Share (“ADS”) is a security representing another security that has been deposited at a custodian bank. ADSs allow investors in the United States to hold and trade interests in foreign-based companies more easily. ADSs may be held either (1) directly (a) by having an American Depositary Receipt, (“ADR”), which is a certificate evidencing a specific number of ADSs, registered in such holder’s name, or (b) by holding uncertificated ADSs in the depository’s direct registration system (“DRS”), or (2) indirectly through the holder’s broker or other financial institution. New Woodside ADSs will be issued through the Woodside Depository’s DRS, unless, subsequently, a New Woodside ADS holder specifically requests certificated ADRs. Each Woodside ADS represents one Woodside Share. For a description of New Woodside ADSs, see the section entitled “Description of Woodside American Depositary Shares.” For a description of the Woodside Shares, see the section entitled “Description of Woodside Shares.”

Q: Will the New Woodside ADSs be listed?

A: Woodside has applied to list the Woodside ADSs on the NYSE under the symbol “WDS.” The Woodside Shares are currently listed on the ASX and quoted in Australian dollars under the symbol “WPL” and, upon Implementation, are expected to be listed on the LSE under the symbol “WDS”. Woodside has applied to change its ticker symbol on the ASX from “WPL” to “WDS,” subject to shareholder approval of the proposed name change.

Q: Can I request a certificated ADS?

A: All New Woodside ADSs issued will be part of the Woodside Depository’s DRS (unless otherwise requested by the applicable holder), and a registered holder will receive periodic statements from the Woodside Depository which will show the number of uncertificated Woodside ADSs registered in such holder’s name. Upon receipt by the Woodside Depository of a proper instruction from a registered holder of uncertificated Woodside ADSs requesting the exchange of uncertificated Woodside ADSs for certificated Woodside ADSs, the Woodside Depository will issue and deliver as directed by the registered holder a certificated ADS (also referred to as an ADR) evidencing those Woodside ADSs.

Q: How can I surrender my Woodside ADS and obtain Woodside Shares or other deposited securities?

A: If you are a registered holder, you may turn in your Woodside ADSs to the Woodside Depository. If you are not a registered holder, you must provide appropriate instructions to your broker in order to turn in your Woodside ADSs. Upon payment of applicable fees and expenses and of any taxes or charges, such as stamp taxes or share transfer taxes or fees, the Woodside Depository will direct the custodian to deliver the Woodside Shares and any other deposited securities underlying the Woodside ADSs to you or a person you designate.

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Q: How do I vote as a Woodside ADS holder?

A: You may vote indirectly by instructing the Woodside Depository to vote the Woodside Shares or other deposited securities underlying your Woodside ADSs. If you hold your ADSs in a brokerage, bank, custodian or other nominee account, you should contact your broker, bank, custodian or other nominee account to find out what actions are required to instruct your broker, bank or other nominee to exercise your voting rights with respect to the Woodside ADSs on your behalf. Otherwise, you could exercise your right to vote directly if you withdraw the Woodside Shares underlying your Woodside ADSs. However, there can be no guarantee that you will be informed about any applicable meeting of Woodside Shareholders sufficiently far in advance to withdraw the Woodside Shares underlying your Woodside ADSs in time to vote such Woodside Shares directly at such meeting.

Upon timely notice from Woodside, the Woodside Depository will notify you of any upcoming vote and arrange to deliver Woodside's voting materials to you by regular mail delivery or by electronic transmission. The materials will (i) describe the matters to be voted on and (ii) explain how you may instruct the Woodside Depository to vote the Woodside Shares or other deposited securities underlying your Woodside ADSs. For your voting instructions to be valid, the Woodside Depository must receive them on or before the date specified. The Woodside Depository will, subject to timely receipt of valid voting instructions, applicable law and the provisions of the Deposit Agreement, the deposited securities and the constitution of Woodside, as amended from time to time (the "Woodside Constitution"), vote or have its agents vote the Woodside Shares or other deposited securities as you instruct. Woodside cannot assure you that you will receive the voting materials in time to ensure that you can instruct the Woodside Depository to vote the Woodside Shares underlying your Woodside ADSs. In addition, the Woodside Depository and its agents are not responsible for failing to carry out voting instructions or for the manner in which any vote is cast. This means that you may not be able to exercise your right to vote and you may have no recourse if the Woodside Shares underlying your Woodside ADSs are not voted as you requested.

Q: How will I receive dividends on the Woodside Shares underlying my Woodside ADSs?

A: Woodside may make various types of distributions with respect to the Woodside Shares. The Woodside Depository has agreed to distribute to you the cash dividends or other cash distributions it or the custodian receives on the Woodside Shares or other deposited securities, after converting the cash distribution into U.S. dollars (if issued in a different currency) and deducting applicable fees, taxes and expenses. You will receive these distributions in proportion to the number of Woodside Shares your Woodside ADSs represent as of the relevant record date set by the Woodside Depository with respect to the Woodside ADSs. The Woodside Depository is not responsible if it determines, to the extent permitted to do so under the Woodside Deposit Agreement, that it is unlawful or impractical to make a distribution available to any Woodside ADS holders. Other than with respect to the Merger, Woodside has no obligation to register the New Woodside ADSs, the Woodside Shares, rights or other securities under the Securities Act. Other than with respect to the Merger, Woodside also has no obligation to take any other action to permit the distribution of the New Woodside ADSs or the New Woodside Shares to BHP Shareholders or holders of BHP ADSs. Except as specified in the Woodside Deposit Agreement, Woodside has no obligation to take any other action to permit the distribution of Woodside Shares, rights or other property to Woodside ADS holders. This means that you may not receive certain distributions Woodside makes on the Woodside Shares or any value for them if it is illegal or impractical for Woodside or the Woodside Depository to make them available to you. See the section entitled "*Description of Woodside American Depository Shares*" for additional information.

Q: Are there possible adverse effects of the Merger on, or other risks to, the value of Woodside Shares or New Woodside ADSs ultimately to be received by BHP Shareholders and holders of BHP ADSs?

A: Issuance of Woodside Shares pursuant to the Merger may negatively affect the market price of Woodside Shares, and in turn, the market price of the Woodside ADSs. The market price of the Woodside Shares and Woodside ADSs also will be affected by the performance of Merged Group's business and other risks

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associated with the Merger. This risk and other risk factors associated with the Merger are described in more detail in the section entitled “*Risk Factors*.”

Holders of BHP ADSs will not be able to trade the New Woodside Shares underlying the New Woodside ADSs received as Share Consideration for the BHP ADSs before such New Woodside Shares are deposited with the Woodside Depository for the New Woodside ADSs and the corresponding New Woodside ADSs are issued and delivered to the BHP ADS holders.

There can be no assurance that the New Woodside ADSs issued in the Merger will trade at prices equivalent to those at which Woodside Shares traded prior to the Merger or at which Woodside Shares may trade after the Merger, due to the costs associated with holding a Woodside ADS as compared to holding a Woodside Share, as well as the differences in rights between a Woodside Shareholder and a Woodside ADS holder. See the section entitled “*Description of Woodside American Depositary Shares*.”

QUESTIONS AND ANSWERS APPLICABLE TO BHP SHAREHOLDERS

For the purposes of this section, “I,” “my,” “mine,” “you” and “your” refer to each Participating BHP Shareholder as of the Distribution Record Date and holder of BHP ADSs as of the ADS Distribution Record Date, as further described elsewhere in this prospectus.

Q: What is this document?

A: This is a prospectus, which forms a part of Woodside’s registration statement on Form F-4, which is being used by Woodside to register the distribution of the New Woodside Shares to BHP Shareholders (and transfer to the Sale Agent in the case of New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) as Share Consideration.

Q: Why am I receiving this document?

A: You are receiving this prospectus because you are a U.S. resident holder of BHP Shares or a holder of BHP ADSs. If you are a Participating BHP Shareholder on the Distribution Record Date, you will be entitled to a fixed number of New Woodside Shares with respect to each BHP Share that you held as of the close of business on the Distribution Record Date. Each holder of BHP ADSs as of the ADS Distribution Record Date will receive in the Merger, in lieu of New Woodside Shares, the whole number of New Woodside ADSs corresponding to the Woodside Shares issued and delivered in respect of the BHP Shares representing the BHP ADSs. Holders of BHP ADSs as of the ADS Distribution Record Date will be entitled to receive (subject to payment of taxes and applicable Woodside Depository and BHP Depository fees and expenses) New Woodside ADSs in connection with the Merger, which will be issued by the Woodside Depository and will be governed by the terms of the Woodside Deposit Agreement. This prospectus will help you understand the Merger and the combined company following Implementation of the Merger, which will comprise Woodside and its subsidiaries (including BHP Petroleum) (the “Merged Group”) after the Merger.

Q: Are BHP Shareholders required to do anything?

A: BHP Shareholders as of the close of business on the Distribution Record Date or BHP ADS holders on the ADS Distribution Record Date, as applicable, will not be required to take any action to receive, subject to eligibility, New Woodside Shares or New Woodside ADSs in connection with the Merger. No vote of BHP Shareholders is required for the Merger or the sale of BHP Petroleum. BHP, as sole shareholder of BHP Petroleum International Pty Ltd prior to Woodside’s acquisition of BHP Petroleum, has approved the Merger. Therefore, you are not being asked for a proxy, and you are requested not to send Woodside or BHP a proxy, in connection with the Merger. You do not need to pay any consideration, exchange or surrender your existing BHP Shares or BHP ADSs or take any other action to receive the New Woodside Shares, or New Woodside ADSs, as applicable, in the Merger. Please do not send in any BHP Share certificates. The Merger will not affect the number of outstanding BHP Shares or any rights of BHP Shareholders.

Q: What will I receive as a BHP Shareholder or BHP ADS holder if the Merger is completed?

A: Pursuant to the Share Sale Agreement, and upon Implementation, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP Shareholders being Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders. Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022).

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Holders of BHP ADSs will be entitled to receive a number of New Woodside ADSs that corresponds to the New Woodside Shares received on the BHP Shares represented by BHP ADSs (subject to payment of taxes and applicable Woodside Depository and BHP Depository fees and expenses). Based on the assumptions described above, upon Implementation, each holder of BHP ADSs as of the ADS Distribution Record Date will be entitled to receive 0.3614 of a New Woodside ADS in respect of each BHP ADS owned on the ADS Distribution Record Date.

Q: Will fractional New Woodside Shares or fractional New Woodside ADSs be issued in the Merger to BHP Shareholders or BHP ADS holders?

A: No. All BHP Shareholders will be entitled to receive a whole number of Woodside Shares, with their entitlement rounded down to the nearest whole number. Any fraction of a Woodside Share that a BHP Shareholder would have been entitled to, but for this rounding treatment, will be aggregated and sold by the Sale Agent and the proceeds retained by BHP. No fractional New Woodside ADSs will be issued or delivered. Any fractional entitlements to Woodside ADSs will be aggregated and sold by the BHP Depository, and the net cash proceeds (after deduction of applicable fees, taxes and expenses) will be distributed to the BHP ADS holders entitled thereto.

Q: Where will I be able to trade the New Woodside Shares and New Woodside ADSs?

A: The Woodside Shares are listed on the ASX under the ticker symbol “WPL.” Woodside has also applied to change its ticker symbol on the ASX from “WPL” to “WDS,” subject to shareholder approval of the proposed name change. No trading market exists in the United States for Woodside Shares. Holders of BHP ADSs will not be able to trade the New Woodside Shares underlying the New Woodside ADSs received as Share Consideration for the BHP ADSs before such New Woodside Shares are deposited with the Woodside Depository and corresponding New Woodside ADSs are issued and delivered to the BHP ADS holders. Woodside has applied to list the Woodside ADSs on the NYSE under the symbol “WDS.”

Q: What will happen to the BHP Shares owned by BHP Shareholders?

A: BHP’s current listings will not be changed as a result of the Merger. BHP Shares will continue to trade on the ASX under the ticker symbol “BHP” and will continue to be listed on the LSE and Johannesburg Stock Exchange (“JSE”) after Implementation of the Merger under the symbol “BHP” on the LSE and “BHG” on the JSE. Additionally, BHP ADSs will continue to trade on the NYSE under the symbol “BHP.”

Q: Will the number of BHP Shares or BHP ADSs that I own change as a result of the Merger?

A: No. The number of BHP Shares or BHP ADSs that you own will not change as a result of the Merger. BHP Shares and BHP ADSs will not be exchanged or cancelled in the Merger, but will continue to represent an interest in BHP without the oil and gas assets in BHP. Immediately following the Merger, BHP Shareholders will hold both New Woodside Shares and BHP Shares, and holders of BHP ADSs will hold both New Woodside ADSs and BHP ADSs.

Q: What is the Distribution Record Date for the distribution of Share Consideration?

A: The Distribution Record Date for the distribution is expected to be (i) 7:00 p.m., AEST, on 26 May 2022, for BHP Shareholders on the Australian register, (ii) 6:00 p.m. (British Summer Time) on 26 May 2022, for BHP depository interest holders, and (iii) 5:00 p.m. (South African Standard Time) on 27 May 2022, for BHP Shareholders on the South African branch register. These times and dates are indicative and subject to change. BHP will publicly announce any change to the expected Distribution Record Date, if applicable.

The BHP Depository will announce the ADS Distribution Record Date for distribution of the New Woodside ADSs to the holders of BHP ADSs. The ADS Distribution Record Date is expected to be 5:00 p.m. (New York City time) on 26 May 2022. This date and time are indicative and subject to change.

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If you transfer or sell your BHP Shares on or before the Distribution Record Date, you will have transferred or sold your right to receive the Share Consideration in the Merger. If you transfer or sell your BHP Shares after the Distribution Record Date for the Merger but before Implementation, you will not have transferred the right to receive the Share Consideration in the Merger. If you transfer or sell your BHP ADSs on or before the ADS Distribution Record Date, you will have transferred or sold your right to receive New Woodside ADSs in the Merger. If you transfer or sell your BHP ADSs after the ADS Distribution Record Date but before Implementation, you will not have transferred the right to receive New Woodside ADSs in the Merger.

Q: What if I don't want to hold New Woodside Shares or New Woodside ADSs?

A: If you do not want to hold the New Woodside Shares or New Woodside ADSs that you will receive at Implementation, then you may choose to sell such New Woodside Shares or New Woodside ADSs, subject to market conditions, through your broker or otherwise. Brokerage costs and other fees may apply.

Holders of BHP ADSs who wish to hold New Woodside Shares rather than New Woodside ADSs may surrender their BHP ADSs to the BHP Depository for cancellation and withdraw the BHP Shares that their surrendered BHP ADSs represent prior to 5:00 p.m. (New York City time) on 20 May 2022 (such time representing the time at which it is expected that the BHP Depository will restrict cancellations of BHP ADSs and withdrawals of BHP Shares pursuant to the terms of the BHP Deposit Agreement, and subject to payment of taxes and applicable BHP Depository fees and expenses) and hold such BHP Shares at the Distribution Record Date.

If you are unable to hold the New Woodside Shares under law, then you may contact BHP's share registrar, Computershare Investor Services, for details on whether you are classified as an Ineligible Foreign BHP Shareholder and therefore can participate in the sale facility arrangements in the Share Sale Agreement for Ineligible Foreign BHP Shareholders. You must provide BHP's share registrar with any requested information before 5:00 p.m. (AWST) on the Business Day prior to the Distribution Record Date. BHP may determine in its absolute discretion whether you may be classified as an Ineligible Foreign BHP Shareholder.

BHP will transfer the New Woodside Shares that each Ineligible Foreign BHP Shareholder would otherwise be entitled to receive to the Sale Agent appointed by BHP following consultation with Woodside to receive and sell New Woodside Shares comprising the Share Consideration attributable to the Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders (if applicable) to be dealt with in accordance with the procedures set out in the Share Sale Agreement.

Q: May I choose whether to receive New Woodside Shares or New Woodside ADSs?

A: No. Each Participating BHP Shareholder will receive New Woodside Shares as Share Consideration, and each holder of BHP ADSs will receive a number of New Woodside ADSs that corresponds to the New Woodside Shares received on the BHP Shares represented by their BHP ADSs (or cash in lieu of fractional entitlements to such New Woodside ADSs in certain circumstances).

BHP SHAREHOLDERS WILL NOT BE REQUIRED TO SURRENDER THEIR BHP SHARES IN THE MERGER. THE TRANSACTIONS WILL NOT RESULT IN ANY CHANGE IN BHP SHAREHOLDERS' OWNERSHIP OF BHP SHARES FOLLOWING THE MERGER.

SUMMARY

This summary highlights information contained elsewhere in this prospectus and may not contain all of the information that might be important to you. Woodside urges you to carefully read the remainder of this prospectus in its entirety, including the sections of this prospectus entitled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum,” “Business and Certain Information About Woodside,” “Business and Certain Information About BHP Petroleum,” “Business and Certain Information About the Merged Group,” “Regulatory Information About the Merged Group,” “Unaudited Pro Forma Condensed Combined Financial Statements” and each of Woodside’s and BHP Petroleum’s consolidated combined financial statements and related notes thereto, in addition to the exhibits to the registration statement on Form F-4 of which this prospectus forms a part and the annexes attached hereto, because they contain important information about Woodside, BHP Petroleum, the New Woodside Shares, the New Woodside ADSs, the Share Sale Agreement and the Merger. Each item in this summary includes a page reference to direct you to a more complete description of the topics presented in this summary.

Information About the Companies (see page 79)

Woodside

Woodside led the development of the LNG industry in Australia and is recognized for its world-class capabilities as an integrated upstream supplier of energy. Woodside’s producing portfolio is primarily centered around the production of LNG from conventional offshore projects in Western Australia and also includes oil, condensate, liquefied petroleum gas (“LPG”) and domestic gas for Western Australian customers. In addition to its producing assets, Woodside is currently progressing the development of the Scarborough gas resource through an expansion of the Pluto LNG facility in Western Australia. Internationally, Woodside is executing the Sangomar Oil Field Development in Senegal. As Australia’s leading LNG operator, Woodside operated 5% of global LNG supply in 2021. Woodside’s proven track record and distinctive capabilities are underpinned by more than 65 years of experience.

Woodside was registered under Australian corporate law in 1971 and listed on the ASX on 18 November 1971. Woodside Shares are currently listed on the ASX under the ticker symbol “WPL.” Woodside has applied to have the Woodside ADSs listed on the NYSE under the symbol “WDS.” As part of the Merger, Woodside is pursuing an application for the quotation of the New Woodside Shares on the LSE. At the Woodside Shareholders Meeting, Woodside is proposing a resolution to change its name from “Woodside Petroleum Ltd.” to “Woodside Energy Group Limited.” If approved, this change is expected to take effect shortly after the Woodside Shareholders Meeting. Woodside has also applied to change its ticker symbol on the ASX from “WPL” to “WDS,” subject to shareholder approval of the proposed name change.

Woodside’s principal office is Mia Yellagonga, 11 Mount Street, Perth, Western Australia 6000, Australia, telephone (61 8) 9348 4000. Additional information about Woodside can be found on its website at www.woodside.com.au. The information contained in, or that can be accessed through, Woodside’s website is not intended to be incorporated into this prospectus.

See the section entitled “*Business and Additional Information About Woodside*” for additional information regarding Woodside.

BHP

BHP is the world’s largest diversified natural resources company by market capitalization with over 80,000 employees and contractors, primarily in Australia and the Americas. BHP’s products are sold worldwide, and

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BHP is among the world's top producers of major commodities, including iron ore, copper, nickel and metallurgical coal.

BHP was incorporated in Australia in 1885 and the BHP Shares are listed on the ASX under the ticker symbol "BHP." BHP is headquartered in Melbourne, Australia with principal offices at 171 Collins Street Melbourne VIC 3000 Australia, telephone (61 3) 1300 55 47 57.

BHP Petroleum

BHP pioneered the development of an oil and gas industry in Australia with the Bass Strait discovery in 1965. The BHP petroleum business, an operating unit within BHP, has conventional oil and gas assets in the U.S. Gulf of Mexico ("U.S. GOM"), Australia and Trinidad and Tobago ("T&T"), and appraisal and exploration options in Mexico, T&T, western U.S. GOM, Eastern Canada, Barbados and Egypt. BHP Petroleum also includes BHP Petroleum's interests in its Algerian assets, which BHP is in the process of divesting. For further information, see "*Business and Additional Information About BHP Petroleum—Producing Assets—Algerian Asset Sales.*"

BHP Petroleum International Pty Ltd, the parent of BHP Petroleum, was incorporated in Australia in 1988 and is a wholly owned subsidiary of BHP. The registered office of BHP Petroleum International Pty Ltd is 125 St Georges Terrace, Perth, Western Australia 6000, Australia, telephone (61 3) 1300 55 47 57.

See the section entitled "*Business and Additional Information About BHP Petroleum*" for additional information regarding BHP Petroleum.

The Merger (see page 79)

On 17 August 2021, Woodside and BHP announced that they had entered into a Merger Commitment Deed to combine their respective oil and gas portfolios through an all-stock merger.

With the combination of two high-quality asset portfolios, the proposed Merger is expected to create a top 10 global independent energy company by hydrocarbon production (Woodside analysis based on the Wood Mackenzie Corporate Benchmarking Tool Q4 2021, 1 December 2021, see the section titled "*Disclaimer and Important Notices—Industry and Market Data*" for clarification of independent energy company) and the largest energy company listed on the ASX. Woodside believes the Merger will help it supply the energy needed for global growth and support its financial resilience, through the energy transition. The Merger will be on a cash-free and debt-free basis, where BHP Petroleum will settle all intercompany loan balances prior to Implementation of the Merger. See the section entitled "*Unaudited Pro Forma Condensed Combined Financial Statements*" for additional information.

Share Sale Agreement. On 22 November 2021, Woodside and BHP entered into a binding Share Sale Agreement which sets out the parties' obligations in relation to Implementation of the Merger (together with the ITSA which sets out the parties' obligations in relation to the separation, transition and integration of BHP's oil and gas portfolio with Woodside's oil and gas portfolio). If the Merger is Implemented, Woodside will acquire all of the issued share capital in BHP Petroleum International Pty Ltd (the "Sale Shares"), which holds BHP's oil and gas business unit, and Woodside will issue the New Woodside Shares to BHP as part of the Purchase Price which will be distributed by BHP to BHP Shareholders (and transferred to the Sale Agent in the case of New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders).

The Merged Group will be owned approximately 52% by Woodside Shareholders prior to Implementation ("Existing Woodside Shareholders") and approximately 48% by BHP Shareholders (prior to the sale of any New Woodside Shares by the Sale Agent). The Merger is subject to satisfaction (or waiver, if permitted) of various

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Conditions including the Woodside Shareholder Approval (as defined below) and regulatory and other approvals, as further detailed in the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions.*”

If the Merger is Implemented, Woodside will acquire 100% of the Sale Shares in exchange for consideration (the “Purchase Price”) comprising:

the “Share Consideration,” being approximately an aggregate of 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation) that will be issued to BHP to be distributed to BHP Shareholders (and transferred to the Sale Agent in the case of New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders); and

the following cash payments:

the Woodside Dividend Payment (as defined below); and

any other adjustments in accordance with the Share Sale Agreement.

The Woodside Dividend Payment is, in effect, the payment to BHP of a cash amount at Implementation representing the cash dividends that would have been received between the Effective Time and Implementation by BHP Shareholders if they had been issued the Share Consideration at the Effective Time. As of 24 March 2022, the Woodside Dividend Payment amounts to \$829,559,222.

Separately, BHP will pay to Woodside, or Woodside will pay to BHP, the Locked Box Payment on Implementation. The Locked Box Payment is a payment from BHP to Woodside at Implementation representing the positive net cash flow generated by BHP Petroleum (adjusted for permitted adjustments) following the Effective Time (or, if that amount were negative, Woodside will be required to make a cash payment to BHP at Implementation). As of 24 March 2022, Woodside estimates the Locked Box Payment (based on an Implementation Date of 1 June 2022) will be approximately \$1.6 billion (such amount to be reduced by any cash held in bank accounts beneficially controlled by BHP Petroleum as at the Implementation Date), payable by BHP to Woodside. The split between the Locked Box Payment and cash in BHP Petroleum bank accounts at Implementation will not impact the economic benefit of the transaction to Woodside or the accounting treatment of that economic benefit within the Merged Group.

This estimate is based on Woodside’s current expectations of BHP Petroleum’s net cash flows (adjusted for permitted adjustments) for the period from 1 July 2021 to 1 June 2022 (when Implementation is expected to occur). The estimate assumes an average Brent oil price in 2022 of \$107/bbl. This is an estimate only, and the actual amount of the Locked Box Payment may vary (potentially significantly) from the amount currently anticipated by Woodside due to a variety of factors, including as a result of volatility in commodity prices. See the section entitled “*Cautionary Statement Regarding Forward-Looking Statements*” for important cautionary information relating to forward-looking statements.

The value of the Share Consideration will fluctuate with the market price of Woodside Shares. You should obtain current share price quotations for Woodside Shares on the ASX. Upon Implementation, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022). Based on the closing price of Woodside Shares on the ASX of A\$22.11 on 19 November 2021, the last trading day before the public announcement of entry into the Share Sale Agreement, and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately A\$4.00, or \$2.91 (converted into dollars based on

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the exchange rate for such day reported by the RBA of \$0.7274 = A\$1.00). Based on the closing price of Woodside Shares on the ASX of A\$21.18 on 16 August 2021, the last trading day before the public announcement of entry into the Merger Commitment Deed, and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately A\$3.83, or \$2.81 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7336 = A\$1.00). Based on the closing price of Woodside Shares on the ASX of A\$33.20 and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately A\$6.00, or \$4.48 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7473 = A\$1.00). Eligible holders of BHP ADSs will be entitled to receive a number of New Woodside ADSs that corresponds to the New Woodside Shares received on the BHP Shares represented by BHP ADSs. Based on the assumptions described above, upon Implementation, each holder of BHP ADSs as of the ADS Distribution Record Date will be entitled to receive 0.3614 of a New Woodside ADS in respect of each BHP ADS owned on the ADS Distribution Record Date (subject to payment of taxes and applicable Woodside Depository and BHP Depository fees and expenses).

See the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Purchase Price*” for additional information.

If all Conditions are satisfied (or waived, if permitted), including the Woodside Shareholder Approval, then:

The Sale Shares will be transferred to Woodside (or its nominee), and BHP Petroleum will become a wholly owned subsidiary of Woodside;

Woodside will pay BHP the Purchase Price, including the Share Consideration of approximately 914,768,948 New Woodside Shares in the aggregate, which will be issued to BHP;

BHP will immediately distribute to BHP Shareholders (and transfer to the Sale Agent in the case of New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) as of the Distribution Record Date the Share Consideration, pro rata to their respective ownership of BHP;

Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders will receive a cash payment from the proceeds of the sale by the Sale Agent of New Woodside Shares in lieu of receiving New Woodside Shares; and

Each holder of BHP ADSs will receive, in lieu of New Woodside Shares, a number of New Woodside ADSs that corresponds to the New Woodside Shares received on the BHP Shares represented by BHP ADSs (subject to payment of taxes and applicable Woodside Depository and BHP Depository fees and expenses).

Following Implementation, the Merged Group will comprise Woodside and its subsidiaries, including each member of BHP Petroleum.

See the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Distribution of New Woodside Shares*” for additional information.

BHP Shares and BHP ADSs will not be exchanged or cancelled in the Merger, but will continue to represent an interest in BHP without the oil and gas assets in BHP Petroleum. Immediately following the Merger, BHP Shareholders will hold both New Woodside Shares and BHP Shares, and holders of BHP ADSs will hold both New Woodside ADSs and BHP ADSs. See the section entitled “*Description of Woodside American Depository Shares*” for additional information.

From the date of issuance, the New Woodside Shares issued as Share Consideration will be fully paid and rank equally with the Existing Woodside Shares. Following Implementation of the Merger, Woodside will continue to be listed on the ASX. Woodside has applied to change its ticker symbol on the ASX from “WPL” to

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“WDS,” subject to shareholder approval of the proposed name change. No trading market exists in the United States for Woodside Shares. See the section entitled “*American Depositary Shares*” for additional information regarding the New Woodside ADSs. As part of the Merger, in addition to its principal listing on the ASX, Woodside is pursuing an application for the quotation of the Woodside Shares on the LSE.

No Fractional Shares or ADSs. No fractional New Woodside Shares will be delivered to BHP Shareholders, and no fractional New Woodside ADSs will be issued or delivered to holders of BHP ADSs. To the extent that the Distribution Entitlement of any Participating BHP Shareholder would create a fractional entitlement to a New Woodside Share, then the Distribution Entitlement will be rounded down to the nearest whole number of New Woodside Shares, the fraction of a New Woodside Share will be issued to the Sale Agent and sold, and BHP or its nominee will retain the net cash proceeds. Any fractional entitlements to New Woodside ADSs will be aggregated and sold by the BHP Depositary, and the net cash proceeds (after deduction of applicable fees, taxes and expenses) will be distributed to the BHP ADS holders entitled thereto.

Small Parcel BHP Shareholders. A BHP Shareholder (other than an Ineligible Foreign BHP Shareholder) (i) who is registered on the BHP Australian principal share register and holds 1,000 BHP shares or less or on the BHP depositary interest register and holds 1,000 BHP depositary interests or less, (ii) whose registered address in the BHP Australian principal share register or BHP depositary interests register is in any of Australia, Canada, Chile, France, Germany, Ireland, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Norway, Spain, Sweden, Switzerland, the United Arab Emirates and the United Kingdom, and (iii) who is not, and is not acting for the account or benefit of persons, in the United States, is a “Small Parcel BHP Shareholder.”

A Small Parcel BHP Shareholder may deliver a duly completed opt-in notice in accordance with the relevant instructions before 5:00 p.m. (AEST) on 24 May 2022, in which case that BHP Shareholder will be a “Relevant Small Parcel BHP Shareholder.” BHP will transfer, the New Woodside Shares that each Relevant Small Parcel BHP Shareholder would otherwise be entitled to receive to the Sale Agent to be sold, with the net proceeds distributed to the Relevant Small Parcel BHP Shareholder.

Ineligible Foreign BHP Shareholders. An “Ineligible Foreign BHP Shareholder,” for the purposes of the Merger, is (i) a BHP Shareholder whose address is shown in the BHP Register (as determined by BHP) on the Distribution Record Date as being in a jurisdiction other than one of the following jurisdictions: Australia, Canada, Chile, France, Germany, Ireland, Italy, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, the United Kingdom, the United States, or any other jurisdiction in respect of which BHP determines (acting reasonably and following consultation with Woodside) that it is not prohibited or unduly onerous or impractical to transfer or distribute New Woodside Shares to the BHP Shareholders in those jurisdictions, or (ii) one of certain South African BHP Shareholders who does not validly elect to receive New Woodside Shares in accordance with arrangements to be outlined by BHP. BHP will transfer the New Woodside Shares that each Ineligible Foreign BHP Shareholder would otherwise be entitled to receive to the Sale Agent to be sold, with the net proceeds distributed to the Ineligible Foreign BHP Shareholder.

American Depositary Shares. Woodside has an established ADR program, with each Woodside ADS representing one Existing Woodside Share. A registration statement on Form F-6 (Registration No. 333-201669) was filed with the SEC on 23 January 2015, and declared effective 9 February 2015, with respect to Existing Woodside ADSs. Existing Woodside ADSs currently trade on the U.S. over-the-counter market through a sponsored ADR facility under the symbol “WOPEY.”

Woodside has applied to list the Woodside ADSs on the NYSE under the symbol “WDS,” and intends to file the F-6 Registration Statement and to amend and restate the Woodside Deposit Agreement for the Woodside ADR Program to, among other things, reflect Woodside’s status as an SEC reporting company and certain regulatory changes in Australia and in the United States.

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BHP ADSs are traded on the NYSE under the symbol “BHP,” with each BHP ADS representing two BHP Shares. Each holder of BHP ADSs as of the ADS Distribution Record Date will receive in the Merger, in lieu of New Woodside Shares, New Woodside ADSs. If BHP ADS Holders wish to instead receive New Woodside Shares under the Merger, such holders must surrender their BHP ADSs to the BHP Depository for cancellation and withdraw the BHP Shares that their surrendered BHP ADSs represent prior to 5:00 p.m., New York City time, on 20 May 2022 (such time representing the time at which it is expected that the BHP Depository will restrict cancellations of BHP ADSs and withdrawals of BHP Shares pursuant to the terms of the BHP Deposit Agreement, and subject to payment of taxes and applicable BHP Depository fees and expenses) and hold such BHP Shares at the Distribution Record Date.

Deemed Effective Time. The Merger effected under the Share Sale Agreement will have an effective time of 11:59 p.m. AEST on 30 June 2021 (the “Effective Time”), with contractual mechanics giving Woodside and BHP economic outcomes as if Woodside had acquired the Sale Shares of BHP Petroleum at the Effective Time.

Additional Terms. See the sections entitled “*The Merger*” and “*The Share Sale Agreement and Related Agreements*” for additional information relating to the Merger and the Share Sale Agreement. The terms and conditions of the Merger are contained in the Share Sale Agreement, which is described further in this prospectus and is attached to this prospectus as *Annex A* and incorporated by reference into this prospectus. You are encouraged to read the Share Sale Agreement carefully, for it is the legal document that governs the Merger. All descriptions in this summary and elsewhere in this prospectus of the terms and conditions of the Merger and the Share Sale Agreement are qualified by reference to the Share Sale Agreement.

Restructure of BHP Petroleum (see page 108)

In connection with the Merger, BHP has undertaken to complete the Restructure. The Restructure is required to be completed prior to Implementation of the Merger in accordance with the Share Sale Agreement.

For additional information regarding the Restructure, see the section entitled “*The Share Sale Agreement and Related Agreements—Restructure of BHP Petroleum.*”

Related Agreements (see page 100)

Letter Agreement

On 7 April 2022, Woodside and BHP entered into the Letter Agreement (as defined below) in order to confirm a variety of mechanical matters under the Share Sale Agreement. See the section entitled “*The Share Sale Agreement and Related Agreements—Letter Agreement with Respect to Certain Matters Under the Share Sale Agreement*” for additional information regarding the Letter Agreement.

Integration and Transition Services Agreement

On 22 November 2021, simultaneously with the entry into the Share Sale Agreement, Woodside and BHP entered into the ITSA which provides for the terms upon which:

activities will be undertaken prior to Implementation to separate BHP Petroleum from BHP and to facilitate the integration of BHP Petroleum into Woodside on and from the date Implementation occurs (the “Implementation Date”); and

BHP will provide certain transition services to Woodside following Implementation of the Merger.

See the section entitled “*The Share Sale Agreement and Related Agreements—The Integration and Transition Services Agreement*” for additional information regarding the ITSA.

Scarborough Put Option (see page 110)

On 17 August 2021, Woodside Energy Ltd, Woodside Energy Scarborough Pty Ltd and certain subsidiaries of BHP relating to the Scarborough, Jupiter and Thebe projects entered into a Put Option Deed (the

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“Scarborough Put Option Deed”) under which Woodside granted to BHP an option to sell to Woodside its interests in the Scarborough, Jupiter and Thebe Projects on agreed terms and conditions.

See the section entitled “*The Share Sale Agreement and Related Agreements–Related Agreements–Scarborough Put Option*” for additional information.

Woodside’ s Reasons for the Merger (see page 92)

The Woodside Board believes that the proposed Merger of Woodside and BHP Petroleum is a highly attractive opportunity that is expected to create a top 10 global independent energy company by hydrocarbon production (Woodside analysis based on the Wood Mackenzie Corporate Benchmarking Tool Q4 2021, 1 December 2021, see the section titled “*Disclaimer and Important Notices–Industry and Market Data*” for clarification of independent energy company) and the largest energy company listed on the ASX. In evaluating the Merger and reaching its decision with respect to the Merger and the Share Sale Agreement, the Woodside Board consulted with Woodside’ s management and outside legal and financial advisers and considered a number of factors, including:

Greater scale and diversity of geographies, products and end markets through an attractive and long-life conventional gas and high-margin oil portfolio;

Combined asset base that will benefit from enhanced financial resilience through the commodity price cycle, through increased diversification, long-life conventional gas and high-margin oil, assets and operating cash flows. It is expected to support shareholder returns as well as investment in the evolution of the Woodside business through the energy transition;

Strong growth profile and capacity to pursue competitive oil and gas projects as well as lower-carbon growth options within the portfolio;

Proven management and technical capability from both companies;

Shared values and focus on sustainable operations, carbon management and environmental, social and governance (“ESG”) leadership;

Synergies and benefits; and

Greater financial resilience.

For additional information see the section entitled “*The Merger–Woodside’ s Reasons for the Merger.*”

Independent Expert’ s Report (see page 97)

To assist Existing Woodside Shareholders with their assessment of the Merger and their consideration as to whether to vote in favor of the Merger Resolution (as defined below), Woodside engaged KPMG to prepare the Independent Expert’ s Report. The Independent Expert’ s Report was delivered on 8 April 2022. Pursuant to the Independent Expert’ s Report, the Independent Expert has concluded that the Merger is in the best interests of Woodside Shareholders, in the absence of a superior offer.

A copy of the Independent Expert’ s Report, including the report completed by Gaffney Cline & Associates Limited (the “Independent Technical Specialist Report”) annexed thereto, is included as an exhibit to the registration statement of which this prospectus is a part.

Woodside Shareholders Meeting (see page 97)

Woodside expects to hold the Woodside Shareholders Meeting at Perth Convention & Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia, on 19 May 2022 at 10:00 a.m. (AWST) to vote on the issuance by Woodside of the New Woodside Shares. As a holder of BHP Shares or BHP ADSs, you are not permitted to vote at the Woodside Shareholders Meeting (assuming you are not also a Woodside Shareholder).

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ASX Listing Rule 7.1 imposes a limit on the number of equity securities (*e.g.*, shares or options to subscribe for shares) which an ASX listed company can issue without shareholder approval. In general terms, a company may not, without prior shareholder approval, issue, or agree to issue, equity securities if the equity securities will in themselves or when aggregated with the securities issued by the company during the previous 12 months exceed 15% of the number of fully paid ordinary shares on issue at the commencement of that 12-month period.

If Implemented, the Merger would result in Woodside exceeding the 15% threshold as a result of the issuance of New Woodside Shares comprising the Share Consideration. Therefore, the issuance by Woodside of the New Woodside Shares is subject to the approval by Woodside Shareholders as of the record date for the Woodside Shareholders Meeting of the ordinary resolution to approve the issue of the New Woodside Shares for the purposes of ASX Listing Rule 7.1 and for all other purposes (the “Merger Resolution”) to be proposed at the Woodside Shareholders Meeting. The passing of the Merger Resolution (the “Woodside Shareholder Approval”) is one of the Conditions that is required to be satisfied before the Merger can be Implemented.

Description of Woodside Shares (see page 347)

The rights and liabilities attached to the New Woodside Shares to be issued as Share Consideration are set out in the Woodside Constitution and are also subject to the Corporations Act and the listing rules of the ASX (the “ASX Listing Rules”). See the section entitled “*Description of Woodside Shares*” for additional information.

Description of Woodside American Depositary Shares (see page 358)

Woodside will not treat New Woodside ADS holders as its shareholders. Accordingly, New Woodside ADS holders will not have shareholders’ rights under Australian law or the Woodside Constitution. The Woodside Depositary (or its custodian) will be the holder of the New Woodside Shares underlying the New Woodside ADSs. Holders of New Woodside ADSs will have rights as holders of New Woodside ADSs, which are governed by the Woodside Deposit Agreement. The laws of the State of New York govern the Woodside Deposit Agreement and the Woodside ADSs, including the New Woodside ADSs. See the section entitled “*Description of Woodside American Depositary Shares*” for additional information.

Distribution Entitlement (see page 107)

The Share Consideration will be distributed to BHP Shareholders (and transferred to the Sale Agent in the case of New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders), pro rata to their respective ownership of BHP, which is referred to herein as the Distribution Entitlement. The formula for the Distribution Entitlement is set forth in the Share Sale Agreement under the definition of “Distribution Entitlement.” When this prospectus refers to a Distribution Entitlement, it means the Distribution Entitlement as defined in the Share Sale Agreement.

The value of the Share Consideration, and accordingly the value of a BHP Shareholder’ s Distribution Entitlement, will fluctuate with the market price of Existing Woodside Shares. You should obtain current share price quotations for Existing Woodside Shares on the ASX.

Conditions of the Merger (see page 100)

Implementation under the Share Sale Agreement is subject to satisfaction (or where permitted, waiver) by 30 June 2022 (or an agreed later date) of certain Conditions including, but not limited to:

approval by certain regulatory and competition authorities;

Woodside Shareholder Approval;

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the Independent Expert's Report concluding that the Merger is in the best interests of Existing Woodside Shareholders; and the registration statements relating to New Woodside Shares and New Woodside ADSs being declared effective by the SEC.

If a Condition has not been satisfied (or where permitted, waived) by the earlier of notification of such failure to satisfy or 30 June 2022 (or an agreed later date), subject to certain requirements to consult in good faith, either Woodside or BHP may terminate the Share Sale Agreement (and therefore the Merger).

For additional information see the section entitled "*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions.*"

Termination of the Share Sale Agreement (see page 106)

The Share Sale Agreement contains customary termination rights for either party, including in relation to the failure of a Condition and for material breach.

In addition:

Woodside has a right to terminate the Share Sale Agreement in the event that there is a reduction of 15% or more of BHP Petroleum's proven and probable reserves calculated in accordance with the Share Sale Agreement (subject to certain exclusions).

BHP has a right to terminate the Share Sale Agreement in the event that a Woodside credit rating on a number of indices is downgraded to Ba1 or BB+ or lower (or a credit rating agency issues an assessment indicating a likely downgrade to those levels after Implementation) or there is a reduction of 15% or more from Woodside's proven and probable reserves calculated in accordance with the Share Sale Agreement (subject to certain exclusions).

Each of Woodside and BHP have agreed to pay a reimbursement fee of \$160 million in certain circumstances (the "Reimbursement Fee"). The Reimbursement Fee is not payable if the Merger is Implemented. Receipt of the Reimbursement Fee is the sole and exclusive remedy under the Share Sale Agreement of the party claiming the Reimbursement Fee.

For additional information see the sections entitled "*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Reimbursement Fee*" and "*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Termination.*"

Board of Directors and Management of the Merged Group Following the Merger (see page 273)

Following Implementation, the Woodside Board is expected to be comprised of ten non-executive Woodside directors and one Executive Woodside Director, being the Chief Executive Officer and Managing Director. It is intended that the Woodside Board will select a current BHP director to be appointed to the Woodside Board following Implementation. The Woodside Constitution provides that Woodside must not have more than 12, nor fewer than three, Directors.

Following Implementation,

Meg O' Neill, who is currently Chief Executive Officer and Managing Director of Woodside and the Woodside Board, will continue to serve as Chief Executive Officer and Managing Director of the Merged Group and will be on the Woodside Board; and

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Richard Goyder, who is currently Chairman of the Woodside Board, will continue to serve as the Chairman of the Woodside Board.

For additional information relating to the Board of Directors and Management of the Merged Group, see the section entitled “*Board of Directors and Management of the Merged Group*.”

Certain Material U.S. Federal Income Tax Considerations (see page 114)

In general, for U.S. federal income tax purposes, a U.S. holder of BHP Shares or BHP ADSs must include in its gross income the gross amount of any dividend paid by BHP to the extent of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). However, BHP does not calculate earnings and profits in accordance with U.S. federal income tax principles. Accordingly, U.S. holders should expect to treat the entire amount of the Special Dividend as a taxable dividend for U.S. federal income tax purposes. Tax matters are very complicated, and the tax consequences of the Special Dividend to each U.S. holder of BHP Shares or BHP ADSs may depend on the shareholder’s particular facts and circumstances. BHP Shareholders and holders of BHP ADSs are urged to consult with, and rely solely upon, their own tax advisers to understand fully the tax consequences to them of the Special Dividend and of holding Woodside Shares or Woodside ADSs (as applicable). Further information on certain taxation consequences of the Special Dividend in certain jurisdictions is set out in the sections entitled “*Material U.S. Federal Income Tax Considerations*” and “*Material Australian Tax Considerations*.”

The sections referenced above do not constitute tax advice and are not comprehensive discussions of all tax consequences of the Special Dividend and holding New Woodside Shares or New Woodside ADSs. This prospectus does not take into account BHP Shareholders’ or BHP ADS holders’ individual investment objectives, financial situation or needs. Further, the sections referenced above are based on the U.S. and Australian tax laws currently in effect and do not take into account or anticipate changes in the applicable tax laws (by legislation or judicial decision) or practice (by ruling or otherwise) after the date of this prospectus. Future amendments to taxation legislation, or its interpretation by the courts or the taxation authorities, may take effect retrospectively or affect the conclusions drawn. This prospectus is not a complete analysis of all taxation laws that may apply in relation to the Special Dividend and holding New Woodside Shares or New Woodside ADSs for Participating BHP Shareholders and eligible BHP ADS holders. All BHP Shareholders and BHP ADS holders should consult with, and rely solely upon, their own independent taxation advisers regarding the taxation implications of the Merger given the particular circumstances which apply to them.

Regulatory Approvals Related to the Merger (see page 111)

To complete the Merger, Woodside and BHP must make and deliver certain filings, submissions and notices to obtain required authorizations, approvals, consents or expiration of waiting periods from certain antitrust and other regulatory authorities, including the FIRB, the ACCC, NOPTA, ASIC, ASX, SARB and JSE, the U.S. Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice, and CFIUS. Pursuant to the Share Sale Agreement, Woodside and BHP have agreed to use their respective reasonable endeavors to cause such required authorizations, approvals, consents or expiration of waiting periods from such antitrust and other regulatory authorities to be obtained, as applicable to each, in order to Implement the Merger. Woodside is not currently aware of any material governmental filings, authorizations, approvals or consents that are required prior to Implementation that have not been obtained or in respect of which waiting periods have not expired (as applicable), except for approval by NOPTA in respect of the change of control of various BHP entities as titleholders.

See the section entitled “*Regulatory Approvals Related to the Merger*” for additional information.

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Accounting Treatment (see page 97)

The unaudited pro forma condensed combined financial statements have been prepared using the acquisition method of accounting for business combinations, with Woodside treated as the acquirer. Under the acquisition method of accounting, Woodside will record all assets acquired and liabilities assumed from BHP, with respect to BHP Petroleum, at their respective fair values as of the Implementation of the Merger.

For additional information see the section entitled “*The Merger–Accounting Treatment.*”

No Dissenter’ s Rights or Rights of Appraisal (see page 99)

Under Australian law, neither Woodside Shareholders nor BHP Shareholders are entitled to any rights of appraisal or dissenters’ rights in connection with the Merger.

See the section entitled “*The Merger–No Dissenter’ s Rights or Rights of Appraisal.*”

Listing of ADSs (see page 108)

Under the Woodside ADR Program, each Existing Woodside ADS represents one Existing Woodside Share. A registration statement on Form F-6 (Registration No. 333-201669) was filed with the SEC on 23 January 2015, and declared effective 9 February 2015, with respect to the Existing Woodside ADSs. Existing Woodside ADSs currently trade on the U.S. over-the-counter market through a sponsored ADR facility under the symbol “WOPEY.”

Woodside has applied to list the Woodside ADSs on the NYSE under the symbol “WDS,” and intends to file the F-6 Registration Statement with the SEC with respect to the Woodside ADSs and to amend and restate the Woodside Deposit Agreement for the Woodside ADR Program to, among other things, reflect Woodside’ s status as an SEC reporting company and certain regulatory changes in Australia and in the United States. For additional information see the section entitled “*Description of Woodside American Depositary Shares.*”

Pro Forma Ownership of the Merged Group

Upon completion of the Merger, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP Shareholders being Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders. Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022). For additional information relating to the Purchase Price see the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Purchase Price.*”

Rights of Woodside Shareholders and BHP Petroleum Shareholders

As a result of the Merger, Participating BHP Shareholders will have the right to receive New Woodside Shares. Such Participating BHP Shareholders will have different rights as holders of the New Woodside Shares with respect to ownership of BHP Petroleum than the rights they have as holders of BHP. BHP Petroleum International Pty Ltd is a wholly owned subsidiary of BHP. Accordingly, BHP Shareholders have no specific rights with respect to BHP Petroleum. For a description of the rights of holders of Woodside Shares, please see the section entitled “*Description of Woodside Shares.*”

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Risk Factor Summary (see page 42)

The Merger involves risks, some of which are related to the Merger itself and others of which are related to Woodside's business and to investing in and ownership of the New Woodside Shares and New Woodside ADSs following the Merger, assuming the Merger is completed. In considering the Merger, you should carefully consider the information about these risks set forth both in this section and under the section entitled "*Risk Factors*," together with the other information included in this prospectus.

The occurrence of one or more of the events or circumstances described in these summary risk factors and those included under the section entitled "*Risk Factors*," alone or in combination with other events or circumstances, may adversely affect the ability to complete or realize the anticipated benefits of the Merger, and may have a material adverse effect on the business, financial condition, results of operations and trading price of the Woodside Shares or Woodside ADSs following the Merger. Such risks include, but are not limited to, the following:

Woodside may not realize the anticipated cost savings, synergies and other benefits that Woodside expects to achieve from the Merger.

Woodside and the Merged Group will incur significant integration-related costs and challenges in connection with the Merger, including integration of technology and personnel.

Implementation of the Merger may trigger change of control or other provisions in certain agreements to which Woodside or BHP Petroleum are parties. If consents or waivers under such agreements are not obtained or granted, this may have an adverse effect on the Merger or the Merged Group.

The historical financial information of BHP Petroleum may not be representative of its results or financial condition if it had been operated independently of BHP and, as a result, may not be a reliable indicator of its future results.

The unaudited pro forma condensed combined financial statements and pro forma reserve and production data included in this prospectus may not be representative of the Merged Group's results after the Merger.

Uncertainty about the effects of the Merger, including effects on employees, host governments, partners, contractors, regulators, suppliers and customers, may have a material adverse effect on the business, results of operations and financial condition of the Merged Group.

The Merged Group will be exposed to risks resulting from fluctuations in LNG market conditions or the price of crude oil, which can be volatile.

The Merged Group may be exposed to commodity and currency hedging.

The impacts of an epidemic or outbreaks of an infectious disease, such as COVID-19, could materially adversely affect the Merged Group's business, results of operations and financial condition.

The majority of the Merged Group's major projects and operations will be conducted in joint ventures, and therefore the Merged Group's degree of control, as well as its ability to identify and manage risks, may be reduced.

The Merged Group is expected to invest significant amounts of funds in a variety of exploration, development, production, construction, restoration and new energy activities across the world, which involve many uncertainties and operating risks.

The Merged Group operates in a high-risk industry, and there are risks inherent in the Merged Group's exploration, development, production and restoration activities.

Material limitations to the Merged Group's access to capital, a failure in financial risk management, government fiscal, monetary and regulatory policy and variability in interest and exchange rates could all adversely affect the Merged Group's business, results of operations and financial condition.

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The Merged Group may encounter natural disasters or acts of terrorism (whether physical, cyber or otherwise), that may result in diminished production, additional costs or substantial loss.

Woodside's and BHP Petroleum's operations are, and the Merged Group's operations will be, subject to extensive governmental oversight and regulation.

The Merged Group's operations will be subject to governmental and sovereign risks, including political, legal and other uncertainties in the countries in which Woodside and BHP Petroleum do business.

Oversight and review by competition regulatory bodies in the jurisdictions in which the Merged Group will operate may impact the Merged Group's investments and businesses.

The global response to climate change, including ESG matters and conservation measures, is changing the way the world produces and consumes energy, creating risks for the Merged Group.

Estimates of proved reserves and future net cash flows are not precise. The actual quantities and net cash flows of the Merged Group's proved reserves may prove to be lower than estimated.

The Merged Group could be materially and adversely affected if new legislation or regulations are adopted to address global climate change, or if the Merged Group is subject to lawsuits for alleged damage to persons or property resulting from greenhouse gas emissions.

The availability and cost of emission allowances or carbon offsets could adversely impact the Merged Group's costs of operations and its ability to meet its environmental goals.

The financial and operating forecasts are based on various assumptions that may not be realized.

The Merged Group's financial results could be adversely affected by impairments of goodwill or other intangible assets, the application of future accounting policies or interpretations of existing accounting policies including by regulatory direction, and changes in estimates of decommissioning costs.

The Merger could result in Woodside being treated as a U.S. corporation for U.S. federal income tax purposes.

The implied value of the Share Consideration will vary over time depending on the prevailing Woodside Share price.

Liquidity in the market for Woodside securities may be adversely affected by multiple exchange listings.

There is no guarantee that dividends will be paid on the Woodside Shares.

There has been no prior market for the Woodside ADSs on a U.S. national securities exchange, and an active and liquid market for the Woodside ADSs may fail to develop or be sustained.

After Implementation of the Merger, the market price of Woodside ADSs on the NYSE may not be identical, in U.S. dollar terms, to the market price of Woodside Shares on the ASX.

Holders of Woodside ADSs will not directly hold Woodside Shares.

Holders of Woodside ADSs may not receive certain distributions on Woodside Shares represented by Woodside ADSs or any value for such dividends under certain circumstances.

The Woodside ADSs may be subject to limitations on transfer and the withdrawal of the underlying Woodside Shares, and holders of Woodside ADSs may not be able to exercise their right to vote the Woodside Shares underlying their Woodside ADSs.

It may be difficult for holders of Woodside ADSs to bring any action or enforce any judgment obtained in the United States against Woodside or members of the Woodside Board.

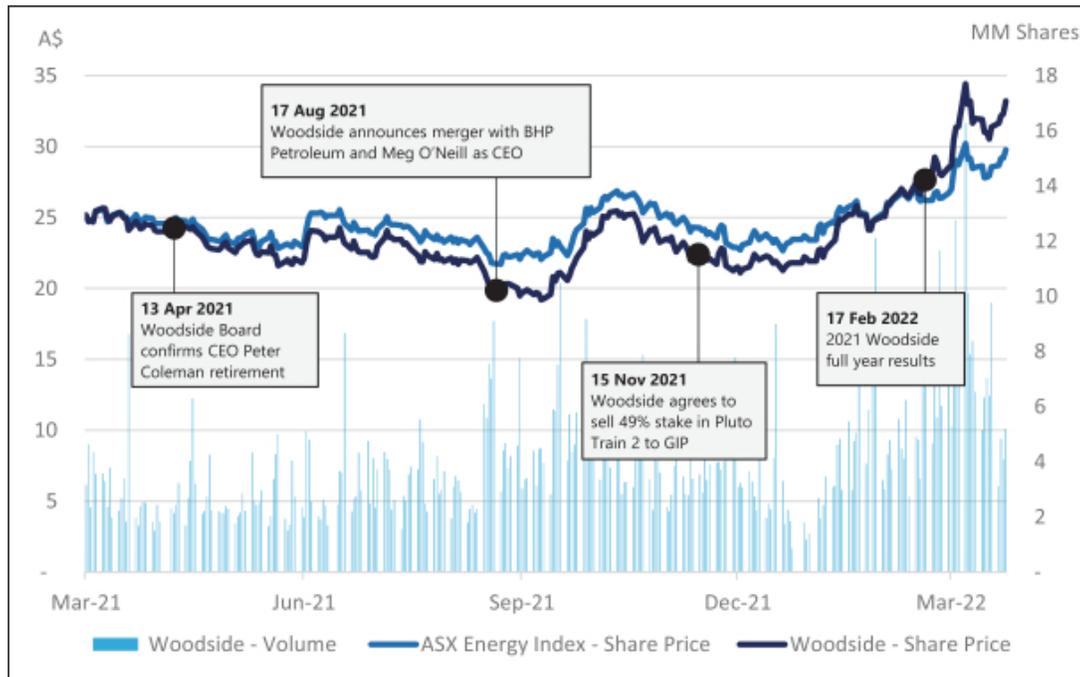
As a foreign private issuer ("FPI") under the rules and regulations of the SEC, Woodside is permitted to, and may, file less or different information with the SEC than a U.S. public company that is not an

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FPI, and will follow certain home country corporate governance practices in lieu of certain NYSE requirements applicable to U.S. issuers.

As a result of registering the distribution of the New Woodside Shares and New Woodside ADSs in the United States, the Merged Group will become subject to additional regulatory compliance requirements, including Section 404 of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”), and if the Merged Group fails to maintain an effective system of internal controls, the Merged Group may not be able to accurately report its financial results or prevent fraud.

Woodside Market Price Information and Per Share Data



Source: Capital IQ as at 24 March 2022.

Woodside

Woodside Shares are listed on the ASX under the trading symbol “WPL.” Woodside has applied to change its ticker symbol on the ASX from “WPL” to “WDS,” subject to shareholder approval of the proposed name change. The closing sale price of Woodside Shares on the ASX was A\$21.18 on 16 August 2021, the last trading day before the public announcement of entry into the Merger Commitment Deed. On 19 November 2021, the last trading day before public announcement of entry into the Share Sale Agreement, the closing sale price of Woodside Shares on the ASX was A\$22.11 per share. On 24 March 2022, the closing sale price of Woodside Shares on the ASX was A\$33.20 per share.

BHP Petroleum

Historical market price data for BHP Petroleum has not been presented as BHP Petroleum is currently a wholly owned subsidiary of BHP. Therefore, there is no established trading market in the ordinary shares of BHP Petroleum.

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Summary Unaudited Pro Forma Condensed Combined Financial Information

The following (i) summary unaudited pro forma condensed combined statement of profit and loss data for the year ended 31 December 2021 have been prepared to give effect to the Merger as if it occurred on 1 January 2021 and (ii) summary unaudited pro forma condensed combined statement of financial position data at 31 December 2021 have been prepared to give effect to the Merger as if it occurred on 31 December 2021.

The unaudited pro forma condensed combined financial data are provided for illustrative purposes only and are not intended to represent or be indicative of the results of operations or the financial position of the combined company that would have been recorded had the Merger been completed as of the dates presented and should not be taken as representative of future results of operations or the financial position of the combined company. The unaudited pro forma condensed combined financial data does not reflect the effects of any potential operational efficiencies, asset dispositions, cost savings or economies of scale that the combined company may achieve with respect to the combined operations. Future results may vary significantly from the results reflected because of various factors, including those discussed in the section entitled “*Risk Factors*” beginning on page 42 of this prospectus. The summary unaudited pro forma condensed combined financial data should be read in conjunction with “*Unaudited Pro Forma Condensed Combined Financial Statements*” beginning on page 127 of this prospectus.

| | Pro Forma Merged Group Year Ended 31 December 2021 (\$m) |
|---|---|
| Summary Pro Forma Condensed Combined Statement of Profit and Loss Data: | |
| Operating Revenue | 12,467 |
| Net income attributable to common stockholders | 2,178 |
| Basic net income per share attributable to common stockholders (US cents) | 116 |
| | Pro Forma Merged Group At 31 December 2021 (\$m) |
| Summary Pro Forma Condensed Combined Statement of Financial Position Data: | |
| Total assets | 60,553 |
| Total liabilities | 24,038 |
| Total equity | 36,515 |

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Summary Pro Forma Reserve Information

The following summary pro forma reserve data at 31 December 2021 have been prepared to give effect to the Merger as if it occurred on 31 December 2021. These estimates of the Merged Group's pro forma proved oil, condensate, NGL and natural gas reserves were prepared by adding reserve estimates as of 31 December 2021 as provided by each of Woodside and BHP Petroleum.

This includes information for overlapping assets, specifically the Northwest Shelf ("NWS"), where reserves values have been added without any adjustments. BHP Petroleum uses a conversion factor of 6,000 MMscf per MMboe while Woodside uses 5,700 MMscf per MMboe. BHP Petroleum includes onshore and offshore fuel used in its operation as reserves while Woodside includes only the onshore fuel used in its operations as reserves. These estimates of the Merged Group's pro forma proved reserves were derived with these assumptions unchanged for each of the entities. Woodside's reserves as of 31 December 2021 are based on a reserve report prepared by Netherland, Sewell & Associates, Inc., Woodside's independent reserve engineers. BHP Petroleum's reserve assessments are prepared by it each year in connection with BHP Petroleum's fiscal year end of June 30. The assessments are reviewed prior to BHP Petroleum's fiscal year end to ensure technical quality, adherence to internally published BHP Petroleum guidelines and compliance with SEC reporting requirements. The December 31 reserves information for BHP Petroleum included below is an estimate of BHP Petroleum's reserves as of such date, is derived from internal records taking into account, among other factors, production, revenues, and operating and capital expenditures for each asset and project, and has not been reviewed by any independent reserve engineers or on the same basis as BHP Petroleum's reserves are reviewed at BHP Petroleum's fiscal year end. Additional information regarding pro forma proved reserves is included in the section entitled "*Business and Certain Information About the Merged Group—Merged Group Reserves and Future Production Capacity.*" Information regarding Woodside's actual historical reserves is included in the section entitled "*Business and Certain Information About Woodside—Reserves and Resources.*" Information regarding BHP's actual historical reserves is included in the section entitled "*Business and Certain Information About BHP Petroleum—Reserves and Resources.*"

| | Pro Forma Merged Group At 31 December 2021 |
|--|---|
| Estimated Proved Developed Reserves | |
| Crude oil and condensate (MMbbl) | 219.4 |
| NGLs (MMbbl) | 19.0 |
| Natural gas (Bcf) | 3,120.2 |
| Total (MMboe) | <u>773.8</u> |
| Estimated Proved Undeveloped Reserves | |
| Crude oil and condensate (MMbbl) | 219.3 |
| NGLs (MMbbl) | 8.4 |
| Natural gas (Bcf) | 7,630.4 |
| Total (MMboe) | <u>1,548.7</u> |
| Estimated Proved Developed and Undeveloped Reserves | |
| Crude oil and condensate (MMbbl) | 438.8 |
| NGLs (MMbbl) | 27.4 |
| Natural gas (Bcf) | 10,750.7 |
| Total (MMboe) | <u>2,322.5</u> |

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The forward-looking statements contained in this prospectus involve risks and uncertainties that may affect Woodside, BHP Petroleum and the Merged Group businesses' operations, markets, products, services, prices and other matters. This prospectus, may contain forward-looking statements, including, for example, but not limited to, statements about management expectations, strategic objectives, growth opportunities, business prospects, regulatory proceedings, transaction synergies and other benefits of the Merger, and other similar matters. Forward-looking statements are not statements of historical facts and represent only Woodside' s beliefs regarding future performance, which is inherently uncertain. Forward-looking statements are typically identified by words such as "anticipates," "believes," "budgets," "could," "estimates," "expects," "forecasts," "foresees," "goal," "intends," "likely," "may," "might," "plans," "projects," "schedule," "should," "target," "will," or "would" and similar expressions, although not all forward-looking information contains these identifying words.

By their very nature, forward-looking statements require Woodside to make assumptions and are subject to inherent risks and uncertainties that give rise to the possibility that Woodside' s predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that Woodside' s assumptions may not be correct and that Woodside' s or the combined business' objectives, strategic goals and priorities will not be achieved. If any of the assumptions on which a forward-looking statement is based were to change or found to be incorrect, this would also likely cause outcomes to be different from the statements made in this prospectus. Woodside cautions readers not to place undue reliance on these statements, as a number of important factors could cause actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include, but are not limited to:

- fluctuations in the price of crude oil and a substantial or extended decline in crude oil prices;
- fluctuations in LNG market conditions, prices and buyer preferences, and any material and sustained LNG price deterioration or change in LNG buyer preferences;
- events outside of the Merged Group' s control, including the impacts of an epidemic or outbreaks of an infectious disease, for example the ongoing impacts of COVID-19; natural disasters, severe storms and other adverse weather conditions;
- overall domestic and global political and economic conditions, including the imposition of tariffs or trade or other economic sanctions, political instability or armed conflict in oil and gas producing regions, including the ongoing conflict in Ukraine;
- increased proportion of shorter-term contracts and volatile spot pricing with respect to LNG;
- conducting a majority of major projects and operations through joint ventures, which may limit the Merged Group' s degree of control and ability to identify and manage risks;
- uncertainties and operating risks as a result of significant funds being invested in a variety of exploration, development projects, production, construction and restoration activities;
- reliance on third parties to advance proposed developments and the risk that the Merged Group may not reach agreements with third parties;
- risk of incurring losses due to counterparty exposures;
- the need to acquire or discover additional proved reserves or to develop existing, acquired or developed reserves to supplement proved reserves and production;
- failure to find reserves that can be commercialized successfully;
- limitations on the Merged Group' s access to capital or a failure in financial risk management;
- operating hazards and natural disasters;
- extensive government regulation, including the ability to obtain regulatory approvals;
- governmental and sovereign risk;

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operating in locations suffering from political, legal and other uncertainties, including risk of crime, governmental and business corruption, foreign sanctions and underdeveloped infrastructure;

revocation, failure to renew or alteration of the terms of the Merged Group' s permits;

risks from oversight and review by competition regulatory bodies;

enhanced public and private focus on climate change, greenhouse gas effects and proposed or contemplated laws and regulations relating to carbon emissions;

uncertainty of estimated petroleum reserves;

competition in the exploration, production and marketing of products;

changes to the Merged Group' s portfolio of assets through acquisitions and divestments;

exchange rate risks;

intentional or unintentional disruption of the Merged Group' s information technology systems;

litigation and arbitration;

shortage of skilled labor and construction materials, equipment and supplies;

other factors that may affect future results of Woodside or BHP Petroleum, including changes in trade policies, timely development and introduction of new products and services, changes in tax laws, technological and regulatory changes, and adverse developments in general market, business, economic, labor, regulatory and political conditions; and

other factors referred to in this prospectus.

These risk factors do not take into account the individual investment objectives, financial situation, position or particular needs of individual investors. If you do not understand any part of this prospectus (including the risk factors set out in the section entitled "*Risk Factors*"), or are in any doubt as to any action to take in relation to the Merger, it is recommended that you consult your legal, financial, taxation or other professional adviser.

Woodside cautions that the foregoing list of important factors is not exhaustive, and other factors could also adversely affect Implementation and the future results of Woodside, BHP Petroleum or the Merged Group. The forward-looking statements speak only as of the date of this prospectus. When relying on Woodside' s forward-looking statements to make decisions with respect to Woodside, BHP Petroleum or the Merged Group, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by applicable law or regulation, Woodside does not undertake to update any forward-looking statement, whether written or oral, to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events.

For additional information about factors that could cause Woodside' s results to differ materially from those described in the forward-looking statements, please see the section entitled "*Risk Factors*." All written or oral forward-looking statements concerning the Merger or other matters addressed in this prospectus and attributable to Woodside, BHP or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

RISK FACTORS

You should carefully review and consider the following risk factors and the other information contained in this prospectus, including the financial statements and notes to the financial statements included herein, in evaluating the Merger. The risks discussed herein have been identified based on an evaluation of the historical risks faced by Woodside and BHP Petroleum and relate to current expectations as to future risks that may result from the Merger. Certain of the following risk factors apply to the business and operations of Woodside and BHP Petroleum and will also apply to the business and operations of the Merged Group following the Implementation of the Merger. The occurrence of one or more of the events or circumstances described in these risk factors, alone or in combination with other events or circumstances, may adversely affect the ability to complete or realize the anticipated benefits of the Merger and may have a material adverse effect on the business, cash flows, financial condition and results of operations of the Merged Group following the Implementation of the Merger. This could cause the trading price of the Woodside Shares and the Woodside ADSs to decline, perhaps significantly. You should carefully consider the following risk factors in conjunction with the other information included in this prospectus, including matters addressed in the sections entitled “Cautionary Statement Regarding Forward-Looking Statements,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum,” “Unaudited Pro Forma Condensed Combined Financial Statements,” the financial statements of Woodside, the financial statements of BHP Petroleum and notes to the financial statements included herein. The following risks are not exhaustive and are based on certain assumptions made by Woodside and BHP Petroleum which later may prove to be incorrect or incomplete. Investors are encouraged to perform their own investigation with respect to the business, financial condition and prospects of Woodside, BHP Petroleum and the Merged Group. Each of Woodside, BHP Petroleum and the Merged Group may face additional risks and uncertainties that are not currently known to it, or that are currently deemed immaterial, which may also impair their respective businesses, financial conditions or results of operations.

As both companies have significant exposure to the oil and gas sector, a number of the risks relating to the Merged Group are, or will be, risks to which either or both of Woodside Shareholders and BHP Shareholders are already exposed and will continue to be exposed if the Merger does not proceed. Woodside Shareholders already bear these risks to a greater degree than BHP Shareholders due to Woodside’s concentration in the oil and gas sector. In addition, the Merged Group’s increased scale of operations as a result of the Merger may increase the exposure to the risks that Woodside currently faces, including the exposure to challenges associated with climate change and the energy transition.

Risks Relating to the Implementation of the Merger

The Implementation of the Merger is subject to certain Conditions, and if these Conditions are not satisfied or waived in a timely manner, the Implementation of the Merger may be delayed or the Merger may not be Implemented.

Implementation of the Merger is subject to the satisfaction or waiver of a number of outstanding Conditions. There can be no certainty, nor can Woodside provide any assurance or guarantee, that these Conditions will be satisfied or waived or, if satisfied or waived, when that will occur. Details of the outstanding Conditions are set out in the section entitled “*The Share Sale Agreement and Related Agreements—The Share Sale Agreement—Conditions.*”

The satisfaction of a number of the outstanding Conditions is outside the control of Woodside and BHP, including, but not limited to, approval of the Merger by Woodside Shareholders and approvals, waivers, confirmations, exemptions or consents from certain regulators, including NOPTA. If the Conditions are not satisfied or waived on or before 30 June 2022 (or an agreed later date), either party to the Share Sale Agreement may terminate the Share Sale Agreement in accordance with its terms, in which case the Merger will not be Implemented.

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If, for any reason, a Condition is not satisfied or waived and the Merger is not Implemented, there may be adverse consequences for Woodside and Woodside Shareholders. These include that the trading price of Woodside Shares may be affected, certain costs relating to the Merger will still be incurred and the anticipated cost savings, synergies and other benefits that Woodside expects to achieve from the Merger will not be realized, which may adversely affect Woodside's operational and financial performance and the market price of Woodside Shares.

The delay to satisfaction or waiver of Conditions could delay Implementation for a time or prevent it from occurring. Certain Conditions may only be satisfied subject to conditions or undertakings imposed by regulatory bodies or other third parties. Any delay in completing the Merger could result in Woodside not realizing some or all of the benefits that it expects to achieve if the Merger is successfully Implemented within its expected timeframe, which may adversely affect Woodside's operational and financial performance. See the section entitled "*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions.*"

In addition, BHP may terminate the Share Sale Agreement in accordance with the terms of the Share Sale Agreement. In certain circumstances (including where termination by BHP is in breach of the Share Sale Agreement), BHP has agreed to pay Woodside a reimbursement fee of \$160 million. Where payable, the payment of the reimbursement fee would be Woodside's sole and exclusive recourse against BHP.

Failure to Implement the Merger could negatively impact the price of Woodside Shares and the future business and financial results of Woodside, and Woodside may not realize the anticipated cost savings, synergies and other benefits that Woodside expects to achieve from the Merger.

If the Merger is not Implemented, the anticipated cost savings, synergies and other benefits that Woodside expects to achieve from the Merger will not be realized, which may adversely affect Woodside's operational and financial performance and the market price of Woodside Shares.

Woodside estimates that it will incur transaction and integration costs in connection with the Merger regardless of whether or not the Merger is Implemented. Regret costs are estimated at \$100 million. In addition, in certain circumstances, Woodside has agreed to pay to BHP a reimbursement fee of \$160 million if the Merger is not Implemented. If the Merger is not Implemented, Woodside will still have to pay the regret costs and may also be required to pay the reimbursement fee. This may adversely affect Woodside's capital and operating expenditure, which in turn may have a negative impact on its business, results of operations and financial condition.

Further, if the Merger is not Implemented, BHP may between 1 July 2022 and 31 December 2022 exercise the Put Option under the Scarborough Put Option Deed to sell its interests in the Scarborough, Jupiter and Thebe Projects, including interests in certain key contracts and petroleum titles, to Woodside. See the section entitled "*The Share Sale Agreement and Related Agreements–Related Agreements–Scarborough Put Option*" for additional information regarding the Put Option. If BHP exercises the Put Option, Woodside must pay \$1 billion in consideration to BHP (with expenditure adjustment from an effective date of 1 July 2021), and an additional \$100 million is payable by Woodside contingent on a future FID for a Thebe development. These circumstances may adversely impact Woodside, and Woodside may be required to fund (on a 100% basis) the capital expenditure for the Scarborough development. Any of these developments may have an adverse impact on Woodside's cash flows, financial performance and financial position.

If the Merger is not Implemented, Woodside Shareholders will continue to be exposed to the various risk factors that currently apply to an investment in Woodside. The risk factors described in the section entitled "*–Risks Relating to the Merged Group*" as applicable to the Merged Group will also apply to a continuing investment in Woodside as a standalone entity.

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If the Merger is Implemented, there may be adverse tax consequences for investors.

In general, for U.S. federal income tax purposes, a U.S. holder of BHP Shares or BHP ADSs must include in its gross income the gross amount of any dividend paid by BHP to the extent of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). However, BHP does not calculate earnings and profits in accordance with U.S. federal income tax principles. Accordingly, U.S. holders should expect to treat the entire amount of the Special Dividend as a taxable dividend for U.S. federal income tax purposes. Tax matters are very complicated, and the tax consequences of the Special Dividend to each U.S. holder of BHP Shares or BHP ADSs may depend on the shareholder's particular facts and circumstances. BHP Shareholders and holders of BHP ADSs are urged to consult with, and rely solely upon, their own tax advisers to understand fully the tax consequences to them of the Special Dividend and of holding Woodside Shares or Woodside ADSs (as applicable). Further information on certain taxation consequences of the Special Dividend in certain jurisdictions is set out in the sections entitled "*Material U.S. Federal Income Tax Considerations*" and "*Material Australian Tax Considerations*."

Woodside may not be able to verify the accuracy, reliability or completeness of all information it has received regarding BHP Petroleum and the Merger, and the Share Sale Agreement may not adequately compensate Woodside for losses attributable to breaches by BHP of any representations or warranties in the Share Sale Agreement.

Woodside has conducted due diligence investigations in connection with the proposed Merger. As part of this, Woodside has relied on the information provided by BHP as well as on the due diligence investigations conducted by its employees and its advisers. To the extent that any investigation by Woodside's employees or advisers, or that any information provided to it, is incomplete, incorrect, inaccurate or misleading, the actual performance of the Merged Group may be different from what was expected, which may have an adverse impact on Woodside's financial position and performance.

Additionally, it is possible that the analysis Woodside has undertaken in connection with the Merger has resulted in conclusions and forecasts which are inaccurate, or which are not realized in due course, whether because of flawed methodology, misinterpretation of economic circumstances, tax treatment or otherwise. For example, there is a risk that the Merged Group will not be able to fully utilize certain tax attributes that are expected to transfer to the Merged Group. These include the rates at which tax loss benefits (for example, historic U.S. net operating losses of entities acquired from BHP) can be utilized and the availability of those losses to offset taxable income in any jurisdiction, which depends on many factors which cannot be assured. To the extent that the actual results achieved by the Merger are different than those anticipated by Woodside's analysis, there may be an adverse impact on Woodside's financial position and performance. To the extent that any investigation by Woodside's employees or advisers, or that any information provided to it, is incomplete, incorrect, inaccurate or misleading, the actual performance of the Merged Group may be different from what was expected, which may have an adverse impact on Woodside's financial position and performance.

There is also no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the Merger have been identified and avoided or managed appropriately. Therefore, there is a risk that one or more issues may arise which will have a material impact on the Merged Group that were not identified through due diligence or for which there is no contractual protection for Woodside. This could adversely affect the business, results of operations and financial condition of the Merged Group.

Further, given that BHP Petroleum is a wholly owned subsidiary of BHP, its securities are not publicly listed or priced, making it difficult to determine the value of such securities.

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Woodside and the Merged Group will incur significant integration-related costs and challenges in connection with the Merger. Further, the success of the Merged Group and its ability to achieve the anticipated cost savings, synergies and other benefits of the Merger will partly depend on Woodside's ability to separate BHP Petroleum from BHP and integrate the businesses of Woodside and BHP Petroleum, including development, extraction and production operations, technology and personnel of each business.

There are risks associated with separating the business activities and operations of BHP Petroleum from BHP and then conducting and integrating the business activities and operations of BHP Petroleum into Woodside. While Woodside expects that it will be able to integrate BHP Petroleum's operations with its own, there is a risk that separation may take longer than expected, integration may take longer than expected (as a result of a delay in completion of separation activities or otherwise), or that integration may cost more than anticipated, including as a result of the COVID-19 pandemic and applicable physical separation requirements. Potential factors that may impact a successful integration include:

disruption to the ongoing operations or business relationships of either or both businesses;

disruption to project delivery;

delays in separating BHP Petroleum from corporate services provided by BHP;

higher than anticipated integration costs;

unforeseen costs relating to integration of development, extraction and production operational systems, IT systems and financial and accounting systems of both businesses;

extended period of transition services or duplicated activities due to delays in separation of BHP Petroleum and/or delays in implementing replacement processes or services; and

unanticipated loss of key personnel or expert knowledge, or reduced employee productivity due to uncertainty arising as a result of the Merger.

The occurrence of any of these factors may adversely impact the Merged Group's operations, cash flows, financial performance and financial position. In addition, the demands that the integration process may have on management time may also cause a delay in other projects currently contemplated by Woodside and/or BHP Petroleum.

If integration is not achieved in a timely and effective manner, the full benefits of the combination of the two businesses, including the anticipated cost savings, synergies and other benefits that Woodside expects to achieve from the Merger, may be delayed or achieved only in part or not at all. This could adversely impact the Merged Group's business, results of operations and financial condition and the prospects of the Merged Group.

Implementation of the Merger may trigger change of control or other provisions in certain agreements to which Woodside or BHP Petroleum are parties. If consents or waivers under such agreements are not obtained or granted, this may have an adverse effect on the Merger or the Merged Group.

Certain contracts to which Woodside, BHP Petroleum and their respective subsidiaries are party (including contracts with customers, lenders and joint venture partners) contain change of control or deemed assignment provisions that could be triggered by the Merger (including by entry into the Share Sale Agreement, Implementation, or other events in connection with the Merger). If any third-party right of that type is triggered, it may allow the counterparty to review, adversely modify, exercise rights under or terminate the relevant contract. This may also result in Woodside or BHP Petroleum being obliged to pay termination fees or other fees or costs associated with the change of control or deemed assignment provision. If a counterparty were to do any of the foregoing, this may have an adverse effect on the Merged Group, which may be material. Agreements where such change of control provisions exist include agreements relating to assets in Barbados and Egypt, as well as various seismic contracts.

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Woodside and BHP have particular accounting policies and methods and the integration of these accounting functions may lead to revisions which impact the Merged Group's reported results of operations and/or financial position and performance.

Woodside and BHP Petroleum, as standalone entities, have particular accounting policies and methods which are fundamental to how they record and report their financial position and results of operations. Woodside and BHP Petroleum may have exercised judgment in selecting accounting policies or methods, which might have been reasonable in the circumstances yet might have resulted in reporting materially different outcomes than would have been reported under the other company's policies and methods. The integration of Woodside's and BHP Petroleum's accounting functions may lead to revisions of these accounting policies, which may adversely impact the Merged Group's reported results of operations and/or financial position and performance.

After Implementation, Existing Woodside Shareholders will have significantly lower ownership and voting interests in Woodside than they currently have and therefore will exercise less control over management.

As part of the Merger, Woodside will issue a significant number of New Woodside Shares as the Share Consideration. Immediately after Implementation, it is expected that Existing Woodside Shareholders will own approximately 52% of the Merged Group and BHP Shareholders (and the Sale Agent in the case of New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) will own approximately 48% of the Merged Group, respectively, subject to adjustment for any Permitted Equity Raise or further declaration of Woodside Dividends that occurs prior to Implementation. Unless a Woodside Shareholder is also a Participating BHP Shareholder, the Woodside Shareholder is likely to have its ownership and voting interests in Woodside diluted as a result of the Merger.

BHP ADS Holders are not entitled to appraisal rights in connection with the Merger.

Appraisal rights are statutory rights that enable stockholders to dissent from certain extraordinary transactions, such as certain mergers, and to demand that the corporation pay the fair value for their shares as determined by a court in a judicial proceeding instead of receiving the consideration offered to stockholders in connection with the applicable transaction. Under the Corporations Act, BHP Shareholders will not have rights to an appraisal of the fair value of their BHP Shares in connection with the Merger because they are receiving New Woodside Shares and because Woodside Shares are expected to continue to be traded on ASX during the pendency of the Merger and on ASX and LSE following Implementation. Similarly, holders of BHP ADSs will not have appraisal rights.

The historical financial information of BHP Petroleum may not be representative of its results or financial condition if it had been operated independently of BHP and, as a result, may not be a reliable indicator of its future results.

BHP Petroleum is currently owned by BHP. The historical financial information of BHP Petroleum included in this prospectus has been prepared on a carve-out basis from the accounts of BHP and may not reflect what BHP Petroleum's financial position, results of operations or cash flows would have been had BHP Petroleum been an independent, stand-alone entity during the periods presented, nor are they necessarily indicative of the future financial position, results of operations or cash flows of BHP Petroleum. The combined financial statements of BHP Petroleum include all revenues and costs directly attributable to BHP Petroleum and an allocation of expenses related to certain BHP corporate functions. These expenses have been allocated to BHP Petroleum based on direct usage or benefit where identifiable, with the remainder allocated pro rata based on an applicable measure of headcount, usage of technology or other relevant measures. Although BHP Petroleum considers these allocations to be a reasonable reflection of the utilization of services or the benefit received, the allocations may not be indicative of the actual expense that would have been incurred had BHP Petroleum operated as an independent, stand-alone entity, nor are they indicative of BHP Petroleum's future expenses.

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The unaudited pro forma condensed combined financial statements and pro forma reserve and production data included in this prospectus may not be representative of the Merged Group's results after Implementation of the Merger.

The unaudited pro forma condensed combined financial statements for the Merged Group in this prospectus is presented for illustrative purposes only, is based on certain assumptions, addresses a hypothetical situation and reflects limited historical financial data. Therefore, the unaudited pro forma condensed combined financial statements are not necessarily indicative of what Woodside's actual financial position or results of operations would have been had the Merger been completed on the dates indicated, or the future consolidated results of operations or financial position of Woodside. Accordingly, Woodside's business, assets, cash flows, results of operations and financial condition may differ significantly from those indicated by the unaudited pro forma condensed combined financial statements included in this prospectus. See the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" for more information.

The pro forma reserve and production information in this prospectus is presented for illustrative purposes only, is based on certain assumptions, addresses a hypothetical situation and reflects limited historical reserves and production data. Therefore, the pro forma reserve and production information is not necessarily indicative of what the Merged Group's actual reserve or production data would have been had the Merger been completed on the date indicated or of the future reserve or production of the Merged Group. Accordingly, the Merged Group's reserves and production may differ significantly from those indicated by the pro forma reserve and production information included in this prospectus. See the section entitled "Disclaimer and Important Notices-Pro Forma Financial Statements" for additional information.

Woodside may be unable to provide the same types and level of benefits, services and resources to BHP Petroleum that historically have been provided by BHP, or may be unable to provide them at the same cost.

As part of BHP, BHP Petroleum has been able to receive benefits and services from BHP and has been able to benefit from BHP's financial strength and extensive business relationships. After Implementation, BHP Petroleum will be owned by Woodside and will no longer benefit from BHP's resources. While Woodside has entered into agreements under which BHP has agreed to provide certain transition services for a period of time following Implementation, it cannot be assured that Woodside will be able to adequately replace those resources or replace them at the same cost. If Woodside is not able to replace the resources provided by BHP or is unable to replace them at the same cost or is delayed in replacing the resources provided by BHP, Woodside's business, financial condition and results of operations may be materially adversely impacted.

The Merger may be Implemented even though material adverse changes may occur subsequent to the announcement of the Merger.

Under the terms of the Share Sale Agreement, either party can terminate the agreement if certain prescribed material adverse changes occur which affect the other party. However, certain types of changes do not permit either party to terminate the Share Sale Agreement or otherwise refuse to Implement the Merger, even if such changes would have a material adverse effect on either of the parties. For example, a worsening of Woodside's or BHP Petroleum's financial condition or results of operations due to a decrease in commodity prices or general economic conditions would not give the other party the right to terminate the Share Sale Agreement or otherwise refuse to Implement the Merger. In addition, the parties have the ability, but are under no obligation, to waive any material adverse change that results in the failure of a Condition and instead proceed with Implementing the Merger. See the section entitled "The Share Sale Agreement and Related Agreements-The Share Sale Agreement."

If a material adverse change occurs that affects either party, but the parties are still required to, or voluntarily decide to, Implement the Merger, the Merged Group's business, results of operations and financial condition may suffer and the expected benefits of the Merger may not be realized as a result of such material adverse changes.

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Between the date of the Share Sale Agreement and Implementation, Woodside, BHP Petroleum and their respective subsidiaries' businesses are subject to restrictions on their business activities. These restrictions could adversely impact the Merged Group, or adversely impact Woodside if the Merger does not proceed to Implementation.

The Share Sale Agreement subjects Woodside and BHP Petroleum to certain customary restrictions on their respective business activities during the period between the date of the Share Sale Agreement and the earlier of Implementation and termination of the Share Sale Agreement. The Share Sale Agreement obliges each of Woodside and BHP Petroleum to use its commercially reasonable efforts to carry on its business in the ordinary course in all material respects, and the Share Sale Agreement obliges BHP Petroleum to use its commercially reasonable efforts to preserve substantially intact its business organization, assets, the services of its current officers, employees and consultants and its goodwill and relationships with material customers, suppliers and others. See the section entitled “*The Share Sale Agreement and Related Agreements – The Share Sale Agreement.*”

These restrictions could prevent Woodside and BHP Petroleum from pursuing certain business opportunities that arise during the period between the date of the Share Sale Agreement and the earlier of Implementation and termination of the Share Sale Agreement and could therefore adversely impact the Merged Group. Alternatively, if the Merger does not proceed to Implementation, the business and the future prospects of Woodside and BHP Petroleum could be adversely impacted.

Uncertainty about the effects of the Merger, including effects on employees, host governments, partners, contractors, regulators, suppliers and customers, may have a material adverse effect on the business, results of operations and financial condition of the Merged Group.

The Merger, and existing programs of work to facilitate the Merger, may exacerbate existing risks relating to, among other things, the Merged Group's social license to operate, climate change, environmental and social governance, people and culture, and regulatory compliance risks.

In addition, stakeholders that have business or other relationships with the Merged Group could defer consummation of a transaction or other decisions, or seek to change their existing business relationship with Woodside or BHP Petroleum.

The Merged Group will need to take action to prevent or minimize any detrimental impact to stakeholder relationships from the Merger and integration of Woodside and BHP Petroleum. No assurance can be given that these actions will be successful.

Risks Relating to the Merged Group

The Merged Group will be exposed to risks resulting from fluctuations in LNG market conditions or the price of crude oil, which can be volatile. Any material or sustained decline in LNG or crude oil prices, or change in buyer preferences, could have a material adverse effect on the Merged Group's results.

Both Woodside's and BHP Petroleum's revenues are primarily derived from sales of LNG, crude oil, condensate, pipeline gas and LPG. Consequently, the results of operations of both businesses are strongly influenced by the prices they receive for these products, which in the case of oil and condensate are primarily determined by prevailing crude oil prices and in the case of pipeline gas, LPG and LNG are primarily determined by prevailing crude oil prices as well as some fixed pricing and other price indexes (such as Henry Hub and the Japan Korea Marker (“JKM”)). For the year ended 31 December 2021, the majority (approximately 81%) of Woodside's production was attributed to natural gas, comprising LNG, LPG and pipeline gas and the remaining portion (approximately 19%) of Woodside's production was attributed to oil and condensate. That production mix differs from BHP Petroleum, which for the year ended 31 December 2021, was approximately 63% natural gas, comprising LNG, LPG and pipeline gas, and 37% oil and condensate (excluding Algeria and Neptune

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production). Overall BHP Petroleum has a lower weighting of LNG in its portfolio compared to Woodside. As a result, BHP Petroleum has a relatively lesser exposure to the value of LNG relative to oil. In this context, the Merger will result in Woodside Shareholders diversifying their exposure from LNG, while Participating BHP Shareholders who continue to hold Woodside Shares or Woodside ADSs following the Merger will increase their exposure to LNG.

LNG market conditions including, but not limited to, supply and demand, are unpredictable and are beyond the Merged Group's control. In particular, supply and demand for, and pricing of, LNG remain sensitive to energy prices, external economic and political factors, weather, climate conditions, natural disasters (including pandemics), timing of FIDs for new operations, construction and start-up and operating costs for new LNG supply, buyer preferences for LNG, coal or crude oil and evolving buyer preferences for different LNG price regimes and the energy transition. Buyers and sellers of LNG are increasingly more flexible with the way they transact, and contracts may involve hybrid pricing that is linked to other indices such as the Intercontinental Exchange (ICE) Brent Crude deliverable futures contract (oil price) ("Brent") or the Japanese Crude Cocktail ("JCC"), which is the average price of customs-cleared crude oil imports into Japan as reported in customs statistics. Typically, only LNG supplied from the U.S. was based on a component linked to movements in the U.S. Henry Hub plus certain fixed and variable components. This type of pricing structure may become a component of the weighted average price into Asia and other markets since LNG supply and trade has globalized, and increasingly the lowest cost supply is setting the floor for long-term average global natural gas prices with transportation costs accounting for regional differences. This marginal supply is predominantly from the United States, indirectly pegging global gas prices and Asian spot LNG prices to the Henry Hub marker which could adversely affect the pricing of new LNG contracts and potential future price reviews of existing LNG contracts. Tenders may also be used by suppliers and buyers, typically for shorter-term contracts. In addition, long-term LNG contracts typically contain price review mechanisms which sometimes need to be resolved by expert determination or arbitration. The use of these independent resolution mechanisms are likely to be more prevalent in volatile commodity markets. Alternatives to fossil fuel-based products for the generation of electricity, for example nuclear power and renewable energy sources, are continually under development and, if these alternatives continue to gain market share, they could also have a material impact on demand for LNG, which in turn may negatively impact the Merged Group's business, results of operations and financial condition in the longer-term.

In early March 2020, oil prices experienced a precipitous decline in response to reduced oil demand due to the economic impacts of COVID-19 lockdowns and a fallout between Russia and Saudi Arabia, two of the 23 nations in the OPEC+, that had been balancing the market through supply management. Oil prices have rallied since the 2020 lows and in February 2022 were at multi-year highs as markets priced in geopolitical risk premiums relating primarily to Russia's invasion of Ukraine, exacerbating market uncertainty and energy market volatility. Oil prices can be very volatile, and periods of sustained low prices could result in changes to the Merged Group's carrying value assumptions and may also reduce the reported net profit for the relevant period.

The price of crude oil may be affected by other factors beyond the Merged Group's control, such as worldwide oil supply and demand. In addition to the recent impacts on oil prices resulting from those summarized above, the price of crude oil is affected by the level of economic activity in the markets Woodside and BHP Petroleum serve, regional political developments and military conflicts (including the ongoing Ukraine conflict), weather conditions and natural disasters, conservation and environmental protection efforts, the level of crude oil inventories, the ability of OPEC and other major oil-producing or oil-consuming nations to influence global production levels and prices, sanctions on the production or export of oil, governmental regulations and actions, including the imposition of taxes, trade restrictions, market uncertainty and speculative activities by those who buy and sell oil and gas on the world markets, commodity futures trading, availability and capacity of infrastructure, supply chain disruptions, processing facilities and necessary transportation, the price and availability of new technology, the availability and cost of alternative sources of energy, and the impact of climate change considerations and actions towards energy transition on the demand for key commodities which the Merged Group produces.

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The transition to lower-carbon sources of energy in many parts of the world (driven by ESG and climate change concerns) may affect demand for the Merged Group's products, including crude oil, natural gas and LNG, which in turn may affect the price received (or expected to be received) for these products. Material adverse price impacts (including as a result of the energy transition) may affect the economic performance (including as to margins and cash flows) of, and longevity of production from, the Merged Group's existing and future production assets, and ultimately the financial performance of the Merged Group.

It is impossible to predict future crude oil, LNG and natural gas price movements with certainty. A low crude oil price environment or declines in the price of crude oil, in LNG and natural gas prices, could adversely affect the Merged Group's business, results of operations and financial condition and liquidity. They could also negatively impact its ability to access sources of capital, including equity and debt markets. Those circumstances may also adversely impact the Merged Group's ability to finance planned capital expenditures, including development projects, and may change the economics of operating certain wells, which could result in a reduction in the volume of the Merged Group's reserves. Declines in crude oil, LNG and natural gas prices, especially sustained declines, may also reduce the amount of oil and gas that it can produce economically, reduce the economic viability of planned projects or of assets that it plans to acquire or has acquired and may reduce the expected value and the potential commerciality of exploration and appraisal assets. Those reductions may result in substantial downward adjustments to the Merged Group's estimated proved reserves and require additional write-downs of the value of its oil and gas properties.

Sales contracts with the National Gas Company of Trinidad and Tobago ("National Gas Company") relating to production from BHP Petroleum's T&T operations are linked to ammonia pricing. Similar to crude oil, LNG and natural gas, it is impossible to predict future ammonia prices with certainty.

The Merged Group's exposure to shorter-term contracts and more volatile spot pricing (which can vary from time to time) could result in lower pricing in periods of LNG market over-supply.

A portion of the Merged Group's production is exposed to shorter-term contracts and more volatile spot pricing, contrasted with long-term or medium-term contracts. In the past decade, there has been an increased prevalence of shorter-term contracts (*i.e.*, spot sales and contracts with a duration of two years or less) and lower quantity contracts across the LNG market, although the share of total trade has tapered off slightly in recent years. It is anticipated that the proportion of such production of the Merged Group will vary from time to time. If the proportion of the Merged Group's production contracted on a shorter-term basis increases at any point in time, this may result in the Merged Group having increased exposure to deterioration in LNG market conditions.

Further, there is a risk that in a lower price environment, buyers are not willing to commit to medium-term or long-term contracts, which may also result in the Merged Group having increased exposure to spot prices and LNG market volatility. Any increase in the Merged Group's percentage of uncommitted production could result in lower average realized prices during periods of LNG over-supply, which could have an adverse effect on the Merged Group's business, results of operations and financial condition.

The Merged Group may be exposed to commodity and currency hedging.

There can be no assurance that the Merged Group will successfully manage its exposure to commodity prices. There is also counterparty risk associated with derivative contracts. If any counterparty to the Merged Group's derivative instruments were to default or seek bankruptcy protection, it could subject a larger percentage of the Merged Group's future oil and gas production to price changes and could have a negative effect on Woodside's financial performance, including its ability to fund future projects. Whether the Merged Group engages in hedging and other oil and gas derivative contracts on a limited basis or otherwise, the Merged Group will remain exposed to fluctuations in crude oil prices.

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The Merged Group has interests in LNG projects in construction which will increase the Merged Group's LNG production and LNG sales and, therefore, its reliance on the prices at which it is able to sell its LNG production to its customers.

Woodside and BHP Petroleum have interests in LNG projects in construction, for example, in the case of Woodside, the Scarborough and Pluto Train 2 development and the North West Shelf and Julimar Brunello upstream supply projects which will, if and when completed, supplement Woodside's LNG production and LNG sales and, therefore, its reliance on the prices at which it is able to sell its LNG production to its customers. Accordingly, negative movements in the LNG market may have a material adverse effect on Woodside's financial performance, including in relation to uncommitted production from existing facilities or from potential future developments.

The Merged Group's profits may be adversely affected by the introduction of new LNG facilities, or increased LNG throughput and expansion of existing LNG facilities (including those owned or operated by the Merged Group) in the LNG market, which could increase the supply of LNG and thereby lower prices. In particular, in both the Atlantic and Asia-Pacific markets, there is increasing LNG supply under construction and potential East African, North American, Qatari and Russian LNG projects, which may increase competition in the Atlantic and Asia-Pacific LNG markets. Such increases in the supply of LNG without a corresponding increase in demand for LNG may lower LNG prices and the prices at which the Merged Group is able to sell its LNG production to its customers. Decreases in LNG prices may materially affect the Merged Group's business, results of operations and financial condition.

The Merged Group has a significant interest in oil projects in construction which will increase the Merged Group's crude oil production and crude oil sales and, therefore, its reliance on crude oil prices at which it is able to sell its production to its customers.

The Merged Group has a significant interest in certain oil projects, including the Sangomar Oil Field Development and Mad Dog Phase 2, which are currently in construction and will, if and when completed, increase the Merged Group's crude oil production and crude oil sales and, therefore, its reliance on the prices at which it is able to sell its crude oil production to its customers. Accordingly, negative movements in the oil market may have a material adverse effect on the Merged Group's financial performance, including in relation to uncommitted production from existing facilities or from potential future developments.

After Implementation of the Merger, the Merged Group will be exposed to further risks which may be greater than they would be on a standalone basis and therefore may adversely affect the financial position or performance of the Merged Group.

After Implementation of the Merger, Woodside Shareholders will be exposed to risks relating to BHP Petroleum and certain additional risks relating to the Merged Group and the integration of the two businesses. Correspondingly, Participating BHP Shareholders who become Woodside Shareholders will be exposed to these additional risks as well as the risks relating to Woodside.

While the operations of Woodside and BHP Petroleum are similar in a number of ways, there may be further risks relating to the operation of a broader suite of assets that arise in relation to the Merged Group. In particular, the asset portfolio, capital structure and size of the Merged Group will be different from that of Woodside and BHP Petroleum on a standalone basis. These risks and the impact on the Merged Group may be greater than they would be on a standalone basis and therefore may adversely impact the Merged Group's business, financial condition and results of operations.

The impacts of an epidemic or outbreaks of an infectious disease, such as COVID-19, could materially adversely affect the Merged Group's business, results of operations and financial condition.

The Merged Group will face risks related to the impacts of epidemics, outbreaks or other public health events that are outside of its control and could significantly disrupt its operations and adversely affect its

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business, results of operation and financial condition. For example, the ongoing COVID-19 pandemic could adversely affect the Merged Group's operations by rendering employees, contractors or vendors unable to work or unable to access its facilities for an indefinite period of time due to illness, quarantine or transportation and travel restrictions. The Merged Group may experience an impact to the timing and availability of key products or services from suppliers, or customer shutdowns to prevent spread of the virus, both of which could negatively impact its business. In addition, the effects of COVID-19 and concerns regarding its global spread could negatively impact the domestic and international demand for crude oil and natural gas. This could contribute to price volatility, increase the Merged Group's counterparty risk, impact the price it receives for oil and natural gas and materially and adversely affect the demand for and marketability of the Merged Group's production. Restrictions on global shipping and limitations of the Merged Group's joint venture partners' ability to lift cargoes from producing facilities may result in maximum storage capacities being reached and a reduction in short-term production.

As the potential ongoing impact from COVID-19 is very difficult to predict, the extent to which it may negatively affect the Merged Group's operating results or the duration of any potential business disruption in the future is uncertain. The impact of current and future COVID-19 outbreaks will depend on future developments and new information that may emerge regarding the severity and duration of COVID-19 and the actions taken by authorities to contain it or treat its impact, all of which are beyond the Merged Group's control. These potential impacts, while uncertain, could adversely affect the Merged Group's business, results of operations and financial condition.

The majority of the Merged Group's major projects and operations will be conducted in joint ventures, and therefore the Merged Group's degree of control, as well as its ability to identify and manage risks, may be reduced.

A significant share of the Merged Group's capital has been or will be invested in joint venture assets and activities with other joint venture participants, including NOCs. Such joint venture participants may have economic or business interests or objectives that are inconsistent with or opposed to the Merged Group's interests and objectives, and may exercise veto rights to block certain key decisions or actions that the Merged Group believes are in its or the joint venture's best interests, or approve those matters without the Merged Group's support. In some instances, joint venture participants or contractual counterparties may be primarily responsible for the adequacy of the human or technical competencies and capabilities which they bring to bear on the joint project which is out of the Merged Group's direct control. Additionally, partners or members of a joint venture may not be able to meet their financial or other obligations to the projects, which may threaten the viability of a given project or cause the Merged Group to incur additional costs associated with a given project. If the Merged Group were to experience misalignment with joint venture participants or other issues with joint decision-making, including in respect of preferred concept selection and funding of current and potential projects, the Merged Group could experience allegations of breach, delays in development of those projects or miss opportunities to pursue development at all.

In cases where the Merged Group is not the operator, it may be unable to control the behavior, performance and cost of operations of joint ventures in which it participates. In these cases, the Merged Group will be dependent on joint venture participants acting as operators and its ability to direct operations or manage the timing and performance of any activity or the costs or risks involved may be reduced.

In addition, joint venture partners may default on their obligations due to insolvency, lack of liquidity, operational failure or other reasons. The inability of any joint venture partner to meet its obligations could have an adverse effect on the Merged Group's business, results of operations and financial condition.

For additional information on Woodside and BHP Petroleum's joint venture interests, see the sections entitled "*Business and Certain Information About Woodside*" and "*Business and Certain Information About BHP Petroleum*."

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Woodside invests, and following Implementation of the Merger the Merged Group is expected to invest, significant amounts of funds in a variety of exploration, development, production, construction, restoration, lower-carbon services and new energy activities across the world, which involve many uncertainties and operating risks that could prevent it from realizing profits or result in total or partial loss of its investment. This in turn may affect the Merged Group's business, results of operations and financial condition.

The Merged Group will invest significant funds over the next several years on the Sangomar Oil Field Development and the Scarborough and Pluto Train 2 development and may invest significant funds over the next several years on other developments including Browse offshore WA, Trion in Mexico, Calypso in T&T, Greater Sunrise located between Australia and Timor-Leste, the Liard Basin in Canada, and additional supply projects to existing producing assets as well as other exploration, development, restoration and new energy activities. These activities may involve many uncertainties and operating risks that could prevent the Merged Group from realizing profits or result in the total or partial loss of its investment, putting pressure on its balance sheet and credit rating. Unforeseen issues, including increasing the required amount of capital expenditure necessary to complete a project, the impact of volatile crude oil, natural gas and LNG prices and the Merged Group's inability to enter into supply contracts with buyers in advance of an FID may cause the Merged Group not to proceed with any one or a combination of these activities.

In addition, even if the Merged Group and its joint venture participants decide that certain projects are economically viable, the Merged Group may not receive the necessary government and regulatory authorizations and permits to proceed with development, even where it may have incurred substantial costs in the evaluation process (for example, North West Shelf and Browse environmental approval processes are ongoing). The Merged Group's projects will often require the use of new and advanced technologies, including in respect of the new energy activities of the Merged Group, which can be expensive to develop, purchase and implement, and may not function as expected. Some of the Merged Group's development projects will be located in deepwater or otherwise challenging environments, for example offshore of Western Australia and in the U.S. GOM, or produced from challenging reservoirs. The Merged Group's projects could experience project implementation schedule slippage, shortages of or delays in the delivery of equipment or purpose-built components from suppliers, escalation in capital cost estimates, possible shortages of construction or other personnel, other labor shortages, environmental occurrences during construction that result in a failure to comply with environmental regulations or conditions on development, or delays and higher-than-expected costs due to the remote location of the projects, the impact of COVID-19 on the relevant workforce or supply chain, other unanticipated natural disasters, accidents, miscalculations, political or other opposition, litigation, acts of terrorism, operational difficulties, climate change related risks or other events associated with that construction that may result in the delay, suspension or termination of the Merged Group's projects. This may result in further costs, the total or partial loss of the Merged Group's investment and a material adverse effect on the Merged Group's business, results of operations and financial condition.

The Merged Group's projects may be delayed, more costly than anticipated or unsuccessful for many reasons, including declines or unexpected volatility in oil and gas prices, misalignment between joint venture participants, cost overruns, changes in regulations, unanticipated financial, operational or political events, mechanical and technical difficulties, increases in operating cost structures, equipment and labor shortages, industrial actions or other circumstances. This may result in the delay, suspension or termination of the Merged Group's capital projects or the total or partial loss of the Merged Group's investment which may have a material adverse effect on the Merged Group's business, results of operations and financial condition.

In order to advance its proposed developments, the Merged Group is reliant on agreements with third parties.

A number of the Merged Group's proposed developments, including optimization of existing Woodside and BHP Petroleum projects, will require commercial agreements to be entered into with third parties, including other joint venture participants. Some examples may include gas processing or infrastructure use agreements. A number of the required agreements may be complicated, have limited precedent and may require significant time

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and resources to negotiate and finalize. In addition, as some of these commercial agreements will need to be agreed by the participants within a joint venture, the risk of misalignment among those participants may impact the likelihood or timing of finalizing those agreements as those joint venture participants may have economic or business interests or objectives that are inconsistent with or opposed to the interests and objectives of its fellow joint venture participants.

The Merged Group may incur losses associated with counterparty exposures.

The Merged Group will assume counterparty risk as it will rely on the ability of its counterparties to discharge their obligations (including financial obligations) on a timely basis. There is also a risk that the Merged Group's rights against counterparties will not be enforceable in certain circumstances. Counterparties may default on their obligations due to insolvency, lack of liquidity, operational failure or other reasons. The inability of any of the Merged Group's counterparties to meet their contractual obligations with the Merged Group, or the inability of the Merged Group to enforce the contractual obligations of counterparties, could have an adverse effect on the Merged Group's business, results of operations and financial condition.

The Merged Group intends to continue to acquire or discover additional hydrocarbon resource volumes and commercialize them into proved reserves or further develop existing, acquired or discovered reserves to supplement its proved reserves and production (subject to satisfying the criteria set out in Woodside's capital allocation framework, energy replacement strategies and the overall energy transition).

The production rate of oil and gas properties declines as producing fields and reserves are depleted. Except to the extent that the Merged Group acquires further properties containing additional proved reserves, conducts successful exploration and development activities or identifies and develops additional proved reserves within its existing permits, the Merged Group's proved reserves will decline as its production continues. In addition, much of the Merged Group's interests are in mature fields with declining production. Although the Merger is intended to reduce this risk, the Merged Group's future oil and gas production will remain dependent upon its level of success in acquiring, finding and/or developing additional proved reserves. Further, revisions to reserves occur from time to time as a result of other factors including completion of reservoir and subsurface studies. By way of example, there were several revisions to Woodside's proved reserves in 2021, including revisions to the Wheatstone proved reserves and the Greater Pluto proved reserves.

While Woodside is starting to progress new energy opportunities for the Merged Group, in the near term, its revenues and profits will continue to be predominantly derived from its oil and gas operations. As its energy portfolio evolves, the sustainability and growth of its operations and financial condition will continue to be underpinned by the success of its exploration, acquisition and development efforts and its ability to replace existing hydrocarbon resources. In addition, Woodside may choose to place a greater focus on growing the Merged Group's new energy portfolio, which may have a negative impact on the replacement of reserves. Failure to acquire or discover and develop new resources, or develop existing or acquired or developed resources in sufficient quantities, to maintain and grow the current level of the Merged Group's proven reserves would likely negatively affect its long-term results of operations and financial condition unless balanced by growth in its new energy portfolio.

Woodside expects to continue to evaluate and, where appropriate, the Merged Group will also pursue acquisition opportunities and the development of projects, including in established, emerging and new regions or markets. However, there is a risk that the Merged Group may not be able to identify suitable acquisition opportunities in the future or may not be able to successfully complete acquisitions, or it may acquire entities or assets that do not perform as expected. Similarly, the Merged Group may not be able to identify further projects that are economically feasible, or it may be unable to generate sufficient operating earnings or raise additional capital to meet the capital expenditure requirements necessary for development.

In conducting exploration and development activities from a particular reservoir or facility and associated wells, the risk of not finding hydrocarbons or experiencing unanticipated adverse outcomes such as irregularities

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in formations, miscalculations or operational issues may render the Merged Group's activities unsuccessful, potentially resulting in the abandonment of the well or development and a loss of its investment. In addition, it may be difficult to accurately predict timing requirements related to regulatory, environmental and community approvals in some regions which may result in construction delays. The Merged Group may not achieve its full growth strategy and potential, as the commercialization of contemplated or planned projects, including with respect to assets it has discovered, acquired or plans to acquire, may deteriorate and require alternative technologies and/or lower cost developments to justify further investment. These factors may adversely affect the timing and/or economic value of new oil and gas opportunities, the expansion of the Merged Group's existing operations and its resulting financial performance and condition.

The Merged Group operates in a high risk industry, and there are risks inherent in the Merged Group's exploration, development, production and restoration activities, including a failure to find resources that can be commercialized successfully or the occurrence of operational or environmental hazards, which could adversely affect the Merged Group's business, results of operations and financial condition.

The Merged Group will have interests in a number of oil and gas exploration assets around the world, including in Australia, Senegal, South Korea, Congo, Egypt, T&T, U.S. GOM, Mexican GOM, Canada, Ireland and Barbados, and it may increase its level of exploration in these and other locations around the world.

Furthermore, the Merged Group's operations can be impacted by operational hazards and environmental hazards. Operational hazards include, among others, the risk of fire, explosions, well blowouts, pipe failure and abnormally pressured formations. Environmental hazards include oil spills, gas leaks, pipeline ruptures or discharge of toxic gas.

Woodside's and BHP Petroleum's operations are often conducted in difficult or environmentally sensitive locations, in which the consequences of a spill, explosion, fire or other incident could be significant. Accordingly, inherent in the Merged Group's operations is the risk that if it fails to manage operational hazards and abide by environmental and safety and protection standards, such failures could lead to damage to the environment and could result in regulatory action, legal liability, material costs and damage to the Merged Group's reputation or license to operate. In certain circumstances, liability could be imposed without regard to the Merged Group's fault in the matter.

The Merged Group has interests in deepwater fields and the Merged Group may attempt to pursue additional operational activity in the future and acquire additional fields and leases, including in the deep waters of the U.S. GOM. Exploration for oil or natural gas in deepwater generally involves significant operational, environmental and financial risks.

Operating or environmental hazards may cause the Merged Group to be unable to provide a safe environment for its workforce and the public, which could lead to injuries or loss of life and could result in regulatory action, legal liability and damage to the Merged Group's reputation.

Material limitations to the Merged Group's access to capital, a failure in financial risk management, government fiscal, monetary and regulatory policy and variability in interest and exchange rates could all adversely affect the Merged Group's business, results of operations and financial condition.

The operating and financial performance of the Merged Group's business is influenced by a variety of general economic and business conditions, including, among other things, access to debt and capital markets, government fiscal, monetary and regulatory policy and variability in interest and exchange rates. Deterioration in general economic conditions, including higher or lower than expected inflation rates or globally significant events, such as the ongoing COVID-19 pandemic, or the conflict in Ukraine, and perceptions towards climate change and ESG matters, could have an adverse impact on the Merged Group's operating and financial performance and financial position.

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The Merged Group may be unable to maintain Woodside's current credit rating due to a number of factors, including as a result of changes in its operating or business performance, a breach of debt covenants, changes in capital structures, changes in market conditions or through strategic decisions. Changes to economic and business conditions, which are beyond the Merged Group's control, may also limit its ability to access debt and capital markets on favorable terms. This may adversely impact the Merged Group's access to and cost of funding and its ability to fund growth and operational plans, which may have a material adverse effect on the Merged Group's business, financial condition and results of operations.

The Merged Group may encounter natural disasters or acts of terrorism (whether physical, cyber or otherwise), that may result in diminished production, additional costs or substantial loss.

Woodside and BHP Petroleum are, and the Merged Group will be, subject to operating hazards associated with the exploration for, and development, production and transportation of, oil and gas. Natural disasters, inclement weather, acts of terrorism, operator error, disruption to supply chain or other occurrences can result in adverse events, including, without limitation, injury or loss of life, damage to or destruction of property (including oil and gas wells, formations and production facilities), diminished production, additional costs, loss of well control or blowouts, vessel collision, loss of containment of hydrocarbons and other hazardous material, pollution and other damage to the environment, labor disruptions, fires, explosions, equipment failure or other incidents. The Merged Group's offshore operations will be subject to marine perils, including severe storms and other adverse weather conditions and vessel collisions, as well as interruptions or termination by governmental authorities based on environmental and other considerations. The occurrence of any of these operating hazards could result in injuries or loss of life, regulatory action, legal liability and damage to the Merged Group's reputation and substantial losses to the Merged Group, all of which may affect its financial position and performance. There can be no assurance regarding the availability of insurance to cover any such losses or liabilities associated with operational hazards, or that any insurance cover will be adequate to compensate for such hazards.

Furthermore, acts of terrorism (whether physical, cyber or otherwise) against the Merged Group's facilities, pipelines, transportation, computer systems or employees could severely disrupt its operations, supply chain, cause loss of life and could have a material adverse effect on the Merged Group's business, financial condition and results of operations.

If an adverse event of this nature were to occur in the North West Shelf area off the northwest coast of Australia or the Gulf of Mexico, the impact on the Merged Group's operations and financial results could be magnified given the geographic concentration of the Merged Group's significant producing assets in these areas.

Woodside's and BHP Petroleum's operations are subject to extensive governmental oversight and regulation, particularly with regard to the environment and occupational health and safety, that may change in ways that adversely affect the Merged Group's business, results of operations and financial condition.

Woodside's and BHP Petroleum's businesses are subject, in each of the countries in which they operate, to various national and local laws, regulations and approvals relating to the development, production, marketing, pricing, transportation and storage of its products as well as the restoration of their properties. Therefore, a change in the laws or regulations (including in respect of their interpretation) that apply to their businesses or in the way in which the Merged Group will be regulated could have a material adverse effect on the Merged Group's business and financial condition. With increasingly heightened government and public sensitivity to environmental sustainability, climate change, and ESG matters, environmental regulation is becoming more stringent. Changes in environmental laws and regulations occur frequently and the Merged Group could be subject to increasing environmental responsibility and liability, including laws and regulations dealing with exploration and drilling, plugging and abandonment of wells, air quality, water and noise pollution and other discharges of materials (including greenhouse gases) into the environment, plant and wildlife protection, the reclamation and restoration of certain of the Merged Group's properties, greenhouse gas emissions, the storage,

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treatment and disposal of wastes and the effects of the Merged Group's business on the water table and groundwater quality. Any changes that impose additional requirements (including in respect of restoration) or restrictions on the Merged Group's operations or more stringent and costly waste management or cleanup requirements could result in substantial costs or impair the Merged Group's ability to operate profitably.

These laws and regulations may require the Merged Group to obtain licenses, permits and approvals before activities commence that restrict the types, quantities and concentrations of various substances that can be released into the environment, limit or prohibit construction or drilling activities in certain sensitive environments, require expanded corporate disclosure about operational impacts and corporate strategy on environmental matters, and impose substantial liabilities for violations of laws and regulations or for pollution resulting from former or current operations. Substantial compliance costs could impact the financial prospects of the Merged Group.

There is existing litigation and may be threats of, or possible future, litigation seeking to challenge approvals (either current or retrospective) that the Merged Group holds in respect of certain development activities, including but not limited to approvals for new, or expansions to existing, projects. Some of these challenges and threats could relate to greenhouse gas emissions, environment, cultural heritage or human rights. There may be litigation in respect of the Merged Group's level of disclosure of climate change risk, including whether that disclosure is in accordance with legislation, or is in some way misleading or deceptive (akin to "greenwashing"), and related proceedings may give rise to claims for the disclosure of board and governance documents. The granting of approvals to the Merged Group under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) may also be subject to challenges, including around whether such approvals breach an existing or future duty of care (such as the novel duty of care to not cause harm to Australian children (as contemplated in "Sharma (by their litigation representative Arthur) and Others v Minister for the Environment (Cth) and Another (2021) 391 ALR 1" judgment, which was overturned on appeal).

If those threats materialize and/or the challenges are successful, new approvals may be required, there is a risk that those approvals will not be granted or, if they are, the Merged Group may be subject to more onerous conditions. There is also a risk of not obtaining relevant approvals, the revocation or modification of approvals that have been granted, or court orders enjoining certain development activities. There is also a risk that the legal action and threats will generate significant adverse publicity for the Merged Group, encourage similar suits to be brought in other jurisdictions or cause delay to the anticipated development schedule.

Revocation, failure to renew or alteration of the terms of the licenses, permits or approvals required for the Merged Group's operations may negatively affect the Merged Group's business or results of operations. Sanctions for non-compliance with these laws and regulations may include administrative, civil and criminal penalties, demand for reimbursement for government or regulatory actions, government orders, revocation of licenses, permits, approvals, and corrective action orders. These laws sometimes apply retroactively. In addition, a party can be liable for environmental damage without regard to that party's negligence or fault. Therefore, the Merged Group could have liability for the conduct of others or for acts that were in compliance with all applicable laws at the time it performed them, including trailing liability for operations undertaken by purchasers of the Merged Group's assets.

In addition, governmental authorities may recommend or impose other measures that could cause significant disruptions to the Merged Group's business operations in the regions most impacted by COVID-19. The Merged Group's operational response to COVID-19, for example the change of crew rosters to ensure quarantine requirements are met, must meet regulatory expectations. Inadequate risk assessment or implementation of revised operating practices may result in regulator notices or the imposition of production limitations.

New regulations and legislation, as well as evolving practices, with respect to environmental, health and safety controls, and increased governmental oversight of operations could increase the Merged Group's costs of regulatory compliance, impact its ability to capitalize on and/or to divest its assets and limit its access to new exploration properties.

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In the United States, the exploration, production, transportation, and sale of oil and natural gas are subject to certain federal, state, and local laws and regulations. Current regulatory requirements may change or past non-compliance with regulations may be discovered. Because such laws and regulations are subject to amendment and reinterpretation over time, the Merged Group will be unable to predict the future cost or impact of complying with such laws.

Moreover, the Merged Group cannot predict whether new legislation to regulate the oil and natural gas industries in the United States might be proposed, what proposals, if any, might actually be enacted by the U.S. Congress, the applicable federal agencies, or the various state legislatures, and what effect, if any, the proposals might have on its operations. The adoption and implementation of new or more stringent federal, state or local legislation, regulations or other regulatory initiatives that result in the imposition of more stringent standards for greenhouse emissions from the oil and natural industry could restrict the areas in which this sector may operate, and could result in increased compliance costs and changes in product pricing, which could impact consumer demand for Woodside's products.

The Merged Group is required to comply with both U.S. reporting and governance requirements and Australian securities regulations, which take different approaches to reserves reporting.

Woodside is a "disclosing entity" in Australia. As a result, the Merged Group's disclosure outside the United States will differ from the disclosure contained in the Merged Group's filings with the SEC. Woodside's reserve estimates disseminated outside the United States are not directly comparable to those made in filings subject to SEC reporting and disclosure requirements, as Woodside generally reports reserves in accordance with Australian practices. These practices are different from the regulations applicable to disclosure of reserve estimates in reports and other materials filed with the SEC. For example, the SEC permits oil and gas companies to disclose only estimated proved, probable and possible reserves that meet the SEC's definitions of such terms. Certain measures in communications filed by Woodside with the ASX in connection with the Merger, including "contingent resources," would generally not be required or, in some cases, permitted in SEC filings. Woodside urges BHP Shareholders to read Woodside's reserves estimates in this prospectus, which are presented in accordance with SEC requirements. Woodside is also subject to regulatory scrutiny and costs associated with complying with securities legislation in Australia.

The Merged Group's operations will be subject to governmental and sovereign risks, including political, legal and other uncertainties in the countries in which Woodside and BHP Petroleum do business, which could adversely affect the Merged Group's business, prospects, financial condition and results of operations.

Woodside's and BHP Petroleum's operations have been, and at times in the future the Merged Group's operations may be, affected by political developments and by national, state and local laws and regulations (including their interpretation or application); for example, restrictions on production, changes in taxes, royalties and other amounts payable to governments or governmental agencies, price or gathering rate controls and environmental protection regulations (including in respect of restoration). Further, the Merged Group's operations and the products it produces are the focus of increasing governmental policy initiatives and sovereign interests. Those initiatives and interests include environmental protection objectives, preservation of natural resources for national and state requirements, promotion of alternative energy uses, promotion of further exploitation of natural resources, local content requirements and other similar objectives. For example, BHP Petroleum's oil and natural gas operations in the United States and Mexico are subject to stringent federal, state and/or local laws and regulations relating to the release or disposal of materials into the environment or otherwise relating to environmental protection. The Merged Group will have exploration activities and potential projects outside Australia and in countries that are subject to various risks inherent in foreign operations in certain emerging markets with less stable legal, regulatory and political systems and where the geopolitical climates are changing. Further, Woodside's development and exploration activities in certain of those countries may be unlike any development and exploration activities that have taken place in those countries previously. In addition, the Glasgow Climate Pact calls upon parties to the United Nations Framework Convention on Climate

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Change to “accelerat[e] efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies.”

Future government policy objectives in the countries in which the Merged Group may do business could take the form of increased governmental regulations (including in respect of restoration), redirection of product distribution (such as domestic gas reservation policies), changes in taxation regulation or enforcement (including, for example, changes in tax rates on increased focus on audits), taxation subsidies or royalties, nationalization of resource assets, limitations on periods of lease retention, interference with the confidentiality and availability of information, forced renegotiation of contracts, changes in laws and policies governing operations of foreign-based companies, trade sanctions, currency restrictions and exchange rate fluctuations and other governmental steps. For example, there is the potential of trailing liabilities for prior titleholders in respect of decommissioning in the countries in which the Merged Group operates, which could lead to increased decommissioning costs. Such legislation has been introduced in Australia.

The Laminaria and Corallina Decommissioning Cost Recovery Levy has been enacted by the Australian government for the purpose of recovering the Commonwealth of Australia’s costs of decommissioning the Laminaria and Corallina oil fields and associated infrastructure.

Furthermore, risks including war, insurrection, acts of terrorism and other political risks are, or may in the future be, present in some of the countries in which the Merged Group will do business.

The Merged Group may also be exposed to risks relating to bribery and corruption. Refusal to pay facilitation payments could result in disruption or delay to the Merged Group’s operations and restriction on its ability to complete projects and secure further growth opportunities. Further, certain of the Merged Group’s projects will be subject to government approvals from foreign governments, including some of whom will be the Merged Group’s joint venture partners, and there is no assurance that those approvals will be obtained, which could adversely affect the Merged Group’s business.

These potential governmental actions and risks could have a significant adverse effect on the Merged Group’s operating model and could subject the Merged Group’s future operations, developments and exploration assets to delays and increased costs, or prohibitions on certain activities, the occurrence of which could have a material adverse effect on the Merged Group’s business, results of operations and financial condition.

Oversight and review by the ACCC in Australia, and other competition regulatory bodies in the jurisdictions in which the Merged Group will operate, may impact the Merged Group’s investments and businesses.

Australia, the United States and most other countries in which the Merged Group will operate have laws designed to promote competition in business and to protect the interests of consumers. These laws prohibit certain conduct including cartel conduct between competitors, various arrangements/conduct that has the purpose, effect or likely effect of substantially lessening competition including “exclusive” supply or distribution arrangements, misuse of market power, concerted practices and anticompetitive mergers and acquisitions, and misleading or deceptive conduct. In August 2021, the ACCC proposed significant reforms to Australia’s merger control regime, including mandatory notification thresholds and deeming acquisitions which would entrench, materially increase or materially extend the substantial market power of the acquirer as have the effect of substantially lessening competition. The proposed reforms, if adopted by the Federal Government and enacted, and any adverse review, actions or decisions by the ACCC under current or future competition laws may prevent or limit the Merged Group’s ability to pursue certain acquisitions.

If Woodside or BHP Petroleum is found to have contravened, or the Merged Group is found to contravene, applicable competition laws, the Merged Group may be subject to penalties and other court orders which may impact the Merged Group financial performance, business and reputation. For additional information regarding applicable competition laws, see the section entitled “*Regulatory Information About the Merged Group.*”

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The global response to climate change is changing the way the world produces and consumes energy, creating risks for the Merged Group. The complex and pervasive nature of climate change means transition risks are interconnected with and may amplify other risks. Additionally, the inherent uncertainty of potential societal responses to climate change may create a systemic risk to the global economy. If the Merged Group fails to adequately respond and adapt to the global response, its business, results of operations and financial condition could be materially adversely affected.

A recent report of the Intergovernmental Panel on Climate Change (IPCC, Working Group 1 contribution to the Sixth Assessment Report) states that “it is unequivocal that human influence has warmed the atmosphere, ocean and land.” The Merged Group will be a major producer of energy-related products such as LNG, crude oil, condensate, pipeline gas and LPG which result in the generation of greenhouse gas emissions throughout their lifecycle. Additionally, the Merged Group’s operations and properties will generate greenhouse gas emissions, particularly in Australia and the United States.

The complex and pervasive nature of climate change means that climate change risks are interconnected with and may amplify the Merged Group’s other principal risks. Political and legal risks in relation to climate change include the possibility of executive and legislative change (such as the introduction of carbon pricing, modifications to the tax structure, tightening of restrictions on emissions, among others), delays, conditions or suspensions placed on regulatory approvals and litigation. Political and legal risks may result in reduction or modification of certain operations, loss of lawsuits seeking to impose liability, or impairment of the Merged Group’s ability to continue to operate in an economic manner. These may lead to increased costs or decreased opportunities in operations, delay projects, and may adversely change the demand for oil and gas products in the Merged Group’s portfolio, thereby reducing revenues, adversely impacting earnings and the value of its reserves, and accelerating decommissioning obligations. “Green incentives” could help accelerate and de-risk investments in new energy technologies by competitors. Litigation could disrupt or delay regulatory approvals or impose financial costs.

Technology risks include the cost of transition to lower emitting or less carbon-intensive technology in order to meet emission reduction targets and the risk of failure in novel technologies. These could increase the cost of achieving emission reduction targets and increase costs or reduce revenue from new products and services. The timing of technology development and deployment is uncertain which also results in a risk of increased cost or decreased revenue if the Merged Group’s investments in new energy technologies are not timed to meet customer demand.

Market risks include changes to the price level and volatility of products that the Merged Group sells, thereby reducing revenues and adversely impacting earnings and the value of its reserves. Market risks also include changes to the price and availability of goods and services that the Merged Group purchases. These risks could arise due to climate regulation imposed upon customers and suppliers, product substitution as new forms of energy emerge, or other forms of change in final customer demand such as reductions in petroleum product demand due to faster than expected adoption of electric vehicles and other changes in consumer preferences.

Reputation risks include the risk of increased stakeholder concern and of stigmatisation of the broader carbon-intensive energy sector, if emissions reduction and energy transition targets are not achieved and/or do not meet community expectations. This could affect the Merged Group’s ability to attract and retain talent and capital, and may include shareholder activism. The Australian legal regime, where the majority of the Merged Groups’ assets and where its headquarters will be located, is generally conducive to shareholder activism. Shareholders have statutory rights to call shareholders’ meetings, to requisition resolutions and remove directors. The increased public and private focus on climate change and greenhouse gas emissions may cause some investors to take steps to involve themselves in the governance and strategic direction of the Merged Group. Any investor activism could increase costs, divert management’s attention and resources, impact execution of business strategy and initiatives, create adverse volatility in the market price of the Merged Group securities or make it difficult to attract and retain qualified personnel and business partners.

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Financial risks include the risk that investors invested in fossil fuel energy companies become increasingly concerned about the potential effects of climate change and may elect in the future to shift some or all of their investments into other sectors. Institutional lenders which provide financing to fossil fuel energy companies have also become more attentive to sustainable lending practices that favor renewable power sources such as wind and solar photovoltaic, making those sources more attractive, and some of them may elect not to provide funding for fossil fuel energy companies, or may make funding available on less competitive terms. Additionally, there is the possibility that financial institutions will be required to adopt policies that limit funding for fossil fuel energy companies. Limitation of investments in and financing for fossil fuel energy companies could result in the restriction, delay or cancellation of new or expanded development or production activities as well as a reduction in the Merged Group's share price.

Physical risks include the potential exacerbation (frequency or severity) of existing weather conditions (for example cyclones or hurricanes), hot working conditions, rising sea levels and erosion, which matters could have a material adverse effect on the Merged Group's assets and operations as well as the business of third-party vendors who supply necessary products and services in support of those operations.

Woodside's objective to succeed in the energy transition may meet unforeseen challenges, including the pace of technological innovation, supply and safety of new sources of energy, regulatory and legal obstacles, financing limitations, engineering and technical know-how, and unexpected competition.

Woodside believes that the Merger will create a larger, more resilient company with increased scale and technical depth, enabling the Merged Group to better navigate the energy transition than either Woodside or BHP Petroleum would achieve without the Merger. However, there is uncertainty around the pace of required technological innovation and the reliability of technologies that will be needed to transition to a lower-carbon environment. In addition, new sources of energy, such as hydrogen or ammonia, may be more difficult to commercialize than expected or may not be able to be commercialized safely or as efficiently as expected at scale. Woodside may also face unforeseen obstacles in the commercialization of a future carbon capture business and in the implementation of other lower-carbon services and emission reduction efforts.

There may also be regulatory, permitting or legal constraints that adversely affect the ability to capture, acquire, develop or supply new energy sources or reduce carbon emissions at the speed and scope currently anticipated, including constraints that are not yet known. The complex and pervasive nature of climate change means transition risks are interconnected with, and may amplify, other risks. While it is currently expected that sources of funding will be receptive to new energy development, there can be no assurance that this will be the case, and the ability to obtain financing or the cost of funding may adversely impact development of projects necessary to succeed in the energy transition.

Technical and engineering skills needed for development of new energy initiatives may be different from those anticipated and unexpected disruptive technologies may adversely impact efforts by Woodside to implement its energy transition goals or projects commissioned as part of energy transition. Woodside also cannot predict the rate at which other sophisticated parties may enter the same markets for new energy products and lower-carbon services in which the Merged Group is expected to participate.

Increased attention to ESG matters and conservation measures may adversely impact the Merged Group's business.

Increasing attention to climate change, societal expectations on companies to address climate change, as well as attention to matters relating to economic inequality, cultural heritage, energy and environmental justice, human capital management, diversity and corporate culture, has and is increasing investor and societal expectations regarding voluntary ESG practices and disclosures. These expectations and attention may in turn result in increased investor, media, employee and other stakeholder attention to the Merged Group's operations, ESG-related efforts and initiatives, and practices and policies relating to board, management and employee

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considerations, which could increase costs, have a negative impact on the Merged Group's reputation, brand and employee retention, and threaten the Merged Group's social license to operate with customers and suppliers. In addition, consumer demand for alternative forms of energy may result in increased costs, shifts in consumer demand away from oil and natural gas products, reduced profits, increased investigations and litigation, and negative impacts on the ability of the Merged Group to access capital markets.

Moreover, while the Merged Group may create and publish voluntary disclosures regarding ESG matters from time to time, including disclosures regarding climate change risks, many of the statements in those voluntary disclosures are based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain, may be dependent on estimates that are highly likely to change over time, and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters. In addition, some of the Merged Group's voluntary disclosures will rely in part on third-party data, and the Merged Group does not intend to independently verify third-party data. Further, it may take time to harmonize the Merged Group's disclosure and reporting regarding climate-related risks in the event that such climate reporting materially differed between Woodside and BHP Petroleum prior to the Merger.

In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions, and these ratings also may be used by other capital providers in assessing the Merged Group's creditworthiness. Unfavorable ESG ratings and recent activism directed at shifting funding away from companies with energy-related assets could lead to increased negative investor sentiment toward the Merged Group and the oil and gas industry and to the diversion of investment to other industries, which could have a negative impact on the Merged Group's access to and costs of capital. Also, institutional lenders and certain capital providers may decide not to provide funding for fossil fuel energy companies based on climate change related concerns, which could affect the Merged Group's access to capital for potential growth projects.

Estimates of proved reserves and future net cash flows are not precise. The actual quantities and net cash flows of the Merged Group's proved reserves may prove to be lower than estimated.

Numerous uncertainties exist in estimating quantities of proved reserves and future net cash flows therefrom. The estimates of proved reserves and related future net cash flows set forth in this prospectus are based on various assumptions, which may ultimately prove to be inaccurate.

Petroleum engineering is a subjective process of estimating underground accumulations of oil and gas that cannot be measured in an exact manner. Estimates of economically recoverable oil and gas reserves and estimates of future net cash flows depend upon a number of variable factors and assumptions, including the following:

- historical production from the area compared with production from other producing areas;

- the quality and quantity of available data;

- the interpretation of that data;

- the assumed effects of regulations by governmental agencies;

- assumptions concerning future commodity prices; and

- assumptions concerning future development costs, operating costs, severance, ad valorem and excise taxes, gathering, processing, transportation and fractionation costs and workover and remedial costs.

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Because all proved reserve estimates are to some degree subjective, each of the following items may differ materially from those assumed in estimating proved reserves:

- the quantities of oil and gas that are ultimately recovered;
- the production costs incurred to recover the reserves;
- the amount and timing of future development expenditures; and
- future commodity prices.

Furthermore, different reserve engineers may make different estimates of proved reserves and cash flows based on the same available data. The Merged Group's actual production, revenues and expenditures with respect to proved reserves will likely differ from the estimates, and the differences may be material.

As required by the SEC, the estimated discounted future net cash flows from proved reserves are based on average prices preceding the date of the estimate and costs as of the date of the estimate, while actual future prices and costs may be materially higher or lower. Actual future net cash flows also will be affected by factors such as:

- the amount and timing of actual production;
- the level of future capital spending;
- increases or decreases in the supply of or demand for oil, NGL and gas; and
- changes in governmental regulations or taxation.

Standardized measure is a reporting convention that provides a common basis for comparing oil and gas companies subject to the rules and regulations of the SEC. In general, it requires the use of commodity prices that are based upon a historical 12-month unweighted average, as well as operating and development costs being incurred at the end of the reporting period. Consequently, it may not reflect the prices ordinarily received or that will be received for future oil and gas production because of seasonal price fluctuations or other varying market conditions, nor may it reflect the actual costs that will be required to produce or develop the oil and gas properties. Accordingly, estimates included herein of future net cash flows may be materially different from the future net cash flows that are ultimately received. In addition, the 10% discount factor, which is required by the SEC to be used in calculating discounted future net cash flows for reporting purposes, may not be the most appropriate discount factor based on interest rates in effect from time to time and risks associated with the Merged Group or the oil and gas industry in general. Therefore, the estimates of discounted future net cash flows or standardized measure in this prospectus should not be construed as accurate estimates of the current market value of the Merged Group's proved reserves.

The Merged Group may face competition in the exploration, production and marketing of its products.

The exploration, production and marketing of hydrocarbon products is competitive, especially with regard to exploration for, and exploitation and development of, new sources of oil and natural gas. As many of the world's large oil fields approach natural depletion, incremental production is becoming increasingly difficult and therefore expensive. At the same time, new discoveries of conventional hydrocarbons are reducing in number and in size, while also tending to be more difficult to develop because of their location (*e.g.*, remote or deepwater) or complexity. Production disruptions resulting from natural events, for example hurricanes or cyclones (which are prevalent in certain of the areas in which the Merged Group will operate, like Australia and the Gulf of Mexico) or significant health events which may disrupt the labor force (*e.g.*, the ongoing COVID-19 pandemic), or due to social or geopolitical factors including terrorism or civil unrest, add to concerns about the security of oil and natural gas supplies.

The Merged Group will frequently compete for hydrocarbon resources acquisitions, exploration leases, licenses, concessions and marketing agreements with major oil companies, NOCs, independent oil and gas

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companies, individual producers, gas marketers and major pipeline companies, some of which may have larger financial and other resources than the Merged Group. These companies may be able to pay more for exploratory prospects and productive oil and natural gas properties and may be able to define, evaluate, bid for and purchase a greater number of properties and prospects, including operatorships and licenses, than the Merged Group's financial or human resources permit. In addition, the Merged Group's competitors may include entities with greater technical, physical and financial resources that allow them to enjoy technological advantages, which may in the future allow them to implement new technologies before the Merged Group can. The Merged Group may be placed at a competitive disadvantage or may be forced by competitive pressures to implement those new technologies at substantial costs.

If the Merged Group cannot compete successfully for new LNG supply contracts, its business, financial condition and results of operations may be adversely impacted.

Potential changes to the Merged Group's portfolio of assets through acquisitions and divestments may negatively affect its future results and financial condition.

Following Implementation of the Merger, the Merged Group intends to continue to follow Woodside's regular review of the composition of its asset portfolio and from time to time may add assets to its portfolio, including assets in emerging economies, or divest assets from its portfolio. There are a number of risks associated with any acquisitions or divestments, including adverse market reaction to such transactions or the timing or terms on which such transactions are made, the imposition of adverse regulatory conditions and obligations, commercial objectives not being achieved as expected, unforeseen liabilities arising from any changes to the Merged Group's asset portfolio, sales revenues, operational performance and anticipated cost savings, synergies, and other benefits that Woodside expects to achieve from the Merger not meeting the Merged Group's expectations, inability to retain key staff and transaction-related costs being more than anticipated.

As an Australian company, any acquisitions or dispositions by the Merged Group that may substantially lessen competition are subject to review by the ACCC. Adverse review, actions or decisions by the ACCC may prevent or limit the Merged Group's ability to pursue certain acquisitions. The Merged Group may also be subject to additional costs related to compliance with various foreign laws in connection with any acquisitions or divestments in jurisdictions outside Australia. These factors could adversely affect the Merged Group's business, financial condition and results of operations.

The results of operations and financial conditions of the Merged Group will be subject to fluctuations in exchange rates.

Woodside's and BHP Petroleum's functional and presentation currency is U.S. dollars. While substantially all of Woodside's major sales contracts are, and have historically been, denominated in U.S. dollars, Woodside's operating costs and exploration and development expenses are incurred in a mix of currencies, predominantly Australian dollars and U.S. dollars. Those expenses include major construction, drilling and service contracts and shipping agreements. Some expenses, comprised primarily of the salaries of Australian employees, rent and payments to other local contractors are normally paid in Australian dollars. It is intended that the Merged Group will operate on the same basis.

Accordingly, after Implementation of the Merger, movements in the exchange rates of any of these currencies relative to the U.S. dollar could adversely affect the Merged Group's results of operations and financial condition. Depreciation of the U.S. dollar, particularly against the Australian dollar, for prolonged periods, or exchange rate volatility, has in the past negatively affected Woodside's, and could in the future negatively affect the Merged Group's, profitability and financial position, and has increased, and could in the future increase, its effective costs.

Fluctuations in foreign currencies may also make period-on-period comparisons of the Merged Group's financial performance difficult. There can be no assurance that the Merged Group will successfully manage its

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exposure to exchange rate fluctuations or that exchange rate fluctuations will not have a material adverse effect on its future financial position and financial performance.

The Merged Group will be reliant on information technology systems and these may be subject to intentional or unintentional disruption, which could adversely impact the Merged Group's business and operations.

In general, the oil and natural gas industry has become increasingly dependent upon digital technologies to conduct day-to-day operations, including certain exploration, development and production activities. Both Woodside and BHP Petroleum's operations rely on a number of information technology systems, applications and business processes utilized in the delivery of business functions.

This exposes the Merged Group to risks originating from adopting or implementing new technologies, or failing to take appropriate action to position the Merged Group for the digital future, which may impact the capabilities it requires, the effectiveness and efficiency of its operations and its ability to compete effectively. These risks, if realized, could lead to operational events, commercial disruption (such as an inability to process or ship products), corruption or loss of system data, a loss of funds, unintended disclosure of commercial or personal information, enforcement action or litigation. An inability to implement new technology may also adversely affect the Merged Group's license to operate, reputation, results of operations or financial performance.

The Merged Group will use digital technology to estimate quantities of oil, LNG and natural gas reserves, process and record financial data, manage customers and to communicate with employees and third parties. The Merged Group's production facilities and operations are dependent on the reliability and integrity of information technology systems. A breach or failure of information technology systems due to intentional actions, including attacks on cybersecurity, negligence or other reasons, or due to program or system malfunctions, could result in the loss or misuse of data or sensitive information, injury to people, harm to the environment or the Merged Group's assets, legal or regulatory breaches, legal liability, disruption to its operations, interruptions to its services and processes, erroneous processing of third-party instructions or damage to its producing assets. Any intentional or unintentional disruption of the Merged Group's network security, information technology systems and any lack of availability of backup facilities may adversely impact its reputation, business and operations. The nature and timing of any disruptions are unpredictable and largely outside the Merged Group's control.

Additionally, the Merged Group's information and operating technology systems and networks may be subject to, or be the target of, cyber-attacks, computer viruses, malicious code, phishing attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary and other information, or may otherwise disrupt the Merged Group's, or its customers' or other third parties' business operations or adversely impact safety.

The Merged Group operations will be subject to the risk of litigation or arbitration.

From time to time, the Merged Group may be subject to complaints, litigation or arbitration arising out of its operations. Damages claimed under such proceedings may be material, and the outcome of any litigation or arbitration could materially and adversely affect the Merged Group's reputation, business, results of operations or financial condition. Increasing attention on climate change issues may also lead to an increase in litigation on grounds of contribution to, or failure to mitigate the effects of, climate change. Additionally, there is an increase in the number of class action claims in respect of damages allegedly caused by contraventions of regulatory obligations, in particular claims which are climate, environment or cultural heritage related.

There is existing litigation in relation to the approvals granted to Woodside. For example, in December 2020 the Conservation Council of Western Australia filed applications seeking judicial review of certain decisions in respect of approvals that were granted in relation to the North West Shelf, Pluto and Pluto Train 2 projects (the Supreme Court of Western Australia dismissed the proceedings in March 2022); and in November 2021

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Woodside was served with a further proceeding commenced by the Conservation Council of Western Australia seeking judicial review of a decision by the CEO of the Western Australian Department of Water and Environmental Regulation to grant Woodside a works approval for the Pluto Train 2 project granted in May 2021. It is expected there will be further challenges relating to other regulatory approvals commenced by project opponents.

The Merged Group may also be subject to challenges from litigants arguing breaches of duties of care (including in the nature of novel duties of care not to cause harm to Australian children, as seen in the *Sharma* litigation mentioned above under the heading “*Woodside’s and BHP Petroleum’s operations are subject to extensive governmental oversight and regulation, particularly with regard to the environment and occupational health and safety, that may change in ways that adversely affect the Merged Group’s business, results of operations and financial condition*”). Climate-related litigation risks are also increasing as a number of entities have sought to bring actions against various oil and natural gas companies alleging, among other things, that such companies created public nuisances by producing fuels that contributed to climate change or alleging that the companies had been aware of the adverse effects of climate change but failed to adequately disclose those impacts. There is also a litigation risk as to whether a court would determine that the Merged Group’s disclosure of climate change risk was inadequate.

While the Merged Group will assess the merits of each lawsuit and defend itself accordingly, it may be required to incur significant expenses in defending itself against any litigation or arbitration and there can be no assurance that a court or tribunal will find in its favor. If the Merged Group is unsuccessful in any litigation or arbitration, it may be subject to declaratory or injunctive relief (rather than compensatory damages) that is intended to force behavioral change, including but not limited to:

- requirements to seek approvals (with the risk of not being able to obtain that approval or obtaining the approval on less favourable terms);
- revocation of, or modification to, approvals that have already been granted;
- the imposition of conditions relating to approvals;
- injunctions which prevent the commencement of activities or stop existing activities from proceeding;
- compliance with emissions targets; and
- disclosure of documents, including board papers, relating to the Merged Group’s assessment of climate risk.

Such proceedings, even if successfully defended, could have an adverse effect on the Merged Group’s business, competitive position, prospects and reputation, and may divert the attention of its management team. In addition, proceedings in which the Merged Group is not directly subject may still impact its business and operations.

An inability to attract, retain and motivate skilled workers could adversely affect the Merged Group’s business, operations and financial performance.

The Merged Group’s operations, development and restoration projects and exploration activities will require various types of skilled and semi-skilled workers, drawn from a range of professions, disciplines, trades and vocations. Competition for skilled personnel in the oil and gas industry is high. Constraints on the Merged Group’s ability to attract, retain and motivate workers with appropriate skills and capabilities, including as a result of illness, quarantine, travel restrictions, other impacts of the COVID-19 pandemic or due to changes in the perception of oil and gas companies, could cause a shortage of workers or put increased pressure on wages, which could increase the Merged Group’s capital and operating costs and otherwise adversely impact the Merged Group. Additionally, a considerable period of training and time may be required before new employees and contractors are equipped with the requisite skills to work safely and effectively. Any inability of the Merged

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Group, or of its key contractors, to obtain, motivate and retain workers could cause a labor capacity shortfall within the Merged Group's business, threaten the Merged Group's ability to deliver on its objectives and have an adverse effect on the Merged Group's business and financial condition.

Similarly, interference with the availability of labor due to industrial action could also impact negatively on the Merged Group's business performance. Any unionized part of the Merged Group's workforce could expose the Merged Group to industrial action (including strikes and work bans), the occurrence of which could disrupt the Merged Group's operations and adversely affect its financial condition and operating results.

Failure to meet stakeholder expectations could adversely affect the Merged Group and its future activities.

Stakeholders, such as investors, governments, traditional owners, employees, customers, community groups and suppliers, continue to have higher and evolving expectations of Woodside and oil and gas companies in general. Stakeholder groups are acting with greater levels of organization, funding and sophistication, which has led to increased stakeholder activism with global reach, including increased stakeholder pressure on Woodside to provide transparency and apply ethical decision making. Stakeholders' attitudes and expectations of companies have shifted with respect to social responsibility, climate change, cultural heritage and the environment, which has influenced the regulatory landscape and increased scrutiny of oil and gas companies, including Woodside, and will also increase scrutiny of the Merged Group in the future. Some of the Merged Group's projects and activities will intersect with the interests of traditional owners and indigenous groups, resulting in the Merged Group's relationships with these groups taking on particular significance.

A significant or continuous departure from these stakeholder expectations or the Merged Group's values, code of conduct or internal standards could adversely affect the Merged Group's reputation, relationships, brand, license to operate and existing or future regulatory approvals.

The Merged Group could be materially and adversely affected if new legislation or regulations are adopted to address global climate change, or if the Merged Group is subject to lawsuits for alleged damage to persons or property resulting from greenhouse gas emissions.

The issue of global climate change continues to attract considerable regulatory, public, political and scientific attention. A recent report of the Intergovernmental Panel on Climate Change (IPCC, Working Group 1 contribution to the Sixth Assessment Report) states that "it is unequivocal that human influence has warmed the atmosphere, ocean and land." Over the last several years, Australian lawmakers, the U.S. Congress and other governments have considered and debated several proposals intended to address climate change using different approaches, including but not limited to introducing or increasing direct limits on carbon emissions, emissions trading including in the form of baseline-and-credit or cap-and-trade schemes, a tax on carbon or greenhouse gas emissions, incentives for the development of lower-carbon technology, and renewable portfolio standards.

In the United States, President Biden has highlighted addressing climate change as a priority of his administration, although no comprehensive climate change legislation has been implemented at the federal level to date. Additionally, many U.S. federal and state court cases have been filed in recent years asserting damages claims related to greenhouse gas emissions, and the results in those proceedings could establish adverse precedent that might apply to companies (including the Merged Group) that produce greenhouse gas emissions. Jurisdictions including the European Union have considered proposals to introduce "Border Adjustment Mechanisms" to apply carbon regulation to certain imported goods and services. The Merged Group could be materially and adversely affected if new legislation or regulations are adopted to address global climate change or if the Merged Group is subject to lawsuits for alleged damage to persons or property resulting from greenhouse emissions.

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The availability and cost of emission allowances or carbon offsets could adversely impact the Merged Group's costs of operations and its ability to meet its environmental goals.

The Merged Group will be required to manage its emissions within regulatory limits in the ordinary course of operating its oil and gas wells and LNG facilities. Different regulatory regimes have different methods for setting these limits, such as the setting of baselines, the granting of allowances and the availability of use of different standards of carbon offsets. For example, in Australia, the Merged Group is required to surrender carbon offsets for greenhouse gas emissions resulting from its domestic operations that exceed asset-specific regulatory baselines. If the Merged Group's operational needs require exceedance of its allowed limits, it may have to curtail its operations, install costly new emission controls, or purchase allowances on the open market, which could be costly and may be limited by community or regulatory expectations. As the Merged Group uses the emission allowances or carbon offsets that it has purchased on the open market, costs associated with such purchases will be recognized as an operating expense. If such allowances are available for purchase, but only at significantly higher prices, the purchase of such allowances could materially increase the Merged Group's costs of operations in the affected markets. There is also a risk that baselines could reduce or be removed by governments in the countries in which the Merged Group operates.

There are numerous uncertainties inherent in estimating the quality and quantity of offsets generated by each of these projects, including many factors beyond the Merged Group's control such as rainfall, bushfire and regrowth rates for native reforestation projects. Actual results may vary considerably from estimates, and the variances could be material. Accepted methods for estimating, calculating and certifying carbon offsets may in the future be varied resulting in a reduction in the number of carbon offsets generated or able to be used all of which may materially increase the Merged Group's costs associated with meeting regulatory or emission reduction targets.

In addition, a significant portion of the Merged Group's environmental sustainability plan beyond regulatory compliance will depend on its purchasing carbon offsets. If the prices of carbon offsets are higher than the Merged Group anticipates, the purchase of those offsets could materially increase its cost of operations and could materially limit its ability to meet its sustainability targets. In the future the use of carbon offsets to meet regulatory requirements or voluntary environmental sustainability plans may be limited by community or regulatory expectations requiring the Merged Group to curtail production or install costly new emission controls with adverse effects on the Merged Group's operating results. Alternatively, the change in community expectation on the use of carbon offsets could lead to failure to achieve emissions reductions targets with resulting damage to the Merged Group's reputation. See the section entitled "*Business and Certain Information About Woodside-ESG-Climate Change*" for additional information.

The financial and operating forecasts are based on various assumptions that may not be realized.

The financial and operating estimates set forth in the forecasts included in this prospectus have been prepared by Woodside's management and were based on assumptions of, and information available to, Woodside's management when prepared. These estimates and assumptions are subject to uncertainties, many of which are beyond Woodside's and BHP Petroleum's control and may not be realized. Many factors mentioned in this prospectus, including the risks outlined in this "*Risk Factors*" section, will be important in determining the Merged Group's future results. As a result of these contingencies, actual future results may vary materially from Woodside's estimates. In view of these uncertainties, the inclusion of financial estimates in this prospectus is not and should not be viewed as a representation that the forecasted results will necessarily reflect actual future results.

Woodside's financial and operating estimates were prepared with the primary purpose of describing certain factors considered as part of Woodside's approval of the Merger and such financial estimates were not prepared with a view toward compliance with published guidelines of any regulatory or professional body. Further, any forward-looking statement speaks only as of the date on which it is made, and neither Woodside nor BHP

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Petroleum undertakes any obligation, other than as required by applicable law, to update the financial estimates in this prospectus to reflect events or circumstances after the date those financial estimates were prepared or to reflect the occurrence of anticipated or unanticipated events or circumstances.

Neither Woodside's nor BHP Petroleum's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to Woodside's prospective financial or operating information contained in this prospectus, nor have they expressed any opinion or any other form of assurance on such information or achievability thereof, and, accordingly, such independent accountants assume no responsibility for, and disclaim any association with, Woodside's prospective financial and operating information. The report of Woodside's independent accountant included in this prospectus, relates exclusively to the historical financial information of the entities named in that report and does not cover any other information in this prospectus and should not be read to do so. See the section entitled "*The Merger–Unaudited Combined Forecasted Financial and Operating Information.*"

The Merged Group's financial results could be adversely affected by impairments of goodwill or other intangible assets, the application of future accounting policies or interpretations of existing accounting policies including by regulatory direction, and changes in estimates of decommissioning costs.

Woodside may record a significant amount of goodwill attributable to the Purchase Price for BHP Petroleum. On a pro forma basis at 31 December 2021, the amount of that goodwill is \$7.126 billion; this amount will differ from the actual amount recorded in connection with Implementation because of changes in, among other things, the market price of Woodside Shares and the estimates of fair value of BHP Petroleum's assets. Woodside periodically tests goodwill and other intangible assets for impairment and also if factors or indicators become apparent that would require an interim test.

Application of, or changes in, accounting policies and/or revisions in the fair value of one of the Merged Group's business segments could result in impairments of goodwill and non-cash charges. Any charge resulting from the application of accounting rules about impairment of goodwill and intangible assets could have a significant negative effect on the Merged Group's reported net income and its ability to pay dividends in one or more accounting periods if the level of impairment were to exceed profits available for distribution. In addition, the Merged Group's financial results could be negatively affected by the application of existing and future accounting policies or interpretations of existing accounting policies.

ASIC conducts regular reviews on a risk-basis of the financial reports of selected listed Australian companies. As part of its financial reporting surveillance program, ASIC raised concerns about certain infrastructure assets off Australian shores that were not included for full removal in the restoration provision in Woodside's financial report for the year ended 31 December 2020, and the adequacy of related disclosures. In response, in its financial statements as at and for the year ended 31 December 2021, Woodside provided additional disclosure on the inclusions and exclusions from that provision (see note D.5 to Woodside's financial statements included elsewhere in this prospectus). Woodside is continuing to engage with ASIC and other relevant regulators on the appropriateness of Woodside's decommissioning provision and disclosure. Woodside also continues to monitor applicable regulatory developments, and there is a risk that Woodside will need to make further provision in its financial statements (including in respect of the assets of BHP Petroleum once they are brought to account as part of the Merged Group) for removal in the future or give additional disclosures or both.

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Due to Woodside's expansion as a result of the Merger, including the expansion into additional jurisdictions in which the tax laws may not be favorable, Woodside's effective tax rate may increase and tax obligations may become significantly more complex and subject to greater risk of examination by taxing authorities, Woodside may be subject to tax inefficiencies as a result of its integration with BHP Petroleum, and Woodside may be subject to future changes in tax laws, in each case, the impacts of which could adversely affect Woodside's after-tax profitability and financial results.

After the Merger, Woodside will conduct operations, directly and through its subsidiaries, in Australia, the United States and multiple other foreign jurisdictions, and Woodside and its subsidiaries will therefore be subject to income taxes in such jurisdictions. In the future, Woodside may also become subject to income taxes in other jurisdictions. Woodside may be adversely affected by changes in the relevant tax laws and tax rates (including, for example, changes in the U.S. tax laws currently being considered by the U.S. Congress, if enacted), treaties, regulations, administrative practices and principles, judicial decisions, and interpretations thereof, in each case, possibly with retroactive effect in any such jurisdictions. In addition, Woodside's effective income tax rate and results of operations could be adversely affected by a number of factors, including changes in the valuation of deferred tax assets and liabilities, changes in accounting and tax standards or practices, changes in the composition of operating income by tax jurisdiction, changes in Woodside's operating results before taxes, and the outcome of income tax audits in Australia and the United States or other foreign jurisdictions. In addition, Woodside may be subject to tax inefficiencies and other potentially adverse tax consequences as a result of the acquisition of BHP Petroleum, and Woodside may not be able to efficiently integrate and combine the Woodside and BHP Petroleum entity structures.

Due to the complexity of multinational tax obligations and filings, Woodside and its subsidiaries may have a heightened risk related to audits or examinations by federal, state, provincial, and local taxing authorities in the jurisdictions in which it operates. Outcomes from these audits or examinations could have a material adverse effect on Woodside's business, results of operations, or financial condition.

The tax laws of jurisdictions in which Woodside may operate in the future have detailed transfer pricing rules that require that all transactions with related parties satisfy arm's length pricing principles. Although Woodside believes that its transfer pricing policies have been reasonably determined in accordance with arm's length principles, it will need to coordinate and integrate these policies with the historic policies of the entities acquired in the Merger, and the taxation authorities in the jurisdictions where Woodside carries on business could challenge its transfer pricing policies. International transfer pricing is a subjective area of taxation and generally involves a significant degree of judgment. If any of these taxation authorities were to successfully challenge Woodside's transfer pricing policies, Woodside could be subject to additional income tax expenses, including interest and penalties. Any such increase in Woodside's income tax expense and related interest and penalties could have a material adverse effect on its business, results of operations, or financial condition.

Woodside will regularly assess all of these matters to determine the adequacy of its tax liabilities and reserves, and if any of Woodside's assessments are ultimately determined to be incorrect, Woodside's business, results of operations, or financial condition could be materially and adversely affected.

The Merger could result in Woodside being treated as a U.S. corporation for U.S. federal income tax purposes.

Under current U.S. federal income tax law, a corporation generally will be considered to be a U.S. corporation for U.S. federal income tax purposes if it is created or organized in the United States or under the law of the United States or of any State. Accordingly, under generally applicable U.S. federal income tax rules, Woodside, which is incorporated and tax resident in Australia, would generally be classified as a non-U.S. corporation for U.S. federal income tax purposes. Section 7874 of the Code and the U.S. Department of the Treasury (the "U.S. Treasury") regulations promulgated thereunder, however, contain specific rules that may cause a non-U.S. corporation to be treated as a U.S. corporation for U.S. federal income tax purposes. If

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Woodside were to be treated as a U.S. corporation for U.S. federal income tax purposes, this could result in a number of negative tax consequences for Woodside and holders of Woodside Shares or Woodside ADSs. For example, Woodside would be subject to U.S. federal income tax on its worldwide income and, as a result, could be subject to substantial liabilities for additional U.S. income taxes.

Based on the terms of the Merger and certain factual assumptions (including that BHP Petroleum (i) is properly classified as a foreign corporation for U.S. federal income tax purposes at the time of the Merger and (ii) has not acquired assets of a U.S. corporation or partnership in acquisitions related to the transactions contemplated in the Share Sale Agreement), Woodside does not believe that it will be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code after the Merger. However, there can be no assurance that your or Woodside's tax advisers, the Internal Revenue Service ("IRS"), or a court will agree with the position that Woodside is not treated as a U.S. corporation pursuant to Section 7874 of the Code. The rules for determining whether a non-U.S. corporation is treated as a U.S. corporation for U.S. federal income tax purposes are complex, unclear, and the subject of ongoing regulatory change. The position that Woodside is not treated as a U.S. corporation pursuant to Section 7874 of the Code is not free from doubt. Further, the application of such rules must be finally determined after completion of the Merger, by which time there could be adverse changes to the relevant facts, law, and other circumstances. For example, President Biden's Made in America tax plan, if enacted, would increase the risk that Woodside would be treated as a U.S. corporation by expanding the scope of such rules to capture more transactions. Holders of Woodside Shares or Woodside ADSs should consult with, and rely solely upon, their own tax advisers regarding the application of the rules discussed above and any resultant tax consequences.

Risks Relating to the Ownership of Woodside Ordinary Shares

The market price of Woodside Shares may be volatile.

Global stock markets in general, and Woodside Shares in particular are subject to significant price and volume volatility. Woodside Shares historically have been, and Woodside Shares following Implementation of the Merger are expected to be, subject to significant fluctuations due to many factors, including but not limited to:

- the pending Merger (in the case of pre-Implementation volatility of Woodside Shares);

- fluctuations in operating results, announcements regarding new projects, oil and natural gas exploration activities or technological advances by the Merged Group or its competitors;

- changes in earnings estimates by market analysts, and general market conditions or market conditions specific to particular industries; and

- any additional equity offering or future sales of Woodside Shares by Woodside, or the possibility of such offerings or future sales.

These factors may make it more difficult for Woodside Shareholders to sell their Woodside Shares at a time and price which they deem appropriate, and could also impede Woodside's ability to raise capital through the issuance of equity securities.

The price of Woodside Shares may be subject to speculation in the press and the analyst community, changes in recommendations by financial analysts, changes in investors' or analysts' valuation measures, changes in global financial markets and global economies and general market trends unrelated to the performance of the Merged Group. The market price of Woodside Shares could be adversely affected by these factors and fluctuations.

Financial markets have experienced significant price and volume fluctuations in the last several years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been

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unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Woodside Shares may decline even if the Merged Group's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Also, certain institutional investors may base their investment decisions on consideration of the Merged Group's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Woodside Shares by those institutions, which could adversely affect the trading price of the Woodside Shares. There is no assurance that continuing fluctuations in the price and volume of publicly traded equity securities will not occur. If such increased levels of volatility and market turmoil continue, the Merged Group's operations could be adversely impacted and the trading price of the Woodside Shares may be adversely affected.

In addition, Woodside has applied for the Woodside ADSs to be listed on the NYSE. Woodside will apply for the Woodside Shares to be listed on the LSE. Liquidity on those securities exchanges may be significantly lower than on ASX with the result that the market price on one or both of those exchanges may be more volatile and/or less responsive to newsworthy developments in relation to Woodside and the value of its assets. Woodside Shares will be quoted in Australian dollars on ASX and Pounds Sterling on LSE, and Woodside ADSs will be quoted in U.S. dollars on NYSE. Dividends in respect of the Woodside Shares, if any, will be declared in U.S. dollars. Fluctuations in exchange rates will affect, among other matters, the local currency value of the Woodside Shares and of any dividends. Holders, particularly non-Australian holders, may not derive a benefit from franking credits attached to a dividend, if any. These too may cause temporary or more permanent differences in the value of Woodside Shares on different securities exchanges.

Multiple listing of the Woodside Shares (including in the form of Woodside ADSs) will result in differences in liquidity, settlement and clearing systems, trading currencies, prices and transaction costs between the stock exchanges upon which the Woodside Shares will be listed. These and other factors may hinder the ability to trade and transact in the Woodside Shares (or corresponding depositary interests or Woodside ADSs) through one or more exchanges.

The future price of the Woodside Shares on ASX or LSE or the Woodside ADSs on the NYSE is uncertain and past performance is not indicative of future performance. Future share prices may be either above or below current or historical share prices. The trading in and liquidity of the Woodside Shares will be split among these three exchanges. The price of the Woodside Shares and Woodside ADSs may fluctuate and may at any time be different on the ASX, LSE and NYSE. This could adversely affect the trading of the Woodside Shares or Woodside ADSs, as applicable, on these exchanges and increase their price volatility and/or adversely affect the price and liquidity of the Woodside Shares or Woodside ADSs, as applicable, on these exchanges.

The implied value of the Share Consideration will vary over time depending on the prevailing Woodside Share price.

The value of the Share Consideration will fluctuate with the market price of Woodside Shares. If the Merger is Implemented, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP Shareholders being Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders. Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of their BHP Shares held on the Distribution Record Date (based on the number of BHP Shares outstanding on 24 March 2022).

Because the exchange ratio is fixed and the market price of Woodside Shares has fluctuated, and will likely continue to fluctuate, the implied value of the Share Consideration will vary over time depending on the

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prevailing Woodside Share price. As a result, the implied value of the Share Consideration is likely to change, including between the date of this prospectus, the date of the Woodside Shareholders Meeting and the date on which the Share Consideration is distributed to Participating BHP Shareholders (and transferred to the Sale Agent in the case of all New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders).

Liquidity in the market for Woodside securities may be adversely affected by Woodside's maintenance of multiple exchange listings.

Application has been made for the listing of the Woodside ADSs on NYSE, and Woodside has also applied for quotation of the Woodside Shares in the United Kingdom on LSE with a standard listing. Following Implementation, at which time Woodside ADSs are expected to be listed and traded on the NYSE, Woodside intends to continue to list the Woodside Shares on the ASX, with a secondary standard listing on the LSE. Woodside cannot accurately predict the effect of having its securities traded or listed on each of these markets. These secondary listings may, however, reduce the liquidity of Woodside's securities in one or more markets.

Sales, or the perception of anticipated sales, of a significant number of Woodside Shares that Participating BHP Shareholders will be entitled to receive in the Merger may depress the market price of such Woodside Shares.

Participating BHP Shareholders receiving New Woodside Shares as Share Consideration may sell a significant number of the Woodside Shares they will be entitled to receive in the Merger, and such sales could be concentrated in the period shortly after Implementation of the Merger. Further, there may be a perception by investors that Participating BHP Shareholders will sell a significant number of Woodside Shares. These sales (and the perception of anticipated sales) could depress the market price of the Woodside Shares after Implementation of the Merger. Sales of Woodside Shares by Woodside Shareholders that are not Participating BHP Shareholders could also depress the market price of the Woodside Shares.

Additionally, it is possible that the sales by the Sale Agent on behalf of Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders may exert downwards pressure on the price of Woodside Shares in the period following the Implementation Date. See the sections entitled “*The Merger–Ineligible Foreign BHP Shareholders*” and “*The Merger–Small Parcel BHP Shareholders*.”

There is no guarantee that dividends will be paid on the Woodside Shares.

Whether any distribution is declared or paid to Woodside Shareholders, and the amounts of any such distributions, are uncertain and depend on a number of factors. The Woodside Board will have discretion to declare or pay a distribution on Woodside Shares, which may be based on a number of considerations, including Woodside's dividend policy, its operating results and its capital management plans. In addition, if goodwill arising from the Merger were to be impaired to a level that exceeded available profits for distribution, there is a risk that dividends may not be payable in one or more financial periods. For a discussion of risks arising from impairment of goodwill, see the risk factor entitled “*The Merged Group's financial results could be adversely affected by impairments of goodwill or other intangible assets, the application of future accounting policies or interpretations of existing accounting policies including by regulatory direction, and changes in estimates of decommissioning costs*” above.

The ability of foreign shareholders to bring actions or enforce judgments against Woodside or the Woodside Directors may be limited.

The ability of a shareholder outside of Australia to bring an action against Woodside may be limited under Australian law. Woodside is a limited company incorporated in Australia and the rights of Woodside Shareholders are governed by Australian law and the Woodside Constitution. These rights may differ from the rights of

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shareholders in other jurisdictions, including the United Kingdom or the United States. Consequently, it may not be possible to effect service of process upon the Woodside Directors within a foreign shareholder's country of residence or to enforce judgments of courts of the foreign shareholder's country of residence, based on civil or commercial liabilities under that country's securities laws, against the Woodside Directors, the majority of whom are residents of Australia. In addition, courts in Australia or other countries may not impose civil liability on the Woodside Directors in any original action based solely on foreign securities laws brought against Woodside or the Woodside Directors in a court of competent jurisdiction in Australia or other countries.

Risks Relating to the Ownership of Woodside ADSs

There has been no prior market for the Woodside ADSs on a U.S. national securities exchange, and an active and liquid market for the Woodside ADSs may fail to develop or be sustained, which could harm the market price of the Woodside ADSs.

The Existing Woodside ADSs currently trade on the over-the-counter market in the United States through Woodside's existing sponsored Level 1 ADR program. However, there has been no public market on a U.S. national securities exchange for the Woodside ADSs or Woodside Shares. Although Woodside has applied to list the Woodside ADSs on the NYSE, an active trading market for the Woodside ADSs may never develop or be sustained following the Merger. The market value of the Woodside ADSs will be based on the market value of the Woodside Shares issued in the Merger on the ASX at Implementation. This price may not be indicative of the market price of the Woodside ADSs or Woodside Shares after the Merger. In the absence of an active trading market for the Woodside ADSs or the Woodside Shares, BHP ADS holders who receive New Woodside ADSs in the Merger may not be able to sell their New Woodside ADSs at or above their initial market value or at the time they would like to sell.

After Implementation of the Merger, the market price of Woodside ADSs on the NYSE may not be identical, in U.S. dollar terms, to the market price of Woodside Shares on the ASX.

While the market price of Woodside ADSs on the NYSE is generally expected to fluctuate in line with fluctuations in the market price of Woodside Shares on the ASX, subject to additional fluctuations resulting from changes in the U.S. dollar and Australian dollar exchange rate, there is no guarantee that these relationships will be observed at all times, or at any time. The market price of Woodside ADSs may differ from the market price of Woodside Shares in U.S. dollar terms for a number of reasons, including the relative liquidity of Woodside ADSs and Woodside Shares.

Holders of Woodside ADSs will not directly hold Woodside Shares.

Holders of Woodside ADSs will not be treated as Woodside Shareholders and will not have shareholder rights. The Woodside Depositary (or its custodian in Australia) will be the holder of the Woodside Shares underlying the Woodside ADSs. Holders of Woodside ADSs will have contractual ADS holder rights. The Woodside Deposit Agreement among Woodside, the Woodside Depositary, holders of New Woodside ADSs, and all other persons directly or indirectly holding Woodside ADSs sets out Woodside ADS holder rights as well as the rights and obligations of the Woodside Depositary. Holders of Woodside ADSs may only exercise voting rights with respect to the Woodside Shares underlying their respective Woodside ADSs in accordance with the provisions of the Woodside Deposit Agreement, which provides that holders of Woodside ADSs may vote the shares underlying the Woodside ADSs either by withdrawing such Woodside Shares or by instructing the Woodside Depositary to vote the shares or other deposited securities underlying the New Woodside ADSs. However, holders of Woodside ADSs may not be informed about the meeting sufficiently in advance to withdraw the Woodside Shares and, even if holders of Woodside ADSs instruct the Woodside Depositary to vote the shares underlying the Woodside ADSs, Woodside cannot guarantee that the Woodside Depositary will vote in accordance with the instructions. See the section entitled "Description of Woodside American Depositary Shares—Voting Rights" for additional information.

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In addition to voting rights, the right of holders of Woodside ADSs to receive any dividends Woodside declares on Woodside Shares differ from the rights of Woodside Shareholders. See the section entitled “*Description of Woodside American Depositary Shares–Manner of Holding Woodside ADSs–Dividends and Distributions.*”

Holders of Woodside ADSs may not receive certain distributions on Woodside Shares represented by Woodside ADSs or any value for such dividends if it is illegal or impractical to make such dividends to holders of Woodside ADSs.

The Woodside Depositary has agreed to pay to holders of Woodside ADSs dividends with respect to cash or other distributions it or the custodian with respect to the Woodside ADSs receives on Woodside Shares held by it on behalf of holders of Woodside ADSs after deducting its agreed fees and expenses. Holders of Woodside ADSs will receive these dividends in proportion to the number of Woodside Shares their Woodside ADSs represent. However, the Woodside Depositary is not responsible if it reasonably determines, to the extent permitted to do so under the Woodside Deposit Agreement, that it is unlawful or impractical to make distributions available to any holders of Woodside ADSs. Woodside has no obligation to take any other action to permit the dividend of its Woodside ADSs, Woodside Shares, rights or anything else to holders of Woodside ADSs. As a result, holders of Woodside ADSs may not receive the distributions made on Woodside Shares or any value from them if it is illegal or impractical for Woodside or the Woodside Depositary to make such dividends available to holders of Woodside ADSs. These restrictions may have a material adverse effect on the value of Woodside ADSs.

The Woodside ADSs may be subject to limitations on transfer and the withdrawal of the underlying Woodside Shares.

Woodside ADSs are transferable on the books of the Woodside Depositary. However, the Woodside Depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The Woodside Depositary may refuse to issue and deliver Woodside ADSs or register transfers of Woodside ADSs generally when the register of the Woodside Depositary or the Woodside share transfer books are closed or at any time if the Woodside Depositary or Woodside think it is necessary or advisable to do so because of any requirement of law, government or governmental body, or under any provision of the Woodside Deposit Agreement, or for any other reason subject to the right of Woodside ADS holders to cancel their Woodside ADSs and withdraw the underlying Woodside Shares. Temporary delays in the cancellation of Woodside ADSs and withdrawal of the underlying Woodside Shares may arise because the Woodside Depositary has closed its transfer books or Woodside has closed its transfer books for shares, the transfer of Woodside Shares is blocked to permit voting at a shareholders’ meeting, or Woodside is paying a dividend on the Woodside Shares. In addition, a holder of Woodside ADSs may not be able to cancel their Woodside ADSs and withdraw the underlying Woodside Shares when it owes money for fees, taxes and similar charges and when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to Woodside ADSs or to the withdrawal of Woodside Shares or other deposited securities. See the sections entitled “*Description of Woodside American Depositary Shares–Transfer, Combination and Split Up of Woodside ADSs* and “*Withdrawal of Woodside Shares Upon Cancellation of Woodside ADSs.*”

It may be difficult for holders of Woodside ADSs to bring any action or enforce any judgment obtained in the United States against Woodside or members of the Woodside Board, which may limit the remedies otherwise available to holders of Woodside ADSs.

Woodside is a public limited company incorporated under the laws of Australia, and its corporate headquarters will remain in Australia following Implementation of the Merger. Many of the Woodside Directors are, and following the Merger will be, residents of jurisdictions outside the United States. In addition, although Woodside will, following Implementation of the Merger, have substantial assets in the United States, the majority of Woodside’ s assets and a large proportion of the assets of certain of its directors and officers will be located outside of the United States.

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As a result of the foregoing, Woodside ADS holders resident to the United States may find it difficult in a lawsuit based on the civil liability provisions of the United States federal securities laws:

- to effect service within the United States upon Woodside and Woodside Directors and officers of Woodside that are located outside the United States;
- to enforce in United States courts or outside the United States, judgments obtained against those persons in United States courts;
- to enforce, in United States courts, judgments obtained against those persons in courts in jurisdictions outside the United States; and
- to enforce against those persons in Australia, whether in original actions or in actions for the enforcement of judgments of United States courts, civil liabilities based solely upon the United States federal securities laws.

Holders of Woodside ADSs may not be able to exercise their right to vote the Woodside Shares underlying their Woodside ADSs.

Holders of Woodside ADSs may only exercise voting rights with respect to the Woodside Shares underlying their respective Woodside ADSs in accordance with the provisions of the Woodside Deposit Agreement and not as a direct shareholder of Woodside. In order to vote the Woodside Shares underlying the Woodside ADSs, holders of Woodside ADSs may either withdraw the Woodside Shares underlying their Woodside ADSs or instruct the Woodside Depositary to vote the Woodside Shares underlying such Woodside ADSs. However, holders of Woodside ADSs may not be informed about the meeting far enough in advance to withdraw the underlying Woodside Shares, and after such withdrawal, would no longer hold Woodside ADSs, but would instead hold the underlying Woodside Shares directly.

The Woodside Depositary will try, to the extent practicable, to vote the Woodside Shares underlying the Woodside ADSs as instructed by the holders of Woodside ADSs. The Woodside Depositary, upon timely notice from Woodside, will notify the holders of Woodside ADSs of the upcoming vote and arrange to deliver Woodside voting materials to the holders of Woodside ADSs. Woodside cannot guarantee that the holders of Woodside ADSs will receive the voting materials in time to ensure that they will be able to instruct the Woodside Depositary to vote their Woodside Shares or to withdraw their Woodside Shares so that the holders of Woodside ADSs can vote them themselves. If the Woodside Depositary does not receive timely voting instructions from the holders of Woodside ADSs, or if the Depositary timely receives voting instructions from a holder that fails to specify the manner in which the Woodside Depositary is to vote, such holder's ADSs will not be voted. Voting instructions may be given only in respect of a number of Woodside ADSs representing an integral number of Woodside Shares or other deposited securities. In addition, the Woodside Depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that the holders of Woodside ADSs may not be able to exercise any right to vote that they may have with respect to the underlying Woodside Shares, and there may be nothing they can do if the Woodside Shares underlying their Woodside ADSs are not voted as requested. In addition, the Woodside Depositary is only required to notify the holders of Woodside ADSs of any particular vote if it receives timely notice from Woodside in advance of the scheduled meeting. See the section entitled "*Description of Woodside American Depositary Shares—Voting Rights.*"

As a foreign private issuer ("FPI") under the rules and regulations of the SEC, Woodside is permitted to, and may, file less or different information with the SEC than a U.S. public company that is not an FPI, and will follow certain home country corporate governance practices in lieu of certain NYSE requirements applicable to U.S. issuers.

Woodside is, and after the Implementation of the Merger the Merged Group will be, an FPI, under the Exchange Act and is therefore exempt from certain rules under the Exchange Act, including the proxy rules,

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which impose certain disclosure and procedural requirements for proxy solicitations for U.S. issuers. Moreover, the Merged Group will not be required to file periodic reports and financial statements with the SEC as frequently or within the same timeframes as U.S. companies with securities registered under the Exchange Act. Woodside currently does not, and is not required to, prepare its financial statements in accordance with U.S. GAAP. Following the Merger, the Merged Group will not be required to prepare its financial statements in accordance with U.S. GAAP, or to reconcile to U.S. GAAP, if it elects to prepare its financial statements in accordance with IFRS. The Merged Group will not be required to comply with Regulation Fair Disclosure, which imposes restrictions on the selective disclosure of material information to shareholders. In addition, the Merged Group's officers, directors and principal shareholders will be exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of Woodside's securities. Accordingly, after the Merger, holders of Woodside ADSs may receive less or different information about the Merged Group than they would receive about a U.S. domestic public company.

In addition, as an FPI whose ADSs are intended to be listed on the NYSE, the Merged Group will be permitted, subject to certain exceptions, to follow certain home country rules in lieu of certain NYSE listing requirements. An FPI must disclose in its annual reports filed with the SEC each NYSE requirement with which it does not comply, followed by a description of its applicable home country practice. The Merged Group will have the option to rely on available exemptions under the listing rules of the NYSE (the "NYSE Listing Rules") that would allow it to follow its home country practice, including, among other things, the ability to opt out of (i) the requirement that the Merged Group Board be comprised of a majority independent directors, (ii) the requirement that the Merged Group's independent directors meet regularly in executive sessions, (iii) the requirement that the Merged Group obtain shareholder approval prior to the issuance of securities in connection with certain acquisitions, private placements of securities, or the establishment or amendment of certain stock option, purchase or other compensation plans, and (iv) the requirement that the Merged Group establish independent nominating and corporate governance and compensation committees. Woodside expects that the Merged Group Board will be comprised of a majority independent directors and will establish independent nominating and corporate governance and compensation committees, but has not yet made final determinations on other possible exemptions from the NYSE Listing Rules. See the section entitled "*Board of Directors and Management of the Merged Group After the Merger—NYSE Requirements.*"

The Merged Group could lose its status as an FPI under current SEC rules and regulations if more than 50% of its outstanding voting securities become directly or indirectly held of record by U.S. holders and any one of the following is true: (i) the majority of the Merged Group's directors or executive officers are U.S. citizens or residents; (ii) more than 50% of the Merged Group's assets are located in the United States; or (iii) the Merged Group's business is administered principally in the United States. If the Merged Group loses its status as an FPI in the future, it will no longer be exempt from the rules described above and, among other things, will be required to file periodic reports and annual and quarterly financial statements as if it were a company incorporated in the United States. If this were to happen, the Merged Group would likely incur substantial costs in fulfilling these additional regulatory requirements and members of the Merged Group's management would likely have to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled.

As a result of registering the distribution of the New Woodside Shares and New Woodside ADSs in the United States, the Merged Group will become subject to additional regulatory compliance requirements, including Section 404 of the Sarbanes-Oxley Act, and if the Merged Group fails to maintain an effective system of internal controls, the Merged Group may not be able to accurately report its financial results or prevent fraud.

As a company with ADSs listed on the NYSE, the Merged Group will incur legal, accounting and other expenses that it did not previously incur. The Merged Group will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the NYSE Listing Rules and other applicable securities rules and regulations, as well as the U.S. Foreign

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Corrupt Practices Act 1977, as amended. Compliance with these rules and regulations will increase Woodside's legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on its systems and resources, particularly if the Merged Group is no longer an FPI.

Pursuant to Section 404 of the Sarbanes-Oxley Act, the Merged Group's management will be required to assess and attest to the effectiveness of its internal control over financial reporting in connection with issuing the Merged Group's audited consolidated financial statements beginning with its audited consolidated financial statements as of and for the year ending 31 December 2023. As long as the Merged Group is an accelerated filer or a large accelerated filer, Section 404 also requires the Merged Group to include an attestation report on the effectiveness of internal control over financial reporting from the Merged Group's independent registered public accounting firm for any period in which the Merged Group is required to provide a management assessment.

Compliance with Section 404 will increase the Merged Group's compliance costs and management's attention may be diverted from other business concerns, which could adversely affect the Merged Group's results of operations. The Merged Group may need to hire more employees in the future or engage outside consultants to comply with these requirements, which would further increase expenses. If the Merged Group fails to comply with the requirements of Section 404 in the required timeframe, it may be subject to sanctions or investigations by regulatory authorities, including the SEC and the NYSE. Furthermore, if the Merged Group is unable to attest to the effectiveness of its internal control over financial reporting, it could lose investor confidence in the accuracy and completeness of its financial reports, and the market price of Woodside Shares and Woodside ADSs could decline. Failure to implement or maintain effective internal control over financial reporting could also restrict the Merged Group's future access to the capital markets and subject the Merged Group, its directors and its senior management to significant monetary and criminal liability. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. The Merged Group intends to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue generating activities to compliance activities.

Furthermore, as a public reporting company in the United States, the United Kingdom and Australia with securities listed on the NYSE, LSE and ASX, the Merged Group will have the additional burden of complying with multiple regulatory and disclosure regimes, which may result in further uncertainty regarding compliance matters, additional costs and further diversion of management's time and attention. If the Merged Group's effort to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against it and its business, financial condition, results of operations and future growth prospects may be adversely affected.

Information About the Companies

Information about Woodside

Woodside was registered and incorporated under Australian corporate law on 17 August 1971. Woodside was listed on ASX on 18 November 1971. Woodside's registered office, head office and principal place of business is Mia Yellagonga, 11 Mount Street, Perth, Western Australia 6000, Australia. Woodside's telephone number is (61 8) 9348 4000. At the Woodside Shareholders Meeting, Woodside is proposing a resolution to change its name from "Woodside Petroleum Ltd." to "Woodside Energy Group Limited." If approved, this change is expected to take effect shortly after the Woodside Shareholders Meeting. Woodside has also applied to change its ticker symbol on the ASX from "WPL" to "WDS," subject to shareholder approval of the proposed name change.

Information about BHP

BHP is the world's largest diversified natural resources company by market capitalization with over 80,000 employees and contractors, primarily in Australia and the Americas. BHP's products are sold worldwide, and BHP is among the world's top producers of major commodities, including iron ore, copper, nickel and metallurgical coal.

Information about BHP Petroleum

BHP pioneered the development of an oil and gas industry in Australia with the Bass Strait discovery in 1965. The BHP petroleum business now has conventional oil and gas assets in the U.S. GOM, Australia, and T&T, and appraisal and exploration options in Mexico, T&T, western U.S. GOM, Eastern Canada, Barbados and Egypt. BHP Petroleum also includes BHP Petroleum's interests in its Algerian assets, which BHP is in the process of divesting. For further information, see the section entitled "*Business and Certain Information About BHP Petroleum—Producing Assets—Algerian Assets Sale.*"

BHP Petroleum International Pty Ltd, the parent of BHP Petroleum, was incorporated in Australia in 1988 and is a wholly owned subsidiary of BHP. The registered office of BHP Petroleum International Pty Ltd is 125 St Georges Terrace, Perth Western Australia 6000, Australia, telephone (61 3) 1300 55 47 57.

Merger Commitment Deed

On 17 August 2021, Woodside and BHP announced that they had entered into the Merger Commitment Deed to facilitate the combination of their respective oil and gas portfolios through the Merger. The Merger is expected to create a top 10 global independent energy company by hydrocarbon production (Woodside analysis based on the Wood Mackenzie Corporate Benchmarking Tool Q4 2021, 1 December 2021, see the section titled "*Disclaimer and Important Notices—Industry and Market Data*" for clarification of independent energy company) and the largest energy company listed on the ASX. The Merger Commitment Deed outlined a process by which Woodside and BHP intended to progress the Merger.

Share Sale Agreement

On 22 November 2021, Woodside and BHP entered into the binding Share Sale Agreement which sets out each parties' obligations in relation to Implementation of the Merger (together with the ITSA which sets out each parties' obligations in relation to the separation, transition and integration of BHP's oil and gas portfolio with Woodside's oil and gas portfolio).

Implementation of the Merger is subject to satisfaction (or where permitted, waiver) by 30 June 2022 (or an agreed later date) of Conditions including:

- approval by certain regulatory and competition authorities;
- approval by Woodside Shareholders;

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the Independent Expert's Report concluding that the Merger is in the best interests of Existing Woodside Shareholders; and certain registration statements relating to Woodside Shares being declared effective by the SEC.

See the section entitled "*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Conditions*" for further details. If a Condition has not been satisfied or waived, if permitted, by this date, either Woodside or BHP may terminate the Share Sale Agreement.

If all Conditions are satisfied (or waived, if permitted), including the Woodside Shareholder Approval, then:

The Sale Shares, being 100% of the issued share capital of BHP Petroleum International Pty Ltd, will be transferred to Woodside (or a nominee), and BHP Petroleum will become a wholly owned subsidiary of Woodside;

Woodside will pay BHP the Purchase Price, including the Share Consideration of 914,768,948 New Woodside Shares in the aggregate, which will be issued to BHP;

BHP will immediately distribute to BHP Shareholders (or the Sale Agent in the case of all Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) on the Distribution Record Date the Share Consideration, pro rata to their respective ownership of BHP (the "Distribution Entitlement");

Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders will receive a cash payment from proceeds of the sale of New Woodside Shares in lieu of receiving New Woodside Shares, as provided in accordance Section 3.7 of the Share Sale Agreement; and

Each holder of BHP ADSs will receive, in lieu of New Woodside Shares, a number of New Woodside ADSs that corresponds to the New Woodside Shares received on the BHP Shares represented by BHP ADSs (subject to payment of taxes and applicable Woodside Depository and BHP Depository fees and expenses).

Following Implementation, the Merged Group will comprise Woodside and its subsidiaries, including each member of BHP Petroleum.

Fractional Woodside Shares or fractional New Woodside ADSs will not be issued to BHP Shareholders or holders of BHP ADSs, as applicable, pursuant to the Merger. To the extent that the Distribution Entitlement in respect of any Participating BHP Shareholder would create a fractional entitlement to a New Woodside Share, then Distribution Entitlement will be rounded down to the nearest whole number of New Woodside Shares, the fraction of a New Woodside Share will be issued to the Sale Agent and sold, and BHP or its nominee will retain the net proceeds. Any fractional entitlements to New Woodside ADSs will be aggregated and sold by the BHP Depository and the net cash proceeds (after deduction of applicable fees, taxes and expenses) will be distributed to the BHP ADS holders entitled thereto.

From the date of issue, the New Woodside Shares comprising the Share Consideration will be fully paid and rank equally with Woodside Shares currently on issue. Post-Implementation, Woodside will continue to be listed on ASX, with a secondary listing on the LSE in the United Kingdom and a listing of Woodside ADSs on NYSE in the United States. See the section entitled "*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Purchase Price*" for further details.

An "Ineligible Foreign BHP Shareholder," for purposes of the Merger, is (i) a BHP Shareholder whose address is shown in the BHP Register (as determined by BHP) on the Distribution Record Date as being in a jurisdiction other than one of the following jurisdictions: Australia, Canada, Chile, France, Germany, Ireland, Italy, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, the United Arab Emirates, the United Kingdom, the United States, or any other jurisdiction in

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respect of which BHP determines (acting reasonably and following consultation with Woodside) that it is not prohibited or unduly onerous or impractical to transfer or distribute New Woodside Shares to the BHP Shareholders in those jurisdictions, or (ii) one of certain South African BHP Shareholders who does not validly elect to receive New Woodside Shares in accordance with arrangements to be outlined by BHP. BHP will transfer the New Woodside Shares that each Ineligible Foreign BHP Shareholder would otherwise be entitled to receive to the Sale Agent to be sold, with the net proceeds distributed to the Ineligible Foreign BHP Shareholder. Please refer to the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Distribution of New Woodside Shares*” for further information regarding the plan of distribution of New Woodside Shares.

Purchase Price

The consideration for the sale of the Sale Shares is the payment by Woodside of the Purchase Price (being the Purchase Price under the Share Sale Agreement), comprising the Share Consideration and the Completion Payment.

Share Consideration

Immediately upon Implementation of the Merger, the New Woodside Shares will be issued by Woodside to BHP and BHP will distribute the Share Consideration to BHP Shareholders (or to the Sale Agent in the case of all Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders).

Woodside will then:

- ensure that each New Woodside Share is unencumbered, fully paid up and ranks equally with Existing Woodside Shares;
- procure that all New Woodside Shares are listed for quotation on ASX (or relevant secondary listing exchange); and
- promptly send holding statements to each Participating BHP Shareholder that has received New Woodside Shares.

The effect of the initial offer and the subsequent Share Sale Agreement is for the Merger to take economic effect from 1 July 2021. As a result, subject to Implementation, Woodside will become entitled to the economic benefit and risks of the BHP Petroleum assets and liabilities that are the subject of the Merger with effect from 1 July 2021, and BHP Shareholders will become entitled to the agreed number of Woodside Shares with adjustment for dividends and certain other activities from that same date. Movements in the value of either BHP Petroleum’s assets or Woodside Shares after 1 July 2021 would not affect the merger ratio and would be to the benefit or risk of each party. Nevertheless, for accounting purposes, the Merger will be treated as if it is effective as of the Implementation Date. The price of Woodside Shares has increased by approximately 50% from 1 July 2021 to 24 March 2022 for a variety of potential reasons, including increases in commodity prices. Accounting standards require the value of Woodside Shares (including the increase in the value of Woodside Shares from 1 July 2021 to the Implementation Date) to be allocated to the BHP Petroleum assets and liabilities acquired at their fair value and any amount above that allocated to goodwill. Following Implementation, Woodside will need to determine the fair value of the BHP Petroleum assets and liabilities as at the Implementation Date and calculate the value of goodwill on acquisition to be recognized. Subsequently, on an ongoing basis, Woodside will need to assess the extent to which the goodwill may be impaired. The pro forma financial information includes an estimate of goodwill arising on acquisition, based on assumptions as to the price of Woodside Shares and other factors. See the section entitled “*Unaudited Pro Forma Condensed Combined Financial Statements*.”

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Completion Payment

To give economic effect to the Effective Time of 11:59 p.m. (AEST) on 30 June 2021, separate to the Share Consideration, on Implementation Woodside or BHP, as applicable, will pay to the other party the “Completion Payment,” which includes:

the “Woodside Dividend Payment”, payable by Woodside, which is defined as:

- the aggregate amount of all dividend payments in respect of all dividends declared by Woodside that have a record date subsequent to the Effective Time but prior to Implementation (the “Woodside Dividends”) (excluding franking credits) where the dividend payment for each Woodside Dividend is the amount equal to:
 - (1) the Equity Ratio (as defined in the Share Sale Agreement) at the time the Woodside Dividend is paid multiplied by the total amount of that Woodside Dividend (in respect of all Woodside Shares); less
 - (2) the value of Woodside Shares issued under Woodside’s dividend reinvestment plan issued after the Effective Time, determined in accordance with the Share Sale Agreement;

the Locked Box Payment, payable by Woodside to BHP or BHP to Woodside, as applicable; and

any other adjustments to the Purchase Price payable in accordance with the Share Sale Agreement.

Further information regarding the Share Sale Agreement and Locked Box Payment is set out in the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Purchase Price.*”

Ineligible Foreign BHP Shareholders

Restrictions in certain foreign countries may make it impractical, unduly onerous or unlawful for New Woodside Shares issued under the Merger to be distributed to BHP Shareholders in those jurisdictions.

Some BHP Shareholders may be Ineligible Foreign BHP Shareholders for the purposes of the Merger, and this prospectus should be read accordingly.

Neither Woodside nor BHP are obliged to issue or transfer (respectively), and will not issue or transfer, any New Woodside Shares to any Ineligible Foreign BHP Shareholder.

Instead, the New Woodside Shares that are otherwise attributable to Ineligible Foreign BHP Shareholders will be transferred to the Sale Agent to be sold, with the net proceeds of such sale to be paid to Ineligible Foreign BHP Shareholders.

Small Parcel BHP Shareholders

A BHP Shareholder (other than an Ineligible Foreign BHP Shareholder) (i) who is registered on the BHP Australian principal share register and holds 1,000 BHP shares or less or on the BHP depository interest register and holds 1,000 BHP depository interests or less, (ii) whose registered address in the BHP Australian principal share register or BHP depository interests register is in any of Australia, Canada, Chile, France, Germany, Ireland, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Norway, Spain, Sweden, Switzerland, the United Arab Emirates and the United Kingdom, and (iii) who is not, and is not acting for the account or benefit of persons, in the United States, is a Small Parcel BHP Shareholder.

A Small Parcel BHP Shareholder may deliver a duly completed opt-in notice in accordance with the relevant instructions before 5:00 p.m. (AEST) on 24 May 2022, in which case that BHP Shareholder will be a Relevant Small Parcel BHP Shareholder. Woodside will issue, or BHP will transfer, the New Woodside Shares

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that each Relevant Small Parcel BHP Shareholder would otherwise be entitled to receive to the Sale Agent to be dealt with in accordance with the procedure set out in the section entitled “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement–Distribution of New Woodside Shares.*”

Relevant Small Parcel BHP Shareholders will not receive New Woodside Shares in connection with the Merger.

Plan of Distribution of Woodside Shares

BHP Shareholders who are Participating BHP Shareholders on the Distribution Record Date will be entitled to have the New Woodside Shares distributed to them.

Background of the Merger

Woodside and BHP have held regular commercial discussions since the beginning of 2019 in light of their mutual participation in various ordinary commercial activities, including co-ownership in LNG and upstream assets, primarily in the North West Shelf Project and Scarborough / Pluto Train 2 Project.

Woodside’s Board of Directors, together with Woodside’s management, regularly reviews Woodside’s strategy and opportunities to maximize shareholder value, including evaluating opportunities within Woodside’s existing portfolio and potential strategic collaborations, divestment and acquisition opportunities.

On 12 April 2021, Mr. Ken MacKenzie, Chairman of the BHP Board, contacted Mr. Richard Goyder, Chairman of Woodside’s Board of Directors. Mr. MacKenzie advised Mr. Goyder that BHP was undertaking a strategic review of its petroleum business, including evaluating opportunities to demerge its petroleum business or divest its petroleum business to one or more buyers in one or a series of transactions. Both chairmen agreed that the merger of Woodside’s petroleum business with BHP’s petroleum business presented a unique opportunity which had the potential to create value for both Woodside Shareholders and BHP Shareholders and merited consideration by their respective teams. Mr. MacKenzie and Mr. Goyder maintained regular contact throughout the negotiation process.

On 15 April 2021, Mr. Goyder advised the Woodside Board of his phone call with Mr. MacKenzie. It was agreed that the opportunity warranted allocating resources, including external advisors, to evaluate it.

On 23 April 2021, Ms. Meg O’ Neill (Acting Chief Executive Officer, Woodside) and Mr. Mike Henry (Chief Executive Officer, BHP) discussed the proposed merger at a high level, including potential value creation, synergies and the strategic fit of the two businesses.

On 26 April 2021, Mr. Goyder, Ms. O’ Neill and Ms. Sherry Duhe (then Executive Vice President and Chief Financial Officer) advised Ms. Rebecca McNicol (Vice President - Commercial), and Woodside’s financial adviser, Charles Graham (Managing Director, Gresham Advisory Partners Limited (“Gresham”)) of the potential merger of Woodside’s petroleum business with BHP’s petroleum business.

On 28 April 2021, Woodside and BHP entered into a confidentiality agreement to govern the provision of information on BHP’s petroleum assets to Woodside to support the evaluation of the opportunity (the “Confidentiality Agreement”). Following execution of the Confidentiality Agreement:

- (A) BHP made available due diligence materials on BHP’s petroleum business to Woodside’s representatives and its advisers via a virtual dataroom; and

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- (B) BHP's management team provided a series of management presentations on BHP's petroleum business to Woodside's representatives and its advisers.

Woodside engaged a number of advisers to assist its evaluation of the potential merger with BHP's petroleum business including:

- (A) Gresham were first contacted on 23 April 2021 and mandated as Woodside's financial adviser (as set out in the Engagement Letter signed on 17 May 2021);
- (B) Morgan Stanley & Co. International plc were first contacted on 21 July 2021 and mandated as Woodside's financial adviser (as set out in the Engagement Letter signed on 17 August 2021);
- (C) King & Wood Mallesons ("KWM") were engaged 14 May 2021 to work on the matter as Woodside's legal counsel (as set out in the Notice of Engagement dated 14 May 2021);
- (D) Vinson & Elkins LLP were first contacted on 6 May 2021 and mandated as Woodside's legal counsel to advise on U.S. aspects of the potential merger (as set out in the Notice of Engagement dated 11 May 2021); and
- (E) Deloitte were first contacted on 17 May 2021 and mandated as Woodside's tax adviser (as set out in the Notice of Engagement dated 27 July 2021).

BHP also engaged a number of advisers to support its evaluation of the potential merger, including J.P. Morgan, Barclays and Goldman Sachs, as its financial advisers, Herbert Smith Freehills, as Australian legal counsel ("HSF"), and Sullivan & Cromwell, as U.S. legal counsel.

On 28 April 2021, Ms. Duhe, Ms. McNicol and other Woodside representatives met with representatives from BHP, J.P. Morgan and Gresham to discuss possible transaction structures, key milestones and next steps. Other meetings involving Woodside's management, BHP's management, Gresham, KWM, Deloitte (Woodside's tax adviser), J.P. Morgan and HSF were held between 28 April 2021 and the submission of the non-binding indicative offer ("NBIO") by Woodside on 17 June 2021 to discuss a variety of matters including (without limitation) development of Woodside's transaction proposal and due diligence, structuring, tax, employment and separation matters.

On 28 May 2021, Ms. O' Neill and Mr. Henry discussed the proposed timing for submission of the NBIO following which Mr. Henry sent Ms. O' Neill BHP's NBIO process letter ("Process Letter").

Woodside's management provided regular updates to Woodside's Board of Directors in the period leading up to submission of the NBIO.

On 18 May 2021, Woodside's Board held a meeting during which Ms. O' Neill, Ms. Duhe, Ms. McNicol and other Woodside representatives provided Woodside's Board with a high-level overview of the opportunity based on publicly available information and proposed timing for the submission of the NBIO. Woodside's Board noted that negotiations on the Scarborough Processing Services Agreement would be progressed in parallel with discussions on the potential merger with BHP's petroleum business.

On 3 June 2021, Woodside's Board held a meeting during which Ms. O' Neill, Ms. Duhe, Ms. McNicol, other Woodside representatives and Gresham discussed the terms of BHP's NBIO Process Letter dated 28 May 2021 and agreed to work towards BHP's proposed timing for submission of the NBIO.

On 14 June 2021, Woodside's Board held a meeting during which Ms. O' Neill, Ms. Duhe, Mr. Shaun Gregory (Executive Vice President Sustainability and Chief Technology Officer, Woodside), Ms. McNicol, other Woodside representatives and Gresham provided Woodside's Board with an overview of the valuation framework and methodology (based on a discounted cash flow analysis) for

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determining the relative net asset valuation of Woodside's and BHP's portfolio using a common suite of assumptions to determine the merger ratio. Material assumptions included: effective and valuation date of 30 June 2021; BHP Petroleum modelled on a cash-free and debt-free basis with a normalized working capital position; a range of Brent oil prices from \$50/bbl to \$65/bbl (2020 real terms); a discount rate of 8% for assets in Australia and the United States with risk premiums for other jurisdictions; and risk factors applied to assets reflecting the stage of development.

On 17 June 2021, Woodside's Board held a meeting during which Ms. O' Neill, Ms. Duhe, Mr. Gregory, Ms. McNicol, other Woodside representatives and Gresham discussed the key terms of the NBIO, key diligence findings and the strategic rationale for the potential merger with BHP's petroleum business. Woodside's Board resolved to submit the NBIO to BHP.

BHP's management provided regular updates to the BHP Board.

Following the meeting of Woodside's Board of Directors on 17 June 2021, Mr. Goyder sent the NBIO to Mr. MacKenzie pursuant to which Woodside offered to merge with BHP's global oil and gas portfolio by acquiring 100% of the issued share capital of BHP Petroleum International Pty Ltd, which would be distributed by BHP in specie to BHP Shareholders immediately at completion with no trading restrictions. The proposed transaction merger ratio would result in BHP Shareholders holding approximately 40% of the combined entity. The NBIO noted that the next stage of the process would involve detailed due diligence on BHP's portfolio, reverse due diligence on Woodside by BHP and preparation of definitive transaction documents for execution on a confidential and exclusive basis. Woodside and BHP both provided the other with a detailed list of further key due diligence information required as part of the next stage.

Parallel communications in relation to the NBIO occurred between Ms. O' Neill and Mr. Henry and between Ms. Duhe and Mr. Johan van Jaarsveld (Chief Development Officer, BHP), including the following:

On 16 June 2021, Ms. Duhe, Mr. van Jaarsveld and Mr. David Lamont (Chief Financial Officer, BHP) discussed the NBIO (with messaging being conveyed as to value expectations).

On 17 June 2021, Ms. O' Neill and Mr. Henry discussed the NBIO. Mr. Henry indicated that the merger ratio implied by the NBIO did not meet BHP's value expectations. Mr. Henry noted that the value implied by the NBIO was inferior to BHP's alternatives for BHP's petroleum business (particularly their demerger option).

On 21 June 2021, Ms. O' Neill and Mr. Henry discussed the material value gaps, risk allocation, broker consensus values and next steps. Ms. O' Neill and Mr. Henry agreed that BHP would provide further information in respect to BHP's petroleum business and that Woodside and BHP would continue to reassess certain elements of its valuation of the proposed transaction and of the allocation of value between Woodside Shareholders and BHP Shareholders. Such meetings involving Woodside management, BHP management, Gresham, Deloitte and J.P. Morgan were held to discuss a variety of specific matters including (without limitation) general and administrative expenses, net operating losses, decommissioning costs and growth opportunities as areas where there was a potential disparity between Woodside's and BHP's view on value as a result of limited information provided.

Woodside management re-engaged with Woodside's Board on 29 June 2021 where Ms. O' Neill, Ms. Duhe, Mr. Gregory, Ms. McNicol, other Woodside representatives and Gresham provided Woodside's Board with an overview of BHP's feedback on the NBIO, an overview of the additional information provided by BHP and a revised valuation of the respective portfolios to reflect the additional information and potential value of the combined company which supported an increased offer where BHP Shareholders would hold 48% of the enlarged Woodside. At the meeting, Woodside's Board delegated authority to Mr. Goyder and Ms. O' Neill to submit a revised NBIO to BHP.

On 29 June 2021, Ms. O' Neill and Mr. Henry discussed a potential revised NBIO and potential acceptable merger ratios.

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On 30 June 2021, Woodside's Board held a meeting where Ms. O' Neill, Ms. Duhe, Mr. Gregory, Ms. McNicol, and other Woodside representatives provided an update on the various discussions between Woodside and BHP, a revised valuation of the respective portfolios and update on the status of negotiations on the Scarborough Processing Services Agreement.

On 1 July 2021, Mr. Goyder and Mr. MacKenzie also discussed a potential revised NBIO and potential acceptable merger ratios.

On 8 July 2021, Woodside and BHP entered into an amended and restated Confidentiality Agreement to extend the existing confidentiality regime to govern the provision of information on Woodside's petroleum assets to BHP to support the evaluation of the opportunity.

On 12 July 2021, BHP's external lawyers provided Woodside's external lawyers the initial draft of the Merger Commitment Deed.

On 13 July 2021, Ms. O' Neill sent Mr. Henry a revised non-binding indicative offer (the "Revised NBIO") pursuant to which Woodside revised its valuation of the BHP petroleum business, representing 48% of the value of the combined portfolio with the result that BHP Shareholders would hold 48% of the enlarged Woodside. The proposed consideration reflected a revised assessment of the relative value contribution of BHP's petroleum business to the combined portfolio based on the additional information provided to Woodside following the NBIO including (without limitation) general and administrative expenses, net operating losses, decommissioning costs and growth opportunities, and further negotiation between the parties. The Revised NBIO noted the following conditions:

- (A) Woodside and BHP will continue in good faith to finalize the Scarborough Processing Services Agreement and associated agreements in July 2021 on the basis of the terms already agreed and certain key value items.
- (B) Woodside will grant to BHP Petroleum (North West Shelf) Pty Ltd (or a Woodside-approved BHP Petroleum assignee entity) an option to require Woodside to purchase BHP's entire undivided Participating Interest in Scarborough, Thebe and Jupiter (the "Put Option"). Woodside proposed that the parties negotiate the terms of a binding option deed to be executed together with an annexed form of sale and purchase agreement.

Following receipt of the Revised NBIO, BHP provided a significant number of additional documents in the virtual data room to facilitate Woodside's further due diligence on BHP's petroleum business. BHP also conducted reverse due diligence on Woodside. In July, representatives of Woodside also gave presentations to representatives of BHP on Pluto, Train 2 and Sangomar and provided BHP with a data book to facilitate BHP's review of Woodside's assets and key growth opportunities other than the overlapping assets and Pluto and Train 2.

On 15 July 2021, Ms. O' Neill and Mr. Henry discussed key matters related to the Revised NBIO (which were then reflected in an email from Mr. Henry to Ms. O' Neill on 16 July 2021). Mr. Henry's email included BHP's reverse due diligence requirements on Woodside's assets, BHP's position on a proposed Scarborough post completion payment of \$150 million, and confirmation that Woodside's proposal would result in BHP Shareholders receiving 48% of the combined entity on a fully-diluted basis.

Other meetings involving Woodside's management, BHP's management, Gresham, KWM, Deloitte (Woodside's tax adviser), J.P. Morgan and HSF were held following receipt of the draft Merger Commitment Deed to discuss a variety of matters including (without limitation) due diligence, structuring, tax, employment, separation, pre-completion restructuring, intra-group funding, key terms for the Share Sale Agreement and key terms for the Integration and Transition Services Agreement, or ITSA. On 13 August, Woodside provided BHP with financial and operating forecasts for the Merged Group to be included in the investor announcement about

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the Merger Commitment Deed. See “*The Merger–Unaudited Combined Forecasted Financial and Operating Information.*”

Woodside’s management provided regular updates with supporting material to Woodside’s Board of Directors in the period leading up to execution of the Merger Commitment Deed on 17 August 2021.

On 20 July 2021, Woodside’s Board held a meeting where Mr. Gregory, Ms. McNicol, other Woodside representatives and Gresham provided an update on the status of negotiations on the Merger Commitment Deed and the Put Option.

On 26 July 2021, Woodside’s Board held two meetings with Woodside senior management to discuss key findings from Woodside’s technical due diligence and non-technical due diligence of BHP’s petroleum business.

On 27 July 2021, Woodside’s Board held a meeting where Ms. O’Neill, Ms. Duhe, Mr. Gregory, Ms. McNicol, and other Woodside representatives provided an update on the structure of the proposed merger including the requirements under Australian, U.S. and UK securities laws.

On 6 August 2021, a sub-committee of Woodside’s Board comprising Mr. Frank Cooper, AO (Board Member), Mr. Gene Tilbrook (Board Member) and Mr. Ben Wyatt (Board Member) had a meeting with Ms. O’Neill, Ms. Duhe, Ms. McNicol and other Woodside representatives to work through a draft investor presentation to be disclosed in connection with the proposed Merger.

On 9 August 2021, Woodside’s Board held a meeting where Ms. O’Neill, Mr. Gregory, Ms. McNicol and other Woodside representatives provided an update on the proposed Merger, revised valuation of the respective portfolios and status of negotiations on the Merger Commitment Deed and Put Option, together with a draft investor presentation.

On 11 August 2021, Woodside’s Board held a meeting, attended by Ms. O’Neill, Ms. Duhe, Mr. Gregory, Ms. McNicol and other Woodside representatives and Gresham, to discuss matters regarding capital management, pro forma financials, strategic communications and stakeholder engagement related to the proposed merger.

On 17 August 2021, Woodside’s Board held a meeting where Ms. O’Neill, Ms. Duhe, Mr. Gregory, Ms. McNicol and other Woodside representatives and Gresham provided an update on the key terms of the Merger Commitment Deed and Put Option together with the joint ASX announcement with BHP regarding the Merger Commitment Deed and Put Option. Woodside’s Board resolved to execute the Merger Commitment Deed and Scarborough Put Option Deed and release the joint ASX announcement.

On 17 August 2021, Woodside announced that its Board had appointed Ms. O’Neill as Chief Executive Officer and Managing Director.

Following their respective Board meetings on 17 August 2021, Woodside and BHP executed the Merger Commitment Deed and Scarborough Put Option Deed and released a joint ASX announcement in relation to the intention to combine their respective oil and gas portfolios by an all-stock merger based on 52% of the expanded Woodside being held by existing Woodside Shareholders and 48% of the expanded Woodside being held by BHP Shareholders.

The Put Option is summarized in the section entitled “*The Share Sale Agreement and Related Agreements–Related Agreements–Scarborough Put Option.*”

The Merger Commitment Deed committed Woodside and BHP to advance the proposed Merger on the basis of agreed key terms and principles for the Share Sale Agreement and ITSA, and included mutual regimes for exclusivity, reimbursement fees and termination events.

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Following execution of, and as contemplated by, the Merger Commitment Deed, BHP and Woodside (and their respective advisers) undertook additional due diligence investigations in respect of each other's petroleum business.

Up until 12 November 2021, each of BHP and Woodside maintained and updated a virtual data room containing information relevant to their respective due diligence activities, and responded to requests for further information.

On 13 September 2021, HSF provided to KWM the initial draft of the Share Sale Agreement, based on the principles agreed in the Merger Commitment Deed.

On 30 September 2021, Woodside provided BHP the initial draft of the ITSA.

Following exchange of the first draft of the Share Sale Agreement and the ITSA respectively through to the execution of these agreements:

Meetings, video conferences and telephone calls were conducted involving some or all of Woodside's management, BHP's management, KWM and HSF (Negotiation Teams) during which the terms of the Share Sale Agreement and the ITSA were discussed and negotiated;

members of the Negotiation Teams created and exchanged issues lists; and

amended drafts of the Share Sale Agreement and ITSA were prepared by KWM or HSF and provided to BHP or Woodside (as appropriate).

Certain matters from the Share Sale Agreement and ITSA negotiations were escalated to CEO level to resolve. Key CEO meetings included the following:

On 29 October 2021 Ms. O' Neill and Mr. Henry discussed timing with respect to the Share Sale Agreement and ITSA execution.

On 14 November 2021 Ms. O' Neill emailed Mr. Henry with a package of commercial positions on various Share Sale Agreement and ITSA matters.

On 15 November 2021, Ms. O' Neill and Mr. Henry discussed key outstanding Share Sale Agreement and ITSA matters.

On 15 November 2021 Ms. O' Neill and Mr. Henry exchanged emails which confirmed the extension of the Exclusivity Period under the Merger Commitment Deed until 19 November 2021.

On 19 November 2021 Ms. O' Neill and Mr. Henry agreed to extend the Exclusivity Period under the Merger Commitment Deed until 26 November.

Woodside's management provided regular updates to Woodside's Board in the period leading up to execution of the Share Sale Agreement and ITSA on 22 November 2021, during which Woodside's Board was updated on the status of the Merger and negotiations on the Share Sale Agreement and ITSA including outstanding issues. The following is a list of the Woodside Board meetings:

On 14 September 2021, Ms. Duhe, Ms. McNicol and another Woodside representative attended a Woodside Board meeting.

On 5 October 2021, Ms. Duhe and Ms. McNicol attended a meeting with members of the Woodside Board.

On 13 October 2021, Ms. Duhe and Ms. McNicol attended a Woodside Board meeting.

On 1 November 2021, Ms. Duhe, Ms. McNicol and Woodside representatives attended a meeting with members of the Woodside Board. At the meeting, the transaction team provided a summary of the key due diligence findings.

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On 3 November 2021, Ms. Duhe, Ms. McNicol and another Woodside representative attended a Woodside Board meeting.

On 9 November 2021, Ms. Duhe, Ms. McNicol and Woodside representatives attended a meeting with members of the Woodside Board.

On 15 November 2021, Ms. Duhe, Ms. McNicol and Woodside representatives attended a Woodside Board meeting.

On 18 November 2021, Ms. Duhe, Ms. McNicol and Woodside representatives attended a Woodside Board meeting. During the meeting, Woodside's Board delegated authority to the Chairman and CEO to finalize the outstanding issues and execute the Share Sale Agreement and the ITSA.

On 22 November 2021, Woodside and BHP signed the Share Sale Agreement and issued an ASX announcement in relation to the execution of the Share Sale Agreement (together with necessary filings with the SEC).

Unaudited Combined Forecasted Financial and Operating Information

From time to time, Woodside may disclose near-term annual guidance on selected operational metrics through its ongoing reporting but does not, as a matter of course, make public long-term forecasts or internal projections as to future performance, revenues, production, earnings or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, in connection with its evaluation of the Merger, Woodside's management, prepared certain unaudited internal financial forecasts with respect to the Merged Group, which were provided to the Woodside Board and BHP. Woodside's management based these unaudited internal financial forecasts of the Merged Group on a combination of certain projected production and operating data related to Woodside prepared by Woodside's management and shared with BHP, taking into account information related to BHP Petroleum prepared by BHP's management and shared with Woodside as part of Woodside's due diligence investigation in connection with the sales process. The inclusion of this information should not be regarded as an indication that any of Woodside, its representatives, or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future performance or events, or that it should be construed as financial guidance, and such summary projections set forth below should not be relied on as such.

This information was prepared with the primary purpose of describing certain factors considered as part of Woodside's approval of the Merger and disclosed initially in the lead up to the joint ASX announcement for execution of the Merger Commitment Deed on 17 August 2021, and it is subjective in many respects. While presented with numeric specificity, the unaudited prospective financial and operating information reflects numerous estimates and assumptions that are inherently uncertain and may be beyond the control of Woodside's management, including, among others, estimates and assumptions about Woodside's and BHP Petroleum's future results, oil and gas industry activity, commodity prices, demand for crude oil, NGL and natural gas, the availability of financing to fund LNG projects and project expansion as well as the exploration and development costs associated with the respective projected drilling programs, restoration costs associated with business activities, general economic and regulatory conditions, and other matters described in the sections entitled "*Cautionary Statement Regarding Forward-Looking Statements*" and "*Risk Factors*." The unaudited prospective financial and operating information reflects both assumptions as to certain business decisions that are subject to change and, in many respects, subjective judgment, and thus is susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. Woodside can give no assurance that the unaudited prospective financial and operating information and the underlying estimates and assumptions will be realized. In addition, since the unaudited prospective financial and operating information covers multiple years, such information by its nature becomes less predictive with each successive year. Actual results may differ materially from those set forth below, and important factors that may affect actual results and cause the unaudited prospective financial information to be inaccurate include, but are not limited to, risks and uncertainties relating

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to its business, industry performance, the regulatory environment, general business and economic conditions, and other matters described in “*Risk Factors*.” Also see the section entitled “*Cautionary Statement Regarding Forward-Looking Statements*.”

The unaudited prospective financial and operating information was prepared with the primary purpose of describing certain factors considered as part of Woodside’s approval of the Merger, and it was not prepared with a view toward compliance with U.S. GAAP or IFRS, published guidelines of the SEC, or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither Woodside’s independent registered public accounting firm, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the unaudited prospective financial and operating information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability. The report of the independent registered public accounting firm to Woodside contained herein relates to historical financial information of Woodside, and such report does not extend to the projections included below and should not be read to do so.

Furthermore, the unaudited prospective financial and operating information does not take into account any circumstances or events occurring after the date it was prepared. Material circumstances or events which might impact the forecasted information include: new agreements such as for asset sell downs and the associated terms; updates to forecasted production and cost profiles; timing or likelihood of projects; changes in macroeconomic and commodity assumptions and forecasts; updated transaction cost forecasts; and changes in the regulatory environment. As of the date of this prospectus, material circumstances or events which have occurred since the forecasted information was prepared include:

- the sale of a 49% non-operating participating interest in the Pluto Train 2 Joint Venture and the associated terms;
- updated forecasts for asset production and cost profiles, including for the Ruby oil field;
- updated transaction and integration costs assumptions; and
- changes in commodity prices.

Woodside can give no assurance that, had the unaudited prospective financial and operating information been prepared as of the date of this prospectus or any subsequent date, similar estimates and assumptions would be used. Except as required by applicable securities laws, Woodside does not intend to, and disclaims any obligation to, make publicly available any update or other revision to the unaudited prospective financial and operating information to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, including with respect to the accounting treatment of the Merger under IFRS, or to reflect changes in general economic or industry conditions. The unaudited prospective financial and operating information does not take into account all the possible financial and other effects on Woodside or BHP Petroleum of the Merger, the effect on Woodside or BHP Petroleum of any business or strategic decision or action that has been or will be taken as a result of the Share Sale Agreement having been executed, or the effect of any business or strategic decisions or actions which would likely have been taken if the Merger Commitment Deed or the Share Sale Agreement had not been executed, but which were instead altered, accelerated, postponed, or not taken in anticipation of the Merger. Further, the unaudited prospective financial and operating information does not take into account the effect on Woodside or BHP Petroleum of any possible failure of the Merger to occur. None of Woodside or its affiliates, officers, Directors, advisers, or other representatives has made, makes, or is authorized in the future to make any representation to any Woodside Shareholder or BHP Shareholder or other person regarding Woodside’s or BHP Petroleum’s ultimate performance compared to the information contained in the unaudited prospective financial and operating information or that the forecasted results will be achieved. The inclusion of the unaudited prospective financial and operating information herein should not be deemed an admission or representation by Woodside, its respective advisers or other representatives or any other person that it is viewed as material information of Woodside or the Merged Group, particularly in light of the inherent risks and

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uncertainties associated with such forecasts. The summary of the unaudited prospective financial and operating information included below is being provided because it was made available to the Woodside Board and BHP in connection with the Merger.

In light of the foregoing, and considering that this disclosure is made several months after the unaudited prospective financial and operating information was prepared, as well as the uncertainties inherent in any forecasted information, Woodside Shareholders and BHP Shareholders are cautioned not to place undue reliance on such information, and Woodside urges all Woodside Shareholders and BHP Shareholders to review the historical and pro forma financial information of Woodside and BHP Petroleum included in this document. Please see the sections entitled *“Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum,” “Unaudited Pro Forma Condensed Combined Financial Statements”* and the financial statements of Woodside and BHP Petroleum and notes to the financial statements included herein.

Woodside management prepared the unaudited prospective financial and operating information utilizing the following commodity price assumptions, which are based on a flat oil price deck (\$65/bbl Brent oil price in 2020 real terms, inflated at 2.0% per annum):

| | <u>2022E</u> | <u>2023E</u> | <u>2024E</u> | <u>2025E</u> | <u>2026E</u> | <u>2027E</u> |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Brent Oil (\$/bbl) | 67.6 | 69.0 | 70.4 | 71.8 | 73.2 | 74.7 |
| WTI Oil (\$/bbl) | 64.1 | 65.4 | 66.7 | 68.1 | 69.4 | 70.8 |
| Uncontracted LNG Brent Slopes (%) | 12.6 % | 11.5 % | 11.5 % | 11.5 % | 11.5 % | 11.5 % |

The unaudited internal financial forecasts were also prepared utilizing a variety of assumptions, some of which may or may not have been realized since, including:

Then currently sanctioned projects being delivered in accordance with their then current project schedules;

Implementation of unsanctioned Gulf of Mexico (“GOM”) and Western Australia subsea tiebacks;

The Merged Group holding equity interests of 100% of Scarborough, 82% of Sangomar and 51% of Pluto Train 2;

No adjustment for financing costs and proceeds from sales of assets;

Utilization of potential U.S. net operating losses available to the Merged Group;

Transaction costs of approximately \$220 million (for a more recent estimate of transaction costs, see the section entitled *“Unaudited Pro Forma Condensed Combined Financial Statements”*); and

Normalized working capital position post completion of the Merger with no material movements over the forecast period.

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The following table has been prepared by Woodside management and sets forth certain summarized prospective financial and operating information regarding the Merged Group for the years 2022 through 2027, based on the price, cost and other assumptions indicated above. The following unaudited prospective financial and operating information should not be regarded as an indication that Woodside considered, or now considers, it to be necessarily predictive of actual future performance or events, or that it should be construed as financial guidance, and such information does not take into account any circumstances or events occurring after the date it was prepared, including, among other things, Woodside's anticipated or actual capital allocation relating to the assets after Implementation of the Merger.

| | Unaudited financial and operating forecast | | | | | |
|---------------------------------|--|---------|---------|---------|---------|---------|
| | 2022E | 2023E | 2024E | 2025E | 2026E | 2027E |
| | (\$m except production) | | | | | |
| Production (MMboe) | 199 | 212 | 224 | 206 | 208 | 231 |
| Adjusted Operating Cash Flow(1) | \$5,191 | \$6,838 | \$7,343 | \$6,554 | \$6,686 | \$7,101 |
| Unlevered Free Cash Flow(2) | \$33 | \$531 | \$3,343 | \$3,672 | \$4,767 | \$5,883 |

- (1) Adjusted Operating Cash Flow is calculated as net cash from operating activities excluding any financing costs (interest received, dividends received and borrowing costs relating to operating activities), plus payments for restoration and less payments for exploration expenditure. See the sections entitled “*Disclaimer and Important Notices–Non-GAAP Financial Measures*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside–Non-GAAP Financial Measures*.”
- (2) Unlevered Free Cash Flow is calculated as Adjusted Operating Cash Flow minus payments for restoration and minus payments for capital expenditure. See the sections entitled “*Disclaimer and Important Notices–Non-GAAP Financial Measures*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside–Non-GAAP Financial Measures*.”

Woodside’s Reasons for the Merger

The Woodside Board believes that the proposed Merger of Woodside and BHP Petroleum is a highly attractive opportunity that is expected to create a top 10 global independent energy company by hydrocarbon production (Woodside analysis based on the Wood Mackenzie Corporate Benchmarking Tool Q4 2021, 1 December 2021, see the section titled “*Disclaimer and Important Notices–Industry and Market Data*” for clarification of independent energy company) and the largest listed energy company on ASX. In evaluating the Merger and reaching its decision with respect to the Merger and the Share Sale Agreement, the Woodside Board consulted with Woodside management and outside legal and financial advisers, and considered a number of factors, including:

Greater scale and diversity of geographies, products and end markets through an attractive and long-life conventional portfolio

The Merger is expected to deliver benefits for both Woodside Shareholders and Participating BHP Shareholders by creating a long-life conventional portfolio of scale and diversity of geography, product and end markets.

On a combined basis, the Merged Group is expected to consist of:

Conventional asset base estimated to produce around 193 MMboe (2021 net production);

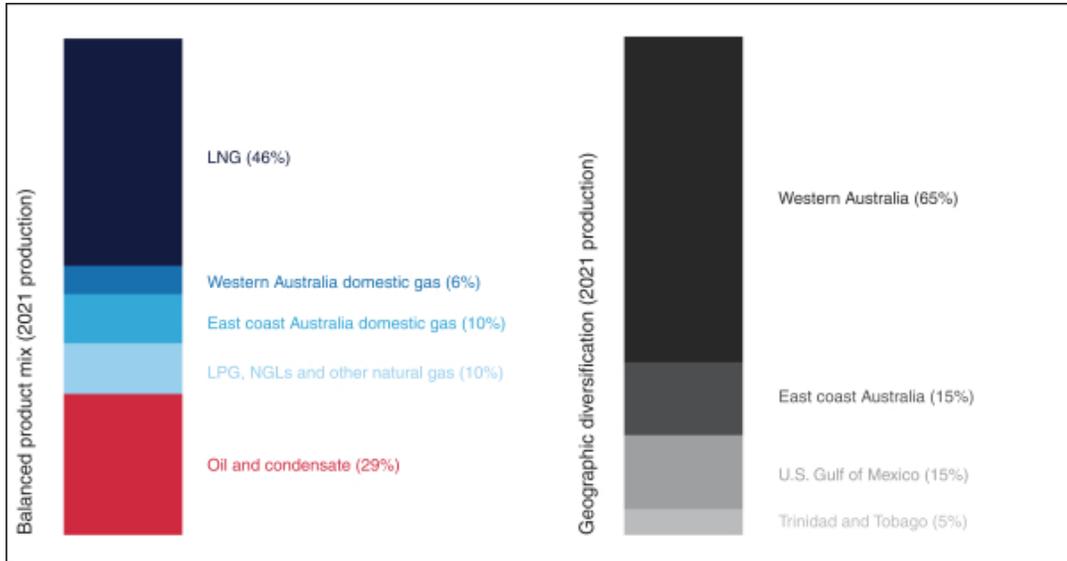
Diversified production mix of 46% LNG, 29% oil and condensate and 25% domestic gas and NGLs (2021 net production);

Wide geographic reach with production from Western Australia, East Coast Australia, U.S. GOM, and T&T with approximately 95% of production (2021 net production) from Organization for Economic Co-operation and Development (“OECD”) nations; and

1P SEC reserves of 2,323 MMboe as at 31 December 2021.

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Figure 1 - Merged Group production mix by type and region for the 12 months ended 31 December 2021



- (1) Combined Woodside and BHP Petroleum production for the 12 months ended 31 December 2021, excluding Algeria and Neptune production. Totals may not add up due to rounding.

Strong combination of high growth, margins and reserves life

Strong combination of high quality assets which are high-growth, high-margin, and long-life underpin the value proposition of the Merged Group.

Complementary combined portfolio cash flows expected to fund shareholder returns and business evolution during the energy transition

Strong Adjusted Operating Cash Flow at a long term \$65 Brent oil price (real 2022) is expected to support returns to Woodside Shareholders over time. Woodside expects to maintain its focus on disciplined growth investment and continued dividends in line with its stated dividend policy of a minimum of 50% of net profit after tax excluding non-recurring items in dividends. The net profit after tax basis helps preserve cash and protect the balance sheet in periods of low commodity pricing. The Woodside Board's dividend payout ratio target is between 50% to 80% of net profit after tax, excluding non-recurring items, subject to market conditions and investment requirements.

Strong growth profile and capacity to pursue competitive oil and gas projects as well as lower-carbon growth options within the portfolio.

Woodside believes that the proposed Merger will deliver expanded growth optionality with the flexibility to phase and selectively progress near and longer term lower-carbon options and high-return options:

Final investment decisions have been made in relation to the Scarborough and Pluto Train 2 developments, including new domestic gas facilities and modifications to Pluto Train 1.

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The Mad Dog Phase 2 (U.S. GOM), Shenzi North (U.S. GOM) and Sangomar Oil Field Development Phase 1 (Senegal) projects remain on budget and on track, and along with significant expansion options, provide opportunity for near- and medium-term growth.

Longer term embedded options include Wildling (U.S. GOM), Trion (Mexico), Calypso (T&T) and Browse (Western Australia) projects. These options offer significant potential growth coupled with multiple exploration and new energy opportunities and partnerships, including H2Perth, H2TAS, H2OK and Heliogen.

Proven management and technical capability from both companies

The Merged Group will benefit from the joint management and technical petroleum expertise of both companies, led by Meg O' Neill as the Chief Executive Officer and Managing Director.

Woodside believes that the Merged Group will combine leading health, safety, environment and quality ("HSEQ") performance, LNG production and marketing, deep water oil development and production, exploration expertise, and international experience thereby creating a differentiated set of capabilities in the Merged Group. These capabilities are expected to be further supplemented through investments in technology and lower-carbon solutions and strong governance systems.

It is intended that the Woodside Board will select a current BHP director to be appointed to the Woodside Board following Implementation.

Shared values and focus on sustainable operations, carbon management and ESG leadership

Woodside intends to continue to have a strong focus on pursuing safe, sustainable and reliable operations, building on Woodside's and BHP's strong track records.

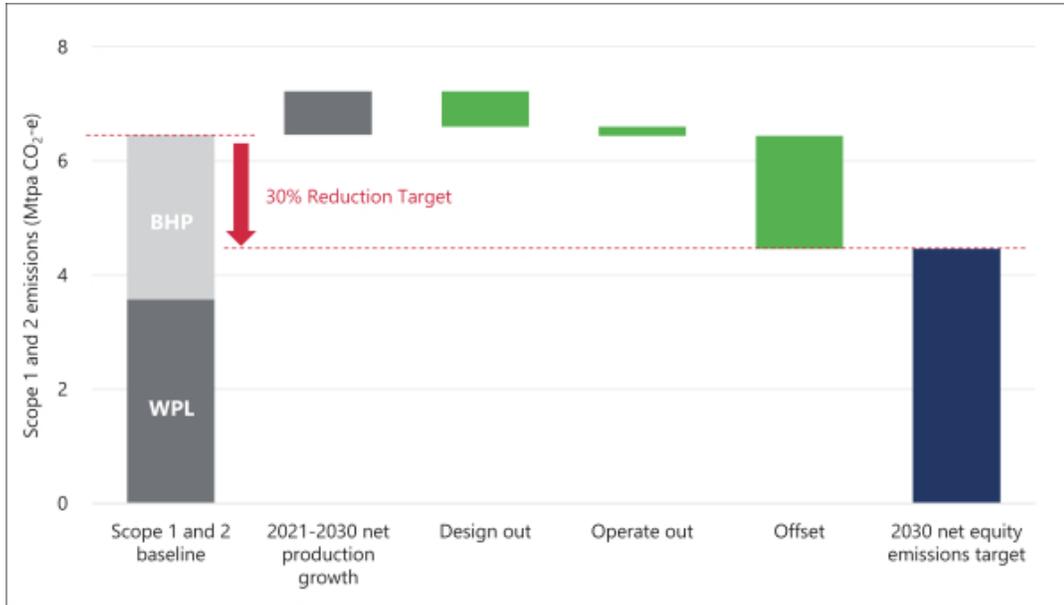
Woodside also plans to build on Woodside's existing targets for the Merged Group to reduce net equity Scope 1 and Scope 2 emissions by 15% and 30% by 2025 and 2030 respectively, as compared against the gross 2016-2020 annual average baseline. Woodside's climate strategy is composed of reducing its net equity Scope 1 and 2 greenhouse gas emissions, and investing in the products and services that are intended to help customers reduce their emissions.

Woodside intends to set emissions reduction targets on an equity basis. This ensures that the scope of emissions reduction targets is aligned with the actual footprint of the Merged Group's investments and its expected use of offsets. Equity emissions reflect the greenhouse gas emissions from operations according to the Merged Group's share of equity in the operation. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation. Woodside intends to set its emissions reduction targets for the Merged Group on a net basis, allowing for both direct emissions reductions from their operations, as well as emissions reductions achieved from the use of offsets.

Woodside will focus on optimizing value and shareholder returns and intends to build and maintain a lower-carbon, resilient and diversified portfolio which includes oil, natural gas and new energy technologies. The Merged Group is expected to generate significant cash flow this decade that could be used in part to support the development of new energy products and lower-carbon solutions including hydrogen, ammonia and carbon capture and storage ("CCS").

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Figure 2 - Merged Group's net equity scope 1 and 2 greenhouse gas emission reduction targets



- (1) Target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas emissions over 2016-2020, and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets with an FID prior to 2021. Post-Implementation of the Merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP Petroleum portfolio.
- (2) This chart shows indicative design out, operate out and offset emissions reductions to achieve Merged Group's net equity Scope 1 and 2 greenhouse gas emissions targets in 2030. The values do not represent cumulative abatement over the period leading up to those years.

See the section entitled "*Business and Certain Information About Woodside-ESG*" for more information on the Merged Group's emission targets.

Synergies and benefits

The combination of highly complementary asset portfolios through the Merger is expected to unlock material synergies.

Woodside has undertaken comprehensive integration planning work and has identified pre-tax synergies that are expected to be in excess of \$400 million per annum (100% basis, pre-tax).

Woodside expects to realise the annual synergies through a combination of corporate, operations, exploration and development activities.

See the sections entitled "*Business and Certain Information About the Merged Group-Potential Synergies and Value Creation*" and "*Cautionary Statement Regarding Forward-Looking Statements.*"

Greater financial resilience

Upon Implementation, the Merged Group's balance sheet is expected to be strengthened by the resilience the merged portfolio delivers through the commodity and investment cycle.

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Based on the pro forma combined financial performance of Woodside and BHP Petroleum for the 12 months to 31 December 2021, the Merged Group is expected to have:

pro forma revenue of approximately \$12.5 billion;

pro forma cash flows from operating activities of approximately \$6.1 billion supported by resilient foundation assets;

pro forma liquidity position of approximately \$7.1 billion, consisting of pro forma cash and cash equivalents of approximately \$4.0 billion and undrawn debt facilities of \$3.1 billion; and

pro forma balance sheet with low Gearing of approximately 8%.

Woodside believes that the Merger will create a larger, more resilient company, better able to navigate the energy transition than either Woodside or BHP Petroleum would achieve without the Merger. The Merger is expected to provide long-term value and unlock synergies in how these assets are managed.

Further detail on the profile of the Merged Group can be found in the section entitled “*Business and Certain Information About the Merged Group.*”

BHP’ s Reasons for the Merger

BHP regularly reviews its portfolio to improve its asset base and optimize capital allocation decisions. In 2021, BHP undertook a strategic review of its petroleum business, including evaluating opportunities to divest its petroleum business to one or more buyers in one or more series of transactions or via a demerger into a newly listed entity. While a demerger would result in a strong and financially viable standalone entity, the BHP Board determined that the Merger was the best alternative for shareholders.

BHP believes that the Merger will deliver substantial value creation for BHP Shareholders. Through the combination of two high-quality asset portfolios, the Merged Group is expected to have a high margin oil portfolio, long life LNG assets and the financial resilience to help supply the energy needed for global growth and development over the energy transition. The combined portfolio is also expected to unlock material synergies for shareholders. It will also enable a greater allocation of capital in the portfolio to be directed towards future facing commodities and enhanced shareholder returns.

The Merger also provides BHP Shareholders choice about how to weight their exposure to the different investment propositions of BHP (excluding BHP Petroleum) and oil and gas through Woodside (including BHP Petroleum).

This discussion of BHP’ s reasons for the Merger is forward looking in nature and should be read in light of the factors discussed in the sections entitled “*Cautionary Statement Regarding Forward-Looking Statements*” and “*Risk Factors.*”

Woodside’ s Board Recommendation

A majority of the Woodside Board must recommend that Existing Woodside Shareholders vote in favor of the Merger subject to the Independent Expert concluding (and continuing to conclude) that the Merger is in the best interests of Existing Woodside Shareholders. Woodside must ensure that half or more of the Woodside Board do not change, withdraw or qualify their recommendation to vote in favor of the Merger, unless:

the Independent Expert concludes (including in any updated report) that the Merger is not in the best interests of Existing Woodside Shareholders; or

the Woodside Board agrees to, or supports, a “Woodside Superior Proposal” (as that term is defined in the Share Sale Agreement).

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Independent Expert Conclusion

To assist Existing Woodside Shareholders with their assessment of the Merger and their consideration as to whether to vote in favor of the Merger Resolution, Woodside appointed the Independent Expert to prepare the Independent Expert's Report. The Independent Expert's Report was delivered on 8 April 2022.

The Independent Expert's Report has been prepared under applicable Australian laws and has been prepared in accordance with prevailing Australian requirements and standards. These requirements and standards may be materially different than those prevailing in the United States. The Independent Expert's Report does not purport to meet any requirements of any United States law or regulation.

Woodside selected the Independent Expert based on KPMG Financial Advisory Services (Australia) Pty Ltd's qualifications, expertise, reputation and because its professionals have substantial experience in comparable transactions. The Independent Expert did not determine the amount of consideration to be paid in the Merger and did not recommend the amount of consideration to be paid.

The Independent Expert is a global financial services firm engaged in audit, tax, consulting and advisory services. The Independent Expert and its related entities did not have at the date of its report, and have not had within the previous two years, any shareholding in or other relationship with Woodside (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Merger. The Independent Expert has no involvement with, or interest in the outcome of the transaction, other than the preparation of the Independent Expert's Report. The Independent Expert will receive a fee based on commercial rates for the preparation of reports of a similar nature. This fee is not contingent on the outcome of the transaction. The Independent Expert's out of pocket expenses in relation to the preparation of the report are also recovered at a fixed rate of total professional fees. The Independent Expert will receive no other benefit for the preparation of this report.

Pursuant to the Independent Expert's Report, and for the reasons and upon the bases stated therein, the Independent Expert has concluded:

that the Merger is in the best interests of Woodside Shareholders, in the absence of a superior offer; and

the aggregate 52% interest that Existing Woodside Shareholders will hold in the Merged Group is fair and reasonable from its perspective based on Woodside's contribution to the Merged Group.

The Independent Expert's Report is not intended as an investment recommendation for BHP Shareholders. The Independent Expert's Report is an important document for Existing Woodside Shareholders. A copy of the Independent Expert's Report and the Independent Technical Specialist Report completed by Gaffney Cline & Associates Limited annexed thereto, is filed as an exhibit to the registration statement of which this prospectus is a part.

Woodside Shareholders Meeting

Pursuant to the Share Sale Agreement, and as a Condition to the Implementation of the Merger, Woodside is required to obtain Woodside Shareholder Approval at the Woodside Shareholders Meeting. Pursuant to the Share Sale Agreement, Woodside is required to prepare and dispatch an explanatory memorandum and notice of meeting to convene the Woodside Shareholders Meeting for the purpose of approving the Merger. Woodside is further required pursuant to the Share Sale Agreement to include in the explanatory memorandum and notice of meeting, a statement by at least the majority of the Board recommending that Existing Woodside Shareholders vote in favor of the Merger Resolution (subject to customary exceptions).

Accounting Treatment

The unaudited pro forma condensed combined statement of profit and loss and the unaudited pro forma condensed combined statement of financial position were prepared in accordance with Article 11 of Regulation

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S- X (“Article 11”). The unaudited pro forma condensed combined statement of cash flows has been prepared based on the historical combined statements of cash flows of Woodside and BHP Petroleum. Certain transaction accounting adjustments have been made in order to show the effects of the Merger on the combined historical financial information of Woodside and BHP Petroleum.

The unaudited pro forma condensed combined financial statements have been prepared using the acquisition method of accounting for business combinations, with Woodside treated as the acquirer. Under the acquisition method of accounting, Woodside will record all assets acquired and liabilities assumed from BHP with respect to BHP Petroleum at their respective fair values as of the Implementation of the Merger. The acquisition method of accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive fair value measure. The sources and amounts of transaction expenses may also differ from those assumed in the following pro forma adjustments. Accordingly, the pro forma adjustments are preliminary, have been made solely for the purpose of providing the pro forma financial statements, and are subject to revision based on a final determination of fair values as of the Implementation of the Merger. Differences between these preliminary estimates and the final acquisition accounting may have a material impact on the accompanying pro forma financial statements and Woodside’s future results of operations and financial position. The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and are not intended to represent or be indicative of the results of operations or the financial position that would have been recorded had the Merger been Implemented as of the dates presented and should not be taken as representative of Woodside’s future results of operations or the financial position. The unaudited pro forma condensed combined financial statements do not reflect the impacts of any potential operational efficiencies, asset dispositions, cost savings or economies of scale that they may be achieve with respect to the combined operations. See the section entitled “*Unaudited Pro Forma Condensed Combined Financial Statements.*”

Interests of Certain Directors and Executive Officers of the Woodside Board

In considering the recommendation of the Woodside Board to the Existing Woodside Shareholders relating to the vote to approve the Merger, Woodside Shareholders should be aware that aside from their interests as Woodside Shareholders, as applicable, certain Directors and executive officers of Woodside may have interests in the Merger that are different from, or in addition to, those of Existing Woodside Shareholders generally. These interests may present such Directors and executive officers with actual or potential conflicts of interests, and these interests, to the extent they may be substantial, are described below. See the section entitled “*Executive Compensation*” for additional information.

Interests of Woodside’s Directors and other Key Management Personnel

As of the date of this prospectus, Woodside Directors and other KMPs (as defined below), including their personally related entities, do not hold any interests, directly or indirectly, by security holdings or otherwise, that would be considered material in BHP or any interests whatsoever in BHP Petroleum or the subsidiaries of those entities.

Interests of BHP’s Directors and Executive Officers in the Merger

It is intended that the Woodside Board will select a current BHP director to be appointed to the Woodside Board following Implementation. See the section entitled, “*Board of Directors and Management of the Merged Group after the Merger-Members of the Executive Committee of the Merged Group*” for further information.

In addition, if a director or executive officer of BHP owns BHP Shares, such director or executive officer will have the right to participate in the Merger in respect of those BHP Shares on the same terms as other BHP Shareholders.

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Federal Securities Law Consequences; Resale Restriction

New Woodside Shares and New Woodside ADSs issued in the Merger will not be subject to any restrictions on transfer arising under the Securities Act, except for New Woodside Shares and New Woodside ADSs issued to any person who may be deemed to be an “affiliate” of Woodside under the Securities Act.

No Dissenter’s Right of Appraisal or Rights of Appraisal

Under Australian law, neither Woodside Shareholders nor BHP Shareholders are entitled to any appraisal or dissenters’ rights in connection with the Merger.

THE SHARE SALE AGREEMENT AND RELATED AGREEMENTS

The Share Sale Agreement

On 22 November 2021, Woodside and BHP entered into the Share Sale Agreement on the key terms set out below to give effect to the Merger.

Overview

Pursuant to the Share Sale Agreement, BHP agreed to sell and Woodside agreed to buy the entire issued share capital of BHP Petroleum International Pty Ltd in exchange for the Purchase Price, including the Share Consideration consisting of New Woodside Shares, comprising approximately 48% of all Woodside Shares (on a post-issue basis). These New Woodside Shares will be issued by Woodside to BHP to be distributed to BHP Shareholders (or the Sale Agent in the case of all Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders).

The Effective Time of the Merger under the Share Sale Agreement will be 11:59 p.m. AEST on 30 June 2021, with contractual mechanics giving Woodside and BHP economic outcomes as if 100% of the shares in BHP Petroleum International Pty Ltd had been acquired by Woodside at the Effective Time.

Conditions

Under the Share Sale Agreement, Implementation is conditional upon the satisfaction (or, where permitted, the waiver) of certain Conditions by 30 June 2022 (or an agreed later date). The following table summarizes certain Conditions, the party that may waive such Condition and the status of such Condition:

| Condition | Party that may waive | Status |
|--|--|---------------|
| FIRB Approval: BHP obtaining approval from FIRB if BHP determines (acting reasonably) that it will likely be required in connection with the Merger. | BHP (only if BHP determines that approval is not required to implement the transaction) | Waived by BHP |
| ACCC Approval: Woodside being advised by the ACCC that it does not object to, or propose to take any action in relation to, the Merger. | BHP and Woodside (only if both parties agree in writing that the condition is no longer required to implement the transaction) | Satisfied |
| NOPTA Approval: Woodside obtaining approval from NOPTA to Implement the Merger. | Cannot be waived | Outstanding |
| Woodside Shareholder Approval: Woodside Shareholders approving the Merger Resolution. | BHP and Woodside (by written agreement) | Outstanding |
| ASIC, ASX, SARB and JSE: BHP and Woodside obtaining all relief, waivers, confirmations, exemptions, consents or approvals and doing all other acts necessary, or which BHP or Woodside (both acting reasonably) desire, from ASIC, ASX, SARB and JSE to Implement the Merger. | Cannot be waived | Outstanding |

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| <u>Condition</u> | <u>Party that may waive</u> | <u>Status</u> |
|--|--|---------------|
| HSR Act Clearance: Expiration of the waiting period under the HSR Act or earlier termination without challenge by the U.S. Department of Justice or the Federal Trade Commission (“FTC”). | BHP and Woodside (only if both parties agree in writing that the condition is no longer required to implement the transaction) | Satisfied |
| CFIUS Approval: Woodside obtaining certain notices from CFIUS permitting the Merger. | Cannot be waived | Satisfied |
| Official Quotation: Woodside not receiving an indication from the ASX that it will not grant permission for the official quotation of the New Woodside Shares. | Cannot be waived | Outstanding |
| Independent Expert’s Report: Independent Expert issuing an Independent Expert’s Report concluding the Merger is in the best interests of Woodside Shareholders, and such conclusion is not changed or withdrawn before the Woodside Shareholder Approval is obtained. | Woodside | Outstanding |
| Restructure: BHP completing the Restructure, being the transfer, liquidation or removal of certain entities from BHP Petroleum. | BHP and Woodside (by written agreement) | Outstanding |
| U.S. Registration Statements: This registration statement on Form F-4 and the F-6 Registration Statement being filed by Woodside relating to the New Woodside Shares and the New Woodside ADSs, respectively, are declared effective by the SEC, no issuing of a stop order suspending the effectiveness of those registration statements and no commencement by the SEC of proceedings for that purpose. | BHP and Woodside (by written agreement) | Outstanding |
| Other Competition Approvals: Woodside obtaining competition clearance in relation to the Merger from the relevant authorities in T&T, the People’s Republic of China, Japan, Mexico, Barbados and Vietnam. | BHP and Woodside (only if both parties agree in writing that the condition is no longer required to implement the transaction) | Satisfied |
| No Injunction or Order: No court or governmental agency enacting, issuing, promulgating, enforcing or entering any law or governmental order that restrains, enjoins or otherwise prohibits Implementation of the Merger and all regulatory approvals being in full force and effect. | BHP and Woodside (only if both parties agree in writing that the condition is no longer required to implement the transaction) | Outstanding |

Purchase Price

The Purchase Price payable by Woodside for the acquisition of BHP Petroleum includes the issue of the Share Consideration to BHP, such that ultimately the Share Consideration is held by BHP Shareholders (or the Sale Agent in the case of all Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders).

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The Share Consideration will be supplemented by the Woodside Dividend Payment, being in effect the payment to BHP of a cash amount at Implementation representing the cash dividend that would have been received (post Effective Time and pre-Implementation) by holders of the Share Consideration if they had been issued the Share Consideration at the Effective Time.

To give effect to the Effective Time principle, BHP will be required to pay Woodside the Locked Box Payment, being a payment at Implementation representing the net cash flow generated by BHP Petroleum following the Effective Time (or, if that amount were negative, Woodside will be required to make a cash payment to BHP at Implementation).

Distribution of New Woodside Shares

BHP must declare or determine a dividend, initiate a reduction of capital or pursue a combination of the two (as determined by BHP) in order to facilitate the distribution of the New Woodside Shares to BHP Shareholders (or to the Sale Agent on account of Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders). The New Woodside Shares that are otherwise attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders will be transferred to the Sale Agent to be sold, with the net proceeds from that sale of New Woodside Shares to be paid to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders in lieu of the receipt of New Woodside Shares under the Merger. The Share Sale Agreement contains certain mechanical arrangements to facilitate dealing with Ineligible Foreign BHP Shareholders and BHP's ADR program.

For so long as BHP holds the New Woodside Shares (if at all), BHP undertakes not to dispose of (otherwise than in accordance with the Share Sale Agreement) or exercise voting power in respect of the New Woodside Shares.

For additional information see the section entitled "*Description of Woodside Shares.*"

Merger Implementation and Pre-Implementation Conduct Provisions

Woodside and BHP must use reasonable endeavours to comply with and take all necessary steps and exercise all rights necessary to Implement the Merger, in accordance with certain timetable requirements as set out in the Share Sale Agreement. Woodside and BHP may agree to any necessary extension to the timetable to ensure the relevant steps are completed as soon as reasonably practicable.

In circumstances where various specified critical separation activities will not be completed prior to the anticipated date for Implementation, Woodside and BHP must negotiate in good faith and act reasonably to agree actions to enable completion of such activities or determine any necessary transitional arrangements that would otherwise enable Implementation to occur. Failing such agreement, both Woodside and BHP have the right to defer Implementation (to no later than 1 August 2022) as is necessary to allow such activities to complete or to develop transitional arrangements that would otherwise enable Implementation to occur.

Woodside and BHP have agreed to take a variety of steps to assist the other with the Merger, and to generally advance and Implement the Merger and associated matters. Woodside and BHP each give certain commitments in relation to, among other things, engagement with regulatory bodies, provision of information in connection with the preparation of public documents and the facilitation of listings on securities exchanges.

Until Implementation, Woodside must carry on, and BHP must ensure that BHP Petroleum carries on, their respective businesses in the ordinary and normal course, unless otherwise permitted or required under the Share Sale Agreement.

BHP has also undertaken to, among other things, complete the Restructure (as further described in the following section), to eliminate certain intra-group funding arrangements and take all prescribed separation steps, including complying with the ITSA (summarized in the section below entitled "*The Integration and Transition*")

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Services Agreement”). Woodside and BHP have agreed, subject to applicable laws, to work together and plan for Implementation of the Merger.

Woodside and BHP have also agreed to customary wrong pockets provisions, to ensure that Woodside obtains the benefit of assets relating to the BHP Petroleum business and BHP retains the benefit of assets relating to BHP’s other businesses.

Woodside and BHP have identified material contracts, consents and authorizations of BHP Petroleum which contain change of control provisions, unilateral termination rights, notification rights, pre-emptive rights or tag-along rights which may be required by, triggered by or exercised in response to, Implementation of the Merger. Woodside and BHP will take the agreed course of action in connection with the obtaining of consents or confirmations under these identified contracts, consents and authorizations in relation to the Merger. Provided that BHP has complied with its obligations under the Share Sale Agreement in relation to obtaining such consents or confirmations, a failure by BHP to obtain such consents or confirmations (or the exercise of a termination or pre-emptive right by a counterparty) will not result in a claim by Woodside against BHP under the Share Sale Agreement, delay or prevent Implementation, nor result in an adjustment to the Purchase Price.

Prior to Implementation Woodside must take all reasonably necessary actions to allow any bank guarantees, indemnities, guarantees or similar support given by members of BHP (other than BHP Petroleum) to a third party, to the extent that they relate to the existing obligations of BHP Petroleum, to be released by having Woodside provide replacement support. If such arrangements have not been replaced by Implementation, Woodside must indemnify BHP and the relevant members of BHP in respect of such arrangements.

Warranties and Indemnities

BHP has given certain warranties regarding BHP Petroleum’s business in favor of Woodside, including in respect of title and capacity, corporate group structure, accounts, business records, ownership of assets, petroleum titles, material contracts, environmental matters, real property, information technology, intellectual property, litigation and authorizations, anti-bribery and corruption, divested, non-oil and gas operations and relinquished assets, sanctions and export controls, employees, solvency, insurance, taxes and duties and disclosure materials.

Woodside has given certain warranties regarding its business in favor of BHP which are generally consistent with (but more limited than) the warranties given by BHP.

Woodside and BHP have each agreed to indemnify the other against any loss incurred as a result of a breach of warranty. These indemnities are the sole remedy for a breach of warranty under the Share Sale Agreement.

From Implementation, BHP is not liable for any claim relating to certain decommissioning liabilities and environmental liabilities of BHP Petroleum, other than to the extent the relevant loss is or could reasonably otherwise be, subject to a warranty or indemnity claim by Woodside.

Woodside has agreed to indemnify BHP from, among other things:

- decommissioning liabilities and environmental liabilities relating to or arising from BHP Petroleum’s business;
- breaches or contraventions of laws, contracts or authorizations relating to BHP Petroleum; and
- any regulatory action taken in connection with the public documents to be issued by Woodside in relation to the Merger.

BHP has agreed to indemnify Woodside from, among other things:

- any regulatory action taken in connection with the public documents to be issued by BHP in relation to the Merger;

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claims in respect of certain entities and assets (including non-oil and gas operations of BHP Petroleum) that will be restructured out of BHP Petroleum before Implementation (“Excluded / Divested Assets Indemnity”);

claims under certain divestment agreements relating to assets that no longer form part of BHP Petroleum (“Third Party Divestment Claims Indemnity”);

taxes and duties payable or incurred by BHP Petroleum prior to the Effective Time or otherwise in respect of certain assets; and

for the usage as part of the Restructure of U.S. net operating losses of BHP Petroleum, at a rate of \$0.05 per \$1.00 of net operating losses used above \$1.2 billion (“U.S. NOL Indemnity”).

The respective warranties and indemnities arrangements are subject to a customary limitations and qualifications regime, including in respect of time limits, monetary caps, minimum claim thresholds, qualifiers for awareness and disclosed matters, and offsets for other claims and benefits that are available to the party claiming under the warranty or indemnity. The nature and extent of limitations varies depending on the type of claim being made by Woodside against BHP:

claims under the tax indemnity, tax warranties, title and capacity warranties and the U.S. NOL Indemnity must be notified within seven years of Implementation, and are subject to a maximum monetary limit of \$16 billion. All other warranty claims must be notified within 18 months of Implementation and are subject to a maximum monetary limit of \$2.4 billion; and

claims under the Third Party Divestment Claims Indemnity have no notification time limit, while claims under the Excluded / Divested Assets Indemnity must be notified within three years of Implementation. Claims under both of these indemnities are subject to a maximum monetary limit of \$16 billion.

Generally reciprocal arrangements exist in respect of claims made by BHP against Woodside, with the necessary changes.

Exclusivity

Woodside and BHP have agreed to comply with certain exclusivity arrangements from the date of the Share Sale Agreement until Implementation of the Merger (or the earlier termination of the Share Sale Agreement) (the “Exclusivity Period”). During the Exclusivity Period, BHP must not, and must ensure its related persons do not:

solicit, invite, encourage or initiate any inquiry, expression of interest, offer, proposal or discussion by any person in relation to a BHP Competing Proposal;

participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make a BHP Competing Proposal;

negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding a BHP Competing Proposal;

disclose any material non-public information about the business or affairs of BHP Petroleum or its group members to a third party with a view to obtaining, or which would be reasonably expected to encourage, a BHP Competing Proposal; or

communicate to any person an intention of doing any of the above.

The exclusivity commitments (other than the general “no shop” provisions) do not prohibit any action or inaction by BHP or its related persons in relation to a BHP Competing Proposal if compliance with the

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commitments would, in the opinion of the BHP Board, constitute or be reasonably likely to constitute a breach of the duties of the BHP directors provided that:

the BHP Competing Proposal was not brought about by a breach of BHP's exclusivity commitments; and

BHP notifies Woodside of any action or inaction by BHP or its related persons in reliance on this exception.

Woodside has reciprocal exclusivity commitments under the Share Sale Agreement in relation to any actual or potential Woodside Competing Proposal.

Woodside Matching Right

BHP must not enter into any legally binding agreement, arrangement or understanding pursuant to which a third party proposes to undertake or give effect to a BHP Competing Proposal, and must procure that none of the BHP directors change, withdraw or qualify its or their support for the Merger, unless:

the BHP Board acting in good faith and in order to satisfy what the members of the BHP Board consider to be their statutory or fiduciary duties (having received advices from external financial and legal advisers) determines that the BHP Competing Proposal would, or could reasonably be expected to become, a superior proposal for BHP;

BHP has provided Woodside with all terms and conditions of the BHP Competing Proposal (including the price and identity of the third party making the competing proposal);

BHP has given Woodside at least 10 Business Days after the date on which it provided Woodside with the information on the BHP Competing Proposal to provide a matching or superior proposal; and

Woodside has not provided a matching or superior proposal by the expiration of the ten (10) Business Day period.

If Woodside proposes amendments to the Share Sale Agreement that constitute a matching or superior proposal by the expiration of the ten (10) Business Day period and the BHP Board (acting reasonably and in good faith) determines that the Woodside proposal would provide an equivalent or superior outcome for BHP Shareholders as a whole compared with the BHP Competing Proposal, Woodside and BHP must use their best endeavours to agree amendments to the Share Sale Agreement that are reasonably necessary to reflect and implement the revised Woodside proposal as soon as reasonably practicable. BHP must procure that the BHP Board continues to support the Merger (as modified by the revised Woodside proposal).

BHP does not have a right to match a competing proposal made for Woodside.

Reimbursement Fee

Each of Woodside and BHP have agreed to pay the Reimbursement Fee of \$160 million to the other party in certain circumstances.

Woodside must pay the Reimbursement Fee to BHP if:

BHP terminates the Share Sale Agreement as a result of (i) a Woodside Prescribed Occurrence, (ii) a breach of a warranty by Woodside (or a breach of a Woodside warranty would occur at Implementation) and Woodside fails to remedy such breach within ten (10) Business Days, and the loss reasonably expected to follow from the breach would exceed \$500 million, or (iii) a material breach by Woodside of its obligations under the Share Sale Agreement and Woodside fails to remedy such breach;

BHP terminates the Share Sale Agreement as a result of a failure to satisfy a Condition where such failure to satisfy a Condition resulted from a breach of the Share Sale Agreement by Woodside because of a deliberate act or omission by Woodside;

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half or more of the Woodside Board members change, withdraw or qualify their recommendation that Woodside Shareholders vote in favor of the Merger, unless the Independent Expert's Report concludes that the Merger is not in the best interests of Woodside Shareholders (except where that conclusion is due to the existence of a Woodside Competing Proposal), or Woodside is otherwise entitled to terminate the Share Sale Agreement before Implementation; or

a Woodside Competing Proposal is announced before the earlier of the termination of the Share Sale Agreement and 30 June 2022, and within 12 months of the announcement, the third party proponent of the Woodside Competing Proposal enters into an agreement to complete, or completes, certain types of Woodside Competing Proposals.

BHP must pay the Reimbursement Fee to Woodside if:

Woodside terminates the Share Sale Agreement as a result of (i) a "prescribed occurrence" occurring in relation to BHP Petroleum, (ii) BHP breaches a warranty (or a breach of a BHP warranty would occur at Implementation) and fails to remedy such breach, and the loss reasonably expected to follow from the breach would exceed \$500 million, or (iii) BHP materially breaches its obligations under the Share Sale Agreement and fails to remedy such breach;

BHP terminates the Share Sale Agreement as a result of BHP or the majority of the BHP Board announcing an intention, or BHP entering into an agreement, to pursue a superior proposal in relation to BHP Petroleum in circumstances where Woodside has not made a counterproposal, or Woodside has made a counterproposal and the BHP Board (acting reasonably and in good faith) has determined that the counterproposal would not provide an equivalent or superior outcome for BHP Shareholders;

BHP is approached during the Exclusivity Period in respect of a BHP Competing Proposal, and within 12 months of the termination of the Share Sale Agreement, the third-party proponent of the BHP Competing Proposal enters into an agreement to complete, or completes, the BHP Competing Proposal; or

during the Exclusivity Period, BHP announces an intention to effect, or completes, a demerger of BHP Petroleum instead of pursuing the Merger.

The Reimbursement Fee is not payable if the Merger is Implemented.

The Reimbursement Fee is the sole and exclusive remedy available to a party in all circumstances where the Merger is not Implemented.

Termination

The Share Sale Agreement contains customary termination rights for either party, including in relation to the failure of a Condition and for material breach.

In addition:

Woodside has a right to terminate the Share Sale Agreement in the event that there is a reduction of 15% or more of BHP Petroleum's proven and probable reserves calculated in accordance with the Share Sale Agreement (subject to certain exclusions).

BHP has a right to terminate the Share Sale Agreement in the event that a Woodside credit rating on a number of indices is downgraded to Ba1 or BB+ or lower (or a credit rating agency issues an assessment indicating a likely downgrade to those levels after Implementation) or there is a reduction of 15% or more of Woodside's proven and probable reserves calculated in accordance with the Share Sale Agreement (subject to certain exclusions).

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Costs and Expenses

Woodside and BHP have agreed that the costs incurred in connection with the Merger (assuming Implementation) will generally be borne or absorbed by Woodside (either directly or through ownership of BHP Petroleum), other than in respect of the following:

Costs associated with separating BHP Petroleum from the BHP systems, processes and arrangements are to be borne by BHP (without recharge to BHP Petroleum).

Costs and expenses payable to BHP's advisers in respect of advice on the Merger must be borne by BHP.

Any direct costs incurred as a result of, or to give effect to, the Restructure of certain entities outside of BHP Petroleum must be borne by BHP.

As otherwise set out in the ITSA. See the section entitled "*–The Integration and Transition Services Agreement–*" for additional information.

Governing Laws

The Share Sale Agreement is governed by the laws of Victoria, Australia, and Woodside and BHP subject themselves to the exclusive jurisdiction of the courts of Victoria, Australia.

Distribution Entitlement

The value of the Share Consideration will fluctuate with the market price of Existing Woodside Shares. Current share price quotations for Existing Woodside Shares can be obtained from the ASX's website.

Upon Implementation, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022).

Based on the closing price of Woodside Shares on the ASX of A\$22.11 on 19 November 2021, the last trading day before the public announcement of entry into the Share Sale Agreement, and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately A\$4.00 or \$2.91 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7274 = A\$1.00) per BHP Share.

Based on the closing price of Woodside Shares on the ASX of A\$21.18 on 16 August 2021, the last trading day before the public announcement of entry into the Merger Commitment Deed, and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately A\$3.83 or \$2.81 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7336 = A\$1.00) per BHP Share.

Based on the closing price of Woodside Shares on the ASX of A\$33.20 and the number of BHP Shares outstanding on 24 March 2022, the implied value of the Share Consideration per BHP Share represented approximately A\$6.00, or \$4.48 (converted into dollars based on the exchange rate for such day reported by the RBA of \$0.7473 = A\$1.00).

Distribution of New Woodside ADSs

The Woodside Shares being distributed to holders of BHP ADSs in the Merger will be deposited with the Woodside Custodian. Upon receipt of confirmation of such deposit, the Woodside Depository will issue and deliver the corresponding New Woodside ADSs to the BHP Depository, subject to payment of the applicable Woodside Depository and BHP Depository fees, taxes and expenses. The BHP Depository has confirmed that it will distribute such New Woodside ADSs to holders of BHP ADSs as of the ADS Distribution Record Date.

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pursuant to the terms of the BHP Deposit Agreement. No fractional New Woodside ADSs will be distributed to holders of BHP ADSs. All fractional entitlement to New Woodside ADSs will be aggregated and sold by the BHP Depository and the net cash proceeds (after deduction of applicable fees, taxes and expenses) will be distributed to the BHP ADS holders entitled thereto. The distribution of New Woodside ADSs will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the BHP Deposit Agreement. In order to pay such taxes or governmental charges, the BHP Depository may sell all or a portion of the new Woodside ADSs so distributed.

The BHP Depository will publicly announce the ADS Distribution Record Date for distribution of the New Woodside ADSs to the holders of BHP ADSs. The ADS Distribution Record Date is expected to be 5:00 p.m. (New York City time) on 26 May 2022. This date and time are indicative and subject to change.

Holders of BHP ADSs who wish to hold New Woodside Shares rather than New Woodside ADSs may surrender their BHP ADSs to the BHP Depository for cancellation and withdraw the BHP Shares that their surrendered BHP ADSs represent prior to 5:00 p.m. (New York City time) on 20 May 2022 (such time representing the time at which it is expected that the BHP Depository will restrict cancellations of BHP ADSs and withdrawals of BHP Shares pursuant to the terms of the BHP Deposit Agreement, and subject to payment of taxes and applicable BHP Depository fees and expenses) and hold such BHP Shares at the Distribution Record Date. If so desired, holders of BHP ADSs who hold their BHP ADSs in a brokerage, bank, custodian or other nominee account should promptly contact their broker, bank, custodian or other nominee account to find out what actions are required to instruct their broker, bank or other nominee to cancel the BHP ADSs on their behalf.

For additional information see the section entitled “*Description of Woodside’s American Depositary Shares.*”

Listing of New Woodside ADSs

Woodside has applied to list the Woodside ADSs, including those issued to the Participating BHP Shareholders holding BHP ADSs in connection with the Merger, on the NYSE under the symbol “WDS,” and intends to file the F-6 Registration Statement with the SEC with respect to New Woodside ADSs and to amend and restate the Woodside Deposit Agreement for the Woodside ADR Program to, among other things, reflect Woodside’s status as an SEC reporting company and certain regulatory changes in Australia and in the United States. For additional information see the section entitled “*Description of Woodside American Depositary Shares.*”

Restructure of BHP Petroleum

In connection with the Merger, BHP has undertaken to complete the Restructure involving the transfer of certain entities holding non-oil and gas and/or legacy assets and operations from BHP Petroleum. The entities that will be transferred from BHP Petroleum as part of the Restructure are BHP BK Limited, BHP Billiton Petroleum Great Britain Limited, BHP Mineral Resources Inc., BHP Copper Inc. Resolution Copper Mining LLC, BHP Resolution Holdings LLC, and BHP Capital Inc. The Restructure is required to be completed prior to Implementation in accordance with the Share Sale Agreement

In addition, BHP has undertaken to eliminate certain intra-group funding arrangements, and to take all other prescribed separation steps, prior to Implementation, including complying with the ITSA.

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Letter Agreement with Respect to Certain Matters under the Share Sale Agreement

On 7 April 2022, Woodside and BHP entered into a letter agreement (the “Letter Agreement”) in order to confirm a variety of mechanical matters under the Share Sale Agreement, including in relation to:

the status of the Conditions and the timing of Implementation, to the effect that unless there is a failure of a Condition, the Share Sale Agreement will be deemed unconditional and Implementation will occur on 1 June 2022; and

arrangements for Implementation and the distribution of the Share Consideration, including in relation to the definition of Eligible BHP Shareholder and Small Parcel BHP Shareholders.

The Integration and Transition Services Agreement

Simultaneously with the execution of the Share Sale Agreement, Woodside and BHP entered into the ITSA which provides for the terms under which:

BHP will undertake certain activities to separate BHP Petroleum from BHP prior to Implementation;

Woodside and BHP will undertake activities prior to Implementation to facilitate the integration of BHP Petroleum into Woodside to form the Merged Group on and from Implementation; and

BHP will provide certain transition services to the Merged Group following Implementation of the Merger.

The term of the ITSA shall cease upon the earlier of (i) expiration of the transition period (including any extension) for the transition service with the longest transition period, (ii) completion of the separation of the BHP Petroleum systems from BHP, or (iii) termination of the ITSA in accordance with the early termination provisions of the ITSA (provided that in any case, the term will not continue beyond 12 months post-Implementation). The early termination provisions permit termination of the ITSA (x) by the non-defaulting party (subject to a cure period) in the event of a default with respect to a material condition (which includes obligations with respect to confidential information and intellectual property rights as well as Woodside’s obligation to pay termination service fees) or (y) automatically in the event of termination of the Share Sale Agreement.

The objective of the activities under the ITSA is to, among other things, seek to ensure uninterrupted operations and minimize disruptions of the parties involved, maximize certainty as to operating methodologies in the Merged Group and seek to identify opportunities to improve efficiency and reduce costs of the Merged Group (as compared to the separate cost structures of BHP Petroleum and Woodside prior to Implementation).

BHP is responsible under the ITSA for all activities which are necessary to separate BHP Petroleum from the BHP systems, processes and structures. BHP must use its reasonable endeavours to complete these activities prior to Implementation and complete any carry-over separation activities following Implementation. The ITSA contains a reporting process for monitoring the progress of those separation activities and managing any delays. A specific regime applies in respect of the activities required to separate the systems and data of BHP Petroleum from BHP’s systems and data and integrate such systems and data with Woodside’s systems and data. All costs associated with separation activities shall be borne by BHP (including for any carry-over separation activities), except for costs associated with certain systems and data separation which shall be shared equally by the parties up to \$150 million, following which such costs shall be borne by BHP without contribution by Woodside.

Activities which are required to integrate BHP Petroleum into Woodside on Implementation will be developed, coordinated and undertaken by a team comprised of both Woodside and BHP personnel in accordance with an agreed upon plan and budget.

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Transition services must be developed, scoped and budgeted by the parties as part of the ITSA process. The transition services will then be provided by BHP to the Merged Group following Implementation of the Merger in consideration for the fees payable by Woodside to be agreed upon by the parties in respect of each category of transition service, taking into account, among other things, the prevailing rates of the current BHP services arrangements and on a cost pass-through basis for services performed by third-party contractors. The service term for each transition service must be agreed upon by the parties and extended as may be required and agreed, provided that no transition service shall be performed beyond 12 months post-Implementation.

Scarborough Put Option

On 17 August 2021, Woodside Energy Ltd, Woodside Energy Scarborough Pty Ltd and certain subsidiaries of BHP entered into the Scarborough Put Option Deed relating to the Scarborough, Jupiter and Thebe Projects. Woodside Energy Scarborough Pty Ltd is operator of all three projects. Woodside Energy Scarborough Pty Ltd (“WES”) is the majority stakeholder of the Scarborough Project, with a 73.5% interest, with BHP Petroleum (Australia) Pty Ltd (“BHPP (Australia)”) holding the remaining 26.5% interest. WES and BHPP (Australia) each hold a 50% interest in the Jupiter and Thebe Projects.

Specific terms of the Put Option are as follows:

Woodside grants to BHP an irrevocable option to sell to Woodside its interests in the Scarborough, Jupiter and Thebe Projects, including interests in certain key contracts and petroleum titles.

If BHP exercises the Put Option, Woodside must acquire from BHPP (Australia) its interest in the Scarborough, Jupiter and Thebe Projects in accordance with the terms of the Sale and Purchase Agreement attached to the Scarborough Put Option Deed.

The Put Option must be exercised by BHP after 1 July 2022 and prior to 31 December 2022 and lapses if it is not exercised during this period.

REGULATORY APPROVALS RELATED TO THE MERGER

Overview

To Implement the Merger, Woodside and BHP must make and deliver certain filings, submissions and notices to obtain required authorizations, approvals, consents or expiration of waiting periods from certain governmental antitrust and other regulatory authorities. Under the Share Sale Agreement, Woodside and BHP have agreed to use reasonable endeavors to ensure that the regulatory approvals required under the Share Sale Agreement are satisfied as soon as practicable on or before 30 June 2022 (or an agreed later date), including by responding to each applicable government agency in an appropriate and timely manner. Woodside and BHP are not currently aware of any material governmental filings, authorizations, approvals or consents that are required prior to Implementation other than those described below. All required authorizations, approvals, consents and expiration of waiting periods have occurred or been obtained, as applicable, except for approval by NOPTA in respect of the change of control of various BHP entities as titleholders.

FIRB

BHP has determined that the approval of FIRB is not required to Implement the Merger, and has waived this Condition.

ASIC

BHP has obtained relief from ASIC, conditional on Woodside Shareholders voting in favor of the Merger Resolution, so that the takeover provisions of the Corporations Act will not apply to the New Woodside Shares issued as Share Consideration to BHP and held momentarily by BHP before being distributed to BHP Shareholders (and transferred to the Sale Agent in the case of all New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders). Additionally, BHP has obtained relief from ASIC in connection with the sale facility. ASIC has also granted relief to Woodside, conditional on Woodside Shareholders voting in favor of the Merger Resolution, in relation to the technical application of section 606 of the Corporations Act to Woodside, resulting from the operation of certain contractual rights in the Share Sale Agreement to the Share Consideration.

ASX

ASX Listing Rule 11.1 gives the ASX discretion to require an entity making a significant change to the nature or scale of its activities to obtain shareholder approval in respect of the change, or to meet the requirements in Chapters 1 and 2 of the ASX Listing Rules as if it were applying for admission to the official list of the ASX. ASX has given in-principle advice to Woodside and BHP (as appropriate) that:

ASX Listing Rule 11.1.2 does not require Woodside or BHP to obtain shareholder approval of the Merger;

ASX Listing Rule 11.1.3 does not require Woodside or BHP to meet the requirements in Chapters 1 and 2 of the ASX Listing Rules;

Woodside Shareholders that also hold BHP Shares will not be precluded from voting on the Merger Resolution; and

ASX Listing Rule 10.11 does not preclude any Woodside Director who holds BHP Shares from receiving New Woodside Shares without a separate shareholder approval.

JSE

The approval of the JSE and the South African Reserve Bank (“SARB”) is required in connection with BHP’s distribution of the Share Consideration to BHP Shareholders that hold their BHP Shares through the

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JSE. BHP has obtained the requisite approvals from the JSE and SARB permitting the distribution, including in relation to the treatment of BHP Shareholders holding BHP Shares through JSE as Ineligible Foreign BHP Shareholders.

NOPTA

The *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) was amended in September 2021 to, among other things, introduce a requirement for approval by NOPTA in respect of a change of control of a titleholder, which became effective on 2 March 2022. Closing of the transaction is conditional on NOPTA's approval being obtained by Woodside (to the extent required) either unconditionally or conditionally (including any undertakings) that are acceptable to Woodside and BHP (acting reasonably). As Implementation will occur after 2 March 2022, the approval of NOPTA is required in respect of the change of control of various BHP entities as titleholders. Woodside submitted the relevant applications and is continuing to engage with NOPTA on this process.

Australia Antitrust Laws

The *Competition and Consumer Act 2010* (Cth) prohibits any acquisition of shares or assets that has the effect or is likely to have the effect of substantially lessening competition in any Australian market. Australia's merger control regime is voluntary. Woodside and BHP made submissions seeking informal clearance from the ACCC on 1 October 2021. Following these submissions, the ACCC commenced a public review of the transaction. On 16 December 2021, the ACCC confirmed that it would not oppose the transaction.

China Antitrust Laws

Under the Anti-Monopoly Law of the People's Republic of China and the Provisions of the State Council on Thresholds for Prior Notification of Concentrations of Undertakings, the Merger requires a mandatory filing with the State Administration of Market Regulation ("SAMR"). Implementation of the Merger is conditional on such filing being completed and SAMR's approval being obtained. On 20 December 2021, the Merger was filed with SAMR. On 28 January 2022, SAMR officially accepted the Merger filing. On 8 February 2022, SAMR issued its decision not to proceed with further review of the Merger, meaning the parties are free to Implement the Merger from SAMR's perspective as of 8 February 2022.

Trinidad and Tobago Antitrust Laws

Pursuant to the Fair Trading Act of Trinidad & Tobago, the Merger requires a mandatory filing with the Trinidad & Tobago Fair Trading Commission ("T&T FTC"). Implementation of the Merger is conditional on such filing being completed and T&T FTC's approval being obtained. On 15 December 2021, an application on the Merger was filed with the T&T FTC. On 29 December 2021, the T&T FTC informed the parties that their application was complete, and the T&T FTC's review period commenced. On 18 February 2022 the T&T FTC approved the transaction without conditions.

Mexico Antitrust Laws

Under the Federal Law on Economic Competition, the Merger requires a mandatory filing with the Federal Economic Competition Commission ("COFECE"). Implementation of the Merger is conditional on such filing being completed and COFECE's approval being obtained. On 7 January 2022, the Merger was filed with COFECE. On 14 March 2022, COFECE granted clearance of the Merger.

Japan Antitrust Laws

Pursuant to the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, as amended, the Merger requires a mandatory filing with the Fair Trade Commission of Japan ("JFTC"). Implementation of

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the Merger is conditional on such filing being completed and JFTC' s approval being obtained. On 1 February 2022, the Merger was formally filed and accepted by the JFTC. On 16 February 2022, JFTC approval was received when the JFTC determined not to issue a notice provided by Article 50, paragraph 1 of the Anti-Monopoly Act in the Plan of the Share Acquisition submitted pursuant to Article 10, paragraph 2 of that act (including a case to which that provision applies pursuant to paragraph 5 of that article).

Vietnam Antitrust Laws

Pursuant to the Law on Competition of Vietnam and Decree 35 on Detailed Regulations for Implementation of the Law on Competition, the Merger requires a mandatory filing with the Vietnam Ministry of Industry and Trade, Vietnam Competition and Consumer Authority or the Vietnam National Competition Committee (as applicable) (“Vietnam Competition Regulator”). Implementation of the Merger is conditional on such filing being completed and the Vietnam Competition Regulator’ s approval being obtained. On 4 January 2022, the Merger was filed with the Vietnam Competition Regulator. On 13 January 2022, the Vietnam Competition Regulator confirmed that the Merger filing was complete. On 15 February 2022, the Vietnam Competition Regulator provided approval by issuing its decision that the Merger is identified as an acquisition and not subjected to the prohibited cases as prescribed in Article 30 of the Law on Competition No.23/2018/QH14.

United States Antitrust Laws

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (“HSR Act”), certain acquisitions may not be completed unless notification has been given and information has been furnished to the Antitrust Division of the U.S. Department of Justice (Antitrust Division), and to the Federal Trade Commission (“FTC”), and applicable waiting period requirements have expired or have been earlier terminated. Implementation of the Merger is conditional on satisfying such requirements.

Woodside and BHP filed their respective Hart-Scott-Rodino Notification and Report Forms regarding the Merger with the FTC and Antitrust Division on 18 January 2022. The applicable waiting period expired on 17 February 2022, meaning the parties have satisfied their obligations under the HSR Act and are free to close the transaction from a competition perspective in the United States.

Antitrust and Competition Requirements in Other Jurisdictions

Woodside and BHP have assets and turnover in numerous jurisdictions throughout the world in addition to those described above. Many of those jurisdictions have antitrust or competition laws that could require that notifications be filed and clearances obtained prior to Implementation. Other jurisdictions may require filings following Implementation of the Merger. Appropriate filings may be made in those jurisdictions where it is deemed that such a filing is required.

CFIUS

Woodside and BHP sought review of the Merger by the Committee on Foreign Investment in the United States (“CFIUS”) pursuant to Section 721 of the Defense Production Act of 1950, as amended, and the regulations promulgated thereunder (the “DPA”). Woodside and BHP have received a written notice issued by CFIUS that CFIUS has determined that there are no unresolved national security concerns with respect to the Merger, and has concluded all action under the DPA.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following describes the material U.S. federal income tax considerations for beneficial owners of BHP Shares or BHP ADSs (together, “BHP Securities”) that are U.S. Holders (as defined below) of the receipt of New Woodside ADSs or New Woodside Shares (together, “Woodside Securities”) pursuant to the Special Dividend and the subsequent ownership and disposition of such Woodside Securities. This discussion applies only to Woodside Securities held as a “capital asset” for U.S. federal income tax purposes (generally property held for investment). This summary is based on the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), U.S. Treasury regulations, any tax treaties, administrative rulings, and judicial decisions, all as in effect on the date hereof, and all of which are subject to change and differing interpretations, possibly with retroactive effect. Woodside cannot assure you that any such change or differing interpretation will not significantly alter the tax considerations described in this discussion. Neither Woodside nor BHP has sought or will seek any rulings from the Internal Revenue Service (the “IRS”) with respect to the statements, positions or conclusions described in the following discussion. Such statements, positions and conclusions are not free from doubt, and there can be no assurance that an applicable tax adviser, the IRS, or a court will agree with such statements, positions, and conclusions. In addition, statements contained herein that Woodside “believes,” “expects,” “intends,” “anticipates,” or other similar phrases are not legal conclusions or opinions of Vinson & Elkins L.L.P. Further, to the extent any statements contained herein relate to BHP, BHP Securities or the Special Dividend, such statements are based upon Woodside’s understanding of the manner in which BHP intends to report the Special Dividend for U.S. federal income tax purposes.

The following does not purport to be a complete analysis of all potential tax effects resulting from the ownership or disposition of Woodside Securities after the Merger, and does not address all aspects of U.S. federal income taxation that may be relevant to individual U.S. Holders in light of their particular circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any state, local, or non-U.S. tax laws, any tax treaties, or any other tax laws. Furthermore, this summary does not address all U.S. federal income tax considerations that may be relevant to certain categories of U.S. Holders that may be subject to special treatment under the U.S. federal income tax laws, including, but not limited to:

- banks, insurance companies, or other financial institutions;
- tax-exempt or governmental organizations;
- dealers in securities or foreign currencies;
- persons whose functional currency is not the U.S. dollar;
- persons that actually or constructively own five percent or more of any class of Woodside’s stock (by vote or by value);
- corporations that accumulate earnings to avoid U.S. federal income tax;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- entities or arrangements treated as partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell Woodside Securities under the constructive sale provisions of the Code;
- real estate investment trusts;
- regulated investment companies;
- persons that hold Woodside Securities as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction, or other integrated investment or risk reduction transaction; or
- U.S. Holders of Woodside Securities prior to the Merger.

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THIS DISCUSSION IS NOT TAX ADVICE. U.S. HOLDERS SHOULD CONSULT WITH, AND RELY SOLELY UPON, THEIR TAX ADVISERS WITH RESPECT TO THE APPLICATION OF U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL CHANGES THERETO) TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY OTHER TAX LAWS, INCLUDING, BUT NOT LIMITED TO, U.S. FEDERAL ESTATE OR GIFT TAX LAWS, THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION, OR ANY APPLICABLE INCOME TAX TREATY.

U.S. Holder Defined

For the purposes of this discussion, the term “U.S. Holder” is used to mean, with respect to BHP or Woodside, respectively, a beneficial owner of BHP Securities or Woodside Securities that, for U.S. federal income tax purposes, is:

an individual who is a citizen or resident of the United States;

a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income tax regardless of its source; or

a trust (A) the administration of which is subject to the primary supervision of a U.S. court and which has one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code) who have the authority to control all substantial decisions of the trust or (B) that has made a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds BHP Securities or Woodside Securities, the tax treatment of a partner in such partnership might depend upon the status of the partner or the partnership, upon the activities of the partnership and upon certain determinations made at the partnership or partner level. Accordingly, Woodside urges partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) holding BHP Securities or Woodside Securities to consult with, and rely solely upon, their own tax advisers regarding the U.S. federal income and other tax considerations to them of the matters discussed below.

American Depositary Shares

For U.S. federal income tax purposes, U.S. Holders of BHP ADSs or Woodside ADSs generally should be treated as the beneficial owners of the underlying shares represented by the ADSs and an exchange of ADSs for such underlying shares generally will not be subject to U.S. federal income tax. Throughout the remainder of this discussion, any reference to a holder of Woodside Shares or BHP Shares, respectively, is assumed to include holders of Woodside ADSs or BHP ADSs.

Material U.S. Federal Income Tax Considerations for U.S. Holders of BHP Securities with Respect to the Receipt of New Woodside Shares Pursuant to the Special Dividend

U.S. Federal Income Tax Consequences of the Special Dividend. Subject to the discussion of passive foreign investment company (“PFIC”) taxation below, a U.S. Holder of BHP Securities must include in its gross income the gross amount of any dividend paid by BHP to the extent of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, are treated as a non-taxable return of capital to the extent of the U.S. Holder’s basis in BHP Securities, causing a reduction in the U.S. Holder’s adjusted basis in BHP Securities, and thereafter as capital gain. However, BHP does not calculate earnings and profits in accordance with U.S. federal income tax principles. Accordingly, U.S. Holders should expect to treat the entire amount of the Special Dividend as a taxable dividend for U.S. federal income tax purposes.

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The amount of the dividend distribution that U.S. Holders must include in their income will be the fair market value (expressed in U.S. dollars) of the New Woodside Securities as of the date of the distribution of the Special Dividend. A U.S. Holder must also include any foreign tax withheld from the dividend payment in the gross amount of the dividend even though the shareholder does not in fact receive the amount withheld. The dividend is taxable to a U.S. Holder when the U.S. Holder receives the dividend, actually or constructively.

Dividends paid to a non-corporate U.S. Holder by certain “qualified foreign corporations” that constitute qualified dividend income are taxable to the shareholder at the preferential rates applicable to long-term capital gains provided that the shareholder holds the BHP Securities for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meets other holding period requirements. For this purpose, BHP Securities will be treated as stock of a qualified foreign corporation if BHP is eligible for the benefits of an applicable comprehensive income tax treaty with the United States or if such BHP Securities are readily tradeable on an established securities market in the United States. The BHP ADSs are listed on the NYSE, and it is expected that BHP will be eligible for the benefits of such a treaty. Accordingly, subject to the discussion of PFIC taxation below, it is expected that the dividends BHP pays with respect to the Special Dividend will constitute qualified dividend income to a non-corporate U.S. Holder, assuming the U.S. Holder’s holding period requirements are met. If such requirements are not satisfied, a non-corporate U.S. Holder may be subject to tax on the dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income. Dividends paid to a corporate U.S. Holder will not be eligible for the dividends-received deduction.

The Australian withholding tax consequences of the Special Dividend paid to non-Australian resident Participating BHP Shareholders are outlined in the section entitled “*Material Australian Tax Considerations.*” If Australian dividend withholding tax is payable on the Special Dividend, U.S. Holders should seek their own tax advice to determine the Australian and U.S. taxation implications. Subject to certain limitations, any non-U.S. tax withheld and paid over to a non-U.S. taxing authority (including Australian withholding tax) is eligible for credit against a U.S. Holder’s U.S. federal income tax liability except to the extent a refund of the tax withheld is available to the U.S. Holder under non-U.S. tax law or under an applicable tax treaty. Special rules apply in determining the foreign tax credit limitation with respect to dividends that are taxed at the preferential rates applicable to long-term capital gains. The amount allowed to a U.S. Holder as a credit is limited to the amount of the U.S. Holder’s U.S. federal income tax liability that is attributable to income from sources outside the U.S. and is computed separately with respect to different types of income that the U.S. Holder receives from non-U.S. sources. To the extent a reduction or refund of the tax withheld is available to a U.S. Holder under non-U.S. law or under an income tax treaty, the amount of tax withheld that could have been reduced or that is refundable will not be eligible for credit against the holder’s U.S. federal income tax liability. A U.S. Holder that does not elect to claim a U.S. foreign tax credit may instead claim a deduction for non-U.S. income tax withheld, but only for a taxable year in which the U.S. Holder elects to do so with respect to all non-U.S. income taxes paid or accrued in such taxable year. Dividends will be income from sources outside the U.S. and generally will be “passive category” income for the purpose of computing the foreign tax credit allowable to a U.S. Holder. In general, a taxpayer’s ability to use foreign tax credits may be limited and is dependent on the particular circumstances. U.S. Holders should consult their tax advisers with respect to these matters.

BHP PFIC Considerations. It is expected that the BHP Securities will not be stock of a PFIC for U.S. federal income tax purposes, but this conclusion is based on a factual determination made annually and thus is subject to change. With certain exceptions, a U.S. Holder’s BHP Securities would be treated as stock in a PFIC if BHP were a PFIC at any time during such U.S. Holder’s holding period of the BHP Securities.

If BHP Securities were treated as stock of a PFIC with respect to a U.S. Holder, the U.S. Holder would be liable to pay U.S. federal income tax at the highest applicable income tax rates on any dividend income attributable to the Special Dividend and, potentially, interest on all or a portion of such amount as if such dividend had been recognized ratably over the U.S. Holder’s holding period of the BHP Securities.

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Any dividend income resulting from the Special Dividend would not be eligible for the preferential tax rates applicable to qualified dividend income if BHP were treated as a PFIC in the taxable years in which the dividends are paid or in the preceding taxable year (regardless of whether the U.S. Holder held BHP Securities in such year) but instead would be taxable at rates applicable to ordinary income.

Subject to certain exceptions, BHP would be treated as a PFIC in any taxable year in which, after applying certain look-through rules, either:

- i. at least 75% of its gross income for such taxable year, including its pro rata share of the gross income of any corporation in which it is considered to own at least 25% of the shares by value, consists of passive income (which generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets); or
- ii. at least 50% of its assets in such taxable year (ordinarily determined based on fair market value and averaged quarterly over the year), including its pro rata share of the assets of any corporation in which BHP is considered to own at least 25% of the shares by value, produce or are held for the production of passive income.

Because the determination of whether a foreign corporation is a PFIC is primarily factual and there is little administrative or judicial authority on which to rely to make such a determination, the IRS might not agree that BHP is not a PFIC.

If BHP were later determined to be a PFIC, you may be unable to make certain advantageous elections with respect to your ownership of BHP Securities (including a "mark-to-market" election or a "qualified electing fund" election) that would mitigate the adverse consequences of BHP's PFIC status, or making such elections retroactively could have adverse tax consequences to you. The remainder of this discussion assumes that BHP will not be treated as a PFIC in the taxable year of the Merger or any prior taxable year.

THE PFIC RULES ARE COMPLEX AND UNCERTAIN. U.S. HOLDERS SHOULD CONSULT WITH, AND RELY SOLELY UPON, THEIR TAX ADVISERS TO DETERMINE THE APPLICATION OF THE PFIC RULES TO THEM AND ANY RESULTANT TAX CONSEQUENCES.

Cost base of BHP Securities and Woodside Securities. Given the assumption that the Special Dividend will be treated as a dividend for U.S. federal income tax purposes, it is not expected that the receipt of the Special Dividend should impact a U.S. Holder's basis in its BHP Securities. A U.S. Holder will have an initial tax basis in the Woodside Securities it receives pursuant to the Special Dividend equal to the fair market value (expressed in U.S. dollars) of the New Woodside Securities as of the date of the distribution of the Special Dividend.

Material U.S. Federal Income Tax Considerations for U.S. Holders with Respect to the Ownership and Disposition of Woodside Securities

Woodside PFIC Considerations. Adverse and burdensome U.S. federal income tax rules and consequences apply to U.S. Holders that hold stock in a non-U.S. corporation classified as a PFIC for U.S. federal income tax purposes. In general, Woodside would be treated as a PFIC in any taxable year in which, after applying certain look-through rules, either:

- i. at least 75% of its gross income for such taxable year, including its pro rata share of the gross income of any corporation in which it is considered to own at least 25% of the shares by value, consists of passive income (which generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets); or
- ii. at least 50% of its assets in such taxable year (ordinarily determined based on fair market value and averaged quarterly over the year), including its pro rata share of the assets of any corporation in which

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Woodside is considered to own at least 25% of the shares by value, produce or are held for the production of passive income.

While Woodside does not anticipate becoming a PFIC in the current or future taxable years, there can be no assurance that it will not be a PFIC for any taxable year, as PFIC status is tested each taxable year and depends on the composition of its assets and income in such taxable year. If Woodside is classified as a PFIC for any year during which a U.S. Holder holds Woodside Securities, Woodside will generally continue to be treated as a PFIC for all succeeding years during which such U.S. Holder holds Woodside Securities. Because PFIC status is a fact-intensive determination made on an annual basis and depends on the composition of Woodside's assets and income at such time, no assurance can be given that Woodside is not or will not become classified as a PFIC. If Woodside were later determined to be a PFIC, you may be unable to make certain advantageous elections with respect to your ownership of Woodside Securities (including a "mark-to-market" election or a "qualified electing fund" election) that would mitigate the adverse consequences of Woodside's PFIC status, or making such elections retroactively could have adverse tax consequences to you. Woodside has not sought and will not seek any rulings from the IRS or any opinion from any tax adviser as to such tax treatment, and the closing of the Merger is not conditioned upon achieving, or receiving a ruling from any tax authority or opinion from any tax advisers in regards to, any particular tax treatment. Thus, the anticipated reporting position of Woodside described herein is not free from doubt. Woodside is not representing to you that Woodside will not be treated as a PFIC for the taxable year of the Merger or in any future taxable years.

Consistent with Woodside's expectation, the remainder of this discussion assumes that Woodside will not be treated as a PFIC in the taxable year of the Merger or any subsequent taxable year.

THE PFIC RULES ARE COMPLEX AND UNCERTAIN. U.S. HOLDERS SHOULD CONSULT WITH, AND RELY SOLELY UPON, THEIR TAX ADVISERS TO DETERMINE THE APPLICATION OF THE PFIC RULES TO THEM AND ANY RESULTANT TAX CONSEQUENCES.

Tax Characterization of Distributions with Respect to Woodside Securities. If Woodside pays a distribution in cash or other property to U.S. Holders of Woodside Securities, such distribution generally will constitute a dividend for U.S. federal income tax purposes to the extent paid from current or accumulated earnings and profits as determined under U.S. federal income tax principles. Distributions in excess of current and accumulated earnings and profits will constitute a return of capital that will be applied against and reduce (but not below zero) the U.S. Holder's adjusted tax basis in its Woodside Securities. Any remaining excess will be treated as gain realized on the sale of Woodside Securities and will be treated as in the section entitled "*Gain or Loss on Sale or Other Taxable Exchange or Disposition of Woodside Securities.*" However, because Woodside does not expect to determine its earnings and profits on the basis of United States federal income tax principles, U.S. holders should expect that any distribution paid will generally be reported to them as a "dividend" for U.S. federal income tax purposes.

The amount of any distribution paid in a foreign currency will be equal to the U.S. dollar value of such currency, translated at the spot rate of exchange on the date such distribution is received, regardless of whether the payment is in fact converted into U.S. dollars at that time. If the distribution is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the income attributable to such distribution. A U.S. Holder may have foreign currency gain or loss if the distribution is converted into U.S. dollars after the date of receipt. In general, foreign currency gain or loss will be treated as U.S.-source ordinary income or loss.

Distributions Treated as Dividends. Dividends paid by Woodside will be taxable to a corporate U.S. Holder at regular rates and will not be eligible for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations. Dividends Woodside pays to a non-corporate U.S. Holder generally will constitute a "qualified dividend" that will be subject to U.S. federal income tax at the maximum tax rate accorded to long-term capital gains if Woodside Securities are readily

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tradable on an established securities market in the United States or if Woodside is eligible for certain benefits under the tax treaty between the United States and Australia and certain holding period and other requirements are met, including that Woodside is not classified as a PFIC during the taxable year in which the dividend is paid or a preceding taxable year. If such requirements are not satisfied, a non-corporate U.S. Holder may be subject to tax on the dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income. U.S. Holders should consult with, and rely solely upon, their tax advisers regarding the availability of the lower preferential rate for qualified dividend income for any dividends paid with respect to Woodside Securities.

Woodside believes that it currently is, and anticipates continuing to be, eligible for benefits under the tax treaty between the United States and Australia. Under a published IRS Notice, common or ordinary shares, or ADSs representing such shares, are considered to be readily tradable on an established securities market in the United States if they are listed on the NYSE, as the Woodside ADSs are expected to be so listed. However, based on existing guidance, it is unclear whether the shares underlying the ADSs will be considered to be readily tradable on an established securities market in the United States, because only the ADSs will be listed on a securities market in the United States. U.S. Holders are urged to consult with, and rely solely upon, their own tax advisers regarding the availability of the favorable rate applicable to qualified dividend income for any dividends Woodside pays with respect to the ADSs.

Dividends paid with respect to Woodside Securities generally will constitute foreign source income for U.S. foreign tax credit limitation purposes. Subject to certain complex conditions and limitations, any Australian taxes withheld on any distributions on Woodside Securities may be eligible for credit against a U.S. Holder's federal income tax liability or, at such holder's election, may be eligible as a deduction in computing such holder's U.S. federal taxable income. If a refund of the tax withheld is available under the laws of Australia or under the tax treaty between the United States and Australia, as amended, the amount of tax withheld that is refundable will not be eligible for such credit against a U.S. Holder's U.S. federal income tax liability (and will not qualify for the deduction against U.S. federal taxable income). If the dividends constitute qualified dividend income as discussed above, the amount of the dividend taken into account for purposes of calculating the foreign tax credit limitation will generally be limited to the gross amount of the dividend, multiplied by the reduced rate applicable to the qualified dividend income, divided by the highest rate of tax normally applicable to dividends. The limitation on foreign taxes eligible for the credit is calculated separately concerning specific classes of income. For this purpose, dividends distributed by the Woodside with respect to Woodside Securities will generally constitute "passive category income." The rules relating to the determination of the U.S. foreign tax credit are complex, and U.S. Holders are urged to consult with, and rely solely upon, their tax advisers regarding the availability of a foreign tax credit in their particular circumstances and the possibility of claiming an itemized deduction (in lieu of the foreign tax credit) for any foreign taxes paid or withheld.

Withholding tax in Australia. The Australian withholding tax consequences of dividends paid to non-Australian resident shareholders are outlined in the section entitled "*Material Australian Tax Considerations*." If Australian dividend withholding tax is payable on dividends from Woodside, U.S. Holders should seek their own tax advice to determine the Australian and U.S. taxation implications.

Gain or Loss on Sale or Other Taxable Exchange or Disposition of Woodside Securities. Upon a sale or other taxable exchange or disposition of Woodside Securities (including any portion of a distribution by Woodside treated as such per the section entitled "*Tax Characterization of Distributions with Respect to Woodside Securities*"), a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such exchange or disposition and (ii) the U.S. Holder's adjusted tax basis in its Woodside Securities so disposed of. A U.S. Holder's adjusted tax basis in its Woodside Securities generally will equal the fair market value (expressed in U.S. dollars) of the New Woodside Securities as of the date of the distribution of the Special Dividend, less, in the case of a Woodside Security, any prior distributions paid to such U.S. Holder that were treated as a return of capital for U.S. federal income tax purposes. Any such capital gain or loss generally will be long-term capital

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gain or loss if the U.S. Holder held the Woodside Securities for more than one year. Long-term capital gains recognized by non-corporate U.S. Holders will be eligible to be taxed at reduced rates. In addition, the deductibility of capital losses is subject to limitations.

Gain or loss, if any, realized by a U.S. Holder on the sale or other disposition of Woodside Securities generally will be treated as U.S. source gain or loss for U.S. foreign tax credit limitation purposes. The use of U.S. foreign tax credits relating to any Australian tax imposed upon the sale or other disposition of Woodside Securities may be unavailable or limited and may depend upon the application of the tax treaty between the United States and Australia to such U.S. Holder. U.S. Holders are urged to consult with, and rely solely upon, their own tax advisers regarding the tax consequences if Australian taxes are imposed on or connected with a sale or other disposition of Woodside Securities and their ability to credit any Australian tax against their U.S. federal income tax liability.

Australian CGT consequences. Australian capital gains tax (“CGT”) consequences of disposals of New Woodside Shares by U.S. holders are outlined in the section entitled “*Material Australian Tax Considerations—Disposals of Woodside Shares.*” If any tax is payable in Australia on a gain accruing on the disposal of New Woodside Shares, U.S. Holders should seek their own tax advice to determine the Australian and U.S. taxation implications.

Information Reporting and Backup Withholding.

The Special Dividend, dividends with respect to Woodside Securities and proceeds from the sale or exchange of Woodside Securities may be subject, under certain circumstances, to information reporting and backup withholding. Backup withholding will not apply, however, to a U.S. Holder that (i) is a corporation or entity that is otherwise exempt from backup withholding (which, when required, certifies as to its exempt status) or (ii) furnishes a correct taxpayer identification number and makes any other required certification on IRS Form W-9. Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund generally may be obtained, provided that the required information is timely furnished to the IRS.

Additional Information Reporting Requirements.

Certain U.S. Holders may be required to comply with certain reporting requirements relating to the Woodside Securities with respect to the holding of certain foreign financial assets, including stock of foreign issuers (such as Woodside). Penalties can apply if U.S. Holders fail to satisfy such reporting requirements. U.S. Holders are urged to consult with, and rely solely upon, their own tax advisers regarding the application of these rules to their ownership of the Woodside Securities.

THE FOREGOING DISCUSSION IS NOT TAX ADVICE OR A COMPREHENSIVE DISCUSSION OF ALL U.S. FEDERAL INCOME TAX CONSEQUENCES TO U.S. HOLDERS OF WOODSIDE SECURITIES. SUCH HOLDERS SHOULD CONSULT WITH, AND RELY SOLELY UPON, THEIR OWN TAX ADVISERS TO DETERMINE THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE MERGER AND OF OWNING WOODSIDE SECURITIES FOLLOWING THE COMPLETION OF THE MERGER, INCLUDING THE EFFECT OF ANY U.S. FEDERAL, STATE, LOCAL, NON-U.S., OR OTHER TAX LAWS.

MATERIAL AUSTRALIAN TAX CONSIDERATIONS

Introduction

Set out below is a summary of the Australian income tax, GST and stamp duty implications of the Implementation of the Merger and holding Woodside Shares for Participating BHP Shareholders who:

are residents of Australia for Australian income tax purposes or non-residents of Australia for Australian income tax purposes who do not hold BHP Shares, and will not hold Woodside Shares, through a permanent establishment in Australia; and

hold their BHP Shares (and will hold their Woodside Shares) on capital account.

The summary below is not directed at Woodside Shareholders who are not Participating BHP Shareholders. In addition, the summary below does not apply to Woodside Shareholders who are also Participating BHP Shareholders and who:

hold their BHP Shares (or will hold their Woodside Shares) as revenue assets (which will generally be the case for Participating BHP Shareholders who use their BHP Shares (or will use their Woodside Shares) in carrying on a business of share trading, banking or insurance) or as trading stock, or have acquired BHP Shares (or will acquire their Woodside Shares) for the purpose of on-sale at a profit;

acquired their BHP Shares under any employee share scheme or where Woodside Shares will be acquired pursuant to any employee share scheme;

may be subject to special tax rules, including insurance companies, partnerships, tax exempt organizations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents; or

are subject to the "taxation of financial arrangements" provisions in Division 230 of the *Income Tax Assessment Act 1997 (Cth)*. It is noted that Division 230 will generally not apply to the financial arrangements of individuals, unless an election has been made for those rules to apply.

This taxation summary is based on the Australian tax law and administrative practice as it applies at 9:00am AEDT on the date of this prospectus. The comments do not take into account or anticipate changes in Australian tax law, administrative practice or future judicial interpretations of Australian tax law after this time. Future amendments to taxation legislation, or its interpretation by the courts or the taxation authorities, may take effect retrospectively and/or affect the conclusions drawn.

This summary also does not take account of any individual circumstances of any Participating BHP Shareholder and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Implementation of the Merger and the holding of Woodside Shares and is intended as a general guide to the Australian tax implications. Participating BHP Shareholders should seek and rely upon specific advice applicable to their own circumstances from their own financial or tax advisers.

Implementation of the Merger and Receipt of New Woodside Shares by Participating BHP Shareholders

Overview of the Merger

BHP intends to distribute the New Woodside Shares by way of an in-specie dividend (the "Special Dividend").

The Merger is not expected to qualify for demerger tax rollover relief in relation to the Special Dividend. BHP intends to fully frank the Special Dividend. Although the quantum of the Special Dividend will not be known until the date of distribution it will be based on the market value of New Woodside Shares at that time.

The following comments in this section entitled "*Implementation of the Merger and Receipt of New Woodside Shares*" set out the expected Australian income tax, GST and stamp duty consequences of receiving

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the Special Dividend for Participating BHP Shareholders as a result of the Implementation of the Merger. The Australian income tax, GST and stamp duty consequences for Participating BHP Shareholders of holding Woodside Shares, including the receipt of dividends on those shares and the disposal of those shares, are set out in the sections entitled “*Dividends on Woodside Shares*,” “*Disposal of Woodside Shares*” and “*Other Australian Taxes*” below.

Class ruling application

BHP has applied to the Commissioner of Taxation (the “Commissioner”) for a class ruling confirming certain income tax implications of the Implementation of the Merger for Australian resident Participating BHP Shareholders. The final class ruling will be published by the Commissioner shortly after the Implementation of the Merger.

The class ruling application is principally concerned with (i) confirming that demerger tax rollover relief will not be available to Participating BHP Shareholders and (ii) confirming the Australian income tax consequences of the Special Dividend for Participating BHP Shareholders.

The information below outlines the implications for Participating BHP Shareholders in circumstances where demerger tax roll-over relief does not apply and the Special Dividend is being distributed by way of a 100% dividend (subject to the Commissioner’s approval).

Special Dividend

Australian resident shareholders

You should include the amount of the Special Dividend in your assessable income in the income year in which you receive the Special Dividend.

BHP intends to fully frank the Special Dividend and, accordingly, the Special Dividend will have accompanying franking credits.

Generally, provided you are a “qualified person” in relation to the Special Dividend and the Australian Taxation Office (the “ATO”) does not make a determination under the dividend streaming rules to deny the benefit of the franking credits attached to the Special Dividend, you should:

also include the amount of the franking credits attached to the Special Dividend in your assessable income in the income year in which you receive the Special Dividend; and

qualify for a tax offset equal to the amount of the franking credits attached to the Special Dividend, which can be applied against your income tax liability for the relevant income year.

You should be a “qualified person” in relation to the Special Dividend if the “holding period rule” and the “related payments rule” are satisfied. Generally:

to satisfy the “holding period rule,” you must have held your BHP Shares “at risk” for at least 45 days (not including the days of acquisition and disposal) within the period beginning on the day after the day on which you acquired them ending 45 days after they become ex-distribution. This means that once you satisfy the “holding period rule” in relation to a distribution on your BHP Shares you do not need to satisfy it again in relation to those BHP Shares for subsequent distributions, unless you make a “related payment” (refer below); and

under the “related payments rule,” if you are obliged to make a “related payment” (essentially a payment passing on the benefit of the Special Dividend) in respect of the Special Dividend, you must hold your BHP Shares “at risk” for at least 45 days (not including the days of acquisition and disposal) within each period beginning 45 days before, and ending 45 days after, they become ex-distribution.

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To be held “at risk,” you must retain 30% or more of the risks and benefits associated with holding your BHP Shares. Where you undertake risk management strategies in relation to your BHP Shares (e.g., by the use of limited recourse loans, entering into put or call options in relation to your BHP Shares or other derivatives), your ability to satisfy the “at risk” requirement and thus to be a “qualified person” may be affected.

If you are an individual you are automatically treated as a “qualified person” for these purposes if the total amount of the tax offsets in respect of all franked amounts to which you are entitled in an income year does not exceed A\$5,000. This is referred to as the “small shareholder rule.” However, you will not be a “qualified person” under the small shareholder rule if “related payments” have been made, or will be made, in respect of these amounts.

If you are an individual or complying superannuation fund you may be able to receive a cash tax refund from the ATO if the tax offset equal to the franking credits attached to the Special Dividend exceeds the tax payable on your total taxable income.

If you are a company the franking credits attached to the Special Dividend will generally give rise to a franking credit in your franking account. You will not be entitled to a tax refund of the excess franking credits. Rather, the surplus franking credits may be converted to a tax loss which can be carried forward to future years (subject to you satisfying certain loss carry forward rules).

Non-Australian resident shareholders

BHP intends to fully frank the Special Dividend. Accordingly, no part of the Special Dividend should be assessable to you in Australia nor subject to dividend withholding tax.

Cost base and date of acquisition of New Woodside Shares

The first element of the cost base and reduced cost base for each New Woodside Share you acquire on Implementation of the Merger will be equal to the market value of the New Woodside Share at the time of the transfer of New Woodside Shares to you.

For CGT purposes (including the CGT discount) the date you acquire the New Woodside Shares should be the date of the distribution.

Further information will be provided by BHP to assist you in determining the amount of your Special Dividend and cost base for each New Woodside Share as soon as practical following Implementation.

Cost base of BHP Shares

On the basis that demerger tax roll-over relief does not apply, the Special Dividend will have no impact on the cost base and reduced cost base of your BHP Shares.

GST and stamp duty

No GST or Australian stamp duty should be payable by you in relation to the acquisition of New Woodside Shares as a result of the Implementation of the Merger.

Dividends on Woodside Shares

This section entitled “*Dividends on Woodside Shares*” applies to dividends that may be payable by Woodside as distinct from the Special Dividend to be received from BHP under which New Woodside Shares will be received by Participating BHP Shareholders if the Merger is Implemented.

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Australian resident shareholders

If you receive a dividend on Woodside Shares you acquire as a consequence of the Implementation of the Merger then the amount of the dividend will be included in your assessable income in the income year in which you receive the dividend.

Generally, provided you are a “qualified person” (as summarized above) in relation to a dividend received on Woodside Shares and the ATO does not make a determination under the dividend streaming rules to deny the benefit of the franking credits attached to any dividend you receive, you should:

also include an amount equal to the franking credits attached to the dividend in your assessable income in the income year in which you receive the dividend; and

qualify for a tax offset equal to the amount of the franking credits attached to the dividend which can be applied against your income tax liability for the relevant income year.

If you are an individual or complying superannuation fund you may be able to receive a cash tax refund from the ATO if the tax offset equal to the franking credits attached to the dividend exceeds the tax payable on your total taxable income.

If you are a company the franking credits attached to the dividend will generally give rise to a franking credit in your franking account. You will not be entitled to a tax refund of the excess franking credits. Rather, the surplus franking credits may be converted to a tax loss which can be carried forward to future years (subject to you satisfying certain loss carry forward rules).

Non-Australian resident shareholders

Dividends will not be subject to withholding tax to the extent the dividends are franked or relate to conduit foreign income.

To the extent an unfranked dividend is paid to you, withholding tax will be payable. The rate of withholding tax is 30%. However, you may be entitled to a reduction in the rate of withholding tax if you are resident in a country which has a double taxation agreement with Australia.

Disposal of Woodside Shares

Australian resident shareholders

The disposal of a Woodside Share will constitute a disposal for CGT purposes.

On disposal of a Woodside Share, you will make a capital gain if the capital proceeds from the disposal exceed the cost base of the Woodside Share. You will make a capital loss if the capital proceeds are less than the reduced cost base of the Woodside Share.

The capital proceeds on disposal of a Woodside Share will generally be the money you received, or that you are entitled to, in respect of the disposal plus the market value of any other property you received, or that you are entitled to, in respect of the disposal.

As set out in the section entitled “–Implementation of the Merger and Receipt of New Woodside Shares–Special Dividend–Cost base and date of acquisition of New Woodside Shares,” the first element of the cost base and reduced cost base for each Woodside Share you acquire on Implementation of the Merger will be equal to the market value of the Woodside Share at the time of the transfer of Woodside Shares to you.

If you are an individual, trustee or complying superannuation entity that has held Woodside Shares for 12 months or more at the time of disposal (not including the date of acquisition and disposal), you should be

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entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting available capital losses). The CGT discount factor is 50% for individuals and trustees and 33 $\frac{1}{3}$ % for complying superannuation entities.

As set out in the section entitled “*Implementation of the Merger and Receipt of New Woodside Shares–Special Dividend–Cost base and date of acquisition of New Woodside Shares*,” you will be taken to have acquired Woodside Shares for the purposes of the CGT discount on the date of the distribution. Accordingly, to be eligible for the CGT discount, you must have held Woodside Shares for at least 12 months after the date of the distribution (not including the date of acquisition and disposal).

If you make a capital loss, you can only use that loss to offset other capital gains (*i.e.*, the capital loss cannot be offset against taxable income on revenue account). However, if the capital loss cannot be used in a particular income year, you can carry it forward to use in future income years, providing certain loss utilization tests are satisfied.

Non-Australian resident shareholders

If you are a non-resident of Australia for Australian income tax purposes and do not use your Woodside Shares in carrying on a business through an Australian permanent establishment, the whole of any capital gain or capital loss made upon the disposal of your Woodside Shares will be disregarded unless the Woodside Shares constitute “indirect Australian real property interests.” Your Woodside Shares will constitute indirect Australian real property interests if:

you hold a “non-portfolio interest” in Woodside You will hold a “non-portfolio interest” in Woodside if you (together with your associates) hold 10% or more of the Woodside Shares:

- at the time of disposal; or
 - throughout a 12-month period during the 24 months preceding the disposal; and
- your Woodside Shares pass the “principal asset test.”

If you are subject to tax on disposal of your Woodside Shares, the CGT discount will generally not be available to reduce any capital gain that you make.

Non-Australian resident CGT withholding

Where a non-resident of Australia for Australian income tax purposes disposes of certain taxable Australian property, the purchaser is generally required to pay an amount to the ATO.

A purchaser of your Woodside Shares will generally have an obligation to pay 12.5% of an amount equal to, broadly, the capital proceeds for the disposal of your Woodside Shares (discussed in the section entitled “*Disposal of Woodside Shares–Australian resident shareholders*”) (“CGT Withholding Tax”) to the ATO if your Woodside Shares are “indirect Australian real property interests” (discussed above) and the purchaser:

- knows or reasonably believes that you are a non-resident of Australia; or
- does not reasonably believe that you are an Australian resident, and either:
 - you have an address outside Australia; or
 - the purchaser is authorized to pay the purchase price to a place outside Australia.

However, a purchaser may not be required to pay CGT Withholding Tax if you can make a declaration that:

- as the registered holder of Woodside Shares, you are an Australian tax resident; or
- your Woodside Shares are not indirect Australian real property interests.

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If a purchaser considers that an obligation to pay CGT Withholding Tax arises, the purchaser is generally permitted to withhold an amount equal to the CGT Withholding Tax from any amount payable to you on disposal. In that instance, you will only receive the net proceeds from the disposal, but will be taken to receive the full proceeds. Any CGT Withholding Tax withheld is not a final tax. You will receive a credit for amounts withheld on filing an Australian tax return and you may receive a refund of tax if amounts have been withheld in excess of your actual Australian tax liability.

Provision of TFN and/or ABN

Woodside may be required to withhold tax (currently at the rate of 47%) on payments made to you (including payments of dividends that are not fully franked) and remit the amounts withheld to the ATO, unless you have provided a tax file number (“TFN”), Australian business number (“ABN”) or you have informed Woodside that you are exempt from quoting your TFN or ABN (including because you are a non-Australian resident).

You are not required to provide your TFN or ABN to Woodside, however you may choose to do so.

Other Australian taxes

No GST or stamp duty should be payable by you in relation to the receipt of dividends on Woodside Shares held by you or in respect of the disposal of Woodside Shares.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined financial statements of Woodside Petroleum Ltd. present the combination of the historical financial information of Woodside Petroleum Ltd. and its subsidiaries (“Woodside”) and BHP Petroleum International Pty Ltd and its subsidiaries on a post-Restructure basis (“BHP Petroleum”), adjusted to give effect to the combination of BHP Petroleum with and into Woodside and the other transactions contemplated in the Share Sale Agreement, dated 22 November 2021, relating thereto (collectively, the “Merger”). The unaudited pro forma condensed combined statement of profit and loss and the unaudited pro forma condensed combined statement of cash flows for the twelve months ended 31 December 2021 combine the historical consolidated statements of profit and loss and the historical consolidated statements of cash flows, respectively, of Woodside and BHP Petroleum, giving effect to the Merger as if it had been Implemented on 1 January 2021. The unaudited pro forma condensed combined statement of financial position at 31 December 2021 combines the historical consolidated statements of financial position of Woodside and BHP Petroleum, giving effect to the Merger as if it had been Implemented on 31 December 2021.

The unaudited pro forma condensed combined statement of profit and loss and the unaudited pro forma condensed combined statement of financial position were prepared in accordance with Article 11 of Regulation S-X (“Article 11”). Certain transaction accounting adjustments have been made in order to show the effects of the Merger on the combined historical financial information of Woodside and BHP Petroleum.

The unaudited pro forma condensed combined financial statements have been prepared using the acquisition method of accounting for business combinations, with Woodside treated as the acquirer. Under the acquisition method of accounting, Woodside will record all assets acquired and liabilities assumed from BHP with respect to BHP Petroleum at their respective fair values as of the Implementation of the Merger, which is expected to occur in the second quarter of 2022. These fair values are dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive fair value measure. The sources and amounts of transaction expenses may also differ from those assumed in the following pro forma adjustments. Accordingly, the pro forma adjustments are preliminary, have been made solely for the purpose of providing the pro forma financial statements, and are subject to revision based on a final determination of fair values as of the Implementation of the Merger. Differences between these preliminary estimates and the final acquisition accounting may have a material impact on the accompanying pro forma financial statements and Woodside’s future results of operations and financial position.

The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and are not intended to represent or be indicative of the results of operations or the financial position of the Merged Company that would have been recorded had the Merger been Implemented as of the dates presented and should not be taken as representative of Woodside’s future results of operations or financial position. The unaudited pro forma condensed combined financial statements do not reflect the impacts of any potential operational efficiencies, asset dispositions, cost savings or economies of scale that they may be achieved with respect to the combined operations.

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 DECEMBER 2021
(\$m, except number of shares)

| | Woodside 31 December 2021 | BHP Petroleum 31 December 2021 | Reclassification Adjustments | Transaction Accounting Adjustments | Pro Forma | Notes |
|--|---------------------------------|--------------------------------------|---------------------------------|--|--------------|---------------|
| Operating revenue | 6,962 | 5,505 | – | – | 12,467 | |
| Cost of sales | (3,845) | – | (2,482) | (66) | (6,393) | 3(a)(b)(c)(g) |
| Gross profit | 3,117 | 5,505 | (2,482) | (66) | 6,074 | |
| Other income | 139 | 282 | – | (104) | 317 | 3(m) |
| Other expenses | (811) | (3,744) | 2,758 | (410) | (2,207) | 3(a)(c) |
| Impairment losses | (10) | – | (276) | – | (286) | 3(a) |
| Impairment reversals | 1,058 | – | – | – | 1,058 | |
| Loss from equity accounted investments | – | (2) | – | – | (2) | |
| Profit before tax and net finance costs | 3,493 | 2,041 | – | (580) | 4,954 | |
| Finance income | 27 | 23 | – | – | 50 | |
| Finance costs | (230) | (311) | – | – | (541) | |
| Profit before tax | 3,290 | 1,753 | – | (580) | 4,463 | |
| Petroleum resource rent tax expense | (297) | – | – | – | (297) | |
| Income tax (expense)/benefit | (957) | (1,115) | – | 166 | (1,906) | 3(d) |
| Royalty-related taxation (net of income tax benefit) | – | (29) | – | – | (29) | |
| Profit after tax | 2,036 | 609 | – | (414) | 2,231 | |
| Profit attributable to: | | | | | | |
| Equity holders of the parent | 1,983 | 609 | – | (414) | 2,178 | |
| Non-controlling interest | 53 | – | – | – | 53 | |
| Profit for the period | 2,036 | 609 | – | (414) | 2,231 | |
| Basic earnings per share attributable to equity holders of the parent (US cents) | 206 | | | | 116 | 3(o) |
| Basic weighted average shares outstanding (thousands) | 962,605 | | | 914,769 | 1,877,374 | 3(o) |

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021 (\$m)

| | Woodside 31 December 2021 | BHP Petroleum 31 December 2021 | Reclassification Adjustments | Transaction Accounting Adjustments | Pro Forma | Notes |
|--|---------------------------------|--------------------------------------|---------------------------------|--|---------------|---------|
| Current assets | | | | | | |
| Cash and cash equivalents | 3,025 | 992 | – | – | 4,017 | |
| Receivables | 368 | 1,230 | – | (572) | 1,026 | 3(e) |
| Inventories | 202 | 278 | – | – | 480 | |
| Intercompany | – | 10,852 | – | (10,852) | – | 3(f) |
| Current tax assets | – | 69 | – | – | 69 | |
| Other financial assets | 320 | – | – | – | 320 | |
| Other assets | 109 | 14 | – | 537 | 660 | 3(g) |
| Non-current assets held for sale | 254 | – | – | – | 254 | |
| Total current assets | 4,278 | 13,435 | – | (10,887) | 6,826 | |
| Non-current assets | | | | | | |
| Receivables | 686 | 201 | – | – | 887 | |
| Inventories | 19 | – | – | – | 19 | |
| Other financial assets | 107 | 37 | – | (37) | 107 | 3(g) |
| Other assets | 34 | 3 | – | – | 37 | |
| Exploration and evaluation assets | 614 | – | 941 | 1,964 | 3,519 | 3(a)(h) |
| Oil and gas properties | 18,434 | 11,102 | (878) | 9,536 | 38,194 | 3(a)(h) |
| Other plant and equipment | 215 | – | – | – | 215 | |
| Intangible assets | – | 63 | (63) | – | – | 3(a) |
| Deferred tax assets | 1,007 | 1,947 | – | (849) | 2,105 | 3(i) |
| Lease assets | 1,080 | 124 | – | 68 | 1,272 | 3(g) |
| Investments accounted for using the equity method | – | 246 | – | – | 246 | |
| Goodwill | – | – | – | 7,126 | 7,126 | 3(j) |
| Total non-current assets | 22,196 | 13,723 | – | 17,808 | 53,727 | |
| Total assets | 26,474 | 27,158 | – | 6,921 | 60,553 | |
| Current liabilities | | | | | | |
| Payables | 639 | 952 | – | 1,319 | 2,910 | 3(c)(e) |
| Interest-bearing liabilities | 277 | 38 | (38) | – | 277 | 3(a) |
| Lease liabilities | 191 | – | 38 | – | 229 | 3(a) |
| Other financial liabilities | 411 | 60 | – | (60) | 411 | 3(g) |
| Other liabilities | 86 | 16 | – | – | 102 | |
| Tax payable | 413 | 312 | – | – | 725 | |
| Provisions | 605 | 360 | – | (16) | 949 | 3(k) |
| Intercompany payables | – | 12,552 | – | (12,552) | – | 3(f) |
| Total current liabilities | 2,622 | 14,290 | – | (11,309) | 5,603 | |
| Non-current liabilities | | | | | | |
| Interest-bearing liabilities | 5,153 | 219 | (219) | – | 5,153 | 3(a) |
| Lease liabilities | 1,176 | – | 219 | – | 1,395 | 3(a) |
| Deferred tax liabilities | 878 | 465 | – | 1,933 | 3,276 | 3(l) |
| Other financial liabilities | 161 | – | – | – | 161 | |
| Other liabilities | 36 | 40 | – | 1,144 | 1,220 | 3(g) |
| Provisions | 2,219 | 4,101 | – | 841 | 7,161 | 3(k) |
| Tax payable | – | 69 | – | – | 69 | |
| Total non-current liabilities | 9,623 | 4,894 | – | 3,918 | 18,435 | |
| Total liabilities | 12,245 | 19,184 | – | (7,391) | 24,038 | |
| Net assets | 14,229 | 7,974 | – | 14,312 | 36,515 | |
| Equity | | | | | | |
| Issued and fully paid shares | 9,409 | 15,234 | – | 7,462 | 32,105 | 3(n) |
| Shares reserved for employee share plans | (30) | – | – | – | (30) | |
| Other reserves | 683 | 3,489 | – | (3,489) | 683 | 3(n) |
| Retained earnings/(losses) | 3,381 | (10,749) | – | 10,339 | 2,971 | 3(n) |
| Equity attributable to equity holders of the parent | 13,443 | 7,974 | – | 14,312 | 35,729 | |
| Non-controlling interest | 786 | – | – | – | 786 | |
| Total equity | 14,229 | 7,974 | – | 14,312 | 36,515 | |

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021 (\$m)

| | Woodside 31 December 2021 | BHP Petroleum 31 December 2021 | Transaction Accounting Adjustments | Pro Forma | Notes |
|---|---------------------------------|--------------------------------------|--|-----------------|---------------|
| Cash flows from operating activities | | | | | |
| Profit/(loss) after tax for the period | 2,036 | 609 | (414) | 2,231 | 3(b)(e)(g)(m) |
| Adjustments for: | | | | | |
| Non-cash items | | | | | |
| Depreciation and amortization | 1,582 | 1,997 | (316) | 3,263 | 3(b) |
| Depreciation of lease assets | 108 | – | – | 108 | |
| Change in fair value of derivative financial instruments | 31 | – | – | 31 | |
| Net finance costs | 203 | 288 | – | 491 | |
| Tax (benefit)/expense | 1,254 | 1,144 | (166) | 2,232 | 3(d) |
| Exploration and evaluation written off | 265 | – | – | 265 | |
| Impairment losses | 10 | 276 | – | 286 | |
| Impairment reversals | (1,058) | – | – | (1,058) | |
| Restoration | 68 | – | – | 68 | |
| Onerous contract provision | (95) | – | – | (95) | |
| Share of operating loss of equity accounted investments | – | 2 | – | 2 | |
| Other | 30 | (351) | 14 | (307) | 3(g)(m) |
| Changes in assets and liabilities | | | | | |
| Decrease in trade and other receivables | (39) | (806) | 487 | (358) | 3(e) |
| Decrease/(increase) in inventories | (4) | 39 | – | 35 | |
| Increase in lease assets | (16) | – | – | (16) | |
| Increase in provisions | (75) | (36) | – | (111) | |
| Increase in lease liabilities | (25) | – | – | (25) | |
| Increase in other assets and liabilities | (128) | – | – | (128) | |
| Decrease in trade and other payables | 75 | 101 | 395 | 571 | 3(c)(e) |
| Cash generated from operations | 4,222 | 3,263 | – | 7,485 | |
| Purchases of shares and payments relating to employee share plans | (47) | – | – | (47) | |
| Interest received | 11 | 23 | – | 34 | |
| Dividends received | 6 | 23 | – | 29 | |
| Borrowing costs relating to operating activities | (91) | (265) | – | (356) | |
| Income tax paid and royalty-related taxation paid | (271) | (702) | – | (973) | |
| Payments for restoration | (38) | – | – | (38) | |
| Net cash from operating activities | 3,792 | 2,342 | – | 6,134 | |
| Cash flows used in investing activities | | | | | |
| Payments for capital and exploration expenditure | (2,406) | (1,195) | – | (3,601) | |
| Proceeds from sale of assets | 9 | 144 | – | 153 | |
| Borrowing costs relating to investing activities | (126) | – | – | (126) | |
| Advances to other external entities | (206) | – | – | (206) | |
| Payments for acquisition of joint arrangements | (212) | 2 | – | (210) | |
| Other investing | – | (34) | – | (34) | |
| Net cash used in investing activities | (2,941) | (1,083) | – | (4,024) | |
| Cash flows (used in) financing activities | | | | | |
| Proceeds from borrowings | – | – | – | – | |
| Repayment of borrowings | (784) | (447) | – | (1,231) | |
| Borrowing costs relating to financing activities | (15) | – | – | (15) | |
| Repayment of lease liabilities | (155) | (37) | – | (192) | |
| Borrowing costs relating to lease liabilities | (89) | – | – | (89) | |
| Contributions to non-controlling interests | (92) | – | – | (92) | |
| Dividends paid (outside of dividend reinvestment plan) | – | – | – | – | |
| Dividends paid (net of dividend reinvestment plan) | (289) | – | – | (289) | |
| Net proceeds from share issuance | – | – | – | – | |
| Net cash (used in)/from financing activities | (1,424) | (484) | – | (1,908) | |
| Net (decrease)/increase in cash held | (573) | 775 | – | 202 | |
| Cash and cash equivalents at the beginning of the period | 3,604 | 217 | – | 3,821 | |
| Effects of exchange rate changes | (6) | – | – | (6) | |
| Cash and cash equivalents at the end of the period | 3,025 | 992 | – | 4,017 | |

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NOTE 1. Basis of Presentation

The accompanying unaudited pro forma financial information was prepared in accordance with Article 11, using the acquisition method of accounting under IFRS 3 *Business Combination* (IFRS 3) and is derived from the historical consolidated and combined financial information of Woodside and BHP Petroleum, respectively. Certain transaction accounting adjustments have been made in order to show the effects of the acquisition on the combined historical financial information of Woodside and BHP Petroleum. The pro forma adjustments are preliminary and based on estimates of the purchase consideration and estimates of fair value and useful lives of the assets acquired and liabilities assumed.

The unaudited pro forma financial information presents the historical financial information of Woodside adjusted on a pro forma basis to reflect the transaction accounting adjustments related to Woodside's acquisition of BHP Petroleum.

The unaudited pro forma financial information has been derived from, and should be read in conjunction with Woodside's audited consolidated financial statements for the year ended 31 December 2021.

As Woodside and BHP Petroleum have different fiscal year ends, in order to meet the SEC's pro forma requirements of combining operating results for an annual period that ends within 93 days of the end of Woodside's latest annual fiscal period, the BHP Petroleum financial results for the year ended 31 December 2021 have been calculated by taking (i) the results for the fiscal year ended 30 June 2021, *minus* (ii) the results for the half year ended 31 December 2020, *plus* (iii) the results for the half year ended 31 December 2021. Set out below is further detail in respect of BHP Petroleum's profit and loss and cash flows for the corresponding periods.

| | (i) BHP Petroleum For the Twelve Months Ended 30 June 2021 | Minus (ii) BHP Petroleum For the Half Year Ended 31 December 2020 | Plus (iii) BHP Petroleum For the Half Year Ended 31 December 2021 | BHP Petroleum For the Twelve Months Ended 31 December 2021 |
|---|--|--|--|---|
| | | | (Sm) | |
| Operating revenue | 3,909 | 1,602 | 3,198 | 5,505 |
| Cost of sales | – | – | – | – |
| Gross profit | 3,909 | 1,602 | 3,198 | 5,505 |
| Other income | 130 | 20 | 172 | 282 |
| Other expenses | (3,799) | (1,816) | (1,761) | (3,744) |
| Impairment losses | – | – | – | – |
| Impairment reversals | – | – | – | – |
| Loss from equity accounted investments | (6) | (5) | (1) | (2) |
| Profit/(loss) before tax and net finance costs | 234 | (199) | 1,608 | 2,041 |
| Finance income | 56 | 39 | 6 | 23 |
| Finance costs | (464) | (277) | (124) | (311) |
| Profit/(loss) before tax | (174) | (437) | 1,490 | 1,753 |
| Petroleum resource rent tax (expense)/benefit | – | – | – | – |
| Income tax benefit/(expense) | (211) | 34 | (870) | (1,115) |
| Royalty related taxation (net of income tax benefit) | 24 | 16 | (37) | (29) |
| Profit/(loss) after tax | (361) | (387) | 583 | 609 |

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| | (i) BHP Petroleum For the Twelve Months Ended <u>30 June 2021</u> | <i>Minus</i> (ii) BHP Petroleum For the Half Year Ended <u>31 December 2020</u> | <i>Plus</i> (iii) BHP Petroleum For the Half Year Ended <u>31 December 2021</u> | BHP Petroleum For the Twelve Months Ended <u>31 December 2021</u> |
|---|---|--|--|--|
| | (Sm) | | | |
| Cash flows from operating activities | | | | |
| Profit/(loss) after tax for the period | (361) | (387) | 583 | 609 |
| Adjustments for: | | | | |
| Non-cash items | | | | |
| Depreciation and amortisation | 1,840 | 890 | 1,047 | 1,997 |
| Net finance costs | 408 | 238 | 118 | 288 |
| Tax (benefit)/expense | 187 | (50) | 907 | 1,144 |
| Impairment losses | 127 | 61 | 210 | 276 |
| Share of operating loss of equity accounted investments | 6 | 5 | 1 | 2 |
| Other | (187) | (51) | (215) | (351) |
| Changes in assets and liabilities | | | | |
| Decrease in trade and other receivables | (298) | (122) | (630) | (806) |
| Decrease/(increase) in inventories | (42) | (52) | 29 | 39 |
| Increase/(decrease) in provisions | 11 | (97) | (144) | (36) |
| Decrease in trade and other payables | 52 | 25 | 74 | 101 |
| Cash generated from operations | 1,743 | 460 | 1,980 | 3,263 |
| Interest received | 56 | 39 | 6 | 23 |
| Dividends received | 25 | 10 | 8 | 23 |
| Borrowing costs relating to operating activities. | (313) | (158) | (110) | (265) |
| Income taxes (including royalty-related taxation) paid | (451) | (245) | (496) | (702) |
| Net cash from operating activities | 1,060 | 106 | 1,388 | 2,342 |
| Cash flows used in investment activities | | | | |
| Payments for capital and exploration expenditure | (1,020) | (512) | (687) | (1,195) |
| Proceeds from the sale of assets | 39 | 41 | 146 | 144 |
| Payment for acquisition of joint arrangements | (480) | (482) | - | 2 |
| Other investing | (59) | (27) | (2) | (34) |
| Net cash used in investing activities | (1,520) | (980) | (543) | (1,083) |
| Cash flows (used in)/from financing activities | | | | |
| Repayments of lease liabilities | (38) | (19) | (18) | (37) |
| Repayments of borrowings | 948 | 785 | (610) | (447) |
| Net cash (used in)/from financing activities | 910 | 766 | (628) | (484) |
| Net (decrease)/increase in cash held | 450 | (108) | 217 | 775 |
| Cash and cash equivalents at the beginning of the period | | | | 217 |
| Effects of exchange rate changes | | | | - |
| Cash and cash equivalents at the end of the period | | | | 992 |

The proposed merger has been accounted for as a business combination in accordance with IFRS 3 using the acquisition method of accounting, under which Woodside records the assets acquired and liabilities assumed at their respective fair values as of Implementation of the Merger. Certain of BHP Petroleum' s historical amounts have been reclassified to conform to Woodside' s financial statement presentation.

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The unaudited pro forma financial information reflects the following transaction accounting adjustments, based on available information and certain assumptions that Woodside believes are reasonable:

- i. the Merger has been accounted for as a business combination using the acquisition method of accounting, with Woodside identified as the acquirer, and the issuance of New Woodside Shares as the Purchase Price in exchange for all of the shares in BHP Petroleum;
- ii. the Purchase Price, which consists of:
 - the recognition of estimated equity consideration of \$22,696 million on the issuance of the New Woodside Shares;
 - the recognition of cash consideration of \$830 million on the Woodside Dividend Payment;
 - \$117 million estimated Locked Box Payment payable by Woodside to BHP, which is calculated by reference to the cash held in bank accounts beneficially controlled by BHP Petroleum as at 31 December 2021 of \$992 million and subtracting Woodside's current expectations of net cash flows of BHP Petroleum (adjusted for permitted adjustments) for the period from 1 July 2021 to 31 December 2021 of approximately \$875 million; and
 - any other adjustments made under the Share Sale Agreement to the Purchase Price;
- iii. the assumption of liabilities for merger related expenses; and
- iv. the recognition of the estimated tax impact of the pro forma adjustments.

For the purpose of the unaudited pro forma financial information, the issue of Share Consideration and the Woodside Dividend Payment as at 24 March 2022, and the estimated Locked Box Payment as set forth above, has been used to arrive at the value of the purchase consideration.

Assumptions and estimates underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the unaudited pro forma financial information. In Woodside's opinion, all adjustments that are necessary to present fairly the unaudited pro forma financial information have been made.

As of the date of this prospectus, Woodside has not completed the detailed valuation study necessary to arrive at the required initial estimates of the fair value of the assets to be acquired and the liabilities to be assumed and the related allocations of Purchase Price, nor has it identified all adjustments necessary to conform BHP Petroleum's accounting policies to Woodside's accounting policies. A final determination of the fair value of BHP Petroleum's assets and liabilities will be based on the actual assets and liabilities of BHP Petroleum that exist as of the Implementation Date and, therefore, cannot be made prior to the Implementation of the Merger. In addition, the value of the consideration to be paid by Woodside upon the Implementation of the merger will be determined based on the closing price of Woodside Shares on the Implementation Date. The pro forma adjustments are preliminary and are subject to change as additional information becomes available and as additional analysis is performed. The final Purchase Price allocation may be materially different than that reflected in the pro forma Purchase Price allocation presented herein.

The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and are not intended to represent what Woodside's financial position or results of operations would have been had the Merger actually been Implemented on the assumed dates, nor do they purport to project the future operating results or the financial position of the combined company following the Implementation of the Merger. The unaudited pro forma condensed combined financial statements do not reflect future events that may occur after the Implementation of the Merger, including, but not limited to, the anticipated realization of savings from potential operating efficiencies, asset dispositions, cost savings, or economies of scale that the combined company may achieve with respect to the combined operations. Specifically, the unaudited pro forma condensed

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combined statement of profit and loss does not include projected synergies expected to be achieved as a result of the Merger, which are described in the sections entitled “*The Merger–Woodside’s Reasons for the Merger*” and “*The Merger–Woodside’s Board Recommendation*,” and any associated costs that may be incurred to achieve the identified synergies. Additionally, Woodside cannot assure that it will not incur charges in excess of those included in the pro forma total consideration related to the Merger or that Woodside’s efforts to achieve the estimated synergies and integrate the operations of the companies will be successful. The unaudited pro forma condensed combined statement of profit and loss also excludes the costs associated with any restructuring, integration activities, and asset dispositions that may result from the Merger. Further, the unaudited pro forma condensed combined financial statements do not reflect the effect of any regulatory actions that may impact the results of the combined company following the Implementation of the Merger.

The unaudited pro forma condensed combined financial statements do not reflect the following items:

the impact of any potential revenues, benefits or synergies that may be achievable in connection with the Merger or related costs that may be required to achieve such revenues, benefits or synergies;

changes in cost structure or any restructuring activities as such changes, if any, have yet to be determined;

any expenses related to employees and executives who may not be retained in the same roles after the merger, where such agreements with these employees or executives have not been reached at the date of this prospectus. These expenses may include both cash and equity payments, and which amounts could be substantial. These amounts will be reflected once agreements are reached with those employees or executives; and

any expenses related to equity awards with triggers that accelerate vesting upon termination of the relevant employee where contractual arrangements for termination with said employees have not been reached at the date of this prospectus. Such expenses may be incurred in future periods and could be material.

Woodside is currently not aware of any material differences in accounting policies and financial statement classifications that would have a material impact on the pro forma financial information. Following the Merger, Woodside will conduct a review of BHP Petroleum’s accounting policies during its integration in an effort to determine if there are any additional material differences that require reclassification of BHP Petroleum’s revenues, expenses, assets or liabilities to conform to Woodside’s accounting policies and classifications. As a result of that review, Woodside may identify further differences between the accounting policies of the two companies that, when conformed, could have a material impact on the pro forma financial information.

NOTE 2. Estimated Purchase Price Allocation

The Merger has been accounted for using the acquisition method of accounting for business combinations. The allocation of the preliminary estimated Purchase Price is based upon Woodside management’s estimates of and assumptions related to the fair value of assets to be acquired and liabilities to be assumed at 31 December 2021. Because the unaudited pro forma condensed combined financial statements have been prepared based on these preliminary estimates, the final Purchase Price allocation and the resulting effect on Woodside’s financial position and results of operations may materially differ from the pro forma amounts included in this prospectus. Woodside expects to finalize its allocation of the Purchase Price as soon as practicable after Implementation of the Merger.

The acquisition method of accounting uses the fair value concepts defined in IFRS 13 Fair Value Measurement, which is referred to as IFRS 13. Fair value is defined in IFRS 13 as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” Fair value measurements can be highly subjective and can involve a high degree of estimation.

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The determination of the fair value of the identifiable assets of BHP Petroleum and the allocation of the estimated consideration to these identifiable assets and liabilities is preliminary and is pending finalization of various estimates, inputs and analyses. Certain valuations and assessments, including valuations of inventory, fixed assets, deferred costs, deferred revenues, advance payments from customer, other intangible assets, employee equity awards to be issued, as well as the assessment of the tax positions and rates of the combined business, are in process and will not be completed until after the Implementation of the Merger. Since this pro forma financial information has been prepared based on preliminary estimates of consideration and fair values attributable to the Merger, the actual amounts eventually recorded for the purchase accounting, including the identifiable intangibles and goodwill, may differ materially from the information presented.

At this preliminary stage, goodwill represents the excess of the estimated Purchase Price over the estimated fair value of BHP Petroleum's identifiable assets and liabilities and the application of accounting standards to the transaction. Goodwill will not be amortized, but will be subject to periodic impairment testing. The goodwill balance shown in these unaudited pro forma condensed combined financial statements is preliminary and subject to change as a result of the same factors affecting both the estimated consideration and the estimated fair value of identifiable assets and liabilities acquired.

Upon Implementation of the Merger and the completion of a formal valuation study, the estimated fair value of the employee equity awards replaced, and fair value of the acquired assets and liabilities will be updated, including the estimated fair value and useful lives of the identifiable intangible assets and allocation of the excess Purchase Price, if any, to goodwill. The calculation of goodwill could be materially impacted by changing fair value measurements caused by the volatility in the current market environment. Under IFRS 3, transaction costs related to the Merger are expensed in the period they are incurred. Estimated transaction costs in connection with the Merger are \$410 million (excluding integration costs). This amount is reflected as a liability in the unaudited pro forma condensed combined balance sheet. The total amount is reflected as an expense in the unaudited condensed combined statement of profit and loss for the year ended 31 December 2021. These costs are non-recurring.

The preliminary Purchase Price allocation has been prepared on the basis of the Woodside Share price and the AUD/USD exchange rate as at 24 March 2022, and a fair value based on forward-looking prices as at 24 March 2022. Commodity market forward curves have been utilized for the period from 2022 to 2026 in determining the forward-looking prices. The use of forward curve pricing assumptions reflects current market conditions and the limited availability of independent published pricing forecasts.

The preliminary Purchase Price allocation is subject to change as a result of several factors, including but not limited to:

- changes in the estimated fair value of the New Woodside Shares issued as part of the Purchase Price to BHP, based on the price of Woodside Shares as of the Implementation of the Merger;
- changes in the estimated fair value of BHP Petroleum's assets acquired and liabilities assumed as of the Implementation Date, which could result from changes in future oil, LNG, NGL and gas commodity prices, reserve estimates, asset evaluations, interest rates, discount rates and other factors;
- changes relating to the Woodside Dividend Payment;
- changes relating to the estimated Locked Box Payment, which is calculated based on a 31 December 2021 Implementation Date for the purposes of the pro forma financial information, but which will ultimately be calculated based on the actual Implementation Date;
- the tax basis of BHP Petroleum's assets and liabilities; and
- certain of the risk factors described in the section entitled "*Risk Factors*."

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Based upon the preliminary Purchase Price to be transferred, the fair value of the assets acquired and liabilities assumed is expected to be recorded as follows (shown in millions of U.S. dollars, except New Woodside Shares to be issued, ASX closing price (which is in Australian dollars), and foreign exchange rate (which is in U.S. dollars)):

| | |
|---|---------------|
| Consideration transferred: | |
| New Woodside Shares to be issued (thousands) | 914,769 |
| ASX closing price per share of Woodside Shares on 24 March 2022 | A\$33.20 |
| Foreign exchange rate used on conversion of AUD Woodside Shares to USD | 0.7473 |
| Fair value of New Woodside Shares to be issued as consideration | 22,696 |
| Dividend payment | 830 |
| Estimated Locked Box Payment(1) (which is net of any cash held in bank accounts beneficially controlled by BHP Petroleum) | 117 |
| Total consideration | 23,643 |
| Fair value of assets acquired: | |
| Cash | 992 |
| Receivables | 859 |
| Inventories | 278 |
| Other assets | 554 |
| Current tax assets | 69 |
| Exploration and evaluation assets | 2,905 |
| Oil and gas properties | 19,760 |
| Deferred tax assets | 1,098 |
| Lease assets | 192 |
| Investments accounted for using the equity method | 246 |
| Total assets acquired | 26,953 |
| Fair value of liabilities assumed: | |
| Payables | 914 |
| Lease liabilities | 257 |
| Deferred tax liabilities | 2,398 |
| Other liabilities | 1,200 |
| Tax payable | 381 |
| Provisions | 5,286 |
| Total liabilities assumed | 10,436 |
| Assets acquired and liabilities assumed: | 16,517 |
| Goodwill | 7,126 |

- (1) For the purposes of calculating the estimated Purchase Price, the estimated Locked Box Payment has been calculated by reference to the cash held in bank accounts beneficially controlled by BHP Petroleum as at 31 December 2021 of \$992 million and subtracting Woodside's current expectations of net cash flows of BHP Petroleum (adjusted for permitted adjustments) for the period 1 July 2021 to 31 December 2021 of approximately \$875 million.

From 16 August 2021, the last trading day before the announcement of the Merger Commitment Deed, to 24 March 2022, the preliminary value of BHP Petroleum's Purchase Price increased by approximately \$9,722 million, as a result of the increase in the share price of Woodside Shares from A\$21.18 to A\$33.20 and movement in the foreign exchange rate from AUD to USD from \$0.7336 to \$0.7473, in addition to movements in the expected number of New Woodside Shares to be issued, the Woodside Dividend Payment and the estimated Locked Box Payment. The final value of Woodside's Purchase Price will be determined based on the actual number of New Woodside Shares issued to BHP and issuable in connection with the conversion or settlement of BHP Petroleum's equity awards, and the market price of Woodside Shares on the Implementation Date. A 10% increase or decrease in the closing share price of Woodside Shares, as compared to the 24 March 2022 closing price of A\$33.20, would increase or decrease the Purchase Price by approximately \$2,270 million, assuming all other factors are held constant.

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NOTE 3. Reclassification and Transaction Accounting Adjustments

Adjustments included in the columns labelled “Reclassification Adjustments” and “Transaction Accounting Adjustments” in the pro forma financial statements are as follows:

- (a) Reflects reclassifications made to BHP Petroleum’s historical presentation to conform to Woodside’s presentation, including:
- reclassification adjustments made to the historical presentation of BHP Petroleum’s other expenses to cost of sales (\$2,482 million) and impairment losses (\$276 million). Costs relating to changes in inventory, freight and transportation, government royalties, depreciation and amortization are classified by Woodside as cost of sales.
 - reclassification adjustments made to the historical presentation of BHP Petroleum’s intangible assets (\$63 million) and oil and gas properties (\$878 million) to conform to the financial statement presentation of Woodside. These balances have been reclassified to ‘exploration and evaluation assets’ (\$941 million).
 - reclassification adjustments made to the historical presentation of BHP Petroleum’s current interest-bearing liabilities (\$38 million) and non-current interest-bearing liabilities (\$219 million) to conform to the financial statement presentation of Woodside. These balances have been reclassified to ‘lease liabilities’.
- (b) Reflects the pro forma Depreciation, Depletion and Amortization (“DD&A”) expense based on the preliminary Purchase Price allocation.

The depreciation of oil and gas properties includes a combination of straight line and units of production (“UOP”) methods. Transferred exploration and evaluation and offshore plant and equipment are depreciated using the UOP basis. Transferred exploration and evaluation and subsurface development expenditure are depreciated over developed proved plus probable reserves. Late-life assets are typically depreciated over proved reserves. Offshore facility assets are depreciated over proved plus a portion of probable reserves. The depreciable amount for the UOP basis for offshore facility assets excludes future development costs necessary to bring probable reserves into production. Onshore plant and equipment is depreciated using a straight-line basis over the lesser of useful life and the life of proved plus probable reserves. DD&A expense for the other property and equipment is based on a straight line method over the estimated useful lives of the asset. BHP Petroleum’s use of the proved reserve (1P) as a reserve base to determine UOP depreciation, when compared to Woodside’s use of proved and probable reserves (2P) as a reserve base in UOP calculation, resulted in higher DD&A expenses recorded historically by BHP Petroleum. An adjustment to conform BHP Petroleum’s accounting policy to Woodside’s accounting policy resulted in a decrease of \$316 million in DD&A expense due to different reserves bases being used in the respective UOP calculations.

The effect on operating results from amortization of purchase adjustments for the five years following the acquisition is as follows (in \$m):

| | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Amortization of Oil and Gas Properties purchase adjustment | 943 | 859 | 785 | 720 | 661 |

- (c) Represents accruals of (i) estimated cash considerations payable of \$947 million and (ii) estimated non-recurring transaction costs of approximately \$410 million. The cash considerations payable relate to the Woodside Dividend Payment of \$830 million and estimated Locked Box Payment of \$117 million. The non-recurring transaction costs are expected to be incurred by Woodside, including stamp duty, advisory, legal, regulatory, accounting, valuation and other fees that are not capitalized as part of the Merger. These transaction costs are based on preliminary estimates and the final amounts and the resulting effect on Woodside’s financial position and results of operations may differ significantly. The adjustment to payables of \$947 million and \$410 million in note 3(c) is netted off against the

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adjustment of \$38 million in note 3(e) on the unaudited pro forma statement of financial position to show a net adjustment of \$1,319 million.

- (d) Reflects the income tax effect of the transaction accounting adjustments relating to transaction costs, DD&A and other accounting policy differences. Because the tax rates used for these pro forma financial statements are an estimate, the blended rate will likely vary from the actual effective rate in periods subsequent to Implementation.
- (e) Reflects adjustments to receivables (\$572 million) and payables (\$38 million) to conform BHP' s accounting policy for overlift and underlift to Woodside' s accounting policy. Specifically, Woodside' s accounting policy is to not account for the effects of volumetric imbalances. The adjustment to payables of \$38 million in note 3(e) is netted off against the adjustment of \$947 million and \$410 million in note 3(c) on the unaudited pro forma statement of financial position to show a net adjustment of \$1,319 million.

The increase in receivables relating to underlift between 31 December 2020 and 31 December 2021 is \$487 million and the increase in payables relating to overlift is \$15 million. These movements have been adjusted for in the Merged Group Pro Forma Historical Statement of Cash Flows under “(increase)/decrease in trade and other receivables” and “increase/(decrease) in trade and other payables” respectively with a net impact of \$472 million to the P&L.
- (f) Reflects the Merger being on a cash-free debt-free basis where BHP Petroleum will settle all intercompany loan balances with a net impact of \$1,700 million prior to Implementation of the Merger.
- (g) Reflects other fair value adjustments, including:
 - adjustment to other financial assets (\$37 million) and other financial liabilities (\$60 million) in respect of embedded derivatives. The fair value changes (\$90 million) recorded by BHP Petroleum in relation to these derivatives are reversed from cost of sales.
 - adjustment to right-of-use asset (\$68 million) to measure the right-of-use asset at the same amount as the lease liability, adjusted to reflect off-market terms.
 - adjustment to non-current other liabilities in respect of additional liabilities assumed (\$56 million) and unfavorable contracts, primarily relating to the fair value of a long-term fixed price LNG contract (\$1,088 million).
 - adjustment to other assets (\$537 million) in respect of entitlement to additional LNG volumes.
- (h) Reflects a preliminary Purchase Price allocation adjustment resulting in an increase to BHP Petroleum' s oil and gas properties of \$9,536 million and exploration and evaluation assets of \$1,964 million to record the properties at their estimated fair value.

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The estimated fair values and useful lives of the oil and gas properties and exploration and evaluation assets acquired are as follows:

| | Estimated fair value (\$m) | Estimated useful lives (in years) |
|--------------------------------|----------------------------------|---|
| Assets transferred: | | |
| North West Shelf | 3,977 | 16 |
| North West Shelf Oil | 117 | 11 |
| Scarborough | 724 | 32 |
| Bass Strait | 2,043 | 13 |
| Macedon | 339 | 10 |
| Pyrenees | 349 | 15 |
| Other AU | 55 | – |
| Total Australian Assets | 7,604 | – |
| Atlantis | 4,600 | 27 |
| Mad Dog | 4,709 | 24 |
| Shenzi | 4,405 | 18 |
| Other U.S. GoM | 260 | 5 |
| Total U.S. GoM | 13,974 | – |
| Trinidad & Tobago | 446 | 10 |
| Trion | 642 | 44 |
| Total rest of world | 1,088 | – |
| Total | 22,666 | – |

- (i) Represents an adjustment to deferred tax assets to reflect the unused tax losses and unused tax credits only to the extent these losses and credits are expected to be utilized.
- (j) Represents the goodwill arising from the preliminary purchase price allocation adjustments. Assuming no changes in the consideration paid, a 10% increase or decrease in the fair value of identifiable assets and liabilities would affect goodwill identified as follows (in \$m):

| Assume change in fair value | Incremental fair value of identifiable assets and liabilities | Resulting impact on Goodwill |
|-----------------------------|---|---------------------------------|
| 10% increase | 1,652 | (1,652) |
| 10% decrease | (1,652) | 1,652 |

- (k) Primarily reflects a preliminary purchase price allocation adjustment of \$825 million to record the estimated fair value of the assumed BHP Petroleum asset retirement obligations. As part of the preliminary purchase price allocation, Woodside estimated the timing and amount of the closure and rehabilitation cash flows expected to be incurred. As a result, the current provision is decreased by \$16 million, and the non-current provision is increased by \$841 million. To establish the value of the provision for the Merged Group, in respect of the BHP Petroleum assets, Woodside has adopted BHP's cost estimates and schedule, and it has applied Woodside's escalation and discount rate assumptions. Further detailed alignment of scope and cost estimate methodologies across the Merged Group will be made post Implementation.
- (l) Reflects an adjustment to deferred income taxes to record the estimated deferred income tax effects of combining Woodside's and BHP Petroleum's operations as well as changes to the deferred tax amounts as a result of the preliminary purchase price allocation. The deferred tax adjustment assumes a forecasted blended BHP Petroleum statutory tax rate of 25%.
- (m) Reflects an adjustment to reverse BHP Petroleum's gain (\$104 million) which is attributable to its previous divestment of its Scarborough interest to Woodside.

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- (n) Reflects the New Woodside Shares issued as Share Consideration (approximately \$22,696 million), the elimination of BHP Petroleum's historical stockholders' equity and transaction costs. The impact of pro forma Merger adjustments on total equity are summarized below (shown in \$m):

| | Elimination of BHP Petroleum's Historical Equity | Issuance of New Woodside Shares | Transaction costs | Pro Forma Equity Adjustments |
|---|---|--|------------------------------|---|
| Issued and fully paid shares | (15,234) | – | – | (15,234) |
| Additional paid in capital | – | 22,696 | – | 22,696 |
| Total issued and fully paid shares | (15,234) | 22,696 | – | 7,462 * |
| Other reserves | (3,489) | – | – | (3,489) |
| Retained losses | 10,749 | – | (410) | 10,339 |
| Total stockholder's equity | (7,974) | 22,696 | (410) | 14,312 |
| Non-controlling interests | – | – | – | – |
| Total equity | (7,974) | 22,696 | (410) | 14,312 |

* As the Merger is on a cash-free debt-free basis, BHP Petroleum will settle all intercompany loan balances, with a net impact of \$1,700 million by way of a capital contribution prior to Implementation of the Merger. The pro forma equity adjustments of \$7,462 million includes the relevant capital contribution and corresponding elimination with a net nil impact.

- (o) The pro forma Merger adjustments on Woodside Shares and basic earnings per share are summarized below:

| | Year Ended 31 December 2021 |
|---|--|
| Numerator | |
| Basic combined pro forma net income (loss) attributable to Woodside common stockholders (\$M) | 2,178 |
| Denominator | |
| Historical basic weighted average Woodside Shares outstanding | 962,604,811 |
| New Woodside Shares to be issued (i) | <u>914,768,948</u> |
| Pro forma basic weighted average Woodside Shares outstanding | 1,877,373,759 |
| Pro forma basic net income per share attributable to Woodside Shareholders (US cents) | 116 |

- (i) Represents the approximate number of New Woodside Shares that are to be issued as the Purchase Price.

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NOTE 4. Unaudited Pro Forma Supplemental Oil and Natural Gas Reserves Information

The following tables reflect Woodside's and BHP Petroleum's combined supplemental information regarding oil and natural gas producing activities, giving effect to the Merger as if it had occurred on 31 December 2021, along with a summary of changes in quantities of net remaining proved reserves during the year ended 31 December 2021.

The pro forma information was calculated by adding numbers as prepared by each of Woodside and BHP Petroleum. This includes information for overlapping assets, specifically NWS where reserves and values have been added without any adjustments. BHP Petroleum uses a conversion factor of 6,000 MMscf per MMboe while Woodside uses 5,700 MMscf per MMboe equivalent. BHP Petroleum includes onshore and offshore fuel used in its operation as reserves while Woodside includes only the onshore fuel in their reserves. Pro forma information is derived with these assumptions unchanged for each of the entities.

Woodside's reserves as of 31 December 2021 are based on a reserve report prepared by Netherland, Sewell & Associates, Inc., Woodside's independent reserve engineers. BHP Petroleum's reserve assessments are prepared each year in connection with BHP Petroleum's fiscal year end of June 30. The assessments are reviewed prior to BHP Petroleum's fiscal year end to ensure technical quality, adherence to internally published BHP Petroleum guidelines and compliance with SEC reporting requirements. The December 31 reserves information for BHP Petroleum included below is an estimate of BHP Petroleum's reserves as of such date, is derived from internal records, taking into account, among other factors, production, revenues, and operating and capital expenditures for each asset and project, and has not been reviewed by any independent reserve engineers or on the same basis as BHP Petroleum's reserves are reviewed at BHP Petroleum's fiscal year end. Additional information regarding pro forma proved reserves is included in the section entitled "*Business and Certain Information About the Merged Group—Merged Group Reserves and Future Production Capacity.*" Information regarding Woodside's actual historical reserves is included in the section entitled "*Business and Certain Information About Woodside—Reserves and Resources.*" Information regarding BHP's actual historical reserves is included in the section entitled "*Business and Certain Information About BHP Petroleum—Reserves and Resources.*"

The following estimated pro forma supplemental oil and natural gas reserves information is not necessarily indicative of the results that might have occurred had the Merger been completed on 1 January 2021, and is not intended to be a projection of future results. Future results may vary significantly from the results reflected because of various factors, including those discussed in the section entitled "*Risk Factors*" beginning on page 42 of this prospectus.

Small differences within the following tables may be due to rounding.

Statement regarding BHP Petroleum's reserves

The estimates of BHP Petroleum reserves contained in the accompanying tables are based on, and fairly represent, information and supporting documentation prepared under the supervision of Mr. A. G. Gadgil, who is employed by BHP. Mr. Gadgil is a member of the Society of Petroleum Engineers and has the required qualifications and experience to act as a qualified Petroleum Reserves and Resources evaluator under the ASX Listing Rules. The BHP Petroleum reserves presented herein are issued with the prior written consent of Mr. Gadgil who agrees with the form and context in which the reserves are presented. Reserves are net of royalties owned by others and have been estimated using deterministic methodology.

Aggregates of BHP Petroleum reserves estimates contained in this prospectus have been calculated by arithmetic summation of field/project estimates with the exception of the North West Shelf (NWS) Gas Project in Australia. Probabilistic methodology has been utilized to aggregate the NWS reserves for the reservoirs dedicated to the gas project only and represents an incremental 5 MMboe of proved reserves. The barrel of oil equivalent conversion is based on 6,000 scf of natural gas equals 1 boe. The reserves estimates are inclusive of fuel required for operations (refer to table footnotes). The custody transfer point(s)/point(s) of sale applicable for each field or project are the reference point for reserves. At 31 December 2021, approximately 4.5% of BHP Petroleum proved reserves were attributable to production sharing arrangement where BHP Petroleum has a revenue interest in production. Reserves estimates have not been adjusted for risk.

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PROVED DEVELOPED AND UNDEVELOPED OIL, CONDENSATE, NGL AND NATURAL GAS RESERVES (millions of barrels of oil equivalent)

| | Woodside | BHP Petroleum | Pro Forma |
|---|-----------------|--------------------------|------------------|
| Reserves as of 31 December 2019(1) | 586.1 | 781.5 | 1,367.5 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 1.8 | 31.5 | 33.3 |
| Revisions | 13.0 | (9.7) | 3.3 |
| Purchase/Sales | – | 26.6 | 26.6 |
| Production | (100.8) | (106.6) | (207.4) |
| Reserves as of 31 December 2020(1) | 500.1 | 723.3 | 1,223.4 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 984.2 | 296.0 | 1,280.2 |
| Revisions | 39.5 | (17.0) | 22.5 |
| Purchase/Sales | – | (0.9) | (0.9) |
| Production | (92.1) | (110.4) | (202.5) |
| Reserves as of 31 December 2021(1) | 1,431.6 | 890.9 | 2,322.5 |
| Developed Reserves | | | |
| As of 31 December 2019 | 451.1 | 562.1 | 1,013.2 |
| As of 31 December 2020 | 363.3 | 480.4 | 843.7 |
| As of 31 December 2021 | 356.3 | 417.5 | 773.8 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | 135.0 | 219.4 | 354.4 |
| As of 31 December 2020 | 136.8 | 242.8 | 379.7 |
| As of 31 December 2021 | 1,075.3 | 473.4 | 1,548.7 |

- (1) Woodside's proved reserves as of 31 December 2021 include an estimated 141.5 million barrels equivalent expected to be consumed as fuel in downstream operations and BHP Petroleum reserves as of 31 December 2021 include an estimated 92 MMboe of fuel anticipated to be consumed in operations

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(Millions of Barrels)

| | Woodside | BHP Petroleum | Pro Forma |
|--|-----------------|--------------------------|------------------|
| Reserves as of 31 December 2019 | 83.4 | 332.6 | 415.9 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 0.1 | 6.7 | 6.9 |
| Revisions | (2.6) | 28.7 | 26.1 |
| Purchase/Sales | – | 24.7 | 24.7 |
| Production | (19.9) | (38.3) | (58.2) |
| Reserves as of 31 December 2020 | 61.1 | 354.4 | 415.4 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 81.3 | 1.1 | 82.4 |
| Revisions | 12.9 | (13.2) | (0.3) |
| Purchase/Sales | – | (0.8) | (0.8) |
| Production | (16.7) | (41.3) | (58.0) |
| Reserves as of 31 December 2021 | 138.7 | 300.1 | 438.8 |
| Developed Reserves | | | |
| As of 31 December 2019 | 73.7 | 180.4 | 254.1 |
| As of 31 December 2020 | 51.2 | 196.6 | 247.8 |
| As of 31 December 2021 | 50.2 | 169.2 | 219.4 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | 9.7 | 152.1 | 161.8 |
| As of 31 December 2020 | 9.8 | 157.8 | 167.6 |
| As of 31 December 2021 | 88.4 | 130.9 | 219.3 |

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PROVED DEVELOPED AND UNDEVELOPED NATURAL GAS LIQUIDS RESERVES
(Millions of Barrels)

| | <u>Woodside</u> | <u>BHP Petroleum</u> | <u>Pro Forma</u> |
|--|-----------------|--------------------------|------------------|
| Reserves as of 31 December 2019 | <u>-</u> | <u>60.5</u> | <u>60.5</u> |
| Improved Recovery | - | - | - |
| Extensions/Discoveries | - | 0.3 | 0.3 |
| Revisions | - | (18.7) | (18.7) |
| Purchase/Sales | - | 0.6 | 0.6 |
| Production | - | (6.9) | (6.9) |
| Reserves as of 31 December 2020 | <u>-</u> | <u>35.8</u> | <u>35.8</u> |
| Improved Recovery | - | - | - |
| Extensions/Discoveries | - | - | - |
| Revisions | - | (0.8) | (0.8) |
| Purchase/Sales | - | - | - |
| Production | - | (7.6) | (7.6) |
| Reserves as of 31 December 2021 | <u>-</u> | <u>27.4</u> | <u>27.4</u> |
| Developed Reserves | | | |
| As of 31 December 2019 | - | 47.0 | 47.0 |
| As of 31 December 2020 | - | 24.0 | 24.0 |
| As of 31 December 2021 | <u>-</u> | <u>19.0</u> | <u>19.0</u> |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | - | 13.5 | 13.5 |
| As of 31 December 2020 | - | 11.8 | 11.8 |
| As of 31 December 2021 | <u>-</u> | <u>8.4</u> | <u>8.4</u> |

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PROVED DEVELOPED AND UNDEVELOPED NATURAL GAS RESERVES (Billions of Cubic Feet)(1)

| | | BHP | |
|---|----------------|----------------|-----------------|
| | Woodside | Petroleum | Pro Forma |
| Reserves as of 31 December 2019(2) | 2,865.3 | 2,330.6 | 5,195.9 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 9.6 | 146.5 | 156.1 |
| Revisions | 89.1 | (118.2) | (29.2) |
| Purchase/Sales | – | 8.3 | 8.3 |
| Production | (461.5) | (368.3) | (829.8) |
| Reserves as of 31 December 2020(2) | 2,502.5 | 1,998.9 | 4,501.4 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 5,146.4 | 1,769.3 | 6,915.7 |
| Revisions | 151.2 | (17.5) | 133.7 |
| Purchase/Sales | – | (0.8) | (0.8) |
| Production | (430.1) | (369.3) | (799.4) |
| Reserves as of 31 December 2021(2) | 7,370.0 | 3,380.7 | 10,750.7 |
| Developed Reserves | | | |
| As of 31 December 2019 | 2,151.0 | 2,008.3 | 4,159.3 |
| As of 31 December 2020 | 1,778.5 | 1,559.2 | 3,337.7 |
| As of 31 December 2021 | 1,744.5 | 1,375.7 | 3,120.2 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | 714.4 | 322.3 | 1,036.7 |
| As of 31 December 2020 | 724.0 | 439.7 | 1,163.7 |
| As of 31 December 2021 | 5,625.5 | 2,004.9 | 7,630.4 |

(1) Includes gas sold as LNG

(2) BHP Petroleum reserves as of 31 December 2021 include 553 bcf of fuel anticipated to be consumed in operations

2021 proved reserves

Production during 2021 totaled 202.5 MMboe, which was 4.9 MMboe lower than the previous year primarily due to overall natural production decline.

Extension and discoveries

Total extensions amounted to 1,280 MMboe, mostly due to the Scarborough LNG Project in Australia which took FID during 2021, and this contributed 1,197 MMboe of proved reserves. The Sangomar Oil Field Development is in execution phase and accounts for 81 MMboe of proved reserves. Other minor extensions included intersection of previously unpenetrated sands in the Julimar and Goodwyn fields in Australia; and in the Atlantis field in the U.S. GOM due to extension of proved field limit.

Revisions

Revisions during the year resulted in a net addition of 23 MMboe in proved reserves. In Australia, revisions increased proved reserves by 43 MMboe primarily due to improved production performance in the Pluto and Macedon gas fields and the Greater Enfield and NWS oil fields, partially offset by poorer than expected production performance in the Brunello and NWS gas fields.

In the U.S. GOM, revisions decreased reserves by 17 MMboe overall, primarily driven by reductions related to lower than expected well performance in the Atlantis and Mad Dog fields of 19 MMboe and 4 MMboe, respectively. Approval of the Shenzi Subsea Multi Phase Pump Project added 6 MMboe.

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In T&T, revisions decreased reserves by approximately 9 MMboe primarily due to lower-than-expected Ruby drilling results, which were partially offset by increases in the Angostura field.

Standardized measure of discounted future net cash flows relating to proved oil, condensate, NGL and natural gas reserves (Standardized measure)

The following tables present the estimated pro forma discounted future net cash flows at 31 December 2021. The pro forma standardized measure information set forth below gives effect to the Merger as if the merger had been completed on 1 January 2021. The calculations assume the continuation of existing economic, operating and contractual conditions at 31 December 2021. The pro forma standardized measure information includes cost for future decommissioning, dismantlement, abandonment, and rehabilitation obligations.

Therefore, the following estimated pro forma standardized measure is not necessarily indicative of the results that might have occurred had the Merger been completed on 1 January 2021 and is not intended to be a projection of future results. Future results may vary significantly from the results reflected because of various factors, including those discussed in the section entitled “*Risk Factors*” beginning on page 42.

Pro forma standardized measure for the year ended 31 December 2021

| | <u>Woodside</u> | <u>BHP Petroleum</u> \$ million | <u>Pro Forma</u> |
|-----------------------------|-----------------|--|----------------------|
| Standardized measure | | | |
| 2021 | | | |
| Future cash inflows | 81,897 | 43,956 | 125,853 |
| Future production costs | (23,092) | (14,922) | (38,014) |
| Future development costs | (10,777) | (8,519) | (19,296) |
| Future income taxes | (16,356) | (5,668) | (22,024) |
| Future net cash flows | 31,672 | 14,847 | 46,519 |
| Discount at 10% per annum | (15,935) | (6,695) | (22,630) |
| Standardized measure | <u>15,737</u> | <u>8,152</u> | <u>23,889</u> |

Changes in the Standardized measure are presented in the following table.

| | <u>Woodside</u> | <u>BHP Petroleum</u> \$ million | <u>Pro Forma</u> |
|---|-----------------|--|----------------------|
| Changes in the Standardized measure | | | |
| Standardized measure at the beginning of the year | 5,084 | 3,681 | 8,765 |
| Revisions: | | | |
| Prices, net of production costs | 7,741 | 9,582 | 17,323 |
| Changes in future development costs | 20 | (243) | (223) |
| Revisions of reserves quantity estimates | 2,109 | (470) | 1,639 |
| Accretion of discount | 430 | 413 | 843 |
| Changes in production timing and other | 3,485 | (264) | 3,221 |
| Sales of oil and gas, net of production costs | (5,698) | (4,610) | (10,308) |
| Acquisitions of reserves-in-place | - | - | - |
| Sales of reserves-in-place | - | 9 | 9 |
| Previously estimated development costs incurred | 565 | 1,214 | 1,779 |
| Extensions, discoveries, and improved recoveries, net of future costs | 8,346 | 1,057 | 9,403 |
| Changes in future income taxes | (6,345) | (2,217) | (8,562) |
| Standardized measure at the end of the year | <u>15,737</u> | <u>8,152</u> | <u>23,889</u> |

Overview***Woodside Overview***

Woodside operates as an explorer for and producer of energy products.

Woodside's Australian operations are primarily in Western Australia. Domestic gas is sold to customers in Western Australia. LNG, LPG, condensate and oil are sold to customers primarily in Asia. Woodside's operations outside of Australia are not in production.

BHP Petroleum Overview

BHP Petroleum's Australian operations are in the East and West coast of Australia. Domestic gas is sold to Australian customers. Crude oil and gas is sold to customers in Japan, South Korea and China. BHP Petroleum's global operations are in the U.S. GOM and T&T. Crude oil products from BHP Petroleum's U.S. GOM operations are sold into the U.S. domestic and global oil market with gas volumes sold into the U.S. domestic gas market. Similarly, crude oil produced from BHP Petroleum's T&T operation is sold into the global oil market and gas volumes are sold domestically.

Australia Oil & Gas Disclosures

Australia is home to substantial onshore and offshore oil and gas reserves, the development of which has underpinned the nation's position as a leading global LNG exporter.

There are two distinct regional gas markets which service domestic gas consumption, one on each coast of Australia, respectively.

West Coast of Australia Domestic Gas Market***Market overview***

The Western Australian ("WA") domestic gas market primarily services several large industrial consumers and mining firms, the majority of which are supplied directly through the transmission network (such as the Dampier to Bunbury Natural Gas Pipeline and the Goldfields Gas Pipeline). The remaining large customers are supplied by domestic LNG facilities, which convert natural gas to LNG which is then transported by road. According to the Australian Energy Market Operator's ("AEMO") 2020 Western Australia Gas Statement of Opportunities ("AEMO20 Gas Statement"), customers supplied through the retail distribution network account for 6% of WA's total domestic gas consumption. Despite its relatively small population, WA has the highest natural gas consumption of all Australian states. WA consumed 669 PJ of gas in 2018-2019, approximately 42% of Australia's total gas consumption (AEMO20 Gas Statement).

The large majority of gas reserves in WA are from conventional reservoirs located in the Carnarvon and Perth basins. While most of WA's gas reserves are developed as LNG export projects, domestic supply in WA is underpinned by a domestic gas reservation policy ("WA Domestic Gas Policy"). Under the policy, introduced in 2006, gas equivalent to 15% of LNG production from LNG export projects is required to be reserved for domestic use as a condition of LNG project approval. The policy contains flexibility, allowing negotiations to occur on a case-by-case basis regarding the method by which the LNG project proponents fulfil their domestic gas commitments, including from alternative sources.

Key recent trends

In 2021, a number of producers made progress on developing and commercializing domestic gas fields and LNG projects which is likely to contribute to supply in the coming years. Demand for WA's key commodities,

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particularly gold and iron ore, has remained strong throughout the COVID-19 pandemic which has flowed through to increased domestic gas demand for mining operations (AEMO20 Gas Statement).

The WA Government clarified the WA Domestic Gas Policy to state that it would not agree to exports of gas through the WA pipeline network, and that supply of gas to the east coast would be treated as an export for the purposes of the policy.

In the past 18 months there has been an increase in proposed hydrogen projects, with a number of producers, including Woodside, entering into hydrogen development opportunities. As of January 2022, the WA Government was funding seven renewable hydrogen feasibility studies as part of the Renewable Hydrogen Strategy. The studies include examining solar hydrogen for waste collection and light vehicle fleets in Cockburn, a hydrogen refueling hub in Mandurah, and the potential for an electrolysis hydrogen production plant in the Great Southern or Wheatbelt regions of Western Australia.

Market dynamics

The WA domestic gas market is characterized by:

Large gas reserves that are generally located offshore and developed mainly to supply the global LNG market.

A limited number of large suppliers/producers and consumers.

Bilateral, confidential, long-term take-or-pay gas sales contracts.

Residential, commercial, and small industrial consumers comprising a small proportion of total demand.

Small volumes of short-term and spot gas sales.

A small number of pipelines, interconnectors, and limited surplus pipeline capacity.

Information about supply that is available to be contracted, potential buyers, and gas contract pricing is not readily available.

78 PJ of storage capacity (AEMO21 Gas Statement).

Demand outlook

According to the AEMO, gas consumption in WA is expected to be supported by strong demand for the State's commodities through the development of new resources projects. Long-term west-coast gas demand is expected to grow moderately at an average annual rate of 0.8% until 2031, growing from 1,071 TJ/day in 2022 to 1,150 TJ/day in 2031 (AEMO21 Gas Statement). In 2021, large customers accounted for ~85% of gas consumed in WA with a majority of gas consumed in the minerals processing, mining and electricity generation sectors (Gas Bulletin Board WA data).

Supply outlook

Gas supply to the WA domestic market is largely dependent on the sustained development of gas reserves. Overall, potential gas supply is projected to decline at an average annual rate of 1.4% between 2022 and 2031 (AEMO21 Gas Statement). AEMO notes that there is a large volume of undeveloped gas from fields such as Clio-Acme and Equus that could supply the WA domestic market over the next 10 years but are currently too speculative to include in its potential supply forecasts (AEMO20 Gas Statement).

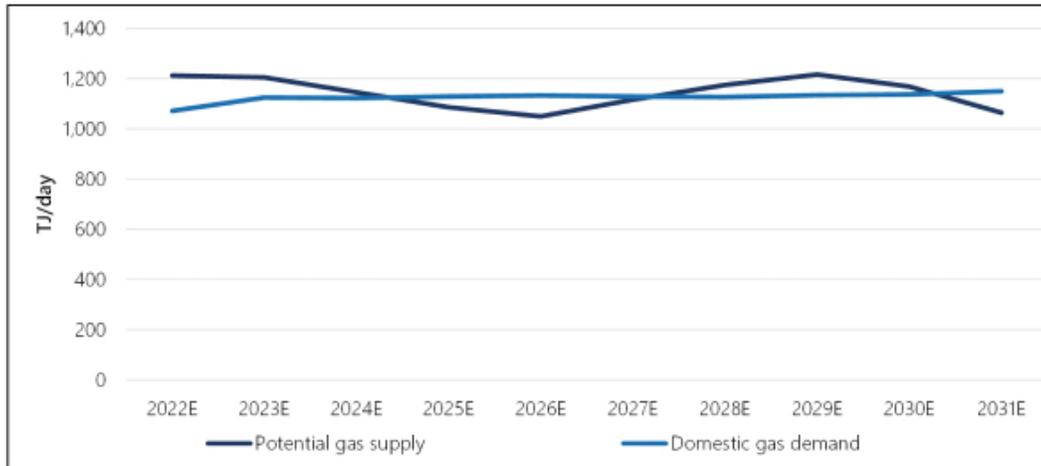
Supply and demand balance

The supply of gas in the Western Australian domestic gas market is expected to be sufficient to meet demand until 2024 (AEMO21 Gas Statement). Between 2025 and 2027, gas demand may exceed supply by 51 PJ

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in total across these years, at rates of up to ~85 TJ/day in 2026 (up to 7% of daily demand) (AEMO21 Gas Statement). From 2027, the Scarborough project is forecast to supply up to 210 TJ/d into the domestic market (AEMO21 Gas Statement). The development of Perdaman Chemical and Fertiliser's proposed urea project would add a large new consumer to the Karratha region; it is expected to start production in 2025 (subject to FID). Post-2030, declining reserves at domestic gas only facilities is expected to cause forecast gas demand to again exceed forecasted supply (AEMO21 Gas Statement).

Figure 3–Domestic gas market balance, base scenario, 2022E to 2031E (AEMO21 Gas Statement)



East Coast of Australia Domestic Gas Market

Market overview

Australia's eastern gas market includes New South Wales, Australian Capital Territory, Queensland, South Australia, Victoria, and Tasmania, and is connected by gas transmission pipelines, and also sources gas supply from the Northern Territory via the Northern Gas Pipeline. This market is characterized by:

Domestic gas demand of 553 PJ (2021) from the industrial, residential and commercial, and gas-fired power generation sectors.

Key supply basins which include the Surat-Bowen Basin (Queensland), the Cooper Basin (South Australia), and Otway, Gippsland, and Bass Basins (Victoria).

Three LNG export projects located in Queensland, which consume about 70% of gas production in Eastern Australia.

Approximately 200 PJ of gas storage capacity.

Key recent trends

The east coast gas market is heavily contract based, with only a small share of production traded on the wholesale (spot) market. This is because long-term contracts provide producers the confidence to invest in new gas supply, and large gas users the confidence to invest in new gas-consuming projects (Understanding the East Coast Gas Market, Reserve Bank of Australia report ("RBA East Coast Gas Market Report")).

Several spot hubs exist for short-term trading, however these volumes account for a relatively small share of the market (approximately 10-20%) and are used for market balancing by gas players.

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Higher marginal costs of supply for new supply sources available in the east coast market may put upward pressure on prices, compared to the pre-2015 levels. There is a forecasted risk of gas shortfalls in the east coast gas market as soon as winter 2023, prompting several developers to propose LNG import terminals to be built on the east coast (AEMO21 Gas Statement).

Demand outlook

The outlook for gas demand in the long term is uncertain, with forecasted scenarios ranging from relatively flat demand to steadily declining demand over time. This uncertainty arises from potential policy changes (e.g., Victoria's proposed Gas Substitution Roadmap), the availability of gas supply that is affordable for more price-sensitive consumers, and the outlook for gas-fired power generation, which is subject to the growth of renewable energy and electricity storage, coal power plants, and electricity transmission connectivity between regions. Gas-fired power generation is increasingly playing a critical balancing role in the power sector, for periods of lower renewable energy and/or coal-fired power generation, making gas-fired power demand subject to short-term events (AEMO21 Gas Statement).

Supply outlook

The east coast market's supply outlook is forecast to be challenged, as reserves located near domestic demand centers in offshore Victorian basins, particularly the Gippsland Basin, are in decline (Australian Energy Market Operator: Gas Statement of Opportunities for Eastern and Southern Australia (March 2021) ("AEMOESA Report")). The proposed introduction of LNG import terminals on the east coast of Australia at various locations (e.g., Victoria, New South Wales and South Australia) could address these supply shortfall risks and provide incremental supply (AEMOESA Report).

In April 2021, BHP announced the successful commissioning of the Gippsland Basin Joint Venture's West Barracouta natural gas field in the Bass Strait offshore Victoria, which will provide new domestic gas supply to Australia's east coast. The West Barracouta field is the largest domestic gas project in Australia in recent years and will help to increase the supply of gas to the east coast of Australia (source: BHP ASX Announcement dated 19 April 2021). In March 2022, ExxonMobil announced it was making incremental investments to deliver an additional 200 PJ of gas over the next five years, through the Gippsland Basin Kipper offshore field and the Turrum field.

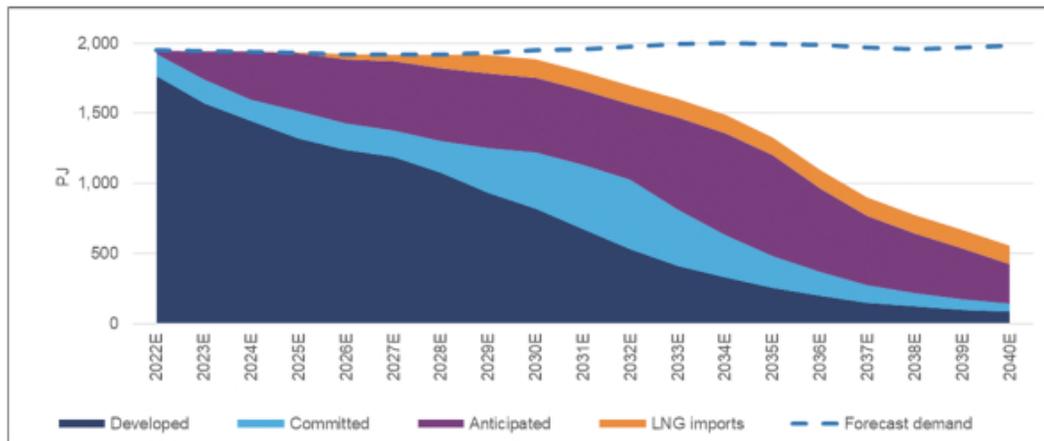
Santos' proposed Narrabri gas project in New South Wales has targeted FID for 2023 and would add a large new supply source if progressed.

Supply and demand balance

The east coast gas market is likely to have future supply shortfalls without the development of further gas resources and/or LNG import terminals. While the northern region of the East Coast (Queensland and the Northern Territory ("NT")) is expected to be self-sufficient in gas until 2030, the southern region (which includes NSW/ACT, Victoria, Tasmania and South Australia) is contending with the decline of legacy basins. Gas supply to meet this shortfall may come from Queensland, the NT, and/or LNG import terminals. However, pipeline capacity limitations and costs may constrain the available gas supply to the most southern states in particular: Victoria and Tasmania.

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Figure 4—Projected eastern and south-eastern Australia gas production (including export LNG), Central scenario, existing, committed, and anticipated developments, 2022E-2040E (PJ) (AEMOESA Report)



LNG Market

Market overview

The LNG market is a global export-driven market dominated by larger players, with Australia being the largest LNG exporter by volume in 2021, producing 79.2 Mt compared to Qatar at 78.0 Mt (Wood Mackenzie Commodity Report, Global Gas Supply, January 2022 (“WMGGS Report”)) and the U.S., at 67.5 Mt.

Key recent trends

The global LNG price recovery has accelerated since the lows experienced at the start of the COVID-19 pandemic, supported by a recovery in Chinese LNG demand which was up 20% in the second half of 2021 vs 2020 and European carbon prices and other factors (Wood Mackenzie Global Gas 2021 Outlook to 2050).

Global production in 2021 grew by 20 Mt on 2020 volumes (WMGGS Report). However, much of the “growth” is a result of LNG plants in marginal supply markets such as Egypt and the U.S. which are returning to regular production profiles after operating at reduced levels in 2020 due to depressed LNG prices (WMGGS Report). Supply has not been quick to rebound following the COVID-19 pandemic as a result of lowered investment over 2015-2017 and also because of delays to several projects under construction. Organic supply growth is expected to return in 2022, as new projects in the U.S. and Indonesia come online. Overall capacity additions from under-construction projects during 2023-2025 are expected to be small, with Tortue FLNG Phase 1 (on the border of Senegal and Mauritania) expected in 2023 and Costa Azul Phase 1 (Mexico) in 2025 (WMGGS Report). Woodside’s Scarborough development is targeted to commence production in 2026. The current conflict between Russia and Ukraine is likely to affect Russian projects, such as Arctic LNG-2, which had been expected to become operational in late 2023, and delays are possible.

Market Dynamics

The majority of Australian LNG is sold into the Asia Pacific market under long-term bilateral contract arrangements, with pricing indexed to the price of crude oil. Historically these contracts have had durations of up to 25 years. This provided producers, particularly for greenfield projects, with a level of certainty on the recovery of significant upfront investment and provided purchasers long-term security of energy supply. In recent years, primarily due to the increased liquidity in the global LNG market, producers and purchasers in the Asian region have concluded bilateral contracts over shorter durations of between 5 and 15 years.

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Historically, the exact terms of the oil price linkage in Asian LNG contracts is negotiated confidentially between buyers and sellers, with contracted LNG prices traditionally linked to the price of JCC crude oil. JCC reflects the average price of crude oil imported into Japan and closely correlates to the lagged price of Brent oil. In recent years, Brent oil has been more commonly used as a contract price marker for LNG in the Asian region, particularly in China, Korea, Taiwan, India and SE Asia. This contrasts with the spot market pricing of domestic natural gas in North America, and to a lesser extent Europe, where competing sources of gas (pipeline and LNG) are priced in hubs. LNG exports from the U.S. are commonly indexed to the U.S. natural gas hub, Henry Hub.

In addition, as global markets become increasingly interdependent and physical liquidity rises, there has been an increase in term and spot sales arrangements in the Asia-Pacific region priced off the Platts JKM benchmark price assessment, which is reflective of gas-on-LNG competition and prevailing LNG market supply-demand balances.

Long-term LNG contracts are often subject to periodic price review which may occur through bilateral agreement or be triggered contractually as a result of significant movements in oil price. This is particularly the case with contracts greater than ten years in duration. While most of Australia's LNG production continues to be traded via long-term contracts, there has been an increase in spot sales and short-term contract sales. A key contributing factor is the greater flexibility that short-term contracts can provide in terms of responding to changes in sources of supply and demand for LNG.

Demand outlook

This paragraph includes statistical data and market analysis regarding global gas demand. This information has been taken from information published by Wood Mackenzie, a provider of market overview and analysis, in a report entitled "Commodity Report, Global Gas Demand" dated October 2021 ("WMGGD Report"). This is licenced from Wood Mackenzie by Woodside. According to Wood Mackenzie, global LNG demand is expected to more than double in volume between 2021 and 2050 (Wood Mackenzie Commodity Report, Global Gas Demand, October 2021 ("WMGGD Report")), With indigenous production decline in Europe and parts of Asia, LNG imports are expected to become the preferred supply type for many economies. Europe for example, could see LNG demand increase by 51 Bcm despite overall gas demand declines of 184 Bcm in 2021-2050 (WMGGD Report). Asia represents almost 90% of all the gas demand growth for 2021-2050, and Australian LNG producers benefit from the close proximity to and long-term relationships with customers in Asian markets (WMGGD Report).

While there are challenges posed for natural gas demand due to the energy transition, Wood Mackenzie is forecasting global gas demand to grow between 2021 and 2035 (WMGGD Report). Natural gas's share in global total primary energy demand is expected to peak by the early 2040s, highlighting the role gas is expected to play in supporting the energy transition in the medium to longer-term (WMGGD Report). However, gas demand could see a substantial decline under Wood Mackenzie's Accelerated Energy Transition 1.5-degree scenario (AET-1.5 scenario). Wood Mackenzie's AET-1.5 scenario outlines a view of the world that limits the average rise in global temperatures to 1.5 °C compared with pre-industrial times (WMGGD Report).

Supply outlook

The 2020 COVID-19 pandemic and low oil and gas prices in 2020 resulted in a number of delays to the start dates for new LNG supply projects that are under-construction and to the timelines for projects that were proposed to take final investment decisions. In 2020, only one project took FID, the Energia Costa Azul LNG project in Mexico. In 2021, a few projects took FIDs, including Qatar's North Field East project, the Darwin LNG backfill (Barossa) in Australia, Russia's Baltic LNG (Ust-Luga) and the Scarborough-Pluto Train 2 project in Australia.

More than 96 Mtpa of under-construction LNG capacity is likely to become operational between 2026 and 2030 (Wood Mackenzie Commodity Report-Global Gas LNG Supply). In addition, Wood Mackenzie estimates that up to 80 Mtpa of supply capacity will take FID within the next 36 months.

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In the longer-term, Qatar, Russia and the U.S. were forecast to dominate LNG supply additions into the next decade, based on the large number of current project proposals and substantial and relatively low-cost gas resources. Russia's role in energy markets following the invasion of Ukraine is uncertain.

Oil Market

Market overview and dynamics

The COVID-19 pandemic reduced oil demand in 2020 to well below 2019 levels. After an increase of 5.6MMbbl/d in 2021, the IEA estimates that oil demand will grow by 2.1 MMbbl/d in 2022 to reach 99.7 MMbbl/d, slightly above pre-COVID-19 levels (IEA Monthly Oil Market Report, March 2022 ("IEAMar22 Report")). The forecast reflects new estimates of reduced demand as a result of the Russia-Ukraine conflict.

In the second quarter of 2020, the oil market saw oil supply heavily outpacing world oil demand, leading to an increase in global oil inventories within a short span of a couple of months. In response to this situation, in April 2020, OPEC and non-OPEC oil producing countries participating in the "Declaration of Cooperation," known as "OPEC+", announced voluntary production adjustments commensurate with the material oil stock surplus, to achieve the rebalancing and stabilization of the oil market (OPEC, Monthly Oil Market Report, November 2021).

Since early 2020, OPEC+ has been playing a significant role in balancing the market through production curbs. OPEC+ member countries have the ability to produce over 40% of the world's crude oil. Equally important to global prices, OPEC+'s oil exports can represent more than 60% of the total petroleum traded internationally. Due to this market share, OPEC+'s actions can, and do, influence international oil prices.

The extent to which OPEC+ utilizes available production capacity is often used as an indicator of the tightness of oil markets, as well as an indicator of the extent to which OPEC+ is exerting upward influence on prices. The U.S. Energy Information Administration defines spare capacity as the volume of production that can be brought on within 30 days and sustained for at least 90 days. Saudi Arabia, the largest oil producer within OPEC+ and the world's largest oil exporter, historically has had the greatest spare capacity. Saudi Arabia generally keeps more than 1.5 - 2 MMbbl/d of spare capacity on hand for market management. OPEC+ spare capacity provides an indicator of the world oil market's ability to respond to potential crises that reduce oil supplies. As a result, oil prices tend to incorporate a rising risk premium when OPEC spare capacity reaches low levels.

According to Geoscience Australia, an agency of the Australian Government, Australia holds just 0.3% of the world's oil reserves as of September 2021. Most of Australia's known remaining oil resources are LPG and condensate, associated with offshore gas fields in the Browse, Carnarvon, and Bonaparte basins. Australian oil production has been in decline since 2009 as new reserve developments have failed to match the rate of depletion in existing fields. Oil production in 2019 showed a reversal to this long-term trend following the start-up of the Greater Enfield (Woodside operated), Ichthys and Prelude projects on the North West Shelf.

According to the U.S. Energy Information Administration Gulf of Mexico Fact Sheet, the Gulf of Mexico area, both onshore and offshore, is one of the most important regions for energy resources and infrastructure. In 2021, production from the Gulf of Mexico was affected by hurricane activity which resulted in prolonged outages.

Key recent trends

As at March 2022, oil prices were at decade highs, reflective of markets pricing in a geopolitical risk premium as a result of the conflict between Russia and Ukraine and as a shortage of natural gas, LNG and coal boosted demand for oil as economic growth continues and global mobility improves. Dated Brent was \$127/bbl and WTI was \$115/bbl. Despite increasing global COVID-19 cases in the fourth quarter of 2021, measures taken

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by governments to contain the virus were less severe than during earlier waves and the resulting impact on economic activity and oil demand was relatively subdued. Oil demand exceeded IEA expectations in the fourth quarter of 2021, increasing by 1.1 MMbbl/d to 99 MMbbl/d. (IEA Monthly Oil Market Report, January 2022).

Prior to Russia's invasion of Ukraine, world oil supply was projected to rise sharply in 2022 towards year end as U.S. output bounced back from Hurricane Ida and responded to the higher price environment, and OPEC+ continued to unwind cuts. Canada and Brazil were also expected to achieve record production levels. Additionally, in January 2022 Ecuador, Libya and Nigeria were already ramping up production.

Despite the above supply increases, the current conflict between Russia and Ukraine is also expected to create a supply shock, with the IEA estimating that from April as much as 3 MMbbl/d of Russian oil production could be shut in as a result of sanctions and self sanctions (IEA Mar22 Report).

Long term demand and supply outlook

Demand for crude oil and petroleum products is influenced by many factors and is impossible to predict with certainty. Specifically, factors such as the rate of global economic growth, evolving energy policies and technological trends will have material impacts on the path for long-term oil demand. The policies undertaken by governments to reduce carbon emissions will play a significant role in determining this path.

Wood Mackenzie estimated in November 2021 that global total liquids demand would continue to grow until peaking in 2034 at 108 MMbbl/d, and then gradually decline thereafter. Under this outlook, by 2050 total demand will have retreated to 96 MMbbl/d, approximately 4 MMbbl/d lower than 2019 levels (Wood Mackenzie: Macro Oils long-term 2021 Outlook to 2050 ("WM Outlook to 2050")).

Other forecasters may make different assumptions about the drivers of oil demand and thus may have alternate outlooks. In addition, many forecasters consider the potential impact of global policies that could limit the average rise in global temperatures to 2°C or 1.5°C compared with pre-industrial times. Wood Mackenzie has developed such scenarios. For example, in their AET-1.5 scenario, which assumes that the average rise in global temperatures is limited to 1.5°C compared with pre-industrial times, oil demand peaks earlier and declines more rapidly than in the outlook described above.

Potential sources of supply to meet future oil demand include currently producing fields in the OPEC+ countries, the U.S. and elsewhere, and new oil developments. With Russia being one of the world's largest oil producers, the ongoing conflict between Russia and Ukraine and associated sanctions has created uncertainty over the long-term supply outlook from that region.

BUSINESS AND CERTAIN INFORMATION ABOUT WOODSIDE**Overview**

Woodside is an ASX listed oil and gas company based in Perth, Western Australia. As a leading Australian LNG operator, Woodside operated 5% of global LNG supply in 2021. Woodside operates the majority of its assets and has over 65 years of experience in the oil and gas industry. Woodside's producing portfolio is primarily centered around the production of LNG from conventional offshore projects in Western Australia and also includes oil, condensate, LPG and domestic gas for Western Australian customers.

Woodside's operated LNG projects include two integrated projects, NWS Project (as defined below), Australia's largest LNG project, and Pluto LNG.

Offshore, Woodside operates two floating production storage and offloading ("FPSO") facilities, the Okha FPSO and Ngujima-Yin FPSO. Woodside also has a participating interest in Wheatstone LNG, which started production in 2017 and is the upstream operator of Julimar-Brunello, one of the Wheatstone LNG feeder fields.

In addition to its producing assets, Woodside is progressing the development of the Scarborough gas resource through new offshore facilities to a second LNG train ("Pluto Train 2") at the existing Pluto LNG onshore facility in Western Australia. Woodside is also connecting Pluto LNG with the North West Shelf Project through the Pluto-KGP Interconnector to create an integrated LNG production hub on the Burrup Peninsula. See the sections entitled "*Projects and Growth Options*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations of Woodside*" for Woodside's recent historic and ongoing principal capital expenditures and divestitures.

Internationally, Woodside is executing the Sangomar Oil Field Development in Senegal, having achieved FID in January 2020. This development is targeting first oil in 2023.

Recent Performance

Woodside benefited from a strong rebound in market conditions in 2021 following the challenges and uncertainty brought on by COVID-19 in 2020. Operating revenue rose 93% year-on-year to \$6,962 million primarily due to higher realized prices and an increase in the number of traded LNG cargoes.

| | | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---|-----------|-------------|-------------|-------------|
| Financial Summary and Key Ratios | | | | |
| Operating revenue | \$million | 6,962 | 3,600 | 4,873 |
| Underlying EBITDA (1) | \$million | 4,135 | 1,922 | 3,531 |
| EBIT (1) | \$million | 3,493 | (5,171) | 1,091 |
| Net profit after tax | \$million | 1,983 | (4,028) | 343 |
| Net cash from operating activities | \$million | 3,792 | 1,849 | 3,305 |
| Dividends distributed | \$million | 404 | 766 | 1,189 |
| Key ratios | | | | |
| Effective income tax rate (2) | % | 32.0 | 20.5 | 57.2 |
| Earnings | US cps | 206.0 | (423.5) | 36.7 |
| Gearing (1) | % | 21.9 | 24.4 | 14.4 |
| Sales volumes | | | | |
| Gas | MMboe | 93.7 | 86.5 | 81.5 |
| Liquids | MMboe | 17.9 | 20.3 | 15.9 |
| Total | MMboe | 111.6 | 106.8 | 97.4 |

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- (1) These are non-GAAP financial measures. For calculation methodologies and reconciliations to the nearest GAAP financial measures, see the sections entitled “*Disclaimer and Important Notices–Non-GAAP Financial Measures*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside–Non-GAAP Financial Measures.*”
- (2) The global operations effective income tax rate is calculated as Woodside’s income tax expense divided by profit before income tax. The 2019 effective income tax rate was impacted by non-deductible foreign expenditure of \$242 million.

The following table presents Woodside’s production volumes and realized prices for the years ended 31 December 2021, 2020 and 2019:

| | Units | 2021 | 2020 | 2019 |
|-------------------------------------|--------------|-------------|--------------|-------------|
| Production Volumes | | | | |
| LNG | MMboe | 70.8 | 75.1 | 67.7 |
| Domestic gas | MMboe | 2.5 | 5.3 | 6.1 |
| Condensate | MMboe | 8.7 | 9.8 | 9.6 |
| Oil | MMboe | 8.6 | 9.7 | 5.6 |
| LPG | MMboe | 0.5 | 0.5 | 0.5 |
| Total production | MMboe | 91.1 | 100.3 | 89.6 |
| Average Realized Sales Price | | | | |
| Average realized price | \$/boe | 60.3 | 32.4 | 47.8 |

Overview of Assets

Woodside’s portfolio is centered around large-scale integrated LNG projects which are supplied by conventional offshore Western Australia fields. These projects also supply condensate and LPG to Australian and international markets and domestic gas to Western Australia. Woodside is the operator of all its key producing assets, apart from Wheatstone LNG, where it is operator of Julimar Brunello, one of the Wheatstone LNG feeder fields. Woodside’s key projects in execution are Scarborough and Pluto 2 development, which is a new LNG development through an expansion at Pluto LNG, and the Sangomar Oil Field Development in Senegal. Woodside holds further gas resources as future development opportunities.

| Asset | Description | Operator | Woodside ownership | 2021 Production MMboe(2) |
|---------------------------------|--|----------|--------------------|--------------------------|
| Pluto LNG | LNG facility processing gas from the subsea offshore Pluto, Xena and Pyxis gas fields in Western Australia. Gas is piped from the offshore Pluto-A platform to a 4.9 Mtpa LNG processing train. | Woodside | 90% | 44.3 |
| North West Shelf Project | LNG facility processing gas and condensate from the offshore North Rankin and Goodwyn-A offshore platforms and subsea tie-backs. Onshore facilities include 5 LNG trains with 16.9 Mtpa LNG export capacity, condensate trains and a domestic gas plant. | Woodside | 16.67% | 24.7 |

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| Asset | Description | Operator | Woodside ownership | 2021 Production MMboe(2) | |
|--|---|-----------------|--|---------------------------------|--------------------------------|
| Wheatstone | 8.9 Mtpa LNG facility processing gas from the offshore Wheatstone, Iago, Julimar and Brunello gas fields. The onshore plant consists of two LNG trains, a domestic gas plant and associated infrastructure. | Chevron | Wheatstone LNG: 13% Julimar Brunello: 65% | 13.5 | |
| Australia Oil | Two stand-alone oil developments offshore Western Australia, comprising the Nguyjima-Yin FPSO and Okha FPSO. | Woodside | Various | 8.6 | |
| Asset | Description | Operator | Woodside ownership | FID/Target FID | Target first production |
| Key projects | | | | | |
| Scarborough/ Pluto Train 2 | The development of the 11.1 Tcf (100%) Scarborough offshore gas resource comprises a new floating production facility, trunkline to shore and expansion of the existing Pluto LNG onshore facility (including construction of Pluto Train 2). | Woodside | 73.5% / 51%(1) | FID announced 22 November 2021 | 2026 (first cargo) |
| Sangomar | Senegal' s first oil development comprises a stand-alone FPSO and subsea infrastructure, located approximately 100 km south of Dakar. | Woodside | 82% | FID announced Jan 2020 | 2023 (first cargo) |
| Other development opportunities | | | | | |
| Browse | Located in the offshore Browse Basin, approximately 425 km north of Broome in Western Australia, comprising the Brecknock, Calliance and Torosa fields. | Woodside | 30.6% | | |
| Sunrise | Comprises the Sunrise and Troubadour gas and condensate fields, collectively known as Greater Sunrise, located between Australia and Timor-Leste. | Woodside | 33.44% | | |

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| <u>Asset</u> | <u>Description</u> | <u>Operator</u> | <u>Woodside ownership</u> | <u>FID/Target FID</u> | <u>Target first production</u> |
|------------------------------|--|-----------------|---------------------------|-----------------------|--------------------------------|
| Myanmar Block A-6 (3) | Offshore gas-prone resource in the Bay of Bengal, offshore Myanmar. | Woodside | 40% | | |
| Liard Basin (4) | Upstream gas resource in British Columbia, Canada, provides an option to investigate potential future natural gas, ammonia and hydrogen opportunities. | Chevron | 42.5 - 100% | | |

- (1) On 18 January 2022, Woodside completed the sale of a 49% non-operating participating interest in Pluto Train 2 to Global Infrastructure Partners (“GIP”). The transaction had an effective date of 1 October 2021.
- (2) Woodside’s share.
- (3) Woodside has commenced arrangements to formally exit all Blocks in which it participates in Myanmar, including AD-7, A-7, AD-1, AD-8 and A-6.
- (4) Woodside is retaining an upstream position in the Liard Basin by assuming full equity in 28 non-infrastructure related Liard Basin leases from Chevron Canada alongside 11 leases held on a 50% basis, to study low-cost natural gas, ammonia and hydrogen opportunities in Canada.

Producing Assets

Pluto LNG

Pluto LNG overview and history

Pluto LNG processes gas from six subsea wells on the offshore Pluto, Xena and Pyxis gas fields in Western Australia. Natural gas and condensate are piped through a 180 km trunkline to a single onshore facility, located between the NWS Project and the Dampier Port on the Burrup Peninsula. The offshore infrastructure includes the Pluto-A Offshore Platform, located 180 km north-west of Karratha in 85 meters of water.

The onshore infrastructure currently comprises a single LNG processing train (“Pluto Train 1”) and has an average annualized capacity of 4.9 Mtpa. The facility has been producing above nameplate capacity (~15% higher than the 4.3 Mtpa at start-up in 2012) due to LNG capacity improvements through process optimization and equipment upgrades utilizing new technology. Pluto LNG also produces condensate and domestic gas.

Pluto LNG is one of the world’s most technologically advanced LNG production facilities, with the Pluto gas field discovered by Woodside in 2005 and achieving first production seven years later. The project has delivered more than 500 cargoes.

In order to process Scarborough gas, Woodside is undertaking an expansion of Pluto LNG through the construction of a second gas processing train, Pluto Train 2, which would have a capacity of 5.0 Mtpa. Woodside announced on 22 November 2021 that final investment decisions have been made in relation to the Scarborough and Pluto Train 2 developments. The Scarborough and Pluto Train 2 developments also include the processing of 1.5 - 3.0 Mtpa LNG at Pluto Train 1 as well as utilizing the already built common facilities, which will require modifications to accommodate the Scarborough gas.

Woodside has also constructed the Pluto- KGP Interconnector, a pipeline connecting Pluto LNG and the North West Shelf’s Karratha Gas Plant (“KGP”). The infrastructure will allow the transfer of gas between the plants to optimize production across both facilities and enable future development of additional gas reserves.

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Ownership structure and joint ventures

The Pluto fields lie within permit WA-34-L. Woodside operates and has a 90% participating interest in the Pluto LNG joint venture. The other Pluto joint venture participants are Tokyo Gas Co., Ltd. and Kansai Electric Power Company, Incorporated, who each own 5% of the project and are also the key long-term LNG off-takers in the project. Woodside is the sole holder of exploration permit WA-404-P, and any commercial discoveries made in this permit are intended to be tied back to Pluto LNG.

Growth opportunities

Woodside is developing additional offshore resources and improvements to the onshore Pluto LNG facility. The Pyxis Hub Project comprises the subsea tie-back of the Pyxis, Pluto North and Xena fields to the Pluto offshore platform. Woodside has commenced installation of subsea equipment and is preparing for cold commissioning and start-up for the initial wells.

The Pluto water handling project was successfully installed on the Pluto offshore platform in late-2020. Once commissioned, the module will allow increased wet gas production. Hook-up and commissioning activities are continuing in 2022.

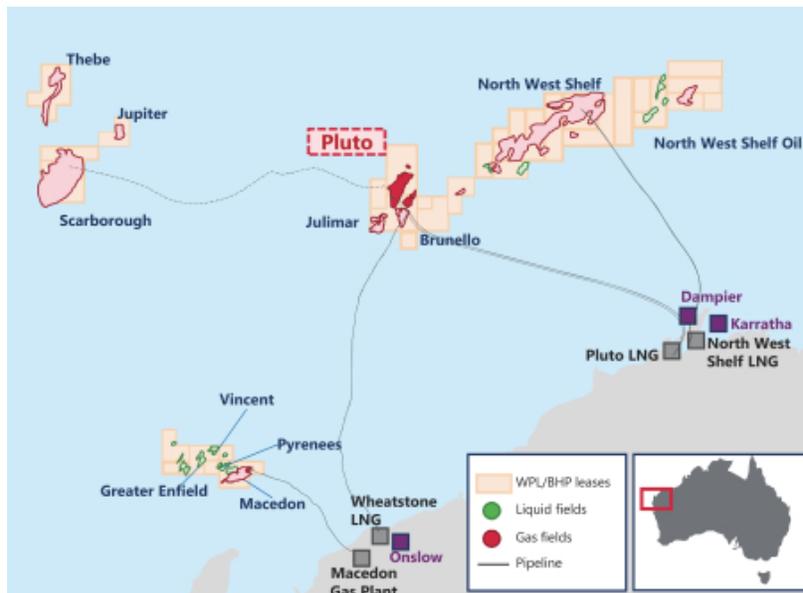


Figure 5–Pluto Project map in relation to Woodside and BHP Petroleum’ s Western Australia projects: Fields, blocks and pipelines shown in maps are stylized and not to scale. These maps are intended to show the general location and proximity of Woodside and BHP Petroleum’ s Carnarvon Basin assets as of the date of this prospectus. This map only shows the key Woodside and BHP Petroleum fields, leases and pipelines, which are referenced in the sections entitled “*Business and Certain Information About Woodside*” and “*Business and Certain Information About BHP Petroleum.*”

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Onshore infrastructure

Pluto LNG Plant

| | |
|--------------------------|---|
| Location | 1,260 km north of Perth, WA |
| Facility type | Onshore gas plant |
| Facility features | 1 LNG processing train, 1 domestic gas offtake point, 2 condensate stabilization units, 1 domestic LNG truck loading facility |
| Product | LNG (both domestic and export), condensate, pipeline gas |
| First production | 2012 |
| Capacity | LNG: 4.9 Mtpa Domestic gas: 25 TJ/d Condensate: 1,140 tonnes/d |

Offshore infrastructure

Pluto Platform

| | |
|-----------------------------|---|
| Location | 190 km north-west of Karratha, WA |
| Facility type | Steel jacket fixed platform |
| Fields (discovered) | Pluto (2005), Xena (2006), Pyxis (2015) |
| Product | Gas and condensate |
| Production capacity | Raw gas: 1,320 tonnes/d |
| First production | 2012 |
| Platform water depth | 85 m |
| Subsea and pipelines | Trunkline 1 to shore |

North West Shelf Project

North West Shelf Project overview and history

The North West Shelf project (“NWS Project”) consists of several offshore conventional gas and condensate fields in the Carnarvon Basin off the Pilbara coast of Western Australia and associated offshore and onshore infrastructure.

The NWS Project was formed in the 1960s and the first deliveries of gas were made to Perth via the Dampier to Bunbury natural gas pipeline (“DBNGP”) in 1984. The first LNG cargo was delivered to Japan in 1989 and the project has delivered in excess of 5,500 cargoes.

The North West Shelf production infrastructure consists of four offshore platforms; the North Rankin Complex (“NRC”) which comprises the North Rankin A and North Rankin B platforms; Goodwyn A Platform; and the Angel Platform. The offshore infrastructure also includes the subsea tiebacks of Greater West Flank and Perseus over Goodwyn to Goodwyn A and Persephone to NRC. Gas from these platforms is transported from the North Rankin Complex by two 135 km subsea trunklines onshore to the KGP on the Burrup Peninsula.

KGP is an advanced, integrated gas production system, producing LNG, domestic gas, condensate and LPG. The facility is located 1,260 km north of Perth, Western Australia and covers approximately 200 hectares. KGP has an LNG export capacity of 16.9 Mtpa, with five LNG processing trains, two domestic gas trains, five condensate stabilization units and three LPG fractionation units.

The NWS Project infrastructure provides an opportunity for processing third-party gas as the NWS reserves decline. In July 2020, NWS Project participants executed amendments to the joint venture governance documents which enable the processing of third-party gas through the NWS Project facilities.

In further support of processing gas supplied by other resource owners, the NWS Project participants executed fully-termed gas processing agreements (“GPAs”) in December 2020 for processing third-party gas

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through the NWS project facilities. GPAs were signed with Woodside Burrup Pty Ltd, in respect of gas from the Pluto fields, and with subsidiaries of Mitsui & Co Ltd and Beach Energy Limited, in respect of gas from the Waitsia Gas Project Stage 2. Execution of the GPAs is an important milestone in establishing NWS as a tolling facility, and is expected to unlock further value for the NWS Project participants.

In December 2020, the NWS Project participants took FID for the infrastructure required to receive gas from the Pluto-KGP Interconnector. See the section entitled “*Business and Certain Information About Woodside–Projects and Growth Options–Pluto-KGP Interconnector*” for further detail on the Pluto-KGP Interconnector.

The NWS Project participants are currently in the process of planning restoration of the no longer producing Echo-Yodel and Angel subsea wells and associated subsea infrastructure.

Ownership structure and joint ventures

The North West Shelf fields lie within permits WA-1-L, WA-23-L, WA-24-L, WA-3-L, WA-30-L, WA-5-L, WA-6-L, WA-7-R, WA-57-L, WA-58-L, WA-56-L, WA-2-L, WA-28-P, WA-4-L, WA-9-L, WA-16-L, WA-52-L, WA-53-L and WA-11-L. Ownership of the NWS Project and the associated production is split between several joint ventures with different participating interests. Woodside owns a one-sixth participating interest in the original NWS LNG joint venture, which was responsible for all LNG production and sale at the NWS Project. Other NWS LNG joint venture participants, which also own one-sixth participating interest, include BHP Petroleum, BP plc (“BP”), Chevron Corporation (“Chevron”), Royal Dutch Shell plc (“Shell”) and Japan Australia LNG (MIMI) Pty Ltd. CNOOC also has a participating interest in the NWS Project through the joint venture that is responsible for supplying LNG to the Guangdong Dapeng LNG Project in China (“China LNG JV,” Woodside participating interest: 12.5%). There are other joint ventures within the NWS Project, which are responsible for Western Australian domestic gas production (Woodside participating interest: 15.78%) and production of additional “equity lifted LNG” (the proportion of LNG which Woodside is entitled to lift and sell, in its own right, as a result of its participating interest in the relevant project) above joint contract quantities (Woodside participating interest: 15.78%).

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Dedicated LNG facilities, such as the gas treatment and liquefaction trains and LNG storage tanks, are owned on an equal one-sixth basis by six of the seven NWS Project participants (excluding CNOOC). All other assets, which are used in both the domestic gas and LNG processing activities, are owned in varying percentages (excluding CNOOC) based on JVP interests in the above joint ventures. The six NWS Project participants also separately own an equal share in ships that they utilize for the NWS Project.

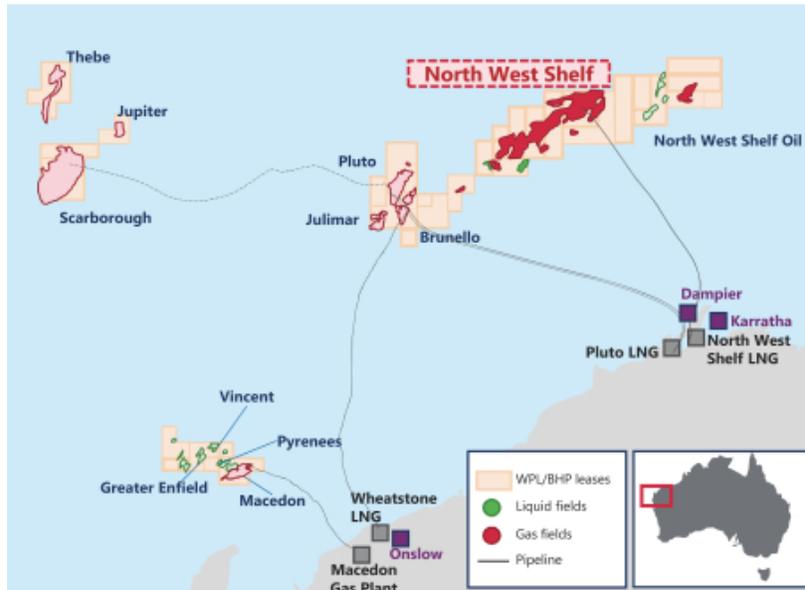


Figure 6–North West Shelf Project map in relation to Woodside and BHP Petroleum’ s Western Australia projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. These maps are intended to show the general location and proximity of Woodside and BHP Petroleum’ s Carnarvon Basin assets as of the date of this prospectus. This map only shows the key Woodside and BHP Petroleum fields, leases and pipelines, which are referenced in the sections entitled “*Business and Certain Information About Woodside*” and “*Business and Certain Information About BHP Petroleum.*”

Principal producing fields

The principal fields in the North West Shelf are Goodwyn, North Rankin, Perseus and fields within the Greater Western Flank area. This group of fields is located approximately 135 km offshore of northwest Australia in water depths ranging between 80m and 130m. These fields are primarily natural gas fields, with the exception of Cossack Wanaea Lambert Hermes, which are predominantly oil fields (described further in the section entitled “*–Australia Oil.*” Total acreage for all permits/license areas covered by the NWS Project is 3,790 km².

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Onshore infrastructure

Karratha Gas Plant

| | |
|--------------------------|---|
| Location | 1,260 km north of Perth, WA |
| Facility type | Onshore gas plant |
| Facility features | 5 LNG processing trains, 2 domestic gas trains, 5 condensate stabilization units, 3 LPG fractionation units |
| Product | LNG, pipeline natural gas, condensate and LPG |
| First Production | 1984 |
| Capacity | LNG: 16.9 Mtpa Domestic Gas: 630 TJ/d Condensate: 14,385 tonnes/d |

Offshore infrastructure

| | North Rankin Complex | Goodwyn A Platform | Angel Platform |
|-----------------------------|--|---|---|
| Location | 135 km north-west of Karratha, Western Australia | 23 km south-west of the North Rankin A platform, 135 km north-west of Karratha, Western Australia | 120 km north-west of Karratha, Western Australia connected to the NRC via 50 km subsea pipeline |
| Facility type | Steel jacket fixed platform | Steel jacket fixed platform | Steel jacket fixed platform |
| Fields (discovered) | North Rankin (1971), Perseus (1996) | Goodwyn (1972), Echo (1988), Yodel (1990), Perseus (1996) | Angel (1971) |
| Product | Gas and condensate | Gas and condensate | Gas and condensate |
| Production capacity | Dry gas: 60,000 tonnes/d Condensate: 6,200 tonnes/d | Dry gas: 38,000 tonnes/d Condensate: 18,000 tonnes/d | Dry gas: 21,500 tonnes/d Condensate: 5,270 tonnes/d |
| First production | 1984 (NR-A) and 2013 (NR-B) | 1995 | 2008 |
| Platform water depth | 125 m | 131 m | 80 m |
| Subsea and pipelines | Trunkline 1 and 2 to shore | Interfield Line to Trunkline 2 | Interfield Line to Trunkline 1 |

Wheatstone

Wheatstone overview and history

Wheatstone is located in the offshore North Carnarvon Basin off the Pilbara coast of Western Australia. The project consists of an offshore platform located 220 km from Onslow, Western Australia, connected by a trunkline to an onshore plant consisting of two LNG trains (8.9 Mtpa capacity), a domestic gas plant (200 TJ/d capacity) and associated infrastructure. Feedgas to the LNG train is supplied by the Chevron-operated Wheatstone and Iago fields and the Woodside-operated Julimar and Brunello fields. The Wheatstone Project also produces condensate and domestic gas.

Production from Train 1 commenced in 2017, Onshore LNG Train 2 successfully commenced production in June 2018 and domestic gas production supply commenced on 5 March 2019. Since production started, over 500 LNG cargoes have been lifted for a total of ~79 million cubic meters of LNG produced, and over 65 condensate cargoes have been lifted for a total of 6.8 million cubic meters of condensate produced as at 31 December 2021.

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Ownership structure and joint venture

Chevron Australia Pty Ltd is the operator of the Wheatstone Project (64.14%). Woodside has a 13.0% participating interest, while the other joint venture participants are Kuwait Foreign Petroleum Exploration Company K.S.C. (“KUFPEC”) (13.4% participating interest), PE Wheatstone Pty. Ltd. (8.0% participating, a Japanese consortium) and Kyushu Electric Wheatstone Pty Ltd (1.46% participating interest). Woodside’s 13.00% interest in the Wheatstone Project includes the offshore platform, the pipeline to shore and the onshore plant, but excludes the Wheatstone and Iago fields and associated subsea infrastructure. Woodside also has a 65% operating interest in the Julimar Brunello Project and associated subsea infrastructure, with the remaining 35% owned by KUFPEC. The Julimar and Brunello fields lie within permit WA-49-L.



Figure 7–Wheatstone Project map in relation to Woodside and BHP Petroleum’s Western Australia projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. These maps are intended to show the general location and proximity of Woodside and BHP Petroleum’s Carnarvon Basin assets as of the date of this prospectus. This map only shows the key Woodside and BHP Petroleum fields, leases and pipelines, which are referenced in the sections entitled “*Business and Certain Information About Woodside*” and “*Business and Certain Information About BHP Petroleum*.”

Onshore infrastructure

Wheatstone LNG Plant

| | |
|--------------------------|---|
| Location | 12 km west of Onslow on the Pilbara coast of Western Australia |
| Facility type | Onshore gas plant |
| Facility features | 2 LNG processing train, 1 domestic gas train, 2 condensate stabilization units |
| Product | LNG, condensate, domestic gas |
| First production | 2017 |
| Capacity | LNG: 8.9 Mtpa Domestic gas: 200 TJ/d Condensate: 8,661 sm ³ /d |

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Offshore infrastructure

Wheatstone Offshore Platform

| | |
|-----------------------------|--|
| Location | 220 km from Onslow, WA |
| Facility type | Offshore steel gravity structure platform |
| Fields (discovered) | Wheatstone (2004), Iago (2004), Julimar (2007), Brunello (2007) |
| Product | LNG, pipeline natural gas and condensate |
| Production capacity | Dry gas: 1,970 MMscf/d Condensate: 8,600 sm ³ /d |
| First production | 2017 |
| Platform water depth | 73 m |
| Subsea and pipelines | Woodside operated Julimar Brunello subsea development to Wheatstone offshore platform. Chevron operated Wheatstone Iago subsea development to Wheatstone offshore platform. Trunkline 1 to shore |

Australia Oil

Australia Oil overview and history

Woodside's Australia Oil operations consists of two facilities, Ohka FPSO and Ngujima-Yin FPSO, and their associated fields off the coast of Western Australia and are principally engaged in extracting oil.

Okha's Cossack Wanaea, Lambert and Hermes fields are located approximately 135 km north-west of Karratha, off the north-west coast of Western Australia. All fields lie on the inner continental shelf in water depths of 75 to 135 m. Okha has 13 wells, 10 able to flow and 5 currently flowing. The Wanaea and Cossack fields also pipe a stream of LPG-rich gas via North Rankin to the KGP for processing. Though also located on the North West Shelf, the Okha FPSO is reported as its own entity.

The Ngujima-Yin FPSO processes crude oil from the Vincent and Greater Enfield oil fields. The development consists of 13 Vincent oil wells, 6 Greater Enfield oil wells, 1 gas injector and back producer, 2 Vincent water injection wells and 6 customised water flood wells.

Woodside is currently in the process of planning restoration including the plugging and abandonment of the no longer producing Enfield and Balnaves oil fields. Stybarrow is operated by BHP, and Woodside continues to support the planning for decommissioning in accordance with the joint venture agreement.

Ownership structure and joint ventures

The Ngujima-Yin FPSO fields lie within permits WA-59-L and WA-28-L. The joint venture is owned by Woodside (60.0%, operator) and Mitsui E&P Australia Pty Ltd. (40.0%).

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The Okha FPSO fields lie within permits WA-11-L, WA-9-L and WA-16-L. The joint venture is owned by Woodside (33.33%), with BHP Petroleum, BP, Chevron, and MIMI, each having a one sixth participating interest.

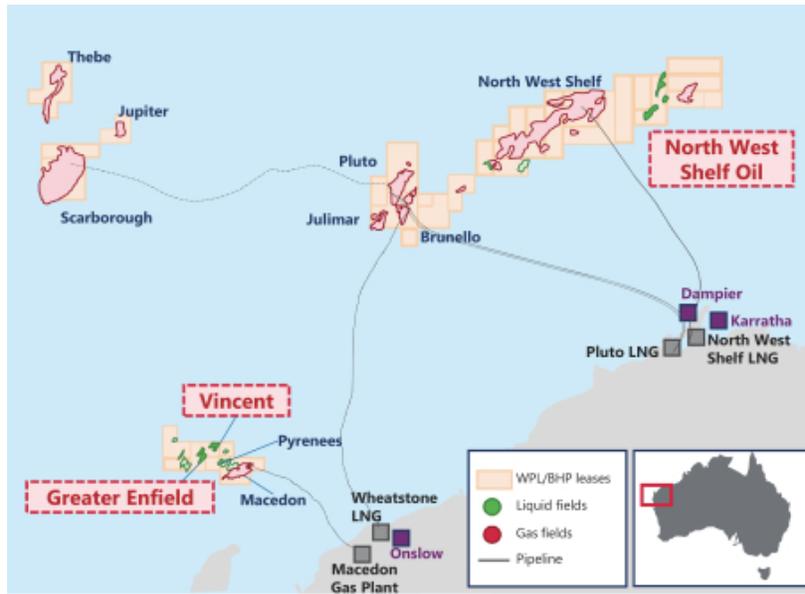


Figure 8–Australia Oil Project map in relation to Woodside and BHP Petroleum’s Western Australia projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. These maps are intended to show the general location and proximity of Woodside and BHP Petroleum’s Carnarvon Basin assets as of the date of this prospectus. This map only shows the key Woodside and BHP Petroleum fields, leases and pipelines, which are referenced in the sections entitled “Business and Certain Information About Woodside” and “Business and Certain Information About BHP Petroleum.”

Offshore infrastructure

| | Ngujima–Yin FPSO | Okha FPSO |
|-----------------------------|--|--|
| Location | 50 km northwest of Exmouth, Western Australia | 34 km east of the North Rankin Complex |
| Facility type | Floating production storage and offloading vessel | Floating production storage and offloading vessel |
| Fields (discovered) | Vincent (1998), Laverda Field (2000), Cimatti Field (2010), Norton Over Laverda (2011) | Wanaea (1989), Cossack (1990), Lambert (1976), Hermes (1973) |
| Product | Oil | Oil and gas |
| Production capacity | Oil: 120 kbbl/d | Oil: 60 kbbl/d Gas: 82 MMscf/d |
| First production | 2008 | 1995 |
| Facility water depth | 350 m | 80 m |

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Projects and Growth Options

Scarborough and Pluto Train 2

Scarborough and Pluto Train 2 Project overview and history

On 22 November 2021 Woodside announced that final investment decisions have been made in relation to the Scarborough and Pluto Train 2 developments, including new domestic gas facilities to Pluto Train 2.

The Scarborough field is located approximately 375 km west-northwest offshore the Burrup Peninsula and contains dry gas. Scarborough is part of the Greater Scarborough resource, including the Jupiter and Thebe fields.

Woodside, as operator of the Scarborough Joint Venture, is developing the Scarborough gas resource through new offshore facilities connected by an approximately 430 km pipeline to the second LNG train ("Pluto Train 2") at the existing Pluto LNG onshore facility.

The Scarborough reservoir contains only around 0.1% CO₂. Scarborough gas processed through Pluto Train 2 is expected to be one of the lowest carbon intensity sources of LNG delivered to customers in north Asia, with first LNG cargo targeted for 2026.

In the second quarter of 2020, the Scarborough Offshore Project Proposal was accepted by the NOPSEMA and in the fourth quarter of 2020, Production Licences were granted for the WA-61-L (Scarborough) and WA-62-L (North Scarborough) titles. Following approval by the Western Australia Minister for Environment of the Scarborough Nearshore Ministerial Statement 1172 in the third quarter of 2021, all key primary environmental approvals were in place to support the final investment decisions.

In April 2022, further key primary approvals were received from the Commonwealth-Western Australian Joint Authority to support execution of the Scarborough Project. The Scarborough Joint Venture has received an offer for the pipeline licence to construct and operate the Scarborough pipeline in Commonwealth waters. Approval has also been granted for the Scarborough Field Development Plan ("FDP"), enabling Woodside to commence petroleum recovery operations from Petroleum Production Licences WA-61-L and WA-62-L. Following approval of the FDP, the Scarborough and Pluto Train 2 processing and services agreement executed in November 2021 is now unconditional. Woodside notes that proceedings have been commenced seeking judicial review of certain approvals. See the section entitled "*Risk Factors—The Merged Group operations will be subject to the risk of litigation or arbitration*" for more information.

The cost estimate for the entire development (including onshore processing) is \$12.0 billion, (100% project, nominal), comprising \$5.7 billion for the offshore component and \$6.3 billion for the onshore component, which includes capital expenditure for the development of Pluto Train 2, modifications to Pluto Train 1 and domestic gas processing facility.

Processing and services agreement

The Scarborough and Pluto Train 2 joint ventures have executed a binding processing and services agreement ("PSA") for the processing of Scarborough gas through the Pluto LNG Facilities. The PSA provides for the Scarborough Joint Venture to access LNG and domestic gas processing services at a rate of up to 8 million tonnes per annum of LNG and up to 225 terajoules per day of domestic gas for an initial period of 20 years, with options to extend.

The PSA is supported by associated processing and services agreements executed with the Pluto Joint Venture in respect of access to the existing Pluto LNG facilities.

About Scarborough

Scarborough lies within permits WA-61-L and WA-62-L. It is owned by Woodside (73.5%, operator) and BHP (26.5%). Woodside acquired its 73.5% participating interest in Scarborough through two acquisitions. Initially, Woodside acquired 25% of Scarborough from BHP in September 2016. This was followed by an

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acquisition of 50% of Scarborough from ExxonMobil in March 2018 after which Woodside assumed operatorship. Following these transactions, in February 2020 Woodside and BHP agreed to unitise participating interests across the Scarborough (WA-1-R) and North Scarborough (WA-62-R) titles, resulting in Woodside's current interest of 73.5% participating interest in each title.

Woodside also owns an equal 50% participating interest with BHP Petroleum in the Thebe (WA-63-R) and Jupiter (WA-61-R) fields, which are part of the Greater Scarborough fields and options for potential future subsea tie-backs to the Scarborough Floating Production Unit ("FPU").

About Pluto LNG and Pluto Train 2

On 15 November 2021, Woodside entered into a sale and purchase agreement with GIP for the sale of a 49% non-operating participating interest in the Pluto Train 2 Joint Venture. The effective date of the transaction is 1 October 2021 and completion occurred on 18 January 2022. Pluto Train 2 is a key component of the proposed Scarborough development and includes a new LNG train and domestic gas facilities to be constructed at the existing Pluto LNG onshore facility. The development of Pluto Train 2 is supported by the PSA entered into between the Pluto Train 2 and Scarborough joint ventures. In addition to its 49% share of capital expenditure, the agreement requires GIP to fund an additional amount of construction capital expenditure of approximately \$822 million. Woodside's joint venture capital contributions will be reduced accordingly. The estimated capital expenditure for the development of Pluto Train 2 from 1 October 2021 is \$5.6 billion (100% project). If the total capital expenditure incurred is less than \$5.6 billion, GIP will pay Woodside an additional amount equal to 49% of the under-spend. In the event of a cost overrun, Woodside will fund its 51% share plus up to approximately \$822 million in respect of the GIP's 49% share of any overrun (after which the cost overruns are borne in accordance with their respective equity share). Delays to the expected start-up of production will result in payments by Woodside to GIP in certain circumstances.



Figure 9—Scarborough Project map in relation to Woodside and BHP Petroleum's Western Australia projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. These maps are intended to show the general location and proximity of Woodside and BHP Petroleum's Carnarvon Basin assets as of the date of this prospectus. This map only shows the key Woodside and BHP Petroleum fields, leases and pipelines, which are referenced in the sections entitled "Business and Certain Information About Woodside" and "Business and Certain Information About BHP Petroleum."

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Onshore infrastructure

Pluto Train 2

| | |
|---------------------------------|---|
| Location | 1,260 km north of Perth, WA |
| Facility type | Onshore gas plant |
| Facility features | 1 LNG processing train, 1 domestic gas facility |
| Product | LNG and domestic gas |
| FID | 22 November 2021 |
| Targeted first LNG cargo | 2026 |
| Capacity | LNG: 5.0 Mtpa Domestic Gas: 225 TJ/d |

Offshore infrastructure

Scarborough

| | |
|---------------------------------|--|
| Location | 375 km north-west off the Burrup Peninsula, Western Australia |
| Processing facility type | Semi-submersible FPU |
| Fields | Scarborough (WA-61-L and WA-62-L) Thebe (WA-63-R) and Jupiter (WA-61-R) combined with Scarborough to constitute Greater Scarborough |
| Product | Dry gas |
| Production capacity | Dry gas: 33,582 tonnes/d |
| FID | 22 November 2021 |
| Targeted first LNG cargo | 2026 |
| Production wells | 8 planned in Phase 1 with 13 total across life of field |
| Subsea pipelines | 430 km trunkline to Pluto LNG |

A sell-down process has been launched with the objective of reducing Woodside's equity interest in Scarborough to approximately 50%, subject to receiving competitive proposals from high-quality counterparties.

Pluto-KGP Interconnector

Pluto-KGP Interconnector overview

The Pluto-KGP Interconnector is a 3.2 km pipeline which connects Pluto with KGP, providing access for other resource owners' gas to be processed at KGP. The Pluto-KGP Interconnector supports the accelerated production of gas from the first phase of Pluto's Pyxis Hub by enabling it to be processed at KGP. Processing of Pluto gas at KGP commenced in March 2022. The design capacity of the pipeline is more than 5 Mtpa.

Sangomar

Sangomar Oil Field Development overview and history

The Sangomar Oil Field Development Phase 1 (the "Sangomar Oil Field Development"), containing both oil and gas, is located 100 km south of Dakar and will be Senegal's first offshore oil development. The project is designed to allow subsequent development phases, including options for potential gas export to shore and future subsea tiebacks from other reservoirs and fields. Phase 1 total cost is estimated to be \$4.6 billion (100% project).

On 9 January 2020, Woodside Energy Finance (UK) Ltd entered into a secured loan agreement with Societe Des Petroles Du Senegal ("Petrosen") (the Senegal National Oil Company), to provide Petrosen with up to \$450 million for the purpose of funding capital construction costs associated with the Sangomar Oil Field Development. The facility has a maximum term of 12 years and semi-annual repayments of the loan are due to

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commence at the earlier of 12 months after ready for start up or 30 June 2025. The carrying amount of the loan receivable is \$335 million at 31 December 2021 (31 December 2020: \$113 million), which approximates its fair value.

Woodside made a FID on the Sangomar Field Development Phase 1 in January 2020, and the development drilling program commenced in July 2021. First oil production is currently targeted for 2023.

Ownership structure and joint venture

On 4 September 2020 Woodside Energy (Senegal) B.V. executed a sale and purchase agreement to acquire Capricorn Senegal Limited' s entire participating interest in the Rufisque, Sangomar and Sangomar Deep ("RSSD") joint venture. The transaction completed on 22 December 2020.

On 19 January 2021 Woodside Energy (Senegal) B.V. executed a sale and purchase agreement with FAR Limited and FAR Senegal RSSD SA (FAR) to acquire FAR Senegal RSSD SA' s entire participating interest in the RSSD joint venture. The transaction completed on 7 July 2021.

Woodside currently owns an 82% participating interest in the Sangomar Oil Field Development and a 90% participating interest in the remaining RSSD evaluation area. Woodside' s joint-venture partner is Petrosen. The project is operated under Senegal' s Production Sharing Contract regime.



Figure 10–Sangomar Project map. Fields and blocks and pipelines are stylized and not to scale. This map only shows Woodside fields, leases and pipelines which are referenced in the section entitled “*Business and Certain Information About Woodside.*”

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Offshore infrastructure

Sangomar

| | |
|---------------------------------|--|
| Location | 100 km south of Dakar in Senegal |
| Processing facility type | Stand-alone FPSO facility |
| Fields | Senegal Sangomar, contained within the Sangomar Deep block covered by the RSSD PSC |
| Product | Oil and gas |
| Production capacity | Oil: 100 kbb/d |
| FID | January 2020 |
| Targeted first oil | 2023 |
| Production wells | 23 planned for Phase 1 |

A sell-down process has been launched with the objective of reducing Woodside's equity interest in the RSSD joint venture to a targeted 40-50%, subject to receiving competitive proposals from high-quality counterparties.

Other Development Options

Browse

Browse Project overview and history

The Browse resource is located in the offshore Browse Basin, approximately 425 km north of Broome in Western Australia, comprising of the Brecknock, Calliance and Torosa fields.

Woodside is investigating opportunities to support commercialization of the Browse resource, including the assessment of the technical, commercial and regulatory feasibility of carbon capture and storage.

Woodside is targeting front-end engineering design entry in 2023.

Ownership structure and joint venture

Browse lies within permits WA-28-R, WA-29-R, WA-30-R, WA-31-R and WA-32-R. It is owned by Woodside (30.60%, operator), Shell (27.00%), BP (17.33%), MIMI (14.40%) and China National Petroleum Company (10.67%).

Myanmar

Block A-6 is in the Rakhine Basin, offshore Myanmar. Woodside condemns human rights violations and has watched with growing concern developments in Myanmar since the events of 1 February 2021. Woodside supports the people of Myanmar and hopes for a peaceful journey to democracy. Woodside has commenced arrangements to formally exit all Blocks in which it participates in Myanmar including AD-7, A-7, AD-1, AD-8 and A-6.

Sunrise

Overview

The Sunrise development comprises the Sunrise and Troubadour gas and condensate fields, collectively known as Greater Sunrise. The fields are located approximately 150 km south-east of Timor-Leste and 450 km north-west of Darwin, Australia.

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The Sunrise Joint Venture remains committed to the development of Greater Sunrise provided there is fiscal and regulatory certainty necessary for commercial development to proceed.

Ownership structure and joint venture

Sunrise holds 78.9% in NT/RL2, 1% in NT/RL4, 20% in PSC 03-19 and 0.1% in PSC 03-20. Titleholders are Woodside (33.44%, Operator), Timor GAP, E.P. (56.56%) and Osaka Gas Co., Ltd. (10.00%).

Kitimat

Overview

Woodside announced in May 2021 that it will exit its 50% non-operated participating interest in the proposed Kitimat LNG development, located in British Columbia, Canada. Exit activities progressed as planned with commercial agreement terminations, lease relinquishment and remediation planning well underway. The sale of the Pacific Trail Pipeline route to Enbridge Inc. was completed in December 2021.

Woodside is investigating potential future natural gas, ammonia, and hydrogen opportunities that could utilize the Liard Basin upstream gas assets.

Exploration

Woodside maintains a global exploration and appraisal program designed to enhance future growth. Woodside looks for material positions in world-class assets that are aligned with its capabilities and current portfolio, targeting exploration opportunities close to existing infrastructure and low-cost commercialization. Woodside's active exploration regions are in Australia, Senegal, South Korea and Congo. Woodside's exploration activities in Australia are focused primarily on low cost near field and infill opportunities. Outside Australia, Woodside's exploration efforts are focused around existing hubs in proven or emerging basins.

Woodside has been consolidating global exploration activities as macroeconomic factors evolve, maintaining a strategy of divesting low-value licenses while continuing to assess sustainable growth opportunities.

Description of Property

Woodside's head office building, located in Western Australia at Mia Yellagonga, 11 Mount Street, Perth, is leased.

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The following table sets out the location, capacity and Woodside's ownership interest in the platforms described below.

| Asset | Location | Woodside interest (%) | 100% capacity | Woodside operated |
|----------------------|--|---|---|---|
| Pluto LNG | Offshore and onshore Western Australia | 90% | Pluto Platform: 1,320 MMscf/d raw gas Pluto LNG: 4.9 Mtpa LNG, 25 TJ/d domestic gas, 1,140 tonnes/d condensate | Yes |
| North West Shelf LNG | Offshore and onshore Western Australia | 16.67% of original LNG JV 12.5% of China LNG JV 15.78% of Extended Interest Joint Venture | North Rankin Complex: 60,000 tonnes/d dry gas, 6,200 tonnes/d condensate Goodwyn A platform: 38,000 tonnes/d dry gas, 18,000 tonnes/d condensate Angel platform: 21,500 tonnes/d dry gas, 5,270 tonnes/d condensate Karratha Gas Plant: 16.9 Mtpa LNG, 630 TJ/d domestic gas, 14,385 tonnes/d condensate | Yes |
| Wheatstone LNG | Offshore and onshore Western Australia | 13.0% of Wheatstone LNG 65.0% of Julimar-Brunello | Wheatstone offshore platform: 1,970 MMscf/d dry gas, 8,600 Sm ³ /d condensate Wheatstone LNG: 8.9 Mtpa LNG, 200 TJ/d domestic gas, 8,661 Sm ³ /d condensate | Julimar-Brunello: Yes Wheatstone LNG: No |
| Australia Oil | Offshore Western Australia | Ngujima-Yin FPSO: 60% Okha FPSO: 33.33% | Ngujima-Yin FPSO: 120 kbbbl/d oil Okha FPSO: 60 kbbbl/d oil, 82 MMscf/d gas | Yes |

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Reserves and Resources

Drilling and other exploratory and development activities

The number of crude oil and natural gas wells drilled and completed for each of the last three years was as follows:

| | Net exploratory wells | | Net development wells | | Total | |
|------------------------------------|-----------------------|------|-----------------------|------------|-------|-------|
| | Productive | Dry | Total | Productive | Dry | Total |
| Year ended 31 December 2021 | | | | | | |
| Australia | – | – | – | 0.64 | 0 | 0.64 |
| Other (1) | – | 1.45 | 1.45 | 0.82 | 0 | 0.82 |
| Total | – | 1.45 | 1.45 | 1.46 | 0 | 1.46 |
| Year ended 31 December 2020 | | | | | | |
| Australia | – | – | – | 4.35 | 0.65 | 5 |
| Other | – | – | – | – | – | – |
| Total | – | – | – | 4.35 | 0.65 | 5 |
| Year ended 31 December 2019 | | | | | | |
| Australia | – | 0.16 | 0.16 | 6.3 | – | 6.3 |
| Other (2) | – | 0.65 | 0.65 | – | – | 0.65 |
| Total | – | 0.81 | 0.81 | 6.3 | – | 7.11 |

(1) Other is Senegal and Myanmar

(2) Other is Peru and Bulgaria

As set out in this section, the number of wells drilled refers to the number of wells completed at any time during the respective year, regardless of when drilling was initiated. Completion refers to the installation of permanent equipment for production of oil or gas, or, in the case of a dry well, reporting to the appropriate authority that the well has been abandoned.

An exploratory well is a well drilled to find oil or gas in a new field or to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir. A development well is a well drilled within the limits of a known oil or gas reservoir to the depth of a stratigraphic horizon known to be productive.

A productive well is an exploratory, development or extension well that is not a dry well. Productive wells include wells in which hydrocarbons were encountered and the drilling or completion of which, in the case of exploratory wells, has been suspended pending further drilling or evaluation. A dry well (hole) is an exploratory, development, or extension well that proves to be incapable of producing either oil or gas in sufficient quantities to justify completion as an oil or gas well.

Present development activities continuing as of 31 December 2021

| | Gross development wells | Net development wells | Waterflood in process of being installed | Pressure maintenance operations being installed |
|-----------|-------------------------|-----------------------|--|---|
| Australia | 4 | 0.7 | – | – |
| Other | 1 | 0.8 | – | – |
| Total | 5 | 1.5 | – | – |

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Three GWF3 development wells and a Lambert Deep development well in the North West Shelf were drilled and completed during 2021, with well operations completed in 2022. Subsea installation is continuing with production expected in 2022. One Sangomar well was drilled and completed during 2021, with the remainder of the drilling campaign focusing on batch drilling. The Sangomar drilling campaign will continue during 2022 and 2023 supporting a target production start up in 2023.

The number of wells drilled refers to the number of wells completed at any time during the respective year, regardless of when drilling was initiated. Completion refers to the installation of permanent equipment for production of oil or gas, or, in the case of a dry well, and reporting to the appropriate authority that the well has been abandoned.

An exploratory well is a well drilled to find oil or gas in a new field or to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir. A development well is a well drilled within the limits of a known oil or gas reservoir to the depth of a stratigraphic horizon known to be productive.

A productive well is an exploratory, development or extension well that is not a dry well. Productive wells include wells in which hydrocarbons were encountered and the drilling or completion of which, in the case of exploratory wells, has been suspended pending further drilling or evaluation. A dry well (hole) is an exploratory, development, or extension well that proves to be incapable of producing either oil or gas in sufficient quantities to justify completion as an oil or gas well.

Oil and gas properties, wells, operations, and acreage

The following tables show the number of gross and net productive crude oil and natural gas wells and total gross and net developed and undeveloped oil and natural gas acreage as of 31 December 2021. A gross well or acre is one in which a working interest is owned, while a net well or acre exists when the sum of fractional working interests owned in gross wells or acres equals one. Productive wells are producing wells and wells mechanically capable of production. Developed acreage is comprised of leased acres that are within an area by or assignable to a productive well. Undeveloped acreage is comprised of leased acres on which wells have not been drilled or completed to a point that would permit the production of economic quantities of oil and gas, regardless of whether such acres contain proved reserves.

The number of productive crude oil and natural gas wells in which Woodside held an interest at 31 December 2021 was as follows:

| | <u>Crude oil wells</u> | | <u>Natural gas wells</u> | | <u>Total</u> | |
|-----------|------------------------|-------------|--------------------------|-------------|--------------|-------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 24 | 13.1 | 68 | 21.2 | 92 | 34.3 |
| Other | - | - | - | - | - | - |
| Total | <u>24</u> | <u>13.1</u> | <u>68</u> | <u>21.2</u> | <u>92</u> | <u>34.3</u> |

Of the productive crude oil and natural gas wells, 8 (net: 2.2) operated developed wells had multiple completions. The number of wells with multiple completions refers to wells that have downhole equipment installed that allows zonal isolation or controlled commingling of production as permitted and approved by the applicable regulator.

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Developed and undeveloped acreage (including both leases and concessions) held at 31 December 2021 was as follows:

| Thousands of acres | Developed acreage | | Undeveloped acreage | |
|--------------------|-------------------|------------|---------------------|--------------|
| | Gross | Net | Gross | Net |
| Australia | 1,050 | 360 | 1,158 | 733 |
| Other (1) | – | – | 1,209 | 526 |
| Total | 1,050 | 360 | 2,367 | 1,259 |

(1) Undeveloped acreage in Other consists of the Sangomar Development in Senegal, Timor-Leste and Canada

It is not expected that any of the acreage will expire in the years ending 31 December 2022, 2023 and 2024, respectively, if Woodside does not establish production or take any other action to extend the terms of the licenses and concessions.

Delivery commitments

Woodside has contracts that require delivery of fixed volumes of crude oil, condensate, natural gas and NGL. Woodside intends to fulfill its short-term and long-term obligations with its production or from purchases of third-party volumes.

As of 31 December 2021, delivery commitments were as follows:

| Year Ending 31 December | Natural Gas (MMBtu) | Crude Oil (MMbbl) | Condensate (MMbbl) | NGL (MMbbl) |
|---|------------------------|----------------------|-----------------------|----------------|
| 2022 to 2026 | 1,698,324,768 | 4.3 | – | – |
| Thereafter | 2,435,917,399 | – | – | – |
| Total oil and gas delivery commitments | 4,134,242,168 | 4.3 | – | – |

Woodside Production

| | 2021 | 2020 | 2019 |
|--|-----------------|-----------------|-----------------|
| Production volumes | | | |
| Crude oil and condensate ('000 of barrels) | | | |
| NWS | 3,224.9 | 4,039.0 | 4,356.2 |
| Pluto | 3,034.4 | 3,095.1 | 2,607.1 |
| Wheatstone | 1,789.6 | 3,032.9 | 1,810.8 |
| Australia Oil (NY and Okha) | 8,626 | 9,699.6 | 5,620.7 |
| Total crude oil and condensate | 16,674.9 | 19,866.5 | 14,394.7 |
| Natural gas (billion cubic feet) (Dry Gas) (1) | | | |
| NWS | 121.3 | 143.4 | 145.6 |
| Pluto | 243.7 | 244.4 | 204.8 |
| Wheatstone | 65.2 | 73.7 | 70.4 |
| Australia Oil (NY and Okha) | – | – | – |
| Total natural gas | 430.1 | 461.5 | 420.8 |
| Total production of petroleum products (million barrels of oil equivalent) (2) | | | |
| NWS | 24.5 | 29.2 | 29.9 |
| Pluto | 45.8 | 46.0 | 38.5 |
| Wheatstone | 13.2 | 16.0 | 14.2 |
| Australia Oil (NY and Okha) | 8.6 | 9.7 | 5.6 |
| Total production of petroleum products (3) | 92.1 | 100.8 | 88.2 |

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| | 2021 | 2020 | 2019 |
|--|--------------|--------------|--------------|
| Average sales price | | | |
| Crude oil and condensate (\$ per barrel) | | | |
| NWS | 75.40 | 42.24 | 59.13 |
| Pluto | 74.08 | 36.86 | 62.02 |
| Wheatstone | 71.19 | 40.38 | 60.23 |
| Australia Oil (NY and Okha) | 79.16 | 44.43 | 65.58 |
| Total crude oil and condensate | 76.43 | 42.24 | 62.18 |
| Natural gas (\$ per thousand cubic feet) | | | |
| NWS | 10.31 | 5.14 | 7.74 |
| Pluto | 10.13 | 5.41 | 8.67 |
| Wheatstone | 9.69 | 5.16 | 8.36 |
| Australia Oil (NY and Okha) | – | – | – |
| Total natural gas | 10.12 | 5.28 | 8.27 |
| Average production cost (\$ per boe) | | | |
| NWS | 13.08 | 6.66 | 10.19 |
| Pluto | 4.94 | 4.82 | 6.25 |
| Wheatstone | 5.04 | 5.13 | 4.31 |
| Australia Oil (NY and Okha) | 13.02 | 13.81 | 12.86 |
| Total average production cost (4) | 7.93 | 6.30 | 7.77 |

- (1) Natural gas includes LNG, domestic gas and LPG
- (2) Total barrels of oil equivalent (boe) conversion is based on the following: 5,700 standard cubic feet (scf) of natural gas equals one boe. This conversion ratio is based on the heating value of supplied LNG and domestic pipeline gas. The use of a conversion factor of 6.0 would be more appropriate where the sales product contains more inerts as might be the case with assets that supply pipeline gas with lower heating value requirements. Based on an assessment of past, current and future heating value requirements for gas demand for Woodside's facilities, Woodside believes that a ratio of 5.7 is appropriate.
- (3) The total 2021 production volume of 92.1 MMboe compares to sales production volume of 91.1 MMboe. The sales production volume is the basis for the average realized sales price.
- (4) Average production costs include direct and indirect costs relating to the production of total hydrocarbons and the foreign exchange effect of translating local currency denominated costs into U.S. dollars but excludes cost to transport produced hydrocarbons to the point of sale, ad valorem and severance taxes. The 2021 total average production cost of \$7.93 per boe compares to \$5.30 per boe if royalties, excise and other indirect costs were excluded.

Woodside Petroleum Reserves

All proved undeveloped reserves are associated with projects included in Woodside's corporate plan which is discussed by the Executive Committee annually and approved by the Chief Executive Officer.

2021 proved reserves

Production during 2021 totaled 92.1 MMboe which was 8.7 MMboe lower than the previous year primarily due to overall natural production decline. 10.2 MMboe (11.2%) of production was associated with downstream operations fuel.

Net additions to reserves totaled 931.5 MMboe mostly due to first time reserves classification of the Scarborough development (the "Scarborough LNG Project") and the Sangomar Oil Field Development. As of 31 December 2021, proved reserves totaled 1,431.6 MMboe.

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Extension and discoveries

The Scarborough LNG Project took FID during 2021 and this contributed to a significant addition of 901.9 MMboe of proved reserves. The Sangomar Oil Field Development is in execution phase and accounts for 81.2 MMboe of proved reserves. Other minor extensions included intersection of previously unpenetrated sands in the Julimar and Goodwyn fields bringing the total extensions to 984.2 MMboe.

Revisions

In Australia, revisions increased proved reserves by 39.5 MMboe primarily due to improved production performance in the Pluto field, Greater Enfield and NWS oil fields partially offset by poorer than expected production performance in the Brunello and NWS gas fields.

Improved Recovery Revisions

There were no improved recovery revisions during the year.

Production

Production during the year totalled 92.1 MMboe, all in Australia.

Proved Developed and Undeveloped Oil Reserves

MMbbl of Oil

| | <u>Australia</u> | <u>United States</u> | <u>Other</u> | <u>Total</u> |
|--|------------------|----------------------|--------------|--------------|
| Reserves as of 31 December 2018 | 40.5 | - | - | 40.5 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | - | - | - | - |
| Revisions | (1.1) | - | - | (1.1) |
| Purchase/Sales | - | - | - | - |
| Production | (5.6) | - | - | (5.6) |
| Reserves as of 31 December 2019 | 33.8 | - | - | 33.8 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | - | - | - | - |
| Revisions | (4.0) | - | - | (4.0) |
| Purchase/Sales | - | - | - | - |
| Production | (9.7) | - | - | (9.7) |
| Reserves as of 31 December 2020 | 20.0 | - | - | 20.0 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | - | - | 81.2 | 81.2 |
| Revisions | 11.9 | - | - | 11.9 |
| Purchase/Sales | - | - | - | - |
| Production | (8.6) | - | - | (8.6) |
| Reserves as of 31 December 2021 | 23.4 | - | 81.2 | 104.5 |
| Developed Reserves | | | | |
| As of 31 December 2018 | 14.7 | - | - | 14.7 |
| As of 31 December 2019 | 33.8 | - | - | 33.8 |
| As of 31 December 2020 | 20.0 | - | - | 20.0 |
| As of 31 December 2021 | 23.4 | - | - | 23.4 |

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| | <u>Australia</u> | <u>United States</u> | <u>Other</u> | <u>Total</u> |
|-------------------------------|------------------|----------------------|--------------|--------------|
| Undeveloped Reserves | | | | |
| As of 31 December 2018 | 25.7 | – | – | 25.7 |
| As of 31 December 2019 | – | – | – | – |
| As of 31 December 2020 | – | – | – | – |
| As of 31 December 2021 | – | – | 81.2 | 81.2 |

Proved Developed and Undeveloped Condensate Reserves

MMbbl of Condensate

| | <u>Australia</u> | <u>United States</u> | <u>Other</u> | <u>Total</u> |
|--|------------------|----------------------|--------------|--------------|
| Reserves as of 31 December 2018 | 59.2 | – | – | 59.2 |
| Improved Recovery | – | – | – | – |
| Extensions/Discoveries | 0.9 | – | – | 0.9 |
| Revisions | (1.7) | – | – | (1.7) |
| Purchase/Sales | – | – | – | – |
| Production | (8.8) | – | – | (8.8) |
| Reserves as of 31 December 2019 | 49.6 | – | – | 49.6 |
| Improved Recovery | – | – | – | – |
| Extensions/Discoveries | 0.1 | – | – | 0.1 |
| Revisions | 1.4 | – | – | 1.4 |
| Purchase/Sales | – | – | – | – |
| Production | (10.2) | – | – | (10.2) |
| Reserves as of 31 December 2020 | 41.0 | – | – | 41.0 |
| Improved Recovery | – | – | – | – |
| Extensions/Discoveries | 0.2 | – | – | 0.2 |
| Revisions | 1.0 | – | – | 1.0 |
| Purchase/Sales | – | – | – | – |
| Production | (8.0) | – | – | (8.0) |
| Reserves as of 31 December 2021 | 34.1 | – | – | 34.1 |
| Developed Reserves | | | | |
| As of 31 December 2018 | 50.5 | – | – | 50.5 |
| As of 31 December 2019 | 39.9 | – | – | 39.9 |
| As of 31 December 2020 | 31.2 | – | – | 31.2 |
| As of 31 December 2021 | 26.9 | – | – | 26.9 |
| Undeveloped Reserves | | | | |
| As of 31 December 2018 | 8.7 | – | – | 8.7 |
| As of 31 December 2019 | 9.7 | – | – | 9.7 |
| As of 31 December 2020 | 9.8 | – | – | 9.8 |
| As of 31 December 2021 | 7.2 | – | – | 7.2 |

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Proved Developed and Undeveloped Natural Gas Reserves

Billions of Cubic Feet

| | <u>Australia</u> | <u>United States</u> | <u>Other</u> | <u>Total</u> |
|--|------------------|----------------------|--------------|----------------|
| Reserves as of 31 December 2018 | 3,331.0 | - | - | 3,331.0 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | 26.4 | - | - | 26.4 |
| Revisions | (71.4) | - | - | (71.4) |
| Purchase/Sales | - | - | - | - |
| Production | (420.8) | - | - | (420.8) |
| Reserves as of 31 December 2019 | 2,865.3 | - | - | 2,865.3 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | 9.6 | - | - | 9.6 |
| Revisions | 89.1 | - | - | 89.1 |
| Purchase/Sales | - | - | - | - |
| Production | (461.5) | - | - | (461.5) |
| Reserves as of 31 December 2020 | 2,502.5 | - | - | 2,502.5 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | 5,146.4 | - | - | 5,146.4 |
| Revisions | 151.2 | - | - | 151.2 |
| Purchase/Sales | - | - | - | - |
| Production | (430.1) | - | - | (430.1) |
| Reserves as of 31 December 2021 | 7,370.0 | - | - | 7,370.0 |
| Developed Reserves | | | | |
| As of 31 December 2018 | 2,649.3 | - | - | 2,649.3 |
| As of 31 December 2019 | 2,151.0 | - | - | 2,151.0 |
| As of 31 December 2020 | 1,778.5 | - | - | 1,778.5 |
| As of 31 December 2021 | 1,744.5 | - | - | 1,744.5 |
| Undeveloped Reserves | | | | |
| As of 31 December 2018 | 681.8 | - | - | 681.8 |
| As of 31 December 2019 | 714.4 | - | - | 714.4 |
| As of 31 December 2020 | 724.0 | - | - | 724.0 |
| As of 31 December 2021 | 5,625.5 | - | - | 5,625.5 |

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Proved Developed and Undeveloped Oil, Condensate and Natural Gas Reserves

Millions of Barrels of Oil Equivalent

| | <u>Australia</u> | <u>United States</u> | <u>Other</u> | <u>Total</u> |
|--|------------------|----------------------|--------------|----------------|
| Reserves as of 31 December 2018 | 684.0 | - | - | 684.0 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | 5.5 | - | - | 5.5 |
| Revisions | (15.3) | - | - | (15.3) |
| Purchase/Sales | - | - | - | - |
| Production | (88.2) | - | - | (88.2) |
| Reserves as of 31 December 2019 | 586.1 | - | - | 586.1 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | 1.8 | - | - | 1.8 |
| Revisions | 13.0 | - | - | 13.0 |
| Purchase/Sales | - | - | - | - |
| Production | (100.8) | - | - | (100.8) |
| Reserves as of 31 December 2020 | 500.1 | - | - | 500.1 |
| Improved Recovery | - | - | - | - |
| Extensions/Discoveries | 903.0 | - | 81.2 | 984.2 |
| Revisions | 39.5 | - | - | 39.5 |
| Purchase/Sales | - | - | - | - |
| Production | (92.1) | - | - | (92.1) |
| Reserves as of 31 December 2021 | 1,350.5 | - | 81.2 | 1,431.6 |
| Developed Reserves | | | | |
| As of 31 December 2018 | 530.0 | - | - | 530.0 |
| As of 31 December 2019 | 451.1 | - | - | 451.1 |
| As of 31 December 2020 | 363.3 | - | - | 363.3 |
| As of 31 December 2021 | 356.3 | - | - | 356.3 |
| Undeveloped Reserves | | | | |
| As of 31 December 2018 | 154.1 | - | - | 154.1 |
| As of 31 December 2019 | 135.0 | - | - | 135.0 |
| As of 31 December 2020 | 136.8 | - | - | 136.8 |
| As of 31 December 2021 | 994.2 | - | 81.2 | 1,075.3 |

| | Year Ended | | |
|---|--------------------|--------------|---------------|
| | 31 December | | |
| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
| Proved Undeveloped Reserves (PUD) Reconciliation (MMboe) | | | |
| PUD Opening Balance | 136.8 | 135.0 | 154.1 |
| Revisions of Previous Estimates | | | |
| Reclassification to developed | (45.7) | 0.0 | (24.6) |
| Performance, Technical Studies and Other | (1.5) | 0.8 | 1.5 |
| Development Plan Changes | - | - | - |
| Price | 14.2 | (0.8) | (0.3) |
| Extensions and Discoveries | 984.2 | 1.8 | 5.5 |
| Acquisitions/Sales | | | |
| | - | - | - |
| Total Change | 938.5 | 1.8 | (19.1) |
| PUD Closing Balance | 1,075.3 | 136.8 | 135.0 |

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- (1) LPG sales quantities are less than 1% of total reserves and are reported as natural gas.
- (2) Barrel oil equivalent conversion based on 5,700 scf of natural gas equals 1 boe.
- (3) Production includes volumes consumed in downstream operations (excludes upstream fuel and flare).
- (4) Proved reserves as of YE2021 include an estimated 141.5 million barrels equivalent expected to be consumed as fuel in downstream operations in Australia and Sangomar.
- (5) Sangomar asset is governed by a Production Sharing Contract arrangement with the Senegal Government and reported proved reserves reflect Woodside's economic interest in this asset.

2021 proved undeveloped reserves

At 31 December 2021, Woodside's proved undeveloped reserves were 1,075.3 MMboe, which is 75.1% of the reported proved reserves of 1,431.6 MMboe. This is an increase in proved undeveloped reserves of 938.5 MMboe from 136.8 MMboe as of 31 December 2020 and is primarily due to first reserves classification for the Scarborough LNG Project (classification year 2021) and the Sangomar Oil Field Development (classification year 2021).

During 2021, a total of 58.6 MMboe proved undeveloped reserves were converted to proved developed reserves after completion of development activities associated with the Pyxis well, Pluto North and Julimar Development Phase 2. These developments incurred a total capital expenditure of \$816 million.

Below is a progress summary as of 31 December 2021 for projects associated with proved undeveloped reserves expected to be converted to developed within five years of initial proved reserves classification. These projects total 1,035.5 MMboe of proved undeveloped reserves, which is 96% of Woodside's total proved undeveloped reserves of 1075.3 MMboe.

Pluto Water Handling (13.9 MMboe) project was 97% complete with an estimated net spend of \$140 million.

Xena-2 well (15.8 MMboe), as part of the Pyxis Hub project, was 80% complete with, two of the total three wells, Pyxis 1 and Pluto North online during 2021.

North West Shelf projects, Greater Western Flank 3 and Lambert Deep subsea tiebacks (10 MMboe) were 87% complete with an estimated net spend of \$93 million.

Pluto well PLA08 (12.6 MMboe), identified as an up dip subsea tie-back gas opportunity following 4D seismic survey and reservoir studies. Funding for develop/FEED phases and long lead items approved and contract awarded for subsea hardware.

Scarborough LNG Project (901.9 MMboe; classification year 2021) which took FID in 2021, was 10% complete with estimated net spend of close to \$440 million relating to subsea, pipeline, FPU and wells. An estimated 2% of the reserves, associated with Phase 2 drill wells, is expected to be developed after five years of classification date.

The Sangomar Oil Field Development in Senegal (81.2 MMboe; classification year 2021) is currently in execution phase and expected to commence production in 2023. The project was 48% complete with FPSO construction and drilling continuing with estimated net spend of \$1,800 million.

Below is a progress summary as of 31 December 2021 for projects associated with proved undeveloped reserves expected to be converted to developed reserves after five years of initial classification date. These projects total 39.8 MMboe of proved undeveloped reserves which is 4% of the reported proved undeveloped reserves of 1,075.3 MMboe.

Julimar Development Phase 3 (total four wells planned with two wells associated with proved undeveloped reserves) and Phase 4 (two wells and a mercury recovery unit planned and associated with proved undeveloped reserves) with net 5.7 and 5.0 MMboe of associated proved reserves, respectively.

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These phases would provide reserves and deliverability to fill available LNG plant capacity and satisfy longer term gas contracts. Planned timing of these projects relates to expectation of ullage based on allocated capacity in the Wheatstone LNG plant.

Wheatstone compression Stages 2 and 3 include booster compression on the Wheatstone platform, at an estimated net cost of \$40 million and developing 12.7 MMboe of proved reserves from the Julimar Brunello wells (first reserves classification year 2021)

Pluto tail gas development involves Pluto offshore and onshore LNG Train 1 modifications to allow minimum field and facilities turnaround rate with an associated 16.4 MMboe proved reserves. Planned timing of this project relates to field performance and ullage in Pluto Train 1.

2020 proved undeveloped reserves

At 31 December 2020, Woodside's proved undeveloped reserves were 136.8 MMboe, which is 27.4% of the reported proved reserves of 500.1 MMboe. This is an increase in proved undeveloped reserves of 1.8 MMboe from 135.0 MMboe as of 31 December 2019.

Below is a progress summary as of 31 December 2020 for projects associated with proved undeveloped reserves expected to be converted to developed within five years of initial booking. These projects total 108 MMboe of proved undeveloped reserves which is 79% of the reported proved undeveloped reserves of 136.8 MMboe.

Pluto Water Handling (PWH) project was 90% complete with a net spend of \$110 million

Pyxis Hub subsea tie-back development comprises three wells, Pyxis, Pluto North and Xena 2, for processing gas via the Pluto LNG Train 1, was progressed during 2020. The project was 50% complete with an estimated net \$300 million spent. Well drilling and completion operations on Pyxis and Pluto North were complete.

The PWH and Pyxis Hub projects are expected to develop net 73 MMboe of 1P reserves.

Julimar Development Phase 2, developing 26 MMboe 1P reserves (subsea tie-back with gas being processed via the Wheatstone LNG facility) was approximately 80% complete with an estimated spend of net \$340 million. Well drilling and completion operations were complete.

Others include North West Shelf projects, Greater Western Flank 3 and Lambert Deep subsea tiebacks developing net 9 MMboe 1P reserves. These were 20% complete with an estimated net spend of \$24 million.

Below is a progress summary as of 31 December 2020 for projects associated with proved undeveloped reserves expected to be converted to developed after five years of initial booking. These projects total 28 MMboe of proved undeveloped reserves which is 21% of the reported proved undeveloped reserves of 136.7 MMboe.

Julimar Development Phase 3 (total four wells planned with two wells associated with proved undeveloped reserves) and Phase 4 (two wells and a mercury recovery unit planned and associated with proved undeveloped reserves) with net 5 and 8 MMboe of associated proved reserves, respectively. These phases would provide reserves and deliverability to fill available LNG plant capacity and satisfy longer term gas contracts. Planned timing of these projects relates to expectation of ullage based on allocated capacity in the Wheatstone LNG plant.

Pluto tail gas development involves Pluto offshore and onshore LNG Train 1 modifications to allow minimum field and facilities turnaround rate with an associated 15 MMboe proved reserves. Planned timing of this project relates to field performance and ullage in Pluto Train 1.

2019 proved undeveloped reserves

At 31 December 2019, Woodside had 135.0 MMboe of proved undeveloped reserves, which represented 23.0% of year-end 2019 proved reserves of 586.1 MMboe. The proved undeveloped reserves at 31 December

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2019 reflect a net decrease of 19.1 MMboe from the 154.1 MMboe reported at 31 December 2018. The reclassification of 25.7 MMboe to developed reserves was due to the Greater Enfield oil and Goodwyn gas wells coming on line.

Qualified Petroleum Evaluator Sign Off

Preparation of Woodside Reserve Estimates

Woodside's reserve estimates as of 31 December 2021, 2020 and 2019 included herein are based on evaluations prepared by the independent petroleum engineering firm Netherland, Sewell & Associates, Inc. in accordance with Standards Pertaining to the Estimation and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Evaluation Engineers and definitions and guidelines established by the SEC.

Netherland, Sewell & Associates, Inc. provides worldwide petroleum property analysis services for energy clients, financial organizations and government agencies. Netherland, Sewell & Associates, Inc. was founded in 1961 and performs consulting petroleum engineering services under Texas Board of Professional Engineers Registration No. F-2699. The technical persons primarily responsible for preparing the estimates presented herein meet the requirements regarding qualifications, independence, objectivity, and confidentiality set forth in the SPE Standards. Joseph M. Wolfe, a Licensed Professional Engineer in the State of Texas, has been practicing consulting petroleum engineering at Netherland, Sewell & Associates, Inc. since 2013 and has over 5 years of prior industry experience. John G. Hattner, a Licensed Professional Geoscientist in the State of Texas, has been practicing consulting petroleum geoscience at Netherland, Sewell & Associates, Inc. since 1991 and has over 11 years of prior industry experience. They are independent petroleum engineers, geologists, geophysicists, and petrophysicists; who do not own an interest in these properties nor are they employed on a contingent basis.

Reserves assessments have been made using deterministic methods such as decline curve analysis where sufficient historical production and pressure data is available. Probabilistic methodologies, using petrophysical electric logs, 3D and 4D seismic data and 3D static geological and dynamic modelling is also used to complement deterministic analysis and used where there is insufficient or no historical production data.

Woodside's internal staff of petroleum engineers and geoscience professionals work closely with Woodside's independent reserve engineer to ensure the integrity, accuracy and timeliness of data furnished to such independent reserve engineer in their preparation of reserve estimates. The accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation. As a result, the estimates of different engineers often vary. In addition, the results of drilling, testing and production may justify revisions of such estimates. Accordingly, reserve estimates often differ from the quantities of oil, natural gas and NGL that are ultimately recovered. See "*Risk Factors*" appearing elsewhere in this prospectus.

The Vice President of Reservoir Management, Mr. Jason Greenwald, has provided an oversight of the reserves assessment and reporting processes. Mr. Greenwald is a full-time employee of Woodside 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. Mr. Greenwald has the qualifications and experience required to act as a qualified petroleum reserves evaluator under the ASX Listing Rules. No part of the individual compensation is dependent on reported reserves. Reported reserves are internally reviewed by the Woodside Reserves Committee

The Vice President Reservoir Management, Woodside Reserves Coordinator and the Woodside Reserves Committee ("WRC") advise management on the compliance of all new resource bookings and material revisions with respect to Woodside's PRMP. The WRC comprises senior management from relevant business areas and reports to the Executive Vice President Operations. The WRC reviews compliance and recommends new reserve bookings and other material revisions of petroleum resources in which Woodside holds an interest. The WRC, Executive Vice President Operations and the Chief Executive Officer recommend the Annual Reserves and Resource Statement to the Board for approval.

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Notes to petroleum estimates

Woodside reports its reserves net of the fuel and flare required for production, processing and transportation up to a reference point. For Woodside's offshore oil projects, the reference point is defined as the outlet of the FPSO facility, while for its onshore gas projects the reference point is defined as the inlet to the downstream (onshore) processing facility.

Woodside uses both deterministic and probabilistic methods for estimation of its petroleum resources at the field and project levels. Unless otherwise stated, all Woodside petroleum estimates reported at the company or region level are aggregated by arithmetic summation by category.

ESG

In 2021, Woodside maintained its 'AAA' leader rating in the Morgan Stanley Capital International ESG ratings for the eighth consecutive year.

Environmental

Strong environmental performance is essential to Woodside's success and continued growth, Woodside strives to reduce its environmental footprint across all phases of the operating life cycle with a key emphasis on learning and continuous improvement.

Woodside's approach to environmental management is governed by its Health, Safety and Environment (HSE) Policy and Environmental Management Approach that apply to all activities under Woodside operational control. Woodside's environmental risk management process allows it to consistently address the environmental impacts and risks associated with Woodside's activities across all operating locations and regulatory regimes.

Woodside relies on evidence-based scientific knowledge to support its understanding of the environments where it operates. This informs Woodside's risk evaluations of its potential impacts on biodiversity and the local environment and is critical to making the right environmental decisions.

Woodside regularly reassess environmental impacts and risks of operations across its portfolio at the activity level. This is to ensure emerging scientific understanding and best practices are captured in these assessments, ultimately resulting in more robust environmental outcomes. Woodside's impact and risk assessment methodologies are guided by the principles in the International Standard ISO31000 2018 Risk Management Guideline.

Climate Change

Woodside's climate strategy is composed of reducing its net equity Scope 1 and 2 greenhouse gas emissions, and investing in the products and services that are intended to help customers reduce their emissions.

Emissions Reductions

Woodside sets its Scope 1 and 2 greenhouse gas emissions targets on a net equity basis. This ensures that the scope of emissions reduction targets is aligned with the actual footprint of investments and its expected use of offsets. Equity emissions reflect the greenhouse gas emissions from operations according to Woodside's share of equity in the operation. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation. Woodside also intends to set its emissions reduction targets on a net basis, allowing for both direct emissions reductions from its operations and emissions reductions achieved from the use of offsets.

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Woodside has established near and medium-term targets to reduce its net equity share Scope 1 and 2 greenhouse gas emissions by 15% by 2025 and 30% by 2030 relative to the gross annual average for the period 2016–2020. The baseline is set as the gross average equity Scope 1 and 2 emissions over 2016-2020 and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets with an FID prior to 2021. The baseline will be adjusted for the Merged Group’s portfolio. Woodside plans to meet these targets by:

- Limiting emissions through the design of facilities;
- Reducing emissions through the operation of facilities; and
- Offsetting emissions, by both originating and acquiring quality offsets.

Woodside is the largest Australian LNG operator and in 2021 it operated 5% of global LNG supply. The International Energy Agency expects natural gas to remain an important part of electricity system flexibility and to continue to be used by customers to support decarbonization. Emissions from using natural gas to generate electricity are significantly lower than when using coal to produce the same amount of electricity. Natural gas is also expected to continue to be used in high-temperature industrial processes and for non-energy purposes, such as a chemical feedstock, where substitution with alternatives may not currently be technically or economically viable.

Offsets

Woodside is building a portfolio of offsets and offset origination projects from which to meet a portion of the expected future regulatory requirements and corporate emissions reduction targets. This approach is intended to manage the risk that the costs, availability and regulatory framework for offsets changes in the future, by developing a diverse portfolio differentiated by vintage, methodology and geography.

Woodside recognizes that there are important conditions on the use of offsets, including that the emissions reduction hierarchy should prioritize avoiding and reducing emissions before offsetting them, and that offsets must be verified as additional, scientifically valid and accurately accounted for using robust methodologies.

At present Woodside uses international offsets accredited by two independent non-government organizations: Verra and Gold Standard. These international programs are chosen because they also deliver offset integrity, with similar standards to those required for Australian Carbon Credit Units (“ACCUs”). Verra and Gold Standard offsets are recognized under the Australian Government’s Climate Active Carbon Neutral Standard as genuine carbon reduction that can be used for certification of net carbon neutrality.

Through developing its own projects, Woodside plans to generate its own offsets with a focus on co-benefits delivery such as biodiversity (including the variety of plant and animal life (flora and fauna) within habitats in and surrounding the areas where Woodside is active), regional economic development and indigenous participation.

Woodside has a diverse portfolio of offsets which mitigates the risk of a single event materially impacting the overall portfolio and the ability to meet future obligations. Woodside actively manages the origination projects for which it is the project proponent. For offsets procured from third parties it relies on the governance processes of the certification organization (Verra and Gold Standard). Project performance is monitored across the offset portfolio, and where yields on origination projects are not sufficient to meet overall offset generation expectations portfolio-wide, additional sources of offsets are procured. For procured offsets, the targeted standards have rules and guidelines for the management of underperforming projects, with both Verra and Gold Standard requiring buffers from project proponents to mitigate loss of offsets due to underperformance of the project protecting the buyers of these offsets.

The use of international offsets accredited by independent non-governmental organizations or ACCUs regulated by the Australian Government allows for the validation of actual offset project outcomes against estimates, as offsets units that meet these integrity standards include third-party scientific verification and certification of offset generation.

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Woodside estimates the quantity of offsets required to meet a portion of the expected future regulatory requirements and corporate emissions targets through integrated production and greenhouse gas emissions forecasting and considering risk factors associated with oil and gas businesses, including but not limited to: drilling and production results, reserves estimates, loss of market, physical risks and project delay or advancement, as well as assessment of current and possible future greenhouse gas regulatory requirements and abatement able to be delivered through engineering or operational changes. Estimates are compared to actual results at the asset and divisional level to provide insight on performance against emissions reduction targets as well as to improve the accuracy of future forecasts.

New Energy

Woodside is also focused on maturing its portfolio of new energy opportunities in Australia and internationally and over the course of 2021, progressed studies and commercial discussions with third parties to advance various hydrogen and ammonia opportunities. Woodside also continues to assess CCS opportunities which includes screening for suitable reservoirs, which if pursued, could reduce or offset Woodside's carbon emissions and those of other third-party emitters. See the section entitled "*Business and Certain Information About the Merged Group-Intentions of the Merged Group*" for additional information.

Social and community

Woodside recognizes the importance of its role to manage the impacts of its activities on communities to deliver mutually beneficial and sustainable social outcomes in the areas where it operates. Woodside's interactions with local communities are guided by its Sustainable Communities Policy and the Indigenous Communities Policy.

Woodside regularly engages with key stakeholders and the broader communities where it operates to identify and understand expectations and manage potential impacts related to its activities. This includes Karratha, Roebourne and Exmouth in north-western Australia and Senegal.

Engagement with Traditional Owners and Custodians in Karratha and Roebourne is focused on cultural heritage management for its operations on the Burrup Peninsula, also known as Murujuga, and other matters including Indigenous contracting and employment, and social investment. Comprehensive cultural heritage management plans are in place to monitor and manage environmental impacts on cultural heritage, including rock art. The term "Traditional Owners and Custodians" refers to Aboriginal people who, in accordance with Aboriginal tradition, hold particular knowledge about and can speak for the cultural heritage value of a particular area and have traditional rights, interests and responsibilities in respect of Aboriginal places, objects or ancestral remains located in or reasonably expected to have originated from a particular area. Traditional Owners and Custodians have a social, economic or spiritual affiliation with, and responsibilities for, an Aboriginal site or object.

Woodside maintains active social investment programs where it operates. Partnerships are based on established relationships with stakeholders and host communities, with the aim of increasing long-term community capability. A new five-year approach from 2021 identifies three social outcome focus areas to support community development and long-term outcomes. Woodside engages actively with local businesses and services in Australia and Senegal to support initiatives to help small businesses to effectively engage in the supply chain and build capability.

Governance

See the section entitled "*Board of Directors and Management of the Merged Group After the Merger-Committees of the Merged Group Following the Merger-Woodside Board Committees*" for more information on Woodside's Sustainability Committee and corporate governance initiatives around ESG.

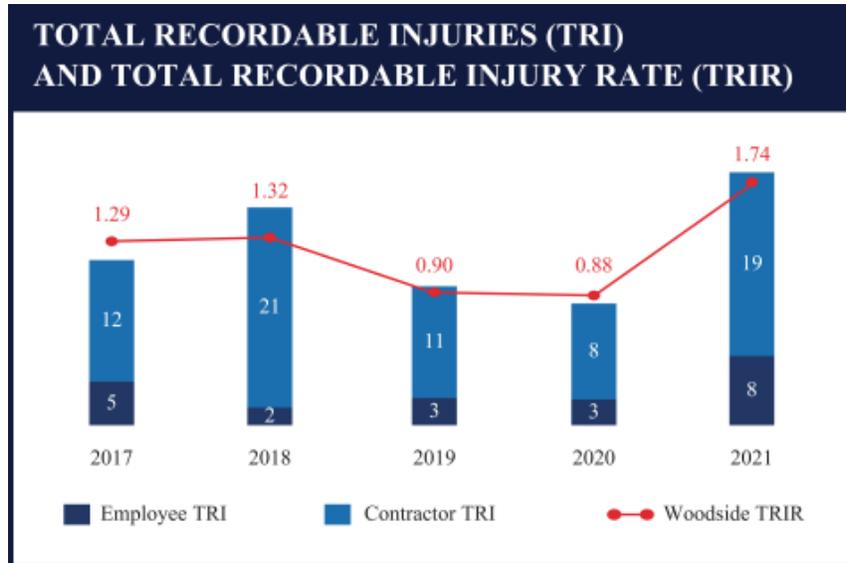
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Health and Safety

Woodside is committed to providing workplaces where its people and contractors are physically and psychologically safe, healthy and well. Woodside's Safety Culture framework governs behavioral expectations required at all levels of the organization to build and sustain an effective safety culture. Woodside continually seeks to learn and to improve with an emerging focus on leveraging technology to reduce risk. Further, there is a focus on promotion of positive practices and providing support services to enhance employee wellbeing and to effectively manage workplace risks to mental health.

Woodside's total recordable injury rate increased in 2021, in contrast with a downward trend in previous years. Improving this performance is a priority in the year ahead.

Figure 11: Total recorded injury rate



(1) Per million work hours.

Seasonality

Woodside's revenue is exposed to commodity price fluctuations through the sale of hydrocarbons. Commodity pricing can be higher during winter in the Northern hemisphere due to increased demand.

Values and Strategy

Values

The Woodside Compass defines Woodside's fundamental values. The Woodside Compass also provides clear direction on where Woodside is going, and how it will get there. The values of the Woodside Compass are as follows:

Respect—We give everyone a fair go, give and receive feedback and listen with empathy

Ownership—We set goals, hold ourselves accountable and learn, including from mistakes

Sustainability—We keep each other safe, look after the environment and support our community

Working Together—We embrace inclusion, value diversity and build long-term relationships

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Integrity–We are transparent, honest and fair and build trust by doing the right thing

Courage–We speak up, act decisively and embrace change

Strategy

Woodside has developed a strategy to deliver positive stakeholder outcomes by pursuing a portfolio of low-cost and lower-carbon growth opportunities. As outlined below, Woodside’s strategy is underpinned by a robust base business, innovative technology and a prudent approach to capital allocation which provides the foundation to progress key development projects and to navigate the energy transition.

| | |
|--------------------------------|---|
| Woodside’s Foundation | <p>Operations are characterized by strong LNG reliability, cost discipline and strong safety and environmental performance</p> <p>Continue to maintain competitive advantage through sustained operational excellence, resources in close proximity to growth markets, acute cost focus and continued innovation in technology</p> |
| Pursuing Energy Growth | <p>Progressing an attractive portfolio of development projects to unlock value for shareholders and other stakeholders</p> <p>Final investment decisions have been made in relation to the Scarborough and Pluto Train 2 developments with first LNG cargo targeted for 2026</p> <p>Project execution for Sangomar Oil Field Development Phase 1 projects well-advanced and first oil targeted for 2023</p> <p>Disciplined capital allocation will help to build a low cost, lower-carbon portfolio that is profitable, resilient and diversified</p> |
| Energy Transition Goals | <p>Managing energy transition through the development of a diversified and resilient portfolio, broader decarbonization of the business and incremental investment in new energy products and lower-carbon services</p> <p>Woodside’s climate strategy is composed of reducing our net equity Scope 1 and 2 greenhouse gas emissions, and investing in the products and services that are intended to help customers reduce their emissions</p> <p>Developing Woodside’s lower-carbon business, and actively generating sources for carbon offsets of Scope 1 and Scope 2 emissions</p> <p>Pursuing complementary opportunities that offer optionality around traditional assets that may diversify revenue streams</p> <p>Sharing knowledge and building capabilities through partnerships</p> |

Summary of Material Legal Proceedings

Woodside is involved from time to time in legal proceedings and governmental investigations of a character normally incidental to its business, including claims and pending actions against it seeking damages, or clarification or prosecution of legal rights and regulatory inquiries regarding business practices. Insurance or other indemnification protection may offset the financial impact on Woodside of a successful claim.

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Except as set forth below, there are no governmental, legal or arbitral proceedings (including any such proceedings which are pending or threatened and of which Woodside is aware) which may have, or have had during the 12 months prior to the date of this prospectus, a significant effect on Woodside's financial position or profitability:

In March 2016, Armada Balnaves Pte Ltd ("AB") commenced proceedings in the Supreme Court of Western Australia against Woodside claiming damages (\$184.6 million against Woodside) in respect of Woodside's termination of AB's contract. In January 2020, the Court dismissed AB's action. AB appealed, and the appeal was heard in July 2021, and judgement is currently reserved.

In December 2020, the Conservation Council of Western Australia filed applications seeking judicial review of decisions in respect of approvals under section 45C of the Environmental Protection Act (WA) granted for each of the North West Shelf and Pluto Gas Plant. Each approval was granted in July 2019. The Supreme Court of Western Australia dismissed the proceedings in March 2022.

In November 2021, Woodside was served with a further proceeding commenced by the Conservation Council of Western Australia in the Supreme Court of Western Australia seeking judicial review of a decision by the CEO of the Western Australian Department of Water and Environmental Regulation to grant Woodside a works approval for the Pluto Train 2 project granted in May 2021.

BUSINESS AND CERTAIN INFORMATION ABOUT BHP PETROLEUM

Incorporated in 1885, BHP is a leading global resources company with a market capitalization of approximately A\$250 billion as of 24 March 2022 (based on the closing price of BHP Shares of A\$49.30). BHP's operations revolve around the discovery, development, production and marketing of iron ore, metallurgical coal, copper, nickel and uranium. BHP also has substantial interests in potash and, through BHP Petroleum, oil and gas.

BHP is headquartered in Melbourne, Australia, with more than 80,000 employees and contractors, operating in over 90 locations worldwide.

BHP Group Ltd is registered in Australia. Its registered office is 171 Collins Street, Melbourne, Victoria 3000, Australia. BHP's internet address is www.bhp.com. Please note that BHP's internet address is included in this prospectus as an inactive textual reference only. The information contained on BHP's website is not incorporated by reference into this prospectus or any future documents that may be filed with the SEC and should not be considered part of this document.

BHP pioneered the development of an oil and gas industry in Australia with the Bass Strait discovery in 1965. BHP Petroleum International Pty Ltd is a wholly owned subsidiary of BHP. The BHP Petroleum business now has conventional oil and gas assets located in the U.S. GOM, Australia, T&T, Algeria, and Mexico, and appraisal and exploration options in T&T, central and western U.S. GOM, Eastern Canada, Barbados and Egypt. The crude oil and condensate, gas and NGLs produced by the assets of BHP Petroleum are sold on the international spot and domestic markets. The BHP Petroleum assets include BHP Petroleum's effective interest in the Rhourde Ouled Integrated Development, ("Algerian Assets"), which BHP is in the process of divesting.

During FY2021, BHP Petroleum achieved first production at two major development projects, both of which were delivered on or ahead of schedule. The Ruby oil and gas project in T&T achieved first production in May 2021. The Atlantis Phase 3 project achieved first production in the first half of the 2021 fiscal year. Total BHP Petroleum production and unit costs for FY2021 was 103 MMboe and \$10.83/boe respectively. The calculation of BHP Petroleum unit costs is set out in the section entitled "*Management's Discussion and Analysis of Financial Condition of Operations of BHP Petroleum—Business Overview, Strategy and Key Performance Drivers—Business Environment—BHP Petroleum costs.*" BHP Petroleum unit costs are calculated as ratio of net costs of the assets to the equity share of production. BHP Petroleum unit costs exclude freight, exploration and development and evaluation expense and other costs that do not represent underlying cost performance of the business.

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Recent Financial and Operating Information

The following table provides information on BHP Petroleum's financial and operating performance in its three most recently completed fiscal years. For further information, as well as information relating to BHP Petroleum's financial and operating performance for the half year ended 31 December 2021, see the section entitled, "Management's Discussion and Analysis of Financial Condition of Operations of BHP Petroleum".

| | | <u>FY June 2021</u> | <u>FY June 2020</u> | <u>FY June 2019</u> |
|---|-------|---------------------|---------------------|---------------------|
| | | \$ million | | |
| BHP Petroleum Financial Summary | | | | |
| Revenue | | 3,909 | 3,997 | 5,867 |
| Underlying EBITDA | | 2,238 | 2,164 | 4,061 |
| Profit/(loss) after taxation from Continuing operations | | (361) | (178) | 661 |
| Profit/(loss) after taxation from Continuing and Discontinuing operations | | (361) | (178) | 326 |
| Cash generated from operations | | 1,743 | 1,925 | 3,693 |
| BHP Petroleum Production Volumes | | | | |
| Gas | bcf | 340.6 | 359.6 | 396.9 |
| Liquids | MMboe | 46.0 | 48.9 | 55.1 |
| Total | MMboe | 103 | 109 | 121 |

During FY2021, BHP Petroleum acquired an additional 28% working interest in Shenzi for \$0.5 billion, increasing its share from 44% to 72% of the project. In FY2019, BHP Petroleum completed the divestment of its U.S. Onshore Shale business, realizing net proceeds on sale of \$10.4 billion.

Further details of BHP Petroleum's historic capital expenditure and divestments is included in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum."

Overview of Assets

BHP Petroleum has an international portfolio of assets which includes oil and gas production in the U.S. GOM, Australian LNG, oil and domestic gas assets and T&T oil and domestic gas assets. Key growth in the portfolio is driven by sanctioned and unsanctioned developments to currently producing assets in the U.S. GOM as well as the development of the Scarborough field in Australia.

Producing and Post-FID Assets (as at 31 December 2021) (1)

| Asset | Description | Operator | BHP Petroleum participating interest | 2021 Prod. MMboe (2) |
|--------------------|---|---------------|--------------------------------------|----------------------|
| Greater Shenzi (3) | Offshore oil and gas asset located in U.S. GOM. Recently, BHP approved the brownfield expansion of Shenzi via the Shenzi North Project. | BHP Petroleum | 72% | 9.4 |
| Atlantis | Offshore oil assets located in the U.S. GOM. | BP | 44% | 13.9 |
| Mad Dog | Offshore oil asset located in the U.S. GOM. Phase 2 expansion of the project is currently underway | BP | 23.9% | 4.9 |

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Producing and Post-FID Assets (as at 31 December 2021) (1)

| Asset | Description | Operator | BHP Petroleum participating interest | 2021 Prod. MMboe (2) |
|-------------------------------------|---|---------------|--|---|
| North West Shelf | LNG facility processing gas and condensate from the offshore North Rankin and Goodwyn-A offshore platforms. Onshore facilities include 5 LNG trains with 16.9 Mtpa export capacity, condensate trains and a domestic gas plant. | Woodside | 16.67% (4) | 22.7 |
| Bass Strait | Southeast Australian major integrated oil and gas asset consisting of offshore facilities, onshore plants and associated pipeline infrastructure. | ExxonMobil | Gippsland Basin Joint Venture (GBJV): 50.0% Kipper Unit Joint Venture (KUJV): 32.5% | 29.2 |
| Pyrenees | Northwest Australian offshore oil asset facility consisting of FPSO | BHP Petroleum | WA-42-L permit: 71.43% WA-43-L permit: 39.999% | 2.8 |
| Macedon | Northwest Australian offshore gas asset with the gas piped to an onshore processing plant. | BHP Petroleum | 71.43% | 8.4 |
| Scarborough | Western Australian offshore gas development exporting gas from a floating production unit to Pluto LNG facility for onshore processing. | Woodside | 26.5% | FID announced 22 November 2021 Targeting first cargo in 2026 |
| T&T (Angostura and Ruby) | Angostura: Offshore oil and gas asset located northeast of Trinidad Ruby: Offshore oil and gas asset located northeast of Trinidad, tied into Angostura infrastructure | BHP Petroleum | 45.0% Block 2(c) 68.46% effective interest in Block 3(a) Project Ruby | 10.6 |

- (1) Includes all actively producing sanctioned and brownfield projects.
- (2) Production attributable to BHP Petroleum's participating interest in the relevant asset for the 12 months ended 31 December 2021.
- (3) Includes Shenzi & Shenzi North (72% interest) and Wildling (100% interest, pre-FID).
- (4) North West Shelf LNG ownership is 12.5-16.67% across nine separate joint venture agreements (this range does not include BHP Petroleum's interest in the historic "Domestic Gas Joint Venture," which is 8.33%). See the section entitled "*Producing Assets-North West Shelf*" for further detail.

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Projects and Growth Options

| <u>Asset</u> | <u>Description</u> | <u>Operator</u> | <u>BHP Petroleum participating interest</u> | <u>Target FID</u> | <u>Target First Prod</u> |
|-----------------|--|-----------------|---|-----------------------|--------------------------|
| Trion | Greenfield development in the deepwater Mexico Gulf of Mexico. | BHP Petroleum | 60% | 2022 | 2026 |
| Calypso | Deepwater gas discovery in T&T North | BHP Petroleum | 70% | 2026 | 2027-2028 |
| Magellan | Deepwater gas discovery in T&T South | BHP Petroleum | 65% | – | – |

Producing Assets

Shenzi

Shenzi overview and history

The Shenzi conventional oil and gas field is located approximately 195 km off the coast of Louisiana in the Green Canyon protraction area, Gulf of Mexico. The field has produced ~350 MMboe (100% basis) since production commenced in 2009. Crude oil produced from the field is transported to connecting pipelines for onward sale to Gulf coast customers. Natural gas production is transported via a lateral pipeline that is tied-in into the Cleopatra natural gas pipeline for ultimate transmission onshore to the Neptune processing plant in St. Mary's Parish, Louisiana.

The Shenzi Joint Venture has recently sanctioned two brownfield developments. First, a subsea multiphase pumping project to increase production rates from existing wells, which is targeted to be completed in 2022. The other sanctioned project involves sidetracks of existing M9U production wells to access unswept oil in the M9U reservoir and achieved first oil in the fourth quarter of 2021. There are also additional unsanctioned infill opportunities at Shenzi to increase production with 3 producing and 2 water injection wells tied back to the Shenzi tension leg platform.

In addition to the currently producing Shenzi field, the project also includes the future tie-back developments of Shenzi North and Wildling which will take advantage of existing infrastructure and production capacity in the nearby Shenzi production facility. Shenzi North, the first development phase of the Greater Wildling mini-basin, was discovered in 2017. On 5 August 2021, BHP approved the funding of \$544 million in capital expenditure (100% basis) to execute the Shenzi North oil project in the U.S. GOM. The project is expected to add two wells and subsea equipment to establish a new drill centre north of Shenzi. Production is expected to begin in FY2024.

The Wildling project adds an additional two wells and subsea equipment. The Wildling field, which is also located in the Wildling mini-basin was discovered in 2017 and is expected to be developed as a subsea tie-back to the Shenzi tension leg platform. Potential FID is expected in 2022-2023, which would lead to first production in 2024-2025.

Ownership structure and joint ventures

The Shenzi field covers lease blocks GC609, GC610, GC652, GC653 and GC654. On 6 November 2020, BHP finalized a membership interest purchase and sale agreement with Hess Corporation to acquire an additional 28% working interest in Shenzi, taking its working interest from 44% to 72%. Repsol S.A. is the only other participant in the Shenzi JV, with a 28% working interest.

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Shenzi North lies in lease blocks GC608 and GC609. The ownership is 72% BHP Petroleum and 28% Repsol S.A.

Greater Wildling lies in lease blocks GC520 and GC564. Greater Wildling is 100% BHP Petroleum owned and operated.

BHP Petroleum owns a 25% and 22% interest respectively in the companies that own and operate the Caesar oil pipeline and the Cleopatra natural gas pipeline which connect the Green Canyon area to connecting pipelines that transport the product onshore.



Figure 12–Shenzi Project map in relation to BHP Petroleum’ s U.S. GOM projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. Map only shows BHP Petroleum fields, leases and pipelines which are referenced in this section entitled “*Business and Certain Information About BHP Petroleum*”

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Offshore infrastructure

Shenzi Tension Leg Platform

| | |
|--|--|
| Location | 195 km off the coast of Louisiana (United States) in the Green Canyon protraction area, Gulf of Mexico |
| Facility type | Tension leg platform |
| Fields (discovered (approximate)) | Shenzi (2002), Greater Wildling (2017), which includes Shenzi North development |
| Product | Oil and gas |
| Production capacity | Oil: 100,000 bbl/d Gas: 50 MMscf/d |
| First production | 2009 |
| Production wells (current / current and sanctioned) | 18 / 21 |

Atlantis

Atlantis overview and history

The Atlantis conventional oil and gas field is one of the largest producing fields in the U.S. GOM, located off the coast of Louisiana in the south-eastern Green Canyon protraction area. Oil and gas from the field is transported to existing shelf and onshore interconnections via the Caesar and Cleopatra pipelines.

Atlantis was discovered in 1998 and has produced approximately 460 MMboe (100% basis) since first production was achieved in 2007. The development of Atlantis occurred over several phases:

Phase 1: sanctioned in 2003;

Phase 2: Operator (BP) submitted Development Operations Coordination Document (DOCD) in 2009, targeting Atlantis North flank. Production commenced in 2009; and

Phase 3: sanctioned in 2019 with first production achieved in 2020, including eight subsea wells and associated manifolds and flow lines.

Atlantis possesses multiple unsanctioned projects currently in the planning phase, leveraging existing infrastructure and technology. Future development phases for Atlantis include multiple infill campaigns with a total of twelve additional producing wells and six additional water injection wells utilizing existing infrastructure. In addition, a major facilities expansion is planned to include topsides modification, subsea multiphase pumping, and upgrades to water injection and water handling facilities.

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Ownership structure and joint ventures

Atlantis field lies within lease blocks GC699, GC742, GC743, and GC744. It is owned by BP (56.0%, operator) and BHP Petroleum (44.0%).

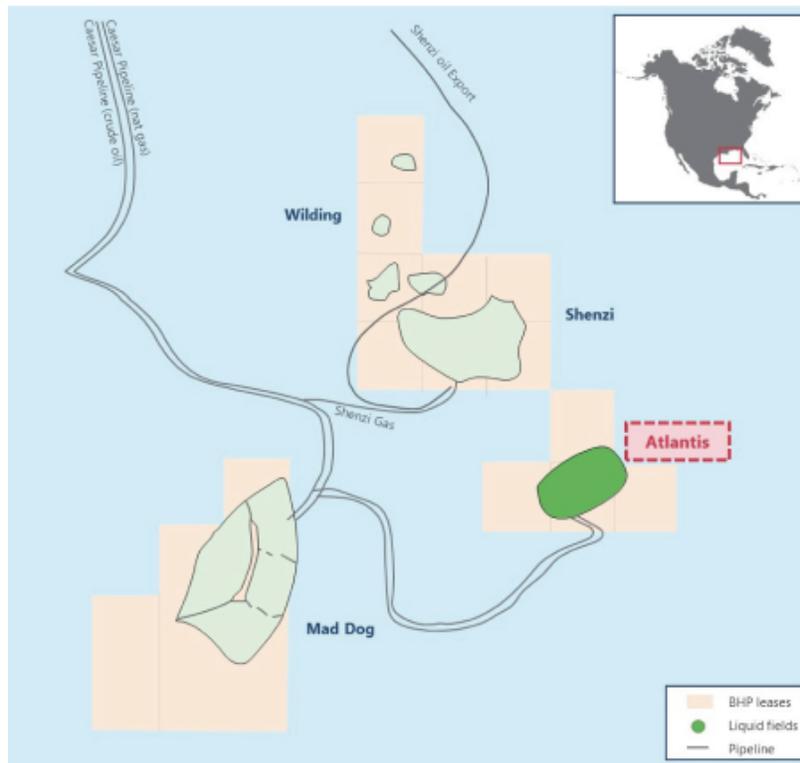


Figure 13–Atlantis Project map in relation to BHP Petroleum’s U.S. GOM projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. Map only shows BHP Petroleum fields, leases and pipelines which are referenced in this section entitled “*Business and Certain Information About BHP Petroleum.*”

Offshore infrastructure

Atlantis Platform

| | |
|--|---|
| Location | ~210 km off the coast of Louisiana (United States) in the south-eastern Green Canyon protraction area |
| Facility type | Semi-submersible wet tree development |
| Fields (discovered (approximate)) | Atlantis (1998) |
| Product | Crude oil and natural gas |
| Production capacity | Oil: 200,000 bbl/d Gas: 180 MMscf/d |
| First production | 2007 |
| Production wells (current / current and sanctioned) | 26 / 31 |

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Mad Dog

Mad Dog overview and history

The Mad Dog conventional oil and gas field is located off the coast of Louisiana in the Green Canyon protraction area, Gulf of Mexico. Mad Dog was discovered in 1998 and has produced approximately 260 MMboe (100% basis) since first production, which was achieved in 2005.

Phase 1 of the project is processed through a subsea truss spar, Spar A. Oil from the project is transported to Ship Shoal 332B through the Caesar pipeline where it is then transported via the Cameron Highway Oil Pipeline System internally in the United States of America. Gas from the project is exported to Ship Shoal 332A through the Cleopatra pipeline, where it is then transported to the Manta Ray Gathering System and then to the Nautilus Gas Transportation System into Louisiana.

Mad Dog Phase 2, which was sanctioned in 2017 for \$2.2 billion in capital expenditure (BHP Petroleum share), focuses development on the southern flank of the field and is targeting first production in 2022. Mad Dog Phase 2 includes a new semi-submersible FPU platform named Argos. The development plan includes 14 production wells and eight water injectors (nine producers and four water injectors have been drilled to date). The new platform will be moored approximately 10 km southwest of the existing Mad Dog platform.

Beyond the sanctioned projects, there are further brownfield growth opportunities at Mad Dog. There are additional opportunities to increase the Mad Dog Phase 2 production beyond the initial investment scope with 9 new wells tied back to existing facility. Additionally, there is potential for a water injection expansion at the project with two water injector wells providing water from Mad Dog Phase 2 facility to increase production at the existing Spar A facility.

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Ownership structure and joint ventures

Mad Dog field lies in lease blocks GC738, GC781, GC782, GC824, GC825, GC826, GC868, GC869, and GC870. It is owned by BP (60.5%, operator), BHP Petroleum (23.9%), and Chevron (15.6%).



Figure 14–Mad Dog Project map in relation to BHP Petroleum’s U.S. GOM projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. Map only shows BHP Petroleum fields, leases and pipelines which are referenced in this section entitled “*Business and Certain Information About BHP Petroleum.*”

Offshore infrastructure

| Mad Dog Platforms | Phase 1 (A-Spar) | Phase 2 (Argos) |
|--|--|---------------------------------------|
| Location | 200 km off the coast of Louisiana (United States) in the south-eastern Green Canyon protraction area | |
| Facility type | Subsea truss spar | Semi-submersible floating |
| Fields (discovered (approximate)) | Mad Dog (1998) | |
| Product | Crude oil and gas | Crude oil and gas |
| Production capacity | Oil: 100,000 bbl/d Gas handling: 60 MMscf/d | Oil: 140,000 bbl/d Gas: 75 MMscf/d |
| First production | 2005 | Target first production in 2022 |
| Production wells (current / current and sanctioned) | 10 / 13 - 14 | 0 / 14 |

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North West Shelf

Refer to the section entitled “*Business and Certain Information About Woodside–Producing Assets–North West Shelf Project*” for an overview of North West Shelf assets. BHP Petroleum owns equity interest of between 12.5% and 16.67% in the various North West Shelf joint ventures operated by Woodside. This range does not include BHP Petroleum’s interest in the historic “Domestic Gas Joint Venture,” which is 8.33%.

Bass Strait

Bass Strait overview and history

The Bass Strait Project consists of numerous conventional oil and gas fields, in the well-established Gippsland Basin off the south-east coast of Victoria, Australia. The project consists of an integrated network of offshore platforms and subsea tie-backs connected via extensive pipeline infrastructure to onshore processing facilities at Longford and Long Island Point. Bass Strait was Australia’s first major offshore oil and gas development and has sold over 8 Tcf of pipeline gas and over 4 billion bbl of oil since first production in 1969.

Natural gas production from Bass Strait currently supplies approximately 40% of Australian east coast domestic gas demand and is the largest supplier into the Eastern Australian domestic gas market, which spans Queensland, New South Wales, Victoria, Tasmania, Australian Capital Territory, Northern Territory, and South Australia. The asset also produces crude oil and condensate, LPG and ethane which is sold to both domestic and international customers.

The Longford facilities process both crude oil and natural gas to achieve requisite sales specifications. Natural gas is exported directly into the east coast gas network while crude and NGLs are transferred to the Long Island Point facility by pipeline. Crude is stored at Long Island Point prior to transfer to domestic refineries via pipeline or export customers via ship loading. NGLs are processed to produce butane, propane, and ethane products. Butane and propane are stored prior to onward sale via truck loading, pipeline, or export shipping. Ethane is sold via pipeline to a customer in the Altona petrochemical area.

In April 2021, the Gippsland Basin Joint Venture successfully commissioned the West Barracouta natural gas field with a capital investment of approximately A\$400 million (100% share). Bass Strait retains a portfolio of contingent and prospective opportunities, primarily from deeper, acid gas resources with commercialization enabled by the Longford Gas Conditioning Plant commissioned in 2017, which provides acid gas processing capability. Further investments to deliver additional gas between 2023 and 2027, including additional development from the Kipper field and advancing funding decision for the Turrum field, were announced in March 2022.

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Several of the Bass Strait offshore facilities have ceased production following field depletion and an active program of restoration is underway. Near term activities are dominated by well plug and abandonment with planning in progress for longer term facility decommissioning and removal.

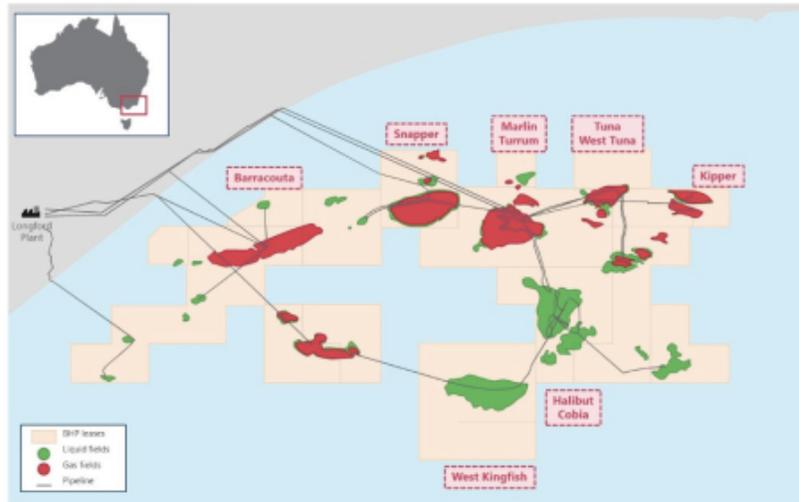


Figure 15–Bass Strait Project map. Fields, blocks and pipelines shown in maps are stylized and not to scale. Map only shows BHP Petroleum fields, leases and pipelines which are referenced in the section entitled “*Business and Certain Information About BHP Petroleum.*”

Ownership structure and joint ventures

Bass Strait production is primarily from the Gippsland Basin Joint Venture owned by ExxonMobil (50%, operator) and BHP Petroleum (50%) and the Kipper Unit Joint Venture owned by ExxonMobil (32.5%, operator), BHP Petroleum (32.5%) and Mitsui (35%). Kipper unit production is processed by the Gippsland Basin Joint Venture under a processing agreement. The Gippsland Basin Joint Venture fields lie in permits Vic/L1-L11 and Vic/L13-19 and the Kipper field lies in permits Vic/L9 and Vic/L25.

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Bass Strait key production hubs

| Bass Strait hubs | Barracouta | Snapper | Marlin / Turrum | Tuna / West Tuna | Kipper | Oil Block |
|---|--|-----------------------|------------------------|--|-----------------------------|--|
| Location | Bass Strait off the south-east coast of Australia | | | | | |
| Facility type | Steel jacket platform and West Barracouta subsea tieback | Steel jacket platform | Steel jacket platform | Steel jacket platform and concrete gravity structure | Subsea tieback to West Tuna | Steel jacket platform |
| Fields (discovered (approximate)) | Barracouta (1965) | Snapper (1968) | Marlin (1966) | Tuna (1968) | Kipper (1986) | Cobia (1967), Halibut (1967), West Kingfish (1977) |
| Product | Natural gas, Natural gas liquids (Condensate and LPG) and Crude Oil | | | | | |
| Production capacity | Processing via onshore gas plants at Longford and Long Island Point: Gas: 1,040 TJ/day Crude oil and condensate: 65,000 bbl/d Liquefied petroleum gas: 5,150 tonnes/d Ethane: 850 tonnes/d | | | | | |
| First production | 1969 | 1981 | 1970 | 1979 | 2017 | 1970 |
| Active production wells (Note: no future drill wells currently sanctioned) | 9 | 23 | 15 | 65 | 2 | 58 |

Pyrenees

Pyrenees overview and history

The Pyrenees project consists of 6 conventional oil fields located approximately 45 km northwest of Exmouth, Western Australia, in the Carnarvon Basin. Crude oil is offloaded from the FPSO directly to tankers for sale to international markets and attracts a premium to Brent given its low sulphur content. Produced formation water is treated on the facility and reinjected for disposal in four subsea water injection wells. A single well into the Macedon gas field allows for injection or production of natural gas depending on facility requirements.

The Pyrenees Phase 4 project has been sanctioned with infill drilling and well intervention for water shut-off.

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Ownership structure and joint ventures

The Pyrenees development covers two separate production licenses: WA-42-L is owned by BHP Petroleum (71.4%, operator) and Santos Limited (“Santos”) (28.6%). WA-43-L is owned by BHP Petroleum (40%, operator), Santos (31.5%) and Inpex (28.5%).

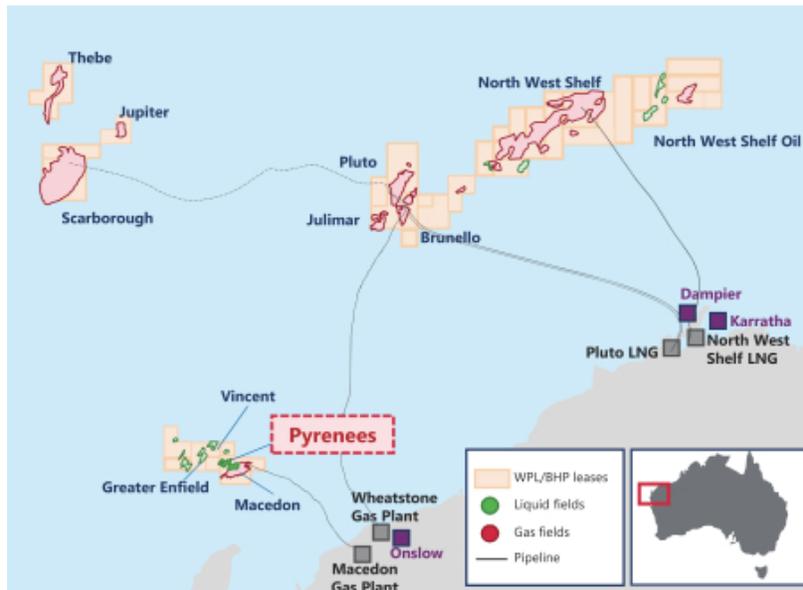


Figure 16–Pyrenees Project map in relation to BHP Petroleum and Woodside’s Western Australia projects. Fields, blocks and pipelines shown in maps are stylized and not to scale with the intent to show the general location and proximity of BHP Petroleum and Woodside’s Carnarvon Basin fields assets. Maps only show the key Woodside and BHP Petroleum fields, leases and pipelines which are referenced in the sections entitled “Business and Certain Information About Woodside” and “Business and Certain Information About BHP Petroleum.”

Offshore infrastructure

Pyrenees

| | |
|--|---|
| Location | 45 km north west of Exmouth, Western Australia |
| Facility type | Floating production, storage and offloading facility (Pyrenees Venture) |
| Fields (discovered (approximate)) | Ravensworth (2003), Crosby (2003), Stickle (2004), Wildbull (2004), Tanglehead (2004) and Moondyne (1993) |
| Product | Crude oil |
| Production capacity | Oil: 96,000 bbl/d |
| First production | 2010 |
| Production wells (current / current and sanctioned) | 22 / 22 † ‡ |

Note: † includes one gas well drilled into the Macedon field. ‡ Pyrenees Phase 4 is sanctioned on the basis of well re-entry for infill drilling and water shutoff and so therefore will not add to well count.

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Macedon

Macedon overview and history

Macedon is an offshore gas field located in the Exmouth sub-basin around 40 km north of Exmouth, Western Australia. Gas is produced from subsea wells and flows through a pipeline to a gas treatment plant located near Onslow. Sales quality gas is then transported via a dedicated 67 km pipeline into the Dampier to Bunbury Natural Gas Pipeline and thereon for onward sale into the Western Australian domestic gas market.

Ownership structure and joint ventures

Macedon lies within WA-42-L, the same production license as Pyrenees. It is owned by BHP Petroleum (71.4%, operator) and Santos (28.6%).

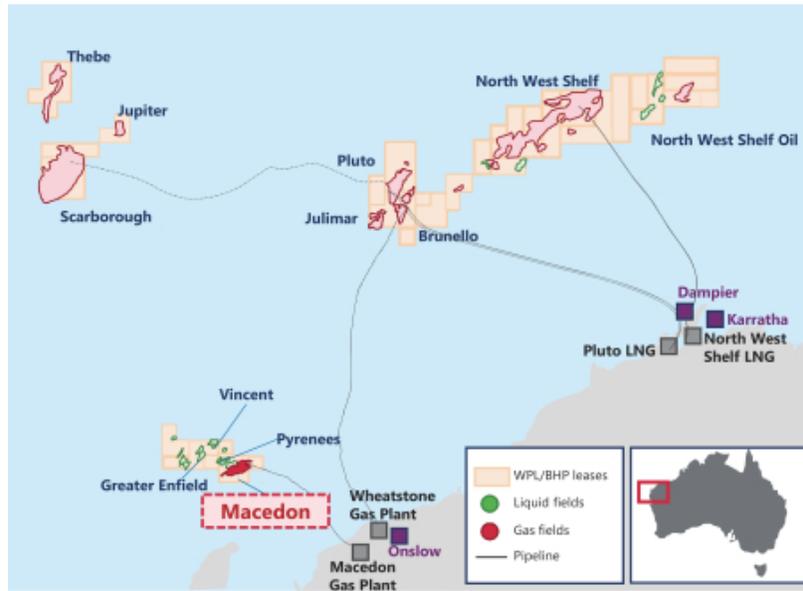


Figure 17–Macedon Project map in relation to BHP Petroleum and Woodside’s Western Australia projects. Fields, blocks and pipelines shown in maps are stylized and not to scale. Map only shows BHP Petroleum fields, leases and pipelines which are referenced in the section entitled “Business and Certain Information About BHP Petroleum.”

Offshore infrastructure

Macedon

| | |
|--|---|
| Location | 100 km offshore west of Onslow, Western Australia |
| Facility type | Onshore single-train gas plant |
| Fields (discovered (approximate)) | Macedon (1992) |
| Product | Natural gas and condensate |
| Production capacity | Gas: 213 MMscf/d Condensate: 110 bbl/d |
| First production | 2013 |
| Production wells (current / current and sanctioned) | 4 / 4 † |

Note: † excludes one Macedon gas well drilled as part of the Pyrenees development

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Trinidad and Tobago

Angostura and Ruby overview and history

The Greater Angostura field is an offshore conventional oil and gas field located 38 km northeast of Trinidad. The Angostura field was discovered in 1999, with first oil achieved in January 2005 (Phase 1). Phase 2 established gas sales in 2011. First gas for Angostura Phase 3 was established in September 2016. Ruby is a conventional offshore oil and gas field located within the Greater Angostura Fields. First oil was achieved in May 2021.

The current development comprises a main central processing platform (“CPP”), gas export platform (“GEP”), four wellhead protector platforms (“WPP”) and onshore terminal. Flowlines connect the Ruby wellhead platform back to the CPP and GEP for processing.

Crude oil from CPP is transported to the terminal facility located in the south eastern end of Trinidad. Calypso crude from the Angostura and Ruby fields is sold on a spot basis to international markets via the terminal facility while the gas is sold domestically under term contracts via separate pipelines to T&T from the Gas Export platform.

Ownership structure and joint ventures

The Angostura field lies in Block 2c. It is owned by BHP Petroleum (45.0%, operator), National Gas Company (30.0%) and Chaoyang (25.0%).

The Ruby field lies in Block 3a. It is owned by BHP Petroleum (68.46%, operator) and National Gas Company (31.54%).

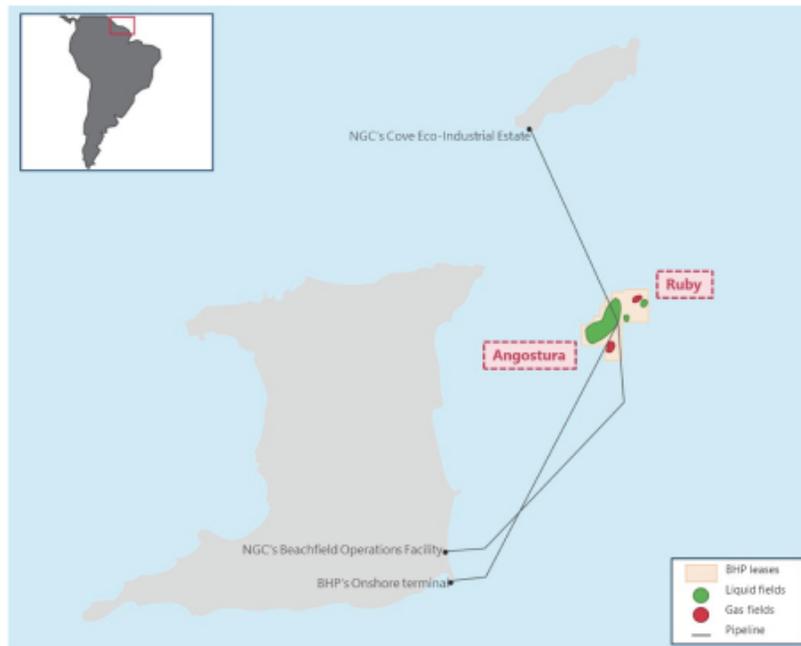


Figure 18–Angostura and Ruby Project map. Fields, blocks and pipelines shown in maps are stylized and not to scale. Map only shows BHP Petroleum fields, leases and pipelines which are referenced in the section entitled “*Business and Certain Information About BHP Petroleum.*”

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Offshore infrastructure

| Trinidad and Tobago | Angostura–Block 2(c) | Ruby–Block 3(a) |
|--|--|--|
| Location | 38.5 km northeast of Trinidad | |
| Facility type | 1 Central Processing Platform (CPP), 1 Gas Export Platform (GEP), 4 Well Protector Platforms (WPP) | 1 Well Protector Platform (WPP) |
| Fields (discovered (approximate)) | Angostura (1999) | Ruby (2006) |
| Product | Oil and Gas | |
| Production capacity | Oil: 100,000 bbl/d Gas: 340 MMscf/d | Tie-in to Angostura infrastructure Oil: 16,000 bbl/d Gas: 80 MMscf/d |
| First production | 2005 | 2021 |
| Production wells (current / current and sanctioned) | 22 / 22 | 5/5 |
| Injection wells (current / current and sanctioned) | 7 / 7 | 1 / 1 |

Other

BHP Petroleum is operator for several Australian fields that are no longer in production including Griffin (45-71.43% Equity) and Stybarrow (50%) offshore oil fields located off North West Cape and the Minerva offshore gas field (Operator 90%) in the Otway basin. A program of restoration activities is underway and is being carried out in close cooperation with environment and safety regulators and other key stakeholders.

Algerian Assets Sale

While BHP Petroleum's reserves and resources as of 30 June 2021 and the combined financial statements of BHP Petroleum are inclusive of BHP Petroleum's 28.85% interest in the Rhourde Ouled Integrated Development, ("Algerian Assets"), these assets are currently classified as non-core and are expected to be divested prior to the Implementation of the Merger.

As part of the Merger, Woodside and BHP have agreed that BHP will retain the economic benefits of the Algerian Assets from the Merger effective date (1 July 2021), including the net proceeds from the divestment. If the divestment of the Algerian Assets has not completed prior to the Implementation of the Merger, Woodside will operate the Algerian Assets on behalf of BHP under an arrangement whereby BHP will retain all economic exposure and indemnify Woodside for any costs and liabilities associated with the Algerian Assets until such time as both parties agree alternative arrangements or the Algerian Assets lapse or terminate (whichever is earlier). As of 30 June 2021, the 1P reserves of the Algerian Assets were approximately 8.9 MMboe and the Algerian Assets contributed revenues of \$164m, \$159m and \$258m for the years ended 30 June 2021, 2020 and 2019, respectively.

Growth Projects

Scarborough

Refer to the section entitled "*Business and Certain Information About Woodside–Projects and Growth Options–Scarborough and Pluto Train 2*" for an overview of the Scarborough asset. BHP Petroleum owns a 26.5% participating interest in the Scarborough Joint Venture.

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Trion

Trion overview and history

The Trion project (Trion) is a BHP Petroleum-operated oil and gas opportunity in Mexico, which was discovered by PEMEX (Mexico's state-owned petroleum company) in 2012, with BHP acquiring operatorship in 2017.

Trion is a greenfield development that would represent the first oil production from Mexico's deepwater, with potential for future discoveries to be tied back to Trion facilities. The Trion field is in the Perdido Foldbelt, Gulf of Mexico, at a water depth of 2,500m approximately 180 km off the Mexican coastline and 30 km south of the U.S./Mexico maritime border.

Ownership structure and joint ventures

BHP Petroleum holds a 60% participating interest in and operatorship of blocks AE-0092 and AE-0093 containing the Trion discovery located in the deep-water Gulf of Mexico offshore Mexico. PEMEX Exploration & Production Mexico holds a 40% interest in the blocks.

Calypso

Calypso overview and history

Calypso is a BHP Petroleum-operated deepwater gas discovery in Trinidad & Tobago. The Calypso opportunity is located 217 km off the coast of Trinidad & Tobago and comprises several discoveries in deepwater Blocks 23(a) and TTDA 14. Calypso is proximate to existing LNG infrastructure and downstream petrochemical facilities.

The Calypso appraisal drilling program (consisting of the Bongos-3, Bongos-3X and Bongos-4 wells) concluded on 20 December 2021. All wells encountered hydrocarbons. Bongos-3 confirmed volumes down dip of prior penetrations and Bongos-4 established volumes in a new segment. The well results are currently under evaluation and will be incorporated into the development plan.

Ownership structure and joint ventures

Calypso sits within the Deepwater Blocks 23(a) and TTDA 14 lease blocks. It is owned by BHP Petroleum (70%, operator) and BP (30%).

Magellan

Magellan overview and history

The Magellan discoveries in the Trinidad South Deepwater license block TTDA 5 includes the LeClerc and Victoria gas fields discovered in 2016 and 2018, respectively. Both fields are approximately 200 km east of the island of Trinidad in water depths of approximately 1,800m.

Ownership structure and joint ventures

BHP Petroleum signed a Production Sharing Contract in 2013 for exploration in the TTDA 5 Block. BHP Petroleum is the operator and has a 65% working interest with Shell as partner.

Seasonality

BHP Petroleum's revenue is exposed to commodity price fluctuations through the sale of hydrocarbons. Commodity pricing can be higher during winter in the Northern hemisphere due to increased demand.

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Description of Property

The following table sets out the location, capacity and BHP Petroleum's ownership interest in the assets described below.

| Asset | Location | BHP Petroleum interest (%) | 100% capacity | BHP Petroleum operated |
|----------------------------------|---|---|--|------------------------|
| Shenzi (Green Canyon 653) | U.S. GOM | 72.0% | 100 kbb/d oil 50 MMscf/d gas | Yes |
| Atlantis (Green Canyon 743) | U.S. GOM | 44.0% | 200 kbb/d oil 180 MMscf/d gas | No |
| Mad Dog (Green Canyon 782) | U.S. GOM | 23.9% | A-Spar (Phase 1): 100 kbb/d oil 60 MMscf/d gas handling Argos (Phase 2): 140 kbb/d oil 75 MMscf/d gas | No |
| Bass Strait | Offshore and onshore Victoria | Gippsland Basin joint venture: 50.0% Kipper Unit joint venture: 32.5% | 65 kbb/d oil 1,040 TJ/d 5,150 tpd LPG 850 tpd Ethane | No |
| North West Shelf LNG | Refer to the section entitled " <i>Business and Certain Information About Woodside—Description of Property.</i> " BHP Petroleum owns an equivalent participating interest to Woodside but is not operator | | | |
| North West Shelf Oil (Okha FPSO) | Refer to the section entitled " <i>Business and Certain Information About Woodside—Description of Property.</i> " BHP Petroleum owns a non-operated 16.67% participating interest | | | |
| Pyrenees | Offshore Western Australia | WA-42-L permit: BHP Petroleum 71.43% WA-43-L permit: BHP Petroleum 39.999% | Production capacity: 96 kbb/d oil Storage: 920 kbb | Yes |
| Macedon | Offshore and onshore Western Australia | 71.43% | Production capacity: 213 MMscf/d gas 0.02 kbb/d/d condensate | Yes |
| Greater Angostura | Offshore T&T | 45.0% | 100 kbb/d/d oil 340 MMscf/d gas | Yes |
| Ruby | Offshore T&T | 68.46% | 16 kbb/d/d oil 80 MMscf/d gas | Yes |

In addition to the assets described above, BHP Petroleum leases office space in several locations globally, the two largest being Houston, Texas and Port of Spain, Trinidad.

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Reserves and Resources

Production

The table below details BHP Petroleum's historical net crude oil and condensate, natural gas and natural gas liquids production, primarily by geographic segment, for each of the three years ended 30 June 2021, 2020 and 2019. The following shows volumes of marketable production after deduction of applicable royalties, fuel and flare. Included in the table are average production costs per unit of production and average sales prices for crude oil and condensate and natural gas for each of those periods.

| | BHP Petroleum share of production Year Ended 30 June | | |
|---|---|-------------|-------------|
| | 2021 | 2020 | 2019 |
| Production volumes | | | |
| Crude oil and condensate | | | |
| <i>('000 of barrels)</i> | | | |
| Australia | 11,918 | 14,044 | 14,365 |
| United States–Conventional | 23,165 | 23,345 | 28,047 |
| United States–Onshore U.S. (1) | – | – | 6,411 |
| Other (2) | 3,646 | 3,823 | 4,885 |
| Total crude oil and condensate | 38,729 | 41,212 | 53,708 |
| Natural gas | | | |
| <i>(billion cubic feet)</i> | | | |
| Australia | 280.9 | 292.6 | 310.1 |
| United States–Conventional | 7.3 | 8.1 | 10.4 |
| United States–Onshore U.S. (1) | – | – | 96.3 |
| Other (2) | 52.4 | 58.9 | 76.2 |
| Total natural gas | 340.6 | 359.6 | 493.0 |
| Natural gas liquids (3) | | | |
| <i>('000 of barrels)</i> | | | |
| Australia | 6,007 | 6,462 | 6,265 |
| United States–Conventional | 1,306 | 1,189 | 1,581 |
| United States–Onshore U.S. (1) | – | – | 3,505 |
| Other (2) | – | – | 42 |
| Total NGL (3) | 7,313 | 7,651 | 11,392 |
| Total production of petroleum products (4) | | | |
| <i>(million barrels of oil equivalent)</i> | | | |
| Australia | 64.7 | 69.3 | 72.3 |
| United States–Conventional | 25.7 | 25.9 | 31.4 |
| United States–Onshore U.S. (1) | – | – | 26.0 |
| Other (2) | 12.4 | 13.6 | 17.6 |
| Total production of petroleum products | 102.8 | 108.8 | 147.3 |
| Average sales price | | | |
| Crude oil and condensate | | | |
| <i>(\$ per barrel)</i> | | | |
| Australia | 53.31 | 52.38 | 69.50 |
| United States–Conventional | 51.74 | 46.69 | 64.65 |
| United States–Onshore U.S. (1) | – | – | 68.02 |
| Other (2) | 55.33 | 56.05 | 68.86 |
| Total crude oil and condensate | 52.56 | 49.53 | 66.73 |

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| | BHP Petroleum share of production Year Ended 30 June | | |
|--|---|-------------|-------------|
| | 2021 | 2020 | 2019 |
| | Natural gas <i>(\$ per thousand cubic feet)</i> | | |
| Australia | 5.12 | 5.60 | 7.00 |
| United States–Conventional | 2.75 | 2.20 | 3.22 |
| United States–Onshore U.S. (1) | – | – | 2.90 |
| Other (2) | 3.23 | 2.60 | 2.87 |
| Total natural gas | 4.79 | 5.02 | 5.50 |
| Natural gas liquids <i>(\$ per barrel)</i> | | | |
| Australia | 34.16 | 27.51 | 36.54 |
| United States–Conventional | 20.82 | 13.44 | 25.73 |
| United States–Onshore U.S. (1) | – | – | 27.74 |
| Other (2) | – | – | 28.66 |
| Total NGL | 31.63 | 25.36 | 32.17 |
| Total average production cost <i>(\$ per barrel of oil equivalent) (5)</i> | | | |
| Australia | 6.40 | 7.12 | 8.98 |
| United States–Conventional | 8.43 | 4.57 | 5.29 |
| United States–Onshore U.S. (1) | – | – | 4.93 |
| Other (2) | 5.20 | 4.94 | 6.41 |
| Total average production cost | 6.76 | 6.24 | 7.18 |

- (1) Production for onshore assets in the United States is shown through the closing date of the divestment in FY2019. Production for Eagle Ford, Permian and Haynesville assets is shown through 31 October 2018 and production for Fayetteville is shown through 28 September 2018.
- (2) Other comprises Algeria, T&T, and the United Kingdom (divested 30 November 2018).
- (3) LPG and ethane are reported as natural gas liquids (NGL).
- (4) Total barrels of oil equivalent (“boe”) conversion is based on the following: 6,000 standard cubic feet (“scf”) of natural gas equals one boe.
- (5) Average production costs include direct and indirect costs relating to the production of hydrocarbons and the foreign exchange effect of translating local currency denominated costs into U.S. dollars, but excludes ad valorem and severance taxes, and the cost to transport BHP Petroleum’s produced hydrocarbons to the point of sale.

Reserves

Reserves are the estimated quantities of material that can be demonstrated to be able to be economically and legally extracted from BHP Petroleum’s properties. In order to estimate reserves, assumptions are required about a range of technical and economic factors, including quantities, qualities, production techniques, recovery efficiency, production and transport costs, commodity supply and demand, commodity prices and exchange rates.

Estimating the quantity and/or quality of reserves requires the size, shape and depth of oil and gas reservoirs to be determined by analyzing geological data, such as drilling samples and geophysical survey interpretations. Economic assumptions used to estimate reserves change from period to period as additional technical and operational data is generated.

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Petroleum reserves

Estimates of oil and gas reserves involve some degree of uncertainty, are inherently imprecise, require the application of judgement and are subject to future revision. Accordingly, financial and accounting measures (such as the standardized measure of discounted cash flows, depreciation, depletion and amortization charges, the assessment of impairments and the assessment of valuation allowances against deferred tax assets) that are based on reserve estimates are also subject to change.

How BHP Petroleum estimates and reports reserves

BHP Petroleum's reserves are estimated as of 30 June each year. Reported reserves include both conventional petroleum reserves and reserves with respect to onshore assets in the United States for FY2018 and are included in the opening balances in the accompanying tables. Footnotes have been included with the tables to identify the contribution of the discontinued operations (onshore United States) for this period. The sale of BHP Petroleum's interests in onshore U.S. reserves was completed in FY2019. Remaining reserves at the end of FY2019, FY2020 and FY2021 reflect the continuing operations only.

BHP Petroleum's proved reserves are estimated and reported on a net interest basis according to the SEC regulations and have been determined in accordance with SEC Rule 4-10(a) of Regulation S-X.

Proved oil and gas reserves

Proved oil and gas reserves are those quantities of crude oil, natural gas and natural gas liquids (NGL) that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward from known reservoirs and under existing economic conditions, operating methods, operating contracts and government regulations. Unless evidence indicates that renewal of existing operating contracts is reasonably certain, estimates of economically producible reserves reflect only the period before the contracts expire. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence within a reasonable time. As specified in SEC Rule 4-10(a) of Regulation S-X, oil and gas prices are taken as the unweighted average of the corresponding first day of the month prices for the 12 months prior to the ending date of the period covered.

Proved reserves were estimated by reference to available well and reservoir information, including but not limited to well logs, well test data, core data, production and pressure data, geologic data, seismic data and in some cases, to similar data from analogous, producing reservoirs. A wide range of engineering and geoscience methods, including performance analysis, numerical simulation, well analogues and geologic studies were used to estimate high confidence proved developed and undeveloped reserves in accordance with SEC regulations.

Proved reserve estimates were attributed to future development projects only where there is a significant commitment to project funding and execution and for which applicable government and regulatory approvals have been secured or are reasonably certain to be secured. Furthermore, estimates of proved reserves include only volumes for which access to market is assured with reasonable certainty. All proved reserve estimates are subject to revision (either upward or downward) based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms or development plans.

Developed oil and gas reserves

Proved developed oil and gas reserves are reserves that can be expected to be recovered through:

existing wells with existing equipment and operating methods; and

installed extraction equipment and infrastructure operational at the time of the reserve estimate if the extraction is by means not involving a well.

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Performance-derived reserve assessments for producing wells were primarily based on the following manner:

for BHP Petroleum's conventional operations, reserves were estimated using rate and pressure decline methods, including material balance, supplemented by reservoir simulation models where appropriate;

for BHP Petroleum's discontinued operations (onshore U.S.) reported for FY2018, reserves were estimated using rate-transient analysis and decline curve analysis methods; and

for wells that lacked sufficient production history, reserves were estimated using performance-based type curves and offset location analogues with similar geologic and reservoir characteristics.

Proved undeveloped reserves

Proved undeveloped oil and gas reserves are reserves that are expected to be recovered from new wells on undrilled acreage where commitment has been made to commence development within five years from first reporting or from existing wells where a relatively major expenditure is required for recompletion.

A combination of geologic and engineering data and where appropriate, statistical analysis was used to support the assignment of proved undeveloped reserves when assessing planned drilling locations. Performance data along with log and core data was used to delineate consistent, continuous reservoir characteristics in core areas of the development. Proved undeveloped locations were included in core areas between known data and adjacent to productive wells using performance-based type curves and offset location analogues with similar geologic and reservoir characteristics. Locations where a high degree of certainty could not be demonstrated using the above technologies and techniques were not categorized as proved.

Methodology used to estimate reserves

Reserves have been estimated with deterministic methodology, with the exception of the North West Shelf gas operation in Australia, where probabilistic methodology has been used to estimate and aggregate reserves for the reservoirs dedicated to the gas project only. The probabilistic-based portion of these reserves totals 6 million barrels of oil equivalent ("MMboe") in FY2021, 12 MMboe in FY2020 and 16 MMboe in FY2019. These amounts represent approximately 1% of BHP Petroleum's total reported proved reserves in FY2021, and approximately 2% in each of FY2020 and FY2019. Total boe conversion is based on the following: 6,000 standard cubic feet ("scf") of natural gas equals one boe. Aggregation of proved reserves beyond the field/project level has been performed by arithmetic summation. Due to portfolio effects, aggregates of proved reserves may be conservative. The custody transfer point(s) or point(s) of sale applicable for each field or project are the reference point for reserves. The reserves replacement ratio is the change in reserves during the year excluding production, divided by the production during the year and stated as a percentage.

Governance

The Petroleum Reserves Group ("PRG") is a dedicated group that provides oversight of the reserves' assessment and reporting processes. It is independent of the various operation teams directly responsible for development and production activities. The PRG is staffed by individuals averaging more than 30 years' experience in the oil and gas industry. The manager of the PRG, Abhijit Gadgil, is a full-time employee of BHP and is responsible for overseeing the preparation of the reserve estimates and compiling the information with respect to BHP Petroleum for inclusion in this prospectus. He has an advanced degree in engineering and more than 40 years of diversified industry experience in reservoir engineering, reserves assessment, field development and technical management. He is a 40-year member of the Society of Petroleum Engineers ("SPE"). He has also served on the Society of Petroleum Engineers Oil and Gas Reserves Committee. Mr. Gadgil has the qualifications and experience required to act as a qualified petroleum reserves evaluator under the ASX Listing Rules. The estimates of petroleum reserves are based on and fairly represent information and supporting

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documentation prepared under the supervision of Mr. Gadgil. He has reviewed and agrees with the information included in this “–Reserves and Resources” section and has given his prior written consent for its publication. No part of the individual compensation for members of the PRG is dependent on reported reserves.

Reserve assessments for all BHP Petroleum operations were conducted by technical staff within the operating organization. These individuals meet the professional qualifications outlined by the SPE, are trained in the fundamentals of SEC reserves reporting and the reserves processes and are endorsed by the PRG. Each reserve assessment is reviewed annually by the PRG to ensure technical quality, adherence to internally published BHP Petroleum guidelines and compliance with SEC reporting requirements. Once endorsed by the PRG, all reserves receive final endorsement by senior management and the Risk and Audit Committee prior to public reporting. BHP Petroleum’s Internal Audit and Advisory function provides secondary assurance of the oil and gas reserve reporting processes through the testing of the effectiveness of key controls that have been implemented as required by the U.S. Sarbanes-Oxley Act.

FY2021 proved reserves

Production for FY2021 totaled 103 MMboe in sales with an additional 5 MMboe in non-sales production, which was used primarily for fuel consumed in operations. Total production of 108 MMboe was approximately 6 MMboe lower than in FY2020. The decrease was primarily due to natural declines in mature fields.

Net additions to reserves totaled 25 MMboe, driven primarily by the acquisition of additional working interest in the Shenzi field and partially offset by a negative performance revision in the Atlantis field in the U.S. GOM. The net additions replaced 23% of production. As of 30 June 2021, proved reserves totaled 665 MMboe.

Reserves have been calculated using the economic interest method and represent net revenue interest volumes after deduction of applicable royalties owned by others. Reserves of 61 MMboe were in production and risk-sharing arrangements where BHP Petroleum has a revenue interest in production without transfer of ownership of the products. At 30 June 2021, approximately 9% of the proved reserves were attributable to these arrangements.

Extensions and discoveries

In the Atlantis field in the U.S. GOM, Phase 3 development drilling in the south west region of the field added approximately 1 MMboe by extending the previously recognized proved reservoir limit.

Revisions

In Australia, revisions increased proved reserves by 4 MMboe, primarily due to strong performance in the Macedon field. Small increases in the Bass Strait and Pyrenees fields were offset by negative performance revisions in the North West Shelf fields.

In the U.S. GOM, revisions decreased reserves by 11 MMboe overall, primarily driven by reductions related to lower than expected well performance in the Atlantis and Mad Dog fields of 19 MMboe and 4 MMboe respectively. Approval of the Shenzi Subsea Multi Phase Pump Project added 6 MMboe, while strong performance in the eastern area of the Shenzi field increased reserves by a further 5 MMboe.

In T&T, continued strong performance in the Angostura field added 6 MMboe to proved reserves. This addition was partially offset by a price-related reduction of approximately 1 MMboe.

Improved recovery revisions

There were no improved recovery revisions during the year.

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Purchases and sales

In November 2020, BHP Petroleum acquired Hess Corporation's 28% interest in the Shenzi field located in the Gulf of Mexico. The acquisition resulted in the addition of approximately 27 MMboe to proved reserves. BHP Petroleum also divested its 35% interest in the Neptune field in May 2021 which reduced reserves by approximately 1 MMboe. Overall, net additions from Purchases and Sales were 26 MMboe.

FY2020 proved reserves

Production for FY2020 totaled 109 MMboe in sales with an additional 5 MMboe in non-sales production, which was used primarily for fuel consumed in operations. Total production was approximately 13 MMboe lower than conventional production in FY2019. The decrease was due to a number of factors, including natural declines in mature fields, weather events that necessitated precautionary shut ins and lower demand as a consequence of the COVID-19 pandemic. Discoveries, extensions and revisions to reserves added a total of 21 MMboe, which replaced 19% of production. As of 30 June 2020, proved reserves totaled 748 MMboe.

Reserves have been calculated using the economic interest method and represent net interest volumes after deduction of applicable royalty. Reserves of 69 MMboe are in two production and risk-sharing arrangements where BHP Petroleum has a revenue interest in production without transfer of ownership of the products. At 30 June 2020, approximately 9% of the proved reserves were attributable to such arrangements.

Extensions and discoveries

BHP Board approval of the North West Shelf Greater Western Flank Phase 3 project in Australia added 12 MMboe for development of the Goodwyn South and Lambert Deep fields. BHP Board approval of the Ruby development project in T&T during the September 2019 quarter also added 19 MMboe to proved reserves. The Ruby project is comprised of the Ruby oil field and the Delaware gas field.

Revisions

In Australia, reserves decreased by 35 MMboe overall due to downward revisions. This reduction was primarily in the Bass Strait due to poor reservoir performance in the Turrum field and lower overall condensate and natural gas liquids (NGL) recovery from the Bass Strait gas fields totaling 40 MMboe. Included in this reduction was a decrease of 4 MMboe due to lower product prices. Improved reservoir performance in the Pyrenees operated field added 5 MMboe partially offsetting the Bass Strait reduction. In the North West Shelf fields, reserves increased 4 MMboe for better performance and other revisions, however, this increase was offset by product price-related reductions of 4 MMboe. In the U.S. GOM, strong reservoir performance and technical studies in the Atlantis, Shenzi and Mad Dog fields added a total of 25 MMboe to proved reserves.

In the Angostura field in T&T and the Rhourde Ouled Diemma integrated development in Algeria, increases of 1 MMboe were offset by product price-related reductions of approximately 1 MMboe.

During FY2020, net revisions reduced reserves by a total of 10 MMboe overall.

Improved recovery revisions

There were no improved recovery revisions during the year.

Purchases and sales

There were no purchases or sales during the year.

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FY2019 proved reserves

Production for FY2019 totaled 147 MMboe in sales, which was comprised of 121 MMboe for BHP Petroleum's conventional fields and 26 MMboe that was produced from BHP Petroleum's U.S. onshore fields prior to the closure of the divestment agreements. In comparison, BHP Petroleum's conventional fields produced approximately 1 MMboe more than in FY2018. This increase was due to a number of factors, including start-up of the Greater Western Flank Phase B project in the North West Shelf in Australia and higher uptime in several fields, which more than offset natural production declines in more mature fields. There was also an additional 5 MMboe in non-sales production, primarily for fuel consumed in BHP Petroleum's petroleum operations. The combined sales and non-sales production totaled 152 MMboe for FY2019. For BHP Petroleum's conventional fields, additions and revisions to reserves added 57 MMboe, which replaced 45% of the production in FY2019. As of 30 June 2019, BHP Petroleum's proved reserves totaled 841 MMboe.

Reserves have been calculated using the economic interest method and represent net interest volumes after deduction of applicable royalty. Reserves of 64 MMboe are in two production and risk-sharing arrangements where BHP Petroleum has a revenue interest in production without transfer of ownership of the products. At 30 June 2019, approximately 8% of the proved reserves were attributable to such arrangements.

Extensions and discoveries

Extensions added a total of approximately 2 MMboe to proved reserves, of which 1 MMboe was added for the Atlantis field in the U.S. GOM with the balance being added in the Snapper field in the Bass Strait in Australia.

Improved recovery revisions

There were no improved recovery revisions during the year.

Revisions

Revisions for FY2019 added a total of 56 MMboe. The largest addition was in the Atlantis field where 28 MMboe was added for performance and approval of Phase 3 infill drilling. Other revisions, primarily in the Mad Dog field, brought the total revisions for BHP Petroleum's U.S. GOM assets to 29 MMboe. Additions through revisions in Australia totaled 22 MMboe, with the North West Shelf project adding 11 MMboe. The Goodwyn field was the largest component of this change adding 10 MMboe for strong performance. In the Bass Strait, 11 MMboe was added with the largest changes occurring in the Snapper and Turrum fields, which added 5 MMboe and 2 MMboe, respectively. In other geographic areas (comprising Algeria, T&T and the United Kingdom (sold in FY2019)), 4 MMboe was added for better performance in the offshore Angostura project in T&T, while 1 MMboe was added for improved performance in the Rhourde Ouled Djemma integrated development in Algeria.

Purchases and sales

The sale of BHP Petroleum's interests in the U.S. onshore Permian, Eagle Ford, Haynesville and Fayetteville fields accounted for reported sales of approximately 464 MMboe. There were no purchases during FY2019.

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These results are summarized in the following tables, which detail estimated oil, condensate, NGL and natural gas reserves at 30 June 2021, 30 June 2020 and 30 June 2019, with a reconciliation of the changes in each year.

| <u>Millions of barrels</u> | <u>Australia</u> | <u>United States</u> | <u>Other (b)</u> | <u>Total</u> |
|---|------------------|----------------------|------------------|--------------|
| Proved developed and undeveloped oil and condensate reserves (a) | | | | |
| Reserves at 30 June 2018 | 70.5 | 361.8 | (c) | 21.9 |
| Improved recovery | – | – | – | – |
| Revisions of previous estimates | 7.8 | 25.9 | 1.0 | 34.7 |
| Extensions and discoveries | 0.0 | 0.8 | – | 0.9 |
| Purchase/sales of reserves | – | (79.7) | – | (79.7) |
| Production | (14.4) | (34.5) | (4.9) | (53.7) |
| Total changes | (6.5) | (87.5) | (3.9) | (97.9) |
| Reserves at 30 June 2019 | 63.9 | 274.4 | 18.0 | 356.3 |
| Improved recovery | – | – | – | – |
| Revisions of previous estimates | 0.9 | 21.3 | (0.7) | 21.5 |
| Extensions and discoveries | 1.8 | – | 5.0 | 6.7 |
| Purchase/sales of reserves | – | – | – | – |
| Production | (14.0) | (23.3) | (3.8) | (41.2) |
| Total changes | (11.3) | (2.0) | 0.4 | (13.0) |
| Reserves at 30 June 2020 | 52.6 | 272.3 | 18.4 | 343.4 |
| Improved recovery | – | – | – | – |
| Revisions of previous estimates | 2.7 | (8.0) | (0.0) | (5.3) |
| Extensions and discoveries | – | 1.1 | – | 1.1 |
| Purchase/sales of reserves | – | 23.9 | – | 23.9 |
| Production | (11.9) | (23.2) | (3.6) | (38.7) |
| Total changes | (9.2) | (6.2) | (3.7) | (19.1) |
| Reserves at 30 June 2021 | 43.5 | 266.1 | 14.7 | 324.3 |
| Developed | | | | |
| Proved developed oil and condensate reserves | | | | |
| as of 30 June 2018 | 60.5 | 181.2 | 19.2 | 260.8 |
| as of 30 June 2019 | 59.0 | 128.9 | 16.3 | 204.2 |
| as of 30 June 2020 | 46.7 | 131.0 | 11.9 | 189.6 |
| Developed reserves as of 30 June 2021 | 38.2 | 138.9 | 10.6 | 187.6 |
| Undeveloped | | | | |
| Proved undeveloped oil and condensate reserves | | | | |
| as of 30 June 2018 | 10.0 | 180.7 | 2.8 | 193.4 |
| as of 30 June 2019 | 5.0 | 145.4 | 1.7 | 152.1 |
| as of 30 June 2020 | 6.0 | 141.3 | 6.5 | 153.8 |
| Undeveloped reserves as of 30 June 2021 | 5.3 | 127.2 | 4.2 | 136.7 |

(a) Small differences are due to rounding to first decimal place.

(b) 'Other' comprises Algeria, T&T and the United Kingdom (sold in FY2019).

(c) For FY2018 amounts include 86.1 million barrels attributable to discontinued operations of onshore U.S.

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| Millions of barrels | Australia | United States | Other (b) | Total |
|--|-------------|---------------|---------------|--------------------|
| Proved developed and undeveloped NGL reserves (a) | | | | |
| Reserves at 30 June 2018 | 56.5 | 72.0 | (c)(d) | 128.4(c)(d) |
| Improved recovery | – | – | – | – |
| Revisions of previous estimates | 4.9 | 0.8 | 0.0 | 5.7 |
| Extensions and discoveries | 0.2 | 0.1 | – | 0.2 |
| Purchase/sales of reserves | – | (58.7) | – | (58.7) |
| Production | (6.3) | (5.1) | (0.0) | (11.4) |
| Total changes | (1.2) | (62.9) | – | (64.1) |
| Reserves at 30 June 2019 | 55.2 | 9.1 | – | 64.3 |
| Improved recovery | – | – | – | – |
| Revisions of previous estimates | (17.8) | 1.2 | – | (16.6) |
| Extensions and discoveries | 0.3 | – | – | 0.3 |
| Purchase/sales of reserves | – | – | – | – |
| Production | (6.5) | (1.2) | – | (7.6) |
| Total changes | (23.9) | – | – | (23.9) |
| Reserves at 30 June 2020 | 31.3 | 9.0 | – | 40.4 |
| Improved recovery | – | – | – | – |
| Revisions of previous estimates | (1.6) | (1.1) | – | (2.7) |
| Extensions and discoveries | – | 0.0 | – | 0.0 |
| Purchase/sales of reserves | – | 0.6 | – | 0.6 |
| Production | (6.0) | (1.3) | – | (7.3) |
| Total changes | (7.6) | (1.7) | – | (9.3) |
| Reserves at 30 June 2021 | 23.7 | 7.3 | – | 31.0 |
| Developed | | | | |
| Proved developed NGL reserves | | | | |
| as of 30 June 2018 | 49.8 | 37.0 | – | 86.8 |
| as of 30 June 2019 | 46.5 | 4.3 | – | 50.8 |
| as of 30 June 2020 | 23.8 | 5.0 | – | 28.8 |
| Developed reserves as of 30 June 2021 | 17.7 | 4.4 | – | 22.1 |
| Undeveloped | | | | |
| Proved undeveloped NGL reserves | | | | |
| as of 30 June 2018 | 6.6 | 35.0 | – | 41.6 |
| as of 30 June 2019 | 8.7 | 4.8 | – | 13.5 |
| as of 30 June 2020 | 7.6 | 4.0 | – | 11.6 |
| Undeveloped reserves as of 30 June 2021 | 6.0 | 2.9 | – | 8.9 |

(a) Small differences are due to rounding to first decimal place.

(b) 'Other' comprises Algeria, T&T and the United Kingdom (sold in FY2019).

(c) For FY2018 amounts include 62.2 million barrels attributable to discontinued operations of onshore U.S.

(d) For FY2018 amounts include 2.5 million barrels consumed as fuel for discontinued operations of onshore U.S.

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| Billions of cubic feet | Australia (c) | | United States | | Other (d) | | Total |
|--|----------------|------------|----------------|---------------|--------------|------------|-----------------------|
| Proved developed and undeveloped natural gas reserves (a) | | | | | | | |
| Reserves at 30 June 2018 | 2,412.5 | (e) | 2,160.1 | (f)(i) | 328.6 | (g) | 4,901.2 (h)(i) |
| Improved recovery | – | | – | | – | | – |
| Revisions of previous estimates | 53.7 | | 14.0 | | 24.7 | | 92.4 |
| Extensions and discoveries | 2.5 | | 0.4 | | – | | 3.0 |
| Purchase/sales of reserves | – | | (1,952.8) | | – | | (1,952.8) |
| Production (b) | (336.8) | | (109.4) | | (77.8) | | (524.1) |
| Total changes | (280.6) | | (2,047.8) | | (53.1) | | (2,381.5) |
| Reserves at 30 June 2019 | 2,131.9 | (e) | 112.3 | (f) | 275.5 | (g) | 2,519.7 (h) |
| Improved recovery | – | | – | | – | | – |
| Revisions of previous estimates | (111.7) | | 14.2 | | 5.6 | | (92.0) |
| Extensions and discoveries | 62.4 | | – | | 84.0 | | 146.5 |
| Purchase/sales of reserves | – | | – | | – | | – |
| Production (b) | (317.3) | | (10.7) | | (60.7) | | (388.7) |
| Total changes | (366.6) | | 3.5 | | 28.9 | | (334.2) |
| Reserves at 30 June 2020 | 1,765.3 | (e) | 115.8 | (f) | 304.4 | (g) | 2,185.5 (h) |
| Improved recovery | – | | – | | – | | – |
| Revisions of previous estimates | 15.4 | | (8.6) | | 27.2 | | 34.0 |
| Extensions and discoveries | – | | 0.4 | | – | | 0.4 |
| Purchase/sales of reserves | – | | 7.5 | | – | | 7.5 |
| Production (b) | (304.4) | | (9.9) | | (54.9) | | (369.2) |
| Total changes | (289.0) | | (10.6) | | (27.7) | | (327.3) |
| Reserves at 30 June 2021 | 1,476.3 | (e) | 105.2 | (f) | 276.7 | (g) | 1,858.2 (h) |
| Developed | | | | | | | |
| Proved developed natural gas reserves | | | | | | | |
| as of 30 June 2018 | 1,975.9 | | 1,479.4 | | 328.6 | | 3,783.8 |
| as of 30 June 2019 | 1,856.4 | | 65.5 | | 275.5 | | 2,197.3 |
| as of 30 June 2020 | 1,453.1 | | 73.4 | | 220.4 | | 1,746.9 |
| Developed reserves as of 30 June 2021 | 1,262.5 | | 69.5 | | 199.4 | | 1,531.5 |
| Undeveloped | | | | | | | |
| Proved undeveloped natural gas reserves | | | | | | | |
| as of 30 June 2018 | 436.6 | | 680.7 | | – | | 1,117.3 |
| as of 30 June 2019 | 275.5 | | 46.8 | | – | | 322.3 |
| as of 30 June 2020 | 312.2 | | 42.4 | | 84.0 | | 438.6 |
| Undeveloped reserves as of 30 June 2021 | 213.8 | | 35.6 | | 77.3 | | 326.7 |

(a) Small differences are due to rounding to first decimal place.

(b) Production includes volumes consumed by operations.

(c) Production for Australia includes gas sold as LNG.

(d) “Other” comprises Algeria, T&T and the United Kingdom (sold in FY2019).

(e) For FY2018, FY2019, FY2020 and FY2021 amounts include 295, 268, 246 and 204 billion cubic feet respectively, which are anticipated to be consumed as fuel in operations in Australia.

(f) For FY2018, FY2019, FY2020 and FY2021 amounts include 160, 64, 65 and 67 billion cubic feet respectively, which are anticipated to be consumed as fuel in operations in the United States.

(g) For FY2018, FY2019, FY2020 and FY2021 amounts include 16, 14, 17 and 13 billion cubic feet respectively, which are anticipated to be consumed as fuel in operations in other areas (comprising Algeria, T&T and the United Kingdom (sold in FY2019)).

(h) For FY2018, FY2019, FY2020 and FY2021 amounts include 472, 346, 327 and 284 billion cubic feet respectively, which are anticipated to be consumed as fuel in operations.

(i) For FY2018 amounts include 2,049 billion cubic feet attributable to discontinued operations of onshore U.S.

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| Millions of barrels of oil equivalent (a) | Australia | | United States | | Other (d) | | Total |
|---|--------------|------------|---------------|---------------|-------------|------------|----------------------|
| Proved developed and undeveloped oil, condensate, natural gas and NGL reserves (b) | | | | | | | |
| Reserves at 30 June 2018 | 529.0 | (e) | 793.8 | (f)(i) | 76.7 | (g) | 1,399.5(h)(i) |
| Improved recovery | – | | – | | – | | – |
| Revisions of previous estimates | 21.6 | | 29.1 | | 5.1 | | 55.8 |
| Extensions and discoveries | 0.6 | | 0.9 | | – | | 1.6 |
| Purchase/sales of reserves | – | | (463.9) |) | – | | (463.9) |
| Production (c) | (76.8) |) | (57.8) |) | (17.9) |) | (152.4) |
| Total changes | (54.5) |) | (491.7) |) | (12.8) |) | (558.9) |
| Reserves at 30 June 2019 | 474.5 | (e) | 302.2 | (f) | 63.9 | (g) | 840.6 (h) |
| Improved recovery | – | | – | | – | | – |
| Revisions of previous estimates | (35.4) |) | 24.8 | | 0.2 | | (10.4) |
| Extensions and discoveries | 12.5 | | – | | 19.0 | | 31.5 |
| Purchase/sales of reserves | – | | – | | – | | – |
| Production (c) | (73.4) |) | (26.3) |) | (13.9) |) | (113.6) |
| Total changes | (96.3) |) | (1.5) |) | 5.2 | | (92.6) |
| Reserves at 30 June 2020 | 378.2 | (e) | 300.7 | (f) | 69.1 | (g) | 748.0 (h) |
| Improved recovery | – | | – | | – | | – |
| Revisions of previous estimates | 3.7 | | (10.5) |) | 4.5 | | (2.3) |
| Extensions and discoveries | – | | 1.2 | | – | | 1.2 |
| Purchase/sales of reserves | – | | 25.7 | | – | | 25.7 |
| Production (c) | (68.7) |) | (26.1) |) | (12.8) |) | (107.6) |
| Total changes | (64.9) |) | (9.7) |) | (8.3) |) | (83.0) |
| Reserves at 30 June 2021 | 313.2 | (e) | 290.9 | (f) | 60.9 | (g) | 665.0 (h) |
| Developed | | | | | | | |
| Proved developed oil, condensate, natural gas and NGL reserves | | | | | | | |
| as of 30 June 2018 | 439.6 | | 464.7 | | 73.9 | | 978.2 |
| as of 30 June 2019 | 414.9 | | 144.1 | | 62.2 | | 621.2 |
| as of 30 June 2020 | 312.6 | | 148.3 | | 48.6 | | 509.5 |
| Developed reserves as of 30 June 2021 | 266.3 | | 154.8 | | 43.8 | | 465.0 |
| Undeveloped | | | | | | | |
| Proved undeveloped oil, condensate, natural gas and NGL reserves | | | | | | | |
| as of 30 June 2018 | 89.4 | | 329.2 | | 2.8 | | 421.3 |
| as of 30 June 2019 | 59.6 | | 158.1 | | 1.7 | | 219.4 |
| as of 30 June 2020 | 65.6 | | 152.4 | | 20.5 | | 238.5 |
| Undeveloped reserves as of 30 June 2021 | 46.9 | | 136.1 | | 17.1 | | 200.1 |

(a) Barrel oil equivalent conversion based on 6,000 scf of natural gas equals one boe.

(b) Small differences are due to rounding to first decimal place.

(c) Production includes volumes consumed by operations.

(d) "Other" comprises Algeria, T&T and the United Kingdom (sold in FY2019).

(e) For FY2018, FY2019, FY2020 and FY2021 amounts include 49, 45, 41 and 34 million barrels equivalent respectively, which are anticipated to be consumed as fuel in operations in Australia.

(f) For FY2018, FY2019, FY2020 and FY2021 amounts include 29, 11, 11 and 11 million barrels equivalent respectively, which are anticipated to be consumed as fuel in operations in the United States.

(g) For FY2018, FY2019, FY2020 and FY2021 amounts include 3, 2, 3 and 2 million barrels equivalent respectively, which are anticipated to be consumed as fuel in operations in other areas (comprising Algeria, T&T and the United Kingdom (sold in FY2019)).

(h) For FY2018, FY2019, FY2020 and FY2021 amounts include 81, 58, 55 and 47 million barrels equivalent respectively, which are anticipated to be consumed as fuel in operations.

(i) For FY2018 amounts include 490 million barrels equivalent attributable to discontinued operations of onshore U.S.

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FY2021 proved undeveloped reserves

At 30 June 2021, BHP Petroleum had 200 MMboe of proved undeveloped reserves, which corresponds to 30% of the reported proved reserves of 665 MMboe. This represents a decrease of 38 MMboe from the 238 MMboe at 30 June 2020.

During FY2021, a total of 44 MMboe proved undeveloped reserves were converted to proved developed reserves through development activities. This was driven by the following three projects: the Barracouta West development in the Bass Strait in Australia (14 MMboe), a gas delivery pressure and compressor re-staging study in the Macedon field in Offshore Western Australia (14 MMboe) and the Atlantis Phase 3 development in the U.S. GOM (14 MMboe).

Start-up of the Ruby development project in offshore T&T also converted 3 MMboe to proved developed with first oil production. Increases to proved undeveloped reserves included approval of the Shenzi Subsurface Multi-Phase Pump project which added 6 MMboe. The effect of commodity prices relative to FY2020 resulted in the addition of 5 MMboe to proved undeveloped reserves while the acquisition of additional interest in the Shenzi field in the U.S. GOM increased proved undeveloped reserves by 3 MMboe. Technical studies, revisions to expected performance and other changes reduced proved undeveloped reserves by 2 MMboe.

Over the past three years, the conversion of proved undeveloped reserves to developed status has totaled 93 MMboe, averaging 31 MMboe per year. At 30 June 2021, a total of 114 MMboe proved undeveloped reserves have been reported for five or more years. Approximately 101 MMboe of this amount is associated with the Mad Dog Phase 2 development which is anticipated to produce first oil in CY2022. The remaining 13 MMboe is in BHP Petroleum's currently producing fields and is expected to be developed and brought on stream in a phased manner to optimize the use of production facilities and to meet sales commitments.

During FY2021, BHP Petroleum spent \$1.1 billion on development activities worldwide. Of this amount:

\$0.9 billion was spent progressing the conversion of proved undeveloped reserves for projects where developed status was achieved in FY2021 or will be achieved when development is completed in the future

\$0.2 billion represented other development expenditures, including compliance and infrastructure improvement

FY2020 proved undeveloped reserves

At 30 June 2020, BHP Petroleum had 238 MMboe of proved undeveloped reserves, which corresponds to 32% of the reported proved reserves of 748 MMboe. This represents an increase of 19 MMboe from the 219 MMboe at 30 June 2019.

The most significant drivers of this increase were the additions of 19 MMboe for the Ruby development project in offshore T&T and 12 MMboe for the Greater Western Flank Phase 3 development project in Australia as extensions and discoveries.

Reclassifications from proved undeveloped to proved developed occurred in Australia in the Macedon field (7 MMboe), the Cobia field in Bass Strait (2 MMboe) and in the offshore U.S. GOM in the Mad Dog Spar A field (3 MMboe). In the Shenzi field, the need to perform a producer redrill resulted in the reclassification of 4 MMboe proved developed into proved undeveloped.

In Australia, in the Bass Strait, 18 MMboe was moved into proved undeveloped for the Turrum field as a result of the reservoir performance reassessment, while in the Kipper field, a reduction of the gas delivery pressure requirements enabled more gas to be delivered prior to the installation of compression. This resulted in

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the movement of 16 MMboe from proved undeveloped to proved developed reserves. Bass Strait proved undeveloped fuel was also increased by 3 MMboe as a result of a fuel utilization study. Performance revisions in the Mad Dog Spar A and the Shenzi fields in the U.S. GOM reduced proved undeveloped by 6 MMboe.

Lower commodity prices resulted in a 4 MMboe reduction to proved undeveloped reserves.

Over the past three years, the conversion of proved undeveloped reserves to developed status has totaled 98 MMboe, averaging 33 MMboe per year. At 30 June 2020, a total of 30 MMboe proved undeveloped reserves have been reported for five or more years. These reserves are in BHP Petroleum's currently producing fields and are expected to be developed and brought on stream in a phased manner to best optimize the use of production facilities and to meet sales commitments. During FY2020, BHP Petroleum spent \$1.0 billion on development activities worldwide. Of this amount:

\$0.8 billion was spent progressing the conversion of proved undeveloped reserves for conventional projects where developed status was achieved in FY2020 or will be achieved when development is completed in the future

\$0.2 billion represented other development expenditures, including compliance and infrastructure improvements

FY2019 proved undeveloped reserves

At 30 June 2019, BHP Petroleum had 219 MMboe of proved undeveloped reserves, which corresponds to 26% of the reported proved reserves of 841 MMboe. This represents a reduction in proved undeveloped reserves of 202 MMboe from the 421 MMboe at 30 June 2018. The largest element of this reduction was 185 MMboe, which occurred with the divestment of unconventional Onshore U.S. assets. A reclassification from proved undeveloped to proved developed status of approximately 40 MMboe that occurred in the North West Shelf, Australia, with the completion of development and the start of production from the Greater Western Flank Phase B project, also contributed to the reduction. An additional 1 MMboe was also reclassified from proved undeveloped to proved developed status with the completion of an infill well (a well drilled for the purpose of increasing production) in the Rhourde Ouled Djemma integrated development in Algeria. Partially offsetting these reductions were revisions for technical studies of 10 MMboe for the Kipper field in the Bass Strait, Australia. Additions following the approval of the Atlantis Phase 3 project in the offshore U.S. GOM added 8 MMboe for development plan changes, 7 MMboe for performance and 1 MMboe as an extension. A performance reduction of 2 MMboe in the Mad Dog field partially offset the Atlantis performance addition.

The changes in proved undeveloped reserves in FY2021, FY2020 and FY2019 are summarized by change category in the table below. Additional information detailing the effect of price, performance, changes in capital development plans and technical studies are also provided for revisions.

Proved Undeveloped Reserves (PUD) Reconciliation (MMboe) (a)

| | Year ended 30 June | | |
|--|---------------------------|--------------|---------------|
| | 2021 | 2020 | 2019 |
| PUD Opening Balance | 238 | 219 | 421 |
| Revisions of Previous Estimates | (41) | (12) | (18) |
| Reclassifications to developed | (44) | (8) | (42) |
| Performance, Technical Studies and Other | (2) | (1) | 16 |
| Development Plan Changes | - | (0) | 8 |
| Price | 5 | (4) | - |
| Extensions and Discoveries | - | 31 | 1 |
| Acquisitions/Sales | 3 | - | (185) |
| Total Change | (38) | 19 | (202) |
| PUD Closing Balance | 200 | 238 | 219 |

(a) Small differences are due to rounding.

BUSINESS AND CERTAIN INFORMATION ABOUT THE MERGED GROUP

Overview of the Merged Group Assets

The Merged Group will have a global portfolio of currently producing assets and future growth projects and opportunities. The key producing assets are integrated LNG projects in Western Australia, oil fields in the U.S. GOM as well as oil and gas assets in Australia and Trinidad & Tobago. The Merged Group's key growth projects will include the Scarborough and Pluto Train 2 LNG development in Australia, Shenzi North and Mad Dog 2 additions to the currently producing U.S. GOM oil projects and the greenfield Sangomar Oil Field Development Phase 1 project offshore Senegal. The Merged Group will also hold exploration and discovered resource opportunities in Australia, Timor-Leste, Senegal, South Korea, Egypt, Congo, Trinidad & Tobago, central and western U.S. GOM, Mexican GOM, Canada and Barbados.

For a detailed overview of the Merged Group's assets refer to the sections entitled "*Business and Certain Information About Woodside—Overview of Assets*" and "*Business and Certain Information About BHP Petroleum—Overview of Assets*."

Merged Group Reserves and Future Production Capacity

Merged Group reserves

The pro forma information is provided by adding numbers as prepared by each of Woodside and BHP Petroleum. This includes information for overlapping assets, specifically NWS where reserves and values have been added without any adjustments. BHP Petroleum uses a conversion factor of 6,000 MMscf per MMboe while Woodside uses 5,700 MMscf per MMboe equivalent. BHP Petroleum includes onshore and offshore fuel used in its operation as reserves while Woodside includes only the onshore fuel in its reserves. Pro forma information is derived with these assumptions unchanged for each of the entities. Woodside's Senegal assets and BHP Petroleum's T&T assets are subject to a production sharing contract and the reported proved reserves reflect economic interest in these assets. For further information regarding the estimated reserves of the Merged Group, including the basis of preparation of the pro forma reserves information, see the section entitled "*Unaudited Pro Forma Condensed Combined Financial Statements*."

2021 proved reserves

Production during 2021 totaled 202.5 MMboe, which was 4.9 MMboe lower than the previous year primarily due to overall natural production decline.

Extension and discoveries

Total extensions amounted to 1,280 MMboe, mostly due to the Scarborough LNG Project in Australia which took FID during 2021, and this contributed 1,197 MMboe of proved reserves. The Sangomar Oil Field Development is in execution phase and accounts for 81 MMboe of proved reserves. Other minor extensions included intersection of previously unpenetrated sands in the Julimar and Goodwyn fields in Australia; and in the Atlantis field in the U.S. GOM due to extension of proved field limit.

Revisions

Revisions during the year resulted in a net addition of 23 MMboe in proved reserves. In Australia, revisions increased proved reserves by 43 MMboe primarily due to improved production performance in the Pluto and Macedon gas fields and the Greater Enfield and NWS oil fields, partially offset by poorer than expected production performance in the Brunello and NWS gas fields.

In the U.S. GOM, revisions decreased reserves by 17 MMboe overall, primarily driven by reductions related to lower than expected well performance in the Atlantis and Mad Dog fields of 19 MMboe and 4 MMboe, respectively. Approval of the Shenzi Subsea Multi Phase Pump Project added 6 MMboe.

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In T&T, revisions decreased reserves by approximately 9 MMboe primarily due to lower-than-expected Ruby drilling results, which were partially offset by increases in the Angostura field.

Improved Recovery Revisions

There were no improved recovery revisions during the year ended 2021.

Proved Developed and Undeveloped Oil, Condensate, NGL and Natural Gas Reserves

| | <u>Woodside</u> | <u>BHP Petroleum</u> | <u>Pro Forma</u> |
|--|---|----------------------|------------------|
| | (Millions of Barrels of Oil Equivalent) | | |
| Reserves as of 31 December 2019 | 586.1 | 781.5 | 1,367.5 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 1.8 | 31.5 | 33.3 |
| Revisions | 13.0 | (9.7) | 3.3 |
| Purchase/Sales | – | 26.6 | 26.6 |
| Production | (100.8) | (106.6) | (207.4) |
| Reserves as of 31 December 2020 | 500.1 | 723.3 | 1,223.4 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 984.2 | 296.0 | 1,280.2 |
| Revisions | 39.5 | (17.0) | 22.5 |
| Purchase/Sales | – | (0.9) | (0.9) |
| Production | (92.1) | (110.4) | (202.5) |
| Reserves as of 31 December 2021 | 1,431.6 | 890.9 | 2,322.5 |
| Developed Reserves | | | |
| As of 31 December 2019 | 451.1 | 562.1 | 1,013.2 |
| As of 31 December 2020 | 363.3 | 480.4 | 843.7 |
| As of 31 December 2021 | 356.3 | 417.5 | 773.8 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | 135.0 | 219.4 | 354.4 |
| As of 31 December 2020 | 136.8 | 242.8 | 379.7 |
| As of 31 December 2021 | 1,075.3 | 473.4 | 1,548.7 |

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Proved Developed and Undeveloped Crude Oil and Condensate Reserves

| | <u>Woodside</u> | <u>BHP Petroleum</u> (Millions of Barrels) | <u>Pro Forma</u> |
|--|-----------------|---|------------------|
| Reserves as of 31 December 2019 | 83.4 | 332.6 | 415.9 |
| Improved Recovery | – | | |
| Extensions/Discoveries | 0.1 | 6.7 | 6.9 |
| Revisions | (2.6) | 28.7 | 26.1 |
| Purchase/Sales | – | 24.7 | 24.7 |
| Production | (19.9) | (38.3) | (58.2) |
| Reserves as of 31 December 2020 | 61.1 | 354.4 | 415.4 |
| Improved Recovery | – | | |
| Extensions/Discoveries | 81.3 | 1.1 | 82.4 |
| Revisions | 12.9 | (13.2) | (0.3) |
| Purchase/Sales | – | (0.8) | (0.8) |
| Production | (16.7) | (41.3) | (58.0) |
| Reserves as of 31 December 2021 | 138.7 | 300.1 | 438.8 |
| Developed Reserves | | | |
| As of 31 December 2019 | 73.7 | 180.4 | 254.1 |
| As of 31 December 2020 | 51.2 | 196.6 | 247.8 |
| As of 31 December 2021 | 50.2 | 169.2 | 219.4 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | 9.7 | 152.1 | 161.8 |
| As of 31 December 2020 | 9.8 | 157.8 | 167.6 |
| As of 31 December 2021 | 88.4 | 130.9 | 219.3 |

Proved Developed and Undeveloped Natural Gas Liquids Reserves

| | <u>Woodside</u> | <u>BHP Petroleum</u> (Millions of Barrels) | <u>Pro Forma</u> |
|--|-----------------|---|------------------|
| Reserves as of 31 December 2019 | – | 60.5 | 60.5 |
| Improved Recovery | – | | |
| Extensions/Discoveries | – | 0.3 | 0.3 |
| Revisions | – | (18.7) | (18.7) |
| Purchase/Sales | – | 0.6 | 0.6 |
| Production | – | (6.9) | (6.9) |
| Reserves as of 31 December 2020 | – | 35.8 | 35.8 |
| Improved Recovery | – | | |
| Extensions/Discoveries | – | | |
| Revisions | – | (0.8) | (0.8) |
| Purchase/Sales | – | | |
| Production | – | (7.6) | (7.6) |
| Reserves as of 31 December 2021 | – | 27.4 | 27.4 |
| Developed Reserves | | | |
| As of 31 December 2019 | – | 47.0 | 47.0 |
| As of 31 December 2020 | – | 24.0 | 24.0 |
| As of 31 December 2021 | – | 19.0 | 19.0 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | – | 13.5 | 13.5 |
| As of 31 December 2020 | – | 11.8 | 11.8 |
| As of 31 December 2021 | – | 8.4 | 8.4 |

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Proved Developed and Undeveloped Natural Gas Reserves

| | <u>Woodside</u> | <u>BHP Petroleum</u> (Billions of Cubic Feet) | <u>Pro Forma</u> |
|--|-----------------|--|------------------|
| Reserves as of 31 December 2019 | 2,865.3 | 2,330.6 | 5,195.9 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 9.6 | 146.5 | 156.1 |
| Revisions | 89.1 | (118.2) | (29.2) |
| Purchase/Sales | – | 8.3 | 8.3 |
| Production | (461.5) | (368.3) | (829.8) |
| Reserves as of 31 December 2020 | 2,502.5 | 1,998.9 | 4,501.4 |
| Improved Recovery | – | – | – |
| Extensions/Discoveries | 5,146.4 | 1,769.3 | 6,915.7 |
| Revisions | 151.2 | (17.5) | 133.7 |
| Purchase/Sales | – | (0.8) | (0.8) |
| Production | (430.1) | (369.3) | (799.4) |
| Reserves as of 31 December 2021 | 7,370.0 | 3,380.7 | 10,750.7 |
| Developed Reserves | | | |
| As of 31 December 2019 | 2,151.0 | 2,008.3 | 4,159.3 |
| As of 31 December 2020 | 1,778.5 | 1,559.2 | 3,337.7 |
| As of 31 December 2021 | 1,744.5 | 1,375.7 | 3,120.2 |
| Undeveloped Reserves | | | |
| As of 31 December 2019 | 714.4 | 322.3 | 1,036.7 |
| As of 31 December 2020 | 724.0 | 439.7 | 1,163.7 |
| As of 31 December 2021 | 5,625.5 | 2,004.9 | 7,630.4 |

Merged Group Production Capacity

Woodside believes the Merger will deliver benefits for both Existing Woodside Shareholders and Participating BHP Shareholders by creating a long-life conventional portfolio of scale and diversity of geography, product and end markets.

On a pro forma basis, the Merged Group is expected to consist of:

Conventional asset base producing around 193 MMboe (2021 net production)

Diversified production mix of 46% LNG, 29% oil and condensate and 25% domestic gas and NGLs (2021 net production)

Wide geographic reach with production from Western Australia, east coast Australia, U.S. GOM, and T&T with approximately 95% of production (2021 net production) from OECD nations.

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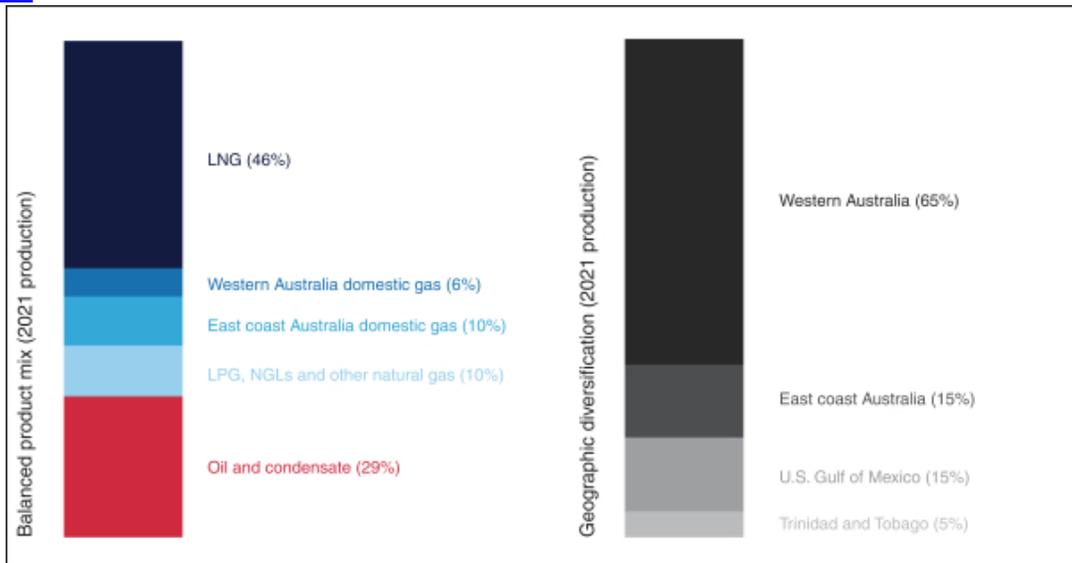


Figure 19 - Merged Group Production Mix by product and region for the 12 months ending 31 December 2021 excluding Algeria and Neptune production. Totals may not add up due to rounding.

Potential Synergies and Value Creation

Overview

Woodside has undertaken a review of costs for the Merged Group (benchmarked against industry peer performance) and produced a comprehensive list of synergy opportunities subject to and following Implementation. These opportunities are expected to realize annual savings in excess of \$400 million per annum (pre-tax 100% basis) comprising approximately \$120 million of corporate savings, \$80 million of cost savings related to operations of the business, \$150 million in exploration expenditure reduction and \$50 million of execution cost savings associated with future growth opportunities. These synergies are expected to be realized progressively and to be fully implemented by early 2024.

The organization structure and operating model for the Merged Group is being designed and will be progressively implemented following Implementation. The new operating model will include structural and sustainable changes which will reflect a more cost-efficient operating model and reflect synergies from the combination of the two businesses. The new organization design will feature a significant reduction in executive level positions, a reduction in management layers and an overall increase in the breadth of each manager's area of responsibility and accountability. In addition to the structural and operating model improvements there will be organizational synergies arising from the removal of duplicative or overlapping staffing levels which exist across corporate areas, support functions, commercial and technical functions, and asset support.

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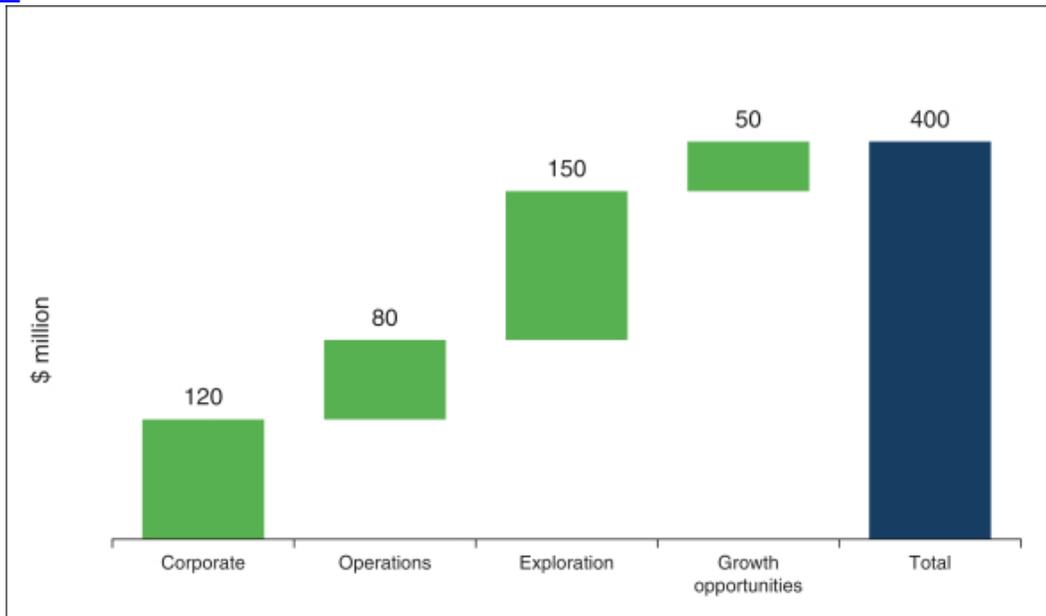


Figure 20—Approximate annual synergies and value creation categories (\$ million real terms 2022)

Key areas of the business where these synergies are expected to be achieved are set out in the following sections. As part of the integration process, Woodside expects to identify further synergies and value creation opportunities.

Corporate

This category refers to those costs incurred in supporting the Operations, Exploration, Development and Growth activities of the Merged Group.

In addition to the savings to be derived from the improvements in organization structure and operating model referred to above, Woodside also expects to be able to reduce costs by consolidating third party spend, by removing processes across corporate functions and overlapping assets and rationalizing information technology applications, licenses and subscriptions.

Examples are outlined below:

- Implementing a consolidated Enterprise Resource Planning System to enable integrated cost reporting and control and reducing the ongoing cost of maintaining duplicate systems.
- Combining or rationalizing legal entities.
- Consolidating corporate consultant costs.
- Consolidating and renegotiating enterprise-wide arrangements with key vendors for software and services.
- Consolidation of Marketing information systems and data providers.
- Rationalizing licenses and subscriptions for various marketing services.
- Consolidation of teams and office space to reduce property costs.

The synergies under this category account for ~30% of the overall synergies estimate of ~\$400 million.

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Operations

Independent of the Merger, Woodside has commenced programs to improve operational efficiency and reduce costs across its assets. Following Implementation, the Merged Group will continue this work and will further consolidate operations and execute efficient practices across the portfolio, which is intended to deliver further cost reductions.

Examples are outlined below:

Operating and maintenance cost:

Leveraging systems and digital solutions to reduce operating and maintenance costs across all assets for sustained cost reduction.

Sequencing maintenance programmes across certain assets to optimize workforce access to reduce cost and execution risk.

Digitizing maintenance strategies across all assets to reduce spend on planning, logistics and materials.

Reducing the cost of production maintenance through volume consolidation of Maintenance Repairs and Operations, chemicals, and other goods to be implemented across the assets progressively.

Supply chain and procurement:

Leveraging long-term relationships with key contractors and improved purchasing power due to economies of scale to secure better service and pricing.

Unifying and streamlining inventory management systems.

Consolidating the Australian logistics and material network; especially ground, air and vessel transportation support for Western Australian assets.

Consolidating supply base operations.

Asset productivity:

the Merged Group will also seek to improve the production performance of its upstream assets, sharing experience and technology solutions to improve uptime and lower unit-production costs.

The synergies under this category account for ~20% of the overall synergies estimate of ~\$400 million.

Exploration

Woodside has identified opportunities to reduce exploration expenditure to be pursued and implemented following Implementation. This saving will be achieved by reducing headcount across the exploration function and technical support function, and high-grading the combined exploration portfolio and focusing on progressing high-quality prospects that have a clear path to commercialization.

Opportunities have also been identified to make the delivery of exploration services more efficient, including:

Rationalizing licenses, data subscriptions and applications; and

Consolidation of Seismic campaigns.

The synergies under this category account for ~40% of the overall synergies estimate of ~\$400 million.

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Growth opportunities

The combined portfolio will allow the Merged Group to high-grade investment opportunities and improve phasing of the enlarged opportunity set. Opportunities have also been identified which have the potential to reduce execution costs. Examples are outlined below:

Inventory optimization by region and for exploration, decommissioning and development programs.

Sharing global inventory and regional backup.

Standardize casing, wellheads and trees and work with suppliers to maintain sufficient inventory to purchase on consignment.

Consolidate rig schedules to provide larger work scope, longer contracts and increased learning curve efficiencies.

Scale up purchasing power with major vendors engaged to deliver key projects.

The synergies under this category account for ~10% of the overall synergies estimate of ~\$400 million.

Marketing

The Merged Group's increased scale and existing LNG shipping capability will help to improve shipping utilization and reduce transportation and delivery unit costs. Woodside expects to determine the magnitude of the synergies in this category post Implementation.

Cost of attainment of synergies

Woodside estimates that the implementation of the potential synergies would give rise to one-off costs of approximately \$500 - 600 million, anticipated to be incurred in the first two years following Implementation. This estimate includes provisions for digital integration and severance costs and consultant and team costs necessary to complete the synergy attainment work. This estimate excludes costs to implement marketing synergies, which Woodside expects to determine post Implementation.

Debt facilities

There are no BHP Petroleum debt facilities associated with the Merger. For information about Woodside's debt facilities, see the section entitled "Description of Certain Indebtedness."

Exploration titles

The table below lists the exploration titles expected to be held by the Merged Group as of the Implementation Date. Following Implementation, the Merged Group will continue to assess the titles and licenses it holds in line with its strategy. Note this table does not include licenses associated with the producing and growth projects previously discussed in this prospectus where exploration activities may also be undertaken.

| Location | Titles and Licenses | | |
|---------------------------------------|----------------------------|--------------------------------|--------------------------------|
| Australia | WA-28-P | WA-356-P WA-526-P | WA-404-P WA-536-P |
| | NT-P86 | WA-550-P | |
| Barbados | Bimshire | Carlisle Bay | |
| Canada - Newfoundland-Labrador | EL 1157 | EL 1158 | |
| Congo - Deep-water | Marine XX | | |
| Egypt - Red Sea | Block 1 | Block 3 (pending Gov approval) | Block 4 (pending Gov approval) |

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| Location | Titles and Licenses | | |
|---|--|--|---|
| Ireland - Porcupine Basin | FEL5/13 | | |
| Myanmar - Deep-water Bay of Bengal (1) | AD-1 A-7 | AD-7 | AD-8 |
| Senegal - Deep-water | Rufisque Offshore | Sangomar Offshore | Sangomar Offshore Deep |
| South Korea - Deep-water | Block 6-1N | Block 8 | |
| T&T | TTDAA 5(2) | | |
| United States - Alaminos Canyon | AC 034 AC 035 AC 036 AC 039 AC 078 | AC 079 AC 080 AC 081 AC 082 AC 083 | AC 125 AC 126 AC 127 AC 170 |
| United States - Desoto Canyon | DC 579 DC 667 | DC 802 | DC 803 |
| United States - East Breaks | EB 655 EB 656 EB 699 EB 700 EB 701 | EB 742 EB 785 EB 786 EB 830 EB 870 | EB 871 EB 872 EB 914 EB 915 |
| United States - Garden Banks | GB 574 GB 575 GB 619 GB 630 GB 672 GB 676 | GB 677 GB 716 GB 721 GB 760 GB 762 GB 772 | GB 805 GB 806 GB 851 GB 852 GB 895 |
| United States - Green Canyon | GC 080 GC 168 GC 282-BOTTOM GC 679(3) GC 870 | GC 123 GC 237-BOTTOM GC 564 GC 738 | GC 124 GC 238-BOTTOM GC 608-MIDDLE GC 768-MIDDLE |
| United States - Mississippi Canyon | MC 368 MC 369 MC 411 | MC 412 MC 455 MC 456 | MC 798 MC 842 |

- (1) Woodside has commenced arrangements to formally exit all Blocks in which it participates in Myanmar including AD-7, A-7, AD-1, AD-8 and A-6.
- (2) A Market Development Phase (“MDP”) has been requested for this license, but not yet been granted, so this license is still considered to be in the Exploration Phase. Depending on the Ministry response to the MDP request, TTDAA 5 could move to MDP or be relinquished.
- (3) BHP owns all of block GC 679 from 16,048’ to 99,999’ (deep rights).

Corporate governance

The corporate governance principles of the Merged Group are expected to be the same as for Woodside governance. See the section entitled “*Board of Directors and Management of the Merged Group.*”

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Corporate office and listing venues

It is intended that after Implementation of the Merger the head office will remain in Western Australia at Mia Yellagonga, 11 Mount Street, Perth, Western Australia 6000, Australia.

Woodside Shares will have a primary listing on the ASX and are intended to have a secondary listing on the LSE, and the New Woodside ADSs are intended to be listed on the NYSE.

Interests of Woodside Directors and Other Key Management Personnel

See the section entitled “*Beneficial Ownership of Woodside Securities–Interests of Woodside Directors and Other Key Management Personnel*” for more information in relation to the interests that Woodside Directors and other Key Management Personnel hold in Woodside Shares.

Financing arrangements

The Merged Group’s financing arrangements, including its banking facilities, access to capital markets and maintenance of a relationship banking panel, will remain in line with Woodside’s existing financing arrangements. See the section entitled “*Description of Certain Indebtedness.*”

Hedging

The Merged Group’s approach to hedging will remain consistent with the Woodside financial risk management principles. Specifically, commodity price, interest rate and foreign exchange risk management will be undertaken in line with approved Woodside Board mandate parameters. See the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside–Principal Factors That Affect Woodside’s Results–Hedging.*”

Dividends

The Merged Group’s dividend policy is expected to be unchanged compared to Woodside’s current dividend policy.

The Woodside Board has the responsibility for approving dividends. The Woodside Board has determined there is no change to Woodside’s dividend policy of a minimum of 50% of net profit after tax excluding non-recurring items in dividends. The net profit after tax basis helps preserve cash and protect the balance sheet in periods of low commodity pricing. The Woodside Board’s dividend payout ratio target is between 50% to 80% of net profit after tax, excluding non-recurring items, subject to market conditions and investment requirements. Woodside will maintain the flexibility to consider opportunities to provide additional returns to shareholders through special dividends and share buy-backs in periods of excess cash generation.

Generally, Woodside pays dividends to its shareholders semi-annually, once in March or April and again in September or October of each year. Woodside maintains a dividend reinvestment plan that, if utilized by the Woodside Board, provides Woodside Shareholders with the option of reinvesting all or part of their dividends in additional Woodside Shares rather than taking cash dividends.

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On 17 February 2022, the Woodside Board declared a final dividend of \$1,018 million to Woodside Shareholders (\$1.05 per Woodside Share), representing a payout ratio of approximately 80% of net profit after tax excluding non-recurring items. The dividend reinvestment plan remains active, allowing eligible Woodside Shareholders to reinvest their dividends directly into Woodside Shares at a 1.5% discount. Woodside's prior dividends for the years ended 31 December 2015, 2016, 2017, 2018, 2019, 2020 and 2021 are as follows:

| <u>Date Declared</u> | <u>Date Paid</u> | <u>Type of Dividend</u> | <u>Dividend per Share</u> | <u>Total Dividends</u> |
|----------------------|-------------------|-------------------------|---------------------------|------------------------|
| 18 February 2015 | 25 March 2015 | Final | \$ 1.44 | \$1,186 million |
| 19 August 2015 | 23 September 2015 | Interim | \$ 0.66 | \$544 million |
| 17 February 2016 | 8 April 2016 | Final | \$ 0.43 | \$354 million |
| 19 August 2016 | 30 September 2016 | Interim | \$ 0.34 | \$286 million |
| 22 February 2017 | 29 March 2017 | Final | \$ 0.49 | \$413 million |
| 16 August 2017 | 21 September 2017 | Interim | \$ 0.49 | \$413 million |
| 14 February 2018 | 20 March 2018 | Final | \$ 0.49 | \$413 million |
| 15 August 2018 | 20 September 2018 | Interim | \$ 0.53 | \$496 million |
| 14 February 2019 | 20 March 2019 | Final | \$ 0.91 | \$852 million |
| 15 August 2019 | 20 September 2019 | Interim | \$ 0.36 | \$337 million |
| 13 February 2020 | 20 March 2020 | Final | \$ 0.55 | \$518 million |
| 13 August 2020 | 18 September 2020 | Interim | \$ 0.26 | \$248 million |
| 18 February 2021 | 24 March 2021 | Final | \$ 0.12 | \$115 million |
| 18 August 2021 | 24 September 2021 | Interim | \$ 0.30 | \$289 million |
| 17 February 2022 | 23 March 2022 | Final | \$ 1.05 | \$1,018 million |

Please see the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations of Woodside-Dividends" for more information.

Intentions of the Merged Group

Integration Planning and Business Continuity

Woodside and BHP have established a joint integration team that has commenced integration planning activities across key business areas.

The joint integration team is led by a senior executive representative from each of Woodside and BHP.

The objectives of this joint team are to:

develop a detailed integration plan which identifies activities necessary to bring together the operations of the BHP Petroleum business and Woodside business on and from Implementation;

identify the short-term transition services that will be required immediately after Implementation; and

combine the respective oil and gas businesses of Woodside and BHP while minimizing disruption to the business of the Merged Group.

The final integration plan will set out the key activities to achieve integration of Woodside and BHP Petroleum (including organizational design, regulatory management, stakeholder engagement, and systems and operations transfer).

Following Implementation, the integration team will endeavour to ensure that the identified synergies of the Merger are actioned, monitored and realized as planned.

The Woodside Board is confident that separation of BHP Petroleum from BHP and the subsequent integration of Woodside and BHP Petroleum can be achieved with minimal impact in conducting the Merged Group business safely and efficiently.

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Values

The Merged Group values are still being defined but will reflect Woodside' s fundamental values, which are as follows:

Respect - We give everyone a fair go, give and receive feedback and listen with empathy

Ownership - We set goals, hold ourselves accountable and learn, including from mistakes

Sustainability - We keep each other safe, look after the environment and support our community

Working Together - We embrace inclusion, value diversity and build long-term relationships

Integrity - We are transparent, honest and fair and build trust by doing the right thing

Courage - We speak up, act decisively and embrace change

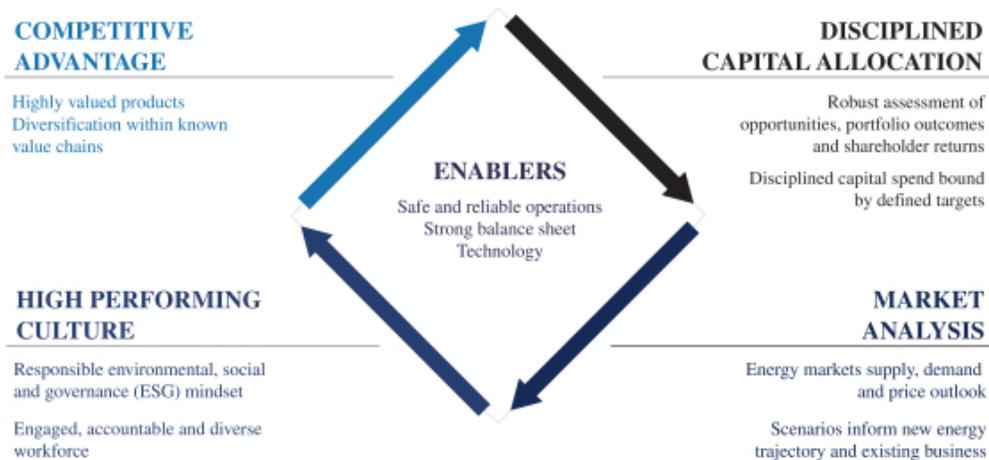
Strategy

Woodside plans to develop a strategy for the Merged Group to optimize value and shareholder returns through the energy transition. The goal is to leverage its base business profitability to build a low-cost, lower-carbon, profitable, financially resilient, and diversified portfolio of growth opportunities to achieve its strategic objectives.

The strategy will see Woodside continuing to develop hydrocarbons while gradually building optionality in new energy products and lower-carbon services such as ammonia, liquid hydrogen and the development of carbon capture and utilization through targeted opportunities with attractive growth potential.

In addition to these new energy opportunities Woodside is assessing opportunities for carbon capture and storage, including an opportunity to develop a large-scale, multi-user project near Karratha, Western Australia.

The strategic planning framework will facilitate delivery of Woodside' s strategy and execution of future investment decisions.



Competitive Advantage

Woodside' s strategy aims to establish a competitive advantage by offering to its customers high-valued products. Woodside operates international assets to deliver low-cost and high-margin products, and is maturing a portfolio of high-quality growth options, including both hydrocarbon and new energy opportunities.

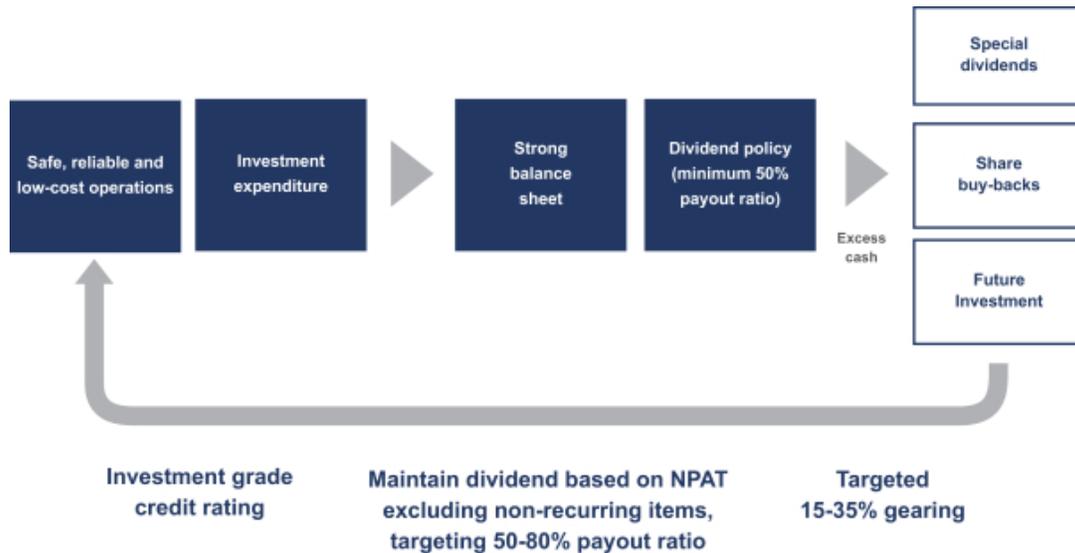
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Understanding the changes in the energy market, combined with diversifying the portfolio into new energy, will help Woodside to identify new areas within known segments of the energy value chain where the Merged Group may gain a competitive advantage.

Woodside's strategy to diversify its portfolio into new energy will be built on Woodside's understanding of the energy value chain and the market evolution, and its capabilities to identify adjacent areas of the energy value chain where it may gain a competitive advantage.

Disciplined Capital Management and Allocation

Woodside's approach to capital management is to deploy its capital within a framework designed to optimise shareholder returns, through investing in growth opportunities or distributions, while maintaining a strong balance sheet.



Woodside has a portfolio of assets providing safe, reliable and low-cost operations which provides the foundation to deliver new growth opportunities.

In respect of investing in growth opportunities, Woodside's disciplined capital allocation approach includes robust assessment of opportunities, portfolio outcomes and shareholder returns, while maintaining focus on safe and reliable operations.

Woodside's capital allocation approach aligns to its strategy and is expected to enable the current portfolio to evolve into the optimal portfolio for the future, incorporating a mix of oil, gas, and new energy opportunities and shareholder returns.

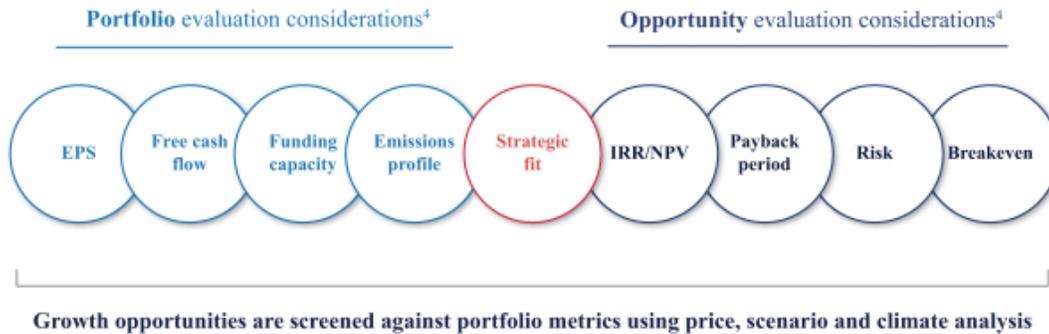
The Merged Group will adopt Woodside's capital allocation approach.

Woodside's capital allocation framework sets target investment criteria for the assessment of oil, gas and new energy opportunities. It comprises investment targets for different business segments, as well as portfolio-level financial and non-financial metrics to evaluate opportunities for their strategic fit and performance under different scenarios. The capital allocation framework is used to create a diversified and flexible portfolio which is responsive to changes in demand and supply for Woodside's products.

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| | OIL | GAS | | NEW ENERGY |
|---------------------|---|---|---|--|
| | OFFSHORE | PIPELINE | LNG | DIVERSIFIED |
| Focus | Generate high returns to fund diversified growth, focusing on high quality resources | Leveraging infrastructure to monetise undeveloped gas, including optionality for hydrogen | | New energy products and lower-carbon services to reduce customers' emissions; hydrogen, ammonia, CCUS ¹ |
| Characteristics | High cash generation Shorter payback period Quick to market | Stable long-term cash flow profile Resilient to commodity pricing | Long-term cash flow Strong forecast demand Upside potential | Developing market Lower capital requirement Lower risk profile |
| Opportunity targets | IRR > 15% Payback within 5 years ² | IRR > 12% Payback within 7 years ² | | IRR > 10% Payback within 10 years ² |
| Emissions reduction | 30% net emissions reduction by 2030, net zero aspiration by 2050 or sooner ³ | | | |

When assessing opportunities, Woodside considers a broad range of portfolio evaluation and opportunity evaluation factors relevant to the opportunity. These assessments can apply to acquisitions or divestments, and for evaluating the impact of a new project on the portfolio.



- 1 CCUS refers to carbon capture utilisation and storage.
- 2 Payback refers to ready for start-up+X years.
- 3 Target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas emissions over 2016-2022 and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets with an FID prior to 2021. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.
- 4 Illustrative of the considerations. Not an exhaustive list.

The Merged Group portfolio is expected to provide optionality across oil, gas and new energy. Each business segment is expected to meet specific investment criteria that reflect different risk-reward profiles.

The allocation approach intends to support continued investment in hydrocarbons where screening criteria are met, as well as building capability and competitive advantage in new energy. In addition, Woodside expects to manage the emissions from all these investments to meet Woodside's targets to reduce net equity Scope 1 and Scope 2 greenhouse gas emissions by 15% by 2025 and 30% by 2030, towards an aspiration of net zero by 2050

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or sooner. Woodside's climate strategy is composed of reducing its net equity Scope 1 and 2 greenhouse gas emissions, and investing in the products and services that are intended to help customers reduce their emissions. The target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas emissions over 2016-2020 and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets with an FID prior to 2021. After Implementation of the Merger, the baseline will be adjusted for the Merged Group portfolio. See the section entitled "*Business and Certain Information About Woodside-ESG-Climate Change*" for additional information on expected management of carbon emissions offsetting.

Capital investment requirements are primarily funded by Woodside's resilient and stable operating cash flows, in conjunction with a number of capital management levers:

Participating interest management, ensuring a balance of capital investment requirements, project execution risk and long-term value; In 2021 Woodside announced the sell-down of a 49% non-operating participating interest in the Pluto Train 2 Joint Venture. This transaction completed in January 2022. In 2022, Woodside will continue the targeted sell-down processes for Sangomar and the Scarborough offshore resource;

Debt management, to ensure that Woodside continues to have access to premium debt markets at a competitive cost to support its growth activities. Woodside seeks to manage average debt maturity on its debt portfolio. Woodside's gearing target is 15-35%. Woodside continues to target maintaining an investment-grade credit rating; and

Focused expenditure management, to ensure prudent and efficient deployment of capital to support delivery of base business and growth opportunities.

Oil

The Merged Group's oil investments will focus on high-quality oil resources that can generate high returns to fund future diversified growth. These opportunities are characterized by quick developments, short payback periods and significant cash generation once operational. Subsea tiebacks to existing oil infrastructure can be particularly attractive.

Woodside plans to target oil opportunities for the Merged Group that deliver rates of return greater than 15% and payback within the first 5 years from ready for start up.

Gas

Woodside believes gas will continue to play a major role in the energy system, as countries switch from coal and look for stable forms of base-load power to support renewables. The Merged Group will invest in LNG and pipeline gas opportunities, focusing on developments through existing infrastructure and opportunities to develop optionality for hydrogen.

Woodside plans to target gas opportunities for the Merged Group that deliver rates of return above 12% and payback within 7 years from ready for start up.

New Energy

Woodside believes the new energy products and services market is developing and could grow quickly as countries and businesses commit to net zero goals and policies to incentivize lower-carbon solutions across the globe strengthen. Woodside has set a target to invest at least \$5 billion on new energy products and lower-carbon services by 2030 to meet this growing demand. This investment target assumes Implementation of the Merger. Individual investment decisions are subject to Woodside's investment hurdles.

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Woodside expects to diversify its product stream by investing in a diversified range of new energy opportunities. These include products and services that are intended to help customers reduce their emissions such as the supply of hydrogen and ammonia, and the provision of Carbon, Capture, Utilization and Storage services to third-parties to support their decarbonization efforts.

These opportunities are expected to be scalable in nature, providing the opportunity for staged investment as the market develops.

Opportunities that deliver rates of return greater than 10% and payback within 10 years from ready for start up will be targeted for the Merged Group. These thresholds reflect that these projects are not exposed to upstream or resource risk in the way a traditional oil or gas development is.

New energy opportunities recently announced by Woodside include H2Perth (an ammonia and hydrogen opportunity located near the Kwinana industrial hub south of Perth, Western Australia), H2TAS (a renewable hydrogen and ammonia opportunity located in the Bell Bay area of northern Tasmania), H2OK (a liquid hydrogen opportunity in Oklahoma) as well as a collaboration with Heliogen on deployment of their concentrated solar technology at a pilot facility in California.

Market Analysis

Woodside's investment decisions are informed by energy market analysis including supply, demand and price outlooks. Through market analysis, Woodside seeks to monitor the global macroeconomic and geopolitical environment and the energy markets outlook to determine how they can impact the organization and how to best respond, including how Woodside allocates capital. This is expected to include third-party scenarios and Woodside's own assessment of product prices and market conditions.

Woodside uses scenario models to test the resilience of the current portfolio to different energy outlooks. The robustness of potential investments are also assessed to inform investment decisions around growth strategy and future portfolio of the Merged Group to ensure that Woodside will remain profitable and resilient through various commodity cycles and climate outcomes, including the energy transition trajectory.

High Performing Culture

Woodside's high performing culture, which includes an engaged, accountable and diverse workforce with a responsible ESG mindset, is critical to ensuring its effectiveness in delivering its vision and strategy.

Enablers

Woodside's ability to successfully navigate the energy transition will be underpinned by three primary enablers. Woodside's safe and reliable operations will aim to keep its people safe and protect its revenues. Woodside's focus on maintaining a strong balance sheet will aim to provide the financial flexibility to support the maturation of growth opportunities. Woodside's technology capability will aim to improve base business efficiency and productivity and will enable expansion into new markets for the Merged Group.

Employees

As of 31 December 2021, after giving effect to the Merger as though it had been Implemented on that date, the Merged Group would have had approximately 5,131 full-time employees, the majority of whom are located in Australia and the United States of America.

As of 31 December 2021, Woodside had 3,764 full-time employees, 3,660 of whom were located in Australia.

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BHP Petroleum's average number of employees and contractors for the calendar year ended 31 December 2021 was 1,367. On average, approximately 75% of the workforce were employees (1,016) and approximately 25% were contractors (351).

Average⁽¹⁾ number of BHP Petroleum employees for CY 2021, 2020 and 2019 by geographical area

| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|----------------------|-------------|-------------|-------------|
| Australia | 135 | 177 | 178 |
| United States | 719 | 1,031 | 1,103 |
| Rest of World | 162 | 182 | 201 |

- (1) Average employee numbers include 100% of employees of subsidiary companies. Employees of equity accounted investments and joint operations are not included. Part-time employees are included on a full-time equivalent basis. Employees of businesses disposed of during the year are included for the period of ownership. Contractors are not included.

In addition, as a subsidiary of BHP, BHP Petroleum has also historically benefited from corporate and centralized administration services provided by employees within BHP's corporate divisions. These groups are in addition to the employee numbers above and services typically include administration support activities in Human Resources, Procurement, Marketing and Finance.

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For the years ended 31 December 2021, 2020 and 2019, Woodside has employed the numbers of people as detailed in the following table.

Woodside employees for the years ended 31 December:

| PEOPLE | 2021 | 2020 | 2019 |
|--|-------|-------|-------|
| Employment gender (number of staff by gender) | | | |
| Male | 2,525 | 2,546 | 2,676 |
| Female | 1,239 | 1,231 | 1,286 |
| Total | 3,764 | 3,777 | 3,962 |
| Permanent - Male | 2,302 | 2,315 | – |
| Permanent - Female | 827 | 819 | – |
| Permanent - Total | 3,129 | 3,134 | 3,276 |
| Fixed term - Male | 168 | 179 | – |
| Fixed term - Female | 150 | 155 | – |
| Fixed term Total | 318 | 334 | 337 |
| Part-time - Male | 55 | 52 | – |
| Part-time - Female | 262 | 257 | – |
| Part-time Total | 317 | 309 | 349 |
| Total | 3,764 | 3,777 | 3,962 |
| Number of staff by employment Category | | | |
| Administration - Male | 117 | 105 | 107 |
| Administration - Female | 146 | 145 | 158 |
| Technical - Male | 986 | 1,021 | 1,040 |
| Technical - Female | 453 | 470 | 516 |
| Supervisory/Professional - Male | 935 | 900 | 978 |
| Supervisory/Professional - Female | 486 | 464 | 465 |
| Middle Management - Male | 462 | 486 | 515 |
| Middle Management - Female | 143 | 140 | 136 |
| Senior Management - Male | 25 | 34 | 36 |
| Senior Management - Female | 11 | 12 | 11 |
| Total | 3,764 | 3,777 | 3,962 |
| Board Members - Male | 7 | 7 | 7 |
| Board Members - Female | 4 | 3 | 3 |
| Employees in Graduate Program (number) | | | |
| Male employees | 154 | 144 | 143 |
| Female employees | 168 | 151 | 150 |
| Total | 322 | 295 | 293 |
| Employment region (number of staff by region) | | | |
| Australia | 3,660 | 3,705 | 3,874 |
| Africa/Middle East | 35 | 9 | 8 |
| Asia | 48 | 49 | 23 |
| Europe | 8 | 7 | 42 |
| USA and Canada | 13 | 7 | 15 |
| Total | 3,764 | 3,777 | 3,962 |

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| PEOPLE | 2021 | 2020 | 2019 |
|--|--------------|--------------|--------------|
| Total number of contractors | <u>267</u> | <u>235</u> | <u>337</u> |
| Woodside staff age distribution (years) | | | |
| <30 Male | 368 | 376 | 386 |
| <30 Female | 349 | 363 | 388 |
| 31-50 Male | 1,485 | 1,503 | 1,547 |
| 31-50 Female | 757 | 748 | 764 |
| 51+ Male | 672 | 667 | 743 |
| 51+ Female | 133 | 120 | 134 |
| Total | <u>3,764</u> | <u>3,777</u> | <u>3,962</u> |
| Employees | 156 | 144 | 140 |
| Pathways | 44 | 32 | 47 |
| Total | <u>200</u> | <u>176</u> | <u>189</u> |
| Traineeship and apprenticeship program (number) | <u>118</u> | <u>135</u> | <u>135</u> |
| Employee turnover (number) | | | |
| Male employees | 147 | 288 | 74 |
| Female employees | 101 | 136 | 44 |
| Total | <u>248</u> | <u>424</u> | <u>118</u> |
| Voluntary turnover (number) | 173 | 112 | 112 |
| Voluntary turnover (percentage) | 4.5 | 2.9 | 3.0 |
| Turnover by region (number) | | | |
| Australia | 247 | 418 | 117 |
| Africa/Middle East | 0 | - | 0 |
| Asia | 1 | 1 | 0 |
| Europe | 0 | 4 | 1 |
| USA and Canada | 0 | 1 | 0 |
| Total | <u>248</u> | <u>424</u> | <u>118</u> |
| Returning from parental leave (percentage) | <u>99</u> | <u>99</u> | <u>97</u> |

Decommissioning

Cost estimates and scope of work

Decommissioning the site of oil and gas field developments, processing plants and associated infrastructure is a well-established requirement of the oil and gas lifecycle following cessation of production.

Woodside estimates the future remediation and removal costs of offshore oil and gas platforms, production facilities, wells and pipelines at different stages of the development and construction of assets or facilities. In many instances, remediation and removal of assets occurs many years into the future.

Woodside's decommissioning and restoration cost estimates are based on compliance with the requirements of relevant regulations which vary for different jurisdictions and are often non-prescriptive. Australian legislation, for example, requires removal of structures, equipment and property, or alternative arrangements to removal which are satisfactory to the regulator. Woodside maintains technical expertise to ensure that industry learnings, scientific research and local and international guidelines are reviewed in assessing its decommissioning and restoration obligations.

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The decommissioning and restoration cost estimates requires judgemental assumptions regarding removal date, environmental legislation and regulations, the extent of restoration activities required, the engineering methodology for estimating cost and future removal technologies in determining the removal cost. Woodside' s estimates include the following costs:

For onshore assets, costs associated with the removal of production facilities and aboveground pipelines to allow site reuse. Provision is made for groundwater monitoring and remediation.

For offshore assets, costs associated with the plugging and abandonment of wells and the removal of offshore platform topsides, floating production storage offloading (FPSO) and some subsea infrastructure. It is currently Woodside' s assumption that certain pipelines and infrastructure, parts of offshore platform substructures, and certain subsea infrastructure remain in-situ where it can be demonstrated that this will deliver equal or better health, safety and environmental outcomes than full removal and that regulatory approval is obtained where the arrangements are satisfactory to the regulator.

The basis of the cost estimate for assets with approved decommissioning plan or directions issued by a regulator can differ from the estimate that would be produced from the application of the assumptions above. While the costs are based on current knowledge and information, further studies and detailed analysis of the restoration activities for individual assets will be performed near the end of their operational life and/or when detailed decommissioning plans are required to be submitted to the relevant regulatory authorities.

Woodside has assessed that BHP adopts a similar approach in estimating the scope, cost and timing of decommissioning and restoration activities.

Figure 21 below is an indicative profile for decommissioning costs of the Merged Group and is calculated on the following basis:

the assumptions stated above in relation to the full or partial removal of assets;

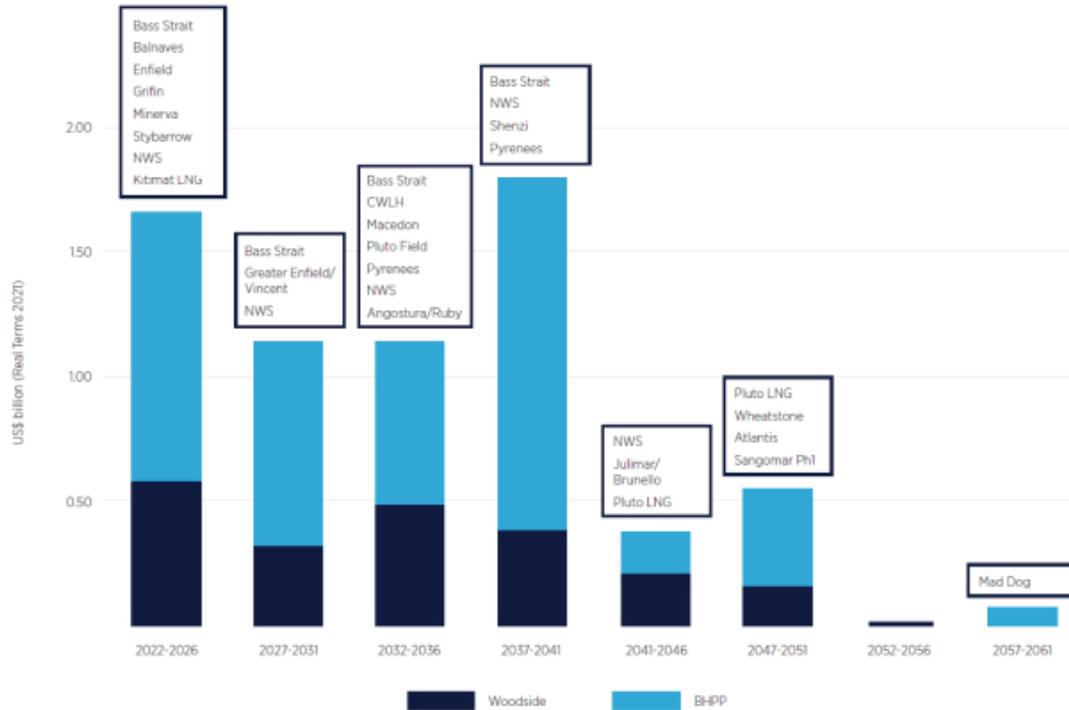
Woodside costs and schedule have been applied to Woodside assets installed as at 31 December 2021; and

BHP Petroleum costs and schedule have been applied to BHP Petroleum assets installed as at 30 June 2021.

Yet to be installed parts of sanctioned development projects including Scarborough, Pluto Train 2, Sangomar Phase 1, Mad Dog Phase 2, Shenzi North and GWF3/LD are not included in the indicative profile. Current estimates indicate that decommissioning of Sangomar Phase 1 (without further development), U.S. GOM hubs and Scarborough and Pluto LNG will occur post 2040.

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Figure 21: Indicative decommissioning costs (pre-tax) of the Merged Group over 5-year periods (real terms 2021)



- (1) This figure is indicative only, and is intended to provide an overall future decommissioning costs profile for the Merged Group. It is based on the assumptions outlined above. This figure is being provided in advance of Implementation of the Merger and is based, in some respects, on external views of the BHP Petroleum assets. Accordingly, this figure is provided for illustrative purposes only and should not be relied on as definitive guidance of future decommissioning costs of the Merged Group. See the section entitled “*Cautionary Statement Regarding Forward-Looking Statements*” for important cautionary information relating to forward-looking statements.
- (2) Real term costs refer to costs that are not escalated for inflation.

Near Term Activities (2022-2026)

The portfolio of the Merged Group has near term (2022-2026) decommissioning expenditure relating to:

Assets which have ceased production:

- Balnaves, Enfield, Griffin and Stybarrow oil fields in north-west Australia;
- Minerva in Victoria;
- Parts of the North West Shelf Project; and
- Parts of the Bass Strait production system.

Sites related to the exit from Kitimat LNG in Canada;

Exploration and appraisal wells; and

Production wells in the U.S. GOM which are expected to cease production in this period.

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Examples of some of the near-term activities are outlined below:

Balnaves, Enfield, Griffin and Stybarrow: The floating production, storage and offloading (FPSO) facilities associated with each of these oil fields have already been removed. The remaining decommissioning activities relate to the plugging and abandonment of wells and the removal/insitu decommissioning of the flowlines, mooring systems and foundations as well as the Griffin concrete coated steel gas export pipeline.

Minerva: The remaining decommissioning activities relate to removal/insitu decommissioning of the sub-sea pipeline system to shore and the plugging and abandonment of wells.

Parts of the North West Shelf Project: The Echo Yodel and Angel fields have ceased production. The wells associated with the Echo Yodel field were plugged and abandoned in 2021 and the wellheads and pipeline including its plastic coating is planned for removal. The wells associated with the Angel field are also planned to be plugged and abandoned with two subsea Perseus wells which have also ceased production.

Parts of the Bass Strait Development: Certain subsea and platform production wells have already been plugged and abandoned and certain subsea equipment already removed. A number of fields have now ceased production and an active program of plugging and abandonment and care and preservation of facilities to allow future removal is ongoing.

Longer Term Activities (beyond 2026)

The timing for longer term decommissioning expenditure (beyond 2026) relating to other assets within the portfolio of the Merged Group is subject to various factors including, but not limited to:

field performance;

commodity price;

field and infrastructure life extension programmes;

regulatory requirements; and

timing of development of additional assets which enables the life of existing assets/infrastructure to be prolonged.

Figure 21 indicates the current timing expectations for decommissioning expenditure of the production hubs assuming no subsequent additional development.

Bass Strait

As set out in Figure 21 above, of the indicative decommissioning costs (pre-tax) of the Merged Group, costs associated with the Bass Strait production system accounts for approximately 40% for the near term (2022-2026) and approximately 25% for the longer term (from 2027 onwards).

Decommissioning activities are being undertaken by Esso Australia Resources, as operator of the project. The Bass Strait Environmental Plan (dated 26 March 2021) provides an indicative program of offshore decommissioning activities including equipment which is judged to be removed and equipment which is judged to remain in-situ, together with the timing for the proposed decommissioning campaigns. The scope of the equipment which will remain in-situ remains subject to technical investigations and regulator approvals. The indicative costs set out in Figure 21 align with these judgements.

Restoration obligation

From a financial reporting perspective, Woodside and BHP actively manage their restoration provisions for these future activities, which are included in their respective periodic financial statements.

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To establish the value of the accounting provision for the Merged Group, in respect of the BHP Petroleum assets, Woodside has:

- adopted real term costs for BHP Petroleum' s assets; and
- applied Woodside' s escalation and discount rate assumptions.

Note: real term costs refer to costs that are not escalated for inflation; and differences in escalation and discount rate assumptions can have a material impact on the accounting provision.

Normalization of scope and cost estimate methodologies across the Merged Group will be made in subsequent years.

For further detail see Note 3(k) in the section entitled “*Unaudited Pro Forma Condensed Combined Financial Statements.*”

The calculation of restoration provisions is conducted by specialist engineers and requires judgemental assumptions to be made regarding removal date, compliance with environmental legislation and regulations, the extent of restoration activities required (including assets remaining in-situ), the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and liability-specific discount rates to determine the present value of these cash flows. Approval by NOPSEMA, the relevant Australian regulator, for items remaining in-situ will only be provided towards the end of field life and accordingly, at 31 December 2021, there is uncertainty whether NOPSEMA or regulators in other jurisdictions will approve plans for these items to be decommissioned in-situ. These assumptions and estimates are inherently subjective and changes can lead to significant differences in the restoration provision. See the section entitled “*Risk Factors–The Merged Group' s financial results could be adversely affected by impairments of goodwill or other intangible assets, the application of future accounting policies or interpretations of existing accounting policies including by regulatory direction, and changes in estimates of decommissioning costs.*”

REGULATORY INFORMATION ABOUT THE MERGED GROUP

This section sets out a description of the material government regulations that apply to the businesses of each of Woodside and BHP Petroleum, which will correspondingly apply to the Merged Group. This section is divided into the following:

Australia—a summary of the material regulations that apply to Woodside and BHP Petroleum’s operations in Australia, including a summary of the material regulations that apply in the states of Western Australia and Victoria;

United States—a summary of the material regulations that apply to Woodside and BHP Petroleum’s assets and/or operations in the United States; and

Other.

Woodside and BHP Petroleum are subject to a broad range of laws and regulations imposed by governments and regulatory bodies. These regulations touch all aspects of each of Woodside and BHP Petroleum’s assets, including how Woodside and BHP Petroleum extract, process and explore for oil and natural gas and how Woodside and BHP Petroleum conduct their businesses, including regulations governing matters such as environmental protection, land rehabilitation, occupational health and safety, human rights, the rights and interests of Indigenous peoples, competition, foreign investment, export, marketing of oil and natural gas and taxes.

The rights to explore for oil and natural gas are granted to Woodside and BHP Petroleum by the government that owns the natural resources that Woodside or BHP Petroleum wish to explore. Usually, the right to explore carries with it the obligation to spend a defined amount of money on the exploration, or to undertake particular exploration activities.

The ability to extract and process oil and natural gas is fundamental to each of Woodside and BHP Petroleum. In most jurisdictions, the rights to extract petroleum deposits are owned by the government. Woodside or BHP Petroleum obtain the right to access the land and extract the product by entering into licenses or leases with the government that owns the oil or natural gas deposit. Woodside and BHP Petroleum also rely on governments to grant the rights necessary to transport and treat the extracted petroleum to prepare it for sale. The terms of the lease or license, including the time period of the lease or license, vary depending on the laws of the relevant government or terms negotiated with the relevant government.

In certain jurisdictions where Woodside and BHP Petroleum have assets, such as BHP Petroleum’s assets in T&T and Woodside’s assets in Senegal, a production sharing contract (“PSC”) governs the relationship between the government and companies concerning how much of the oil and gas extracted from the country each party will receive. Under PSCs, the government awards rights for the execution of exploration, development and production activities to the companies. The company bears the financial risk of the initiative and explores, develops and ultimately produces the field as required. When successful, the company is permitted to use the money from a certain set percentage of produced oil and gas to recover its capital and operational expenditures, known as “cost oil.” The remaining production is known as “profit oil” and is split between the government and the company at a rate determined by the government and set out in the PSC.

This summary focuses on the Australian and United States regulatory regimes. The summary is not a full summary of the regulatory regimes in those jurisdictions nor is it a complete list of the legislation and regulation that applies to each of Woodside and BHP Petroleum.

Australia

General

In Australia, petroleum exploration and development takes place within a legal framework characterized by a division of responsibilities between the federal and the state or territory governments. Exploration and

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development conducted onshore and within three nautical miles of the territorial sea baseline of the relevant state or territory (“coastal waters”) are the responsibility of the individual state or territory governments.

The Australian federal government has legislative responsibility for Australian offshore petroleum exploration and production beyond the three nautical mile territorial sea, which encompasses the area of most relevance to Woodside’s and BHP Petroleum’s offshore activities.

BHP Petroleum has certain onshore operations in Victoria, Australia, including the Gippsland Basin Joint Venture (referred to as the “Victorian onshore operations”). These onshore operations are subject to various Victorian state legislation and accordingly this section includes a summary of the material Victorian regulations.

In addition, Woodside and BHP Petroleum have certain onshore activities in Western Australia which are subject to various Western Australian state legislation and accordingly this section also includes a summary of the material Western Australian regulations.

Federal Petroleum Legislation and Regulation

Woodside’s and BHP Petroleum’s Australian offshore operations beyond coastal waters are primarily governed by the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) (“OPA”) and related legislation.

The OPA establishes a joint authority (“Joint Authority”) whereby relevant Australian state, territory and federal governments cooperate in the administration and supervision of petroleum activities in Australia’s offshore areas beyond coastal waters. Within the coastal waters, petroleum operations are covered by the relevant state or Northern Territory legislation that is substantively similar to the OPA. Other state and territory legislation principally covers the establishment and operation of facilities for the processing, production and delivery of gas, LNG and other petroleum products located onshore. In relation to environmental and native title legislation and regulation, see “*Indigenous and Natural Heritage Legislation and Agreements*” and “*Environmental Regulation*.”

Woodside holds production sharing contracts and retention leases covering its petroleum interests within the Greater Sunrise Special Regime (“GSSR”) under joint Australian/Timor-Leste administrative control. The GSSR was established pursuant to the Maritime Boundaries Treaty, which came into force on 30 August 2019 and the GSSR replaced the Joint Petroleum Development Area (“JPDA”). Woodside and the other Sunrise joint venture participants are required to enter into a new production sharing contract. See “*Arrangements between the Australian Government and the Timor-Leste Government in relation to the GSSR, the JPDA and Greater Sunrise gas fields*.”

A number of Woodside’s and BHP Petroleum’s production licenses and most exploration permits and other petroleum titles that Woodside and BHP Petroleum hold in the North West Shelf and that Woodside holds in the Timor Sea (Australian controlled) regions were issued under the *Petroleum (Submerged Lands) Act 1967* (Cth) (“PSLA”), which has since been repealed and replaced by the OPA. The repeal of the PSLA does not affect titles granted under it, and offshore petroleum titles beyond coastal waters (including those previously issued under the PSLA) are now issued and regulated under the OPA.

An exploration permit granted under the OPA authorizes the holder to explore for, but not to produce commercially, petroleum products (including oil and gas and related products) in the area that is covered by the permit. The Joint Authority selects vacant acreage and makes it available for competitive bidding each year. Exploration permits are awarded based on work program bids (or, on occasion, a cash bid) for an initial period of six years. The holder of an exploration permit granted under the work program bidding system is required to complete a minimum guaranteed work program within the first three years of a permit. The commitments under the work program must be completed on schedule or the permit may be cancelled. In practice, at the end of the

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three years, the holder may either surrender the permit if the work program has been discharged, or alternatively, elect to complete a secondary work program on a year-by-year basis for each of the subsequent three years. Under the cash bidding system, permits are awarded to the highest cash bidder with no minimum work obligation.

Exploration permits with a work program may be renewed for five-year periods. On each renewal, however, the permit holder is obliged to surrender at least half the number of blocks contained in the existing permit subject to certain exceptions as set out in the OPA. In addition, the blocks that are the subject of a discovery and held under a location status are excluded from the halving calculation. Subject to the exceptions set out in the OPA, the holder of a permit is entitled to be granted a renewal, provided the conditions of the permit and the relevant provisions of the OPA and the regulations have been complied with.

The holder of an exploration permit may apply for a production license after a discovery has been made. A production license granted before 30 July 1998 remains in force (subject to compliance with the license conditions, the OPA and the regulations):

for an initial period of 21 years;

in the case of a production license granted by way of first renewal, for a period of 21 years; or

in the case of a production license granted by way of second renewal, indefinitely.

The holder of a production license is entitled to be granted a renewal where the conditions of the license, the OPA and the regulations applicable to the license have been complied with. A production license granted on or after 30 July 1998 remains in force indefinitely (subject to compliance with the license conditions, the OPA and the regulations). However, the Joint Authority has discretion to terminate such a production license where no operations for the recovery of petroleum under the license have been carried on for a continuous period of at least five years.

The *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011* (Cth) (“Resources Management Regulations”) contain resource management provisions, including a requirement for the holder of a production license to have in place a FDP approved by the Joint Authority before petroleum production can commence. Under the Resources Management Regulations:

The Joint Authority will reject an FDP if it is not satisfied that it is consistent with good oilfield practice or compatible with optimum long-term recovery of the petroleum.

Once an FDP has been approved, the holder of the production license must apply for a variation of the FDP at least 90 days before it makes a “major change” in relation to the recovery of petroleum, including a change in the development strategy or management strategy, a change in the plan for the development of additional pools in the field, cessation of production permanently or for the long-term before the date proposed in the FDP, or introduction of new methods for petroleum recovery such as enhanced recovery and injection of fluids.

The Joint Authority will also have the discretion to require a variation of an approved FDP.

The holder of a production license will have an obligation to notify the Joint Authority within seven days after becoming aware of a “significant event.” This includes a change in the understanding of the characteristics of the geology or reservoir that may have a significant impact on the optimum recovery of petroleum, a new or increased risk to the recovery of petroleum within the license area or outside the license area caused by the development of pools in the license area, a new or increased risk of activities in the license area causing effects outside the license area, or a change to the proposed option for development of pools in the license area, including any tie-in opportunity with nearby license areas.

The OPA also provides for the grant of pipeline licenses within the areas of the OPA’s jurisdictional operation. Pipelines within the coastal waters of Western Australia are licensed under the *Petroleum (Submerged*

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Lands) Act 1982 (WA) and pipelines within the coastal waters of Victoria are licensed under the *Offshore Petroleum and Greenhouse Gas Storage Act 2010* (Vic). Onshore pipelines in Western Australia are licensed under the *Petroleum Pipelines Act 1969* (WA) and onshore pipelines in Victoria are licensed under the *Pipelines Act 2005* (Vic).

As of the date of this prospectus, Woodside is not a “foreign person” for the purposes of the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (“FATA”), including the regulations promulgated thereunder, and Australia’s Foreign Investment Policy (“Investment Policy”). See “–*Regulation of Foreign Investment in Australia and Takeovers Policy*” below. Accordingly, acquisitions of interests in production licenses and certain other types of petroleum tenure by Woodside do not need to be approved by the Federal Treasurer in accordance with the terms of the FATA and the Investment Policy. Further, Woodside will be considered a “national security business” for the purposes of the FATA due to the gas assets held, which meet the definition of a “critical gas asset” within the *Security of Critical Infrastructure Act 2018* (the “SOCI Act”). As such, acquisitions of interests in Woodside may need to be approved by the Federal Treasurer in accordance with the terms of the FATA. Whether Woodside is a “foreign person” or a “national security business” for the purposes of the FATA may change from time to time based on the identities of the Woodside Shareholders and the business operations and asset holdings of Woodside (as discussed further in the section referred to above).

A person who makes a discovery that is not currently commercially viable, but is likely to become commercially viable within 15 years, may apply for a retention lease under the OPA. This application must be made within two years after a petroleum location has been declared under the exploration permit, although this period can be extended. A retention lease gives the holder an interest over the discovery, so that if the discovery does become commercially viable at some point, the holder could apply for a production license. Retention leases are generally granted subject to conditions that relate to appraisal and, in some cases, marketing activities. A retention lease is granted for a period of five years and is renewable subject to certain requirements being met. As with the original grant of a retention lease, applicants for a renewal must be able to demonstrate that their discovery is not commercially viable at the time of the application, but that the discovery is likely to become commercially viable within 15 years.

Currently, under the OPA, the Joint Authority has the power to require one review during the term of the retention lease to assess a field’s commercial viability in the then-current market environment. If the Joint Authority decides that a field is currently commercially viable, the lessee is given notice of the proposed revocation of the lease and an opportunity to make submissions to the Joint Authority about the proposal to revoke the lease. If, despite any such submission, the Joint Authority decides that the lease should be revoked, the lessee has 12 months to apply for a production license, failing which the revocation of the lease will take effect.

The OPA requires titleholders to maintain financial assurance (which includes insurance, self-insurance, bonds, bank deposits and other instruments) sufficient to give the titleholder capacity to meet costs, expenses and liabilities arising in connection with, or as a result of, carrying out a petroleum activity. This is intended to apply to the extraordinary costs arising in connection with activities undertaken under a title, for example, expenses relating to the clean-up or other remediation of the effects of an escape of petroleum.

On 2 September 2021, the Australian federal parliament passed the *Offshore Petroleum and Greenhouse Gas Storage Amendment (Titles Administration and Other Measures) Act 2021* (Cth) which, among other changes, amends the OPA to impose new trailing liability and change of control provisions. The amendments take effect from 2 March 2022. The changes to the trailing liability regime expand the existing powers of NOPSEMA and the Minister including the ability to recall any former titleholder to undertake decommissioning activities on a title area. These powers are retrospective in their application and apply to titles that are currently in force as well as to titles that ceased to be in force on or after 1 January 2021.

Under the new change in control provisions, any change in control must be pre-approved by the Titles Administrator (NOPTA). A person is said to “control” a titleholder if they hold 20% or more of the voting rights

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or issued securities in that titleholder. A change of control will occur if a person controls the titleholder (“original controller”) and either another person begins to control the titleholder or the original controller ceases to control the titleholder. In addition to the OPA and regulations, NOPTA will have reference to the applicant suitability guidelines published by the Department of Industry, Science, Energy and Resources, dated 2 March 2022, in determining change of control applications.

Competition Regulation

Each of Woodside and BHP Petroleum must conduct its business in accordance with Australia’s competition laws, which are contained in the *Competition and Consumer Act 2010* (Cth) (“CCA”). The CCA prohibits, among other things:

cartel conduct, which prohibits competitors making or giving effect to a contract, arrangement or understanding that involves price fixing, output restrictions, market sharing or bid rigging;

a corporation with a substantial degree of power in a market engaging in conduct with the purpose or effect (or likely effect) of substantially lessening competition (misuse of market power); and

a corporation engaging in a concerted practice, or making or giving effect to a contract, arrangement or understanding that has the purpose or effect (or likely effect) of substantially lessening competition in a market.

The ACCC can specifically authorize certain conduct that might otherwise breach the CCA.

The coordinated marketing activities of pipeline gas by the NWS Project participants received specific authorizations from the ACCC under the CCA, commencing 30 September 2010. Those authorizations expired on 31 December 2015. Since that time, the NWS Project participants have not engaged in coordinated marketing activity and have put in place arrangements to facilitate separate marketing, which does not require ACCC authorization.

On 2 March 2018, the ACCC granted conditional authorization to permit the coordination of the scheduling of planned maintenance for the NWS Project, Gorgon, Wheatstone, Pluto, Prelude and Ichthys LNG facilities. This authorization was granted for a term of five years, and on condition that the relevant producers publicly disclose the scheduled maintenance information that they have shared with each other. There is a risk that the authorization may not be renewed at the end of the five-year period.

Upstream Regulatory Issues

Part IIIA of the CCA establishes the National Access Regime, which provides a frame for regulating third-party access to certain services provided by means of significant infrastructure facilities. There are three paths to access under the National Access Regime:

effective state or territory access regimes (under this path, if a state or territory introduces an access regime and that regime meet certain criteria, it can be certified by the relevant Minister and will then determine the terms and conditions of access);

voluntary undertakings (under this path, a facility owner voluntarily lodges an undertaking with the ACCC which, if accepted by the ACCC, determines the terms and conditions of access); and

declaration/arbitration (under this path a third-party access seeker can apply for an access declaration from the National Competition Council which provides that third party with the right to negotiate access to a particular service provided by means of an infrastructure facility that is subject to a declaration with the infrastructure owner). Under this path, the ACCC retains a role as arbitrator in the event of a failure by the parties to agree on the terms and conditions of access to the applicable service.

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In order for a service provided by means of a facility to be subject to the statutory third-party access regime in Part IIIA of the CCA via a declaration, the CCA contains a series of declaration criteria which must be all satisfied in relation to the applicable service. These cumulative criteria can be summarized as follows:

access to the service on reasonable terms would promote a material increase in competition in at least one market other than the market for supply of the relevant infrastructure service;

the facility by which the service is provided:

- could meet the total foreseeable demand in the market over the period for which access is proposed on a least cost basis (compared to a service provided by two or more facilities);
- is of national significance in Australia, having regard to its size, importance to trade and commerce or the national Australian economy; and
- access to the service on reasonable terms would promote the public interest (including the effect that a declaration would have on the level of investment in infrastructure services or markets that depend on access to the service).

The object of the declaration criteria includes to ensure only economically significant infrastructure facilities that would be “uneconomic to duplicate” may be subject to a declaration under Part IIIA of the CCA.

Under Part IIIA of the CCA, the definition of a service (for the purposes of identifying what may be subject to the National Access Regime, which must be a service) excludes a ‘production process’, unless that process is an ‘integral but subsidiary’ part of the relevant service. The term ‘production process’ is not itself defined in the CCA. In 2008, the High Court of Australia decided that a service provided by means of a mine-to-port railway did not use a ‘production process’. However, the decision of the High Court was closely tied to the circumstances of that case, including the particular service to which access was sought which encompassed a privately-owned and operated rail line for the haulage of iron ore. The application of this decision to a production process that may be carried out via upstream oil and gas facilities has not been conclusively determined.

For completeness, a similar access regime is also contained in the *Queensland Competition Authority Act 1997* (Qld) which may apply to services supplied by way of infrastructure assets located in Queensland. This regime is separately administered by the Queensland Competition Authority.

Secondary Petroleum Taxes

The NWS Project remains subject to a royalty on petroleum production after allowing a deduction for certain prescribed expenditures and allowances (including excise taxes). The royalty rate is between 10% and 12.5% on the wellhead value depending on the type of license that is held. In addition, the NWS Project is also subject to excise on oil/condensate production and the Petroleum Resource Rent Tax (“PRRT”). The current excise rate varies between 0% and 55% depending on the type of oil and production rates. There is a 30 million barrel exemption for each field. A top rate of excise of 30% applies to condensate production.

PRRT is imposed under the *Petroleum Resource Rent Tax Act 1987* (Cth) and assessed under the *Petroleum Resource Rent Tax Assessment Act 1987* (Cth). PRRT is payable on the excess of assessable upstream revenue over deductible upstream expenditure (including a return on development capital and exploration expenditures) derived from Australian petroleum projects. PRRT is assessed before company income tax and is deductible for the purpose of calculating company income tax. The PRRT rate is currently 40%.

With effect from 1 July 2012, PRRT was extended to all Australian onshore and offshore oil and gas projects, including the NWS Project, although existing resources taxes are effectively credited against the PRRT liability for a project.

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In November 2016, the Australian Government requested that the Commonwealth Treasury (“Treasury”) undertake a review into the design and operation of the PRRT, crude oil excise and associated Commonwealth royalties to provide advice on the extent to which they are operating as intended. The Australian Government’s final response to the review was released on 2 November 2018 and announced, among others, the following key changes, which the Australian Government proposes to introduce:

- reductions to the uplift rates for both general and exploration expenditure;
- the removal of onshore projects from the PRRT regime; and
- a secondary review into the Gas Transfer Pricing (“GTP”) methodology used to calculate the price of gas in integrated LNG projects.

The Bill to give effect to these changes, Treasury Laws Amendment (2019 Petroleum Resource Rent Tax Reforms No. 1) Bill 2019, received royal assent on 5 April 2019. From 1 July 2019:

- the uplift rates that apply to certain categories of carried-forward expenditure is reduced; and
- onshore projects are removed from the scope of the PRRT.

Further, on 5 April 2019, Treasury released a consultation paper on their secondary review into the GTP methodology used to calculate the price of gas in integrated LNG projects. The consultation process is now complete, but Treasury has not yet published its review.

The *Offshore Petroleum (Laminaria and Corallina Decommissioning Cost Recovery Levy) Act 2022* (Cth) and *Treasury Laws Amendment (Laminaria and Corallina Decommissioning Cost Recovery Levy) Act 2022* (Cth) (together the “Levy Acts”) became effective on 2 April 2022. The Levy Acts introduce a temporary levy on all registered holders of Commonwealth production licenses. The levy is set at the lesser of \$0.48 per barrel of oil equivalent or the directed levy amount for each levy year determined by the relevant Commonwealth Minister. The levy is designed to cover the Commonwealth’s costs of decommissioning of the Northern Endeavour floating production storage and offtake facility.

Native Title Legislation and Agreements

Since 1992, Australian common law has recognized that, in certain circumstances, Indigenous Australians may have rights and interests over land and waters in accordance with their traditional laws and customs.

The *Native Title Act 1993* (Cth) (“NTA”) recognizes and protects the native title rights and interests of native title holders and registered native title claimants. The NTA and complementary state legislation also operates to validate “past acts” and “intermediate period acts” of governments, such as granting of titles, licenses and leases, etc. in relation to land or waters in Australia and provides a regime for the valid doing of “future acts” (that is, the making of similar grants) over land or waters in Australia where native title may exist. The grant or renewal of a land, petroleum or pipeline title before 1 January 1994 is classified by the NTA as a “past act” and, if invalid due to the existence of native title, is validated by the NTA and complementary state legislation.

The NTA also protects native title from invalid interference by grants or renewals of land, petroleum or pipeline titles made after 1 January 1994. Grants of these titles post-1 January 1994 are valid if they occur in accordance with the “future act” provisions under the NTA.

Where a granted or renewed title is valid in native title terms, whether because it was always valid, has been validated under the NTA, or is a valid “future act,” then that title will prevail over native title, to the extent of any inconsistency, and the title holder may exercise all of its rights and interest under that title. If any granted or renewed title is not in compliance with the NTA, it will be invalid (unless validated pursuant to the NTA), and

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any existing native title rights and interests will continue. If activities (including grants of tenure/title) occur on land or waters without valid authorization under the “future act” provisions of the NTA, native title holders have legal remedies available to them to protect their native title rights and interests. Remedies include injunctions to restrain activities and actions for compensation/damages.

The NTA also establishes a process by which native title holders may apply for compensation in relation to the effect of the creation or resumption of an interest in land on their native title rights and interests. This compensation burden is borne by the federal or applicable state government which granted or took the interest, unless that compensation burden is passed on by legislation or contract, for example, under Section 24A of the *Petroleum and Geothermal Energy Resources Act 1967* (WA).

In Victoria, the *Traditional Owner Settlement Act 2010* (“VTOS Act”) provides for out-of-court settlements of native title. The VTOS Act only applies to Crown Land in Victoria and therefore would only apply where assets, rights or property interests (such as pipeline easements, licenses to occupy, leases or similar) exist in relation to Victorian Crown land.

The VTOS Act allows the Victorian Government to recognize Traditional Owners (as defined therein) and certain rights in Crown Land (though some Crown Land is excluded) by allowing the Victorian Government to enter into a settlement with a traditional owner group. In return for entering into a settlement, Traditional Owners must agree to withdraw any native title claim pursuant to the NTA and not to make any future native title claims including compensation claims (the State’s policy recently changed to allow a traditional owner group to obtain both a native title determination of any native title claims in addition to a settlement under the VTOS Act).

There are various kinds of agreements that make up a settlement that can be reached under the VTOS Act between the Victorian Government and traditional owner groups. These include: Recognition and Settlement Agreements; Land Agreements; Land Use Activity Agreements; Funding Agreements; Natural Resource Agreements; and Indigenous land use agreements under the NTA to ensure the VTOS Act settlement agreements are valid for the purpose of that law.

VTOS Act settlements will not apply to certain classes of Crown land that are expressly excluded, including areas where existing infrastructure is located on the day the settlement commences.

Indigenous and Natural Heritage Legislation and Agreements

Multiple pieces of Australian state and federal government legislation apply to Aboriginal cultural heritage protection and the management and Aboriginal rights and access to land in Australia.

The primary legislation currently governing Indigenous cultural heritage in relation to Western Australia is the *Aboriginal Heritage Act 1972* (WA) (“WA AHA”), which is in the process of being replaced by the *Aboriginal Cultural Heritage Act 2021* (WA) (“ACH Act”). The ACH Act passed Western Australia’s Parliament and received royal assent on 22 December 2021 and has recently commenced in part. The substantive provisions will commence in around 12 to 18 months’ time. The equivalent State legislation governing Indigenous cultural heritage in Victoria is the *Aboriginal Heritage Act 2006* (Vic) (“Victorian AHA”).

The Aboriginal Heritage Act 1972 (WA)

The WA AHA applies to all land in Western Australia and it is an offence under the AHA to alter, excavate, destroy, damage or conceal any “Aboriginal site” (as defined by the WA AHA) without ministerial consent. It is a defense to undertake reasonable inquiries before undertaking works which may affect an Aboriginal site. An Aboriginal site may exist whether or not native title exists in relation to an area and whether or not a site is registered on the register maintained under the WA AHA. The WA AHA sets out a process whereby a landowner may notify the Aboriginal Cultural Material Committee (“ACM Committee”) that the landowner wishes to use

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land in a manner which may affect an Aboriginal site. The ACM Committee considers the request and makes a recommendation to the Minister for Aboriginal Affairs (“Minister”) as to whether the Minister should consent to the use. The Minister may consent to the use, refuse consent, or consent with conditions. Conditions will often involve the formation and implementation of a Cultural Heritage Management Plan. The Ministerial consent is also a defense to the offence.

The Aboriginal Cultural Heritage Act 2021 (WA)

The Aboriginal Cultural Heritage Act 2021 (“ACH Act”) is in force, having passed Western Australia’s Parliament and received royal assent on 22 December 2021. The ACH Act is in a transitional period, during which only some provisions have commenced operation and the Aboriginal Cultural Heritage Act 1972 (“AHA”) (as amended by the ACH Act) remains in force. The ACH Act, once the majority of its provisions commence, will protect a broader definition of heritage, being tangible and intangible elements that are important to Aboriginal people, including an area, an object, cultural landscapes and ancestral remains. New protection is afforded through protected areas, in which activity is limited. The ACH Act creates a more granular approach to regulating activities, and their impact on heritage values, with significant input from traditional owners. Although there is a tiered structure that applies less regulation to some limited activities, for most activities, the ACH Act requires proponents to use best endeavours to reach agreement with traditional owners with fully informed consent on the terms of a Cultural Heritage Management Plan (“CHMP”). If agreement cannot be reached, proponents can request ministerial authorisation of a CHMP. CHMPs must identify the activity, the heritage potentially affected, and how the proponent will undertake the activity to avoid, minimise or mitigate impacts to heritage. The ACH Act also includes mechanisms to amend CHMPs and to stop activities, if new information arises about heritage values.

The Aboriginal Heritage Act (Vic)

The Victorian AHA provides for the protection of Aboriginal cultural heritage and intangible heritage in Victoria. It is an offence under the Victorian AHA to harm Aboriginal cultural heritage, by act or omission. There are different penalties that apply depending on whether the person knew or was reckless or negligent about whether that person’s act or omission was likely to harm Aboriginal cultural heritage. “Harm” includes damaging, defacing, desecrating, destroying, disturbing, injuring or interfering with Aboriginal cultural heritage. The Victorian AHA provides powers to Authorized Officers and Aboriginal Heritage Officers to enforce these offence provisions.

There are exemptions to the general offences for harming Aboriginal cultural heritage, for example where the person is acting in accordance with (or in the course of preparing) an approved cultural heritage management plan, or in accordance with a cultural heritage permit, an Aboriginal cultural heritage land management agreement or an Aboriginal tradition as it relates to the Aboriginal cultural heritage, or in an emergency. Decisions about whether it is appropriate to approve cultural heritage management plans, cultural heritage permits or enter into cultural heritage land management agreements are made in consultation with the Victorian Aboriginal Heritage Council or where there is a Registered Aboriginal Party (“RAP”), the RAP for the relevant geographical area.

Cultural heritage management plans are mandatory in certain circumstances (including if the activity is a high impact activity and is in an area of cultural heritage sensitivity, such as a waterway). The Minister can issue a ‘stop order’ to prevent a person from carrying out an act where there are reasonable grounds for believing the act is harming, or is likely to harm, Aboriginal cultural heritage. Harming Aboriginal cultural heritage contrary to the Victorian AHA may risk a monetary penalty as well as an order for payment of a further amount for repair or restoration of the Aboriginal cultural heritage. The penalty varies depending on the offence but is currently a maximum of A\$1,817,400 for a corporation that knowingly harms Aboriginal cultural heritage.

In June 2020, the Victorian Aboriginal Heritage Council published a discussion paper proposing legislative reform of the Victorian AHA. The discussion paper was subject to community consultation during 2020 and in

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April 2021, the Victorian Heritage Council released a further consultation paper containing 19 proposals for legislative reform of the Victorian AHA. The proposed reforms to the Victorian AHA include expanding the powers and functions of RAPs and the Victorian Aboriginal Heritage Council, amending prosecution powers, introducing civil damages provisions and otherwise strengthening the AHA in relation to the protection of Aboriginal cultural heritage. Public submissions on the proposed reforms are being considered presently and it is possible that the reforms may be incorporated into amending legislation in due course.

Commonwealth heritage protection

Commonwealth of Australia legislation governing Indigenous cultural heritage and natural heritage across Australia includes the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (“*ATSIHP Act*”) and the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (“*EPBC Act*”). Various government approvals, including state and federal environmental approvals, may regulate the impact of an activity on cultural heritage values, including by placing on approval conditions relating to Indigenous cultural heritage.

The ATSIHP Act protects “significant Aboriginal areas” and “significant Aboriginal objects” as defined in the ATSIHP Act. An Aboriginal person or group may apply for a declaration under Section 9 of the ATSIHP Act to protect a significant Aboriginal area which is “under a serious and immediate threat of injury or desecration.” This is often referred to as an “emergency declaration.” If made, an emergency declaration can last for a maximum of 30 days (which may be extended by up to an additional 30 days). An Aboriginal person or group may make an application under Section 10 of the ATSIHP Act for a declaration to protect a significant Aboriginal area that is “under threat of injury or desecration” (as opposed to under “immediate threat”). A declaration under Section 10 of the ATSIHP Act is for the term stated in the declaration and as such can be permanent in effect. Similar declarations can also be sought and made under Section 12 of the ATSIHP Act in relation to significant Aboriginal objects.

The effect of a declaration is that the significant Aboriginal area and/or the significant Aboriginal object is protected from injury or desecration. It is an offense to engage in conduct contravening a declaration.

The EPBC Act protects matters of national environmental significance, including areas that demonstrate certain heritage properties and heritage values associated with environmental values. The EPBC Act includes provisions to identify places for inclusion on the National Heritage List and the Commonwealth Heritage List and to protect those places and declared World Heritage properties. Areas of land and waters may be included on the National Heritage List under the EPBC Act on the basis that the place has one or more national heritage values. The values recognized are natural heritage, Indigenous heritage and historic heritage. A place has a national heritage value if it meets one of the national heritage criteria, one of which is the “place has outstanding heritage value to the nation because of the place’s importance as part of Indigenous tradition.” A World Heritage property can be declared by the Federal Environment Minister under the EPBC Act if it has been submitted by the Australian Government to the World Heritage Committee under the World Heritage Convention or the Federal Environment Minister is satisfied that the property is likely to have World Heritage values and those values are under threat. It is an offense to take action that has, will have or is likely to have a significant impact on the National Heritage values of a National Heritage place, or the World Heritage values of a World Heritage property without the relevant approvals under the EPBC Act.

The Dampier Archipelago, including the Burrup Peninsula (‘Murujuga’ as it is known by its Traditional Owners and Custodians), was included on the National Heritage List in July 2007. The Murujuga Cultural Landscape was added to Australia’s World Heritage Tentative List, and was formally submitted by the Australian Government to the UNESCO World Heritage Center in January 2020. A tentative listing is the first step required in the World Heritage nomination process. If the submission is accepted, the Murujuga Cultural Landscape will remain on the tentative list for at least 12 months before being granted World Heritage status. If the Murujuga Cultural Landscape is World Heritage-listed it may affect the Merged Group’s business in terms of project expansion approvals.

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Separately, the Federal Parliament Committee on Environment and Communications has undertaken an inquiry into the 'Protection of Aboriginal Rock Art of the Burrup Peninsula'. The inquiry was focused on the adequacy of existing regulatory protections for this art. The Committee's report on its inquiry, which was tabled in Parliament on 21 March 2018, recognized and acknowledged the cultural and historical values of the Rock Art of the Burrup Peninsula and expressed the view that it is critical that the Rock Art should be protected and conserved for current and future generations. It did not contain any unanimous recommendations and, in any event, the Committee's report does not have a binding effect on the Federal Parliament.

Remedies that may be available to Aboriginal people include the right to seek an injunction to prevent any unauthorized effects on Aboriginal heritage sites.

Arrangements between the Australian Government and the Timor-Leste Government in relation to the GSSR, the JPDA and Greater Sunrise gas fields

On 6 March 2018, the Governments of Australia and Timor-Leste signed the *Treaty between Australia and the Democratic Republic of Timor-Leste Establishing their Maritime Boundaries in the Timor Sea* ("Maritime Boundaries Treaty"). The Maritime Boundaries Treaty arose out of compulsory international conciliation proceedings commenced by the Government of Timor-Leste on 11 April 2016. The Maritime Boundaries Treaty came into force once both Governments completed their respective ratification processes. The Australian Government enacted legislation required to implement the Maritime Boundaries Treaty (including to amend a suite of legislation). The Maritime Boundaries Treaty entered into force on 30 August 2019 and replaced the Timor Sea Treaty and IUA.

The key features of the Maritime Boundaries Treaty are as follows:

The Maritime Boundaries Treaty permanently delimits the continental shelf boundary and the exclusive economic zone boundary between Australia and Timor-Leste and allows for future adjustment of the lateral continental shelf boundaries subject to specific conditions being met.

Relevantly, the Maritime Boundaries Treaty establishes the GSSR and the Special Regime Area which extends over the Sunrise and Troubadour gas and condensate fields ("Greater Sunrise Special Regime Area") for the Australian and Timor-Leste Governments' joint development, exploitation and management of the Greater Sunrise gas fields.

The Greater Sunrise Special Regime Area has replaced the JPDA in respect of the Greater Sunrise gas fields and, more generally, the JPDA has been dissolved. All relevant Australian legislative provisions relating to the JPDA have been repealed and replaced with the Greater Sunrise Special Regime Area.

The Maritime Boundaries Treaty did not reach agreement on a development concept for the Greater Sunrise gas fields, but rather established that the Australian and Timor-Leste Governments will share upstream revenue derived from the exploitation of petroleum produced in the Greater Sunrise gas fields:

- in the ratio of 30% to Australia and 70% to Timor-Leste in the event that the Greater Sunrise gas fields are developed by means of a pipeline to Timor-Leste; or
- in the ratio of 20% to Australia and 80% to Timor-Leste in the event that the Greater Sunrise gas fields are developed by means of a pipeline to Australia.

There is a two-tiered regulatory structure for the regulation and administration of the GSSR, consisting of a Designated Authority (being, Timor-Leste's Autoridade Nacional do Petróleo e Minerais, which will act on behalf of Australia and Timor-Leste, carry out the day-to-day regulation and management and report to the Governance Board) and a Governance Board (which is comprised of one representative appointed by Australia and two representatives appointed by Timor-Leste).

The Maritime Boundaries Treaty provides that as soon as practicable, the Designated Authority will enter into the Greater Sunrise Production Sharing Contract under conditions equivalent to those in

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existing Production Sharing Contracts JPDA 03-19 and JPDA 03-20 and to the legal rights held under Retention Leases NT/RL2 and NT/RL4. Negotiations on the new Greater Sunrise Production Sharing Contract commenced in November 2018 and are ongoing.

The production of petroleum from the Greater Sunrise gas fields cannot commence until a development plan has been submitted in accordance with the Greater Sunrise Production Sharing Contract and the process provided for in the GSSR and subsequently approved by the Governance Board.

Environmental Regulation

Woodside's and BHP Petroleum's operations are also subject to federal (which include Australian obligations under international conventions), state and local laws and regulations relating to the environment in each of the jurisdictions in which it conducts its business. For offshore petroleum activities, these laws and regulations generally:

require the acquisition of a permit before activity commences;

require that for any activities, environmental risks are identified and controls put in place to reduce or eliminate the risks. For drilling and seismic activities, this is outlined in a government-approved environment plan; as an operation goes into construction, commissioning and production, a revised environment plan may be required to be submitted for approval;

restrict the type, quantity and concentration of various substances that can be utilized or released into the environment in connection with marine and land-based activities;

limit or prohibit drilling and seismic or production activities in and near certain environmentally sensitive or protected areas; and

impose criminal and civil liabilities for pollution resulting from oil, natural gas and petrochemical operations.

These laws and regulations may also restrict air emissions and water discharges resulting from the operation of drilling equipment, processing facilities, pipelines and transport vessels. Woodside's and BHP Petroleum's operations are subject to laws and regulations relating to the use, management and disposal of hazardous materials and general waste. In addition, onshore and nearshore development activities are typically subject to laws prohibiting the clearing of native vegetation without approval and laws protecting Aboriginal heritage and biodiversity.

The requirements imposed by environmental laws and regulations are subject to change and have tended to become stricter over time. The modification of existing foreign or domestic laws or regulations or the adoption of new laws or regulations curtailing exploratory or development drilling for oil and gas for economic, political, social, environmental or other reasons could have a material adverse effect on Woodside's or BHP Petroleum's business, financial condition or results of operations by limiting drilling opportunities.

Regulations applicable to Woodside's and BHP Petroleum's operations include requirements to monitor or remediate contamination under certain circumstances. For example, Woodside or BHP Petroleum may be liable for damages and costs incurred in connection with oil spills for which it is legally responsible. Certain environmental laws and regulations impose "strict liability," rendering a person liable without regard to negligence or fault on the part of such person.

Federal and State Environment Regulation of the Oil and Gas Industry

Offshore Petroleum and Greenhouse Gas Storage Act (Cth)

Following streamlining of regulatory processes under the OPA in 2014, NOPSEMA is the sole environmental regulator for offshore petroleum activities in Commonwealth waters (subject to limited

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exceptions). Consequently, offshore petroleum activities in Commonwealth waters require approval by NOPSEMA under the OPA and no longer require separate approval by the Minister for the Environment under the EPBC Act.

The *Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009* (Cth) (“OPGGS Regulations”) apply to all petroleum and greenhouse gas activities in the Commonwealth of Australia’s waters and are designed to ensure that petroleum activities are carried out in an ecologically sustainable manner and in accordance with an environment plan (“EP”).

Under the OPGGS Regulations, an Offshore Project Proposal (“OPP”) is required to be submitted for all offshore projects to the NOPSEMA for authorization. The OPP process involves the proponent’s evaluation and NOPSEMA’s assessment of the potential environmental impacts and risks of petroleum activities conducted over the life of an offshore project. The process includes a public comment period and requires proponents to demonstrate how environmental impacts and risks will be managed to acceptable levels.

An EP is an activity-specific document that contains:

- a description of the activity (or group of activities) that the EP covers;
- a description of the environment and the environmental impacts and risks;
- environmental performance objectives and measurement criteria for determining whether these objectives are met; and
- an implementation strategy that provides operation systems to continuously reduce risks to “as low as reasonably practicable” and ensure that the environmental performance objectives and standards are met, including an up-to-date and regularly tested oil spill contingency plan.

Penalties exist for carrying out an activity without an EP in place and for various defined breaches of the regulations.

A well operations management plan is also required under the *Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011* (Cth) to manage well design and integrity.

Following an offshore oil and gas blowout in the Montara oil field in August 2009 and an Australian Government inquiry into the incident, there has been increased vigilance by regulators in relation to permitting and compliance.

Western Australian environmental legislation

The Western Australian environmental statutes of particular relevance to Woodside’s and BHP Petroleum’s operations are the *Environmental Protection Act 1986* (WA) (“EP Act”) and the *Pollution of Waters by Oil and Noxious Substances Act 1987* (WA) (“Pollution of Waters Act”). The EP Act requires Western Australian onshore and nearshore operations to be licensed and to be operated according to various environmental standards and regulations. Significant onshore and nearshore developments are authorized by Ministerial approval through the environmental impact assessment processes under the EP Act. Works approvals for construction activities and operational licenses (including native vegetation clearing permits) are required for different aspects of certain developments.

It is an offense to breach a condition of such a license or approval. The EP Act makes provision for serious penalties to be imposed for such breaches, including a maximum fine of A\$1,000,000 (plus further daily penalties for continuing breaches) for a corporation that fails to comply with ministerial approval conditions (after being directed to so comply). The EP Act also makes provision for prevention notices, closure notices, stop

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orders and environmental protection directions and notices. Under the Pollution of Waters Act, owners and masters of ships and occupiers of land-based facilities from which oil or oily mixtures enter Western Australian state waters are liable to a penalty of up to A\$250,000 for a corporation.

The *Contaminated Sites Act 2003* (WA) (“CS Act”) and the associated *Contaminated Sites Regulations 2006* (WA) took effect on 1 December 2006. The CS Act provides a legal framework for the management of contaminated sites in Western Australia, including liability to investigate and remediate contaminated sites. It requires owners, occupiers and polluters to report known or suspected contaminated sites to the Department of Water and Environment Regulation (“DWER”). Other people may also report known or suspected contaminated sites to DWER. DWER, in consultation with the Department of Health, is required to classify reported sites based on the risk the site poses to human health and the environment and has extensive powers to require various parties, including the current owner or occupier, to investigate or remediate contamination.

Victorian environmental legislation

The Victorian environmental statutes of particular relevance to Victorian onshore operations are the *Environment Protection Act 2017* (Vic) (“Victorian EP Act”) and the *Pipelines Act 2006* (Vic) (“Pipelines Act”).

Other Victorian statutes such as the *Water Act 1989* (Vic), the *Radiation Act 2006* (Vic) and the *Occupational Health and Safety Act 2004* (Vic) also impose regulatory requirements under licenses and other authorizations issued under those statutes, but these are less material from an environmental perspective and therefore are not detailed further here.

Victorian EP Act

The Victorian EP Act commenced operation in Victoria on 1 July 2021. It creates a range of new duties, responsibilities and liabilities (including a new general environmental duty (“GED”)), creates a range of new permissions required for certain operations, provides the Environmental Protection Authority of Victoria (“EPA Victoria”) new compliance powers including a range of new remedial notices, gives new civil enforcement powers to third parties and creates new requirements relating to the assessment, reporting and management of contaminated land. The key changes and requirements of the Victorian EP Act for the Victorian onshore operations are outlined below.

The new duties require a proactive approach to environmental management by duty holders (typically, person(s) undertaking an activity and person(s) in management and control of land or waste). For example, the GED imposes a positive obligation on entities conducting activities that pose risks of harm to human health or the environment from pollution or waste, including fines of up to A\$1.82 million for breaches or A\$3.63 million for aggravated breaches. Similarly, breaches of duties to notify contamination and contamination incidents incur fines up to A\$198,000. Contraventions of duties and requirements of the Victorian EP Act are criminal offences and can incur civil liability. Penalties are typically double that under previous environmental legislation in Victoria. The duties and associated penalties are more relevant to an operating entity but could have financial implications on the Merged Group via a participating interest share in the Gippsland Basin joint venture.

The Victorian EP Act requires many of the operations (other than pipelines, which are regulated by the Pipelines Act) associated with the Victorian onshore operations to hold environmental permissions and to be operated according to various environmental standards and legislative requirements. It is an offence to breach a condition of a relevant permission, including a maximum fine of A\$1.82 million for corporations and substantial penalties (up to A\$1.82 million) for operating without a required permission.

The EPA Victoria’s compliance powers include new remedial notices and there are new civil enforcement powers given to third parties and duties relating to the assessment, notification and management of contaminated land. Civil and criminal penalties apply for failing to comply with remedial notices. There are also provisions allowing persons in management or control of land to recover from the original polluter the costs of complying with duties to manage contamination and associated remedial notices.

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The Victorian EP Act also creates liabilities for ‘officers of a body corporate’ when the corporation commits an offence against the Victorian EP Act. This is subject to a due diligence defense. There are powers to redirect obligations of related or associated entities over which a body corporate had control, in relation to remedial notices.

Pipelines Act

The *Pipelines Act 2005* (Vic) (“Pipelines Act” is the primary statute governing the construction and operation of pipelines carrying liquid and gaseous fuels at high pressure in Victoria.

The Pipelines Act requires Licensed Pipelines constructed and operated in accordance with an Australian Standard to implement a range of safety measures to reduce foreseeable risks associated with operating a licensed pipeline. For example, licensees must prepare and implement safety management plans and environmental management plans. Licensees are also required to prepare and comply with a decommissioning plan, including requirements for environmental rehabilitation and clean-up.

Under the Pipelines Act, licensees for pipelines are required to provide bonds for any rehabilitation, clean-up or pollution prevention work that may be necessary as a result of the construction, decommissioning or removal of a pipeline. These requirements may also be imposed by conditions. Conditions can also relate to protection of cultural heritage, protection of the environment, maintenance of land and public safety (among other things).

Other Commonwealth legislation

Other applicable Commonwealth legislation includes the EPBC Act, the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 (Cth) (“PSPPS Act”) and the Protection of the Sea (Civil Liability) Act 1981 (Cth) (“PSCL Act”).

The EPBC Act requires certain actions that have, will have or are likely to have a significant impact on certain aspects of the environment to be referred to the Australian Federal Minister for the Environment for environmental approval. Woodside has a number of actions approved under that Act. The EPBC Act also contains extensive requirements to protect migratory species (such as whales) and endangered species. Significant fines for individuals and bodies corporate exist under the EPBC Act, including up to A\$11.1 million for a body corporate. In relation to some offenses, there is also the possibility of imprisonment; for the most serious of offenses, a term of imprisonment of up to seven years can be imposed. Following the streamlining of regulatory processes in 2014, the EPBC Act process no longer applies to offshore petroleum activities in Commonwealth waters (subject to limited exceptions) but does still apply to nearshore and onshore activities.

An independent review of the operation of the EPBC Act commenced on 29 October 2019, led by an independent reviewer and supported by a panel of experts (“EPBC Review”). The EPBC Review addressed whether changes are required to the EPBC Act to ensure future development is ecologically sustainable. The final report to the Commonwealth Government was published in October 2020 and made a number of recommendations for “fundamental reform” to enable the Commonwealth to, among other things, set clear outcomes for the environment, provide transparency and greater oversight and to restore the environment to accommodate Australia’s future development needs in a sustainable way. The EPBC Review also identified that the current laws that protect Indigenous cultural heritage are well behind community expectations and do not deliver the level of protections that Indigenous Australians deserve and the community expect.

The PSPPS Act applies to pollution from ships and provides that the master, the charterer and the owner of a ship are strictly liable for oil spills and can be liable for a penalty of up to A\$4.2 million. The PSCL Act makes the owner of the ship liable for any pollution damage caused by an oil spill.

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Regulation of Greenhouse Gas Emissions

Legislation was passed on 31 October 2014, to implement a climate change policy called Direct Action. Direct Action operates by:

crediting Australian-based greenhouse gas emissions reductions and abatement from eligible offsets projects;

using a government emissions reduction fund (since renamed the “Climate Solutions Fund” or “CSF”) to purchase Australian-based greenhouse gas emissions reductions and abatement at auctions; and

applying a “safeguard” baseline mechanism for large emitters, with penalties for exceedances.

Since 1 July 2016, the “responsible emitter” for a “designated large facility” during all or part of a financial year must register the facility under the *National Greenhouse and Energy Reporting Act 2007* (Cth) (“National Greenhouse and Energy Reporting Act”) (if not already registered). Generally, a facility will be a “designated large facility” if the total amount of covered emissions during a financial year has a carbon dioxide equivalence (“CO₂-e”) in excess of 100 kt CO₂-e.

The responsible emitter must report the total amount of covered emissions for a designated large facility for each “monitoring period.” The responsible emitter must also ensure that the total amount of emissions of greenhouse gases from the operation of the facility during the monitoring period (the “net emissions number”) does not exceed 100 kt CO₂-e or such higher number ascertained under a “baseline determination” in force for the facility (called the “safeguard mechanism”).

The “net emissions number” for a facility may be reduced by the surrender of “prescribed carbon units” in accordance with the procedures under the National Greenhouse and Energy Reporting Act. The only prescribed carbon units currently available under the Direct Action scheme are ACCUs. ACCUs can be purchased by the Clean Energy Regulator on behalf of the Commonwealth of Australia via reverse auctions (which have occurred every year from 2015 to 2021). ACCUs are also traded directly between parties on a voluntary basis for a range of purposes.

In May 2020, the Australian Government agreed to investigate and implement a range of mechanisms to enhance and incentivize participation in the CSF. It also announced on 26 October 2021 it will make it easier for plantation and farm forestry projects to generate carbon credits and access the CSF.

The Australian Government committed to reducing emissions by 26% to 28% of 2005 levels by 2030. The Australian Government indicated it would meet this target through policies built on the Direct Action approach such as the Emissions Reduction Fund (“ERF”) and its Safeguard Mechanism. This target is reflected in Australia’s commitment to parties under the United Nations Framework Convention on Climate Change Paris Agreement (“Paris Agreement”). Under the Paris Agreement, Australia has committed to implement an economy-wide target to reduce greenhouse gas emissions by 26% to 28% below 2005 levels by 2030. The Australian Government has made no formal changes to this target but has stated that according to projection results from 2021, it is on track to exceed it by up to 9 percentage points with an expected reduction in emissions by 30% to 35% by 2030.

On 26 October 2021, the Australian Government released its Long-Term Emissions Reduction Plan which is a whole-of-economy climate change plan to achieve its target of net zero equity Scope 1 and Scope 2 emissions by 2050. As part of the plan, the Australian Government has indicated it will invest more than A\$20 billion in “low emissions technologies” in the next 20 years with the “Technology Investment Roadmap” the cornerstone in outlining how Australia will achieve its targets by using low emissions technologies such as carbon sequestration, carbon capture and storage, production of low-emission steel and other ways to reduce energy use. The 26th United Nations Climate Change Conference of the Parties was held in Glasgow from 31 October 2021 to 12 November 2021. As part of its obligations under the Paris Agreement, the Australian Government

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submitted an updated and enhanced Nationally Determined Contribution (“NDC”) to the UN Framework Convention on Climate Change secretariat (“UNFCCC”) which adopts the target of net zero emissions by 2050. The Australian Government will submit its second NDC to the UNFCCC in 2025. This ties into to the Australian Government’s plans as outlined above.

The Australian Government is also exploring a proposed new Safeguard Crediting Mechanism which aims to unlock below-baseline abatement opportunities not currently being realized under the existing framework of the ERF and Safeguard Mechanism. The proposal is to establish a new credit unit type (“Safeguard Mechanism Credits” or “SMCs”) which can be sold to the Australian Government or purchased by third parties to meet either a mandatory obligation under the Safeguard Mechanism or a voluntary carbon commitment as an alternative to ACCUs. A public submission process closed on 5 October 2021, with enabling legislation intended to be in place by 1 July 2022.

Further, the Australian Government announced an Emissions Reduction Fund method in October 2021 to credit abatement from new carbon capture and storage projects. This involves awarding large-scale carbon capture and storage projects that capture and permanently store carbon underground with tradeable high-integrity units (ACCUs). It is a voluntary scheme that aims to provide incentives for a range of organizations and individuals to adapt new practices and technologies to reduce their emissions. One ACCU is earned for each tonne of carbon dioxide equivalent stored or avoided by a project. The Clean Energy Regulator is also in the process of developing an Australian Carbon Exchange that will make the trading of ACCUs simpler.

There is ongoing and increasing public pressure on the government to accelerate its carbon emissions reduction program. As such, there remains significant uncertainty regarding the future of climate change regulation in Australia and the effect it may have on the Merged Group’s business.

State legislation regulating greenhouse gas emissions

Greenhouse gas emissions are also regulated under State-based environmental legislation in both WA and Victoria.

In WA, the emission of greenhouse gases associated with ‘significant proposals’ is regulated under the *Environmental Protection Act 1986* (WA) (“EP Act”). “Greenhouse-related” obligations under the EP Act include mandatory offset of reservoir CO₂ emissions from the Pluto facility, as part of a ministerial condition imposed during the environmental impact assessment process for Pluto LNG. The Western Australia Government released the *Greenhouse Gas Emissions Policy for Major Projects* in August 2019 which commits the State Government to working with all sectors of the Western Australian economy to achieve net zero greenhouse gas emissions by 2050. The Western Australia Government also released a State Climate Policy in November 2020. In December 2019, the Environmental Protection Agency (“EPA WA”) released its draft greenhouse gas emissions guideline which require proponents of major greenhouse gas emitting projects to show as part of their environmental impact assessment how they can reasonably and practicably avoid, reduce and offset emissions to contribute to the State’s aspiration of net zero emissions by 2050. The final guidelines were published on 16 April 2020 and the EPA WA began a review of the guidance material on 30 June 2021. The EPA WA’s technical review will clarify and investigate a range of issues considered since the guidance was first published. Once the review is complete, the revised draft guideline will be released for public consultation which is expected in the first quarter of 2022.

In Victoria, climate change and greenhouse gas reduction is primarily regulated by both the Victorian EP Act (see above) and the *Climate Change Act 2017* (Vic) (“Victorian Climate Change Act”).

The Victorian EP Act defines greenhouse gas substances as a waste. The GED (described above) also applies and requires that a person engaging in an activity that may give rise to risks of harm to human health or the environment from pollution or waste must minimize those risks so far as reasonably practicable. As

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greenhouse gas emissions may create a risk of harm to human health and the environment by contributing to an increase in climate change risks, they are likely to be regulated by the GED.

The Victorian Climate Change Act establishes a long-term emissions reduction target of net zero by 2050, requires five yearly interim targets, requires the Victorian Government to develop a Climate Change Strategy every five years, requires “Adaption Action Plans” to be prepared, establishes a system of periodic reporting on greenhouse gas emissions.

The Victorian Climate Change Act also imposes duties on a range of environmental decision makers, including EPA Victoria, to consider climate change when making environmental decisions under other Victorian legislation, including environmental licensing and permitting decisions under the Victorian EP Act. The Victorian Climate Change Act also empowers the Minister to issue guidelines to guide the scope and application of the issues that decision-makers must consider when making decisions under other environmental legislation. While guidelines could be issued in the future, no such guidelines have been issued to date.

In May 2021, the Victorian Government released a Climate Change Strategy as required by the Victorian Climate Change Act. The current Strategy includes updated interim targets designed to ensure Victoria’s target of net zero emissions by 2050 is met. These interim targets are to reduce emissions by 28-33% by 2025 and 45-50% by 2030. The Strategy also contains associated policies in relation to clean energy technologies and to support businesses to reduce emissions.

The Victorian Climate Change Act will therefore impose ongoing obligations on the Merged Group in relation to its future Gippsland Basin joint venture operations, including under the GED to take all reasonable and practicable measures to reduce its greenhouse gas emissions and in relation to future environmental license and permitting requirements under the EP Act and other State legislation.

Renewable Energy (Electricity) Act 2000 (Cth)

Under the *Renewable Energy (Electricity) Act 2000* (Cth), which establishes the Renewable Energy Target (“RET”) scheme, wholesale purchasers of electricity (known as “liable entities,” who make a “relevant acquisition” of electricity) are required to purchase a prescribed percentage of their electricity from an “eligible energy source.” The *Renewable Energy (Electricity) Act 2000* (Cth) provides for the creation of Renewable Energy Certificates (“RECs”) by generators of renewable energy. Registered RECs are transferred to liable parties, who then surrender those RECs to the Renewable Energy Regulator to demonstrate their compliance under the scheme and avoid paying the shortfall charge. Participation in the RET scheme is dependent on registration and accreditation under the *Renewable Energy (Electricity) Act 2000* (Cth).

A wholesale acquisition of electricity is not a “relevant acquisition” of electricity, and is therefore exempt from the *Renewable Energy (Electricity) Act 2000* (Cth), if the end-user of the electricity generated the electricity and:

the point at which the electricity is generated is less than one kilometer from the point at which the electricity is used; or

the electricity is transmitted or distributed between the point of generation and the point of use and the line on which the electricity is transmitted or distributed is used solely for the transmission or distribution of electricity between those two points (self-generation).

Although the production of LNG is electricity intensive, for the purposes of its LNG production, Woodside does not purchase its electricity on the wholesale market but instead self-generates its electricity. As such, Woodside is eligible for the self-generation exemption in respect of any such self-generated electricity. Woodside’s electricity generation and usage and wholesale electricity acquisition habits may change in the future and it may become liable to obtain RECs or pay a shortfall charge pursuant to the *Renewable Energy (Electricity) Act 2000* (Cth).

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Woodside has also reported its emissions through its annual Sustainable Development Report as well as its 2021 Climate Report, which are both available on its website and the ASX website.

Regulation of Foreign Investment in Australia and Takeovers Policy

In Australia, foreign investment is regulated by the FATA, regulations under the FATA and the Investment Policy. The Investment Policy is intended to encourage foreign investment in Australia, that is not contrary to the Australian national interest.

The FATA regulates investment in Australia by “foreign persons.” A “foreign person” is generally:

- (a) a natural person not ordinarily resident in Australia;
- (b) a foreign government or foreign government investor (to whom additional requirements apply—see below); or
- (c) any corporation, trustee of a trust or general partner of a limited partnership in which a natural person not ordinarily resident in Australia, or a foreign corporation or foreign government, holds a substantial interest or several such persons hold an aggregate substantial interest.

A person holds a “substantial interest” if they (together with any associates) control 20% or more of the voting power or ownership of a corporation, trust or partnership. An aggregate substantial interest arises where several persons (together with any associates) control 40% or more of the voting power or ownership of a corporation, trust or partnership.

Investment proposals by foreign persons may need to be notified to the Australian Government and may require prior approval from the Australian Treasurer in accordance with the FATA. In general, foreign investors must notify the Australian Government and get approval before acquiring a substantial interest in an Australian entity that is valued above certain monetary thresholds. Notification may also be required in relation to acquisitions of interests in a foreign entity that is a national security business under the FATA or is an Australian land-rich entity, or in respect of a foreign government investor, the acquisition of an interest in a foreign entity that holds a substantial interest in Australian subsidiaries valued above the applicable monetary thresholds.

The FATA and regulations under the FATA provide the relevant monetary thresholds that apply.

Pursuant to various free trade agreements between Australia and other nations, higher monetary thresholds apply to certain types of acquisitions by U.S., Canadian, Chinese, Hong Kong, Chilean, Japanese, Mexican, Singaporean, South Korean, New Zealand, Peruvian and Vietnamese investors (other than foreign government investors—see further below). For these investors, notification is ordinarily generally required for a proposal to acquire a substantial interest in an Australian entity (which is not in certain prescribed sensitive sectors and not if the acquirer is a subsidiary of a free trade agreement country investor incorporated elsewhere, including Australia) valued at over A\$1,250 million (the monetary thresholds are indexed each year on 1 January to the GDP price deflator in the Australian National Accounts for the previous year). For other investors (other than foreign government investors), and for acquisitions by certain free trade agreement country investors in prescribed sensitive sectors, notification of an acquisition of a substantial interest in an Australian entity is ordinarily required where the entity is valued above A\$289 million (indexed each year on 1 January on the same basis as above). Prescribed sensitive sectors are media (although there are specific additional rules relating to acquisitions in media businesses), telecommunications, transport, defense and military-related industries and activities, encryption and securities technologies and communications systems, uranium or plutonium extraction and nuclear facilities. As of the date of this prospectus, higher thresholds have been proposed for private sector investors from additional countries who are signatories to the Trans-Pacific Partnership (“TPP”), to take effect when the TPP comes into effect in respect of the relevant country, subject to certain exceptions for particular

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types of acquisitions. However, from 1 January 2021, a A\$0 monetary threshold applies to acquisitions by foreign investors of interests in national security businesses and national security land. Acquisitions of interests in a “national security business” or “national security land” are referred to as national security actions. A business is a national security business if it is carried on wholly or partly within Australia, whether in anticipation of profit or gain, and (among other things) it is a reporting entity (being a responsible entity or a direct interest holder) in relation to a critical infrastructure asset (within the meaning of the SOCI Act).

As Woodside is considered a reporting entity of a critical gas asset within the meaning of the SOCI Act, it is considered a “national security business” under the FATA. Investments of 10% or more (or less than 10% with an ability to influence, participate in or control the entity/business), by all foreign investors in a national security business must be notified to the Australian Government and require prior approval from the Australian Treasurer in accordance with the FATA. Accordingly, acquisitions of interests of 10% or more (or investments of less than 10% with an ability to influence, participate in or control the entity/business) in Woodside, would require prior approval from the Australian Treasurer.

The Federal Treasurer is able to ‘call-in’ for review an action that is not otherwise notifiable if the Federal Treasurer considers that the action may pose national security concerns. This call-in power can be exercised up to 10 years after the action has been taken. Once called-in, the Federal Treasurer may issue a no objection notification, including with conditions, or prohibit the action or require divestment. However, the Federal Treasurer is not able to call-in an action that has been notified to the Federal Treasurer or for which a no objection notification exists. A foreign person is therefore able to extinguish the Federal Treasurer’s ‘call-in’ power by voluntarily notifying a reviewable national security action. The Federal Treasurer also has a ‘last resort’ power which gives them the opportunity to review actions notified after 1 January 2021 for which a no objection notification has been issued if exceptional circumstances arise.

There are specific rules for acquisitions by private sector foreign persons of interests in Australian agricultural businesses, Australian media businesses and Australian land (including entities with significant Australian land assets), which are ordinarily subject to lower monetary thresholds depending on the nature of the foreign person and the investment proposal. Australian land relevantly includes interests acquired in a potentially broad range of petroleum tenure, including petroleum production licenses (both onshore and offshore) and, accordingly, acquisitions of interests in production licenses and certain other forms of tenure required for petroleum projects may require foreign investment approval by the Merged Group if in future, the Merged Group constitutes a “foreign person” for the purposes of the FATA.

The FATA also imposes additional requirements for investments in Australia by “foreign government investors.” A “foreign government investor” is a foreign government or separate government entity, or a corporation, trustee of a trust or a general partner of a limited partnership in which a foreign government or separate government entity holds a substantial interest of 20% or more or foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country) hold an aggregate substantial interest of 40% or more. In general, foreign government investors must get approval before acquiring a “direct interest” in an Australian entity/business (generally at least 10% of the entity/business or the ability to influence, participate in or control the entity/business), starting a new Australian business, or acquiring an interest in Australian land regardless of the value of the investment.

The Investment Policy, the FATA and the regulations under the FATA are administered by the Federal Treasurer on the advice of an advisory board, FIRB. The FIRB secretariat in the Commonwealth Treasury examines proposals by foreign persons and consults with relevant Australian Government agencies, including the ATO, the ACCC, and certain security agencies, and makes recommendations to the Federal Treasurer on whether those proposals are suitable for approval under the Investment Policy. FIRB’s functions are advisory only. The FATA empowers the Federal Treasurer to make a wide range of prohibitory and divestiture orders on broad “national interest” or “national security” grounds. In some cases, investment approval has been granted to foreign investment proposals subject to compliance with certain conditions, including conditions relating to the payment of tax to the Australian Government.

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Takeovers of Australian public companies are regulated by the Corporations Act. The takeover provisions in the Corporation Act apply equally to acquisitions made by Australian and foreign entities. Section 606(1) of the Corporations Act contains a general prohibition on the acquisition of a relevant interest in voting shares in an Australian public company if, as a result of the acquisition, a person's voting power in that company increases to more than 20%, or increases from a starting point that is already above 20% but below 90%. Section 606(2) of the Corporations Act also prohibits a person from acquiring a legal or equitable interest in securities of a company if, because of the acquisition, another person acquires a relevant interest in voting shares in an Australian public company and a person's voting power in that public company increases to more than 20%, or increases from a starting point that is already above 20% but below 90%.

For the purposes of the takeover provisions, a person has a "relevant interest" in securities if that person is the holder of the securities or otherwise has the power or control over the voting rights attaching to them or over their disposal, irrespective of how remote the relevant interest is or how it arises. A person can also have a relevant interest if they have an enforceable right, an agreement in relation to, or an option to acquire, the securities. If a company has a relevant interest in securities, a person will be deemed to have a relevant interest in those securities if the person has voting power in the company which exceeds 20% or the person otherwise controls the company. The voting power of a person's associates is counted for the purposes of calculating the voting power of a person under Section 606 of the Corporations Act. "Associate" is defined broadly in the Corporations Act to include certain formal relationships (such as related bodies corporate) and informal relationships (such as where persons are acting in concert).

The general prohibition contained in Section 606 of the Corporations Act is subject to a number of specified exceptions. A person wishing to increase their shareholding beyond the thresholds prescribed by Section 606 of the Corporations Act must do so under one of those permitted exceptions, such as by making a formal takeover bid under the Corporations Act, or with approval of dis-interested shareholders.

The foregoing summary of the regulation of foreign investment and takeovers in Australia does not purport to be complete and is qualified in its entirety by reference to the applicable legislation and to the Woodside Constitution. Advice from legal counsel familiar with the operation of Australia's foreign investment regime should be sought prior to engaging in acquisitions of interests in Australian land or entities, acquisitions of assets of an Australian business, or the starting of an Australian business.

Domestic Gas Policy

In 2006, the Western Australian Government formalized its policy on securing future domestic gas supplies for Western Australia. In 2012, the Government clarified arrangements for the application of the policy in its Strategic Energy Initiative's *Energy2031* final paper ("Domestic Gas Policy"). The State of Western Australia will apply the Domestic Gas Policy flexibly in accordance with the following requirements:

Western Australian LNG producers will commit to make available domestic gas equivalent to 15% of LNG production from each LNG export project by:

- reserving domestic gas equivalent to 15% of LNG production from each Western Australia-based LNG export project;
- developing, or obtaining access to, the necessary infrastructure (including a domestic gas plant, associated facilities and offshore pipelines) to meet their domestic gas commitments as part of the State approvals process; and
- showing diligence and good faith in marketing gas into the Western Australia domestic market.

These efforts may be subject to independent review.

LNG producers should undertake the above actions such that domestic gas is made available to coincide with the start of LNG production. This timing may, however, vary depending on project circumstances.

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Prices and contracts for domestic gas will be determined by the market.

LNG producers may propose to offset their domestic gas commitment by supplying gas or other energy from an alternative source, rather than supplying gas from their LNG projects. Among other conditions, producers will have to demonstrate that the proposed offset represents a net addition to the State's domestic energy supply. The State will consult with industry to develop criteria for domestic gas offsets.

The intention was to review the Domestic Gas Policy in 2015, but it is understood that this review has not yet been completed by the Western Australian Government.

In August 2020 the Domestic Gas Policy was amended to prevent the export of local WA gas, being onshore gas extracted from Western Australia. Under the updated policy, local WA gas cannot be exported to the eastern states of Australia or overseas. Woodside does not currently extract onshore local gas in WA.

Woodside and its joint venture partners have domestic gas supply agreements with the Western Australian State Government for the Pluto LNG and NWS projects (including with BHP Petroleum as a joint venture partner with respect to the NWS Project). In 2015, the NWS State Agreement (*North West Gas Development (Woodside) Agreement 1979*) was amended to include a new domestic gas commitment of 15% (or lesser approved amount) of total LNG quantity approved for use, supply or sale overseas. In 2006, in connection with the Pluto LNG project, Woodside entered into an arrangement with the Western Australian State Government to market and make available for supply a quantity of domestic gas. Woodside is not required to supply domestic gas if it is not commercially viable to do so. In January 2021, Woodside signed a further agreement with the State Government in relation to the Pluto LNG project in which Woodside agreed to make 45.6 PJ available for the domestic market, separate and in addition to the 2015 commitment from the NWS Joint Venture. In November 2021, Woodside and BHP Petroleum signed a further domestic gas agreement with the State Government with respect to the Scarborough and Pluto Train 2 project pursuant to which, consistent with the WA Domestic Gas Policy, the Scarborough Joint Venture will make gas equivalent to 15% of its LNG exports available to the domestic market.

The Australian Domestic Gas Security Mechanism ("ADGSM") came into effect on 1 July 2017, by way of a new Division 6 of the *Customs (Prohibited Exports) Regulations 1958* (Cth) which is supported by the *Customs (Prohibited Exports) (Operation of the Australian Domestic Gas Security Mechanism) Guidelines 2020* (Cth) (replacing the 2017 guidelines) ("ADGSM Guidelines"). The ADGSM applies Australia wide and gives the Australian Government the power to impose restrictions on LNG exports when there is a shortfall of gas supply in the domestic market. The ADGSM is in force until 1 January 2023. The ADGSM Guidelines provide that an unlimited LNG export permission may be granted to an LNG project that is physically unconnected to the parts of the Australian domestic market experiencing a shortfall. The Western Australian domestic gas market is not physically connected to the east coast domestic gas market (where shortfalls are currently expected to occur) and correspondence from the Commonwealth Resources Minister in 2017 to the Western Australia State Government confirmed that WA LNG exporters would receive an unlimited volume exemption if restrictions were imposed. BHP Petroleum exports gas from Victorian operations and consequently the Merged Group will also do so. The unlimited LNG export permission is unlikely to apply as these operations are connected to the east coast domestic market, however an allowable volume permission can be applied for if restrictions are applied.

Occupational Health and Safety Legislation

Work health and safety in Australia is currently governed by a number of legislative instruments, covering both state and federal jurisdictions, with separate onshore and offshore regulation.

The work health and safety ("WHS") laws are based on the national model *Work Health and Safety Act 2011* (Cth) ("WHS Act") which now applies in all Australian States and Territories, except Victoria. In Victoria, earlier occupational health and safety laws still apply, although the basic principles of the legislation is similar.

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In WA, the *Work Health and Safety Act 2020* (WA), which is based on the national model WHS Act, recently came into effect on 31 March 2022. The *Work Health and Safety Act 2020* (WA) is the primary legislation for work health and safety across all industries, and replaced the *Occupational Safety and Health Act 1984* (WA), the *Mines Safety and Inspection Act 1994* (WA) and the *Petroleum and Geothermal Energy Safety Levies Act 2011* (WA). Woodside does not consider the *Work Health and Safety Act 2020* (WA) to impose additional significant burdens on it given the legislation's significant similarity to the previous legislation in approach to health and safety, Woodside's prior discussions with its Directors on the legislative changes and Woodside's current comprehensive health and safety management system and level of compliance. In addition, the *Work Health and Safety Act 2020* (WA) does not apply to, or affect, the offshore petroleum industry in federal waters, which will continue to be separately regulated.

In short, the WHS laws in each jurisdiction aim to protect people's health and safety at work by imposing obligations on all parties who are in a position to contribute to the management of workplace risks, including manufacturers and suppliers of equipment and substances, as well as employers, workers, contractors and others.

Industrial manslaughter laws are also in place in most jurisdictions, excluding New South Wales, South Australia and Tasmania. While the industrial manslaughter laws slightly differ across the various jurisdictions, industrial manslaughter is ultimately a criminal offence which occurs where an employer or person in control of a place, an officer or "senior officer" of an employer negligently causes the death of a worker in their business. Accordingly, any person who is a member of a company's board and / or management team may be found to be liable for industrial manslaughter. In Western Australia, the *Work Health and Safety Act 2020* (WA) introduced an industrial manslaughter offence.

The principal legislation that currently applies onshore in Western Australia and in Western Australian waters in relation to Woodside's operations includes:

Onshore Western Australia–*Work Health and Safety Act 2020* (WA) and the *Dangerous Goods Safety Act 2004* (WA) and associated regulations; and

Offshore Western Australia (state waters)–*Petroleum (Submerged Lands) Act 1982* (WA) and *Petroleum Pipelines Act 1969* (WA) and associated regulations (as discussed above).

The Department of Mines, Industry Regulation and Safety is responsible for the regulation and administration of safety provisions pertaining to Western Australia's resources industry and Major Hazard Facilities. The Karratha Gas Plant is a Major Hazard Facility.

The principal legislation that currently applies to operations onshore in Victoria and in Victorian waters include:

Onshore Victoria–*Occupational Health and Safety Act 2004* (Vic) and the *Pipelines Act 2005* (Vic) and the associated regulations (as discussed above); and

Offshore Victoria (state waters)–*Offshore Petroleum and Greenhouse Gas Storage Act 2010* (Vic) (as discussed above).

The principal legislation that currently applies in the Commonwealth of Australia waters in relation to Woodside's operations offshore of Western Australia is the OPA and associated regulations (as discussed above).

As further discussed above, NOPSEMA is a Commonwealth of Australia Statutory Agency responsible for regulating the health and safety, structural integrity and environmental management of all offshore petroleum facilities in the Commonwealth of Australia's waters, and in coastal waters where regulatory powers and functions have been conferred.

For Woodside's and BHP Petroleum's floating petroleum facilities, the Commonwealth of Australia maritime law, the *Navigation Act 2012* (Cth) and the *Occupational Health and Safety (Maritime Industry)*

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Act 1993 (Cth), may also apply to operations. The Australian Maritime Safety Authority has responsibility for health and safety for personnel on prescribed ships engaged in trade or commerce on international and domestic voyages.

As operator of both onshore and offshore facilities, Woodside and BHP Petroleum are required to develop a comprehensive “safety case” which describes the facility and provides details on the hazards and risks associated with the facility, the risk controls and the safety management system that will be used to minimize the risks. Once accepted by the applicable regulator, the safety case must be complied with.

Workplace Relations

In Australia, an employee’s terms and conditions of employment have several sources, namely:

- the terms of an employee’s individual employment contract;
- minimum terms and conditions prescribed by federal and state legislation; and
- minimum terms and conditions of employment contained in applicable industrial awards or enterprise agreements.

The employment contract is the key source of rights and obligations in an employment relationship. However, it is not possible to contract for employment terms and conditions which are inferior to statutory entitlements as set out in the *Fair Work Act 2009* (Cth) (“FW Act”) and industrial instruments and provide a minimum floor of terms and conditions of employment in Australia.

The FW Act has been in operation since 1 July 2009. It is the key piece of legislation which governs employee and industrial relations in Australia and applies to the vast majority of Australian employers and employees (other than some state and local government employers/employees), including Woodside.

The FW Act sets out minimum entitlements of employment for all employees (known as the ‘National Employment Standards’) which deal with matters such as leave, maximum ordinary hours of work, notice of termination and redundancy payment. It also sets out ‘rules’ relating to management of the employment relationship, including in respect of protections for employees from adverse action and unfair dismissal.

The key industrial instruments created pursuant to the FW Act are industrial awards and enterprise agreements. Both industrial awards and enterprise agreements establish minimum pay and terms and conditions for employees. However, industrial awards apply to employers and employees in a particular occupation or industry while enterprise agreements only apply to employees who are employed by a particular employer, allowing the agreement to set appropriate terms and conditions of employment tailored to the particular enterprise. The terms and conditions of the enterprise agreement must be “better-off-overall” than the conditions set by the otherwise applicable industrial award.

Key potential issues which may arise under the FW Act regime for Woodside and BHP Petroleum include:

- Union right of entry—a union official may enter premises and exercise rights while on the premises, for the purposes set out in the FW Act and subject to certain conditions, if there is an employee who works at that premises who is eligible for membership in that union;
- Good faith bargaining—Woodside and BHP Petroleum (and/or its principal contractors) is/are subject to the principles of good faith bargaining which can be triggered by a union or group of employees indicating to the employer that they wish to bargain for an enterprise agreement, subject to satisfying certain conditions. These principles do not force an employer to enter into any particular agreement, or to agree to any specific terms or conditions of employment, but they do regulate how the parties can and cannot negotiate; and

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Protected industrial action—employees, organized by unions, may take protected industrial action for the purpose of advancing claims during bargaining for enterprise agreements, provided that certain pre-conditions are met. Engaging in protected industrial action is a workplace right and employers are prohibited from taking adverse action against an employee in response to it. Protected industrial action has the potential to constrain Woodside's or BHP Petroleum's ability, or the ability of their contractors, to complete development projects on time and on budget.

The Fair Work Commission is the Australian industrial relations tribunal created by the FW Act and has responsibility for administering the provisions of the FW Act. This includes dealing with unfair dismissal, anti-bullying, sexual harassment and general protection claims, approving enterprise agreements and dealing with disputes brought to the Commission under dispute resolution procedures of modern awards and enterprise agreements. In addition, the Fair Work Ombudsman is an independent statutory agency of the Commonwealth government responsible for promoting and monitoring compliance with workplace laws (including the FW Act), inquiring into and investigating breaches of the FW Act and taking enforcement action.

The *Building and Construction Industry (Improving Productivity) Act 2016* (Cth) commenced on 2 December 2016 and applies to those involved in building work. The Act re-established the Australian Building and Construction Commission ("ABCC") from 1 January 2017, which replaced the Fair Work Building and Construction.

The ABCC's role is to, among other matters, investigate and enforce compliance with workplace laws (including the FW Act and any industrial instrument) in the building industry. The legislation includes *the Code for the Tendering and Performance of Building Work 2016* ("Building Work Code"). The Building Work Code sets minimum standards of conduct for the building industry, requires that enterprise agreements not include particular content and deals with work health and safety matters. Building industry participants who do not comply with the Building Work Code may be excluded from tendering for projects that receive Australian Government funding.

The *Fair Work (Registered Organizations) Amendment Act 2016* (Cth) was introduced on 24 November 2016. The legislation establishes the Registered Organizations Commission, which is an independent regulator of registered organizations, including unions and employer associations. The Act also introduced new offences and provisions relating to whistleblowers and increased penalties and disclosure obligations.

State legislation otherwise regulates matters such as long service leave, workers' compensation, anti-discrimination and equal opportunity and work health and safety (as discussed above).

United States

BHP Petroleum's Operations in the United States

BHP Petroleum's exploration and production operations on federal oil and natural gas leases in the U.S. GOM are subject to regulation by the Bureau of Safety and Environmental Enforcement ("BSEE"), the Bureau of Ocean Energy Management ("BOEM") and the Office of Natural Resources Revenue, all of which are agencies of the U.S. Department of the Interior. These leases are awarded by the BOEM based on competitive bidding and contain relatively standardized terms and require compliance with detailed BSEE and BOEM regulations and orders issued pursuant to various federal laws, including the federal Outer Continental Shelf Lands Acts ("OCSLA"). For offshore operations, lessees must obtain BOEM approval for exploration, development and production plans prior to the commencement of their operations. In addition to permits required from other agencies such as the U.S. Environmental Protection Agency ("EPA"), lessees must obtain a permit from BSEE prior to the commencement of drilling and comply with regulations governing, among other things, engineering and construction specifications for production facilities, safety procedures, plugging and abandonment of wells on the Outer Continental Shelf ("OCS"), calculation of royalty payments and the valuation of production for this purpose, and removal of facilities.

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Laws and regulations are subject to change, and the trend in the United States over the past decade has been for these governmental agencies to continue to evaluate and, as necessary, develop and implement new, more restrictive permitting and performance requirements. For example, a secretarial order issued by the Biden Administration in 2021 served to temporarily suspend delegation of authority to governmental agencies regarding fossil fuel authorizations on the OCS, but that order specifically excluded authorizations associated with existing operations under valid leases. In addition, President Biden issued an executive order on 27 January 2021 pausing new oil and natural gas leases on federal lands and offshore waters pending review and reconsideration of federal oil and gas permitting and leasing practices. In conducting this review, the Secretary of the Interior shall consider whether to adjust royalties associated with oil and gas resources extracted from public lands and offshore waters to account for corresponding climate costs. However, in June 2021 a federal judge issued a nationwide temporary injunction in a lawsuit filed in federal district court in Louisiana that effectively halts the Biden Administration's suspension on new leasing. While the temporary injunction effectively allows for new leasing of oil and gas interests on federal lands and waters to resume, in August 2021, the Biden Administration appealed the Louisiana federal district court's decision to the U.S. Court of Appeals for the Fifth Circuit and the government's appeal remains pending.

In addition, BHP Petroleum has a 25% and 22% ownership interest, respectively, in the companies that own the Caesar oil pipeline and Cleopatra natural gas pipeline located in the GOM (together, the "Offshore Pipelines"). The Offshore Pipelines are subject to regulation by the Federal Energy Regulatory Commission ("FERC") pursuant to OCSLA, which includes, among other things, a duty to provide open and non-discriminatory access on the Offshore Pipeline facilities. Shippers or other entities may file a complaint claiming that the Offshore Pipelines are acting in a manner inconsistent with the open access and non-discrimination requirements of OCSLA. If FERC grants such a protest, the Offshore Pipelines may be required to modify the terms or conditions or otherwise alter their business conduct regarding the transportation services. BSEE has also adopted regulations for offshore pipelines under its jurisdiction.

The Offshore Pipelines are also subject to stringent safety laws and regulations. BHP Petroleum's transportation of crude oil and natural gas involves a risk that hazardous liquids or flammable gases may be released into the environment, potentially causing harm to the public or the environment. In turn, for owned or operated pipelines, such incidents may result in substantial expenditures for response actions, significant government penalties, liability to government agencies for natural resources damages, and significant business interruption. The Pipeline and Hazardous Materials Safety Administration ("PHMSA"), under the U.S. Department of Transportation, has adopted safety regulations with respect to the design, construction, operation, maintenance, inspection and management of onshore and offshore pipelines, including the Offshore Pipelines. These regulations contain requirements for the development and implementation of pipeline integrity management programs, which include the inspection and testing of pipelines and necessary maintenance or repairs, and also require that pipeline operation and maintenance personnel meet certain qualifications and that pipeline operators develop comprehensive spill response plans. BSEE has also adopted regulations for offshore pipelines under its jurisdiction.

Pipeline safety laws and regulations are subject to change over time. Changes in existing laws and regulations could require us to install new or modified safety controls, conduct subsea inspection of active pipelines to detect leaks, pursue additional capital projects, or conduct maintenance programs on an accelerated basis, any or all of which could result in BHP Petroleum incurring increased operating costs. For example, PHMSA issued the Safety of Hazardous Liquids Pipelines final rule on 1 October 2019. This final rule addressed topics such as: inspections of onshore and offshore pipelines following extreme weather events or natural disasters, periodic assessment of pipelines not currently subject to integrity management, expanded use of leak detection systems, increased use of in-line inspection tools, and other requirements. Additional rulemakings related to pipeline safety are expected to be issued in the future as in its reauthorization of PHMSA the U.S. Congress ordered PHMSA to move forward with certain rulemakings.

BHP Petroleum's sales of natural gas in the United States are subject to regulation by FERC. Pursuant to authority delegated to it by the Energy Policy Act of 2005 ("EPAAct 2005"), the FERC promulgated anti-

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manipulation regulations establishing violation enforcement mechanisms that make it unlawful for any entity, directly or indirectly, in connection with the purchase or sale of natural gas or the purchase or sale of transportation services subject to the jurisdiction of FERC to (i) use or employ any device, scheme or artifice to defraud, (ii) make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or (iii) engage in any act, practice or course of business that operates or would operate as a fraud or deceit upon any entity. The EAct 2005 also amended the Natural Gas Act of 1938 and the Natural Gas Policy Act of 1978 to give FERC authority to impose civil penalties for violations of these statutes and regulations, up to \$1,307,164 per violation, per day for 2021 (this amount is adjusted annually for inflation). The FERC may also order disgorgement of profits and corrective action. The anti-market manipulation rule does not apply to activities that relate only to intrastate or other non-jurisdictional sales or gathering, but does apply to activities of natural gas pipelines and storage companies that provide interstate services, as well as otherwise non-jurisdictional entities to the extent the activities are conducted “in connection with” natural gas sales, purchases or transportation subject to FERC jurisdiction, which includes annual reporting requirements for entities that purchase or sell a certain volume of natural gas in a given calendar year.

BHP Petroleum’s sales of crude oil are currently not regulated and are made at negotiated prices. There is always some risk, however, that the U.S. Congress may reenact crude oil, petroleum products and NGL price controls in the future. It cannot be predicted whether new legislation to regulate crude oil, or the prices charged for crude oil might be proposed, what proposals, if any, might actually be enacted by the U.S. Congress or the various state legislatures and what effect, if any, the proposals might have on BHP Petroleum’s operations.

Finally, BHP Petroleum’s sales of oil and natural gas are also subject to market manipulation and anti-disruptive requirements under the Commodity Exchange Act (“CEA”) as amended by the Dodd-Frank Financial Reform Act, and regulations promulgated thereunder by the CFTC. The CFTC prohibits any person from manipulating or attempting to manipulate the price of any commodity in interstate commerce or futures on such commodity. The CEA also prohibits knowingly delivering or causing to be delivered false or misleading or knowingly inaccurate reports concerning market information or conditions that affect or tend to affect the price of a commodity.

Woodside’s Purchase of LNG from Cheniere in the United States

In July 2014, Woodside signed a binding LNG sale and purchase agreement (“SPA”) with a subsidiary of Cheniere Energy, Inc. (“Cheniere”) to purchase 0.85 mtpa of LNG from the Corpus Christi Liquefaction Project (“CCL Project”) on the startup of Train 2 at the LNG export facility being developed near Corpus Christi, Texas. Under the SPA, Woodside agreed to purchase LNG from Cheniere on a free-on-board basis for a term of twenty years commencing upon the date of first commercial delivery for Train 2, with an extension option of up to ten years. Cheniere completed construction of Train 2 of the CCL Project and commenced commercial operating activities in August 2019.

The *Natural Gas Act of 1938*, as amended (“NGA”), regulates, among others, the importation and exportation of LNG. Section 3(a) of the NGA prohibits the importation or exportation of natural gas, including LNG, from or to a foreign country without obtaining prior authorization from the U.S. Department of Energy (“DOE”). Except with respect to countries with which trade is explicitly prohibited by law or policy, DOE is required to issue the authorization unless it finds that the proposed importation or exportation is not consistent with the public interest. For authorizations to export LNG to countries with which the United States has not entered into a Free Trade Agreement (“FTA”) requiring national treatment for trade in natural gas, DOE is able to modify the application and impose such terms and conditions as it may consider necessary or appropriate. An extensive consultation and review process is undertaken by DOE in connection with any application to import or export natural gas, including LNG. Historically, DOE issued two types of authorizations, blanket and long-term authorizations. The blanket authorization enabled the importation or exportation of natural gas, including LNG, on a short-term or spot market basis for a period of up to two years. The long-term authorization was issued

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where the applicant had a signed gas purchase or sales agreement/contract, or tolling agreement, or other agreement resulting in importation or exportation of natural gas, including LNG, for a period of time longer than two years. However, in December 2020, DOE announced a new policy in which it would no longer issue short-term export authorization separately from long-term authorizations.

For exportation of natural gas, including LNG, to a nation with which an FTA requiring national treatment for trade in natural gas is in effect, Section 3(c) of the NGA provides that such exportation will be deemed to be consistent with the public interest and applications for such exportation will be granted without modification or delay. DOE is statutorily required by Section 3(c) of the NGA to approve LNG exports to countries with which the United States has a FTA requiring national treatment for trade in natural gas, but can restrict or limit exports to other countries if it finds the exports are not consistent with the public interest. Countries with an FTA requiring national treatment for trade in natural gas currently recognized by the DOE for exports of LNG include Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea and Singapore. FTAs with Israel and Costa Rica do not require national treatment for trade in natural gas.

In addition, the importation and exportation of natural gas from and to the United States is subject to regulation and oversight by the U.S. Customs and Border Protection, the U.S. Coast Guard, the U.S. Department of Transportation, and the Maritime Administration.

Other

Woodside and BHP Petroleum are also subject to environmental and other regulations to varying degrees in each of the jurisdictions in which they each have assets and operations.

Overview

At Implementation of the Merger, the directors and executive officers of the Merged Group are expected to comprise the current Woodside Directors and executive committee of Woodside. It is intended that the Woodside Board will select a current BHP director to be appointed to the Woodside Board following Implementation. Pursuant to the Woodside Constitution, which will be the Constitution of the Merged Group, the Merged Group Board shall be comprised of Non-Executive Directors and one Executive Director, being the Chief Executive Officer and Managing Director, which such Merged Group Board must not have more than 12, nor less than three, directors. Detailed biographies of the Woodside Directors are provided below. References to “Non-Executive Directors” refer to Woodside Directors who are not employees of Woodside and references to “Executive Directors” refer to Woodside Directors who are employees of Woodside. References to “we,” “us,” “our,” the “Woodside Board” and the “Merged Group Board” refer to the Merged Group following the Merger.

Members of the Board of Directors of the Merged Group***Merged Group Board***

The following table and descriptions set forth below state the members of the Merged Group’s Board following Implementation of the Merger, including a brief biography for each individual, including details of his or her functions within the Merged Group and details of the names of companies and partnerships (excluding directorships in the Merged Group) of which the individual is or has been a member of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this prospectus.

| Name | Position |
|-----------------------------|---|
| Meg O’ Neill (1) | Chief Executive Officer and Managing Director |
| Richard Goyder, AO (2) | Chairman |
| Larry Archibald (3) | Director |
| Frank Cooper, AO (4) | Director |
| Swee Chen Goh (5) | Director |
| Ian Macfarlane (5) | Director |
| Christopher Haynes, OBE (3) | Director |
| Ann Pickard (6) | Director |
| Gene Tilbrook (7) | Director |
| Sarah Ryan (3) | Director |
| Ben Wyatt (5) | Director |

- (1) Serves as the sole Executive Director on the Merged Group Board pursuant to the Woodside Constitution.
- (2) Serves as the chairperson (the “Chair”) on the Nominations & Governance Committee of the Merged Group Board.
- (3) Serves as a member on the Audit & Risk Committee, Sustainability Committee and the Nominations & Governance Committee of the Merged Group Board.
- (4) Serves as the Chair of the Audit & Risk Committee. Member of the Human Resources & Compensation and Nominations & Governance Committees of the Merged Group Board.
- (5) Serves as a member on the Human Resources & Compensation, Sustainability and Nominations & Governance Committees of the Merged Group Board.
- (6) Serves as the Chair of the Sustainability Committee of the Merged Group Board. Member of the Human Resources & Compensation and Nominations & Governance Committees of the Merged Group Board.
- (7) Serves as the Chair of the Human Resources & Compensation Committee of the Merged Group Board. Member of the Audit & Risk and Nominations & Governance Committees of the Merged Group Board.

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Meg O' Neill was appointed as Woodside's Chief Executive Officer and Managing Director on 17 August 2021. Ms. O' Neill joined Woodside as Chief Operations Officer in May 2018, and served as Woodside's Chief Operations Officer from May 2018 to October 2019, as Executive Vice President Development from October 2019 to August 2021, as Executive Vice President Development and Marketing from August 2020 to April 2021 and as acting Chief Executive Officer from April 2021 to August 2021. Prior to joining Woodside, Ms. O' Neill spent 23 years with ExxonMobil in a variety of technical, operational and leadership roles including senior positions such as Vice President Development Africa, Executive Advisor to the Chairman, Vice President Production Asia / Pacific, and country leadership positions in Canada and Norway. Ms. O' Neill is a graduate of the Massachusetts Institute of Technology, with degrees in Ocean and Chemical Engineering.

Richard Goyder, AO has served as Woodside's Chairman since April 2018. He previously served as a Non-Executive Director of Woodside since August 2017. Mr. Goyder spent 24 years with Wesfarmers Limited, where he served as Managing Director and Chief Executive Officer from 2005 to late 2017. Mr. Goyder served as Chair of the Australian B20 (the key business advisory body to the international economic forum which includes business leaders from all G20 economies) from February 2013 to December 2014. Mr. Goyder currently serves as Chairman of Qantas Airways Limited, Australian Football League Commission, Channel 7 Telethon Trust and the Western Australian Symphony Orchestra, serves as a member of Evans and Partners Investment Committee, and previously served on the board of directors of Wesfarmers Limited from 2002 to 2017.

Larry Archibald has served as a Non-Executive Director since February 2017. Mr. Archibald previously worked at ConocoPhillips, where he spent eight years in senior executive positions including, Senior Vice President, Business Development and Exploration and Senior Vice President, Exploration. Prior to joining ConocoPhillips, Mr. Archibald spent 29 years at Amoco (1980 to 1998) and BP (1998 to 2008) in various positions including leading global exploration programs covering many world regions. Additionally, Mr. Archibald currently serves as the Chair of the University of Arizona Geosciences Advisory Board.

Frank Cooper, AO has served as a Non-Executive Director since February 2013. Mr. Cooper was a Partner at PricewaterhouseCoopers from 2006 until his retirement in 2012. Prior to joining PricewaterhouseCoopers, Mr. Cooper was a partner of Ernst & Young from 2002 to 2005 and managing partner of Arthur Andersen from 1991 to 2002. Mr. Cooper currently serves as the Chairman of the Insurance Commission of Western Australia since 2012. Mr. Cooper additionally serves as a director on the boards of St. John of God Australia Limited since 2015 and South32 Limited since 2015. Mr. Cooper further serves as a member of Pro-Chancellor of Senate of the University of Western Australia, and serves as Trustee of St. John of God Health Care since 2015. Mr. Cooper received his Bachelor of Commerce from the University of Western Australia in 1976, is a Fellow of the Institute of Chartered Accountants in Australia and is Fellow of the Institute of Company Directors.

Swee Chen Goh has served as a Non-Executive Director since January 2020. Ms. Goh serves as Chair of the Singapore Institute for Human Resource Professionals since 2016 and the National Arts Council Singapore since 2019 and serves as President of Global Compact Network Singapore. Prior to joining Woodside, Ms. Goh previously worked at Shell as Chief Information Officer, Oil Product, East, from 2003 until 2004, Vice President of Global IT Services from 2004, and as Chair of Shell Companies in Singapore from October 2014 until her retirement in January 2019. During her tenure at Shell, Ms. Goh served on the boards of a number of Shell joint ventures in China, Korea and Saudi Arabia. Prior to joining Shell, Ms. Goh worked at Procter & Gamble and IBM. Ms. Goh currently serves on the boards of directors of Singapore Airlines Ltd since 2019, Singapore Power Ltd since 2019, Carbon Solutions Holdings Pte Ltd since 2022, Carbon Solutions Platform Pte Ltd since 2022, JTC Corporation since 2022, CapitaLand Investment Ltd since 2017, Resilience Collective Ltd since 2020 and The Centre for Livable Cities since 2021, and previously served on the boards of various Asian Shell Subsidiaries from 2014 until 2018. Additionally, Ms. Goh is a member of the Singapore Legal Services Commission and Trustee of Nanyang Technological University.

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Ian Macfarlane has served as a Non-Executive Director since November 2016. Mr. Macfarlane serves as Chief Executive Officer of Queensland Resources Council since 2016, Chairman of Innovative Manufacturing Co-Operative Research Centre since 2016, director of CSIRO since 2021 and a member of Toowoomba Community Advisory Committee of the University of Queensland Rural Clinical School. Mr. Macfarlane's previous experience includes serving as director of METS Ignited Ltd and formally as Australia's longest-serving Federal Resources and Energy Minister and the Coalition's longest-serving Federal Industry and Innovation Minister, with over 14 years of experience in both Cabinet and shadow ministerial positions. Before entering politics, Mr. Macfarlane's experience included agriculture, and being President of the Queensland Graingrowers Association from 1991 to 1998 and the Grains Council of Australia from 1994 to 1996.

Dr. Christopher Haynes, OBE has served as a Non-Executive Director since June 2011 and currently serves as a director of Worley Limited since 2012. Dr. Haynes had a 38-year career with Shell where he served as Executive Vice President, Upstream Major Projects within Shell's Projects and Technology business, General Manager of Shell's operations in Syria, and a secondment as Managing Director of Nigeri LNG Ltd. From 1999 to 2002, Dr. Haynes was seconded to Woodside as General Manager of the North West Shelf Venture. Dr. Haynes retired from Shell in August 2011. Dr. Haynes is a Chartered Engineer, a Fellow of the Institution of Mechanical Engineers in the United Kingdom, a Fellow of the Institution of Engineers, Australia and a Fellow of the Royal Academy of Engineering in the United Kingdom.

Ann Pickard has served as a Non-Executive Director since February 2016, and currently serves as a director of KBR Inc., since 2015 and of Noble Corporation plc since 2021, in addition to being a member of the Chief Executive Women and University of Wyoming Foundation Board. During her 15-year tenure prior to retiring from Shell in 2016, Ms. Pickard served as Executive Vice President Arctic, Executive Vice President Exploration and Production, Country Chair of Shell, and as Executive Vice President Africa. Ms. Pickard additionally served as Director, Global Business and Strategy and was a member of the Shell Gas & Power Executive Committee. Prior to joining Shell in 2000, Ms. Pickard had an 11-year tenure with Mobil prior to its merger with Exxon in 1998.

Gene Tilbrook has served as a Non-Executive Director since December 2014, and currently serves as a director of Orica Limited since 2013. Mr. Tilbrook served as a senior executive of Wesfarmers Limited between 1985 and 2009, including as Executive Director Finance and Executive Director Business Development. Prior directorships held by Mr. Tilbrook include serving as a director of Aurizon Holdings Limited from 2010 to 2016 and as a director of GPT Group Limited from 2010 to 2021.

Dr. Sarah Ryan has served as a Woodside Director since December 2012. Dr. Ryan has more than 30 years' experience in the oil and gas industry in various technical, operational and senior management positions. Dr. Ryan worked at Schlumberger Ltd for 15 years. Dr. Ryan was also an equity analyst, portfolio manager and energy advisor for Earnest Partners from 2007 to 2017. Dr. Ryan currently serves as a director of Aurizon Holdings since 2019, MPC Kinetic Pty Ltd since 2016, Viva Energy Group Ltd since 2018, OZ Minerals Limited since 2021 and Future Battery Industries Co-operative Research Centre since 2020. Dr. Ryan is a member of Chief Executive Women since 2016, the ASIC Corporate Governance Consultative Panel since 2019 and is a Fellow of the Australian Academy of Technology and Engineering. Dr. Ryan was previously a director of Central Petroleum Limited and Akastor ASA.

Ben Wyatt has served as a Non-Executive Director since June 2021. Mr. Wyatt served in the Western Australian Legislative Assembly for 15 years, including as the Western Australian Treasurer and Minister for Finance, Energy, Aboriginal Affairs and Lands. Mr. Wyatt additionally held various shadow cabinet portfolios including responsibility for Native Title and the Pilbara. Prior to entering Parliament, Mr. Wyatt practiced as a lawyer in both private practice and with the Western Australian Office of the Director of Public Prosecutions. In addition to serving on the Woodside Board, Mr. Wyatt currently serves as a director of Wyatt Martin Pty Ltd since 2021, the West Coast Eagles since 2021, the Perth International Arts Festival since 2021, the Telethon Kids Institute since 2021 and Rio Tinto Ltd since 2021. Mr. Wyatt is also a member of the APM Advisory Board and UWA Business School Advisory Board.

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Members of the Executive Committee of the Merged Group

The following table and descriptions below sets forth the proposed members of the Merged Group's executive leadership team, including a brief biography for each individual, details of his or her functions within the Merged Group and details of the names of companies and partnerships (excluding directorships in the Merged Group) of which the individual is or has been a member of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this prospectus.

| <u>Name</u> | <u>Position</u> |
|-----------------------------------|--|
| Meg O' Neill ⁽¹⁾⁽³⁾ | Chief Executive Officer and Managing Director |
| Graham Tiver ⁽³⁾ | Executive Vice President and Chief Financial Officer |
| Fiona Hick ⁽³⁾ | Executive Vice President Australian Operations |
| Shiva McMahon | Executive Vice President International Operations |
| Shaun Gregory ⁽²⁾⁽³⁾ | Executive Vice President New Energy |
| Mark Abbotsford ⁽²⁾⁽³⁾ | Executive Vice President Marketing and Trading |
| Andy Drummond ⁽²⁾ | Executive Vice President Exploration and Development |
| Matthew Ridolfi ⁽²⁾ | Executive Vice President Projects |
| Julie Fallon ⁽²⁾⁽³⁾ | Senior Vice President Corporate Services |
| Tony Cudmore ⁽²⁾ | Senior Vice President Strategy and Climate |
| Daniel Kalms ⁽²⁾⁽³⁾ | Senior Vice President Merger Integration |

- (1) Please see Ms. O' Neill's full biography under "--Merged Group Board."
- (2) Serves as a Non-Key Management Personnel.
- (3) This individual is currently a member of Woodside's executive committee and is expected to remain on the executive committee even if the Merger is not Implemented.

Graham Tiver commenced with Woodside in February 2022 as Chief Financial Officer and Executive Vice President. Before joining Woodside, Mr. Tiver was previously at BHP, where he held the role of Group Financial Controller with responsibility for BHP's global accounting and reporting function and financial improvement across 10 countries. Mr. Tiver has held significant financial, commercial and leadership roles across a range of business sectors, including minerals and oil and gas. He has extensive international experience, having worked in North and South America as well as a variety of roles around Australia. Mr. Tiver holds a Bachelor of Business in Accounting and Finance from Edith Cowan University in Perth, and is a Fellow of the Australian Society of Certified Practising Accountants.

Fiona Hick currently serves as Woodside's Executive Vice President Operations and has been nominated to lead Australian Operations, based in Perth, following Implementation. Ms. Hick has led Woodside's operations division since 2019. As Executive Vice President Operations, she is responsible for all of Woodside's global health, safety and environment, operations, producing facilities, subsea and pipelines, logistics and reservoir management functions. Ms. Hick has been with Woodside since 2001, holding positions including Vice President Strategy Planning and Analysis and Vice President Health, Safety, Environment and Quality. Prior to joining Woodside, Ms. Hick worked for several years with Rio Tinto living and working in their remote locations. In 2021, Ms. Hick was appointed President of The Chamber of Minerals and Energy of Western Australia, Ms. Hick is also an Associate Fellow of the Australian Institute of Management and a Fellow of the Institute of Engineers. She is also a Non-executive Director of CO2CRC and a member of University of Western Australia's Strategic Resources Committee. Ms. Hick has a Bachelor of Engineering (Hons) and a Bachelor of Applied Science (Energy).

Shiva McMahon has been nominated to lead International Operations, based in Houston. Ms. McMahon is currently General Manager, BHP Petroleum, Australia. Ms. McMahon joined BHP in the role of Vice President Finance for Petroleum in 2020 with over 25 years of energy industry experience across multiple international roles. She also served as a Non-Executive Director and member of the Audit, Remuneration and Nominations

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committees of the Mumbai Stock Exchange-listed Castrol India between 2017 and 2018. Ms. McMahon spent a large part of her career with BP in upstream and downstream leadership roles including serving as the CFO for BP Trinidad and Tobago and BP's global lubricants business—Castrol. She also served as Head of the Upstream Executive Office between 2014 and 2017. Ms. McMahon has a Masters in Business Administration and IT and a Bachelor of Arts in Applied Foreign Languages.

Shaun Gregory has been nominated to lead New Energy, based in Perth. Mr. Gregory has over 25 years industry experience. Mr. Gregory joined Woodside in 1995 and currently holds the role of EVP Sustainability and Chief Technology Officer, overseeing exploration, technology, digital, new energy and carbon management. Mr. Gregory has previously held a range of roles at Woodside across sustainability and exploration. Mr. Gregory is a Board member of Scitech WA. He has a Bachelor of Science (Hons) from the University of Western Australia in Mathematical Geophysics and a Master of Business and Technology from the University of New South Wales.

Mark Abbottsford has been nominated to lead Marketing and Trading, based in Perth. Mr. Abbottsford joined Woodside in 2002, and has 20 years of commercial, marketing, trading and mergers and acquisitions experience across roles based in Australia, Singapore, Japan and the United Kingdom. Mr. Abbottsford has held a number of senior positions at Woodside, including Executive Adviser to the Chief Executive Officer and Managing Director, Vice President Marketing, Trading and Shipping and Group Financial Controller. Mr. Abbottsford's prior experience includes roles at the Western Australian Department of Treasury and BHP Iron Ore. Mr. Abbottsford graduated from the Advanced Management Program at Harvard Business School in 2021. Mr. Abbottsford also holds a Master of Philosophy in Finance from the University of Cambridge, and a Bachelor of Economics (1.Hons) and MBA from the University of Western Australia.

Andy Drummond has been nominated to lead Exploration and Development, based in Houston. Mr. Drummond is currently Vice President of Sustainability and Innovation for BHP's Petroleum business. Since joining BHP in January 2013, he has held several leadership positions including Vice President Business Development. Prior to joining BHP, Mr. Drummond spent 15 years with Marathon Oil Corporation working throughout the value chain at various international locations including Scotland, Norway, Equatorial Guinea and Poland. Mr. Drummond has a Bachelor of Engineering, Chemical and Process Engineering (Hons).

Matthew Ridolfi has been nominated to lead Projects, based in Houston. Matthew has 30 years of experience in the petroleum business, including in Australia, the United Kingdom, and the United States of America. Mr. Ridolfi is currently the Vice President of Major Developments with accountability for Petroleum's worldwide operated and non-operated major development activities and all operated well and seismic delivery activities. Prior to his current position, Mr. Ridolfi has held various senior roles in both the conventional and shale businesses, and was the Vice President Health, Safety, Environment and Community, and the Joint Interest Unit Manager Bass Strait. Mr. Ridolfi began his career with BHP in 1991 when he joined as a graduate engineer. Mr. Ridolfi holds a bachelor's degree in Mechanical Engineering (Hons).

Julie Fallon has been nominated to lead Corporate Services, based in Perth. Ms. Fallon joined Woodside in 1998 and is currently Acting Senior Vice President Corporate and Legal, providing support across the company in a range of areas including corporate affairs, security, legal, property management, risk and compliance and internal audit. She has 29 years of industry experience and has held a number of roles within Woodside including Senior Vice President Engineering, Senior Vice President Pluto Business Unit and Senior Vice President Internal Audit. Ms. Fallon has also worked in a range of production and engineering roles, including several years living and working in Karratha. Prior to joining Woodside, Ms. Fallon worked as an engineer at Shell Refining Australia. Ms. Fallon graduated from the University of Sydney with a Bachelor in Chemical Engineering (1. Hons) and is a fellow of the Institution of Chemical Engineers.

Tony Cudmore has been nominated to lead Strategy and Climate, based in Perth. Mr. Cudmore is currently Group Sustainability and Public Policy Officer for BHP. Mr. Cudmore has had responsibility for BHP's global sustainability and climate change teams as well as being accountable for BHP's global brand, corporate

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communications and public policy advocacy. Mr. Cudmore is also a member of the Board of the BHP Foundation. Mr. Cudmore joined BHP in February 2014 and has held roles including Chief Public Affairs Officer and President Corporate Affairs before assuming his current role in March 2016. Prior to joining BHP, Mr. Cudmore worked with ExxonMobil for 13 years and held a wide range of senior and global Corporate Affairs roles in Australia and the United States. Before joining ExxonMobil, Mr. Cudmore was a Media Relations and Policy Adviser before becoming Principal Adviser to the then Premier of Victoria, Jeff Kennett, followed by his role as Assistant Director of the Australian Institute of Petroleum. Mr. Cudmore holds a Bachelor of Arts and a Graduate Certificate of International Relations.

Daniel Kalms is currently Senior Vice President Merger Integration Planning at Woodside, and he has been nominated to lead Merger Integration activities after completion of the Merger, based in Perth. Mr. Kalms joined Woodside in 2001 and has 20 years' experience in the oil and gas industry. Since joining Woodside in 2001, Daniel gained extensive experience across departments including commercial, development, projects, operations, and business management. Daniel was Pluto Plant Manager based in Karratha from 2011 to 2014, overseeing the start-up of the new LNG production facility. Mr. Kalms graduated from Royal Melbourne Institute of Technology and holds a Bachelor of Engineering (Chemical), Graduate Certificate in Project Management and a Master of Business Administration.

To the best of Woodside' s knowledge, none of the Merged Group directors or Senior Executives of the Merged Group:

has any convictions in relation to fraudulent offences for at least the previous five years;

has been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of a senior manager of any company for at least the previous five years;

has been subject to any official public incriminations and/or sanctions by any statutory or regulatory authority (including designated professional bodies) for at least the previous five years;

has ever been disqualified by a court from acting as a director of a company, or from acting as a member of the administrative, management or supervisor bodies of a company, or from acting the management or conduct of the affairs of any company for at least the previous five years; or

was selected to act in such capacity pursuant to any arrangement or understanding with any shareholder, customer, supplier or other person having a business connection with the Merged Group.

There are no family relationships between any of the Merged Group directors or Senior Executives of the Merged Group.

There are no potential or actual conflicts of interest between any duties owed by the Woodside Directors or the Senior Executives to Woodside and their respective private interests or other duties, save for their interest as holders of securities of Woodside.

Governance of the Merged Group Following the Merger

The description below provides for the Woodside Board' s oversight of the management of the Merged Group. The Woodside Board is responsible for the overall corporate governance of Woodside, including providing leadership and strategic guidance for Woodside and its related entities. The Woodside Board monitors the operational and financial position and performance of Woodside and oversees the implementation of Woodside' s strategic objectives, including approving operating budgets and significant expenditure. The Woodside Board is committed to maximizing performance, generating appropriate levels of shareholder value and financial return and sustaining the growth and success of Woodside.

The Woodside Board seeks to ensure that Woodside is properly managed to protect and enhance the interests of Woodside Shareholders, and that Woodside and its Directors, officers and personnel operate in an

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environment of appropriate corporate governance. The Woodside Board has created a framework for managing Woodside, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for Woodside's business and which are designed to promote the responsible management and conduct of Woodside.

As an ASX-listed entity, Woodside must comply with the Corporations Act, the ASX Listing Rules, and other applicable Australian and international laws. The ASX Listing Rules require Woodside to report on the extent to which it has followed the Corporate Governance Recommendations contained in the fourth edition of the ASX Corporate Governance Council's Principles and Recommendations ("ASX Recommendations"). This information is set out in a Corporate Governance Statement and reports on Woodside's key governance principles and practices. These principles and practices are reviewed regularly and revised as appropriate to reflect changes in law and developments in corporate governance. A copy of the Corporate Governance Statement is available in the Corporate Governance section of Woodside's website at www.woodside.com.au.

Woodside has complied with all ASX Recommendations and, following Implementation, the Merged Group will continue to pursue a high level of corporate governance and foster a culture that values ethical behavior, integrity and respect.

NYSE Requirements

Upon the listing of the Woodside ADSs on the NYSE, Woodside will become subject to the NYSE Listing Rules. The NYSE Listing Rules include certain accommodations in the corporate governance requirements that allow foreign private issuers, such as Woodside, to follow "home country" corporate governance practices in lieu of the otherwise applicable corporate governance standards of the NYSE. The exemptions include, among other things, the ability to opt out of (i) the requirement that the Merged Group Board be comprised of a majority independent directors, (ii) the requirement that the Merged Group's independent directors meet regularly in executive sessions, (iii) the requirement that the Merged Group obtain shareholder approval prior to the issuance of securities in connection with certain acquisitions, private placements of securities, or the establishment or amendment of certain stock option, purchase or other compensation plans, and (iv) the requirement that the Merged Group establish independent nominating and corporate governance and compensation committees.

The application of such exceptions will require Woodside to disclose any significant ways in which its corporate governance practices differ from the NYSE Listing Rules in its Annual Report on Form 20-F. Woodside expects that the Merged Group Board will be comprised of a majority independent directors and will establish independent nominating and corporate governance and compensation committees. Woodside has elected to comply with home country rules with respect to NYSE quorum standards and certain responsibilities of the audit committee with respect to the appointment of auditors, but has not yet made final determinations on other possible exemptions from the NYSE Listing Rules. See "*Quorum*" and "*Audit Committee and Audit Committee Additional Requirements*." Woodside may in the future decide to use other foreign private issuer exemptions with respect to some of the other NYSE Listing Rules. Following Woodside's home country governance practices, as opposed to the requirements that would otherwise apply to a company listed on the NYSE, may provide less protection than is accorded to investors under the NYSE Listing Rules applicable to U.S. domestic issuers. If, at any time, Woodside ceases to be a foreign private issuer, it will take all action necessary to comply with the SEC and NYSE Listing Rules.

Quorum

The NYSE Listing Rules generally require that a listed company's by-laws provide for a quorum for any meeting of the holders of such company's voting shares that is sufficiently high to ensure a representative vote. Pursuant to the NYSE Listing Rules, Woodside, as a foreign private issuer, has elected to comply with practices that are permitted under Australian securities laws in lieu of the provisions of the NYSE Listing Rules. The Woodside Constitution provides that a quorum for a meeting of Woodside Shareholders is three eligible Woodside Shareholders entitled to vote.

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Majority of Independent Directors

The NYSE Listing Rules require that a majority of the board of directors of a listed company consist of independent directors. Under the NYSE Listing Rules, an independent director is defined as a director who the company's board of directors has affirmatively determined has no material relationship with the company. Except with respect to the independence of the audit committee, foreign private issuers may elect to follow "home country" corporate governance practices in lieu of this requirement. Based on information provided by each Woodside Director concerning his or her background, employment and affiliations, the Woodside Board has determined that of the ten Non-Executive Directors and one Executive Director to serve on the Merged Group Board as at Implementation, one director will not be considered "independent" as that term is defined under the NYSE Listing Rules as a result of their respective relationships with the Merged Group. See the section entitled "*Woodside Board-Independence of the Woodside Board*" for information on independence standards and determinations under the ASX Recommendations.

Executive Sessions

The NYSE Listing Rules further require that independent directors must meet at regularly scheduled executive sessions without a member of Woodside's management present. Foreign private issuers may elect to follow "home country" corporate governance practices in lieu of this requirement. The ASX Listing Rules and ASX Recommendations do not require that independent directors meet at regularly scheduled executive sessions without a member of management present, however, it is expected that following Implementation Woodside's independent directors will meet at appropriate intervals without the presence of management, in accordance with existing corporate governance practices.

Nominating and Corporate Governance Committee and Compensation Committee

The NYSE Listing Rules additionally require that listed companies maintain both a nominating and corporate governance committee and a compensation committee comprising entirely of independent directors and governed by a written charter addressing each committee's required purpose and detailing its required responsibilities. The responsibilities of the nominating and corporate governance committee include, among other matters, identifying and selecting qualified board member nominees and developing a set of applicable corporate governance principles. The responsibilities of the compensation committee, in turn, include, among other things, reviewing corporate goals relevant to the chief executive officer's compensation, evaluating the chief executive officer's performance, approving the chief executive officer's compensation levels and recommending to the board of directors the compensation of other executive officers, incentive compensation and equity-based compensation plans. Foreign private issuers may elect to follow "home country" corporate governance practices in lieu of this requirement. Woodside has established a Nominations & Governance Committee and a Human Resources & Compensation Committee. See the section entitled "*Committees of the Merged Group Board*" for information on Nominations & Governance Committee and Human Resources & Compensation Committee requirements under the ASX Recommendations.

Audit Committee and Audit Committee Additional Requirements

Under Section 303A.06 of the NYSE Listing Rules and the requirements of Rule 10A-3 under the Exchange Act ("Rule 10A-3"), a U.S. listed company is required to have an audit committee of such company's board of directors consisting entirely of independent members that comply with the requirements of Rule 10A-3. In addition, (i) the audit committee must have a written charter which is compliant with the requirements of Section 303A.07(b) of the NYSE Listing Rules, (ii) the listed company must have an internal audit function and (iii) the listed company must fulfill all other requirements of the NYSE Listing Rules and Rule 10A-3. Foreign private issuers must comply with the audit committee standard set forth in Rule 10A-3, subject to limited exemptions, but may elect to follow "home country" practices in lieu of the additional audit committee requirements in the NYSE Listing Rules. Rule 10A-3 requires NYSE-listed companies to ensure their audit committees are directly responsible for the appointment, compensation, retention and oversight of the work of the external auditor unless the company's governing law or documents or other home country legal requirements require or permit shareholders to ultimately

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vote on or approve these matters. While Woodside's Audit & Risk Committee is directly responsible for remuneration and oversight of the external auditor, ultimate responsibility for the appointment of the external auditor rests with Woodside Shareholders, in accordance with Australian law and the Woodside Constitution. However, in accordance with the limited exemptions set forth in Rule 10A-3, the Audit & Risk Committee is responsible for the annual auditor engagement and if there is any proposal to change auditors, the Committee does make recommendations to the Woodside Board on any change of auditor, which are then considered by Woodside Shareholders at the annual meeting of Woodside Shareholders. See the section entitled "*–Committees of the Merged Group Board–Audit & Risk Committee*" for information on Audit and Risk Committee requirements under the ASX Recommendations.

Shareholder Approval of Equity Compensation Plans

The NYSE Listing Rules provide for limited exceptions to the requirement that shareholders be given the opportunity to vote on all equity compensation plans and material revisions to those plans (which may be approved for an undefined period). Foreign private issuers may elect to follow "home country" corporate governance practices in lieu of this requirement. See the section entitled "*Description of Woodside Shares–Director Remuneration*" for information on the approval of Australian equivalent equity compensation plans.

Corporate Governance Guidelines

The NYSE Listing Rules require that listed companies adopt and disclose corporate governance guidelines. Woodside complies with the corporate governance guidelines under applicable Australian law and the ASX Recommendations, and Woodside believes these corporate governance guidelines are consistent with the NYSE Listing Rules.

Internal Audit Function

The NYSE Listing Rules require that listed companies maintain an internal audit function to provide management and the audit committee with ongoing assessments of such company's risk management processes and systems of internal control. Foreign private issuers may elect to follow "home country" corporate governance practices in lieu of this requirement. Woodside has an internal audit function and has established an Audit & Risk Committee, see the section "*–Committees of the Merged Group Board–Audit & Risk Committee*" for information on Audit and Risk Committee requirements under the ASX Recommendations.

Woodside Board

Composition of the Woodside Board

As at Implementation the Woodside Board will be comprised of ten Non-Executive Directors and one Executive Woodside Director, being the Chief Executive Officer and Managing Director. Detailed biographies of the Woodside Directors are provided for under "*–Members of the Board of Directors of the Merged Group*" and "*–Members of the Executive Committee of the Merged Group.*" The Woodside Constitution provides that Woodside must not have more than 12, nor less than three (3), directors on the Woodside Board.

Independence of the Woodside Board

Each Woodside Director must bring an independent view and judgement to the Woodside Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Woodside Director's ability to properly act as a Woodside Director must be discussed at a Woodside Board meeting as soon as practicable.

The Woodside Board assesses the independence of the Woodside Directors with reference to whether a director is a non-executive, not a member of management and is free of any business or other relationship that

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could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. The Woodside Board has adopted a definition of independence that is based on the definition set out in the ASX Recommendations. The Woodside Board reviews the independence of Woodside Directors before they are appointed, on an annual basis and at any other time where the circumstances of a Woodside Director change such as to require reassessment.

The Woodside Board considers that each of the Non-Executive Directors, including Mr. Goyder, Mr. Archibald, Mr. Cooper, Ms. Goh, Mr. Macfarlane, Dr. Haynes, Ms. Pickard, Mr. Tilbrook, Dr. Ryan and Mr. Wyatt, are free from any interest, position, association or relationship that might influence or reasonably be perceived to influence, the independent exercise of the Woodside Director's judgement and that each of them is able to fulfil the role of independent Woodside Director for the purposes of the ASX Recommendations.

Ms. O' Neill is considered by the Woodside Board not to be independent on the basis that she is employed as the Chief Executive Officer and Managing Director of Woodside.

Accordingly, the Woodside Board consists of a majority of independent directors as recommended in ASX Recommendation 2.4.

The Woodside Board will continue to regularly review the independence of each Woodside Director, and any subsequent Woodside Directors appointed, in light of interests disclosed to the Woodside Board and will disclose any change to the ASX, as required by the ASX Listing Rules. The Policy on Independence of Woodside Directors is available in the Corporate Governance section of Woodside's website at www.woodside.com.au.

Woodside Board Charter

The Woodside Board has adopted a written charter ("Charter") to provide a framework for the effective operation of the Woodside Board, which sets out the roles and responsibilities of the Woodside Board, which include but are not limited to:

Culture and responsible decision-making (*e.g.*, setting Woodside's values and standards of conduct, promoting ethical and responsible decision-making and monitoring its compliance with legal and regulatory requirements):

Strategy and performance (*e.g.*, contributing to management's development of the corporate strategy and performance objectives of Woodside and approving major corporate initiatives and Woodside Board policies);

Oversight of management (*e.g.*, monitoring and assessing management's performance in carrying out Woodside strategies, achieving objectives and observing budgets);

Risk management and compliance (*e.g.*, reviewing and ratifying systems of risk management, compliance and control);

Oversight of financial and capital management (*e.g.*, approving budgets, determining the dividend policy of Woodside, and monitoring financial results and audit arrangements);

People and diversity (*e.g.*, establishing and assessing objectives for achieving gender diversity, and maintaining an orderly succession of appointments of Non-Executive Directors); and

Security holders (*e.g.*, promoting effective engagement with security holders in providing them with appropriate information and monitoring Woodside's process for making timely and balanced disclosure of all material information);

The role and responsibilities of the Chairman and company secretary;

The delegations of authority of the Woodside Board to the Woodside Board's committees and the Chief Executive Officer and Managing Director;

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The membership of the Woodside Board, including in relation to the Woodside Board' s composition, the election of Woodside Directors, and conduct of individual Woodside Directors;

Woodside Board processes, including how the Woodside Board meets; and

The Woodside Board' s performance evaluation processes, including in respect of its own performance, and the performance of the Woodside Board' s committees and individual Woodside Directors (including the Chairman and the Chief Executive Officer and Managing Director).

The Woodside Board will review its Charter regularly, and make amendments, as necessary. The Charter is available in the Corporate Governance section of Woodside' s website at www.woodside.com.au.

Committees of the Merged Group Board Following the Merger

Woodside Board Committees

The Woodside Board may from time to time establish standing and ad hoc committees to assist it in carrying out its responsibilities. As set out below, the Woodside Board has established four standing committees to facilitate and assist the Woodside Board in fulfilling its responsibilities:

Audit & Risk Committee;

Nominations & Governance Committee;

Human Resources & Compensation Committee; and

Sustainability Committee.

Each committee is comprised of independent Non-Executive Directors in compliance with ASX Listing Rules and ASX Recommendations. The committees operate principally in a review or advisory capacity, except in cases where powers are specifically conferred on a committee by the Woodside Board.

Each committee has the responsibilities described in the relevant committee charter adopted by Woodside (each of which has been prepared having regard to the ASX Recommendations). In connection with Implementation, certain of the committee charters will be amended to include applicable corporate governance requirements of the NYSE Listing Rules and the LSE listing rules. The descriptions below reflect the provisions of the charters expected to be effective upon Implementation. Each committee' s charter is available in the Corporate Governance section of Woodside' s website at www.woodside.com.au.

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Woodside does not currently expect any change to the composition of these committees following Implementation of the Merger.

| <u>Committee</u> | <u>Roles and responsibilities</u> | <u>Composition</u> |
|-----------------------------------|---|---|
| Audit & Risk Committee | <p>The role of the Audit & Risk Committee is to assist the Woodside Board to meet its oversight responsibilities in relation to the Woodside's financial reporting, compliance with legal and regulatory requirements, internal control structure, risk management and insurance procedures and the internal and external audit functions.</p> <p>Key duties of this committee include overseeing:</p> <ul style="list-style-type: none">Woodside's internal control and risk management, including the effectiveness of the Woodside reporting and internal control policies and risk management framework;Woodside's internal audit process, including the appointment of head of internal audit and approving audit planning program;Woodside's external audit process, including remuneration and oversight of Woodside's external auditor; andWoodside's financial statements, reporting responsibilities and other relevant matters. <p>The Audit & Risk Committee meets at least five times each year (with two meetings specifically held to review the half year and annual accounts), with additional meetings when circumstances require, as determined by the committee chair.</p> | <p>The Audit & Risk Committee shall comprise only Non-Executive Directors, have at least three members (all of whom are independent) and be chaired by an independent director (who is not the Chair of the Woodside Board). The Woodside Directors serving on this committee must be financially literate, with at least one director with experience in the oil and gas industry.</p> <p>Current composition:</p> <ul style="list-style-type: none">Mr. Cooper (Chairman)Mr. ArchibaldDr. HaynesDr. RyanMr. Tilbrook <p>All members of this committee are independent Non-Executive Directors</p> |

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| <u>Committee</u> | <u>Roles and responsibilities</u> | <u>Composition</u> |
|---|---|---|
| Nominations & Governance Committee | <p>The role of the Nominations & Governance Committee is to assist the Woodside Board to review the composition, performance and succession planning of the Woodside Board. This includes identifying, evaluating and recommending candidates for the Woodside Board.</p> <p>Duties of this committee include:</p> <ul style="list-style-type: none">reviewing the size and composition of the Woodside Board, including succession plans, to enable an appropriate mix of skills, experience, expertise and diversity to be maintained;identifying and evaluating Woodside Board candidates and recommending to the Woodside Board individuals for board appointment/shareholder election;developing the appropriate process for evaluation of the performance of the Woodside Board and its committees, each Non-Executive Director and the Woodside Chairman;reviewing and recommending to the Woodside Board corporate governance policies of Woodside;monitoring and advising the Woodside Board of significant developments in applicable corporate governance laws, regulations and practices;reviewing and recommending to the Woodside Board an annual Corporate Governance Statement and other corporate governance disclosures of Woodside; and | <p>The Nominations & Governance Committee shall be members of, and appointed by, the Woodside Board and shall comprise only Non-Executive Directors, have at least three members (the majority of which are independent) and be chaired by an independent director.</p> <p>Current composition:</p> <ul style="list-style-type: none">Mr. Goyder (Chairman, also Chairman of the Board)Mr. ArchibaldMr. CooperMs. GohDr. HaynesMr. MacfarlaneMs. PickardDr. RyanMr. TilbrookMr. Wyatt <p>All members of this committee are independent Non-Executive Directors</p> |

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| <u>Committee</u> | <u>Roles and responsibilities</u> | <u>Composition</u> |
|---|--|--|
| | <p>directing all matters relating to the succession of the Woodside CEO, including policies regarding succession in the event of an emergency or retirement of the CEO.</p> <p>The Nominations & Governance Committee shall meet at least twice each year, with additional meetings when circumstances require, as determined by the committee chair.</p> | |
| Human Resources & Compensation Committee | <p>The role of the Human Resources & Compensation Committee is to assist the Woodside Board in establishing human resources and compensation policies and practices.</p> <p>Duties of this committee include:</p> <ul style="list-style-type: none">reviewing and making recommendations to the Woodside Board on Woodside' s remuneration policies and practices generally, including superannuation and equity awards;reviewing and making recommendations to the Woodside Board on Woodside' s diversity policies and practices;overseeing the formulation and reviewing Woodside' s recruitment, organizational development, retention, succession and termination policies generally;considering whether, and if so when, shareholder approval of aspects of the remuneration policy is required;evaluating management; and | <p>The Human Resources & Compensation Committee shall be members of, and appointed by, the Woodside Board and shall comprise only Non-Executive Directors, have at least three members (the majority of which are independent) and be chaired by an independent director.</p> <p>Current composition:</p> <ul style="list-style-type: none">Mr. Tilbrook (Chairman)Mr. CooperMs. GohMr. MacfarlaneMs. PickardMr. Wyatt <p>All members of this committee are independent Non-Executive Directors</p> |

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| Committee | Roles and responsibilities | Composition |
|---------------------------------|--|--|
| Sustainability Committee | <p>ensuring that Woodside meets its obligations in respect of remuneration matters as required under the ASX Listing Rules, the Corporations Act, the NYSE Listing Rules and applicable U.S. law, including Woodside's disclosure obligations.</p> <p>The Human Resources & Compensation Committee shall meet as frequently as required but not less than twice each year. Any member or the secretary of the committee may call a meeting.</p> <p>The role of the Sustainability Committee is to assist the Woodside Board to meet its oversight responsibilities in relation to Woodside's sustainability policies and practices, including policies regarding climate change, at times similar to Woodside's Climate Change Policy. See "<i>Conduct Policies</i>" below.</p> <p>The duties of this committee include reviewing, and making recommendations to the Woodside Board on, Woodside's policy and performance in relation to sustainability-related matters, including:</p> <ul style="list-style-type: none">health and safety;process safety;the environment;climate change;human rights;heritage and land access;security and emergency management; andcommunity relations. <p>The Sustainability Committee shall meet at least four times each year, with additional meetings when circumstances require, as determined by the committee chair.</p> | <p>The Sustainability Committee shall be members of and appointed by, the Woodside Board and shall comprise only Non-Executive Directors, have at least three members (the majority of which are independent) and be chaired by an independent director. At least one member of the committee must possess appropriate skills, experience or qualifications in sustainability-related matters.</p> <p>Current composition:</p> <ul style="list-style-type: none">Ms. Pickard (Chairman)Mr. ArchibaldMs. GohDr. HaynesMr. MacfarlaneDr. RyanMr. Wyatt <p>All members of this committee are independent Non-Executive Directors.</p> |

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Corporate governance policies

Woodside has also adopted the following policies, each of which has been prepared having regard to the ASX Recommendations. In connection with Implementation, certain of these policies will be amended to comply with applicable corporate governance requirements of the NYSE Listing Rules and the LSE listing rules. The descriptions below reflect the provisions of the charters expected to be effective upon Implementation. Each policy is available, and the amended policies will be available when effective, in the Corporate Governance section of Woodside's website at www.woodside.com.au. Woodside's corporate governance policies will continue to be reviewed regularly and will continue to be developed and refined as required to meet the needs of Woodside.

Continuous Disclosure and Market Communications Policy

Woodside is required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Upon Implementation, Woodside will also be required to comply with the relevant provisions of the NYSE Listing Rules and U.S. securities laws applicable to Woodside as a foreign private issuer, and under the U.K. Market Abuse Regulation. Subject to limited exceptions, Woodside is required to immediately notify the market by announcement to the ASX and LSE of any information concerning Woodside that a reasonable person would expect to have a material or significant effect on the price or value of Woodside Shares or a reasonable investor would be likely to use as part of the basis for making investment decisions. Woodside must also promptly release to the public any news or information that might reasonably be expected to materially affect the market for its securities in compliance with NYSE rules.

The Woodside Board has adopted a Continuous Disclosure and Market Communications Policy which establishes procedures aimed at ensuring that Woodside Directors, management, and other relevant staff are aware of and fulfil their obligations in relation to the timely disclosure of material price sensitive information. Under the Continuous Disclosure and Market Communications Policy, Woodside has established a Disclosure Committee, comprised of senior managers of Woodside including its Chief Executive Officer and Managing Director, Chief Financial Officer, Senior Vice President Corporate & Legal, General Counsel, Vice President Investor Relations, and Vice President Corporate Affairs or their delegate. The Disclosure Committee has authority to decide whether a market announcement needs to be made and to approve the form of any announcement made and is also responsible for the development of guidelines for the release of information and implementing reporting processes and controls.

Securities Dealing Policy

The Woodside Board has adopted a Securities Dealing Policy which explains the prohibited type of conduct in relation to dealings in securities under the Corporations Act and is intended to establish a best-practice procedure in relation to the dealings in Woodside Shares by Executive and Non-Executive Directors, employees (full-time, part-time and casual), contractors, consultants and advisers of Woodside.

The Securities Dealing Policy sets out the restrictions that apply to dealing with Woodside Shares and other Woodside securities (as defined in the policy) including 'black-out periods', during which Woodside Directors and restricted employees are generally prohibited from dealing in Woodside Shares and other Woodside securities, along with a procedure under which a Woodside Director or restricted employee is required to submit a request and obtain written clearance prior to dealing in Woodside Shares and other Woodside securities outside the black-out periods.

The policy further provides that any persons to whom the policy applies must not engage, directly or indirectly, in short-term or speculative dealing in Woodside Shares and other Woodside securities.

Conduct Policies

The Woodside Board recognizes the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Woodside Board has adopted a number of policies which, together, set

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standards of conduct in relation to the operation of Woodside. These policies are to be followed by the Woodside Board along with all employees, officers, contractors, consultants and other persons that act on behalf of Woodside and associates of Woodside. Woodside currently has the following conduct policies in place:

Anti-Bribery and Corruption Policy;
Climate Change Policy;
Code of Conduct;
Health, Safety and Environment Policy;
Human Rights Policy;
Indigenous Communities Policy;
Quality Policy;
Sustainable Communities Policy;
Whistleblower Policy; and
Working Respectfully Policy.

These and other associated policies set out Woodside's approach to various matters including obligations to act honestly, fairly, professionally and respectfully; conflicts of interest; appropriate use of Woodside's property; anti-bribery and giving or acceptance of gifts; prohibition on facilitation payments; dealings with politicians and government officials in the context of the giving or acceptance of gifts; political and charitable donations; confidentiality; privacy; discrimination, bullying, harassment and vilification; health and safety of employees; whistle-blower protections; and compliance with laws and regulations in respect of these matters. All new and existing Woodside staff are trained at induction and annually on the code of conduct and related policies.

Inclusion and Diversity Policy

The Woodside Board has approved an Inclusion and Diversity Policy in order to, among other matters, provide a framework by which Woodside will support and facilitate an environment of diversity and inclusion across the organization.

Woodside's key priority is to drive inclusive leadership and create an inclusive culture for all employees. Woodside is committed to improving the diversity mix of its workforce to reflect the communities in which it operates. Woodside's diversity focus areas are gender, Australian First Nations, gender identity and sexual orientation, cultural background and faith, local people globally and differently abled groups.

Risk Management Policy

Woodside recognizes that risk is inherent in its business and the effective management of risk is vital to deliver its strategic objectives, continued growth and success. Woodside is committed to managing risks in a proactive and effective manner as a source of competitive advantage. The objective of Woodside's risk management framework is to provide a single consolidated view of across the organization to understand its full risk exposure and prioritize risk management and governance.

Woodside's Managing Director is accountable to the Woodside Board for ensuring the effective implementation of the Risk Management Policy.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF WOODSIDE

The following Management's Discussion and Analysis of Financial Condition and Results of Operations of Woodside is intended to provide investors with an understanding of the historical performance of Woodside and its financial condition. This discussion and analysis presents the factors that had a material effect on the results of operations of Woodside for the fiscal years ended 31 December 2021, 2020 and 2019 and material recent events. The following should be read in conjunction with Woodside's audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. The following discussion and analysis contains forward-looking statements. See the sections entitled "Risk Factors" and "Cautionary Statement on Forward-Looking Statements" for a discussion of the uncertainties, risks and assumptions associated with these statements.

Business overview

Woodside led the development of the LNG industry in Australia and is applying this same pioneering spirit to solving future energy challenges. Woodside has a robust hydrocarbon business with a focus on LNG. As a leading Australian LNG operator, Woodside operated 5% of global LNG supply in 2021. Woodside is also one of Australia's largest independent oil and gas exploration and production operators by market capitalization and a major supplier of energy to the Asia-Pacific region. Woodside maintains a strong focus on operational excellence by pursuing safe, reliable, and cost-effective operations.

Woodside's vision is to be a global leader in upstream oil and gas, and its mission is to deliver affordable energy solutions and superior outcomes for stakeholders. To achieve this over the long term, Woodside is focused on maximizing cash generation from its base business and executing a range of development projects over the medium term. Woodside seeks to build its portfolio through disciplined capital allocation, which will seek to prioritize lower capital intensity and faster to market investments that utilize existing infrastructure where possible.

Woodside's Australian operations are in Western Australia and in Commonwealth waters offshore Western Australia. Domestic gas is sold to customers in Western Australia. LNG, LPG, condensate and oil are sold to customers primarily in Asia. Woodside's operated LNG projects include two integrated projects, NWS Project (Australia's largest LNG project) and Pluto LNG. In 2021, Woodside delivered a reported net profit after tax of \$1,983 million. Woodside's strong net profit after tax performance was underpinned by increased oil and gas prices, consistent operational performance and proactive decisions to manage Woodside's sales portfolio.

Offshore, Woodside operates two FPSO facilities, the Okha FPSO and Ngujima-Yin FPSO. Woodside also has a participating interest in Wheatstone LNG, which started production in 2017 and is the upstream operator of Julimar Brunello, one of the Wheatstone LNG feeder fields.

In addition to its producing assets Woodside is developing the Scarborough gas resource through new offshore facilities to a second LNG train, Pluto Train 2, at the existing Pluto LNG onshore facility in Western Australia. Woodside made an FID in November 2021, with the first LNG cargo targeted for 2026. Woodside is also connecting Pluto LNG with the NWS Project through the Pluto-KGP Interconnector to create an integrated LNG production hub on the Burrup Peninsula.

Outside Australia, Woodside is executing the Sangomar Oil Field Development in Senegal, having achieved FID from the Rufisque, Sangomar and Sangomar Deep, or RSSD, joint venture in January 2020. This development is targeting first oil in 2023.

In October and November 2021 respectively, Woodside announced reserves updates at its Wheatstone and Pluto LNG projects. The reserves updates were announced following completion of reservoir studies based on

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4D seismic and well performance results, as well as well drilling results at Wheatstone. At Wheatstone, Woodside announced the estimated Proved (1P) reserves had fallen approximately 27% and the Proved plus Probable (2P) reserves had also fallen. At Pluto the estimated 1P reserves had increased by approximately 10% and the 2P total reserves had decreased. These reserves were classified under the Society of Petroleum Engineers Petroleum Resources Management System.

Profit after tax for the year ended 31 December 2021 increased by \$6,011 million compared to the year ended 31 December 2020, primarily due to higher realized prices and impairment reversals, partially offset by higher cost of sales and higher taxes driven by higher taxable income.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The outbreak and the response of governments in dealing with the pandemic has affected general activity levels within the global community, economy and business operations. The COVID-19 crisis and decline in oil prices in 2020 have impacted Woodside's earnings, cash flow and financial position. Oil prices have rallied since the 2020 lows and in early March 2022 were at multi-year highs as markets priced in geopolitical risk premiums relating primarily to Russia's invasion of Ukraine exacerbating market uncertainty and energy market volatility. The financial statements for the year ended 31 December 2021 have been prepared based on assumptions and conditions prevalent as at those dates. Given ongoing economic uncertainty, these assumptions could change in the future.

Recent business acquisitions and divestments

On 15 November 2021, Woodside entered into a sale and purchase agreement with Global Infrastructure Partners ("GIP") for the sale of a 49% non-operating participating interest in the Pluto Train 2 Joint Venture. Pluto Train 2 is a key component of the proposed Scarborough development and includes a new LNG train and domestic gas facilities to be constructed at the existing Pluto LNG onshore facility. The development of Pluto Train 2 is supported by a long-term Processing and Services Agreement ("PSA") between the Pluto Train 2 and Scarborough joint ventures. The transaction was completed on 18 January 2022, reducing Woodside's participating interest from 100% to 51%. Accordingly, the associated Pluto Train 2 assets within the Development segment have been reclassified to non-current assets held for sale. The arrangements require GIP to fund its 49% share of capital expenditure from 1 October 2021 and an additional amount of capital expenditure of approximately \$822 million. If the total capital expenditure incurred is less than \$5,600 million, GIP will pay Woodside an additional amount equal to 49% of the under-spend. In the event of a cost overrun, Woodside will fund up to approximately \$822 million of GIP's share of the overrun. Delays to the expected start-up of production will result in payments by Woodside to GIP in certain circumstances. The arrangements include provisions for GIP to be compensated for exposure to additional Scope 1 emissions liabilities above agreed baselines, and to sell its 49% interest back to Woodside if the status of key regulatory approvals materially changes.

On 22 November 2021, Woodside and BHP publicly announced that they had entered into the Share Sale Agreement, under which, and subject to the terms and conditions therein, Woodside will acquire all the shares in BHP Petroleum International Pty Ltd, a wholly owned subsidiary of BHP that, following completion of the Restructure, will hold the oil and gas assets of BHP, in exchange for the Share Consideration and the Completion Payment (subject to adjustment). Immediately upon Implementation, the Share Consideration will be issued by Woodside to BHP to be distributed to BHP Shareholders (and transferred to the Sale Agent in the case of all New Woodside Shares attributable to Ineligible Foreign BHP Shareholders and Relevant Small Parcel BHP Shareholders) via an in-specie dividend. Upon Implementation, BHP Shareholders will be entitled to, in aggregate, 914,768,948 New Woodside Shares (assuming that no additional Woodside Shares are issued in connection with a Permitted Equity Raise and no further declaration of Woodside Dividends occurs prior to Implementation). Upon Implementation, Existing Woodside Shareholders will own approximately 52% and BHP Shareholders will own approximately 48% of the Merged Group (based on the issue of 914,768,948 New Woodside Shares and the number of Woodside Shares outstanding on 24 March 2022) subject to any BHP

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Shareholders being Ineligible Foreign BHP Shareholders or Relevant Small Parcel BHP Shareholders. Each Participating BHP Shareholder will be entitled to 0.1807 of a New Woodside Share in respect of each BHP Share that the Participating BHP Shareholder owns (based on the number of BHP Shares outstanding on 24 March 2022). See the sections entitled “*The Merger*” and “*The Share Sale Agreement and Related Agreements–The Share Sale Agreement.*”

On 7 July 2021, Woodside Energy (Senegal) B.V. completed the acquisition of the entire participating interest of FAR Senegal RSSD S.A. (FAR) in the RSSD joint venture. The purchase price was \$45 million plus a working capital adjustment of approximately \$167 million to reflect the acquisition effective date of 1 January 2020. The final completion payment to FAR, after adjustments and remedying of FAR’s defaults under the joint operating agreement, was approximately \$126 million. Additional payments of up to \$55 million are contingent on future commodity prices and timing of first oil. As a result of this acquisition, Woodside’s participating interest in the RSSD joint venture increased to 82% for the Sangomar exploitation area and to 90% for the remaining RSSD evaluation area.

Principal factors that affect Woodside’s results

Woodside’s financial condition, cash flows from operating activities and results of operations are affected by numerous factors. Woodside believes the following factors are of particular importance. However, other factors, including those outlined in the section entitled “*Risk Factors*” may affect Woodside’s financial condition and results of operations.

Oil and gas prices

Substantially all of Woodside’s revenues from operations are derived from sales of LNG, condensate, oil, pipeline gas and LPG. Consequently, Woodside’s results of operations are strongly influenced by the prices it receives for these products, which in general are wholly (in the case of oil and condensate) or partially (in the case of LNG, LPG and pipeline gas) determined by prevailing crude oil prices, which are affected by numerous factors beyond Woodside’s control.

Woodside’s long-term and mid-term LNG sales are generally priced with certain linkages to crude oil prices, primarily indexed to the Brent oil price or the JCC, which represents the average price of crude oil imports into Japan as reported by Japanese Customs and published by the Japanese Ministry of Finance every month.

Woodside’s short-term LNG sales are increasingly being linked to JKM as the price reference. The JKM is an LNG benchmark price assessment for spot physical cargoes published by S&P Global Platts that is intended to reflect the spot market value of LNG cargoes delivered ex-ship (DES) into Japan, South Korea, China and Taiwan.

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Woodside's oil and condensate sales are primarily priced on a Dated Brent marker and referenced to industry recognized oil benchmarks that are reported by Platts Crude Oil Market wire and on the electronic Intercontinental Exchange ("ICE"). The price of crude oil has been extremely volatile both historically and in recent times.

| | Units | 2021 | 2020 | 2019 |
|---------------------------|----------|-------|-------|-------|
| Dated Brent | | | | |
| Average | \$/bbl | 70.91 | 41.84 | 64.21 |
| High | \$/bbl | 86.12 | 69.96 | 74.69 |
| Low | \$/bbl | 50.34 | 13.24 | 53.24 |
| 3-month Lagged JCC | | | | |
| Average | \$/bbl | 59.95 | 51.21 | 69.77 |
| High | \$/bbl | 73.86 | 70.63 | 81.72 |
| Low | \$/bbl | 42.31 | 24.56 | 62.26 |
| JKM | | | | |
| Average | \$/MMbtu | 15.17 | 3.85 | 5.97 |
| High | \$/MMbtu | 56.33 | 7.49 | 9.50 |
| Low | \$/MMbtu | 5.56 | 1.83 | 4.32 |

Currency fluctuations

Woodside's functional and reporting currency is U.S. dollars. As a result, its currency exposure relates to transactions and balances in currencies other than U.S. dollars. While substantially all of Woodside's revenues are denominated in U.S. dollars, its operating costs and exploration and development expenses are incurred in a mix of currencies, predominantly Australian dollars and U.S. dollars.

A large portion of Woodside's operating and capital expenditures is denominated in Australian dollars or other currencies and, consequently, depreciation of the Australian dollar (and such other currencies) against the U.S. dollar generally positively affects Woodside's overall profitability and financial position and decreases its effective costs, while appreciation of the Australian dollar has a generally negative effect on Woodside's overall profitability and financial position and increases its effective costs.

The Australian dollar is a commodity currency, and as such, strength in commodity prices such as iron ore, are likely to cause an appreciation in the Australian dollar, while weakness in commodity prices have the opposite effect. In late 2020 and early 2021, the Australian economy performed better than the U.S. economy because it was more protected from the effects of COVID-19. This, together with an increase in iron ore and coal prices because of high Chinese demand and lower commodity supplies, combined with subdued U.S. bond rates, resulted in an appreciation of the Australian dollar relative to the U.S. dollar. This represents a risk for Woodside's financial position because it increases Woodside's effective costs and therefore reduces net cash flow and profitability.

Woodside reviews its financial position based on movements in the Australian dollar relative to the U.S. dollar. Accordingly, in the ordinary course of business, Woodside may hedge currency requirements when there is a firm business requirement for the currency for operational purposes. In addition, Woodside seeks to minimize foreign exchange risk by incurring debt in U.S. dollars so that its repayment obligations more closely match its revenue streams.

| | 2021 | 2020 | 2019 |
|----------------|--------|--------|--------|
| AUD:USD | | | |
| Average | 0.7512 | 0.6905 | 0.6951 |
| High | 0.7967 | 0.7685 | 0.7275 |
| Low | 0.6995 | 0.5740 | 0.6704 |

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Hedging

Woodside's financial position and performance are affected by changes in crude oil prices and variations in the exchange rates of various currencies (predominately of the Australian dollar to the U.S. dollar) and in U.S. interest rates. Where appropriate, Woodside uses derivative financial instruments such as swaps, options, futures and forward contracts, to hedge its risks associated with commodity prices, interest rates and foreign currency fluctuations.

Currently, Woodside may manage its commodity price risk exposure by hedging up to 50% of oil-linked exposure from produced hydrocarbons to 31 December 2023. In addition, certain derivative financial instruments may be used to hedge pricing risk within Woodside's trading portfolio.

For the year ended 31 December 2021, Woodside:

hedged a percentage of its oil-linked exposure, entering into oil swap derivatives settling between 2021 to 2023 in order to achieve a minimum average sales price per barrel.

entered into separate Henry Hub (HH) commodity swaps to hedge the purchase leg of the Corpus Christi volumes and separate Title Transfer Facility ("TTF") commodity swaps to hedge the sales leg of Corpus Christi volumes, effectively protecting against pricing risk for 2022 and 2023. As a result of hedging and term sales, and as at 24 March 2022, approximately 97% of Corpus Christi volumes in 2022 and 73% in 2023 have hedged pricing risk.

entered into TTF commodity swaps to hedge equity LNG cargoes expected to be exposed to winter 2021/2022 natural gas pricing.

entered into foreign exchange forward contracts to fix the Australian dollar to U.S. dollar exchange rate in relation to a portion of the Australian dollar denominated capital expenditure expected to be incurred under the Scarborough and Pluto Train 2 developments.

In July 2016, Woodside issued CHF175 million in senior unsecured notes under its Global Medium Term Notes Program. Associated with this issuance, Woodside entered into arrangements with a number of counterparties whereby the CHF proceeds were swapped to U.S. dollars, and the CHF fixed interest coupon payments were swapped to floating rate U.S. dollar obligations based on \$ LIBOR.

In January 2020 Woodside entered into a \$600 million fully drawn syndicated term facility. Associated with this facility, Woodside entered into arrangements with a number of counterparties whereby the \$ floating interest rate was swapped to a fixed \$ interest rate over the term of the facility.

In March 2022, Woodside purchased an amount of A\$ under forward exchange contracts to manage short term A\$ FX exposure relating to operating expenditures in 2022.

Current summary of hedge book

Commodity Hedge Book at 24 March 2022

| | |
|------|--------------------------|
| Oil | BBIs Volume (Net Short) |
| 2022 | 16,200,000 |
| 2023 | 21,840,000 |
| TTF | MMBtu Volume (Net Short) |
| 2022 | 18,452,502 |
| 2023 | 30,930,000 |
| HH | MMBtu Volume (Net Long) |
| 2022 | 25,288,000 |
| 2023 | 36,810,000 |

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Interest Rate and Foreign Currency Hedge Book at 31 January 2022

| Interest Rate Swap | Notional | Rate |
|------------------------------|------------------------------------|---|
| 17-Jan-27 | \$600 million | Receive 3Mth LIBOR Pay 1.72% Fixed |
| Cross Currency Swap | Notional | Rate |
| 11-Dec-23 | CHF175 million (\$179 million) | Receive 1.00% Fixed Pay 3Mth LIBOR + 2.80% |
| Foreign Currency Swap | Notional | Average Rate |
| AUD FX Forwards 2022-2023 | A\$790 million | 0.71 |
| AUD FX Forwards 2024-2025 | A\$417 million | 0.71 |

More details can be found in the notes to the audited consolidated financial statements of Woodside as at 31 December 2021 and 2020 and for the years ended 31 December 2021, 2020 and 2019, included elsewhere in this prospectus.

Capital and exploration expenditure

Woodside's capital expenditures vary from year to year depending on the projects that it is undertaking, their stage of development and Woodside's share of capital expenditures in these projects. However, Woodside's business does not generally require significant sustaining capital in order to maintain production. In addition, Woodside's exploration expenditures vary from year to year depending on its strategic priorities and the exploration projects which it undertakes. See the notes to the audited consolidated financial statements of Woodside for the years ended 31 December 2021 and 2020, included elsewhere in this prospectus.

| | 2021 | 2020 | 2019 |
|---|-------------|-------------|-------------|
| | \$m | \$m | \$m |
| Capital investment expenditure (excludes exploration capitalized) | 2,631 | 1,901 | 1,167 |
| Exploration expenditure (excludes prior period expenditure written off and permit acquisition; includes evaluation expense) | 96 | 112 | 160 |

Impairments

Woodside participates in a capital-intensive industry and from time to time the value of Woodside's oil and gas properties, other plant and equipment, and investments may become impaired when, for example, commodity prices decline significantly for long periods of time, Woodside's reserve estimates are revised downward, or a decision to dispose of an asset leads to a write-down to its fair value. Woodside invests in exploration activities which, if proven to be unsuccessful, could lead to a material impairment of the carrying value of its exploration and evaluation assets.

During 2021, an impairment reversal of \$582 million was recognized net of tax. The impairment reversal was a result of additional value generated by the Scarborough and Pluto Train 2 Cash Generating Unit and updated production profiles and improved short term pricing assumptions related to NWS Gas.

During 2020, impairment losses of \$5,269 million were recognized on oil and gas properties and exploration and evaluation assets driven by a reduction in oil and gas price assumptions, increased longer-term demand uncertainty and other factors, including increased risk of higher carbon pricing.

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Government Regulations

Woodside is exposed to material effects from government regulations. For additional information see the section entitled “*Regulatory Information About the Merged Group.*”

Restoration Provision

The calculation of restoration provisions is conducted by specialist engineers and requires judgmental assumptions to be made regarding removal date, compliance with environmental legislation and regulations, the extent of restoration activities required (including assets remaining in-situ), the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and liability-specific discount rates to determine the present value of these cash flows. Approval by NOPSEMA, the relevant Australian regulator, for items remaining in-situ will only be provided towards the end of field life and accordingly, at 31 December 2021, there is uncertainty whether NOPSEMA will approve plans for these items to be decommissioned in-situ. These assumptions and estimates are inherently subjective and changes can lead to significant differences in the restoration provision. See the sections entitled “*Risk Factors,*” “*Business and Certain Information About the Merged Group–Decommissioning*” and note D.5 to Woodside’s financial statements included elsewhere in this prospectus.

Results of operations

Corporate performance

The following describes Woodside’s financial performance for the years ending 31 December 2021, 2020 and 2019. The table presented below represents an abbreviated summary of Woodside’s Consolidated Income Statement for the years ending 31 December 2021, 2020 and 2019.

| | Units | 2021 | 2020 | 2019 |
|---|--------------|--------------|----------------|--------------|
| Operating revenue | \$m | 6,962 | 3,600 | 4,873 |
| Costs of production | \$m | (713) | (623) | (686) |
| Oil and gas properties depreciation and amortization | \$m | (1,549) | (1,689) | (1,574) |
| Shipping and direct sales costs | \$m | (210) | (111) | (110) |
| Trading costs | \$m | (1,495) | (211) | (249) |
| Other hydrocarbon costs | \$m | (18) | (4) | (108) |
| Movement in onerous contract provision | \$m | 140 | (347) | – |
| Gross profit | \$m | 3,117 | 615 | 2,146 |
| Other income | \$m | 139 | 31 | 100 |
| Exploration and evaluation | \$m | (322) | (81) | (164) |
| Other costs | \$m | 559 | (5,736) | (991) |
| Profit / (loss) before tax and net finance costs | \$m | 3,493 | (5,171) | 1,091 |
| Net finance costs | \$m | (203) | (269) | (229) |
| Petroleum resource rent tax (PRRT) (expense)/benefit | \$m | (297) | 439 | 31 |
| Tax (expense)/benefit | \$m | (957) | 1,026 | (511) |
| Profit / (loss) after tax | \$m | 2,036 | (3,975) | 382 |

Operating revenue

Total operating revenue increased \$3,362 million, or 93%, to \$6,962 million for the year ended 31 December 2021, from \$3,600 million for the year ended 31 December 2020, primarily due to increased trading activity and higher average realized prices as a result of the increase in Brent, JKM and lagged JCC prices (increase of \$3,161 million) as the combined impacts of strengthening demand from the improvement in the trading environment over the course of 2021 led to an increase in price markers from 2020. Woodside generated

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full year production of 91.1 MMboe during the year ended 31 December 2021 and delivered sales volumes of 111.6 MMboe (increase of \$165 million). In addition, shipping and other revenues increased by \$34 million for the year ended 31 December 2021, from \$7 million for the year ended 31 December 2020, primarily due to an increase in external shipping sub-chartering.

Total operating revenue decreased \$1,273 million, or 26%, to \$3,600 million for the year ended 31 December 2020, from \$4,873 million for the year ended 31 December 2019, primarily due to lower averaged realized prices as a result of the decrease in Brent, JKM and lagged JCC prices (decrease of \$1,929 million) as the combined impacts of the COVID-19 pandemic, oversupply and weakened global demand led to a reduction in price markers for 2020. Woodside generated record full year production of 100.3 MMboe during the year ended 31 December 2020 and delivered record sales volumes of 106.8 MMboe (increase of \$573 million), which offset the impact of lower realized prices coupled with higher processing, services, shipping and other revenues (increase of \$15 million).

Cost of production

Cost of production increased \$90 million, or 14%, to \$713 million for the year ended 31 December 2021, from \$623 million for the year ended 31 December 2020, primarily due to higher royalties and excise costs (increase of \$136 million) due to higher pricing and associated revenue. This was offset by lower draw down of Woodside inventories (decrease of \$29 million) due to timing of activities on Woodside's FPSOs.

Cost of production decreased \$63 million, or 9%, to \$623 million for the year ended 31 December 2020, from \$686 million for the year ended 31 December 2019, primarily due to lower royalties and excise costs (decrease of \$111 million) as a result of lower operating revenues and lower production costs (decrease of \$27 million) which reflected a deferral of some maintenance into 2021 as part of Woodside's response to COVID-19 partially offset by unexpected COVID-19 management costs. Lower royalties, excise and production costs were offset by an increase in insurance costs (increase of \$14 million) and an increase in costs associated with draw down of Woodside's inventories (increase of \$61 million).

Oil and gas properties depreciation and amortization

Oil and gas properties depreciation and amortization decreased \$140 million, or 8%, to \$1,549 million for the year ended 31 December 2021, from \$1,689 million for the year ended 31 December 2020, primarily due to a reduction in asset values following the asset impairments recognized in July 2020 and lower oil production volumes as a result of weather events during 2021.

Oil and gas properties depreciation and amortization increased \$115 million, or 7%, to \$1,689 million for the year ended 31 December 2020, from \$1,574 million for the year ended 31 December 2019, primarily due to reduced turnaround activity and a full year of production from the Ngujima-Yin FPSO following the Greater Enfield Project start-up in August 2019, offset by a reduction in asset values following the asset impairments recognized in July 2020.

Shipping and direct sales costs

Shipping and direct sales costs increased \$99 million, or 89%, to \$210 million for the year ended 31 December 2021, from \$111 million for the year ended 31 December 2020, primarily due to repurchase and cancellation costs incurred on revenue optimization, in addition to higher shipping vessel charter and fuel costs in 2021.

Shipping and direct sales costs remained relatively stable with an increase of \$1 million, or 1%, to \$111 million for the year ended 31 December 2020, from \$110 million for the year ended 31 December 2019.

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Trading costs

Trading costs increased \$1,284 million, or 609%, to \$1,495 million for the year ended 31 December 2021, from \$211 million for the year ended 31 December 2020, primarily due to higher average JKM and Dated Brent prices driving higher purchase costs on the LNG cargoes on-sold pursuant to the Pluto Transitional Marketing Arrangements Agreement, an increase in third party trades (2021: 21; 2020: 2) and an increase in Corpus Christi cargoes lifted (2021: 12; 2020: 4).

Trading costs decreased \$38 million, or 15%, to \$211 million for the year ended 31 December 2020, from \$249 million for the year ended 31 December 2019, primarily due to lower trading activity.

Other hydrocarbon costs and other cost of sales

Other hydrocarbon costs and other costs of sales increased \$14 million, or 350%, for the year ended 31 December 2021, from \$4 million for the year ended 31 December 2020, which was primarily due to mitigation costs for contracted volumes.

Other hydrocarbon costs decreased \$104 million, or 96%, to \$4 million for the year ended 31 December 2020, from \$108 million for the year ended 31 December 2019, which was primarily due to purchase of mitigation cargoes resulting from major turnarounds at Pluto LNG and unplanned outages at Wheatstone in 2019.

Onerous contract provision

An onerous contract provision movement of \$140 million was recognized for the year ended 31 December 2021, comprising provisions used of \$45 million for cargoes sold and changes in estimates of \$95 million. An onerous contract is one in which the unavoidable cost of meeting the obligations under the contract exceeds the expected economic benefit. The unavoidable cost of meeting the obligations is the lower of the net costs of fulfilling the contract or the cost of terminating it.

An onerous contract provision of \$447 million was recognized in relation to the Corpus Christi LNG sale and purchase agreement in June 2020. The provision was partially utilized during the period (\$41 million) and was reassessed at 31 December 2020 with a further reduction of \$59 million to \$347 million.

Other income

Other income increased \$108 million, or 348%, to \$139 million for the year ended 31 December 2021, from \$31 million for the year ended 31 December 2020, primarily due to income from Pluto volumes delivered into Wheatstone's sales commitments (increase of \$67 million) and net foreign exchange gains (increase of \$44 million).

Other income decreased \$69 million, or 69%, to \$31 million for the year ended 31 December 2020, from \$100 million for the year ended 31 December 2019, primarily due to a reduction in the liability previously recognized on jointly delivered LNG cargoes into Sales and Purchase Agreements under the Wheatstone Lifting Sales Coordination Agreement in 2019.

Exploration and evaluation expenses

Exploration and evaluation expenses increased \$241 million, or 298%, to \$322 million for the year ended 31 December 2021, from \$81 million for the year ended 31 December 2020, primarily due to capitalized costs written off due to Woodside's decision to withdraw from its interest in Myanmar (increase of \$209 million) and the Myanmar unsuccessful drilling campaign in the first half of 2021 (increase of \$56 million), offset by reduced exploration activity.

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Exploration and evaluation expenses decreased \$83 million, or 51%, to \$81 million for the year ended 31 December 2020, from \$164 million for the year ended 31 December 2019, primarily due to reduced exploration activity.

Other costs

Other costs decreased \$6,295 million, or 110%, to \$(559) million for the year ended 31 December 2021, from \$5,736 million for the year ended 31 December 2020, primarily due to an impairment reversal of \$1,058 million on oil and gas properties compared to an impairment loss of \$5,269 million for the year ended 31 December 2020.

Other costs increased \$4,745 million, or 479%, to \$5,736 million for the year ended 31 December 2020, from \$991 million for the year ended 31 December 2019, primarily due to pre-tax impairment losses of \$5,269 million (\$3,923 million post-tax) which were recognized on oil and gas properties and exploration and evaluation assets driven by a reduction in oil and gas price assumptions, increased longer-term demand uncertainty and other factors including increased risk of higher carbon pricing.

Net finance costs

Net finance costs decreased \$66 million, or 25%, to \$203 million for the year ended 31 December 2021, from \$269 million for the year ended 31 December 2020, which reflected a decrease in finance costs (\$97 million), as a result of the 2021 U.S. unsecured bond for \$700 million being redeemed on 10 February 2021 and interest capitalized against qualifying assets; and a decrease in finance income of \$31 million, or 53%, to \$27 million for the year ended 31 December 2021, from \$58 million for the year ended 31 December 2020, which reflected a reduction in interest from U.S. term deposits driven by lower interest rates and lower balances on deposit.

Net finance costs increased \$40 million, or 17%, to \$269 million for the year ended 31 December 2020, from \$229 million for the year ended 31 December 2019, which reflected an increase in finance costs (\$7 million), as a result of a full year of interest on the 2029 bond issued in March 2019 and the Syndicated Facilities drawn down in January 2020, and lower finance income (\$33 million), which reflected a reduction in U.S. term deposits driven by lower interest rates.

Petroleum resource rent tax

PRRT expense increased \$736 million, or 168%, to \$297 million for the year ended 31 December 2021, from a PRRT benefit of \$439 million for the year ended 31 December 2020, primarily due to the impact of the impairment reversal and the effect of higher operating revenue.

PRRT benefit increased \$408 million, or 1,316%, to \$439 million for the year ended 31 December 2020, from \$31 million for the year ended 31 December 2019, primarily due to the recognition of impairment losses and the effect of lower revenue.

Tax expense

Total tax expense increased \$1,983 million, or 193%, to \$957 million for the year ended 31 December 2021, from a tax benefit of \$1,026 million for the year ended 31 December 2020, primarily due to higher taxable income from the effect of higher revenue and impairment reversals in 2021, compared to lower revenue and the recognition of impairment losses in 2020.

Total tax benefit increased \$1,537 million, or 301%, to \$1,026 million for the year ended 31 December 2020, from \$(511) million for the year ended 31 December 2019, primarily due to the recognition of impairment losses and the effect of lower revenue.

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Volumes, realized prices and operating revenues by product

The following describes movements in Woodside's operating revenues including a discussion of production volumes, sales volumes and realized prices for the years ending 31 December 2021, 2020 and 2019.

| | Units | 2021 | 2020 | 2019 |
|--------------------------------|---------------|--------------|--------------|--------------|
| Production Volumes | | | | |
| LNG | MMboe | 70.8 | 75.0 | 67.7 |
| Domestic gas | MMboe | 2.5 | 5.3 | 6.1 |
| Condensate | MMboe | 8.7 | 9.8 | 9.7 |
| Oil | MMboe | 8.6 | 9.7 | 5.6 |
| LPG | MMboe | 0.5 | 0.5 | 0.5 |
| Total production | MMboe | 91.1 | 100.3 | 89.6 |
| Sales Volumes | | | | |
| LNG | MMboe | 91.2 | 81.2 | 75.3 |
| Domestic gas | MMboe | 2.5 | 5.3 | 6.2 |
| Condensate | MMboe | 8.7 | 10.2 | 9.7 |
| Oil | MMboe | 8.5 | 9.7 | 5.5 |
| LPG | MMboe | 0.7 | 0.4 | 0.7 |
| Total sales volumes | MMboe | 111.6 | 106.8 | 97.4 |
| Average Realized Prices | | | | |
| LNG | \$/boe | 58 | 31 | 50 |
| Domestic gas | \$/boe | 17 | 14 | 14 |
| Condensate | \$/boe | 74 | 40 | 60 |
| Oil | \$/boe | 79 | 44 | 66 |
| LPG | \$/boe | 82 | 44 | 59 |
| Volume-weighted average | \$/boe | 60 | 32 | 48 |
| Operating Revenues | | | | |
| LNG | \$m | 5,359 | 2,519 | 3,664 |
| Domestic gas | \$m | 43 | 73 | 85 |
| Condensate | \$m | 643 | 411 | 586 |
| Oil | \$m | 673 | 432 | 360 |
| LPG | \$m | 60 | 16 | 44 |
| Other Revenue | \$m | 184 | 149 | 134 |
| Operating Revenues | \$m | 6,962 | 3,600 | 4,873 |

LNG

Revenue from sales of LNG increased \$2,840 million, or 113%, to \$5,359 million for the year ended 31 December 2021, from \$2,519 million for the year ended 31 December 2020, primarily due to an increase in Woodside's average realized LNG price to \$58 per boe for the year ended 31 December 2021, from \$31 per boe for the year ended 31 December 2020, an increase of \$27 per boe or 87%, as a result of the continued strong demand for LNG and higher average JKM and JCC on linked sales. This was complemented by Woodside's LNG sales volume increasing by 10 MMboe, or 12%, to 91.2 MMboe for the year ended 31 December 2021, from 81.2 MMboe for the year ended 31 December 2020, primarily driven by an increase in third party trades.

Revenue from sales of LNG decreased \$1,145 million, or 31%, to \$2,519 million for the year ended 31 December 2020, from \$3,664 million for the year ended 31 December 2019, primarily due to a decrease in Woodside's average realized LNG price to \$31 per boe for the year ended 31 December 2020, from \$50 per boe for the year ended 31 December 2019, a decrease of \$19 per boe or 38%, as the COVID-19 pandemic and lower demand for global LNG affected benchmark oil and gas prices. This was partially offset by Woodside's LNG sales volume increasing by 5.9 MMboe, or 7.8%, to 81.2 MMboe for the year ended 31 December 2020, from

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75.3 MMboe for the year ended 31 December 2019, primarily driven by improved production and reliability performance at Pluto LNG following the completion of the planned maintenance shutdown in 2019 and at Wheatstone due to production optimization initiatives implemented successfully in 2020.

Domestic gas

Revenue from sales of domestic gas decreased \$30 million, or 41%, to \$43 million for the year ended 31 December 2021, from \$73 million for the year ended 31 December 2020, due to a reduction in domestic gas sales volume which decreased 2.8 MMboe, or 53%, to 2.5 MMboe for the year ended 31 December 2021, from 5.3 MMboe for the year ended 31 December 2020, primarily driven by the expiration of domestic gas contract obligations in June 2020. Woodside' s average realized domestic gas price of \$17 per boe for the year ended 31 December 2021, remained comparable to the average realized domestic gas price of \$14 per boe for the year ended 31 December 2020.

Revenue from sales of domestic gas decreased \$12 million, or 14%, to \$73 million for the year ended 31 December 2020, from \$85 million for the year ended 31 December 2019, due to a reduction in domestic gas sales volume which decreased 0.9 MMboe, or 14.5%, to 5.3 MMboe for the year ended 31 December 2020, from 6.2 MMboe for the year ended 31 December 2019. primarily driven by the expiration of domestic gas contract obligations. Woodside' s average realized domestic gas price of \$14 per boe for the year ended 31 December 2020, remained stable from \$14 per boe for the year ended 31 December 2019.

Condensate

Revenue from sales of condensate increased \$232 million, or 56%, to \$643 million for the year ended 31 December 2021, from \$411 million for the year ended 31 December 2020, primarily due to an increase in Woodside' s average realized condensate price to \$74 per boe for the year ended 31 December 2021, from \$40 per boe for the year ended 31 December 2020, an increase of \$34 per boe, or 85%, as a result of higher average Dated Brent. This was partially offset by a decrease in Woodside' s condensate sales volume, which decreased by 1.5 MMboe, or 15%, to 8.7 MMboe for the year ended 31 December 2021, from 10.2 MMboe for the year ended 31 December 2020, primarily driven by lower production volumes.

Revenue from sales of condensate decreased \$175 million, or 30%, to \$411 million for the year ended 31 December 2020, from \$586 million for the year ended 31 December 2019, primarily due to a decrease in Woodside' s average realized condensate price to \$40 per boe for the year ended 31 December 2020, from \$60 per boe for the year ended 31 December 2019, a decrease of \$20 per boe or 33%. This was partially offset by an increase in Woodside' s condensate sales volume which increased by 0.5 MMboe, or 5.2%, to 10.2 MMboe for the year ended 31 December 2020, from 9.7 MMboe for the year ended 31 December 2019, primarily driven by improved production and reliability performance at Pluto LNG, following the completion of the planned maintenance shutdown in 2019, and at Wheatstone due to production optimization initiatives implemented successfully in 2020.

Crude oil

Revenue from sales of crude oil increased \$241 million, or 56%, to \$673 million for the year ended 31 December 2021, from \$432 million for the year ended 31 December 2020, due to an increase in average realized crude oil price to \$79 per boe for the year ended 31 December 2021, from \$44 per boe for the year ended 31 December 2020, an increase of \$35 per boe or 80%, as a result of higher Dated Brent prices. This was partially offset by lower sales volume of 1.2 MMboe, or 12%, to 8.5 MMboe for the year ended 31 December 2021, from 9.7 MMboe for the year ended 31 December 2020. The decrease in crude oil sales volume reflected lower production at Ngujima-Yin due to reduced facility reliability and the impact of weather events.

Revenue from sales of crude oil increased \$72 million, or 20%, to \$432 million for the year ended 31 December 2020, from \$360 million for the year ended 31 December 2019, due to an increase in crude oil sales

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volume of 4.2 MMboe, or 76.4%, to 9.7 Mboe for the year ended 31 December 2020, from 5.5 MMboe for the year ended 31 December 2019. This increase in crude oil sales volume reflected a full year of production from the Ngujima-Yin FPSO, after the successful completion of the Greater Enfield Project in 2019, partially offset by lower production at the Okha FPSO due to maintenance activities and natural field decline. The increase in crude oil sales volumes was offset by a reduction in Woodside's average realized crude oil price to \$44 per boe for the year ended 31 December 2020, from \$66 per boe for the year ended 31 December 2019, a decrease of \$22 per boe or 33%.

LPG

Revenue from sales of LPG increased \$44 million, or 275%, to \$60 million for the year ended 31 December 2021, from \$16 million for the year ended 31 December 2020, primarily due to an increase in Woodside's average realized LPG price to \$82 per boe for the year ended 31 December 2021, from \$44 per boe for the year ended 31 December 2020, an increase of \$38 per boe or 86%. In addition, Woodside's LPG sales volume increased 0.3 MMboe, or 75%, to 0.7 MMboe for the year ended 31 December 2021, from 0.4 MMboe for the year ended 31 December 2020.

Revenue from sales of LPG decreased \$28 million, or 64%, to \$16 million for the year ended 31 December 2020, from \$44 million for the year ended 31 December 2019, primarily due to a decrease in Woodside's average realized LPG price to \$44 per boe for the year ended 31 December 2020, from \$59 per boe for the year ended 31 December 2019, a decrease of \$15 or 25%. In addition, Woodside's LPG sales volume decreased 0.3 MMboe, or 42.9%, to 0.4 MMboe for the year ended 31 December 2020, from 0.7 MMboe for the year ended 31 December 2019, primarily driven by a reduction in production at North West Shelf.

Segment performance

The following describes the performance of Woodside's business segments for the years ending 31 December 2021, 2020 and 2019.

Woodside has identified its operating segments based on the internal reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources.

Management monitors the performance of the operating results of the segments separately for the purpose of making decisions about resource allocation and performance assessment. The performance of operating segments is evaluated based on profit before tax and net finance costs and is measured in accordance with Woodside's accounting policies.

Financing requirements, including cash and debt balances, finance income, finance costs and taxes for Woodside and its subsidiaries are managed at a group level.

Operating segments outlined below are identified by management based on the nature and geographical location of the business or venture.

Producing

North West Shelf - Exploration, evaluation, development, production and sale of liquefied natural gas, pipeline natural gas, condensate and liquefied petroleum gas in assigned permit areas.

Pluto LNG - Exploration, evaluation, development, production and sale of liquefied natural gas, pipeline natural gas and condensate in assigned permit areas.

Australia Oil - Exploration, evaluation, development, production and sale of crude oil in assigned permit areas (North West Shelf, Greater Enfield and Vincent).

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Wheatstone - Exploration, evaluation, development, production and sale of liquefied natural gas, pipeline natural gas and condensate in assigned permit areas.

Development

Scarborough - Exploration, evaluation and development of liquefied natural gas, pipeline natural gas and condensate in assigned permit areas.

Sangomar - Exploration, evaluation and development of crude oil in assigned permit areas.

Other Development - This segment comprises exploration, evaluation and development of liquefied natural gas, pipeline natural gas and condensate in the Browse, Kitimat and Sunrise projects.

Other

Other Segments - This segment comprises trading and shipping activities and activities undertaken in other international locations.

Unallocated items - Unallocated items comprise primarily corporate non-segmental items of revenue and expenses and associated assets and liabilities not allocated to operating segments as they are not considered part of the core operations of any segment.

| | Units | 2021 | 2020 | 2019 |
|--|-------|-------|----------|--------|
| North West Shelf | | | | |
| Production volume | MMboe | 24.7 | 30.8 | 32.0 |
| Operating revenue | \$m | 1,530 | 976 | 1,486 |
| Gross profit | \$m | 964 | 467 | 809 |
| Profit / (loss) before tax and net finance costs | \$m | 1,358 | 1 | 806 |
| Pluto LNG | | | | |
| Production volume | MMboe | 44.3 | 44.6 | 37.1 |
| Operating revenue | \$m | 2,794 | 1,587 | 2,064 |
| Gross profit | \$m | 1,474 | 388 | 827 |
| Profit / (loss) before tax and net finance costs | \$m | 2,197 | (925) | 797 |
| Australia Oil | | | | |
| Production volume | MMboe | 8.6 | 9.7 | 5.6 |
| Operating revenue | \$m | 673 | 432 | 360 |
| Gross profit | \$m | 341 | 15 | 118 |
| Profit / (loss) before tax and net finance costs | \$m | 244 | (735) | 35 |
| Wheatstone | | | | |
| Production volume | MMboe | 13.5 | 15.2 | 14.4 |
| Operating revenue | \$m | 772 | 486 | 709 |
| Gross profit | \$m | 407 | 73 | 226 |
| Profit / (loss) before tax and net finance costs | \$m | 356 | (1,323) | 330 |
| Scarborough | | | | |
| Production volume | MMboe | - | - | - |
| Operating revenue | \$m | - | - | - |
| Gross profit | \$m | - | - | - |
| Profit / (loss) before tax and net finance costs | \$m | - | (6) | - |
| Sangomar | | | | |
| Production volume | MMboe | - | - | - |
| Operating revenue | \$m | - | - | - |
| Gross profit | \$m | - | - | - |
| Profit / (loss) before tax and net finance costs | \$m | 2 | (321) | (3) |
| Other Development | | | | |
| Production volume | MMboe | - | - | - |
| Operating revenue | \$m | - | - | 2 |
| Gross profit | \$m | - | - | - |
| Profit / (loss) before tax and net finance costs | \$m | (24) | (953) | (725) |

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| | <u>Units</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|--|--------------|-------------|-------------|-------------|
| Other | | | | |
| Production volume | MMboe | – | – | – |
| Operating revenue | \$m | 1,193 | 119 | 252 |
| Gross profit | \$m | (78) | (337) | 158 |
| Profit / (loss) before tax and net finance costs | \$m | (441) | (598) | (16) |
| Unallocated | | | | |
| Production volume | MMboe | – | – | – |
| Operating revenue | \$m | – | – | – |
| Gross profit | \$m | 9 | 9 | 8 |
| Profit / (loss) before tax and net finance costs | \$m | (199) | (311) | (133) |

North West Shelf

North West Shelf delivered full-year production of 24.7 MMboe for the year ended 31 December 2021 which represented a 6.1 MMboe decrease from production of 30.8 MMboe in the year ended 31 December 2020 driven by lower production volumes as a result of the expiration of domestic gas contract obligations in June 2020, cessation of the Angel well in October 2020 and a turnaround in June 2021. The decline in production was partially offset by higher realized prices and an increase in operating revenue of \$554 million, or 57%, to \$1,530 million in the year ended 31 December 2021 from \$976 million in the year ended 31 December 2020. Gross profit increased \$497 million, or 106%, to \$964 million for the year ended 31 December 2021, from \$467 million for the year ended 31 December 2020. This was primarily driven by the increase in operating revenue and lower oil and gas properties depreciation and amortization (decrease of \$49 million) partially offset by higher costs of production (increase of \$118 million). Profit / (loss) before tax and net finance costs increased by \$1,357 million, from \$1 million for the year ended 31 December 2020 to \$1,358 million for the year ended 31 December 2021. This change was primarily driven by an increase in gross profit, impairment reversals of \$376 million resulting from updated cost and production profiles and short-term pricing assumptions, and the impairment losses of \$454 million recognized at North West Shelf's oil and gas properties in 2020.

North West Shelf delivered full-year production of 30.8 MMboe for the year ended 31 December 2020 which represented a 4% decrease from production of 32.0 MMboe in the year ended 31 December 2019 driven by a decline in reservoir performance and planned major maintenance at KGP LNG Train 3, partially offset by improved LNG plant reliability of 98.0% compared to 97.0% in 2019. Lower production coupled with a broad-based decline in global energy prices due to the impacts of the COVID-19 pandemic resulted in lower realized prices and a reduction in operating revenue of \$510 million, or 34%, to \$976 million in the year ended 31 December 2020 from \$1,486 million in the year ended 31 December 2019. Gross profit decreased \$342 million, or 42%, to \$467 million for the year ended 31 December 2020, from \$809 million for the year ended 31 December 2019. This was primarily driven by the decrease in operating revenue and partially offset by improved costs of production (decrease of \$121 million), lower oil and gas properties depreciation and amortization (decrease of \$21 million) and lower other costs of sales (decrease of \$26 million). Profit / (loss) before tax and net finance costs decreased by \$805 million, from \$806 million for the year ended 31 December 2019 to \$1 million for the year ended 31 December 2020, a decrease of nearly 100%. This was primarily driven by a decrease in gross profit in addition to impairment losses of \$454 million recognized at North West Shelf's oil and gas properties.

Pluto

Pluto delivered full-year production of 44.3 MMboe for the year ended 31 December 2021, which remained relatively stable compared to production of 44.6 MMboe in the year ended 31 December 2020. Higher realized prices resulted in an increase in revenue of \$1,207 million to \$2,794 million in the year ended 31 December 2021, a 76% increase from \$1,587 million in the year ended 31 December 2020. Gross profit increased \$1,086 million, or 280%, to \$1,474 million for the year ended 31 December 2021, from \$388 million for the year ended

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31 December 2020. This was primarily driven by the increase in operating revenue, partially offset by higher other costs of sales (increase of \$117 million). Profit / (loss) before tax and net finance costs increased by \$3,122 million, from \$(925) million for the year ended 31 December 2020 to \$2,197 million for the year ended 31 December 2021, an increase of 338%. This change was primarily driven by an increase in gross profit, impairment reversals of \$682 million resulting from additional value generated by the Scarborough-Pluto Cash Generating Unit following the final investment decision for Scarborough and Pluto Train 2 in November 2021, and impairment losses of \$1,291 million recognized in 2020 at Pluto's oil and gas properties.

Pluto delivered record full-year production of 44.6 MMboe for the year ended 31 December 2020 which represented a 20% increase from production of 37.1 MMboe in the year ended 31 December 2019 during which production was impacted by Pluto's first major turnaround. Higher production was offset by a broad-based decline in global energy prices due to the impacts of the COVID-19 pandemic which resulted in lower realized prices and a reduction in revenue of \$477 million to \$1,587 million in the year ended 31 December 2020, a 23% decrease from \$2,064 million in the year ended 31 December 2019. Gross profit decreased \$439 million, or 53%, to \$388 million for the year ended 31 December 2020, from \$827 million for the year ended 31 December 2019. This was primarily driven by the decrease in operating revenue and higher oil and gas properties depreciation and amortization (increase of \$67 million) partially offset by improved costs of production (decrease of \$17 million) and lower other costs of sales (decrease of \$88 million). Profit / (loss) before tax and net finance costs decreased by \$1,722 million, from \$797 million for the year ended 31 December 2019 to \$(925) million for the year ended 31 December 2020, a decrease of 216%. This was primarily driven by a decrease in gross profit in addition to impairment losses of \$1,291 million recognized at Pluto's oil and gas properties in 2020.

Australia Oil

Australia Oil delivered full-year production of 8.6 MMboe for the year ended 31 December 2021, which represented a 11% decrease from production of 9.7 MMboe in the year ended 31 December 2020. This decrease reflected lower production at Ngujima-Yin FPSO due to reduced facility reliability and the impact of weather events, partially offset by an increase in production volumes at Okha FPSO. Higher operating revenues of \$673 million, an increase of \$241 million, or 56%, from \$432 million in the year ended 31 December 2020 were primarily driven by higher realized prices. Gross profit increased \$326 million, or 2,173%, to \$341 million for the year ended 31 December 2021, from \$15 million for the year ended 31 December 2020. This was driven by lower costs of production (decrease of \$22 million) and lower depreciation and amortization (decrease of \$63 million) for the year ended 31 December 2021. Profit / (loss) before tax and net finance costs increased by \$979 million, from \$(735) million for the year ended 31 December 2020 to \$244 million for the year ended 31 December 2021. This change was primarily driven by an increase in gross profit in 2021 and the impairment losses of \$674 million recognized at Ngujima-Yin and Okha's oil and gas properties in 2020.

Australia Oil delivered full-year production of 9.7 MMboe for the year ended 31 December 2020 which represented a 73% increase from production of 5.6 MMboe in the year ended 31 December 2019. This increase reflected a full year of production from the Ngujima-Yin FPSO, after the successful completion of the Greater Enfield Project in 2019, partially offset by lower production at the Okha FPSO due to maintenance activities and natural field decline. Notwithstanding the decline in global oil prices in 2020, the increase in production led to higher operating revenues of \$432 million, an increase of \$72 million, or 20%, from \$360 million in the year ended 31 December 2019. Woodside temporarily shut-in production from the Cimatti field in 2020, reducing the sulphur content of crude produced at the Ngujima-Yin FPSO. This action delivered increased revenue for the year ended 31 December 2020 by enabling Woodside to capitalize on strong market demand for low sulphur fuel oil. Gross profit decreased \$113 million, or 87%, to \$15 million for the year ended 31 December 2020, from \$118 million for the year ended 31 December 2019. This was driven by higher costs of production (increase of \$62 million) in 2020, as re-drilling of a Laverda well to support the Ngujima-Yin FPSO and production optimization and subsea maintenance activities at the Okha FPSO were completed in the third quarter of 2020. In addition, the completion of the Greater Enfield Project in 2019 led to higher oil and gas properties depreciation and amortization (increase of \$113 million) as a result of a full year of depreciation for the year ended

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31 December 2020. Profit / (loss) before tax and net finance costs decreased by \$770 million, from \$35 million for the year ended 31 December 2019 to \$(735) million for the year ended 31 December 2020, a decrease of 2,200%. This was primarily driven by a decrease in gross profit in addition to impairment losses of \$674 million recognized at Ngujima-Yin and Okha' s oil and gas properties in 2020.

Wheatstone

Wheatstone delivered full year production of 13.5 MMboe for the year ended 31 December 2021 which represented a 11% decrease from production of 15.2 MMboe in the year ended 31 December 2020 driven by reliability performance and Train 1 turnaround. Lower production was offset by a broad-based rise in global energy prices which resulted in higher realized prices and an increase in revenue of \$286 million to \$772 million in the year ended 31 December 2021, a 59% increase from \$486 million in the year ended 31 December 2020. Gross profit increased \$334 million, or 458%, to \$407 million for the year ended 31 December 2021, from \$73 million for the year ended 31 December 2020. This was primarily driven by the increase in operating revenue and lower costs of production (decrease of \$10 million), lower depreciation and amortization (decrease of \$28 million) and lower other costs of sales (decrease of \$10 million). Profit / (loss) before tax and net finance costs increased by \$1,679 million, from \$(1,323) million for the year ended 31 December 2020 to \$356 million for the year ended 31 December 2021. This change was primarily driven by an increase in gross profit and a decrease in impairment losses recognized on oil and gas properties of \$1,401 million for the year ended 31 December 2020.

Wheatstone delivered full year production of 15.2 MMboe for the year ended 31 December 2020, which represented a 6% increase from production of 14.4 MMboe in the year ended 31 December 2019, driven by strong reliability performance and production optimization. Higher production was offset by a broad-based decline in global energy prices due to the impacts of the COVID-19 pandemic which resulted in lower realized prices and a reduction in revenue of \$223 million to \$486 million in the year ended 31 December 2020, a 31% decrease from \$709 million in the year ended 31 December 2019. Gross profit decreased \$153 million, or 68%, to \$73 million for the year ended 31 December 2020, from \$226 million for the year ended 31 December 2019. This was primarily driven by the decrease in operating revenue and higher costs of production (increase of \$16 million), as Wheatstone continued its production ramp-up, partially offset by lower oil and gas properties depreciation and amortization (decrease of \$44 million) and lower other costs of sales (decrease of \$42 million). Profit / (loss) before tax and net finance costs decreased by \$1,653 million, from \$330 million for the year ended 31 December 2019 to \$(1,323) million for the year ended 31 December 2020, a decrease of 501%. This was primarily driven by impairment losses of \$1,401 million recognized at Wheatstone' s oil and gas properties in 2020, in addition to a decrease in gross profit.

Scarborough

In 2021, Woodside identified Scarborough as a separate operating segment within development due to the progress and materiality of the project.

Profit / (loss) before tax and net finance costs decreased by \$6 million from \$(6) million for the year ended 31 December 2020 to \$nil for the year ended 31 December 2021. This was primarily driven by \$3 million of redundancy costs and \$3 million of exchange losses recognized in 2020.

Sangomar

In 2021, Woodside identified Sangomar as a separate operating segment within development due to the progress and materiality of the project.

Profit / (loss) before tax and net finance costs increased by \$323 million from \$(321) million for the year ended 31 December 2020 to \$2 million for the year ended 31 December 2021. This was primarily driven by \$321 million of impairment losses recognized in 2020.

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Profit / (loss) before tax and net finance costs increased by \$318 million from \$(3) million for the year ended 31 December 2020 to \$(321) million for the year ended 31 December 2021. This was primarily driven by \$321 million of impairment losses recognized on Sangomar' s oil and gas properties.

Other Development

Woodside' s Other Development segment relates to non-producing exploration, evaluation and development activities which did not generate any operating revenue or gross profit for the year ended 31 December 2021.

Profit / (loss) before tax and net finance costs improved by \$929 million from \$(953) million for the year ended 31 December 2020 to \$(24) million for the year ended 31 December 2021. This was primarily driven by \$977 million of impairment losses recognized for Kitimat and Sunrise in 2020. Additionally, \$33 million was incurred in the Other Developments segment for various costs relating to Woodside' s exit from the Kitimat LNG development.

Profit / (loss) before tax and net finance costs decreased by \$228 million from \$(725) million for the year ended 31 December 2019 to \$(953) million for the year ended 31 December 2020. This was primarily driven by \$977 million of impairment losses in 2020 recognized on Kitimat LNG' s exploration and evaluation assets (impairment loss of \$809 million) and Sunrise' s exploration and evaluation assets (impairment loss of \$168 million).

Other

Woodside' s Other segment is comprised primarily of trading and shipping activities undertaken in various international locations. These activities generated operating revenues of \$1,193 million for the year ended 31 December 2021, which represented an increase of \$1,074 million, or 903%, from \$119 million for the year ended 31 December 2020 which reflected greater market opportunities to trade LNG externally and sub-charter Woodside vessels in 2021. Gross loss decreased \$259 million, or 77%, to \$(78) million for the year ended 31 December 2021, from \$(337) million for the year ended 31 December 2020 which was primarily driven by higher third party trades, increase in Corpus Christi cargoes lifted, positive movement in the onerous contract provision and an increase in external shipping sub-chartering, partially offset by higher trading and shipping costs (increase of \$1,301 million). Loss before tax and net finance costs decreased by \$157 million, from \$(598) million for the year ended 31 December 2020 to \$(441) million for the year ended 31 December 2021. This was primarily driven by a decrease in gross loss offset by capitalized costs written off due to Woodside' s decision to withdraw from its interest in Myanmar and the Myanmar unsuccessful drilling campaign in the first half of 2021.

Woodside' s Other segment generated operating revenues of \$119 million for the year ended 31 December 2020, which represented a decline of \$133 million, or 53%, from \$252 million for the year ended 31 December 2019 which reflected fewer market opportunities to trade LNG externally and sub-charter Woodside vessels in 2020. Gross profit decreased \$495 million, or 313%, to \$(337) million for the year ended 31 December 2020, from \$158 million for the year ended 31 December 2019 which was primarily driven by the recognition of \$347 million of onerous contract provisions in relation to the Corpus Christi LNG sale and purchase agreement and higher trading costs (increase of \$24 million). Profit / (loss) before tax and net finance costs decreased by \$582 million, from \$(16) million for the year ended 31 December 2019 to \$(598) million for the year ended 31 December 2020. This was primarily driven by a decrease in gross profit in addition to impairment losses of \$151 million recognized at two exploration retention leases (WA-93-R and WA94-R) in 2020.

Unallocated Items

Unallocated items are comprised primarily of corporate non-segmental items not allocated to operating segments. Gross profit of \$9 million for the year ended 31 December 2021 is comparable to \$9 million for the

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year ended 31 December 2020. Loss before tax and net finance costs decreased by \$112 million, from \$(311) million for the year ended 31 December 2020 to \$(199) million for the year ended 31 December 2021 which was due to lower general, administrative and other costs, and a fair value gain on a repurchase agreement.

Gross profit of \$9 million for the year ended 31 December 2020, represented an increase of \$1 million, or 13%, from \$8 million for the year ended 31 December 2019. Profit / (loss) before tax and net finance costs decreased by \$178 million, from \$(133) million for the year ended 31 December 2019 to \$(311) million for the year ended 31 December 2020, which was due to higher general, administrative and other costs primarily due to a one-off reconciliation of joint operating costs relating to prior years (increase of \$41 million), redundancy costs (increase of \$20 million), additional costs incurred as a result of COVID-19 (increase of \$17 million), higher foreign exchange losses primarily on Australian dollar denominated lease liabilities (increase of \$48 million) and losses on 2020 commodity hedges (increase of \$47 million).

Capital resources and liquidity

Woodside's primary sources of liquidity are (i) cash and cash equivalents, (ii) net cash provided by operating activities, (iii) unused borrowing capacity under its bilateral facilities and syndicated facility, (iv) issuances of debt or equity securities, and (v) other sources, such as sales of non-strategic assets. Details of Woodside's credit facilities, including total commitments, maturity and interest, and amount outstanding at 31 December 2021, can be found in the section entitled "Description of Certain Indebtedness" and Note C.2 to the audited consolidated financial statements of Woodside as at 31 December 2021 and 2020 and for the years ended 31 December 2021, 2020 and 2019, included elsewhere in this prospectus.

Woodside's principal ongoing uses of cash are to meet working capital requirements to fund debt obligations and to finance Woodside's capital expenditures and acquisitions.

Cash flow analysis

The following section describes movements in Woodside's cash flows for the years ending 31 December 2021, 2020 and 2019.

| | <u>Units</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|--|--------------|--------------|--------------|--------------|
| Net cash from operating activities | \$m | 3,792 | 1,849 | 3,305 |
| Net cash used in investing activities | \$m | (2,941) | (2,112) | (1,238) |
| Net cash used in financing activities | \$m | (1,424) | (203) | 317 |
| Net (decrease)/increase in cash | \$m | (573) | (466) | 2,384 |

Net cash from operating activities

Net cash from operating activities increased \$1,943 million, or 105%, to \$3,792 million for the year ended 31 December 2021, from \$1,849 million for the year ended 31 December 2020, driven by higher cash generated from operations (increase of \$1,875 million), lower borrowing costs relating to operating activities (decrease of \$89 million), lower income taxes paid (decrease of \$60 million) partially offset by lower interest income received (decrease of \$53 million), higher purchases of shares and payments relating to employee share plans (increase of \$15 million), and higher payments for restoration relating to Enfield and Echo Yodel (increase of \$15 million).

Net cash from operating activities decreased \$1,456 million, or 44%, to \$1,849 million for the year ended 31 December 2020, from \$3,305 million for the year ended 31 December 2019, driven by lower cash generated from operations (decrease of \$1,416 million), higher borrowing costs relating to operating activities (increase of \$23 million), lower interest income received (decrease of \$21 million), higher income taxes paid (increase of \$18 million) and higher payments for restoration (increase of \$11 million) partially offset by lower purchases of shares and payments relating to employee share plans (decrease of \$34 million).

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Net cash used in investing activities

Net cash used in investing activities increased \$829 million, or 39%, to \$2,941 million for the year ended 31 December 2021, from \$2,112 million for the year ended 31 December 2020, driven by higher payments for capital and exploration expenditure (increase of \$988 million) for Scarborough (which primarily relate to the contingent payment paid on FID) and Sangomar, and higher advances to Petrosen under the loan facility.

Net cash used in investing activities increased \$874 million, or 71%, to \$2,112 million for the year ended 31 December 2020, from \$1,238 million for the year ended 31 December 2019, driven by payments associated with the completion of the acquisition of Cairn's interest in the RSSD Joint Venture (payment of \$527 million) and higher payments for capital and exploration expenditure (increase of \$205 million) which primarily relate to the Sangomar development, Julimar-Brunello Phase 2 and the Pyxis hub.

Net cash used in financing activities

Net cash used in financing activities increased \$1,221 million, or 601%, to \$(1,424) million for the year ended 31 December 2021, from \$(203) million for the year ended 31 December 2020, primarily due to higher repayment of borrowings (increase of \$701 million), lower proceeds from borrowings raised (decrease of \$600 million), and higher lease repayments due to new drilling leases relating to Sangomar (increase of \$84 million), partially offset by lower net dividends paid (decrease of \$165 million).

Net cash used in financing activities decreased \$520 million, or 164%, to \$(203) million for the year ended 31 December 2020, from \$317 million for the year ended 31 December 2019, primarily due to lower proceeds from borrowings (decrease of \$1,100 million), higher lease repayments (increase of \$30 million) and higher contributions to non-controlling interests (increase of \$34 million) partially offset by lower dividends paid (decrease of \$608 million) and higher net proceeds from share issuance (increase of \$23 million).

Capital expenditures

Woodside's capital expenditures vary from year to year depending on the projects that it is undertaking, their stage of development and Woodside's share of capital expenditures in these projects. In addition, Woodside's exploration expenditures vary from year to year depending on its strategic priorities and the exploration projects which it undertakes.

Woodside's 2022 investment expenditure guidance is \$3,800-\$4,200 million. This excludes the benefit of Global Infrastructure Partners' additional contribution of approximately \$822 million for Pluto Train 2 and excludes any impact from the proposed merger with BHP Petroleum. The key development projects contributing to this expenditure are Scarborough, Pluto Train 2 and Sangomar. The other key expenditure is the base business which includes Pyxis, Pluto LNG, NWS Project, Wheatstone, Australia Oil and Corporate.

Refer to Note B.1 to the audited consolidated financial statements of Woodside as at 31 December 2021 and 2020 and for the years ended 31 December 2021, 2020 and 2019, included elsewhere in this prospectus, for a breakdown of historic capital expenditure. For an overview of principal capital expenditures and divestitures currently in progress, see the section entitled "*Business and Certain Information About Woodside-Projects and Growth Options*." Funding for future capital commitments will be sourced from cash flow from operating activities, existing cash liquidity and external financing.

Off-balance sheet arrangements

Woodside has no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Woodside's financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

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Dividends

In 2019, 2020 and 2021, Woodside paid and proposed dividends in the amounts and on the dates set out below:

| | 2021 | 2020 | 2019 |
|--|-------------|-------------|--------------|
| | \$m | \$m | \$m |
| (a) Dividends paid during the financial year | | | |
| Prior year final dividend \$0.12 per share, paid on 24 March 2021 (2020: \$0.55, paid on 20 March 2020; 2019: \$0.91, paid on 20 March 2019) | 115 | 518 | 852 |
| Current year interim dividend \$0.30 per share, paid on 24 September 2021 (\$0.26, paid on 18 September 2020; 2019: \$0.36, paid on 20 September 2019) | 289 | 248 | 337 |
| | 404 | 766 | 1,189 |
| (b) Dividend declared subsequent to the reporting period (not recorded as a liability) | | | |
| Final dividend \$1.05 per share (2020: \$0.12; 2019: \$0.55) | 1,018 | 115 | 518 |
| (c) Other information | | | |
| Current year dividends per share (US cents) | 135 | 38 | 91 |

The final dividend of \$1.05 per share (2020: \$0.12 per share; 2019: \$0.55 per share) is based on the underlying net profit after tax for the reporting year, representing a payout ratio of approximately 80% of underlying net profit after tax. Underlying net profit after tax is the net profit after tax (profit/loss) attributable to equity holders of the parent) adjusted for significant and other non-recurring items.

The Woodside Board has the responsibility for approving dividends. Woodside's dividend policy aims to pay a minimum of 50% of net profit after tax, excluding non-recurring items, in dividends. The net profit after tax basis helps preserve cash and protect the balance sheet in periods of low commodity pricing. The Woodside Board's dividend payout ratio target is between 50% to 80% of net profit after tax, excluding non-recurring items, subject to market conditions and investment requirements. Woodside maintains the flexibility to consider opportunities to provide additional returns to shareholders through special dividends and share buy-backs in periods of excess cash generation.

Generally, Woodside pays dividends to its shareholders semi-annually, once in March or April (final dividend) and again in September or October (interim dividend) of each year. Woodside maintains a dividend reinvestment plan that, if utilized by the Woodside Board, provides Woodside Shareholders with the option of reinvesting all or part of their dividends in additional shares rather than taking cash dividends.

The dividend reinvestment plan remains active, allowing eligible Woodside Shareholders to reinvest their dividends directly into Woodside Shares at a 1.5% discount.

Liquidity

As of 31 December 2021, Woodside ended the period with liquidity of \$6,125 million which consisted of \$3,025 million cash and \$3,100 million in committed undrawn loan facilities.

Non-GAAP Financial Measures

Certain parts of this prospectus contain financial measures that have not been prepared in accordance with IFRS and are not recognized measures of financial performance or liquidity under IFRS. In addition to the financial information contained in this prospectus presented in accordance with IFRS, certain "non-GAAP financial measures" (as defined in Item 10(e) of Regulation S-K under the Securities Act) have been included in this prospectus.

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Woodside believes that the “non-GAAP financial measures” it presents provide a useful means through which to examine the underlying performance of its business. These measures, however, should not be considered to be an indication of, or alternative to, corresponding measures of gross profit, net profit, cash flows from operating activities, interest bearing liabilities, or other figures determined in accordance with IFRS. In addition, such measures may not be comparable to similar measures presented by other companies. These measures include:

EBIT, which is calculated as profit before income tax, Petroleum Resource Rent Tax (“PRRT”) and net finance costs;

Underlying EBITDA, which is calculated as profit before income tax, PRRT, net finance costs, depreciation and amortization and impairment;

Gearing, which is calculated as Net debt (as defined below) divided by the sum of Net debt and equity attributable to equity holders of the relevant entity, expressed as a percentage;

Net debt, which is total debt and lease liabilities less cash and cash equivalents;

Adjusted Operating Cash Flow, which is calculated as net cash from operating activities excluding any financing costs (interest received, dividends received and borrowing costs relating to operating activities), plus payments for restoration and less payments for exploration expenditure; and

Unlevered Free Cash Flow, which is calculated as Adjusted Operating Cash Flow minus payments for restoration and minus payments for capital expenditures.

Undue reliance should not be placed on the non-GAAP financial measures contained in this prospectus, and the non-GAAP financial measures should not be considered in isolation or as a substitute for financial measures computed in accordance with IFRS. Although certain of these data have been extracted or derived from Woodside’s consolidated or combined financial statements (as applicable), these data have not been audited or reviewed by Woodside’s independent auditors. You are urged to read carefully this “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Woodside*” and Woodside’s consolidated financial statements and related notes thereto.

A reconciliation of EBIT, Underlying EBITDA, Net debt, Gearing, Adjusted Operating Cash Flow and Unlevered Free Cash Flow to Woodside’s financial statements are presented below:

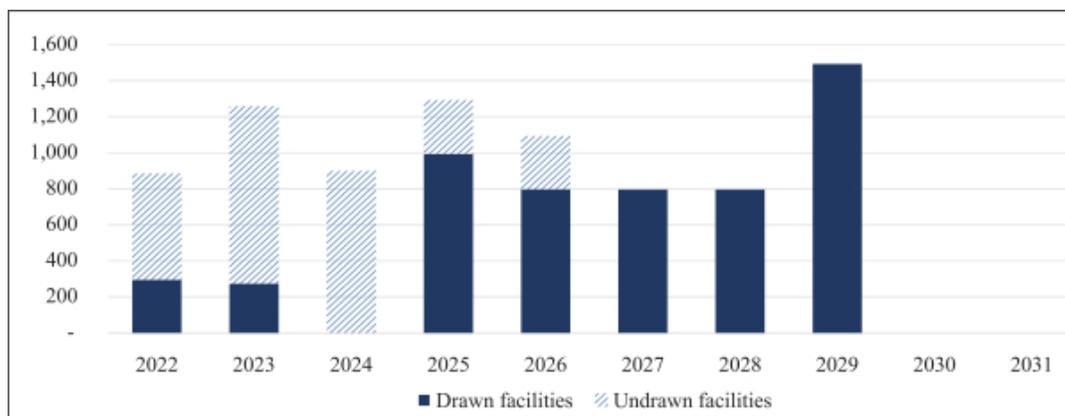
| | 2021 | 2020 | 2019 |
|--|---------|---------|---------|
| EBIT and Underlying EBITDA Reconciliation | | | |
| Profit/(loss) after tax | 2,036 | (3,975) | 382 |
| Add back: Income tax expense/(benefit) | 957 | (1,026) | 511 |
| Add back: Petroleum resource rent tax (PRRT) expense/(benefit) | 297 | (439) | (31) |
| Profit/(loss) before tax | 3,290 | (5,440) | 862 |
| Add back: Finance costs | 230 | 327 | 320 |
| Less: Finance income | (27) | (58) | (91) |
| EBIT | 3,493 | (5,171) | 1,091 |
| Add back: Depreciation & amortization | 1,690 | 1,824 | 1,703 |
| Add back: Impairment | (1,048) | 5,269 | 737 |
| Underlying EBITDA | 4,135 | 1,922 | 3,531 |
| Net Debt | | | |
| Current Interest Bearing Liabilities | 277 | 776 | 77 |
| Current Lease Liabilities | 191 | 94 | 69 |
| Non-Current Interest Bearing Liabilities | 5,153 | 5,438 | 5,602 |
| Non-Current Lease Liabilities | 1,176 | 1,184 | 1,101 |
| Less: Cash and cash equivalents | (3,025) | (3,604) | (4,058) |

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| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|--|---------------|---------------|---------------|
| Net Debt | 3,772 | 3,888 | 2,791 |
| Gearing | | | |
| Equity attributable to equity holders | 13,443 | 12,075 | 16,617 |
| Net Debt plus Equity attributable to equity holders | 17,215 | 15,963 | 19,408 |
| Gearing | 21.9 % | 24.4 % | 14.4 % |
| Adjusted operating cash flows | | | |
| Net cash from operating activities | 3,792 | 1,849 | 3,305 |
| Less: Interest received | (11) | (64) | (85) |
| Less: Dividends received | (6) | (4) | (5) |
| Less: Payments for exploration expenditure | (283) | (310) | (461) |
| Add back: Borrowing costs relating to operating activities | 91 | 180 | 157 |
| Add back: Payments for restoration | 38 | 23 | 12 |
| Adjusted operating cash flows | 3,621 | 1,674 | 2,923 |
| Unlevered Free Cash Flow Reconciliation | | | |
| Adjusted operating cash flows | 3,621 | 1,674 | 2,923 |
| Less: Payments for restoration | (38) | (23) | (12) |
| Less: Payments for capital expenditure | (2,123) | (1,108) | (752) |
| Unlevered Free Cash Flow | 1,460 | 543 | 2,159 |

Maturity profile of interest-bearing liabilities

Woodside's debt maturity profile as of 31 December 2021 is illustrated below. The debt maturities below are based on contractual agreements as of 31 December 2021. All undrawn facilities are committed facilities. See the section entitled "Description of Certain Indebtedness" for more information regarding Woodside's debt facilities.



Critical accounting estimates and policies

Woodside's discussion and analysis of its financial condition and results of operations are based upon the audited consolidated financial statements of Woodside included elsewhere in this prospectus, which have been prepared in accordance with IFRS. The preparation of these financial statements requires management to make informed estimates and judgments that affect the reported amounts of assets and liabilities as of the date of the financial statements and affect the reported amounts of revenues and expenses during the reporting period. Changes in facts and circumstances may result in revised estimates, and actual results may differ from these estimates.

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The critical accounting policies presented below are of particular importance to the portrayal of Woodside' s financial position and results of operations and require the application of judgment by Woodside' s management. These critical accounting policies are described in more detail in the notes to the audited consolidated financial statements of Woodside.

Revenue from contracts to customers

Judgement is required to determine the point at which the customer obtains control of hydrocarbons and to determine if it is probable that a significant reversal will occur in relation to revenue recognized during open pricing periods in LNG contracts. Progress of performance obligations for LNG processing services revenue recognized over time is estimated using the output method which most accurately measures the progress towards satisfaction of the performance obligation of the services provided.

Deferred tax asset recognition

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized. The tax rates and laws used to determine the amount are based on those that have been enacted or substantially enacted by the end of the reporting period. Income taxes relating to items recognized directly in equity are recognized in equity.

Deferred tax assets relating to Australian tax losses have been recognized for carry forward unused tax losses and credits. Woodside has determined that it is probable that sufficient future taxable income will be available to utilize those losses and credits.

Deferred tax assets relating to unused foreign tax losses have not been recognized on the basis that it is not probable that the assets will be utilized based on current planned activities in those regions.

The recoverability of PRRT deferred tax assets is primarily assessed with regard to future oil price assumptions. The PRRT deferred tax asset is recognized on the basis that it is probable that future taxable profits will be available to utilize the deductible expenditure.

Area of interest

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method. Woodside' s application of the accounting policy is closely aligned to the U.S. GAAP-based successful efforts method. Typically, an area of interest (AOI) is defined by Woodside as an individual geographical area whereby the presence of hydrocarbons is considered favorable or proved to exist. Woodside applies judgement to recognize and maintain an Area of interest.

Reserves

The estimation of reserves requires significant management judgement and interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs, and their anticipated recoveries.

Estimates of oil and natural gas reserves are used to calculate depreciation and amortization charges for the Woodside' s oil and gas properties. Judgement is used in determining the reserve base applied to each asset. Typically, late life oil assets use proved reserves.

Estimates are reviewed at least annually or when there are changes in the economic circumstances impacting specific assets or asset groups. These changes may impact depreciation, asset carrying values, restoration provisions and deferred tax balances. If reserves estimates are revised downwards, earnings could be affected by higher depreciation expense or an immediate write-down of the asset' s carrying value.

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Impairments

In determining the recoverable amounts of exploration and evaluation assets, the market comparison approach using adjusted market multiples (fair value hierarchy Level 3) has been utilized to determine the fair value less costs to dispose.

In determining the recoverable amount of cash generating units, estimates are made regarding the present value of future cash flows when determining the value in use. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can also affect the assumptions used and the rates used to discount future cash flow estimates.

Estimates are made in the following areas:

Resource estimates;

Inflation rate;

Foreign exchange rates;

Discount rates;

Climate risk impacts, including a long-term Australian carbon price applicable to Australian emissions that exceed facility-specific baselines in accordance with Australian regulations;

LNG price; and

Brent oil prices.

Restoration

Woodside estimates the future remediation and removal costs of offshore oil and gas platforms, production facilities, wells and pipelines at different stages of the development and construction of assets or facilities. In many instances, removal of assets occurs many years into the future.

The restoration obligation requires management to make assumptions regarding removal date, environmental legislation and regulations, the extent of restoration activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and liability-specific discount rates to determine the present value of these cash flows.

Onerous Contracts

The onerous contract provision assessment requires management to make certain estimates regarding the unavoidable costs and the expected economic benefits from the contract. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can affect the assumptions. Estimates used to determine the present value of the provisions include discount rates and LNG pricing which is based on oil and gas price markers.

Leases

Judgement is required to:

assess whether a contract is or contains a lease at inception;

assessing the term of the lease and whether to include optional extension and termination periods;

determine Woodside' s rights and obligations for lease contracts within joint operations, to assess; whether lease liabilities are recognized gross (100%) or in proportion to Woodside' s participating interest in the joint operation; and

determine the discount rate.

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Accounting for interests in other entities

Judgement is required to determine the relevant activities of a project and in assessing the level of control obtained in a transaction to acquire an interest in another entity.

Quantitative and qualitative disclosures about market risk

In the normal course of business, Woodside is exposed to commodity price, foreign currency exchange rate and interest rate risks that could impact Woodside's financial position and results of operations. Woodside's risk management strategy with respect to these market risks may include the use of derivative financial instruments. Woodside uses derivative contracts to manage commodity price volatility, foreign exchange rate volatility on capital expenditure plans and interest rate exposure on financing activities.

Actual gains and losses in the future may differ materially from the sensitivity analyses based on changes in the timing and amount of commodity price, foreign currency exchange rate and interest rate movements and Woodside's actual exposures and derivatives in place at the time of the change, as well as the effectiveness of the derivative to hedge the related exposure.

Commodity price risk management

Woodside's revenue is exposed to commodity price fluctuations through the sale of hydrocarbons. Commodity price risks are measured by monitoring and stress testing Woodside's forecasted financial position to sustained periods of low oil and gas prices. This analysis is regularly performed on Woodside's portfolio and, as required, for discrete projects and transactions. For 2022, the expected impact on Profit/(loss) after tax is \$18 million for a \$1 movement in the Brent oil price. See the sections entitled "*Risk Factors—The Merged Group will be exposed to risks resulting from fluctuations in LNG market conditions or the price of crude oil, which can be volatile. Any material or sustained decline in LNG or crude oil prices, or change in buyer preferences, could have a material adverse effect on the Merged Group's results*" and "*Risk Factors—The Merged Group may be exposed to commodity and currency hedging.*"

Foreign exchange rate risk management

Foreign exchange risk arises from future commitments, financial assets and financial liabilities that are not denominated in U.S. dollars. The majority of Woodside's revenue is denominated in U.S. dollars. Woodside is exposed to foreign currency risk arising from operating and capital expenditure incurred in currencies other than U.S. dollars, particularly Australian dollars.

Measuring the exposure to foreign exchange risk is achieved by regularly monitoring and performing sensitivity analysis on Woodside's financial position.

A reasonably possible change in the exchange rate of the U.S. dollar to the Australian dollar (+12%/-12%), with all other variables held constant, would not have a material impact on Woodside's equity or the profit or loss in the current period. Refer to the notes to the audited consolidated financial statements of Woodside included elsewhere in this prospectus, for details of the denominations of cash and cash equivalents, interest-bearing liabilities, receivables, payables and lease liabilities held at 31 December 2020 and 2021.

Interest rate risk

Interest rate risk is the risk that Woodside's financial position will fluctuate due to changes in market interest rates.

Woodside's exposure to the risk of changes in market interest rates relates primarily to financial instruments with floating interest rates including long-term debt obligations, cash and short-term deposits. Woodside

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manages its interest rate risk by maintaining an appropriate mix of fixed and floating rate debt. Woodside holds cross-currency interest rate swaps to hedge the foreign exchange risk, and interest rate risk of the CHF denominated medium term note. Woodside also holds interest rate swaps to hedge the interest rate risk associated with the \$600 million syndicated facility.

Woodside was exposed to various benchmark interest rates that were not designated in cash flow hedges, on cash and cash equivalents (2021: \$2,962 million; 2020: \$3,527 million), on interest-bearing liabilities (2021: \$367 million; 2020: \$450 million) (excluding transaction costs) and on cross-currency interest rate swaps (2021: \$9 million; 2020: \$15 million).

A reasonably possible change in the USD London Interbank Offered Rate (LIBOR) (2021: +1%/-1%; 2020: +0.5%/-0.5%), with all variables held constant, would not have a material impact on Woodside' s equity or the income statement in the current period.

Woodside is closely monitoring the market and the output from the various industry working groups managing the transition to new benchmark interest rates. Woodside is assessing the implications of the Interbank Offered Rates (IBOR) reform across Woodside and will manage and execute the transition from current benchmark rates to alternative benchmark rates.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF BHP PETROLEUM

The following Management's Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum is a review of the operations and current financial position for the half year ended 31 December 2021 and for the fiscal years ended 30 June 2021, 2020 and 2019 which is prepared in accordance with IFRS. The information in this report should be read in conjunction with the audited and unaudited combined carve-out financial statements of the BHP Petroleum assets (referred to in this Management's Discussion and Analysis as "BHP Petroleum") included elsewhere in this prospectus.

Basis of Presentation

In August 2021, BHP and Woodside entered into the Merger Commitment Deed to combine their respective oil and gas portfolios through an all-stock merger. On 22 November 2021, Woodside and BHP publicly announced that they had entered into the Share Sale Agreement under which, and subject to the terms and conditions therein, Woodside (or a nominee) will acquire all of the ordinary shares in BHP Petroleum International Pty Ltd, a wholly owned subsidiary of BHP that will hold the oil and gas assets of BHP in exchange for the issuance of New Woodside Shares and the Completion Payment (subject to adjustment).

The financial information of the BHP Petroleum assets included in this prospectus has been extracted on a "carve-out" basis from the accounting records of BHP for the purposes of presenting the combined financial position, combined results of operations and combined cash flows of BHP Petroleum. The BHP Petroleum assets are hereinafter referred to as "BHP Petroleum" and, unless context otherwise requires, its subsidiaries, after giving effect to the Restructure, exclude the following entities: BHP BK Limited, BHP Billiton Petroleum Great Britain Limited, BHP Mineral Resources Inc., BHP Copper Inc., Resolution Copper Mining LLC, BHP Resolution Holdings LLC and BHP Capital Inc. BHP Petroleum's unaudited combined financial statements as of and for the half year ended 31 December 2021, BHP Petroleum's audited combined financial statements as of 30 June 2021 and 2020 and for the fiscal years ended 30 June 2021 and 2020 and BHP Petroleum's unaudited combined financial statements as of and for the fiscal year ended 30 June 2019, included in this prospectus (collectively, the "BHP Petroleum Combined Financial Statements"), are presented in U.S. dollars. Consistent with applicable reporting rules, the BHP Petroleum non-statutory half-year financial information as of and for the half year ended 31 December 2021 and the BHP Petroleum financial information as of and for the fiscal year ended 30 June 2019 is unaudited.

In September 2018, BHP Petroleum completed the sale of 100% of the issued share capital of BHP Billiton Petroleum (Arkansas) Inc. and 100% of the membership interest in BHP Billiton Petroleum (Fayetteville) LLC, which held the Fayetteville assets. On 31 October 2018, BHP Petroleum completed the sale of 100% of the issued share capital of Petrohawk Energy Corporation, the subsidiary which held the Eagle Ford (being Black Hawk and Hawkville), Haynesville and Permian assets, for a gross cash consideration of \$10.3 billion (net of preliminary customary completion adjustments of \$0.2 billion). As a result, BHP Petroleum has reclassified the Onshore U.S. asset results to discontinued operations for the fiscal year ended 30 June 2019 and recorded a loss of \$335 million in discontinued operations.

BOE Disclosure

A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Accordingly, disclosures in respect of a BOE should not be read in isolation.

Impact of Coronavirus Disease 2019 (COVID-19) Pandemic

BHP Petroleum continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. During the period, BHP Petroleum continued to experience lower

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volumes at certain of BHP Petroleum's operated assets and to incur incremental directly attributable costs, including those associated with the increased provision of health and hygiene services, the impacts of maintaining social distancing requirements and demurrage and other standby charges related to delays caused by COVID-19.

As the pandemic continues to evolve, with the extent and timing of impacts varying across BHP Petroleum's key operating locations, it remains difficult to predict the full extent and duration of resulting operational and economic impacts for BHP Petroleum. This uncertainty impacts judgements made by BHP Petroleum, including those relating to assessing the collectability of receivables and determining the recoverable values of BHP Petroleum's non-current assets. Given the uncertainty associated with the pandemic, management assesses the appropriate financial treatment and disclosure of COVID-19 impacts each reporting period.

The ongoing uncertainty has also been considered in BHP Petroleum's assessment of the appropriateness of adopting the going concern basis of preparation of the BHP Petroleum Combined Financial Statements. In assessing the appropriateness of the going concern assumption over the going concern period, management has stress tested BHP Petroleum's most recent financial projections to incorporate a range of potential future outcomes by considering BHP Petroleum's principal risks. BHP Petroleum's financial forecasts, including downside commodity price and production scenarios, demonstrate that BHP Petroleum believes that it has sufficient financial resources to meet its obligations as they fall due throughout the going concern period. As such, the BHP Petroleum Combined Financial Statements continue to be prepared on the going concern basis.

Business Overview, Strategy and Key Performance Drivers

Business Environment

BHP Petroleum's assets comprise of conventional oil and gas assets located in the U.S. GOM, Australia, T&T, Algeria and Mexico, and appraisal and exploration options in T&T, central and western U.S. GOM, Eastern Canada, Barbados and Egypt. The crude oil and condensate, gas and NGLs produced by BHP Petroleum's assets are sold on the international spot market or domestic market.

BHP Petroleum's financial results are significantly influenced by fluctuations in commodity prices, and production volumes.

Half year ended 31 December 2021

The following table depicts BHP Petroleum's average realized prices and total petroleum production for the half years ended 31 December 2021 and 2020:

| | Unaudited 2021 \$M | Unaudited 2020 \$M |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Half year ended 31 December | | |
| Total petroleum production (MMboe) | 53 | 50 |
| <i>Average realized prices</i> | | |
| Oil (crude and condensate) (\$/bbl) | 73.62 | 41.24 |
| Natural gas (\$/Mscf) | 5.78 | 3.83 |
| Liquefied natural gas (\$/Mscf) | 15.10 | 4.45 |

Trends in each of the major markets during the half years ended 31 December 2021 and 2020 are outlined below.

Crude oil

BHP Petroleum's average realized sales price for crude oil for the half year ended 31 December 2021 was \$73.62 per barrel (31 December 2020: \$41.24 per barrel). Crude oil prices traded in an approximate range of \$65-

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85/bbl (Brent) during the half year ended 31 December 2021. BHP Petroleum believes that further gains after the period end are possible given its constructive view of demand tailwinds. However, future developments in price are also expected to rely in large part on the rate at which currently curtailed supply returns, which is highly uncertain. Looking beyond this phase, BHP Petroleum's bottom-up analysis of demand, allied to systematic field decline rates, points to a long run structural supply-demand gap. Considerable investment in conventional oil is going to be required to fill that gap and maintain market balance. If that investment is not forthcoming in a timely way, the impact on oil prices is uncertain, including the possibility of material increases in oil prices.

Liquefied natural gas (LNG)

BHP Petroleum's average realized sales price for LNG for the half year ended 31 December 2021 was \$15.10 per Mcf (31 December 2020: \$4.45 per Mcf). The JKM price for LNG has been extremely elevated, with all-time high spot pricing achieved in the lead-up to the northern hemisphere winter. Longer term, assets advantaged by their proximity to existing infrastructure or customers, or both, in addition to competitive emissions intensities, are expected to be attractive.

Impact of changes to commodity prices

The prices BHP Petroleum obtains for its products are a key driver of value for BHP Petroleum. Fluctuations in these commodity prices affect BHP Petroleum's results, including cash flows and asset values. The estimated impact of changes in commodity prices for the half year ended 31 December 2021 on BHP Petroleum's key financial measures is set out below. The sensitivity calculations are performed independently and show the effect of changing one variable while holding all other variables constant.

| For the half year ended 31 December 2021 (Unaudited) | Impact on profit after taxation (\$M) | Impact on Underlying EBITDA (\$M)(1) |
|---|--|---|
| \$1/bbl on oil price | 14 | 21 |
| US¢0.10/Mcf on natural gas price | 8 | 12 |
| US¢1/Mcf on LNG price | 3 | 5 |
| \$1/bbl on NGL price | 3 | 4 |

- (1) Underlying EBITDA is a non-GAAP financial measure. See "Disclaimer and Important Notices–Non-GAAP Financial Measures" and "Management's Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum–Financial Results–Half year ended 31 December 2021 and 2020–Underlying EBITDA."

Production

Total petroleum production for the half year ended 31 December 2021 increased by 5% to 53 MMboe from the half year ended 31 December 2020.

Crude oil, condensate and NGL production increased by 13% to 25 MMboe, reflecting the additional 28% working interest acquired in Shenzi in November 2020, increased volumes from Ruby following first production in May 2021, and absence of impacts from weather events in the U.S. GOM in comparison to the prior period, partially offset by natural field decline across the portfolio.

Natural gas production decreased by 1% to 169 bcf, reflecting decreased production at North West Shelf and natural field decline across the portfolio, partially offset by increased volumes from Ruby and higher demand for gas at Bass Strait.

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BHP Petroleum costs

BHP Petroleum unit costs are calculated as a ratio of net costs of the assets to the equity share of production and BHP Petroleum believes they provide a consistent benchmark relative to volumes, that is in line with external market comparisons. This is a calculation based on costs directly associated with production (i.e. production cost base).

BHP Petroleum unit costs exclude:

freight, as BHP Petroleum believes doing so provides a similar basis of comparison to its peer group;

exploration, development and evaluation expense, as these costs do not represent its cost performance in relation to current production and BHP Petroleum believes it provides a similar basis of comparison to its peer group; and

other costs that do not represent underlying cost performance of BHP Petroleum.

BHP Petroleum unit costs for the half year ended 31 December 2021 increased by 2% to \$10.51 per barrel of oil equivalent from the half year ended 31 December 2020 due to increased price-linked costs and increased maintenance and integrity activities in T&T. The calculation of petroleum unit costs for the half year ended 31 December 2021 and 2020 is set out in the table below.

| | Unaudited 2021 \$M | Unaudited 2020 \$M |
|--|-----------------------------------|-----------------------------------|
| For the half year ended 31 December | | |
| Expenses excluding finance costs (1) | 1,761 | 1,816 |
| Less: | | |
| Depreciation and amortization expense | 1,047 | 890 |
| Net impairments | 210 | 61 |
| Exploration and evaluation and expenditure incurred and expensed in the period | 112 | 181 |
| Development and evaluation | 79 | 106 |
| Freight (post-port) | 46 | 22 |
| Other non-producing costs (2) | (290) | 41 |
| Net costs (3) | 557 | 515 |
| Production (MMboe, equity share) | 53 | 50 |
| Cost per BOE (US\$) | 10.51 | 10.30 |

- (1) Expenses excluding finance costs for the half year ended 31 December 2021 and 2020 has been derived from BHP Petroleum's unaudited Combined Financial Statements for the half year ended 31 December 2021.
- (2) Other non-producing costs includes over/underlifts, inventory movements, foreign exchange, third-party costs and the impact from revaluation of embedded derivatives in the T&T gas contract.
- (3) Net costs is a non-GAAP financial measure and is reconciled to the nearest respective IFRS measure, Expenses excluding finance costs. The measure and reconciliation above is for the half year ended 31 December 2021 and the comparative period and derived from BHP Petroleum's unaudited Combined Financial Statements.

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Fiscal years ended 30 June 2021, 2020 and 2019

The following table depicts BHP Petroleum's average realized prices and total petroleum production for the fiscal years ended 30 June 2021, 2020 and 2019:

| | 2021 | 2020 | Unaudited 2019 |
|--|------------|------------|-------------------|
| For the fiscal year ended 30 June | \$M | \$M | \$M |
| Total petroleum production (MMboe) | 103 | 109 | 121 |
| <i>Average realized prices</i> | | | |
| Oil (crude and condensate) (\$/bbl) | 52.56 | 49.53 | 66.59 |
| Natural gas (\$/Mscf) | 4.34 | 4.04 | 4.55 |
| Liquefied natural gas (\$/Mscf) | 5.63 | 7.26 | 9.43 |

Trends in each of the major markets for the fiscal years ended 30 June 2021, 2020 and 2019 are outlined below.

Crude oil

BHP Petroleum's average realized sales price for crude oil for FY2021 was \$52.56 per barrel (FY2020: \$49.53 per barrel). Brent crude oil prices steadily increased through FY2021, rising from around \$40/bbl at the beginning of FY2021 to around \$75/bbl at the close. A recovery in business activity and mobility as economies reduced COVID-19 controls has supported oil demand. Supply side curtailments from OPEC+ and capital restraint from U.S. operators supported oil inventories to rebalance globally.

BHP Petroleum's average realized sales price for crude oil for FY2020 was \$49.53 per barrel (FY2019: \$66.59 per barrel). Crude oil prices dropped significantly in the second half of FY2020 due to a brief OPEC+ price war in March 2020 and COVID-19, with Brent falling below \$20/bbl in April 2020 at the height of the global lockdowns and peak demand destruction. The prices partially recovered in FY2020 mainly due to swift output cuts from OPEC+ and a partial recovery in mobility. Very large storage builds flipped to draws in late May 2020, which allowed benchmark prices to move up to approximately \$40/bbl.

Liquefied natural gas (LNG)

BHP Petroleum's average realized sales price for LNG for FY2021 was \$5.63 per Mcf (FY2020: \$7.26 per Mcf). The JKM price for LNG performed strongly in FY2021, hitting an all-time high in January 2021 supported by cold weather, recovery in China, high European gas prices, unplanned outages and less incremental supply coming online.

BHP Petroleum's average realized sales price for LNG for FY2020 was \$7.26 per Mcf (FY2019: \$9.43 per Mcf). The JKM price for LNG performed poorly in FY2020, reflecting a deepening oversupply situation. JKM hit an all-time low in April 2020 as a slowdown in Asian demand growth due to warm weather and COVID-19 and large increments of new supply coming online weighed on the market.

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Impact of changes to commodity prices

The estimated impact of changes in commodity prices for the fiscal year ended 30 June 2021 on BHP Petroleum's key financial measures is set out below. The sensitivity calculations are performed independently and show the effect of changing one variable while holding all other variables constant.

| For the fiscal year ended 30 June 2021 | Impact on profit after taxation (\$M) | Impact on Underlying EBITDA (\$M)(1) |
|---|--|---|
| \$1/bbl on oil price | 24 | 35 |
| US\$0.10/Mcf on natural gas price | 15 | 23 |
| US\$1/Mcf on LNG price | 8 | 12 |
| \$1/bbl on NGL price | 4 | 7 |

- (1) Underlying EBITDA is a non-GAAP financial measure. See "Disclaimer and Important Notices–Non-GAAP Financial Measures" and "Management's Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum–Financial Results–Year ended 30 June 2021, 2020 and 2019–Underlying EBITDA."

Production

Total petroleum production for FY2021 decreased by 6% to 103 MMboe from FY2020.

Crude oil, condensate and NGL production decreased by 6% to 46 MMboe due to natural field decline across the portfolio, a highly active hurricane season in the U.S. GOM in the first half of the fiscal year and downtime at Atlantis, with tie-in activity in the first half of the year and unplanned downtime in the March 2021 quarter. These impacts were partially offset by the earlier than scheduled achievement of first production from the Atlantis Phase 3 project in July 2020 and the additional working interest acquired in Shenzi, completed on 6 November 2020.

Natural gas production decreased by 5% to 341 bcf, reflecting planned shutdowns at Angostura related to the Ruby tie-in, lower gas demand at Bass Strait and natural field decline across the portfolio. The decrease was partially offset by improved reliability at Bass Strait and higher domestic gas sales at Macedon.

Total production for FY2020 decreased by 10% to 109 MMboe from FY2019.

Crude oil, condensate and NGL production decreased by 11% to 49 MMboe due to the impacts of Tropical Storm Barry in the U.S. GOM, Tropical Cyclone Damien at BHP Petroleum's North West Shelf operations, maintenance at Atlantis and natural field decline across the portfolio. Weaker market conditions, including impacts from COVID-19, also contributed to lower volumes in the June 2020 quarter. This decline was partially offset by higher uptime at Pyrenees following the 70-day dry dock maintenance program during the prior year.

Natural gas production decreased by 9% to 360 bcf, reflecting a decrease in both production and tax barrels (in accordance with the terms of BHP Petroleum's Production Sharing Contract) due to weaker market conditions in T&T, impacts of maintenance and Tropical Cyclone Damien at North West Shelf and natural field decline across the portfolio.

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BHP Petroleum costs

BHP Petroleum unit costs for FY2021 increased by 11% to \$10.83 per barrel of oil equivalent from FY2020 due to lower volumes and unfavorable exchange rate movements, partially offset by a reduction in price-linked costs. The calculation of petroleum unit costs for the fiscal years ended 30 June 2021, 2020 and 2019 is set out in the table below. For further information regarding the calculation of BHP Petroleum unit costs, see “–Half year ended 31 December 2021 and 2020–BHP Petroleum costs” above.

| | 2021 | 2020 | Unaudited 2019 |
|--|--------------|--------------|-------------------|
| | \$M | \$M | \$M |
| For the fiscal year ended 30 June | | | |
| Expenses excluding finance costs (1) | 3,799 | 3,390 | 3,510 |
| Less: | | | |
| Depreciation and amortization expense | 1,840 | 1,457 | 1,560 |
| Net impairments | 127 | 11 | 21 |
| Exploration and evaluation and expenditure incurred and expensed in the period | 296 | 395 | 388 |
| Development and evaluation | 196 | 166 | 46 |
| Freight (post-port) | 81 | 83 | 118 |
| Other non-producing costs (2) | 144 | 216 | 102 |
| Net costs (3) | 1,115 | 1,062 | 1,275 |
| Production (MMboe, equity share) | 103 | 109 | 121 |
| Cost per Boe (US\$) | 10.83 | 9.74 | 10.54 |

- (1) Expenses excluding finance costs for FY2021 and FY2020 has been derived from BHP Petroleum' s audited Combined Financial Statements for the years ending 30 June 2021 and 2020. Expenses excluding finance costs for FY2019 has been derived from BHP Petroleum' s unaudited Combined Financial Statements for the year ending 30 June 2019.
- (2) Other non-producing costs includes over/underlifts, inventory movements, foreign exchange, provision for onerous lease contracts, third-party costs and the impact from revaluation of embedded derivatives in the T&T gas contract.
- (3) Net costs is a non-GAAP financial measure and is reconciled to the nearest respective IFRS measure, Expenses excluding finance costs. The measure and reconciliation above is for the fiscal year ended 30 June 2021 and comparative periods are unaudited and have been derived from BHP Petroleum' s Combined Financial Statements.

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Financial results

Half year ended 31 December 2021 and 2020

The following table provides more information on the profit/loss from operations and Underlying EBITDA of BHP Petroleum, including a reconciliation between Underlying EBITDA and the nearest IFRS measure, for the half year ended 31 December 2021 and 2020. The measures and reconciliations below are included in this section for the half year ended 31 December 2021 and comparative period are unaudited and have been derived from the BHP Petroleum Combined Financial Statements.

| | Unaudited 2021 \$M | Unaudited 2020 \$M |
|---------------------------------------|--------------------------|--------------------------|
| Half year ended 31 December | | |
| Profit/(loss) from operations | 1,608 | (199) |
| Depreciation and amortization expense | 1,047 | 890 |
| Net impairments | 210 | 61 |
| Other | 5 | 7 |
| Underlying EBITDA(1) | 2,870 | 759 |

- (1) Underlying EBITDA is a non-GAAP financial measure. See “*Disclaimer and Important Notices–Non-GAAP Financial Measures*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of BHP Petroleum–Financial Results–Half year ended 31 December 2021 and 2020–Underlying EBITDA.*”

Profit/(loss) from operations

Profit from operations in the half year ended 31 December 2021 increased by \$1,807 million to \$1,608 million from the half year ended 31 December 2020. This is primarily driven by an increase in average realized sales prices of crude oil, natural gas and LNG, coupled with an increase in volumes. This increase is partially offset by an impairment charge of \$210 million against property, plant and equipment, relating to the Ruby operations in offshore T&T, in the half year ended 31 December 2021. The impairment reflects revisions to estimated reserves resulting from technical analysis of well drilling results and performance following project completion in December 2021.

Underlying EBITDA

Underlying EBITDA is used to help assess current operational profitability, excluding the impacts of sunk costs (i.e. depreciation from initial investment). It is a measure that management uses internally to assess the performance of BHP Petroleum. Underlying EBITDA is a non-GAAP financial measure. See the section entitled “*Disclaimer and Important Notices–Non-GAAP Financial Measures.*”

Underlying EBITDA in the half year ended 31 December 2021 increased by \$2,111 million to \$2,870 million, or 278% from the half year ended 31 December 2020. Price impacts, net of price-linked costs, increased Underlying EBITDA by \$1,767 million due to higher average realized crude oil, natural gas and LNG prices. Volume impacts increased underlying EBITDA by \$170 million due to higher gas demand at Bass Strait, increased volumes from Ruby following first production in May 2021 and the absence of impacts from weather events in the U.S. GOM. Additionally, Underlying EBITDA improved due to the recognition of a \$104 million gain attributable to the Final Investment Decision (FID) of the Scarborough LNG Project pursuant to the 2016 divestment of BHP Petroleum’s 25% Scarborough Joint Venture interest to Woodside (payable upon FID which was announced in November 2021). Controllable cash costs had a favorable impact of \$52 million due to increased maintenance and integrity activities in T&T and the impact of expensing the Wasabi-1 well, more than offset by the impact from expensing the Broadside-1 well and seismic costs in the U.S. GOM and T&T in the prior period.

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Fiscal years ended 30 June 2021, 2020 and 2019

The following table provides more information on the revenue and expenses of BHP Petroleum for the fiscal years ended 30 June 2021, 2020 and 2019:

| Fiscal year ended 30 June | 2021 | 2020 | Unaudited 2019 |
|---|--------------|--------------|---------------------------|
| | \$M | \$M | \$M |
| Combined Income Statement | | | |
| <i>Continuing operations</i> | | | |
| Revenue | 3,909 | 3,997 | 5,867 |
| Other income | 130 | 57 | 32 |
| Expenses excluding net finance costs | (3,799) | (3,390) | (3,510) |
| Loss from equity accounted investments | (6) | (4) | (2) |
| Profit from operations | 234 | 660 | 2,387 |
| Financial expenses | (464) | (660) | (1,001) |
| Financial income | 56 | 304 | 364 |
| Net finance costs | (408) | (356) | (637) |
| Profit/(loss) before taxation | (174) | 304 | 1,750 |
| Income tax expense | (211) | (400) | (925) |
| Royalty-related taxation (net of income tax benefit) | 24 | (82) | (164) |
| Total taxation expense | (187) | (482) | (1,089) |
| Profit/(loss) after taxation from Continuing operations | (361) | (178) | 661 |
| <i>Discontinued operations</i> | | | |
| Loss after taxation from Discontinued operations | – | – | (335) |
| Profit/(loss) after taxation from Continuing and Discontinued operations | (361) | (178) | 326 |
| Attributable to non-controlling interests | – | – | 7 |
| Attributable to BHP shareholders | (361) | (178) | 319 |
| Other financial information | | | |
| Underlying EBITDA(1) | 2,238 | 2,164 | 4,061 |

(1) Underlying EBITDA is a non-GAAP financial measure. For calculation methodologies and reconciliations to the nearest GAAP financial measures, see the sections entitled “Disclaimer and Important Notices–Non-GAAP Financial Measures” and “–Underlying EBITDA” below.

Revenue

Revenue of \$3,909 million in FY2021 decreased by \$88 million, or 2%, from FY2020. This decrease was primarily attributable to decreased production due to natural field decline and weather downtime in the U.S. GOM offset by higher average realized prices for crude oil and natural gas.

Revenue of \$3,997 million in FY2020 decreased by \$1,870 million, or 32%, from FY2019. This decrease was primarily attributable to lower average realized prices for crude oil, LNG and natural gas and decreased production volume due to natural field decline, decreased tax barrels at T&T and weaker market conditions.

Other Income

Other income of \$130 million in FY2021 increased by \$73 million, or 128%, from FY2020. This increase was primarily attributable to gain on the divestment of BHP Petroleum’s 35% interest in the U.S. GOM Neptune field in May 2021.

Other income of \$57 million in FY2020 increased by \$25 million, or 78%, from FY2019. This increase was primarily attributable to dividend income.

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Total expenses excluding net finance costs

Total expenses excluding net finance costs of \$3,799 million in FY2021 increased by \$409 million, or 12%, from FY2020. This includes an increase of \$383 million depreciation and amortization expenses following a decrease in estimated remaining reserves at Bass Strait due to underperformance of the reservoir and a \$97 million net impairment relating to write-offs of previously capitalized exploration and evaluations costs.

Total expenses excluding net finance costs of \$3,390 million in FY2020 decreased by \$120 million, or 3%, from FY2019. This includes a decrease of \$103 million depreciation and amortization expenses due to lower production.

Net finance costs

Net finance costs of \$408 million in FY2021 increased by \$52 million, or 15%, from FY2020. This was primarily attributable to decreased finance income related to lower related party loan balances.

Net finance costs of \$356 million in FY2020 decreased by \$281 million, or 44%, from FY2019. This was primarily attributable to the repayment of related party debt and reduced interest rates.

Taxation expense

Total taxation expense of \$187 million in FY2021 decreased by \$295 million, or 61%, from FY2020. The decrease was primarily driven by lower profits.

Total taxation expense of \$482 million in FY2020 decreased by \$607 million, or 56%, from FY2019. The decrease was primarily driven by lower profits.

Underlying EBITDA

Underlying EBITDA is used to help assess current operational profitability, excluding the impacts of sunk costs (i.e. depreciation from initial investment). It is a measure that management uses internally to assess the performance of BHP Petroleum. Underlying EBITDA is a non-GAAP financial measure. See the section entitled “*Disclaimer and Important Notices–Non-GAAP Financial Measures.*”

Underlying EBITDA in FY2021 increased by \$74 million to \$2,238 million, or 3% from FY2020. Price impacts, net of price-linked costs, increased Underlying EBITDA by \$257 million due to higher average realized crude oil and natural gas prices. The increase was partially offset by lower production of \$157 million due to natural field decline, unfavorable impacts from a highly active hurricane season in the U.S. GOM and lower gas demand at Bass Strait, partially offset by the acquisition of the additional 28% working interest in Shenzi.

Underlying EBITDA in FY2020 decreased by \$1,897 million to \$2,164 million, or 47% from FY2019. Price impacts, net of price-linked costs, decreased Underlying EBITDA by \$1,133 million due to lower average realized crude oil and natural gas prices. Lower production volume of \$588 million also unfavorably impacted Underlying EBITDA driven by natural field decline, weaker market conditions due to excess global supply, impacts from Tropical Cyclone Barry and Tropical Cyclone Damien and planned maintenance at Atlantis. Increased controllable cash costs of \$30 million and cessation of operations at Minerva and the sale of BHP Petroleum’s interests in the Bruce and Keith oil and gas fields in the prior period of \$76 million also unfavorably impacted Underlying EBITDA. Exchange rates decreased Underlying EBITDA \$34 million.

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The following table provides a reconciliation between Underlying EBITDA and the nearest respective IFRS measure. The measures and reconciliations below are included in this section for the fiscal year ended 30 June 2021 and comparative periods are unaudited and have been derived from the BHP Petroleum Combined Financial Statements.

| | 2021 | 2020 | Unaudited 2019 |
|---------------------------------------|--------------|--------------|-------------------|
| Fiscal year ended 30 June | \$M | \$M | \$M |
| Profit from operations (1) | 234 | 660 | 2,387 |
| Depreciation and amortization expense | 1,840 | 1,457 | 1,560 |
| Net impairments | 127 | 11 | 21 |
| Other | 37 | 36 | 93 |
| Underlying EBITDA | 2,238 | 2,164 | 4,061 |

- (1) Profit from operations FY2021 and FY2020 has been derived from BHP Petroleum's audited combined financial statements for the fiscal years ending 30 June 2021 and 2020. Profit from operations FY2019 has been derived from BHP Petroleum's unaudited combined financial statements for the fiscal year ending 30 June 2019.

Cash flows

Half year ended 31 December 2021 and 2020

Net operating cash flows of \$1,388 million (31 December 2020: \$106 million) reflects higher revenues due to an increase in average realized sales prices of crude oil, natural gas and LNG, coupled with an increase in volumes, partially offset by unfavorable working capital impacts and increased taxes paid during the period.

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Fiscal years ended 30 June 2021, 2020 and 2019

The following table provides a summary of the Combined Cash Flow Statement for the fiscal years ended 30 June 2021, 2020 and 2019:

| | 2021 | 2020 | Unaudited 2019 |
|--|----------------|----------------|-------------------|
| Fiscal year ended 30 June | \$M | \$M | \$M |
| Net operating cash flows from Continuing operations | 1,060 | 585 | 2,347 |
| Net operating cash flows from Discontinued operations | – | – | 474 |
| Net operating cash flows | 1,060 | 585 | 2,821 |
| Net investing cash flows from Continuing operations | (1,520) | (1,033) | (944) |
| Net investing cash flows from Discontinued operations | – | – | (443) |
| Net investing cash flows | (1,520) | (1,033) | (1,387) |
| Net financing cash flows from Continuing operations | 910 | (607) | (10,544) |
| Net financing cash flows from Discontinued operations | – | – | (13) |
| Net financing cash flows | 910 | (607) | (10,557) |
| Net increase/(decrease) in cash and cash equivalents from Continuing operations | 450 | (1,055) | (9,141) |
| Net increase/(decrease) in cash and cash equivalents from Discontinued operations | – | – | 18 |
| Proceeds from divestment of Onshore US, net of its cash | – | – | 10,427 |
| Cash and cash equivalents, net of overdrafts at the beginning of the financial year | 325 | 1,381 | 77 |
| Foreign currency exchange rate changes on cash and cash equivalents | 1 | (1) | – |
| Cash and cash equivalents, net of overdrafts at the end of the financial year | 776 | 325 | 1,381 |

Net operating cash inflows of \$1,060 million in FY2021 increased by \$475 million from FY2020. This reflects higher revenues due to an increase in prices coupled with a decrease in taxes paid.

Net operating cash inflows of \$585 million in FY2020 decreased by \$2,236 million from FY2019. This is primarily due to the divestment of Onshore U.S. and reduced revenue driven by lower prices and volumes in FY20 from continued operations.

Net investing cash outflows of \$1,520 million in FY2021 increased by \$487 million from FY2020. This reflects the investment in an additional 28% working interest in Shenzi of \$480 million, increasing BHP Petroleum's share from 44% to 72%.

Net investing cash outflows of \$1,033 million in FY2020 decreased by \$354 million from FY2019. This primarily relates to the \$443 million divestment of BHP Petroleum's Onshore U.S. assets in FY2019.

Net financing cash inflows of \$910 million in FY2021 increased by \$1,517 million. This reflects a decrease in intercompany finance receivables used to pay down external debt.

Net financing cash outflows of \$607 million in FY2020 decreased by \$9,950 million from FY2019. This relates to a decrease in finance expenses relating to long-term debt repayment and lower interest rates.

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Other Information

Drilling

The number of wells in the process of drilling and/or completion as of 30 June 2021 was as follows:

| | <u>Exploratory wells</u> | | <u>Development wells</u> | | <u>Total</u> | |
|---------------|--------------------------|----------------|--------------------------|----------------|--------------|----------------|
| | <u>Gross</u> | <u>Net (1)</u> | <u>Gross</u> | <u>Net (1)</u> | <u>Gross</u> | <u>Net (1)</u> |
| Australia | - | - | - | - | - | - |
| United States | - | - | 27 | 9 | 27 | 9 |
| Other (2) | - | - | 5 | 3 | 5 | 3 |
| Total | <u>-</u> | <u>-</u> | <u>32</u> | <u>12</u> | <u>32</u> | <u>12</u> |

(1) Represents BHP Petroleum's share of the gross well count.

(2) Other is comprised of T&T.

Liquidity and capital resources

BHP Petroleum's policies on debt and liquidity management have the following objectives:

a strong balance sheet through the cycle; and

maintain borrowings and excess cash predominantly in U.S. dollars.

Funding Sources

To meet BHP Petroleum's short and long-term liquidity requirements, BHP Petroleum relies primarily on cash generated from operating activities and debt financing from BHP.

At 31 December 2021, BHP Petroleum had cash and cash equivalents of \$992 million (30 June 2021: \$776 million) and long-term debt agreements with BHP of \$10,347 million (30 June 2021: \$10,347 million). The long-term debt agreements balance was recorded as a non-current liability in payables to BHP at 30 June 2021 and was reclassified to a current liability in payables to BHP as it became current at 31 December 2021. At 30 June 2020 and 30 June 2019, BHP Petroleum had cash and cash equivalents of \$325 million and \$1,398 million, respectively, and long-term debt agreements with BHP of \$14,340 million and \$17,340 million, respectively. The non-current portion of the long-term debt agreements as at 30 June 2020 was \$10,347 million (30 June 2019: \$14,340 million).

BHP Petroleum fulfills its cash management and financing needs through cash from operations and borrowings from BHP, including long-term debt agreements to finance its projects. No new debt was issued in the half year ended 31 December 2021 or FY2021. These actions enhanced BHP Petroleum's capital structure and extended BHP Petroleum's average debt maturity.

BHP borrowing facilities are not subject to financial covenants. Certain specific financing facilities in relation to specific assets are the subject of financial covenants that vary from facility to facility, as is considered normal for such facilities.

Management believes cash generated by operating activities, along with available borrowing capacity, will be sufficient to support BHP Petroleum's operations for the foreseeable future, as well as short and long-term liquidity requirements.

At 31 December 2021, BHP Petroleum had net amounts payable to BHP of \$1,700 million. Under the terms of the Share Sale Agreement, intra-group funding arrangements are required to be repaid or otherwise eliminated. BHP Petroleum expects to settle intercompany balances with BHP either as a capital injection or loan forgiveness neither of which will involve an outflow of cash in order to satisfy the terms of the Share Sale Agreement. At 31 December 2021, BHP Petroleum does not have any remaining long-term debt obligations.

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Capital Requirements

BHP Petroleum's net share of capital development expenditure in the half year ended 31 December 2021, which is presented on a cash basis within this section, was \$556 million. While the majority of the expenditure for the half year ended 31 December 2021 was incurred at its operated Australian, U.S. GOM, and T&T assets, capital expenditure was also incurred by its operating partners at BHP Petroleum's U.S. GOM and Australian non-operated assets. BHP Petroleum's commitments for capital expenditure were \$2,064 million as at 31 December 2021.

On 22 November 2021, BHP Petroleum announced the approval of \$1.5 billion in capital expenditure for development of the Scarborough LNG Project located in the North Carnarvon Basin, Western Australia. The approved capital expenditure represents BHP Petroleum's 26.5% participating interest in Phase 1 of the upstream development. Final Investment Decisions have also been made by Woodside and the Scarborough Joint Venture accounted for at the time of FID.

BHP Petroleum's net share of exploration expenditure in the half year ended 31 December 2021, presented on a cash basis within this section, was \$243 million, of which \$131 million was capitalised. The expenditure is primarily made up of drilling activity in T&T and U.S. GOM.

For leases as at 31 December 2021, BHP Petroleum has current and long term obligations of \$257 million.

BHP Petroleum's net share of capital development expenditure in FY2021, which is presented on a cash basis within this section, was \$994 million. While the majority of the expenditure in FY2021 was incurred by operating partners at BHP Petroleum's Australian and U.S. GOM non-operated assets, BHP Petroleum also incurred capital expenditure at its operated Australian, U.S. GOM, and T&T assets.

Contingent Liabilities

A contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of BHP Petroleum. A contingent liability may also be a present obligation arising from past events but is not recognized on the basis that an outflow of economic resources to settle the obligation is not viewed as probable, or the amount of the obligation cannot be reliably measured. The timing and resolution of potential economic outflow relating to BHP Petroleum's contingent liabilities is uncertain. BHP Petroleum's total contingent liabilities for subsidiaries and joint operations as at 31 December 2021 is \$774 million.

Uncertain Tax Matters

BHP Petroleum operates across many tax jurisdictions. Application of tax law can be complex and requires judgement to assess risk and estimate outcomes. The evaluation of tax risks considers both amended assessments received and potential sources of challenge from tax authorities. The status of proceedings for these matters will impact the ability to determine the potential exposure and, in some cases, it may not be possible to determine a range of possible outcomes or a reliable estimate of the potential exposure.

Tax and royalty matters with uncertain outcomes arise in the normal course of business and occur due to changes in tax law, changes in interpretation of tax law, periodic challenges and disagreements with tax authorities and legal proceedings.

Delivery commitments

BHP Petroleum has delivery commitments of natural gas and LNG of approximately 1,070 million Mcf through 2031 and Crude commitments of 8 million barrels through 2024. BHP Petroleum has sufficient proven reserves and production capacity to fulfil these delivery commitments.

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BHP Petroleum has obligation commitments of \$33 million for contracted capacity on transportation pipelines and gathering systems through 2025, on which BHP Petroleum is the shipper. The agreements have annual escalation clauses.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires use of estimates, as well as management's judgments and assumptions regarding matters that are subjective, uncertain or involve a high degree of complexity, all of which affect the results of operations and financial condition for the periods presented. BHP Petroleum believes the following accounting policy is critical to the BHP Petroleum Combined Financial Statements and may involve a higher degree of estimates, judgments and complexity.

Closure and rehabilitation provisions

BHP Petroleum incurs obligations to rehabilitate sites and associated facilities at the end of or, in some cases, during the course of production. BHP Petroleum's largest provisions relate to the cost of removing all unwanted infrastructure associated with an operation and the return of disturbed areas to a safe, stable, productive and self-sustaining condition, consistent with the agreed end land use. The fair value of these obligations are recorded as a liability on a discounted basis. The corresponding cost is capitalized as an asset in the case of operating sites (representing part of the cost of acquiring the future economic benefits of the operation) and reflected as a charge to the income statement for closed sites.

Determining the closure and rehabilitation provision is a complex area requiring significant judgement and estimates, particularly given the timing and long timescale of cash flows, extent of costs associated with future rehabilitation activities, legislative requirements in the applicable jurisdiction, changes to the regulatory environment and the applicable discount rates used.

Reserves

Reserves are estimates of the amount of product that can be demonstrated to be able to be economically and legally extracted from BHP Petroleum's properties. In order to estimate reserves, assumptions are required about a range of technical and economic factors, including quantities, qualities, production techniques, recovery efficiency, production and transport costs, commodity supply and demand, commodity prices and exchange rates.

Estimating the quantity and/or quality of reserves requires the size, shape and depth of oil and gas reservoirs to be determined by analyzing geological data, such as drilling samples and geophysical survey interpretations. Economic assumptions used to estimate reserves change from period to period as additional technical and operational data is generated. This process may require complex and difficult geological judgements to interpret the data.

Reserve impact on financial reporting

Estimates of reserves may change from period to period as the economic assumptions used to estimate reserves change and additional geological data is generated during the course of operations. Changes in reserves may affect BHP Petroleum's financial results and financial position in a number of ways, including:

- asset carrying values may be affected due to changes in estimated future production levels;

- depreciation, depletion and amortization charged in the income statement may change where such charges are determined on the units of production basis or where the useful economic lives of assets change;

- closure and rehabilitation provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities; and

- the carrying amount of deferred tax assets may change due to changes in estimates of the likely recovery of the tax benefits.

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Property, Plant and Equipment

Depreciation

The depreciation method and rates applied to specific assets reflect the pattern in which the asset's benefits are expected to be used by BHP Petroleum. The proved reserves for petroleum assets are used to determine units of production depreciation unless doing so results in depreciation charges that do not reflect the asset's useful life. Where this occurs, alternative approaches to determining reserves are applied, such as using management's expectations of future oil and gas prices rather than yearly average prices to provide a phasing of periodic depreciation charges that better reflects the asset's expected useful life.

Exploration and evaluation

Exploration and evaluation expenditure results in certain items of expenditure being capitalized for an area of interest where a judgement is made that it is likely to be recoverable by future exploitation or sale, or where the activities are judged not to have reached a stage that permits a reasonable assessment of the existence of reserves.

Management makes certain estimates and assumptions as to future events and circumstances, in particular when making a quantitative assessment of whether an economically viable extraction operation can be established. These estimates and assumptions may change as new information becomes available. If, after having capitalized the expenditure under the policy, new information suggests that recovery of the expenditure is unlikely, the relevant capitalized amount is charged to the income statement.

Impairments

Assessment of indicators of impairment or impairment reversal requires significant management judgement. Indicators of impairment may include changes in BHP Petroleum's operating and economic assumptions, including those arising from changes in reserves, updates to the commodity supply, demand and price forecasts, or the possible additional impacts from emerging risks such as those related to climate change and the transition to a lower-carbon economy and pandemics similar to COVID-19.

The most significant estimates impacting BHP Petroleum's recoverable amount determinations include but are not limited to:

- Commodity prices;
- Future production volumes;
- Operating costs and capital expenditures; and
- Selection of appropriate discount rates.

Deferred Tax

Judgement is required to determine the amount of deferred tax assets that are recognized based on the likely timing and the level of future taxable profits. Judgement is applied in recognizing deferred tax liabilities arising from temporary differences in investments.

BHP Petroleum assesses the recoverability of recognized and unrecognized deferred taxes, on a consistent basis. Estimates and assumptions relating to projected earnings and cash flows as applied in BHP Petroleum's impairment process are used for operating assets.

Future Accounting Pronouncements

A number of accounting standards and interpretations, have been issued and will be applicable in future periods. While these remain subject to ongoing assessment, no significant impacts have been identified to date. These standards have not been applied in the preparation of the BHP Petroleum Combined Financial Statements.

EXECUTIVE COMPENSATION

Woodside' s Key Management Personnel

This section outlines the compensation arrangements in place for Woodside Directors and members of Woodside' s Executive Committee that are "Key Management Personnel" ("KMPs"), under Australian law ("Senior Executives") that will serve as Directors or Senior Executives of the Merged Group after closing of the Merger. Woodside' s KMPs are the people who have the authority to shape and influence Woodside' s strategic direction and performance through their actions, either collectively (in the case of the Woodside Board) or as individuals acting under delegated authorities (in the case of the Senior Executives). The Senior Executives are also executive officers for purposes of U.S. securities regulations. The names and positions of the individuals who will be KMPs after the closing of the Merger are listed below.

Minimum Shareholding Requirements ("MSR") Policy

The MSR policy requires Senior Executives to have acquired and maintained Woodside Shares for a minimum total purchase price of at least 100% of their fixed remuneration after a period of five years and, in the case of the CEO, a minimum of 200% of fixed remuneration.

Non-Executive Directors are required to have acquired shares for a total purchase price of at least 100% of their pre-tax annual fee after five years on the Woodside Board. The Non-Executive Directors may utilize the Non-Executive Directors' Share Plan ("NEDSP") to acquire the Woodside Shares on market at market value. As the Woodside Shares are acquired with net fees the Woodside Shares in the NEDSP are not subject to any forfeiture conditions.

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Woodside Directors' and Senior Executives' Shares and Equity Incentives

As of 24 March 2022, the Woodside Shares held by the Woodside Directors and Senior Executives (all of which are held beneficially unless otherwise stated) are as follows. This includes Woodside Shares that are awarded to Senior Executives as the deferred component of their short-term award or as a part of their VAR (as defined below) (the "Restricted Shares"), which are set out below. While the Restricted Shares remain subject to forfeiture until vesting, the holder has the right to vote the Restricted Shares from grant.

| Name | Number of Woodside Shares | Percentage of existing total issued share capital of Woodside (%)⁽¹⁾ | Expected percentage of total issued share capital of the Merged Group following Implementation of the Merger (%)⁽¹⁾ |
|-----------------------------------|----------------------------------|--|---|
| Executive Director | | | |
| Meg O' Neill (CEO) ⁽⁴⁾ | 229,652 | * | * |
| Non-Executive Directors | | | |
| Richard Goyder, AO | 23,634 | * | * |
| Larry Archibald | 13,524 | * | * |
| Frank Cooper, AO | 14,242 | * | * |
| Swee Chen Goh | 13,424 | * | * |
| Ian Macfarlane | 10,637 | * | * |
| Christopher Haynes, OBE | 15,372 | * | * |
| Ann Pickard | 15,870 | * | * |
| Gene Tilbrook | 7,949 | * | * |
| Sarah Ryan | 12,599 | * | * |
| Ben Wyatt | 898 | – | – |
| Other Senior Executives | | | |
| Graham Tiver ⁽²⁾ | – | – | – |
| Fiona Hick ⁽⁵⁾ | 84,080 | * | * |
| Shiva McMahon ⁽³⁾ | – | – | – |

* Less than 0.1%

(1) Based 983,980,823 Existing Woodside Shares outstanding which is the number of issued and fully paid Woodside Shares as of 24 March 2022.

(2) Mr. Tiver was appointed as Chief Financial Officer and Executive Vice President of Woodside and commenced employment on 1 February 2022. Mr. Tiver did not own any Woodside Shares as of 24 March 2022.

(3) Ms. McMahon's appointment as a Senior Executive will only take effect from Implementation. Ms. McMahon did not own any Woodside Shares as of 24 March 2022.

(4) Includes 82,189 Restricted Shares.

(5) Includes 73,086 Restricted Shares.

Details of outstanding incentive awards granted to the CEO and other Senior Executives are set out in the section entitled "*Executive Incentive Scheme*."

Senior Executives' Remuneration

Remuneration Policy

Woodside aims to deliver affordable energy solutions and superior outcomes to stakeholders. To do so, Woodside must be able to attract and retain talented executives in a globally competitive market. The Woodside Board structures remuneration so that it rewards performance, is valued by executives, and is strongly aligned

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with Woodside's corporate governance framework, strategic direction and the creation of value for all stakeholders through efficient and safe operations and the development of new, value-creating projects.

Senior Executives–Service Agreements

Each Senior Executive has entered into a service agreement. The below table summarizes the key contractual provisions of these agreements.

| | Employing Company | Contract date | Contract duration | Termination notice period- Company(1) | Termination notice period executive(2) |
|--------------------------------|--------------------------|----------------------|--------------------------|--|---|
| Executive Director | | | | | |
| Meg O' Neill (CEO) | Woodside Energy Ltd | 1 November 2021 | Unlimited | 6 months | 6 months |
| Other Senior Executives | | | | | |
| Graham Tiver(3) | Woodside Energy Ltd | 14 December 2021 | Unlimited | 6 months | 6 months |
| Fiona Hick | Woodside Energy Ltd | 1 June 2016 | Unlimited | 6 months | 3 months |
| Shiva McMahon(4) | Woodside Energy Ltd | 5 February 2022 | Unlimited | 6 months | 3 months |

- (1) Woodside may choose to terminate the contract immediately by making a payment in lieu of notice equal to the fixed remuneration the Senior Executive would have received during the "Company Notice Period." In the event of termination with cause such as for serious misconduct, a serious or persistent breach of contract by the Senior Executive or conviction of a criminal offense, the Senior Executive is not entitled to this termination payment. Any payments made in the event of a termination of an executive contract will be consistent with the Corporations Act.
- (2) On termination of employment, the Senior Executive will be entitled to the payment of any fixed remuneration calculated up to the termination date, any leave entitlement accrued at the termination date and any payment or award permitted under the EIS (as defined below) and Equity Award Rules (as defined below). The Senior Executives are restrained from certain activities for specified periods after termination of their employment in order to protect Woodside's interests.
- (3) Mr. Tiver was appointed as Chief Financial Officer and Executive Vice President of Woodside, effective as of his commencement of employment with Woodside on 1 February 2022.
- (4) Ms. McMahon's appointment as a Senior Executive will only take effect from Implementation.

Remuneration Policy

Woodside's remuneration structure for the CEO and other Senior Executives is comprised of two components: Fixed Annual Reward ("FAR") and Variable Annual Reward ("VAR").

FAR is an executive's fixed annual base salary paid in cash, which is determined by the Woodside Board with regard to the scope of the executive's role and their level of knowledge, skills and experience.

VAR is comprised of (i) an executive's variable annual award paid in cash, (ii) Restricted Shares and (iii) rights to receive Woodside Shares or, in the Woodside Board's discretion, cash equivalents ("Performance Rights"), each of which is awarded under the Executive Incentive Scheme ("EIS"). VAR is structured to reward the Senior Executives for achieving challenging yet realistic targets set by the Woodside Board which deliver short-term and long-term growth for Woodside. VAR aligns shareholder and executive remuneration outcomes by ensuring a significant portion of executive remuneration is at risk, while rewarding performance.

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Executive remuneration is reviewed annually, having regard to the accountabilities, experience and performance of the individual. FAR and VAR are compared against domestic and international competitors at target, to maintain Woodside's competitive advantage in attracting and retaining talent and to ensure appropriate motivation is provided to executives to deliver on Woodside's strategic objectives. The tables below provide a summary of the key terms and conditions of FAR and VAR.

| Fixed Annual Reward | Variable Annual Reward |
|--|---|
| <p>Based upon the scope of the executive's role and their individual level of knowledge, skill and experience.</p> <p>Benchmarked for competitiveness against domestic and international peers to enable Woodside to attract and retain superior executive capability.</p> | <p>Executives are eligible to receive a single variable reward linked to challenging individual and company annual targets set by the Woodside Board.</p> <p>12.5% of the variable reward is paid in cash.</p> <p>27.5% is allocated in Restricted Shares, subject to a three-year deferral period.</p> <p>30% is allocated in Restricted Shares, subject to a five-year deferral period.</p> <p>30% is allocated in Performance Rights which are subject to a relative total shareholder return ("RTSR") test five years after the date of grant; with one-third tested against a comparator group that comprises the ASX 50 index and the remaining two-thirds against a group of international oil and gas companies determined by the Woodside Board.</p> |

The key VAR features are summarized below:

| | |
|-------------------------------|---|
| Allocation methodology | Restricted Shares and Performance Rights are allocated using a face value allocation methodology. The number of Restricted Shares and Performance Rights is calculated by dividing the value by the volume weighted average price in December each year. |
| Dividends | Executives are entitled to receive dividends on Restricted Shares. No dividends are paid on Performance Rights prior to vesting. For Performance Rights that do vest, a dividend equivalent payment will be paid by Woodside for the period between allocation and vesting. |
| Clawback provisions | The Woodside Board has the discretion to reduce unvested entitlements including where an executive has acted fraudulently or dishonestly or is found to be in material breach of their obligations; there is a material misstatement or omission in the financial statements; or the Woodside Board determines that circumstances have occurred that have resulted in an unfair benefit to the executive. |

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Control event

The Woodside Board has the discretion to determine the treatment of any EIS award on a change of control event. If a change of control occurs during the 12-month performance period, an executive will receive at least a pro rata cash payment in respect of the unallocated cash and Restricted Share components of the EIS award for that year, assessed at target. If a change of control occurs during the vesting period for equity awards, Restricted Shares will vest in full while Performance Rights may, in the discretion of the Woodside Board, vest on an at least pro rata basis.

Cessation of employment

During a performance period, should an executive provide notice of resignation or be terminated for cause, no EIS award will be awarded. In any other case, Woodside will consider performance against targets and the portion of the performance period elapsed prior to termination in determining whether any EIS is awarded for the performance period during which a Senior Executive's employment terminates.

During a vesting period, should an executive provide notice of resignation or be terminated for cause, any EIS award that has already been granted but is not yet vested will be forfeited or lapse. In any other case, any Restricted Shares will vest in full in connection with the termination of the Senior Executive's employment while any Performance Rights will remain outstanding and vest in the ordinary course subject to the satisfaction of the applicable performance conditions. The Woodside Board will have discretion to accelerate the vesting of unvested equity awards, subject to applicable termination benefits laws.

No retesting

There will be no retest applied to EIS awards. Performance Rights will lapse if the required RTSR performance is not achieved at the conclusion of the five-year period.

Executive Incentive Scheme

The EIS was introduced in 2018. The scheme remunerates executives, including the Senior Executives, for delivering results against measurable criteria aimed at safe, efficient operations; delivery of new projects and an effective financial structure. The EIS has been designed to deliver three key objectives: (1) executive engagement, (2) alignment with the shareholder experience and (3) strategic fit. Cash, Restricted Shares and Performance Rights are awarded under the EIS.

The value of each executive's award is based upon two components: individual performance against challenging key performance indicators ("KPIs") (30% weighting) and Woodside's performance against a corporate scorecard of key measures that aligns with Woodside's overall business goals (the "Corporate Scorecard") (70% weighting). This results in an individual performance factor which ranges from 0 to 1.6 for each of the Senior Executives. The Corporate Scorecard targets and individual KPIs are designed to promote short- and long-term shareholder value. Performance against individual KPIs is assessed by the Woodside Board in the case of the CEO, and by the CEO and the Human Resources & Compensation Committee of the Woodside Board in the case of the other Senior Executives. Each Senior Executive is given a target VAR opportunity and a maximum VAR opportunity which are a percentage of the Senior Executive's FAR. Exceeding targets may result in an increased award, whereas under-performance will result in a reduced award. The minimum award that an executive can receive is zero if the performance conditions are not achieved. For the CEO, the target and maximum opportunities for 2021 are 200% and 300% of FAR, respectively. For other Senior Executives, the target and maximum opportunities for 2021 are 160% and 256% of FAR, respectively. The decision to pay or allocate an EIS award is subject to the overriding discretion of the Woodside Board, which may adjust outcomes in order to better reflect shareholder outcomes, and company or management performance.

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Restricted Shares

Restricted Shares are Existing Woodside Shares that are awarded to executives. No amount is payable by the executive on the grant or vesting of a Restricted Share. An award of Restricted Shares is divided into two tranches. The first tranche is 27.5% of the total VAR award and subject to a three-year deferral period. The second tranche is 30% of the total VAR award and subject to a five-year deferral period. The deferral ensures that awards remain subject to fluctuations in share price across the three and five-year periods, which is intended to ensure the sustainability of performance over the medium- and long-term and support increased alignment between executives and shareholders. There are no further performance conditions attached to these awards from the date of grant. This element of compensation creates a strong retention proposition for executives as vesting is subject to employment not being terminated with cause or by resignation during the deferral period.

Performance Rights

Performance Rights are awarded to executives and are divided into two portions with each portion subject to a separate RTSR performance hurdle tested over a five-year period. Performance is tested after five years as Woodside operates in a capital intensive industry with long investment timelines. For each award of Performance Rights, one-third is tested against a comparator group that comprises the entities within the ASX 50 index. The remaining two-thirds is tested against an international group of oil and gas companies. RTSR outcomes are calculated by an external adviser on or after the fifth anniversary of the allocation of the Performance Rights. The outcome of the test is measured against the schedule below. For EIS awards, any Performance Rights that do not vest will lapse and are not retested. Each Performance Right that vests entitles the holder to one Woodside Share or, in the Woodside Board's discretion, a cash equivalent.

Woodside RTSR percentile position within peer group

Less than 50th percentile

Equal to 50th percentile

Vesting between the 50th and 75th percentile

Equal to or greater than 75th percentile

Vesting of Performance Rights

No vesting

50% vest

Vesting on a pro rata basis

100% vest

Total Senior Executives' Remuneration and Benefits

The following table details the total remuneration of the Senior Executives for the year ended 31 December 2021, including any contingent or deferred compensation and any benefits in kind, for their services, in all capabilities, to Woodside.

The remuneration and benefits reported are presented in the table in U.S. dollars, unless otherwise stated. This is consistent with the functional and presentation currency of Woodside. Compensation for Australian-based employees is paid in Australian dollars and, for reporting purposes, converted to U.S. dollars based on the applicable exchange rate at the date of payment. Valuation of equity awards is converted at the spot rate applying when the equity award is granted.

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Compensation of CEO and Other Senior Executives for the Year Ended 31 December 2021

| Name | Fixed Annual Reward | | | Variable Annual Reward | | | | Total remuneration(1) | | Performance related(2) |
|--------------------------------|------------------------------------|---|--|------------------------|---------------------|-------------------------|---------------------------|-----------------------|-----------|------------------------|
| | Short term | Post | | Cash | Share-based grants | | | (\$) | (\$) | % |
| | Salaries, fees and allowances (\$) | Benefits and allowances (including nonmonetary) (\$)(3) | Company contributions to superannuation (\$) | Cash (\$)(4) | Share plans (\$)(5) | Long service leave (\$) | Termination benefits (\$) | | | |
| Executive Director | | | | | | | | | | |
| Meg O' Neill (CEO)(6) (7) | 1,431,531 | 52,614 | – | 337,421 | 1,515,992 | 129,123 | – | 3,466,681 | 4,633,501 | 53 |
| Other Senior Executives | | | | | | | | | | |
| Graham Tiver(8) | – | – | – | – | – | – | – | – | – | – |
| Fiona Hick | 540,368 | 29,989 | 22,742 | 128,875 | 390,418 | 11,742 | – | 1,124,134 | 1,503,402 | 46 |
| Shiva McMahon(9) | – | – | – | – | – | – | – | – | – | – |

- (1) Remuneration in Australian dollars is converted from U.S. dollars using the average exchange rate for the period. This information in Australian dollars is included for the purpose of showing the total annual cost of benefits to Woodside for the service period.
- (2) Performance related outcome percentage is calculated as total VAR divided by the total U.S. dollars remuneration figure.
- (3) Reflects the value of allowances and non-monetary benefits (including relocation, travel, car parking and any associated fringe benefit tax).
- (4) The amount represents the cash incentive earned in the respective year, which is actually paid in the following year. Amounts were translated to U.S. dollars using the closing spot rate on 31 December 2021.
- (5) Includes the grant date fair value of all Restricted Shares and Performance Rights, which were granted under the EIS. In accordance with IFRS, 2 Share-based Payment, the fair value of rights as of their date of grant has been determined by applying the Black-Scholes option pricing technique or applying the binomial valuation method combined with a Monte Carlo simulation. The fair value of rights is amortized over the vesting period from the commencement of the service period, such that 'total remuneration' includes a portion of the fair value of unvested equity compensation during the year. The portion of the expense relating to the 2021 EIS has been measured using estimated fair values. The amount included as remuneration is not related to or indicative of the benefit (if any) that individual Senior Executives may ultimately realize should these equity instruments vest. The following table details the number of Restricted Shares and Performance Rights granted (or in the case of the CEO, to be granted subject to shareholder approval at the Woodside Shareholders Meeting) for the 2021 EIS:

| Name | Performance Rights | Restricted Shares |
|---------------|--------------------|-------------------|
| Meg O' Neill | 51,122 | 97,983 |
| Graham Tiver | – | – |
| Shiva McMahon | – | – |
| Fiona Hick | 19,525 | 37,423 |

- (6) Ms. O' Neill's title changed from Executive Vice President Development and Marketing to Acting Chief Executive Officer on 20 April 2021. Ms. O' Neill was appointed Chief Executive Officer and Managing Director on 17 August 2021.
- (7) As a non-resident for Australian tax purposes Ms. O' Neill elected to receive a cash payment in lieu of all superannuation contributions, in accordance with the Superannuation Guarantee (Administration) Act 1992. The cash payment is subject to (PAYG) income tax and paid as part of Ms. O' Neill's normal monthly salary. The amount is included in salaries, fees and allowances.
- (8) Mr. Tiver was appointed as Chief Financial Officer and Executive Vice President of Woodside and commenced employment on 1 February 2022. Mr. Tiver was not paid any remuneration by Woodside in 2021.
- (9) Ms. McMahon's appointment as a Senior Executive will only take effect from Implementation. Ms. McMahon was not paid any remuneration by Woodside in 2021.

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Total Outstanding Equity Benefits For Senior Executives

As of 24 March 2022, the Restricted Shares, Performance Rights, Equity Rights and Variable Pay Rights (“VPRs”) (rights to receive fully paid Woodside Shares or, in the Woodside Board’s discretion, cash equivalents) held by the CEO and other Senior Executives (all of which are held beneficially unless otherwise stated) are provided in the table below. VPRs were granted under the Executive Incentive Plan (“EIP”) to Senior Executives prior to the implementation of the Executive Incentive Scheme (“EIS”) in 2018. For a further description of the EIS and EIP, please see the section entitled “–Executive Incentive Plan.”

Summary of CEO and Other Senior Executives Equity Incentives (as of 24 March 2022)

| Name | Variable Pay Rights | Performance Rights | Equity Rights (SWEP) | Restricted Shares |
|------------------|----------------------------|---------------------------|-----------------------------|--------------------------|
| Meg O’ Neill | – | 55,366 | – | 82,189 |
| Graham Tiver(1) | – | – | 124,381 | – |
| Fiona Hick | 4,944 | 44,109 | – | 73,086 |
| Shiva McMahan(2) | – | – | – | – |

- (1) Mr. Tiver was appointed as Chief Financial Officer and Executive Vice President of Woodside and commenced employment on 1 February 2022. Mr. Tiver was not paid any remuneration by Woodside in 2021.
- (2) Ms. McMahan’s appointment as a Senior Executive will only take effect from Implementation. Ms. McMahan was not paid any remuneration by Woodside in 2021.

Employee Incentive Arrangements

Woodside provides employees with the opportunity to participate in ownership of shares in the company and uses equity to support a competitive base remuneration position. The section entitled “–Equity Incentive Scheme” sets out the employee equity incentives currently outstanding and the details of equity incentives held by Senior Executives. In addition to the plans set out below, the Woodside Board may approve the discretionary awards of Restricted Shares, Performance Rights or Equity Rights (“ERs”) to executives and other employees.

Woodside may grant Restricted Shares and Performance Rights under the EIS both of which settle in Woodside Shares or, in the Woodside Board’s discretion, a cash equivalent. For a full description of the EIS, please see the section above entitled “–Executive Incentive Scheme.” As of 24 March 2022, Woodside had 1,982,924 Restricted Shares outstanding.

Executive Incentive Plan

The EIP is a legacy plan which operated as Woodside’s executive incentive framework until the end of 2017, after which the Woodside Board introduced the EIS. Eligible executives were granted Restricted Shares and VPRs under the EIP, both of which settle in Woodside Shares on a one-for-one basis or, in the Woodside Board’s discretion, a cash equivalent. Restricted Shares were subject to a three-year deferral period. VPRs were divided into two portions with each portion subject to a separate RTSR performance hurdle tested over a four-year period. One-third of an award is tested against a comparator group that comprises the entities within the ASX 50 index. The remaining two-thirds is tested against an international group of oil and gas companies. RTSR outcomes are calculated by an external adviser on the fourth anniversary of the allocation. For awards granted to Senior Executives from 2017 onwards, any VPRs that do not vest will lapse and are not retested. Plans awarded prior to 2017 are allowed for a retest in the following year. VPRs that do not vest following the retest lapsed. As of 24 March 2022, there were 338,261 VPRs.

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Woodside Equity Plan (“WEP”)

The WEP is available to all permanent employees except EIS participants. The purpose of the WEP is to enable eligible employees to build up a holding of equity in the company as they progress through their career at Woodside.

The number of ERs offered to each eligible employee is determined by the Woodside Board, and based on individual performance as assessed under the performance review process. There are no further ongoing performance conditions from the date of grant. The linking of performance to an allocation allows Woodside to recognize and reward eligible employees for high performance.

For offers prior to 2019, each ER entitled the participant to receive a Woodside Share on the vesting date three years after the effective grant date. For the awards granted since 2019, the Woodside Board amended the terms of the WEP to allow for 75% vesting of the ERs three years after the effective grant date and the remaining 25% of ERs five years after the effective grant date.

ERs lapse if an employee is terminated with cause or resigns prior to the vesting.

As of 24 March 2022, there were 5,587,026 ERs outstanding under the WEP.

Supplementary Woodside Equity Plan (“SWEP”)

In October 2011, the Woodside Board approved a remuneration strategy which includes the use of equity to support a competitive base remuneration position. To this end, the Woodside Board approved the establishment of the SWEP to enable the offering of targeted retention awards of ERs for key capability. The SWEP was designed to be offered to a small number of employees identified as being retention critical. The SWEP awards have service conditions and no performance conditions. Each ER entitles the participant to receive a Woodside Share on the vesting date three years after the effective grant date.

ERs under both the WEP and the SWEP may vest prior to the vesting date on a change of control or on a pro rata basis, in the discretion of the CEO, limited to the following circumstances; redundancy, retirement (after six months’ participation), death, termination due to illness or incapacity or total and permanent disablement of a participating employee. An employee whose employment is terminated by resignation or for cause prior to the vesting date will forfeit all of their ERs.

There were no awards granted under the SWEP in 2021. As of 24 March 2022, there were 124,381 ERs outstanding following an award to Mr. Tiver on 21 February 2022.

Other Equity Awards

In February 2018, the Woodside Board approved rules (the “Equity Award Rules”) which apply to EIS and discretionary executive allocations. This allows the Woodside Board and CEO to award discretionary allocations of Restricted Shares or Performance Rights.

Non-Executive Directors’ Share Plan

Non-Executive Directors are eligible to participate in Woodside’s Non-Executive Directors’ Share Plan. Under the plan a proportion of the director’s after-tax remuneration is applied to the purchase of Woodside Shares. These shares are acquired on market at market value at pre-determined intervals. ASX is notified within five business days of any transactions in Woodside securities by Woodside Directors.

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Hedging by Woodside Directors and Senior Executives is Prohibited

It is a condition of the Securities Dealing Policy that Woodside Directors, and Senior Executives participating in an equity-based incentive plan, are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any person the risk of any fluctuation in the value of any unvested entitlement in Woodside securities. This prohibition is also contained in the terms of the EIS.

Non-Executive Directors' Remuneration

Non-Executive Directors—Letters of Appointment

All new Non-Executive Directors are required to sign a letter of appointment which sets out the key terms and conditions of their appointment, including duties, rights and responsibilities, the time commitment envisaged and the Woodside Board's expectations regarding their involvement with committee work.

Executive directors and other Senior Executives of Woodside enter into employment agreements which govern the terms of their employment. Woodside undertakes extensive background and screening checks prior to appointing Senior Executives.

Induction training is provided to all new Woodside Directors. It includes a comprehensive induction manual, discussions with the CEO and other Senior Executives and the option to visit Woodside's principal operations either upon appointment or with the Woodside Board during its next site tour. The induction materials and discussions include information on Woodside's strategy, culture and values; key corporate and Woodside Board policies; Woodside's financial, operational and risk management position; the rights and responsibilities of Woodside Directors; the role of the Woodside Board and its committees; meeting arrangements; and if required, key accounting matters and Woodside Directors' responsibilities in relation to Woodside's financial statements.

Questionnaires are completed annually to assess each director's skills and knowledge required to discharge their obligations to the company. Woodside considers at least annually the need for new and existing directors to undertake professional development to develop and maintain the skills and knowledge needed to perform their role as directors effectively, and provides directors who require professional development the opportunity to develop and maintain the required skills and knowledge. Woodside Directors attend continuing professional education sessions including industry seminars and approved education courses which are paid for by Woodside, where appropriate. In addition, Woodside provides the Woodside Board with regular educational information papers and presentations on industry related matters and new and emerging developments with the potential to affect Woodside.

Remuneration Policy

Non-Executive Director remuneration consists of base Woodside Board fees and committee fees, plus statutory superannuation contributions or payments in lieu (currently 10%). Other payments may be made for additional services outside the scope of Woodside Board and committee duties. Non-Executive Directors do not earn retirement benefits other than superannuation and are not entitled to any form of performance-linked remuneration, including equity incentives, in order to preserve their independence.

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The below table shows the annual base Woodside Board and committee fees for Non-Executive Directors. The amounts in the table and this section were converted from Australian dollars to U.S. dollars using the applicable exchange rate on 31 December 2021 and rounded up to the nearest dollar. In addition to these fees, Non-Executive Directors are entitled to reimbursement of reasonable travel, accommodation and other expenses incurred attending meetings of the Woodside Board, committees or Woodside Shareholders, or while engaged on Woodside business. Non-Executive Directors are not entitled to compensation on termination of their directorships. An allowance is paid to any Non-Executive Director required to travel internationally to attend Woodside Board commitments, compensating for factors related to long-haul travel. Where travel is between six and ten hours, an allowance of \$3,854 (A\$5,000) gross per trip is paid. Where travel exceeds 10 hours, an allowance of \$7,708 (A\$10,000) gross per trip is paid. Woodside Board fees are not paid to the CEO, as the time spent on Woodside Board work and the responsibilities of Woodside Board membership are considered in determining the remuneration package provided as part of the normal employment conditions.

| Position | Woodside Board(1)(\$) | Audit & Risk Committee (\$) | Human Resources & Compensation Committee (\$) | Sustainability Committee (\$) | Nominations & Governance Committee (\$) |
|------------------------------------|------------------------------|--|--|--------------------------------------|--|
| Chairman of the Woodside Board (2) | 524,827 (4) | | | | |
| Non-Executive Directors (3) | 159,036 (4) | | | | |
| Committee chair | | 43,072 (4) | 37,732 (4) | 34,394 (4) | Nil |
| Committee member | | 23,194 (4) | 19,229 (4) | 17,197 (4) | Nil |

- (1) Non-Executive Directors receive Woodside Board and committee fees plus statutory superannuation (or payments in lieu where statutory superannuation is not required to be paid).
- (2) The fees received by Chairman of the Woodside Board are inclusive of committee work.
- (3) The fees received by Non-Executive Directors mean the fees paid to Non-Executive Directors other than the Chairman of the Woodside Board.
- (4) Amounts were translated to U.S. dollars using the closing spot rate on 31 December 2021.

Compensation of Non-Executive Directors for The Year Ended 31 December 2021

The following table provides a breakdown of the components of the remuneration for each Non-Executive Director for the year ended 31 December 2021, including any contingent or deferred compensation and any benefits in kind, for their services, in all capabilities, to Woodside. The table includes due diligence fees paid to Frank Cooper, Ben Wyatt and Larry Archibald of A\$20,000. As noted above, the table is denominated in U.S. dollars:

| Name | Fees (\$) | Woodside contributions to superannuation (\$) | Total (\$) |
|-------------------------|------------------|--|-------------------|
| Richard Goyder, AO | 578,950 | 16,990 | 595,940 |
| Larry Archibald | 241,462 | - | 241,462 |
| Frank Cooper, AO | 244,013 | 22,327 | 266,340 |
| Swee Chen Goh | 223,680 | - | 223,680 |
| Christopher Haynes, OBE | 226,447 | - | 226,447 |
| Ian Macfarlane | 217,522 | 4,423 | 221,945 |
| Ann Pickard | 241,472 | - | 241,472 |
| Sarah Ryan | 206,330 | 20,117 | 226,447 |
| Gene Tilbrook | 227,575 | 22,189 | 249,764 |
| Ben Wyatt | 129,586 | 16,082 | 145,668 |

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Insurance

Woodside has paid a premium under a contract insuring each Woodside Director, officer, secretary and employee who is concerned with the management of Woodside or its subsidiaries against liability incurred in that capacity. Disclosure of the nature of the liability covered by and the amount of the premium payable for such insurance is subject to a confidentiality clause under the contract of insurance.

DESCRIPTION OF CERTAIN INDEBTEDNESS**Bilateral Facilities**

Woodside had 14 bilateral loan facilities totaling \$1,900 million as of 31 December 2021. Details of the bilateral loan facilities at the reporting date are as follows:

| | As of 31 December 2021 (\$m) | |
|--|------------------------------|---------------------|
| | <u>Facility Amount</u> | <u>Drawn Amount</u> |
| Short-term Maturity (Maturity within 12Mths) | 200 | nil |
| Medium-term Maturity (Maturity >12Mths<36Mths) | 1,100 | nil |
| Longer-term Maturity (Maturity >36Mths) | 600 | nil |

Interest rates are based on \$ LIBOR plus an agreed margin and are fixed at the commencement of the drawdown period. Interest is paid at the end of the drawdown period.

Woodside is closely monitoring the market and the output from the various industry working groups managing the transition to new benchmark interest rates. Woodside is assessing the implications of the Interbank Offered Rates (“IBOR”) reform across Woodside and will manage and execute the transition from current benchmark rates to an alternative benchmark rate.

Syndicated facilities

On 3 July 2015, Woodside executed an unsecured \$1,000 million committed syndicated loan facility, which was increased to \$1,200 million on 22 March 2016 and amended to \$800 million on 15 November 2017. On 14 October 2019, Woodside increased the existing facility to \$1,200 million, with \$400 million expiring on 11 October 2022 and \$800 million expiring on 11 October 2024. Interest rates are based on \$ LIBOR plus an agreed margin and are fixed at the commencement of the drawdown period.

On 17 January 2020, Woodside completed a new \$600 million syndicated term loan facility. The facility is fully drawn with no amortization and bullet repayment at maturity. The interest rate has been fixed as of 17 January 2020.

Details of syndicated loan facilities as of 31 December 2021 are as follows:

| | As of 31 December 2021 (\$ millions) | |
|--------------------------------------|---|---------------------|
| | <u>Facility Amount</u> | <u>Drawn Amount</u> |
| Syndicated Loan Facility | | |
| Tranche A–Maturity 11 October 2022 | 400 | nil |
| Tranche B–Maturity 11 October 2024 | 800 | nil |
| Syndicated Term Loan Facility | | |
| Maturity 17 January 2027 | 600 | 600 |

Japan Bank for International Cooperation (JBIC) Facility

On 24 June 2008, Woodside entered into a two tranche committed loan facility of \$1,000 million and \$500 million, respectively. The \$500 million tranche was repaid in 2013. There is a prepayment option for the remaining balance. Interest rates are based on \$ LIBOR plus an agreed margin. Interest is payable semi-annually in arrears and the principal amortizes on a straight-line basis, with equal instalments of principal due on each interest payment date (every six months). The outstanding balance of the JBIC facility as of 31 December 2021 was \$167 million. The maturity date is 7 July 2023.

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Under this facility, 90% of the receivables from designated Pluto LNG sale and purchase agreements are secured in favor of the lenders through a trust structure, with a required reserve amount of \$30 million. To the extent that this reserve amount remains fully funded and no default notice or acceleration notice has been given, the revenue from Pluto LNG continues to flow directly to Woodside from the trust account.

Medium Term Notes

On 28 August 2015, Woodside established a \$3,000 million Global Medium Term Notes Program listed on the Singapore Stock Exchange. Three notes issued under this program were outstanding as of 31 December 2021.

| <u>Maturity date</u> | <u>Currency</u> | <u>Carrying amount (\$million)</u> | <u>Nominal interest rate</u> |
|----------------------|-----------------|--|------------------------------|
| 15 July 2022 | \$ | 200 | Floating \$ LIBOR + 2.21% |
| 11 December 2023 | CHF | 175 | Fixed 1.00% coupon |
| 29 January 2027 | \$ | 200 | Fixed 3.07% coupon |

Unsecured Bonds

Woodside has four fixed coupon unsecured \$ bonds issued in the U.S. debt capital markets outstanding as of 31 December 2021. Interest on the bonds is payable semi-annually in arrears.

| <u>Maturity date</u> | <u>Carrying amount \$m</u> | <u>Fixed Coupon</u> |
|----------------------|----------------------------|---------------------|
| 5 March 2025 | 1,000 | 3.65% |
| 15 September 2026 | 800 | 3.70% |
| 15 March 2028 | 800 | 3.70% |
| 4 March 2029 | 1,500 | 4.50% |

DESCRIPTION OF WOODSIDE SHARES

The following description of the material terms of the share capital of Woodside includes a summary of the specified terms of the Woodside Constitution, applicable Australian law and the ASX Listing Rules, in each case as in effect on the date of this prospectus. The following description is intended as a summary only and does not constitute legal advice regarding those matters and should not be regarded as such. Unless stated otherwise, this description does not address any proposed provisions of Australian law that have not become effective as per the date of this prospectus. The description is qualified in its entirety by reference to the complete text of the Woodside Constitution, which is attached as Exhibit 3.1 to the registration statement on Form F-4 of which this prospectus forms a part. For details on how to obtain a full copy of the Woodside Constitution, see the section entitled "Where You Can Find Additional Information."

Share Capital of Woodside

As of 24 March 2022, Woodside's issued and outstanding share capital consists of 983,980,823 Woodside Shares, which includes 2,364,596 Woodside Shares reserved for employee share plans.

The liability of each Woodside Shareholder is limited to the amount, if any, unpaid on the Woodside Shares held by that Woodside Shareholder. The Woodside Shares are fully paid and freely transferable.

Rights Attaching to Woodside Shares

Introduction

The rights and liabilities attaching to the New Woodside Shares which will be issued as Share Consideration are set out in the Woodside Constitution, and are also subject to the Corporations Act and ASX Listing Rules, and the listing rules of the NYSE and the LSE.

The following is a summary of the main rights and liabilities attaching to Woodside Shares. This summary does not purport to be exhaustive or to constitute a definitive statement of all of the rights and liabilities attaching to Woodside Shares. Those rights and liabilities involve complex questions of law arising from the interaction of the Woodside Constitution and statutory and common law requirements.

This summary must be read subject to the full text of the Woodside Constitution, attached as Exhibit 3.1 to the registration statement on Form F-4 of which this prospectus forms a part. For details on how to obtain a full copy of the Woodside Constitution, see the section entitled "Where You Can Find Additional Information."

Overview

The New Woodside Shares will be issued fully paid and will rank equally for dividends and other rights with Existing Woodside Shares, with effect from their date of issue.

Under the Corporations Act, the Woodside Constitution has effect as a contract between:

- Woodside and each Woodside Shareholder;
- Woodside and each director and company secretary of Woodside; and
- a Woodside Shareholder and each other Woodside Shareholder.

Accordingly, Participating BHP Shareholders who receive Woodside Shares pursuant to the Merger are taken to receive them subject to the terms of the Woodside Constitution and will be bound by the terms of the Woodside Constitution. The following is a non-exhaustive summary of the provisions of the Woodside Constitution.

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Objects and Purposes

The Woodside Constitution does not contain any limitations on Woodside' s objects and purposes.

Powers of Woodside and Woodside Directors

General Powers

Woodside may exercise in any manner permitted by the Corporations Act, any power which a public company limited by shares may exercise under that legislation. The business of Woodside is managed by or under the direction of the Woodside Directors. The Woodside Directors may exercise all the powers of Woodside except any powers that the Corporations Act or the Woodside Constitution requires Woodside to exercise in a general meeting.

Execution of Documents

Woodside may execute a document with or without the common seal so long as the fixing of the seal is witnessed by, or the document is signed by, either two Woodside Directors or a Woodside Director and a company secretary of Woodside.

Share Capital

Woodside in general meeting may reduce or alter its share capital in any manner allowed or provided for by the Corporations Act and the ASX Listing Rules. The Woodside Board may do anything which is required to give effect to any resolution authorizing reduction or alteration of the share capital of Woodside.

Each Woodside Share is denominated in Australian dollars.

Meetings of Woodside Shareholders and Notices

Woodside Shareholders' rights to attend and vote at shareholder meetings are primarily prescribed by the Corporations Act and the Woodside Constitution. Subject to certain exceptions, each Woodside Shareholder is entitled to receive notice of, attend (whether or not entitled to vote) and vote at general meetings and to receive all notices and other documents required to be sent to Woodside Shareholders under the Woodside Constitution, the Corporations Act and ASX Listing Rules.

A general meeting of Woodside Shareholders must be called by a notice of at least 28 days for a meeting of shareholders in accordance with the Corporations Act. The notice of meeting of Woodside Shareholders must be given to the ASX, each Woodside Shareholder (whether or not such shareholder is entitled to vote at the meeting), each Woodside Director (other than an alternate director) and Woodside' s auditor. The notice must set out the date and time of the meeting (if virtual meeting technology is to be used in holding the meeting, that virtual meeting technology must be reasonable and allow Woodside Shareholders to exercise orally and in writing any rights of Woodside Shareholders to ask questions and make comments), the general nature of the business of the meeting, the date and time at which persons will be taken, for the purpose of the meeting, to hold Woodside Shares and any other information or documents specified by the Corporations Act and the ASX Listing Rules.

Woodside may give a notice of meeting to Woodside Shareholders by serving it personally, sending it by post to, or leaving it at, the address shown in the Woodside Register or any other address, or by sending it by fax or electronically to the address provided by the Woodside Shareholder for the purpose of giving notices.

Woodside must hold an annual general meeting in accordance with the Corporations Act and the ASX Listing Rules. Under the Corporations Act, every public company that has more than one member must hold an annual general meeting at least once in each calendar year, and within five months after the end of its financial year.

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Voting Rights

Subject to any rights or restrictions attached to Woodside Shares, the terms of the Woodside Constitution and voting exclusions under the ASX Listing Rules or the Corporations Act, each outstanding Woodside Share entitles the Woodside Shareholder to one vote on each matter properly submitted to Woodside Shareholders for their vote. At a general meeting of Woodside Shareholders, every Woodside Shareholder entitled to vote in person or by proxy, attorney or representative has:

- one vote on a show of hands; and
- one vote on a poll for every Woodside Share held.

The quorum for a meeting of Woodside Shareholders is three eligible Woodside Shareholders entitled to vote. If more than one joint holder of a Woodside Share is present at a meeting in person or by proxy, attorney or representative, and tenders a vote, the vote of the Woodside Shareholder named first in the Woodside Register will be accepted to the exclusion of the others. Each Woodside Shareholder may vote in person or by proxy. A proxy appointed to attend and vote may exercise the rights of the Woodside Shareholder on the basis and subject to the restrictions provided in the Corporations Act but not otherwise, but may not cast a vote by direct vote (*i.e.*, by casting a vote by sending it to Woodside before the meeting).

A proxy is not revoked by the appointing Woodside Shareholder attending and taking part in the meeting, unless the appointing Woodside Shareholder actually votes at the meeting on the resolution for which the proxy is proposed to be used. A resolution at a general meeting must be decided on a show of hands unless a poll is demanded. A poll may be demanded on any resolution (except a resolution concerning the election of the chairperson of the meeting or, unless the chairperson otherwise determines, the adjournment of a meeting).

If the votes on a proposed resolution are equal, the chairperson of the meeting has a casting vote.

Dividend Rights and Distributions In Kind

Woodside Directors may pay any dividend (including an interim, final or special dividend) that they think the financial position of Woodside justifies, and fix the date for payment.

Woodside Directors may direct payment of a dividend by the distribution of specific assets (including paid-up Woodside Shares or of another body corporate) either generally or to specific Woodside Shareholders.

Woodside Directors may implement a dividend reinvestment plan on any terms as they think fit, under which any dividend due to Woodside Shareholders who participate in the plan may be applied in subscribing for Woodside Shares, subject to the rules of the relevant dividend reinvestment plan.

Redemption and Preferences

Woodside may issue preference shares, but Woodside has not issued and currently has no intention to issue any preference shares.

As of the date of this prospectus, all Woodside Shares have the same rights and preferences. Woodside Shareholders are not entitled to any pre-emptive or preferential rights to acquire additional Woodside Shares.

Issue of Further Woodside Shares

Subject to the Corporations Act, ASX Listing Rules and the Woodside Constitution, Woodside may issue, allot or grant option over or rights in respect of, or otherwise dispose of, shares in Woodside or other securities of Woodside and decide, among others, the terms, rights and restrictions of the securities, as determined by the Woodside Board from time to time.

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Transfer of Woodside Shares

Subject to the Woodside Constitution and the rights attached to Woodside Shares under ASX Listing Rules or the Corporations Act or other applicable legislation, Woodside Shareholders may transfer Woodside Shares by any means permitted by the Corporations Act or by applicable law.

Woodside Directors may refuse to register a transfer of Woodside Shares in circumstances set out in the Woodside Constitution (including but not limited to, those permitted under ASX Listing Rules or ASX Settlement Operating Rules). Where Woodside Directors refuse to register a transfer, Woodside must give written notice of the refusal and the reasons for refusal within the maximum period permitted by the ASX Listing Rules.

Proportional Takeover Provisions

The Woodside Constitution requires Woodside Shareholder approval in relation to any proportional takeover bid. These provisions will cease to apply unless they are renewed by Woodside Shareholders passing a special resolution by the third anniversary of either the date that those rules were adopted or the date those rules were last renewed. These rules were adopted on 2 May 2019 and there is a resolution proposed at the Woodside Shareholders Meeting that Woodside Shareholders approve that these provisions are reinserted for a further 3 years.

Variation of Rights

The Corporations Act provides that the rights attached to a class of shares may be varied or cancelled only:

- with the written consent of members with at least 75% of the votes of the affected class; or
- by special resolution passed at a meeting of the holders of the issued shares of that class.

Number of Woodside Directors

Unless otherwise determined by Woodside Shareholders in general meeting, Woodside must have at least three directors and not more than 12 directors. The Woodside Directors may from time to time determine the number of directors but the maximum applying at any time cannot be reduced except with the approval of Woodside Shareholders in general meeting.

Subject to the Woodside Constitution, the Corporations Act and the number of directors as determined by the Woodside Board (being a number of not more than 12 unless otherwise approved by Woodside Shareholders in general meeting), Woodside Shareholders may by ordinary resolution elect any natural person as a director. Any director appointed by the Woodside Board may hold office only until the next annual general meeting during which, if no election of directors is scheduled to occur, then one Woodside Director must retire from office at the annual general meeting.

Removal and Resignation of Woodside Directors

Woodside Directors may be removed in accordance with Corporations Act and ASX Listing Rules. The Corporations Act provides that Woodside may by ordinary resolution passed at a general meeting remove any Woodside Director, and if thought fit, appoint another person in place of that Woodside Director.

A Woodside Director may resign from office by giving Woodside notice in writing.

Director Remuneration

As remuneration for services, each Non-Executive Director is to be paid or provided with the amount determined by the Woodside Board, which will be payable or provided at the time and in the manner determined by the Woodside Board, but the aggregate remuneration paid or provided to all the Non-Executive Directors in any financial year may not exceed an amount fixed by Woodside in general meeting.

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Any Woodside Director who devotes special attention to the business of Woodside, or who otherwise performs services which in the opinion of the Woodside Board are outside the scope of the ordinary duties of a director, or who at the request of the Woodside Board engages in any journey on the business of Woodside, may be paid extra remuneration as determined by the Woodside Board, subject to the terms of the Woodside Constitution.

The ASX Listing Rules provide limited exceptions to issuing or permitting the issue of equity securities to an executive director made, or taken to have been made, in circumstances without the approval of the holders of the entity's ordinary securities. In addition, the ASX Listing Rules provide that any issuance, or agreement to issue, equity securities under an employee incentive scheme count for the purposes of calculation of the maximum percentage of equity securities that can be issued in any 12-month period without the approval of the holders of the entity's ordinary shares unless the incentive scheme itself has been approved by those holders within the prior three year period.

Disqualification and Retirement of Woodside Directors

A Woodside Director (other than a Woodside Director who is Managing Director) must retire from office at the third annual general meeting after the Woodside Director was elected or most recently re-elected.

An election of Woodside Directors must be held at the annual general meeting each year. If no election of Woodside Directors is scheduled to occur at an annual general meeting then the Woodside Director longest in office since last being elected must retire.

The office of a Woodside Director is vacated on the Woodside Director:

becoming an insolvent under administration, suspending payment generally to creditors or compounding with or assigning such director's estate for the benefit of creditors;

becoming a person of unsound mind or a person who is a patient under laws relating to mental health or whose estate is administered under laws relating to mental health;

being absent from meetings of the Woodside Board during a period of three consecutive calendar months without leave of absence from the Woodside Board where the Woodside Board has not, within 14 days of having been served by the company secretary with a notice giving particulars of the absence, resolved that leave of absence be granted;

resigning office by notice in writing to Woodside;

being removed from office under the Corporations Act;

being prohibited from being a Woodside Director under the Corporations Act; or

themselves, or on any partner, employer or employee of such director, accepting or holding the office of auditor of Woodside.

The office of a Woodside Director who is an employee of Woodside or any of its subsidiaries becomes vacant on the Woodside Director ceasing to be employed but the person concerned is eligible for reappointment or re-election as a Woodside Director in accordance with the Woodside Constitution.

Conflict of Interest

A Woodside Director may:

- (1) hold any office or position (except as auditor) in Woodside, on any terms and at a remuneration as the Woodside Board approves not being a commission on or percentage of turnover; or

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- (2) be or become a director or hold an office or position in any corporation promoted by Woodside, or in which Woodside may be interested, or any other corporation or organization,

and the Woodside Director is not accountable for any benefits received as a shareholder, director or holder of any other office or position in any other corporation or organization.

Each Woodside Director must comply with the Corporations Act in relation to:

- (1) disclosure of matters involving material personal interests and voting on matters involving material personal interests; and
- (2) being present, and voting, at a Woodside Board meeting that considers a matter in which the Woodside Director has a material personal interest.

If a Woodside Director discloses their interest before the transaction is entered into, subject to the Corporations Act:

- (1) a Woodside Director may be counted in a quorum at a Woodside Board meeting that considers, and may vote on, any matter in which that Woodside Director has an interest;
- (2) Woodside may proceed with any transaction that relates to the interest;
- (3) the Woodside Director may participate in the execution of any relevant document by or on behalf of Woodside;
- (4) the Woodside Director may retain benefits under the transaction even though the Woodside Director has the interest; and
- (5) Woodside cannot avoid the transaction merely because of the existence of the Woodside Director's interest.

A Woodside Director must give to Woodside the information which Woodside is required to disclose to the ASX in respect of:

- (1) notifiable interests of the Woodside Director; and
- (2) changes to the notifiable interests of the Woodside Director.

Alternate Woodside Directors

Subject to the Woodside Constitution and with the approval of a majority of the other Woodside Directors, a Woodside Director may appoint a person as an alternate director for a stated period or until the happening of a specified event. The alternate Woodside Director may be removed or suspended from office on receipt at the office of notice from the appointing Woodside Director.

Proceedings of Woodside Directors

The Woodside Board may meet, adjourn and otherwise regulate their meetings as they think fit. The Woodside Board may at any time, and the company secretary on the request of any Woodside Director must, convene a Woodside Board meeting. Unless otherwise determined by the Woodside Board, three Woodside Directors form a quorum. Subject to the Corporations Act, an interested Woodside Director is to be counted in a quorum despite the interest.

A resolution of Woodside Directors is passed if more votes are cast in favor of the resolution than against it. Subject to the Corporations Act, the ASX Settlement Operating Rules, and the ASX Listing Rules the chairperson of that meeting (except when only two Woodside Directors are present or except when only two Woodside Directors are competent to vote on the question then at issue) has a second or casting vote on that resolution.

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A resolution in writing signed by all Woodside Directors or a resolution in writing of which notice has been given to all Woodside Directors and which is signed by a majority of the Woodside Directors entitled to vote on the resolution (not being less than the number required for a quorum at a meeting of the Woodside Board) is as valid as if it had been passed at a meeting of the Woodside Board duly called and constituted and may consist of several documents in the same form each signed by one or more of the Woodside Directors.

Chair

The Woodside Board may elect a Chair or Deputy Chair of its meetings and determine the period for which each is to hold office. If no Chair or Deputy Chair is elected or if at any meeting the Chair and the Deputy Chair are not present at the time specified for holding the meeting, the Woodside Directors present may choose one of their number to be Chair of the meeting.

Meetings by Telephone or Other Means of Communication

The Woodside Board may meet either in person, by telephone, by video conferencing facility or by using any other technology consented to by all the Woodside Directors. A consent may be a standing one. A Woodside Director may only withdraw consent within a reasonable period before the meeting. A meeting conducted by telephone, video conference or other means of communication is deemed to be held at the place agreed on by the Woodside Directors attending the meeting if at least one of the Woodside Directors present at the meeting was at that place for the duration of the meeting.

Woodside Managing Director

The Woodside Board may appoint a person as a Managing Director either for a specified term (but not for life) or without specifying a term. The Woodside Board may delegate any of the powers of the Woodside Board to the Managing Director on the terms and subject to any restrictions the Woodside Board decides, so as to be concurrent with, or to the exclusion of, the powers of the Woodside Board. The Woodside Board can revoke the delegation at any time.

Woodside Company Secretary

The Woodside company secretary is to be appointed by the Woodside Directors.

Officer' s Indemnity

Woodside must, to the extent the person is not otherwise indemnified, indemnify every officer and employee of Woodside and its wholly owned subsidiaries and may indemnify its auditor against a liability incurred as a Woodside officer, employee or auditor to a person (other than Woodside or a related body corporate) including a liability incurred as a result of appointment or nomination by Woodside or subsidiary as a trustee or as an officer of another corporation or body (including a statutory authority), unless the liability arises out of conduct involving a lack of good faith.

Capitalizing Profits

Woodside may capitalize and distribute among Woodside Shareholders undivided profits and other amounts available for distribution. Woodside Shareholders are entitled to participate in that capital distribution if entitled to receive dividends and in the same proportions.

Reduction of Capital

Woodside may reduce or alter its share capital in any manner allowed or provided for by the Corporations Act and the ASX Listing Rules in a general meeting. An equal reduction of capital must be approved by Woodside Shareholders by way of an ordinary resolution. A selective reduction of capital must be approved by Woodside Shareholders by way of a special resolution.

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Winding Up

If Woodside is wound up, a liquidator may divide among all or any of the contributories, as the liquidator thinks fit, in specie or kind, any part of the assets of Woodside, and may vest any part of the assets of Woodside in trustees on any trusts for the benefit of all or any of the contributories as the liquidator thinks fit. Any division may be otherwise than in accordance with the legal rights of the contributories and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part, but if any division otherwise than in accordance with the legal rights of the contributories is determined, any contributory who would be prejudiced by the division has a right to dissent and ancillary rights as if the determination were a special resolution passed under the Corporations Act relating to the sale or transfer of Woodside's assets by a liquidator in a voluntary winding up.

Australian Takeover Provisions

Woodside is incorporated in and has its head office and central place of management in Australia. Accordingly, the following Australian legislation and regulations in relation to takeovers apply to Woodside:

- the Corporations Act, particularly Chapter 6 (the relevant provisions of which are outlined below);
- the Foreign Acquisitions and Takeovers Act 1975 (Cth) ("FATA"); and
- the Competition and Consumer Act 2010 (Cth).

The main Australian regulatory bodies are:

- Australian Securities and Investments Commission ("ASIC"), which is responsible for administering and enforcing the Corporations Act;
- the Australian Takeovers Panel, which is the principal forum for resolving disputes relating to a takeover during the bid period; and
- the ASX.

If a proposed investor is a foreign company for the purposes of FATA, the acquisition may need to be approved by the Treasurer of Australia acting on the advice of the FIRB.

If competition issues are likely to arise, the ACCC may become involved. The ACCC administers the *Competition and Consumer Act 2010* (Cth).

Chapter 6 of the Corporations Act

Takeover Prohibition

Section 606 of the Corporations Act prohibits a person from acquiring a "relevant interest" in voting shares in a listed company or an unlisted company with more than 50 shareholders if, because of the acquisition, that person's or someone else's voting power increases:

- (1) from 20% or below to more than 20%; or
- (2) from a starting point that is above 20% and below 90%.

A person generally has a "relevant interest" in a share if they hold the share, have the power to exercise or control the exercise of the voting power attached to the share, or have the power to dispose of or control the dispose of the share. The term "voting power" is defined in broad terms and captures any relevant interest in shares held by a person's "associates."

These concepts are broad and, for example, a person can have a relevant interest and voting power in a share as a result of an agreement to purchase the share (even a conditional agreement) or a call option to acquire the share.

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The concept of “associates” is complex, and generally includes:

- (1) a person with whom the primary person is acting, or proposing to act, in concert in relation to the company’ s affairs;
- (2) persons with whom the primary person has entered or proposed to enter into an agreement for the purpose of controlling or influencing the composition of the company’ s board or the conduct of the company’ s affairs; and
- (3) companies that the primary person controls, that control the primary person, or that are controlled by an entity that controls the primary person.

Exceptions to the Australian Takeovers Prohibition

If a person wishes to acquire more than 20% of a company, or increase a holding which is already above 20% (but less than 90%), the person must do so under an exception. There are four principal exceptions to the general prohibition under Section 606 of the Corporations Act which are relevant in this context:

- (1) Takeover bids;
- (2) Schemes of arrangement;
- (3) “Creeping” acquisitions; or
- (4) Shareholder approved acquisitions.

Proportional Takeover Provisions

In addition to these takeover offer requirements, the Corporations Act provides that a listed entity may include provisions in its constitution which effectively require disinterested shareholder approval of any proposed takeover bid that is for less than all of the voting securities issued by the entity (other than those held by the bidder). In effect, this mean that a transfer of shares in relation to a proportional takeover bid must not be registered unless shareholders pass a resolution to approve the bid. The Woodside Constitution includes provisions of this type. It provides that where an offer has been made under a proportional takeover bid (meaning an off-market bid for a specified proportion of the securities in the bid class) in respect of shares included in a class of shares in Woodside, registration of a transfer to effect a contract resulting from the acceptance of an offer made under the proportional takeover bid is prohibited unless and until a resolution to approve the proportional takeover bid is passed in accordance with the Woodside Constitution. The Woodside Board must convene a meeting of the persons entitled to vote on a resolution to approve the proportional takeover bid for the purposes of considering and, if thought fit, passing the resolution. Any shareholder that (i) is not the bidder or an associate of the bidder and (ii) at the end of the day on which the first offer under the proportional takeover bid was made, held shares included in that class, is entitled to vote on the resolution. A resolution to approve the proportional takeover bid is taken to have been passed if a majority of votes validly cast in favor of the resolution is greater than 50%. The Woodside Board must ensure that the resolution to approve the proportional takeover bid is convened, and voted on in accordance with the Woodside Constitution, before the approving resolution deadline in relation to the proportional takeover bid. The approving resolution deadline is the 14th day before the last day of the bid period and during which the offers under the proportional takeover bid remain open or a later day allowed by ASIC. The proportional takeover provisions do not apply to full takeover bids and must be refreshed every 3 years by a special resolution of shareholders. The proportional takeover bid provisions in Woodside’ s Constitution were adopted on 2 May 2019. There is a resolution proposed at the Woodside Shareholders Meeting that Woodside Shareholders approve that these provisions are reinserted for a further 3 years.

Foreign Investment

FATA

Foreign investment in, and ownership of, Australian businesses, entities and land is regulated under the FATA. The FATA is administered by the Foreign Investment Review Board Secretariat a division of the

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Treasury Department of the Australian Government. The ultimate responsibility for making decisions on foreign investment proposals rests with the Treasurer of the Australian Government.

Investment proposals by foreign persons may need to be notified to the Australian Government and may require prior approval from the Treasurer in accordance with the FATA. In general, private sector foreign persons investors must notify the Australian Government and get prior approval before acquiring a substantial interest in an Australian entity that is valued above certain monetary thresholds. Notification may also be required in relation to acquisitions of interests in a foreign entity that is a national security business under the FATA or is an Australian land-rich entity, or in respect of a foreign government investor, the acquisition of an interest in a foreign entity that holds a substantial interest in Australian subsidiaries are valued above the applicable monetary thresholds.

The FATA and regulations under the FATA provide the relevant monetary thresholds that apply. From 1 January 2021, a A\$0 monetary threshold applies to acquisitions by foreign investors of interests in national security businesses and national security land. Acquisitions of interests in a “national security business” or “national security land” are referred to as national security actions. A business is a national security business if it is carried on wholly or partly within Australia, whether in anticipation of profit or gain, and it is a reporting entity (responsible entity or a direct interest holder) in relation to a critical infrastructure asset (within the meaning of the SOCI Act, as enacted).

As Woodside is considered a reporting entity of a critical gas asset within the meaning of the SOCI Act, it is considered a “national security business” under the FATA. Investments of a 10% or more (or less than 10% with an ability to influence, participate in or control the entity/business), interest by all foreign investors in a national security business must be notified to the Australian Government and require prior approval from the Australian Treasurer in accordance with the FATA. Accordingly, acquisitions of interests of 10% or more (or investments of less than 10% with an ability to influence, participate in or control the entity/business) in Woodside, would require prior approval from the Australian Treasurer.

CFIUS

To the extent entities are engaged in interstate commerce in the United States, Australian investment in those entities is subject to the review by CFIUS, pursuant to Section 721 of the DPA. CFIUS is an interagency committee in the U.S. Federal Government that is authorized to review certain transactions involving foreign investment in the United States and certain real estate transactions by foreign persons, in order to determine the effect of such transactions on the national security of the United States. Parties to such transactions may affirmatively seek review by CFIUS, or CFIUS may initiate its own review of such transactions.

If CFIUS determines that there are no unresolved national security risks arising as a result of a reviewed transaction or that other provisions of law provide adequate and appropriate authority to address the risks, then CFIUS will advise the parties to the transaction in writing that CFIUS has concluded all action under the DPA with respect to the transaction. If CFIUS determines that a reviewed transaction presents national security risks and that other provisions of law do not provide adequate authority to address the risks, then CFIUS may seek to mitigate such risks by entering into an agreement or imposing conditions on the parties, or if the risks cannot be mitigated, by suspending the transaction. CFIUS may also refer the case to the President of the United States for such a decision.

Minority Shareholders

The Corporations Act also provides protection for minority shareholders where the conduct of a company’s affairs or an act or omission (including a resolution of members or a class or members) by a company is contrary to the interests of the members as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a member or a group of members.

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Substantial Holdings

Following Implementation of the Merger, Woodside Shareholders will be subject to certain reporting requirements under the Exchange Act. Woodside Shareholders owning more than 5% of any voting class of equity securities registered pursuant to Section 12 of the Exchange Act must comply with disclosure obligations under Section 13 of the Exchange Act. Sections 13(d) and 13(g) of the Exchange Act require any person or group of persons who directly or indirectly acquires or has beneficial ownership of more than 5% of a voting class of an issuer's equity securities to file beneficial ownership reports electronically with the SEC on either Schedule 13D or on short form Schedule 13G, as appropriate.

Both Schedule 13D and Schedule 13G require background information about the reporting persons, including the name, address, and citizenship or place of organization of each reporting person, the amount of the securities beneficially owned and aggregate beneficial ownership percentage, and whether voting and investment power is held solely by the reporting persons or shared with others.

DESCRIPTION OF WOODSIDE AMERICAN DEPOSITARY SHARES

Each holder of BHP ADSs as of the ADS Distribution Record Date will receive in the Merger, in lieu of New Woodside Shares, American Depositary Shares of Woodside (including the New Woodside ADSs, the “Woodside ADSs”) issued by Citibank, N.A. as the depository bank for the Woodside ADSs (the “Woodside Depository”), with each Woodside ADS representing one Woodside Share. Holders of BHP ADSs will not be able to trade the New Woodside Shares underlying the New Woodside ADSs received as a Share Consideration for the BHP ADSs before such New Woodside Shares are deposited with the Woodside Depository, and the New Woodside ADSs are issued and delivered to the BHP ADS holders through the BHP Depository. A registration statement on Form F-6 (Registration No. 333-201669) was filed with the SEC on 23 January 2015, and declared effective 9 February 2015, with respect to Existing Woodside ADSs. Existing Woodside ADSs currently trade on the U.S. over-the-counter market through a sponsored ADR facility under the symbol “WOPEY.” Woodside has applied to list the Woodside ADSs, including those issued to the Participating BHP Shareholders holding BHP ADSs in connection with the Merger, on the NYSE under the symbol “WDS” and intends to file a registration statement on Form F-6 (the “F-6 Registration Statement”) with the SEC with respect to the New Woodside ADSs.

Citibank, N.A. has agreed to act as the depository bank for the Woodside ADSs. Citibank’s depository offices are located at 388 Greenwich Street, New York, New York 10013. American Depositary Shares are frequently referred to as “ADSs” and represent ownership interests in securities that are on deposit with the Woodside Depository. ADSs may be represented by certificates that are commonly known as “American Depositary Receipts” or “ADRs.” The depository bank typically appoints a custodian to safekeep the securities on deposit. In the case of Woodside ADSs, the custodian is Citicorp Nominees Pty Limited, located at Level 15, 120 Collins Street, Melbourne VIC 3000, Australia (the “Woodside Custodian”).

Woodside has appointed Citibank, N.A. as the Woodside Depository pursuant to the 2015 Deposit Agreement, which will be amended and restated in connection with the Merger to, among other things, reflect Woodside’s status as an SEC reporting company and certain regulatory changes in Australia and in the United States. A copy of the 2015 Woodside Deposit Agreement is on file with the SEC under cover of the registration statement on Form F-6 (Registration No. 333-201669), filed with the SEC on 23 January 2015 and declared effective 9 February 2015, and as an exhibit to the registration statement of which this prospectus forms a part. The form of the Woodside Deposit Agreement Amendment is included as an exhibit to the registration statement of which this prospectus forms a part and will be included as an exhibit to the Form F-6 Registration Statement. Woodside ADS holders may also obtain a copy of the Woodside Deposit Agreement from the SEC’s website at www.sec.gov.

Woodside is providing Woodside ADS holders with a summary description of the material terms of the Woodside Deposit Agreement and of the material rights of holders or beneficial owners of Woodside ADSs. Woodside ADS holders should remember that summaries by their nature lack the precision of the information summarized and that the rights and obligations of a holder or beneficial owner of Woodside ADSs will be determined by reference to the terms of the Woodside Deposit Agreement and not by this summary. Woodside urges holders to review the Woodside Deposit Agreement in its entirety. *The portions of this summary description that are italicized describe matters that may be relevant to the ownership of Woodside ADSs but that may not be contained in the Woodside Deposit Agreement.*

Rights of Holders and Beneficial Owners of Woodside ADSs

Each Woodside ADS represents the right to receive, and to exercise the beneficial ownership interests in, one (1) fully paid Woodside Share that is on deposit with the Woodside Depository and/or the Woodside Custodian. A Woodside ADS also represents the right to receive, and to exercise the beneficial ownership interests in, any other property (such as securities, cash or other property) received by the Woodside Depository or the Woodside Custodian on behalf of the beneficial owner of the Woodside ADS but that has not been distributed to the beneficial owners of Woodside ADSs because of legal restrictions or practical considerations.

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Woodside and the Woodside Depositary may agree to change the ADS-to-share ratio by amending the Woodside Deposit Agreement. This amendment may give rise to, or change, the depositary fees payable by holders and beneficial owners of Woodside ADSs. The Woodside Custodian, the Woodside Depositary and their respective nominees will hold all deposited property for the benefit of the holders and beneficial owners of Woodside ADSs. The deposited property does not constitute the proprietary assets of the Woodside Depositary, the Woodside Custodian or their nominees. Beneficial ownership in the deposited property will, during the term of the Woodside Deposit Agreement, be vested in the beneficial owners of the Woodside ADSs. The Woodside Depositary, the Woodside Custodian and their respective nominees will be the record holders of the deposited property represented by the Woodside ADSs for the benefit of the holders and beneficial owners of the corresponding Woodside ADSs. A beneficial owner of Woodside ADSs may or may not be the holder of Woodside ADSs. Beneficial owners of Woodside ADSs will be able to receive, and to exercise beneficial ownership interests in, the deposited property only through the registered holders of the Woodside ADSs, registered holders of the Woodside ADSs (on behalf of the applicable beneficial owners of Woodside ADSs), only through the Woodside Depositary, and the Woodside Depositary (on behalf of the holders and beneficial owners of the corresponding Woodside ADSs) directly, or indirectly, through the Woodside Custodian or their respective nominees, in each case upon the terms of the Woodside Deposit Agreement.

Holders or beneficial owners of Woodside ADSs will become a party to the Woodside Deposit Agreement and therefore will be bound to its terms and to the terms of any ADR that represents such Woodside ADSs. The Woodside Deposit Agreement and the ADR specify Woodside's rights and obligations as well as rights and obligations as a holder or beneficial owner of Woodside ADSs and those of the Woodside Depositary. Woodside ADS holders appoint the Woodside Depositary to act on their behalf in certain circumstances as an attorney-in-fact.

In addition, applicable laws and regulations may require holders to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Woodside ADS holders are solely responsible for complying with such reporting requirements and obtaining such approvals. None of the Woodside Depositary, the Woodside Custodian, Woodside or any of their respective agents or affiliates shall be required to take any actions whatsoever on Woodside ADS holders' behalf to satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

Woodside will not treat holders or beneficial owners of Woodside ADSs as Woodside Shareholders and they will not have direct shareholder rights. The Woodside Depositary will hold on Woodside ADS holders' behalf the shareholder rights attached to the Woodside Shares underlying such Woodside ADSs. Holders or beneficial owners of Woodside ADSs will be able to exercise the shareholders rights for the Woodside Shares represented by the Woodside ADSs through the Woodside Depositary only to the extent contemplated in the Woodside Deposit Agreement. To exercise any shareholder rights not contemplated in the Woodside Deposit Agreement holders or beneficial owners of Woodside ADSs will need to arrange for the cancellation of such Woodside ADSs in accordance with the Woodside Deposit Agreement and become a direct shareholder.

Manner of Holding Woodside ADSs

The manner in which holders own the Woodside ADSs (e.g., in a brokerage account vs. as registered holder, or as holder of certificated vs. uncertificated Woodside ADSs) may affect such holder's rights and obligations, and the manner in which, and extent to which, the Woodside Depositary's services are made available to such holder. Owners of Woodside ADSs may hold their Woodside ADSs either by means of an ADR registered in such owner's name, through a brokerage or safekeeping account, or through an account established by the Woodside Depositary in such owner's name reflecting the registration of uncertificated Woodside ADSs directly on the books of the Woodside Depositary (commonly referred to as the "direct registration system" or "DRS"). The direct registration system reflects the uncertificated (book-entry) registration of ownership of Woodside ADSs by the Woodside Depositary. Under the direct registration system, ownership of Woodside ADSs is evidenced by periodic statements issued by the Woodside Depositary to the holders of the Woodside ADSs. The

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direct registration system includes automated transfers between the Woodside Depository and The Depository Trust Company (“DTC”), the central book-entry clearing and settlement system for equity securities in the United States. *If a holder decides to hold Woodside ADSs through a brokerage or safekeeping account, such holder must rely on the procedures of the broker or bank to assert the holder’s rights as a beneficial owner of Woodside ADSs. Banks and brokers typically hold securities such as the Woodside ADSs through clearing and settlement systems such as DTC. The procedures of such clearing and settlement systems may limit such holder’s ability to exercise rights as a beneficial owner of Woodside ADSs.* Woodside ADS holders should consult with their broker or bank if they have any questions concerning these limitations and procedures. All Woodside ADSs held through DTC will be registered in the name of a nominee of DTC (currently Cede & Co.). This summary description assumes the holder has opted to own the Woodside ADSs directly by means of a Woodside ADS registered in such holder’s name and, as such, Woodside will refer to Woodside ADS holders as the “holder.”

The registration of the Woodside Shares in the name of the Woodside Depository or the Woodside Custodian will, to the maximum extent permitted by applicable law, vest in the Woodside Depository or the Woodside Custodian the record ownership in the applicable Woodside Shares with the beneficial ownership rights and interests in such Woodside Shares being at all times vested with the beneficial owners of the Woodside ADSs representing the Woodside Shares. The Woodside Depository or the Woodside Custodian will at all times be entitled to exercise the beneficial ownership rights in all deposited property, in each case only on behalf of the holders and beneficial owners of the Woodside ADSs representing the deposited property.

Dividends and Distributions

Holders of Woodside ADSs generally have the right to receive the distributions Woodside makes on the securities deposited with the Woodside Custodian. A holder’s receipt of these distributions may be limited, however, by practical considerations and legal limitations. Holders of Woodside ADSs will receive such distributions under the terms of the Woodside Deposit Agreement in proportion to the number of Woodside ADSs held as of the specified record date, after deduction of the applicable fees, taxes and expenses.

Distributions of Cash

Whenever Woodside makes a cash distribution for the securities on deposit with the Woodside Custodian, Woodside will give prior notice to the Woodside Depository and Woodside will deposit the funds with the Woodside Custodian. Upon receipt of confirmation of the deposit of the requisite funds, the Woodside Depository will arrange for the funds received in a currency other than U.S. dollars to be converted into U.S. dollars and for the distribution of the U.S. dollars to the holders, in accordance with the terms of the Woodside Deposit Agreement.

The conversion into U.S. dollars will take place only if practicable and if the U.S. dollars are transferable to the United States. The Woodside Depository will apply the same method for distributing the proceeds of the sale of any property (such as undistributed rights) held by the Woodside Custodian in respect of securities on deposit.

The distribution of cash will be made in accordance with the record date set by the Woodside Depository (if applicable) and will be net of the fees, expenses and taxes and governmental charges payable by holders under the terms of the Woodside Deposit Agreement. The Woodside Depository will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable holders and beneficial owners of Woodside ADSs until the distribution can be effected or the funds that the Woodside Depository holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States.

Distributions of Shares

Whenever Woodside pays a dividend in or makes a free distribution of Woodside Shares for the securities on deposit with the Woodside Custodian, Woodside will give prior notice to the Woodside Depository and

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Woodside will deposit the applicable number of Woodside Shares with the Woodside Custodian. Upon receipt of confirmation of such deposit, the Woodside Depository will, in accordance with the record date established by the Woodside Depository, either (i) distribute to holders (in proportion to the number of Woodside ADSs held) new Woodside ADSs representing the Woodside Shares deposited by Woodside with the Woodside Custodian or (ii) modify the ADS-to-share ratio, in which case each Woodside ADS held will represent rights and interests in the additional Woodside Shares so deposited. Only whole new Woodside ADSs will be distributed. Fractional entitlements will be sold and the proceeds of such sale will be distributed as in the case of a cash distribution.

The distribution of new Woodside ADSs or the modification of the ADS-to-share ratio upon a distribution of Woodside Shares will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the Woodside Deposit Agreement. In order to pay such taxes or governmental charges, the Woodside Depository may sell all or a portion of the new Woodside Shares so distributed.

No such distribution of new Woodside ADSs will be made if it would violate a law (e.g., the U.S. securities laws). If the Woodside Depository does not distribute new Woodside ADSs as described above, it may sell the Woodside Shares received upon the terms described in the Woodside Deposit Agreement and will distribute the proceeds of the sale as in the case of a distribution of cash.

Distributions of Rights

Whenever Woodside intends to distribute rights to subscribe for additional Woodside Shares, Woodside will give prior notice to the Woodside Depository and Woodside will assist the Woodside Depository in determining whether it is lawful and reasonably practicable to distribute rights to subscribe for additional Woodside ADSs to holders.

The Woodside Depository will establish procedures to distribute rights to subscribe for additional Woodside ADSs to holders in accordance with the record date set by the Woodside Depository and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of Woodside ADSs, and if Woodside provides reasonably satisfactory documentation contemplated in the Woodside Deposit Agreement (such as opinions to address the lawfulness of the transaction). Holders of Woodside ADSs may have to pay fees, expenses, taxes and other governmental charges to subscribe for the new Woodside ADSs upon the exercise of their rights. The Woodside Depository is not obligated to establish procedures to facilitate the exercise by holders of rights to subscribe for new Woodside Shares other than in the form of Woodside ADSs.

The Woodside Depository will not distribute the rights to a holder if:

Woodside does not timely request that the rights be distributed to such holder or Woodside requests that the rights not be distributed to such holder; or

Woodside fails to deliver reasonably satisfactory documents to the Woodside Depository; or

The Woodside Depository determines it is not reasonably practicable to distribute the rights.

The Woodside Depository will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale (net of the fees, expenses and taxes and governmental charges payable by holders under the terms of the Woodside Deposit Agreement) will be distributed to holders as in the case of a cash distribution. If the Woodside Depository is unable to sell the rights, it will allow the rights to lapse.

Elective Distributions

Whenever Woodside intends to distribute a dividend payable at the election of shareholders either in cash or in additional shares, Woodside will give prior notice thereof to the Woodside Depository and will indicate

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whether Woodside wishes the elective distribution to be made available to holders of Woodside ADSs. In such case, Woodside will assist the Woodside Depositary in determining whether such distribution is lawful and reasonably practicable.

The Woodside Depositary will make the election available to Woodside ADS holders only if it is reasonably practicable and if Woodside has provided reasonably satisfactory documentation contemplated in the Woodside Deposit Agreement. In such case, the Woodside Depositary will establish procedures to enable holders to elect to receive either cash or additional Woodside ADSs, in each case as described in the Woodside Deposit Agreement and in accordance with the record date determined by the Woodside Depositary.

If the election is not made available to a Woodside ADS holder, such holder will receive either cash or additional Woodside ADSs, depending on what a shareholder in Australia would receive upon failing to make an election, as more fully described in the Woodside Deposit Agreement.

Other Distributions

Whenever Woodside intends to distribute property other than cash, Woodside Shares or rights to subscribe for additional Woodside Shares, Woodside will notify the Woodside Depositary in advance and will indicate whether Woodside wishes such distribution to be made to holders of Woodside ADSs. If so, Woodside will assist the Woodside Depositary in determining whether such distribution to holders is lawful and reasonably practicable.

If it is reasonably practicable to distribute such property to Woodside ADS holders and if Woodside provides to the Woodside Depositary reasonably satisfactory documentation contemplated in the Woodside Deposit Agreement, the Woodside Depositary will distribute the property to the holders (in proportion to the number of Woodside ADSs held respectively) in a manner it deems practicable and in accordance with the record date determined by the Woodside Depositary.

The distribution will be made net of fees, expenses, taxes and governmental charges payable by holders under the terms of the Woodside Deposit Agreement. In order to pay such taxes and governmental charges, the Woodside Depositary may sell all or a portion of the property received.

The Woodside Depositary will not distribute the property to Woodside ADS holders and will sell the property if:

Woodside does not request that the property be distributed to Woodside ADS holders or if Woodside requests that the property not be distributed to Woodside ADS holders; or

Woodside does not deliver reasonably satisfactory documents to the Woodside Depositary; or

The Woodside Depositary determines that all or a portion of the distribution to Woodside ADS holders is not reasonably practicable.

The proceeds of such a sale will be distributed to holders as in the case of a cash distribution.

Redemption

Whenever Woodside decides to redeem any of the securities on deposit with the Woodside Custodian, Woodside will notify the Woodside Depositary in advance. If it is practicable and if Woodside provides reasonably satisfactory documentation contemplated in the Woodside Deposit Agreement, the Woodside Depositary will provide notice of the intended exercise by Woodside of the redemption rights to the holders.

The Woodside Custodian will be instructed to surrender the Woodside Shares being redeemed against payment of the applicable redemption price. The Woodside Depositary will convert into U.S. dollars upon the

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terms of the Woodside Deposit Agreement any redemption funds received in a currency other than U.S. dollars and will establish procedures to enable holders to receive the net proceeds from the redemption upon surrender of their Woodside ADSs to the Woodside Depository. Woodside ADS holders may have to pay fees, expenses, taxes and other governmental charges upon the redemption of their Woodside ADSs. If less than all Woodside ADSs are being redeemed, the Woodside ADSs to be retired will be selected by lot or on a *pro rata* basis, as the Woodside Depository may determine.

Changes Affecting Woodside Shares

The Woodside Shares held on deposit for Woodside ADSs may change from time to time. For example, there may be a change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of such Woodside Shares or a recapitalization, reorganization, merger, consolidation or sale of assets of Woodside.

If any such change were to occur, the Woodside ADSs would, to the extent permitted by law and the Woodside Deposit Agreement, represent the right to receive the property received or exchanged in respect of the Woodside Shares held on deposit. The Woodside Depository may in such circumstances deliver new Woodside ADSs to holders, amend the Woodside Deposit Agreement, the ADRs and the applicable Registration Statement(s) on Form F-6, call for the exchange of existing Woodside ADSs for new Woodside ADSs and take any other actions that are appropriate to reflect as to the Woodside ADSs the change affecting the Woodside Shares. If the Woodside Depository may not lawfully distribute such property to all holders, the Woodside Depository may sell such property and distribute the net proceeds (net of the fees, expenses and taxes and governmental charges payable by holders under the terms of the Woodside Deposit Agreement) to Woodside ADS holders as in the case of a cash distribution.

Issuance of Woodside ADSs upon Deposit of Woodside Shares

The New Woodside Shares being distributed to holders of BHP ADSs in the Merger will be deposited with the Woodside Custodian. Upon receipt of confirmation of such deposit, the Woodside Depository will issue and deliver the corresponding New Woodside ADSs to the BHP Depository, subject to payment of the applicable Woodside Depository and BHP Depository fees, taxes and expenses. The BHP Depository has confirmed that it will distribute such Woodside ADSs to holders of BHP ADSs as of the ADS Distribution Record Date pursuant to the terms of the BHP Deposit Agreement. No fractional New Woodside ADSs will be distributed to holders of BHP ADSs. All fractional entitlements to New Woodside ADSs will be aggregated and sold by the BHP Depository and the net cash proceeds (after deduction of applicable fees, taxes and expenses) will be distributed to the BHP ADS holders entitled thereto. The BHP Depository will announce the ADS Distribution Record Date for holders of BHP ADSs entitled to receive New Woodside ADSs. The distribution of New Woodside ADSs will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the BHP Deposit Agreement and Woodside Deposit Agreement. In order to pay such taxes or governmental charges, the BHP Depository may sell all or a portion of the New Woodside ADSs so distributed.

The Woodside Depository also may create Woodside ADSs on behalf of Woodside Shareholders who deposit Woodside Shares with the Woodside Custodian. The Woodside Depository will deliver these Woodside ADSs to the person indicated by the depositing shareholder (or broker) only after any applicable issuance fees and any charges and taxes payable for the transfer of the Woodside Shares to the Woodside Custodian have been paid. The ability to deposit Woodside Shares and receive Woodside ADSs may be limited by U.S. and Australia legal considerations applicable at the time of deposit.

The issuance of Woodside ADSs may be delayed until the Woodside Depository or the Woodside Custodian receives confirmation that all required approvals have been given and that the Woodside Shares have been duly transferred to the Woodside Custodian. The Woodside Depository will only issue Woodside ADSs in whole numbers.

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Holders of Woodside Shares making a deposit of Woodside Shares will be responsible for transferring good and valid title of such Woodside Shares to the Woodside Depository. As such, the depositing holder will be deemed to represent and warrant that:

The Woodside Shares are duly authorized, validly issued, fully paid, non-assessable and legally obtained.

All preemptive (and similar) rights, if any, with respect to such Woodside Shares have been validly waived or exercised.

The depositing Woodside Shareholder (or broker) is duly authorized to deposit the Woodside Shares.

The Woodside Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and are not, and the Woodside ADSs issuable upon such deposit will not be, "restricted securities" (as defined in the Woodside Deposit Agreement).

The Woodside Shares presented for deposit have not been stripped of any rights or entitlements.

If any of the representations or warranties are false in any way, Woodside and the Woodside Depository may, at the depositing Woodside Shareholder's (or broker's) cost and expense, take any and all actions necessary to correct the consequences of the misrepresentations.

Transfer, Combination and Split Up of Woodside ADRs

Woodside ADR holders will be entitled to transfer, combine or split up Woodside ADRs and the Woodside ADSs evidenced thereby. For transfers of Woodside ADRs, Woodside ADS holders will have to surrender the Woodside ADRs to the Woodside Depository and also must:

ensure that the surrendered Woodside ADR is properly endorsed or otherwise in proper form for transfer;

provide such proof of identity and genuineness of signatures;

provide any transfer stamps required by the State of New York or the United States; and

pay all applicable fees, charges, expenses, taxes and other government charges payable by Woodside ADR holders pursuant to the terms of the Woodside Deposit Agreement, upon the transfer of Woodside ADRs.

To have Woodside ADRs either combined or split up, holders must surrender the Woodside ADRs in question to the Woodside Depository with the request to have them combined or split up, and must pay all applicable fees, charges, expenses, taxes and other government charges payable by Woodside ADR holders, pursuant to the terms of the Woodside Deposit Agreement, upon a combination or split up of Woodside ADRs.

Withdrawal of Woodside Shares Upon Cancellation of Woodside ADSs

Woodside ADS holders will be entitled to present Woodside ADSs to the Woodside Depository for cancellation and then receive the corresponding number of underlying Woodside Shares represented by such Woodside ADSs at the Woodside Custodian's offices. The ability to withdraw the Woodside Shares held in respect of the Woodside ADSs may be limited by U.S. and Australian legal considerations applicable at the time of withdrawal. In order to withdraw the Woodside Shares represented by Woodside ADSs, holders will be required to pay to the Woodside Depository the fees for cancellation of Woodside ADSs and any charges, expenses, taxes and governmental charges payable upon the transfer of the Woodside Shares. Woodside ADS holders assume the risk for delivery of all funds and securities upon withdrawal. Once canceled, the Woodside ADSs will not have any rights under the Woodside Deposit Agreement.

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Woodside ADS holders who hold Woodside ADSs registered in their name may be asked to provide proof of identity and genuineness of any signature and such other documents as the Woodside Depository may deem appropriate before it will cancel such Woodside ADSs. The withdrawal of the Woodside Shares represented by the Woodside ADSs may be delayed until the Woodside Depository receives satisfactory evidence of compliance with all applicable laws and regulations. Woodside ADS holders should keep in mind that the Woodside Depository will only accept Woodside ADSs for cancellation that represent a whole number of securities on deposit.

Woodside ADS holders will have the right to withdraw the securities represented by their Woodside ADSs at any time except for:

Temporary delays that may arise because (i) the transfer books for the Woodside Shares or Woodside ADSs are closed, or (ii) Woodside Shares are immobilized on account of a Woodside shareholders meeting or a payment of dividends.

Obligations to pay fees, taxes and similar charges.

Restrictions imposed because of laws or regulations applicable to Woodside ADSs or the withdrawal of securities on deposit.

The Woodside Deposit Agreement may not be modified to impair the right to withdraw the securities represented by the Woodside ADSs except to comply with mandatory provisions of law.

Voting Rights

Woodside ADS holders generally have the right under the Woodside Deposit Agreement to instruct the Woodside Depository to exercise the voting rights for the Woodside Shares represented by their Woodside ADSs. The voting rights of holders of Woodside Shares are described in Section 4.10 of the Woodside Deposit Agreement.

At Woodside's request, the Woodside Depository will distribute to holders any notice of Woodside shareholders meetings received from Woodside together with information explaining how to instruct the Woodside Depository to exercise the voting rights of the securities represented by Woodside ADSs. In lieu of distributing such materials, the Woodside Depository may distribute to holders of Woodside ADSs instructions on how to retrieve such materials upon request.

If the Woodside Depository timely receives voting instructions from a holder of Woodside ADSs, it will endeavor to vote (or cause the Woodside Custodian to vote) the securities (in person or by proxy) represented by the holder's Woodside ADSs in accordance with such voting instructions.

If the Woodside Depository does not receive a holder's voting instructions in a timely manner, or if the Woodside Depository timely receives voting instructions from a holder that fails to specify the manner in which the Woodside Depository is to vote, such Woodside ADS holder's ADS will not be voted. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the Woodside Constitution, the Woodside Depository will refrain from voting and the voting instructions received by the Woodside Depository from holders of such Woodside ADSs shall lapse.

Please note that the ability of the Woodside Depository to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. Woodside cannot assure Woodside ADS holders that they will receive voting materials in time to enable them to return voting instructions to the Woodside Depository in a timely manner.

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Fees and Charges

Woodside ADS holders will be required to pay the following fees under the terms of the Woodside Deposit Agreement:

| <u>Service</u> | <u>Fees</u> |
|--|---|
| Issuance of Woodside ADSs (<i>e.g.</i> , an issuance upon a deposit of Woodside Shares, upon a change in the Woodside ADS to Woodside Share ratio, or for any other reason), excluding issuances as a result of distributions described in the fourth bullet, below. | Up to \$0.05 per Woodside ADS issued. |
| Cancellation of Woodside ADSs (<i>e.g.</i> , a cancellation of Woodside ADSs for delivery of deposited Woodside Shares, upon a change in the Woodside ADS to Woodside Share ratio, or for any other reasons). | Up to \$0.05 per Woodside ADS cancelled. |
| Distribution of cash dividends or other cash distributions (<i>e.g.</i> , sale of rights and other entitlements). | Up to \$0.05 per Woodside ADS held. |
| Distribution of Woodside ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional Woodside ADSs. | Up to \$0.05 per Woodside ADS held. |
| Distribution of securities other than Woodside ADSs or rights to purchase additional Woodside ADSs (<i>e.g.</i> , upon a spin-off) | Up to \$0.05 per Woodside ADS held. |
| ADS Services. | Up to \$0.05 per Woodside ADS held on the applicable record date(s) established by the Woodside Depository. |
| Registration of Woodside ADS transfers (<i>e.g.</i> , upon a registration of the transfer of registered ownership of Woodside ADSs, upon a transfer of Woodside ADSs into DTC and <i>vice versa</i> , or for any other reason). | Up to \$0.05 per Woodside ADS transferred. |
| Conversion of Woodside ADSs of one series for Woodside ADSs of another series (<i>e.g.</i> , upon conversion of partial entitlement Woodside ADSs for full entitlement Woodside ADSs, or upon conversion of restricted Woodside ADSs into freely transferable Woodside ADSs, and <i>vice versa</i>). | Up to \$0.05 per Woodside ADS converted. |

Woodside ADS holders will also be responsible to pay certain charges such as:

taxes (including applicable interest and penalties) and other governmental charges;

the registration fees as may from time to time be in effect for the registration of Woodside Shares on the share register and applicable to transfers of Woodside Shares to or from the name of the Woodside Custodian, the Woodside Depository or any nominees upon the making of deposits and withdrawals, respectively;

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certain cable, telex and facsimile transmission and delivery expenses;

the fees, expenses, spreads, taxes and other charges of the Woodside Depository and/or service providers (which may be a division, branch or affiliate of the Woodside Depository) in the conversion of foreign currency;

the expenses incurred by the Woodside Depository in connection with compliance with exchange control regulations and other regulatory requirements applicable to Woodside Shares, Woodside ADSs and Woodside ADRs;

the fees and expenses incurred by the Woodside Depository, the Woodside Custodian, or any nominee in connection with the servicing or delivery of deposited property; and

the amounts payable to the Woodside Depository by any party to the Woodside Deposit Agreement pursuant to any ancillary agreement to the Woodside Deposit Agreement in respect of the Woodside ADR Program, the Woodside ADSs and the Woodside ADRs.

The Woodside ADS fees and charges described above are payable upon (i) deposit of Woodside Shares against issuance of Woodside ADSs and (ii) surrender of Woodside ADSs for cancellation and withdrawal of deposited property. Such fees and charges will be payable by the person to whom the Woodside ADSs so issued are delivered by the Woodside Depository (in the case of Woodside ADS issuances) and by the person who delivers the Woodside ADSs for cancellation to the Woodside Depository (in the case of Woodside ADS cancellations). In the case of Woodside ADSs issued by the Woodside Depository into DTC, the Woodside ADS issuance and cancellation fees and charges may be deducted from distributions made through DTC, and may be charged to the DTC participant(s) receiving the Woodside ADSs being issued or the DTC participant(s) surrendering the Woodside ADSs to the Woodside Depository for cancellation, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participants as in effect at the time. Woodside ADS fees and charges in respect of distributions and the Woodside ADS service fee are charged to the holders as of the applicable Woodside ADS record date. In the case of distributions of cash, the amount of the applicable Woodside ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the Woodside ADS service fee, holders as of the Woodside ADS record date will be invoiced for the amount of the Woodside ADS fees and charges and such Woodside ADS fees and charges may be deducted from distributions made to holders of Woodside ADSs. For Woodside ADSs held through DTC, the Woodside ADS fees and charges for distributions other than cash and the Woodside ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC and the DTC participants in turn charge the amount of such Woodside ADS fees and charges to the beneficial owners for whom they hold Woodside ADSs.

In the event of refusal to pay the Woodside Depository fees, the Woodside Depository may, under the terms of the Woodside Deposit Agreement, refuse the requested service until payment is received or may set off the amount of the Woodside Depository fees from any distribution to be made to the Woodside ADS holder. *Certain depository fees and charges (such as the Woodside ADS services fee) may become payable shortly after the closing of the Merger.* Note that the fees and charges holders may be required to pay may vary over time and may be changed by Woodside and by the Woodside Depository. Woodside ADS holders will receive prior notice of such changes. The Woodside Depository may reimburse Woodside for certain expenses incurred by Woodside in respect of the Woodside ADR Program by making available a portion of the Woodside ADS fees charged in respect of the Woodside ADR Program or otherwise, upon such terms and conditions as Woodside and the Woodside Depository agree from time to time.

Amendments and Termination of Woodside Deposit Agreement

Woodside may agree with the Woodside Depository to modify the Woodside Deposit Agreement at any time without the consent of Woodside ADS holders. Any amendment which imposes or increases any fees or

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charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges) or which otherwise materially prejudices any substantial existing right of Woodside ADS holders will not become effective until thirty days following notice of such amendment to the holders. Woodside will not consider to be materially prejudicial to holders' substantial rights any modifications or supplements that are reasonably necessary for the Woodside ADSs to be registered under the Securities Act or to be eligible for book-entry settlement, in each case without imposing or increasing the fees and charges holders are required to pay. In addition, Woodside may not be able to provide Woodside ADS holders with prior notice of any modifications or supplements that are required to accommodate compliance with applicable provisions of law.

Woodside ADS holders will be bound by the modifications to the Woodside Deposit Agreement if they continue to hold Woodside ADSs after the modifications to the Woodside Deposit Agreement become effective. The Woodside Deposit Agreement cannot be amended to prevent holders from withdrawing the Woodside Shares represented by their Woodside ADSs (except in order to comply with mandatory provisions of applicable law).

Woodside has the right to direct the Woodside Depository to terminate the Woodside Deposit Agreement. Similarly, the Woodside Depository may in certain circumstances on its own initiative terminate the Woodside Deposit Agreement. In either case, the Woodside Depository must give notice to the holders at least 30 days before termination. Until termination, holders' rights under the Woodside Deposit Agreement will be unaffected.

After termination, the Woodside Depository will continue to collect distributions received (but will not distribute any such property until a holder requests the cancellation of its Woodside ADSs) and may sell the securities held on deposit. After the sale, the Woodside Depository will hold the proceeds from such sale and any other funds then held for the holders of Woodside ADSs uninvested. At that point, the Woodside Depository will have no further obligations to holders other than to account for the funds then held for the holders of Woodside ADSs still outstanding (after deduction of applicable fees, taxes and expenses), along with indemnification obligations.

In connection with any termination of the Woodside Deposit Agreement, the Woodside Depository may make available to owners of Woodside ADSs a means to withdraw the Woodside Shares represented by Woodside ADSs and to direct the deposit of such Woodside Shares into an unsecured American Depositary Share program established by the Woodside Depository. The ability to receive unsecured American Depositary Shares upon termination of the Woodside Deposit Agreement would be subject to satisfaction of certain U.S. regulatory requirements applicable to the creation of unsecured American Depositary Shares and the payment of applicable depository fees.

Books of Depository

The Woodside Depository will maintain Woodside ADS holder records at its depository office. Woodside ADS holders may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the Woodside ADSs and the Woodside Deposit Agreement.

The Woodside Depository will maintain in New York facilities to record and process the issuance, cancellation, combination, split-up and transfer of Woodside ADSs. These facilities may be closed from time to time, to the extent not prohibited by law.

Limitations on Obligations and Liabilities

The Woodside Deposit Agreement limits Woodside's obligations and the Woodside Depository's obligations to holders. Woodside ADS holders should note the following:

Woodside and the Woodside Depository are obligated only to take the actions specifically stated in the Woodside Deposit Agreement without negligence or bad faith.

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The Woodside Depositary disclaims any liability for any failure to carry out voting instructions, for any manner in which a vote is cast or for the effect of any vote, provided it acts in good faith and in accordance with the terms of the Woodside Deposit Agreement.

The Woodside Depositary disclaims any liability for any failure to determine the lawfulness or practicality of any action, for the content of any document forwarded to holders on Woodside's behalf or for the accuracy of any translation of such a document, for the investment risks associated with investing in Woodside Shares, for the validity or worth of the Woodside Shares, for any tax consequences that result from the ownership of Woodside ADSs, for the credit-worthiness of any third party, for allowing any rights to lapse under the terms of the Woodside Deposit Agreement, for the timeliness of any of Woodside's notices or for Woodside's failure to give notice.

Woodside and the Woodside Depositary will not be obligated to perform any act that is inconsistent with the terms of the Woodside Deposit Agreement.

Woodside and the Woodside Depositary disclaim any liability if Woodside or the Woodside Depositary are prevented or forbidden from or subject to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the Woodside Deposit Agreement, by reason of any provision, present or future, of any law or regulation, or by reason of present or future provision of any provision of Woodside's governing documents or any provision of or governing the securities on deposit, or by reason of any act of God or war or other circumstances beyond Woodside's control.

Woodside and the Woodside Depositary disclaim any liability by reason of any exercise of, or failure to exercise, any discretion provided for in the Woodside Deposit Agreement or in Woodside's governing documents or in any provisions of or governing the securities on deposit.

Woodside and the Woodside Depositary further disclaim any liability for any action or inaction in reliance on the advice or information received from legal counsel, accountants, any person presenting Woodside Shares for deposit, any holder of Woodside ADSs or authorized representatives thereof, or any other person believed by either of them in good faith to be competent to give such advice or information.

Woodside and the Woodside Depositary also disclaim liability for the inability by a holder to benefit from any distribution, offering, right or other benefit that is made available to holders of Woodside Shares but is not, under the terms of the Woodside Deposit Agreement, made available to holders of Woodside ADSs.

Woodside and the Woodside Depositary may rely without any liability upon any written notice, request or other document believed to be genuine and to have been signed or presented by the proper parties.

Woodside and the Woodside Depositary also disclaim liability for any consequential or punitive damages for any breach of the terms of the Woodside Deposit Agreement.

No disclaimer of any Securities Act liability is intended by any provision of the Woodside Deposit Agreement.

Nothing in the Woodside Deposit Agreement gives rise to a partnership or joint venture, or establishes a fiduciary relationship, among Woodside, the Woodside Depositary and any Woodside ADS holder.

Nothing in the Woodside Deposit Agreement precludes Citibank (or its affiliates) from engaging in transactions in which parties adverse to Woodside or the Woodside ADS owners have interests, and nothing in the Woodside Deposit Agreement obligates Citibank to disclose those transactions, or any information obtained in the course of those transactions, to Woodside or to the Woodside ADS owners, or to account for any payment received as part of those transactions.

As the above limitations relate to Woodside's obligations and the Woodside Depositary's obligations to holders under the Woodside Deposit Agreement, Woodside believes that, as a matter of construction of the

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clause, such limitations would likely to continue to apply to Woodside ADS holders who withdraw the Woodside Shares from the Woodside ADS facility with respect to obligations or liabilities incurred under the Woodside Deposit Agreement before the cancellation of the Woodside ADSs and the withdrawal of the Woodside Shares, and such limitations would most likely not apply to Woodside ADS holders who withdraw the Woodside Shares from the Woodside ADS facility with respect to obligations or liabilities incurred after the cancellation of the Woodside ADSs and the withdrawal of the Woodside Shares and not under the Woodside Deposit Agreement.

In any event, Woodside ADS holders will not be deemed, by agreeing to the terms of the Woodside Deposit Agreement, to have waived Woodside's or the Woodside Depository's compliance with U.S. federal securities laws and the rules and regulations promulgated thereunder. In fact, Woodside ADS holders cannot waive Woodside's or the Woodside Depository's compliance with U.S. federal securities laws and the rules and regulations promulgated thereunder.

Taxes

Woodside ADS holders will be responsible for the taxes and other governmental charges payable on the Woodside ADSs and the securities represented by the Woodside ADSs. Woodside, the Woodside Depository and the Woodside Custodian may deduct from any distribution the taxes and governmental charges payable by holders and may sell any and all property on deposit to pay the taxes and governmental charges payable by holders. Woodside ADS holders will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The Woodside Depository may refuse to issue Woodside ADSs, to deliver, transfer, split and combine Woodside ADRs or to release securities on deposit until all taxes and charges are paid by the applicable holder. The Woodside Depository and the Woodside Custodian may take reasonable administrative actions to obtain tax refunds and reduced tax withholding for any distributions on holders' behalf. However, holders may be required to provide to the Woodside Depository and to the Woodside Custodian proof of taxpayer status and residence and such other information as the Woodside Depository and the Woodside Custodian may require to fulfill legal obligations. Holders are required to indemnify Woodside, the Woodside Depository and the Woodside Custodian for any claims with respect to taxes based on any tax benefit obtained for holders.

Foreign Currency Conversion

The Woodside Depository will arrange for the conversion of all foreign currency received into U.S. dollars if such conversion is practical, and it will distribute the U.S. dollars in accordance with the terms of the Woodside Deposit Agreement. Woodside ADS holders may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not practical or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the Woodside Depository may take the following actions in its discretion:

Convert the foreign currency to the extent practical and lawful and distribute the U.S. dollars to the holders for whom the conversion and distribution is lawful and practical.

Distribute the foreign currency to holders for whom the distribution is lawful and practical.

Hold the foreign currency (without liability for interest) for the applicable holders.

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Governing Law

The Woodside Deposit Agreement, the Woodside ADRs and the Woodside ADSs will be interpreted in accordance with the laws of the State of New York. The rights of holders of Woodside Shares (including Woodside Shares represented by Woodside ADSs) are governed by the laws of Australia.

Woodside ADS holders irrevocably agree that any legal action arising out of the Woodside Deposit Agreement, the Woodside ADSs or the Woodside ADRs, involving Woodside or the Woodside Depository, may be instituted in a state or federal court in the city of New York, and Woodside and the Woodside Depository has each irrevocably submitted to the non-exclusive jurisdiction of such courts.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

There are no related party transactions or relationships involving Woodside or the Woodside Directors and Executive Officers.

CHANGE IN REGISTRANT' S CERTIFYING ACCOUNTANT

On 14 October 2021, the Woodside Board selected PricewaterhouseCoopers to be Woodside' s independent registered public accounting firm for the 2022 fiscal year. The selection and change in independent registered public accounting firm was adopted at the recommendation of Woodside' s Audit & Risk Committee following a competitive tender process. This selection must be approved by the Woodside Shareholders at the Woodside Shareholders Meeting to be held on 19 May 2022. Accordingly, Ernst & Young, upon approval by the Woodside Shareholders, will no longer serve as Woodside' s independent registered public accounting firm effective 19 May 2022.

The audit reports of Ernst & Young on Woodside' s consolidated financial statements as of 31 December 2021 and 2020 and for the years ended 31 December 2021, 2020 and 2019 did not contain any adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the two fiscal years ended 31 December 2021, and through the date of this prospectus, there has not been any disagreement on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreement, if not resolved to the satisfaction of Ernst & Young, would have caused them to make reference to the subject matter of the disagreement in connection with their reports, nor has there been an "reportable event" as described in Item 16F(a)(1)(v) of Form 20-F.

Further, during the two fiscal years ended 31 December 2021, and through the date of this prospectus, neither Woodside, nor anyone on its behalf, consulted with PricewaterhouseCoopers regarding (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered with respect to Woodside' s consolidated financial statements and either a written report was provided to Woodside or oral advice was provided that PricewaterhouseCoopers concluded was an important factor considered by Woodside in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement, as that term is defined in Item 16F(a)(1)(iv) of Form 20-F and the related instructions, or a "reportable event" as described in Item 16F(a)(1)(v) of Form 20-F.

Woodside has provided a copy of the above statements to Ernst & Young and requested that Ernst & Young furnish it with a letter addressed to the SEC stating whether or not they agree with the above disclosure. A copy of that letter, dated 29 March 2022, is filed as Exhibit 16.1 to the registration statement on Form F-4, of which this prospectus forms a part.

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BENEFICIAL OWNERSHIP OF WOODSIDE SECURITIES

The following table sets forth certain information regarding the beneficial ownership of Woodside Shares as of 24 March 2022, without giving effect to the Merger, by:

each person known by Woodside to be the beneficial owner of more than 5% of outstanding Woodside Ordinary Shares; and

each person expected to be an officer or director of the Merged Group following Implementation.

As of 24 March 2022, there were a total of 983,980,823 Woodside Shares issued and outstanding. Unless otherwise indicated, all persons named in the table have sole voting and investment power with respect to all Woodside Shares beneficially owned by them.

For each individual, this percentage includes the Woodside Shares of which such individual has the right to acquire beneficial ownership either currently or within sixty days of this prospectus, including, but not limited to, upon the exercise of a stock option; however, such Woodside Shares will not be deemed outstanding for the purpose of computing the percentage owned by any other individual. All shares are a single class with equal rights to dividends, capital, distributions and voting. Woodside does not have authorized capital nor par value in relation to its issued shares. Unless otherwise noted, the business address of each of the following entities or individuals is c/o Woodside Petroleum Ltd., Mia Yellagonga 11 Mount Street, Perth, Western Australia 6000, Australia.

| Names of Beneficial Owner | Number of Woodside Shares | Percentage Owned[†] |
|---|----------------------------------|-------------------------------------|
| 5% Stockholders: | | |
| Blackrock Group and its subsidiaries (1) | 57,411,550 | 5.83 % |
| State Street Corporation and subsidiaries (2) | 50,409,641 | 5.12 % |
| Executive Director | | |
| Meg O' Neill (3) | 229,652 | * |
| Non-Executive Directors | | |
| Richard Goyder, AO (4) | 23,634 | * |
| Larry Archibald (5) | 13,524 | * |
| Frank Cooper, AO (6) | 14,242 | * |
| Swee Chen Goh (7) | 13,424 | * |
| Ian Macfarlane (8) | 10,637 | * |
| Christopher Haynes, OBE (9) | 15,372 | * |
| Ann Pickard (10) | 15,870 | * |
| Gene Tilbrook (11) | 7,949 | * |
| Sarah Ryan (12) | 12,599 | * |
| Ben Wyatt | 898 | * |
| Senior Executives | | |
| Graham Tiver | — | — |
| Shiva McMahon | — | — |
| Fiona Hick (13) | 84,080 | * |

* Represents beneficial ownership of less than one percent (1%) of the outstanding Woodside Shares.

† Share ownership percentages are based on 983,980,823 Woodside Shares outstanding as of 24 March 2022.

(1) This information is derived from the Notice of Change of Interests of Substantial Holder filed by the Blackrock Group with the ASX on 30 May 2019, indicating ownership of Woodside's shares as of such date. BlackRock, Inc. reports that the following of its subsidiaries acquired the shares: BlackRock (Netherlands) B.V., BlackRock (Singapore) Limited, BlackRock Advisors (UK) Limited, BlackRock Advisors, LLC, BlackRock Asset Management Canada Limited, BlackRock Asset Management

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- Deutschland AG, BlackRock Asset Management North Asia Limited, BlackRock Capital Management, Inc., BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Institutional Trust Company, National Association, BlackRock International Limited, BlackRock Investment Management (Australia) Limited, BlackRock Investment Management (UK) Limited, BlackRock Investment Management, LLC and BlackRock Japan Co., Ltd. The address of BlackRock Inc. is 55 East 52nd Street, New York, NY 10055.
- (2) This information is derived from the Notice of Initial Substantial Holder filed by State Street Corporation with the ASX on 8 November 2021, indicating ownership of Woodside's shares as of such date. State Street Corporation reports that the following of its subsidiaries acquired the shares: SSGA Funds Management, Inc., State Street Global Advisors (Japan) Co., Ltd., State Street Global Advisors Asia Limited, State Street Global Advisors Europe Limited, State Street Global Advisors Ireland Limited, State Street Global Advisors Limited, State Street Global Advisors Singapore Limited, State Street Global Advisors Trust Company, State Street Global Advisors, Australia, Limited, State Street Global Advisors, Inc., State Street Global Advisors, Ltd. and State Street Bank and Trust Company. The address of State Street Corporation is Channel Center, 1 Iron Street, Boston, MA 02210.
 - (3) Includes (i) 147,463 Woodside Shares held by Ms. O' Neill as holder of record and (ii) 82,189 Restricted Shares held by CPU Share Plans Pty Ltd as trustee under the EIS.
 - (4) Consists of (i) 20,300 Woodside Shares held by Invia Custodian Pty Limited as trustee for the Warrangi Trust and (ii) 3,334 Woodside Shares held by Invia Custodian Pty Limited as trustee for the R & J Goyder Superannuation Fund. Mr. Goyder has a beneficial interest in these shares.
 - (5) Held for the benefit of Mr. Archibald by CPU Share Plans Pty Ltd as trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (6) Held for the benefit of Mr. Cooper by CPU Share Plans Pty Ltd as trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (7) Held for the benefit of Ms. Goh by CPU Share Plans Pty Ltd at trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (8) Held for the benefit of Mr. Macfarlane by CPU Share Plans Pty Ltd as trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (9) Held for the benefit of Dr. Haynes by CPU Share Plans Pty Ltd as trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (10) Held for the benefit of Ms. Pickard by CPU Share Plans Pty Ltd as trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (11) Includes (i) 4,751 Woodside Shares directly held by Mr. Tilbrook as holder of record and (ii) 2,402 Woodside Shares held by Invia Custodian Pty Limited, pursuant to which Mr. Tilbrook has a beneficial interest.
 - (12) Held for the benefit of Dr. Ryan by CPU Share Plans Pty Ltd as trustee of the Non-Executive Directors' Share Plan under the EIS.
 - (13) Includes 73,086 Restricted Shares.

LEGAL MATTERS

The validity of the New Woodside Shares, including the New Woodside Shares underlying the New Woodside ADSs, to be issued in connection with the Merger will be passed upon for Woodside by King & Wood Mallesons (AU), counsel to Woodside as to Australian law.

Vinson & Elkins L.L.P., U.S. counsel for Woodside, represented Woodside in connection with the Merger and the preparation of this prospectus.

EXPERTS

The audited consolidated financial statements of Woodside Petroleum Ltd. as of 31 December 2021 and 2020 and for the years ended 31 December 2021, 2020 and 2019 appearing in this prospectus and registration statement on Form F-4 have been audited by Ernst & Young, an independent auditor, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report and given on the authority of such firm as experts in accounting and auditing.

The audited combined financial statements of BHP Petroleum as of 30 June 2021 and 2020 and for the years ended 30 June 2021 and 2020 appearing in this prospectus and registration statement on Form F-4 have been audited by Ernst & Young, an independent auditor, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report and given on the authority of such firm as experts in accounting and auditing.

The information included herein regarding estimated quantities of proved reserves of Woodside Petroleum Ltd., as of 31 December 2021, 2020 and 2019, are based on the proved reserves report prepared by Netherland, Sewell & Associates, Inc. These estimates are included herein in reliance upon the authority of such firm as an expert in these matters.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

Woodside has filed a registration statement on Form F-4 (Registration No. 333-) to register with the SEC the New Woodside Shares that Participating BHP Shareholders will receive as Share Consideration in connection with the Merger, including New Woodside Shares underlying the New Woodside ADSs to be issued to holders of BHP ADSs. This prospectus forms a part of such registration statement on Form F-4. The registration statement on Form F-4, including this prospectus and the exhibits attached thereto and incorporated by reference therein, contains additional relevant information about Woodside.

Upon Implementation, Woodside will be subject to certain requirements of the Exchange Act as a “foreign private issuer.” You can read Woodside’ s SEC filings, including the registration statement on Form F-4 of which this prospectus forms a part, by visiting the SEC’ s website at www.sec.gov.

You may also access the SEC filings and obtain other information about Woodside through the website maintained by Woodside, at www.woodside.com.au. Woodside further publishes annual and half-yearly reports, copies of which can be viewed on the ASX’ s website, www2.asx.com.au, and on Woodside’ s website. The information contained on these websites is not incorporated by reference into this prospectus.

BHP files annual and reports of a foreign private issuer and other information with the SEC. This information is available for review free of charge through the SEC’ s website at www.sec.gov. In addition, BHP’ s SEC filings are also available to the public on BHP’ s website, www.bhp.com. Information contained on BHP’ s website is not incorporated by reference into this prospectus, and you should not consider information contained on that website as part of this registration statement.

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Neither Woodside nor BHP has authorized anyone to give any information or make any representation about the Merger that is different from, or in addition to, that contained in this prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it as having been authorized by Woodside or BHP. If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this prospectus are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this prospectus does not extend to you. The information contained in this prospectus speaks only as of the date of this prospectus unless the information specifically indicates that another date applies.

This prospectus contains a description of the representations and warranties that each of Woodside and BHP made to the other in the Share Sale Agreement. Representations and warranties made by Woodside and BHP are also set forth in contracts and other documents (including the Share Sale Agreement) that are attached or filed as appendices or exhibits to this prospectus. These representations and warranties were made as of specific dates, may be subject to important qualifications and limitations agreed to between the parties in connection with negotiating the terms of the Share Sale Agreement, and may have been included in the agreement for the purpose of allocating risk between the parties rather than to establish matters as facts. These materials are included only to provide you with information regarding the terms and conditions of the agreements, and not to provide any other factual information regarding Woodside, BHP or their respective businesses. Accordingly, the representations and warranties and other provisions of the Share Sale Agreement should not be read alone, but instead should be read only in conjunction with the other information provided elsewhere in this prospectus.

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Woodside Petroleum Ltd

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Woodside Petroleum Ltd (the Group) as of 31 December 2021 and 2020, the related consolidated statements of comprehensive income, changes in equity and cash flows for each of the three years in the period ended 31 December 2021, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group at 31 December 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended 31 December 2021, in conformity with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

Basis for Opinion

These financial statements are the responsibility of the Group’s management. Our responsibility is to express an opinion on the Group’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Group is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

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Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the Audit and Risk Committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Estimation of restoration provisions

Description of the Matter

As disclosed in Note D.5 to the financial statements, the Group has recorded \$2,218 million in restoration provisions as of 31 December 2021.

The calculation of restoration provisions is conducted by specialist engineers and requires judgmental assumptions to be made by the Group regarding removal date, compliance with environmental legislation and regulations, the extent of restoration activities required, including assets remaining in-situ, the engineering methodology for estimating cost and future removal technologies in determining the removal cost.

Australian regulator approval for items remaining in-situ will only be provided towards the end of field life and accordingly, as of December 31, 2021, there is uncertainty whether the Australian regulator will approve plans for these items to be decommissioned in-situ.

Significant assumptions and estimates outlined above are inherently subjective. Changes in these assumptions can lead to significant changes in the restoration provision. In this context, the disclosures in the financial report provide information about the assumptions made in the calculation of the restoration provision and uncertainties as of 31 December 2021. Auditing restoration provisions required complex auditor judgement to assess management' s estimates of the extent, cost and timing of restoration activities.

How We Addressed the Matter in Our Audit

Our procedures included the evaluation of the Group' s process for identifying legal and regulatory obligations for restoration as well as testing the completeness of assets included in the restoration provision.

With the assistance of our environmental specialists, we evaluated the appropriateness of management' s methodology for estimating future costs. For certain restoration provisions for assets within the Group, with the assistance of our environmental specialists, our testing included evaluating, against relevant current legal and regulatory requirements, the extent and cost of restoration activities, including scenario analysis of removal of all or a substantial portion of all assets. We compared the current year cost estimates to those of the prior year and considered management' s explanations where these have changed or deviated. In addition, we compared the timing of future cash outflows against the anticipated completion date for the assets used in the associated reserves estimate and impairment calculation.

We assessed the adequacy of the disclosures within Note D.5 to the consolidated financial statements.

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Carrying value of oil and gas properties

Description of the Matter

As disclosed in Note B.3 and B.4 to the financial statements, the Group had \$18,434 million in oil and gas properties as of 31 December 2021 and recorded an impairment reversal of \$1,058 million related to oil and gas properties during the year then ended. At each reporting period, the Group assesses for each Cash Generating Unit (CGU) whether there are any indicators of impairment or impairment reversal. Where such indicators exist, the Group estimates the recoverable amount of the CGU based on the higher of the value in use (VIU) and fair value less cost to dispose (FVLCD) models for each CGU.

Auditing management's assessment of the estimate of recoverable value of CGUs was complex due to the high degree of estimation uncertainty in assessing forecasted commodity prices, reserves quantities and discount rates, which are significant assumptions to forecasted future cash flows for each CGU, which form the basis of the VIU and FVLCD models.

How We Addressed the Matter in Our Audit

Our testing of management's estimates of the recoverable amount for each CGU included, among others, testing the completeness and accuracy of the underlying data used to develop the significant assumptions. We involved our valuation specialists to assist in assessing the reasonableness of commodity prices by comparing the forecasted price assumptions to contractual arrangements, market prices (where available), broker consensus, analyst views and historical performance. In addition, our valuation specialists assisted in testing the discount rates used, including a comparison to external market data. We compared the projected cash flows against approved budgets and plans and performed a retrospective comparison to actual historical data for the material cashflow forecasts to assess the accuracy of the projections. In addition, we performed sensitivity analyses over the significant assumptions used within the estimate of recoverable amounts.

To test the reserve quantities, we involved our oil and gas reserve engineering specialist to assist in the assessment of the reserve estimation methodology against the relevant industry guidance prepared by the Society of Petroleum Engineers and tested significant revisions to reserves.

We assessed the adequacy of the disclosures within Notes B.3 and B.4 of the consolidated financial statements.

/s/ Ernst & Young

We have served as the Group's auditor since 1954.

Perth, Australia

8 March 2022

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Woodside Petroleum Ltd. Audited Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

| | Notes | 2021 US\$m | 2020 US\$m | 2019 US\$m |
|---|-------|---------------|----------------|---------------|
| Operating revenue | A.1 | 6,962 | 3,600 | 4,873 |
| Cost of sales | A.1 | (3,845) | (2,985) | (2,727) |
| Gross profit | | 3,117 | 615 | 2,146 |
| Other income | A.1 | 139 | (36) | 100 |
| Other expenses | A.1 | (811) | (481) | (418) |
| Impairment losses | A.1 | (10) | (5,269) | (737) |
| Impairment reversals | A.1 | 1,058 | - | - |
| Profit/(loss) before tax and net finance costs | | 3,493 | (5,171) | 1,091 |
| Finance income | | 27 | 58 | 91 |
| Finance costs | A.2 | (230) | (327) | (320) |
| Profit/(loss) before tax | | 3,290 | (5,440) | 862 |
| Petroleum resource rent tax (PRRT) benefit | A.5 | (297) | 439 | 31 |
| Income tax benefit/(expense) | A.5 | (957) | 1,026 | (511) |
| Profit/(loss) after tax | | 2,036 | (3,975) | 382 |
| Profit/(loss) attributable to: | | | | |
| Equity holders of the parent | | 1,983 | (4,028) | 343 |
| Non-controlling interest | E.6 | 53 | 53 | 39 |
| Profit/(loss) for the period | | 2,036 | (3,975) | 382 |
| Other comprehensive income/(loss) | | | | |
| Items that may be reclassified to the income statement in subsequent periods: | | | | |
| Gains/(losses) on cash flow hedges | D.6 | (390) | (136) | 2 |
| Loss on cash flow hedges reclassified to the income statement | | 66 | 52 | - |
| Tax recognized within other comprehensive income | | (5) | 25 | - |
| Items that will not be reclassified to the income statement in subsequent periods: | | | | |
| Remeasurement gains on defined benefit plan | | 13 | 2 | 2 |
| Other comprehensive income/(loss) for the period, net of tax | | (316) | (57) | 4 |
| Total comprehensive income/(loss) for the period | | 1,720 | (4,032) | 386 |
| Total comprehensive income/(loss) attributable to: | | | | |
| Equity holders of the parent | | 1,667 | (4,085) | 347 |
| Non-controlling interest | | 53 | 53 | 39 |
| Total comprehensive income/(loss) for the period | | 1,720 | (4,032) | 386 |
| Basic earnings/(losses) per share attributable to equity holders of the parent (US cents) | A.4 | 206.0 | (423.5) | 36.7 |
| Diluted earnings/(losses) per share attributable to equity holders of the parent (US cents) | A.4 | 204.1 | (423.5) | 36.7 |

The accompanying notes form part of the financial statements.

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Woodside Petroleum Ltd. Audited Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021 AND 2020

| | <u>Notes</u> | <u>2021 US\$m</u> | <u>2020 US\$m</u> |
|--|--------------|-----------------------|-----------------------|
| Current assets | | | |
| Cash and cash equivalents | C.1 | 3,025 | 3,604 |
| Receivables | D.2 | 368 | 303 |
| Inventories | D.3 | 202 | 125 |
| Other financial assets | D.6 | 320 | 172 |
| Other assets | | 109 | 48 |
| Non-current assets held for sale | B.6 | 254 | – |
| Total current assets | | <u>4,278</u> | <u>4,252</u> |
| Non-current assets | | | |
| Receivables | D.2 | 686 | 423 |
| Inventories | D.3 | 19 | 40 |
| Other financial assets | D.6 | 107 | 54 |
| Other assets | | 34 | 55 |
| Exploration and evaluation assets | B.2 | 614 | 2,045 |
| Oil and gas properties | B.3 | 18,434 | 15,267 |
| Other plant and equipment | | 215 | 199 |
| Deferred tax assets | A.5 | 1,007 | 1,304 |
| Lease assets | D.7 | 1,080 | 984 |
| Total non-current assets | | <u>22,196</u> | <u>20,371</u> |
| Total assets | | <u>26,474</u> | <u>24,623</u> |
| Current liabilities | | | |
| Payables | D.4 | 639 | 505 |
| Interest-bearing liabilities | C.2 | 277 | 776 |
| Other financial liabilities | D.6 | 411 | 37 |
| Other liabilities | | 86 | 136 |
| Provisions | D.5 | 605 | 500 |
| Tax payable | A.5 | 413 | 46 |
| Lease liabilities | D.7 | 191 | 94 |
| Total current liabilities | | <u>2,622</u> | <u>2,094</u> |
| Non-current liabilities | | | |
| Interest-bearing liabilities | C.2 | 5,153 | 5,438 |
| Deferred tax liabilities | A.5 | 878 | 549 |
| Other financial liabilities | D.6 | 161 | 34 |
| Other liabilities | | 36 | 42 |
| Provisions | D.5 | 2,219 | 2,407 |
| Lease liabilities | D.7 | 1,176 | 1,184 |
| Total non-current liabilities | | <u>9,623</u> | <u>9,654</u> |
| Total liabilities | | <u>12,245</u> | <u>11,748</u> |
| Net assets | | <u>14,229</u> | <u>12,875</u> |
| Equity | | | |
| Issued and fully paid shares | C.3 | 9,409 | 9,297 |
| Shares reserved for employee share plans | C.3 | (30) | (23) |
| Other reserves | C.4 | 683 | 1,403 |
| Retained earnings | | 3,381 | 1,398 |
| Equity attributable to equity holders of the parent | | <u>13,443</u> | <u>12,075</u> |
| Non-controlling interest | E.6 | 786 | 800 |
| Total equity | | <u>14,229</u> | <u>12,875</u> |

The accompanying notes form part of the financial statements.

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Woodside Petroleum Ltd. Audited Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

| NOTES | Notes | Issued and fully paid shares | Shares reserved for employee share plans | Employee benefits reserve | Foreign currency translation reserve | Hedging reserve | Distributable profits reserve | Retained earnings | Equity holders of the parent | Non-controlling interest | Total equity |
|--|-------|------------------------------|--|---------------------------|--------------------------------------|-----------------|-------------------------------|-------------------|------------------------------|--------------------------|---------------|
| | | C.3 | C.3 | C.4 | C.4 | C.4 | C.4 | | | E.6 | |
| | | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m |
| At 1 January 2019 (restated) | | 8,880 | (31) | 206 | 793 | (14) | – | 7,500 | 17,334 | 833 | 18,167 |
| Profit for the period | | – | – | – | – | – | – | 343 | 343 | 39 | 382 |
| Other comprehensive income | | – | – | 2 | – | 2 | – | – | 4 | – | 4 |
| Total comprehensive income for the period | | – | – | 2 | – | 2 | – | 343 | 347 | 39 | 386 |
| Dividend reinvestment plan | | 130 | – | – | – | – | – | – | 130 | – | 130 |
| Employee share plan purchases | | – | (66) | – | – | – | – | – | (66) | – | (66) |
| Employee share plan redemptions | | – | 58 | (58) | – | – | – | – | – | – | – |
| Share-based payments (net of tax) | | – | – | 61 | – | – | – | – | 61 | – | 61 |
| Dividends paid | | – | – | – | – | – | – | (1,189) | (1,189) | (80) | (1,269) |
| At 31 December 2019 | | 9,010 | (39) | 211 | 793 | (12) | – | 6,654 | 16,617 | 792 | 17,409 |
| Transfers | | – | – | – | – | – | 710 | (710) | – | – | – |
| Profit/(loss) for the period | | – | – | – | – | – | – | (4,028) | (4,028) | 53 | (3,975) |
| Other comprehensive income/(loss) | | – | – | 2 | – | (59) | – | – | (57) | – | (57) |
| Total comprehensive income/(loss) for the period | | – | – | 2 | – | (59) | – | (4,028) | (4,085) | 53 | (4,032) |
| Dividend reinvestment plan | | 264 | – | – | – | – | – | – | 264 | – | 264 |
| Shares issued | | 23 | – | – | – | – | – | – | 23 | – | 23 |
| Employee share plan purchases | | – | (32) | – | – | – | – | – | (32) | – | (32) |
| Employee share plan redemptions | | – | 48 | (48) | – | – | – | – | – | – | – |
| Share-based payments (net of tax) | | – | – | 54 | – | – | – | – | 54 | – | 54 |
| Dividends paid | | – | – | – | – | – | (248) | (518) | (766) | (45) | (811) |
| At 31 December 2020 | | 9,297 | (23) | 219 | 793 | (71) | 462 | 1,398 | 12,075 | 800 | 12,875 |

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Woodside Petroleum Ltd. Audited Consolidated Financial Statements

| NOTES | Notes | Issued and fully paid shares | Shares reserved for employee share plans | Employee benefits reserve | Foreign currency translation reserve | Hedging reserve | Distributable profits reserve | Retained earnings | Equity holders of the parent | Non-controlling interest | Total equity |
|---|-------|------------------------------|--|---------------------------|--------------------------------------|-----------------|-------------------------------|-------------------|------------------------------|--------------------------|---------------|
| | | C.3 US\$m | C.3 US\$m | C.4 US\$m | C.4 US\$m | C.4 US\$m | C.4 US\$m | US\$m | US\$m | E.6 US\$m | US\$m |
| Profit for the period | | - | - | - | - | - | - | 1,983 | 1,983 | 53 | 2,036 |
| Other comprehensive income/ (loss) | | - | - | 13 | - | (329) | - | - | (316) | - | (316) |
| Total comprehensive income/ (loss) for the period | | - | - | 13 | - | (329) | - | 1,983 | 1,667 | 53 | 1,720 |
| Dividend reinvestment plan | 112 | - | - | - | - | - | - | - | 112 | - | 112 |
| Employee share plan purchases | | - | (47) | - | - | - | - | - | (47) | - | (47) |
| Employee share plan redemptions | | - | 40 | (40) | - | - | - | - | - | - | - |
| Share-based payments (net of tax) | | - | - | 40 | - | - | - | - | 40 | - | 40 |
| Dividends paid | | - | - | - | - | - | (404) | - | (404) | (67) | (471) |
| At 31 December 2021 | | 9,409 | (30) | 232 | 793 | (400) | 58 | 3,381 | 13,443 | 786 | 14,229 |

The accompanying notes form part of the financial statements.

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Woodside Petroleum Ltd. Audited Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

| | Notes | 2021 US\$m | 2020 US\$m | 2019 US\$m |
|---|-------|----------------|----------------|----------------|
| Cash flows from operating activities | | | | |
| Profit/(loss) after tax for the period | | 2,036 | (3,975) | 382 |
| Adjustments for: | | | | |
| Non-cash items | | | | |
| Depreciation and amortisation | | 1,582 | 1,730 | 1,617 |
| Depreciation of lease assets | | 108 | 94 | 86 |
| Change in fair value of derivative financial instruments | | 31 | 31 | (1) |
| Net finance costs | | 203 | 269 | 229 |
| Tax (benefit)/expense | | 1,254 | (1,465) | 480 |
| Exploration and evaluation written off | B.2 | 265 | 2 | 46 |
| Impairment losses | B.4 | 10 | 5,269 | 737 |
| Impairment reversals | B.4 | (1,058) | – | – |
| Restoration | | 68 | 28 | 77 |
| Onerous contract provision | | (95) | 347 | – |
| Other | | 30 | (12) | 39 |
| Changes in assets and liabilities | | | | |
| Decrease in trade and other receivables | | (39) | 41 | 118 |
| Decrease/(increase) in inventories | | (4) | 51 | (21) |
| Increase in lease assets | | (16) | – | – |
| Increase in provisions | | (75) | 155 | 33 |
| Increase in lease liabilities | | (25) | 40 | – |
| Increase in other assets and liabilities | | (128) | (137) | (48) |
| Decrease in trade and other payables | | 75 | (121) | (11) |
| Cash generated from operations | | 4,222 | 2,347 | 3,763 |
| Purchases of shares and payments relating to employee share plans | | (47) | (32) | (66) |
| Interest received | | 11 | 64 | 85 |
| Dividends received | | 6 | 4 | 5 |
| Borrowing costs relating to operating activities | | (91) | (180) | (157) |
| Income tax paid | | (271) | (331) | (313) |
| Payments for restoration | | (38) | (23) | (12) |
| Net cash from operating activities | | 3,792 | 1,849 | 3,305 |
| Cash flows used in investing activities | | | | |
| Payments for capital and exploration expenditure | | (2,406) | (1,418) | (1,213) |
| Borrowing costs relating to investing activities | | (126) | (57) | (37) |
| Advances to other external entities | | (206) | (110) | – |
| Proceeds from disposal of non-current assets | | 9 | – | 12 |
| Payments for acquisition of joint arrangements | B.5 | (212) | (527) | – |
| Net cash used in investing activities | | (2,941) | (2,112) | (1,238) |
| Cash flows (used in)/from financing activities | | | | |
| Proceeds from borrowings | C.2 | – | 600 | 1,700 |
| Repayment of borrowings | C.2 | (784) | (83) | (84) |
| Borrowing costs relating to financing activities | | (15) | (21) | (30) |
| Repayment of lease liabilities | | (155) | (71) | (41) |
| Borrowing costs relating to lease liabilities | | (89) | (86) | (89) |
| Contributions to non-controlling interests | | (92) | (111) | (77) |
| Dividends paid (outside of DRP) | | – | – | (852) |
| Dividends paid (net of DRP) | | (289) | (454) | (210) |
| Net proceeds from share issuance | | – | 23 | – |
| Net cash (used in)/from financing activities | | (1,424) | (203) | 317 |
| Net (decrease)/increase in cash held | | (573) | (466) | 2,384 |
| Cash and cash equivalents at the beginning of the period | | 3,604 | 4,058 | 1,674 |
| Effects of exchange rate changes | | (6) | 12 | – |
| Cash and cash equivalents at the end of the period | C.1 | 3,025 | 3,604 | 4,058 |

The accompanying notes form part of the financial statements.

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Notes to the Consolidated Financial Statements

About these statements

Woodside Petroleum Ltd. and its controlled entities (Woodside or the Group) is a for-profit entity limited by shares, incorporated and domiciled in Australia. Its shares are publicly traded on the Australian Securities Exchange. The nature of the operations and the principal activities of the Group are described in the main document and in the segment information in Note A.1.

Statement of compliance

The financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The accounting policies are consistent with those disclosed in the 2020 Financial Statements, except for the impact of all new or amended standards and interpretations adopted with effect from 1 January 2021. The adoption of these standards and interpretations did not result in any significant changes to the Group's accounting policies, with the exception of International Accounting Standards Board *Interest Rate Benchmark Reform - Phase 2* (refer to Note E.7).

Estimates and judgements reflect current market conditions, including the impact of COVID-19. Estimates used for impairment assessments and the measurement of onerous contracts are disclosed in Notes B.4 and D.5 respectively. Given ongoing economic uncertainty, these assumptions could change in the future.

Currency

The functional and presentation currency of Woodside Petroleum Ltd. and all its subsidiaries is the US dollar.

Transactions in foreign currencies are initially recorded in the functional currency of the transacting entity at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange ruling at that date. Exchange differences in the consolidated financial statements are taken to the income statement.

Rounding of amounts

The amounts contained in these financial statements have been rounded to the nearest million dollars, unless otherwise stated.

Basis of preparation

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and certain other financial assets and financial liabilities, which have been measured at fair value or amortised cost adjusted for changes in fair value attributable to the risks that are being hedged in effective hedge relationships. Where not carried at fair value, if the carrying value of financial assets and financial liabilities does not approximate their fair value, the fair value has been included in the notes to the financial statements.

The financial statements comprise the financial results of the Group as at 31 December each year (refer to Note E.6).

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date at which the Group ceases to have control.

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Notes to the Consolidated Financial Statements

Basis of preparation (cont.)

The subsidiaries of the Group have the same reporting period and accounting policies as the parent company. All intercompany balances and transactions, including unrealised profits and losses arising from intra-group transactions, have been eliminated in full.

Non-controlling interests are allocated their share of the net profit after tax in the consolidated income statement and their share of other comprehensive income net of tax in the consolidated statement of comprehensive income, and are presented within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

The consolidated financial statements provide comparative information in respect of the previous period. Where required, a reclassification of items in the financial statements of the previous period has been made in accordance with the classification of items in the financial statements of the current period.

Financial and capital risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework, including review and approval of the Group's risk management strategy, policy and key risk parameters. The Board of Directors and the Audit and Risk Committee have oversight of the Group's internal control system and risk management process, including oversight of the internal audit function.

The Group's management of financial and capital risks is aimed at ensuring that available capital, funding and cash flows are sufficient to:

- meet the Group's financial commitments as and when they fall due;
- maintain the capacity to fund its committed project developments;
- pay a reasonable dividend; and
- maintain a long-term credit rating of not less than 'investment grade' .

The Group monitors and tests its forecast financial position against these criteria and, in general, will undertake hedging activity only when necessary to ensure that these objectives are achieved.

Other circumstances that may lead to hedging activities include the management of exposures relating to trading activities and the underpinning of the economics of a new project. It is, and has been throughout the period, the Group Treasury policy that no speculative trading in financial instruments shall be undertaken.

The below risks arise in the normal course of the Group's business. Risk information can be found in the following sections:

| | |
|-----------|-----------------------|
| Section A | Commodity price risk |
| Section A | Foreign exchange risk |
| Section C | Capital risk |
| Section C | Liquidity risk |
| Section C | Interest rate risk |
| Section D | Credit risk |

Key estimates and judgements

In applying the Group's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an

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Notes to the Consolidated Financial Statements

Key estimates and judgements (cont.)

impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances known to management, and actual results may differ. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are found in the following notes:

| | |
|----------|---|
| Note A.1 | Revenue from contracts with customers |
| Note A.5 | Taxes |
| Note B.2 | Exploration and evaluation |
| Note B.3 | Oil and gas properties |
| Note B.4 | Impairment of exploration and evaluation and oil and gas properties |
| Note B.5 | Significant production and growth assets |
| Note D.5 | Provisions |
| Note D.6 | Other financial assets and liabilities |
| Note D.7 | Leases |
| Note E.5 | Joint arrangements |

A. Earnings for the year

This section addresses financial performance of the Group for the reporting period including, where applicable, the accounting policies applied and the key estimates and judgements made. This section also includes the tax position of the Group for and at the end of the reporting period.

Key financial and capital risks in this section

Commodity price risk management

The Group's revenue is exposed to commodity price fluctuations through the sale of hydrocarbons. Commodity price risks are measured by monitoring and stress testing the Group's forecast financial position to sustained periods of low oil and gas prices. This analysis is regularly performed on the Group's portfolio and as required for discrete projects and transactions.

The Group's management of commodity price risk includes the use of commodity swap derivatives to hedge its exposure (refer to Note D.6). The hedged exposure includes LNG revenue related to produced volumes and revenues derived from trading operations. Commodity swap derivatives protect the Group against downside risk within its strategic and trading portfolio.

As at the reporting date, the Group held hedging financial instruments with a net liability carrying value of \$431 million (2020: \$9 million) exposed to commodity price risk. An increase in the relevant commodity price of 10% would have decreased the instruments' carrying value by \$255 million, the effect of which would be recognized within reserves and/or the income statement in accordance with hedge accounting application. A 10% decrease would have the same but opposite effect. The analysis assumes that all other variables remain constant (including the price on underlying physical exposures).

Foreign exchange risk management

Foreign exchange risk arises from future commitments, financial assets and financial liabilities that are not denominated in US dollars. The majority of the Group's revenue is denominated in US dollars. The Group is exposed to foreign currency risk arising from operating and capital expenditure incurred in currencies other than US dollars, particularly Australian dollars.

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Notes to the Consolidated Financial Statements

Foreign exchange risk management (cont.)

The Group's management of foreign exchange risk relating to capital expenditure includes the use of forward exchange contract derivatives to hedge its exposure (refer to Note D.6).

As at the reporting date, the Group held hedging financial instruments with a net asset carrying value of \$10 million (2020: nil) exposed to foreign exchange risk.

Measuring the exposure to foreign exchange risk is achieved by regularly monitoring and performing sensitivity analysis on the Group's financial position.

A reasonably possible change in the exchange rate of the US dollar to the Australian dollar (+12%/-12% (2020: +12%/-12%; 2019: +12%/-12%)), with all other variables held constant, would not have a material impact on the Group's equity or the profit or loss in the current period. Refer to Notes C1, C2, D2, D4 and D7 for details of the denominations of cash and cash equivalents, interest-bearing liabilities, receivables, payables and lease liabilities held at 31 December 2021.

In order to hedge the foreign exchange risk and interest rate risk (refer to Section C) of a Swiss Franc (CHF) denominated medium term note, Woodside holds a number of cross-currency interest rate swaps (refer to Note C.2 and D.6). The aim of this hedge is to convert the fixed interest CHF bond into variable interest US dollar debt. The Group also entered into foreign exchange forward contracts to fix the Australian dollar to US dollar exchange rate in relation to a portion of the Australian dollar denominated capital expenditure expected to be incurred under the Scarborough development (refer to Note D.6).

A.1 Segment revenue and expenses

Operating segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources.

The Group has reviewed its operating segments and has identified the Sangomar and Scarborough LNG Development as separate operating segments within Development due to the progress and materiality of the related projects. The 2020 and 2019 amounts have been restated to reflect this change.

Management monitors the performance of the operating results of the segments separately for the purpose of making decisions about resource allocation and performance assessment. The performance of operating segments is evaluated based on profit before tax and net finance costs and is measured in accordance with the Group's accounting policies.

Financing requirements, including cash and debt balances, finance income, finance costs and taxes are managed at a Group level.

Operating segments outlined below are identified by management based on the nature and geographical location of the business or venture.

Producing

North West Shelf Project - Exploration, evaluation, development, production and sale of liquefied natural gas, pipeline natural gas, condensate and liquefied petroleum gas in assigned permit areas.

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

Pluto LNG - Exploration, evaluation, development, production and sale of liquefied natural gas, pipeline natural gas and condensate in assigned permit areas.

Australia Oil - Exploration, evaluation, development, production and sale of crude oil in assigned permit areas (North West Shelf, Greater Enfield and Vincent).

Wheatstone - Exploration, evaluation, development, production and sale of liquefied natural gas, pipeline natural gas and condensate in assigned permit areas.

Development

Scarborough - Exploration, evaluation and development of liquefied natural gas, pipeline natural gas and condensate in assigned permit areas.

Sangomar - Exploration, evaluation and development of crude oil in assigned permit areas.

Other Development segments - This segment comprises exploration, evaluation and development of liquefied natural gas, pipeline natural gas and condensate in the Browse, Kitimat and Sunrise projects.

Other

Other segments - This segment comprises trading and shipping activities and activities undertaken in other international locations.

Unallocated items - Unallocated items comprise primarily corporate non-segmental items of revenue and expenses and associated assets and liabilities not allocated to operating segments as they are not considered part of the core operations of any segment.

Major customer information

The Group has two major customers which account for 8% and 6% of the Group's external revenue. The sales are generated by the Pluto, North West Shelf and Wheatstone operating segments (2020: two customers; 15% and 13% generated by Pluto and North West Shelf; 2019: three customers; 16%, 15% and 11% generated by Pluto, North West Shelf and Wheatstone).

Geographic information

| | Revenue from external customers(1) | | | Non-current assets(2) | |
|--------------|------------------------------------|-------|-------|-----------------------|--------|
| | 2021 | 2020 | 2019 | 2021 | 2020 |
| | US\$m | US\$m | US\$m | US\$m | US\$m |
| Oceania | 313 | 286 | 202 | 18,386 | 17,559 |
| Asia | 6,029 | 3,076 | 4,435 | – | 229 |
| Canada | – | – | 2 | – | 34 |
| Africa | – | – | – | 2,802 | 1,244 |
| Other | 620 | 238 | 234 | 1 | 1 |
| Consolidated | 6,962 | 3,600 | 4,873 | 21,189 | 19,067 |

(1) Revenue is attributable to geographic region based on the location of the customer.

(2) Non-current assets exclude deferred tax of \$1,007 million (2020: \$1,304 million).

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

Recognition and measurement

Revenue from contracts with customers

Revenue is recognised when or as the Group transfers control of products or provides services to a customer at the amount to which the Group expects to be entitled. If the consideration includes a variable component, the Group estimates the amount of the expected consideration receivable. Variable consideration is estimated throughout the contract and is constrained until it is highly probable a significant revenue reversal in the amount of cumulative revenue recognised will not occur.

Revenue from sale of hydrocarbons - Revenue from the sale of hydrocarbons is recognised at a point in time when control of the product is transferred to the customer, which is typically on delivery. Revenue from take or pay contracts is recorded as unearned revenue until the product has been drawn by the customer (transfer of control), at which time it is recognised in earnings.

Other operating revenue - Revenue earned from LNG processing and other services is recognised over time as the services are rendered.

Expenses

Royalties, excise and levies - Royalties, excise and levies under existing regimes are considered to be production-based taxes and are therefore accrued on the basis of the Group's entitlement to physical production.

Depreciation and amortisation - Refer to Note B.3.

Impairment and impairment reversal - Refer to Note B.4.

Leases - Refer to Note D.7.

Employee benefits - Refer to Note E.2.

Key estimates and judgements

Revenue from contracts with customers

Judgement is required to determine the point at which the customer obtains control of hydrocarbons. Factors including transfer of legal title, transfer of significant risks and rewards of ownership and the existence of a present right to payment for the hydrocarbons typically result in control transferring on delivery of hydrocarbons at port of loading or port of discharge.

The transaction price at the date control passes for sales made subject to provisional pricing periods in oil and condensate contracts is determined with reference to quoted commodity prices.

Judgement is also used to determine if it is probable that a significant reversal will occur in relation to revenue recognised during open pricing periods in LNG contracts. The Group estimates variable consideration based on reasonably available information from contract negotiations and market indicators.

Progress of performance obligations for LNG processing services revenue recognised over time is measured using the output method which most accurately measures the progress towards satisfaction of the performance obligation of the services provided.

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

Set out below are segment revenue and expenses for the year ended 31 December 2021.

| | Producing | | | | Development | | | Other | | Consolidated US\$m |
|--|---------------------|-----------------|------------------|---------------|-------------|----------|-----------------------|-------------------|----------------------|-----------------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | Unallocated items | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| Liquefied natural gas | 1,209 | 2,415 | – | 581 | – | – | – | 1,154 | – | 5,359 |
| Domestic gas | 8 | 19 | – | 16 | – | – | – | – | – | 43 |
| Condensate | 253 | 215 | – | 175 | – | – | – | – | – | 643 |
| Oil | – | – | 673 | – | – | – | – | – | – | 673 |
| Liquefied petroleum gas | 60 | – | – | – | – | – | – | – | – | 60 |
| Revenue from sale of hydrocarbons | 1,530 | 2,649 | 673 | 772 | – | – | – | 1,154 | – | 6,778 |
| Processing and services revenue | – | 143 | – | – | – | – | – | – | – | 143 |
| Shipping and other revenue | – | 2 | – | – | – | – | – | 39 | – | 41 |
| Other revenue | – | 145 | – | – | – | – | – | 39 | – | 184 |
| Operating revenue¹ | 1,530 | 2,794 | 673 | 772 | – | – | – | 1,193 | – | 6,962 |
| Production costs | (116) | (192) | (109) | (72) | – | – | – | – | 8 | (481) |
| Royalties, excise and levies | (200) | (9) | (7) | (2) | – | – | – | – | – | (218) |
| Insurance | (7) | (19) | (4) | (2) | – | – | – | – | 1 | (31) |
| Inventory movement | – | 1 | 8 | 8 | – | – | – | – | – | 17 |
| Costs of production | (323) | (219) | (112) | (68) | – | – | – | – | 9 | (713) |
| Land and buildings | (3) | (28) | – | (20) | – | – | – | – | – | (51) |
| Transferred exploration and evaluation | (9) | (27) | (21) | (22) | – | – | – | – | – | (79) |
| Plant and equipment | (183) | (827) | (199) | (207) | – | – | – | – | – | (1,416) |
| Marine vessels and carriers | (3) | – | – | – | – | – | – | – | – | (3) |
| Oil and gas properties depreciation and amortisation | (198) | (882) | (220) | (249) | – | – | – | – | – | (1,549) |
| Shipping and direct sales costs ² | (45) | (70) | – | (42) | – | – | – | (53) | – | (210) |
| Trading costs ³ | – | (138) | – | – | – | – | – | (1,357) | – | (1,495) |
| Other hydrocarbon costs | – | – | – | (6) | – | – | – | – | – | (6) |
| Other cost of sales | – | (11) | – | – | – | – | – | (1) | – | (12) |
| Movement in onerous contract provision ⁴ | – | – | – | – | – | – | – | 140 | – | 140 |
| Other cost of sales | (45) | (219) | – | (48) | – | – | – | (1,271) | – | (1,583) |
| Cost of sales | (566) | (1,320) | (332) | (365) | – | – | – | (1,271) | 9 | (3,845) |
| Gross profit | 964 | 1,474 | 341 | 407 | – | – | – | (78) | 9 | 3,117 |
| Other income⁵ | 17 | 75 | 5 | (1) | – | – | (1) | – | 44 | 139 |
| Exploration and evaluation expenditure | (2) | (2) | (1) | (1) | – | (3) | (2) | (43) | – | (54) |
| Amortisation | – | – | – | – | – | – | – | (3) | – | (3) |
| Write-offs ⁶ | – | – | – | – | – | – | – | (265) | – | (265) |
| Exploration and evaluation | (2) | (2) | (1) | (1) | – | (3) | (2) | (311) | – | (322) |

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

| | Producing | | | | Development | | | Other | | Consolidated |
|---|------------------|--------------|---------------|--------------|-------------|----------|--------------------|----------------|-------------------|-----------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | Unallocated items | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| General, administrative and other costs | (1) | (2) | - | (1) | - | 5 | (1) | (5) | (153) | (158) |
| Depreciation of other plant and equipment | - | - | - | - | - | - | - | - | (30) | (30) |
| Depreciation of lease assets | (1) | (27) | - | - | - | - | - | (47) | (33) | (108) |
| Restoration movement | 15 | - | (95) | - | - | - | 12 | - | - | (68) |
| Other ⁷ | (10) | (3) | (6) | (38) | - | - | (32) | - | (36) | (125) |
| Other costs | 3 | (32) | (101) | (39) | - | 5 | (21) | (52) | (252) | (489) |
| Other expenses | 1 | (34) | (102) | (40) | - | 2 | (23) | (363) | (252) | (811) |
| Impairment losses | - | - | - | (10) | - | - | - | - | - | (10) |
| Impairment reversals⁸ | 376 | 682 | - | - | - | - | - | - | - | 1,058 |
| Profit/(loss) before tax and net finance costs | 1,358 | 2,197 | 244 | 356 | - | 2 | (24) | (441) | (199) | (3,493) |

- Operating revenue includes revenue from contracts with customers of \$6,923 million and sub-lease income of \$39 million disclosed within shipping and other revenue.
- Includes repurchase and cancellation costs to optimise Group revenues.
- Trading costs within Other segments relate to purchase costs of non-produced volumes (including Corpus Christi) and other volumes purchased to optimise produced LNG revenues.
- Comprises provisions used of \$45 million and changes in estimates \$95 million. Refer to Note D.5 for more details.
- Includes other income of \$67 million relating to Pluto volumes delivered into Wheatstone's sales commitments and net foreign exchange gains of \$44 million.
- \$56 million relates to costs of unsuccessful wells. \$209 million relates to capitalised costs written off due to the Group's decision to withdraw from its interests in Myanmar. Refer to Note B.2.
- Includes net loss on hedging activities of \$91 million and other expenses not associated with the ongoing operations of the business. The Other developments segment also includes \$33 million for various costs relating to Woodside's exit from the Kitimat LNG development.
- Impairment reversals on oil and gas properties. Refer to Note B.4 for more details.

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

Set out below are segment revenue and expenses for the year ended 31 December 2020.

| | Producing | | | | Development ⁵ | | | Other | | Consolidated US\$m |
|--|---------------------|-----------------|------------------|---------------|--------------------------|----------|-----------------------|-------------------|----------------------|-----------------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | Unallocated items | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| Liquefied natural gas ¹ | 722 | 1,320 | - | 365 | - | - | - | 112 | - | 2,519 |
| Domestic gas | 44 | 11 | - | 18 | - | - | - | - | - | 73 |
| Condensate | 194 | 114 | - | 103 | - | - | - | - | - | 411 |
| Oil | - | - | 432 | - | - | - | - | - | - | 432 |
| Liquefied petroleum gas | 16 | - | - | - | - | - | - | - | - | 16 |
| Revenue from sale of hydrocarbons | 976 | 1,445 | 432 | 486 | - | - | - | 112 | - | 3,451 |
| Processing and services revenue | - | 142 | - | - | - | - | - | - | - | 142 |
| Shipping and other revenue | - | - | - | - | - | - | - | 7 | - | 7 |
| Other revenue | - | 142 | - | - | - | - | - | 7 | - | 149 |
| Operating revenue | 976 | 1,587 | 432 | 486 | - | - | - | 119 | - | 3,600 |
| Production costs | (118) | (189) | (107) | (72) | - | - | - | - | 8 | (478) |
| Royalties, excise and levies | (79) | - | (3) | - | - | - | - | - | - | (82) |
| Insurance | (7) | (19) | (3) | (3) | - | - | - | - | 1 | (31) |
| Inventory movement | (1) | (7) | (21) | (3) | - | - | - | - | - | (32) |
| Costs of production | (205) | (215) | (134) | (78) | - | - | - | - | 9 | (623) |
| Land and buildings | (4) | (27) | - | (24) | - | - | - | - | - | (55) |
| Transferred exploration and evaluation | (13) | (32) | (32) | (22) | - | - | - | - | - | (99) |
| Plant and equipment | (228) | (823) | (251) | (231) | - | - | - | - | - | (1,533) |
| Marine vessels and carriers | (2) | - | - | - | - | - | - | - | - | (2) |
| Oil and gas properties depreciation and amortisation | (247) | (882) | (283) | (277) | - | - | - | - | - | (1,689) |
| Shipping and direct sales costs | (49) | (53) | - | (44) | - | - | - | 35 | - | (111) |
| Trading costs | (8) | (49) | - | (10) | - | - | - | (144) | - | (211) |
| Other hydrocarbon costs | - | - | - | (4) | - | - | - | - | - | (4) |
| Movement in onerous contract provision ² | - | - | - | - | - | - | - | (347) | - | (347) |
| Other cost of sales | (57) | (102) | - | (58) | - | - | - | (456) | - | (673) |
| Cost of sales | (509) | (1,199) | (417) | (413) | - | - | - | (456) | 9 | (2,985) |
| Gross profit | 467 | 388 | 15 | 73 | - | - | - | (337) | 9 | 615 |
| Other income³ | 12 | (6) | - | 1 | (3) | - | - | (42) | 2 | (36) |
| Exploration and evaluation expenditure | (3) | (1) | (1) | (3) | - | (2) | (1) | (56) | - | (67) |
| Amortisation | - | - | - | - | - | - | - | (12) | - | (12) |
| Write-offs | - | - | - | - | - | - | - | (2) | - | (2) |
| Exploration and evaluation | (3) | (1) | (1) | (3) | - | (2) | (1) | (70) | - | (81) |
| General, administrative and other costs | (1) | (1) | (1) | (1) | (3) | 2 | (13) | (6) | (166) | (190) |

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

| | Producing | | | | Development ⁵ | | | Other | | Consolidated US\$m |
|---|---------------------|---------|------------------|------------|--------------------------|----------|-----------------------|-------------------|----------------------|-----------------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | Unallocated items | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| Depreciation of other plant and equipment | – | – | – | – | – | – | – | – | (29) | (29) |
| Depreciation of lease assets | – | (26) | – | – | – | – | – | (34) | (34) | (94) |
| Restoration movement | (5) | – | (62) | – | – | – | 39 | – | – | (28) |
| Other ³ | (15) | 12 | (12) | 8 | – | – | (1) | 42 | (93) | (59) |
| Other costs | (21) | 15 | (75) | 7 | (3) | 2 | 25 | 2 | (322) | (400) |
| Other expenses | (24) | (16) | (76) | 4 | (3) | – | 24 | (68) | (322) | (481) |
| Impairment losses⁴ | (454) | (1,291) | (674) | (1,401) | – | (321) | (977) | (151) | – | (5,269) |
| Profit/(loss) before tax and net finance costs | 1 | (925) | (735) | (1,323) | (6) | (321) | (953) | (598) | (311) | (5,171) |

- Includes an adjustment of \$113 million related to price reviews currently under negotiation for multiple contracts across North West Shelf and Pluto, reducing revenue recognised in the current and prior periods and increasing other liabilities.
- Comprised of the recognition of an onerous contract provision \$447 million, offset by changes in estimates of \$54 million, provisions used of \$41 million and a revision of discount rates of \$5 million. Refer to Note D.5 for more details.
- Includes foreign exchange gains and losses, gains and losses on hedging activities, and other expenses not associated with the ongoing operations of the business.
- The impairment losses represent charges on exploration and evaluation of \$1,557 million and oil and gas properties of \$3,712 million.
- The 2020 amounts have been restated to reflect the changes in the Development segment.

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

Set out below are segment revenue and expenses for the year ended 31 December 2019.

| | Producing | | | | Development ⁵ | | | Other | | Consolidated US\$m |
|--|---------------------|-----------------|------------------|---------------|--------------------------|----------|-----------------------|-------------------|----------------------|-----------------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | Unallocated items | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| Liquefied natural gas | 1,102 | 1,753 | – | 572 | – | – | – | 237 | – | 3,664 |
| Domestic gas | 69 | 4 | – | 10 | – | – | 2 | – | – | 85 |
| Condensate | 271 | 188 | – | 127 | – | – | – | – | – | 586 |
| Oil | – | – | 360 | – | – | – | – | – | – | 360 |
| Liquefied petroleum gas | 44 | – | – | – | – | – | – | – | – | 44 |
| Revenue from sale of hydrocarbons | 1,486 | 1,945 | 360 | 709 | – | – | 2 | 237 | – | 4,739 |
| Processing and services revenue | – | 119 | – | – | – | – | – | – | – | 119 |
| Shipping and other revenue | – | – | – | – | – | – | – | 15 | – | 15 |
| Other revenue | – | 119 | – | – | – | – | – | 15 | – | 134 |
| Operating revenue | 1,486 | 2,064 | 360 | 709 | – | – | 2 | 252 | – | 4,873 |
| Production costs | (132) | (225) | (87) | (62) | – | – | (2) | – | 3 | (505) |
| Royalties, excise and levies | (187) | – | (6) | – | – | – | – | – | – | (193) |
| Insurance | (6) | (13) | (2) | (1) | – | – | – | – | 5 | (17) |
| Inventory movement | (1) | 6 | 23 | 1 | – | – | – | – | – | 29 |
| Costs of production | (326) | (232) | (72) | (62) | – | – | (2) | – | 8 | (686) |
| Land and buildings | (4) | (24) | – | (29) | – | – | – | – | – | (57) |
| Transferred exploration and evaluation | (17) | (36) | (22) | (26) | – | – | – | – | – | (101) |
| Plant and equipment | (243) | (755) | (148) | (266) | – | – | – | – | – | (1,412) |
| Marine vessels and carriers | (4) | – | – | – | – | – | – | – | – | (4) |
| Oil and gas properties depreciation and amortisation | (268) | (815) | (170) | (321) | – | – | – | – | – | (1,574) |
| Shipping and direct sales costs | (56) | (44) | – | (36) | – | – | – | 26 | – | (110) |
| Trading costs ¹ | (27) | (98) | – | (4) | – | – | – | (120) | – | (249) |
| Other hydrocarbon costs | – | (48) | – | (60) | – | – | – | – | – | (108) |
| Movement in onerous contract provision ³ | – | – | – | – | – | – | – | – | – | – |
| Other cost of sales | (83) | (190) | – | (100) | – | – | – | (94) | – | (467) |
| Cost of sales | (677) | (1,237) | (242) | (483) | – | – | (2) | (94) | 8 | (2,727) |
| Gross profit | 809 | 827 | 118 | 226 | – | – | – | 158 | 8 | 2,146 |
| Other income² | 10 | 2 | – | 81 | – | 2 | – | – | 5 | 100 |
| Exploration and evaluation expenditure | (4) | (2) | (3) | (1) | – | (4) | – | (89) | – | (103) |
| Amortisation | – | – | – | – | – | – | – | (15) | – | (15) |
| Write-offs | (4) | – | – | – | – | – | – | (42) | – | (46) |
| Exploration and evaluation | (8) | (2) | (3) | (1) | – | (4) | – | (146) | – | (164) |

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Notes to the Consolidated Financial Statements

A.1 Segment revenue and expenses (cont.)

| | Producing | | | | Development ⁵ | | | Other | | Consolidated US\$m |
|---|---------------------|-------------|------------------|------------|--------------------------|------------|-----------------------|-------------------|----------------------|-----------------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | Unallocated items | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| General, administrative and other costs | 7 | - | (8) | - | - | (1) | - | 3 | (81) | (80) |
| Depreciation of other plant and equipment | - | - | - | - | - | - | - | - | (28) | (28) |
| Depreciation of lease assets | - | (26) | - | - | - | - | - | (31) | (29) | (86) |
| Restoration movement | 3 | - | (80) | - | - | - | - | - | - | (77) |
| Impairment losses ³ | (17) | - | - | - | - | - | (720) | - | - | (737) |
| Other ⁴ | 2 | (4) | 8 | 24 | - | - | (5) | - | (8) | 17 |
| Other costs | (5) | (30) | (80) | 24 | - | (1) | (725) | (28) | (146) | (991) |
| Other expenses | (13) | (32) | (83) | 23 | - | (5) | (725) | (174) | (146) | (1,155) |
| Profit/(loss) before tax and net finance costs | 806 | 797 | 35 | 330 | - | (3) | (725) | (16) | (133) | 1,091 |

1. Trading costs includes trading intersegment adjustments which eliminate to nil in the Group's consolidated results.
2. Other income includes an \$81 million periodic adjustment reflecting the arrangements governing Wheatstone LNG sales. Refer to Note D.6 for further details.
3. Impairment losses represents charges on non-current assets held for sale of \$17 million and exploration and evaluation of \$720 million. Refer to Note B.4 for further details.
4. Other comprises foreign exchange gains and losses and other expenses not associated with the ongoing operations of the business.
5. The 2019 amounts have been restated to reflect the changes in the Development segment.

A.2 Finance costs

| | 2021 US\$m | 2020 US\$m | 2019 US\$m |
|---|---------------|---------------|---------------|
| Interest on interest-bearing liabilities | 201 | 237 | 215 |
| Interest on lease liabilities | 97 | 86 | 89 |
| Accretion charge | 29 | 32 | 40 |
| Other finance costs | 26 | 29 | 17 |
| Less: Finance costs capitalised against qualifying assets | (123) | (57) | (41) |
| | <u>230</u> | <u>327</u> | <u>320</u> |

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Notes to the Consolidated Financial Statements

A.3 Dividends paid and proposed

Woodside Petroleum Ltd., the parent entity, paid and proposed dividends set out below:

| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|--|--------------|--------------|--------------|
| | <u>US\$m</u> | <u>US\$m</u> | <u>US\$m</u> |
| (a) Dividends paid during the financial year | | | |
| Prior year final dividend US\$0.12, paid on 24 March 2021 (2020: US\$0.55, paid on 20 March 2020; 2019: US\$0.91, paid on 20 March 2019) | 115 | 518 | 852 |
| Current year interim dividend US\$0.30, paid on 24 September 2021 (US\$0.26, paid on 18 September 2020; 2019: US\$0.36, paid on 20 September 2019) | 289 | 248 | 337 |
| | <u>404</u> | <u>766</u> | <u>1,189</u> |
| (b) Dividend declared subsequent to the reporting period (not recorded as a liability) | | | |
| Final dividend US\$1.05 (2020: US\$0.12; 2019: US\$0.55) | 1,018 | 115 | 518 |
| (c) Other information | | | |
| Current year dividends per share (US cents) | <u>135</u> | <u>38</u> | <u>91</u> |

The dividend reinvestment plan (DRP) was approved by the shareholders at the Annual General Meeting in 2003 for activation as required to fund future growth. The DRP was reactivated for the 2019 interim dividend and remains in place until further notice.

A.4 Earnings/(losses) per share

| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---|-------------|-------------|-------------|
| Profit/(loss) attributable to equity holders of the parent (US\$m) | 1,983 | (4,028) | 343 |
| Weighted average number of shares on issue for basic earnings/(loss) per share | 962,604,811 | 951,113,086 | 935,833,092 |
| Effect of dilution from contingently issuable shares | 9,023,439 | – | – |
| Weighted average number of shares on issue adjusted for the effect of dilution ¹ | 971,628,250 | 951,113,086 | 935,833,092 |
| Basic earnings/(losses) per share (US cents) | 206.0 | (423.5) | 36.7 |
| Diluted earnings/(losses) per share (US cents) | 204.1 | (423.5) | 36.7 |

1. The contingently issuable shares in 2020 have an anti-dilutive impact.

Earnings/(losses) per share is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares on issue during the year. The weighted average number of shares makes allowance for shares reserved for employee share plans. Diluted earnings per share is calculated by adjusting basic earnings per share by the number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. At 31 December 2021, 9,023,439 awards granted under the Woodside employee share plans are considered dilutive. Total outstanding share awards as at 31 December 2020 were 9,392,203 and considered anti-dilutive due to the loss position in 2020. Total awards of 10,501,088 in 2019 are considered to be contingently issuable and therefore not dilutive.

On 22 November 2021, Woodside and BHP Group (BHP) signed a binding share sale agreement to combine their respective oil and gas portfolios by an all stock merger (the Transaction). On completion of the Transaction, BHP's oil and gas business would merge with Woodside, and Woodside would issue new shares to be distributed to BHP shareholders. The expanded Woodside would be owned 52% by existing Woodside shareholders and 48% by existing BHP shareholders. This Transaction is not considered dilutive for the current period.

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A.4 Earnings/(losses) per share (cont.)

There have been no significant transactions involving ordinary shares between the reporting date and the date of completion of these financial statements.

A.5 Taxes

| | 2021 | 2020 | 2019 |
|---|--------------|----------------|--------------|
| | US\$m | US\$m | US\$m |
| (a) Tax expense comprises | | | |
| Petroleum resource rent tax (PRRT) | | | |
| Deferred tax expenses/(benefit) | 297 | (439) | (31) |
| PRRT expenses/(benefit) | 297 | (439) | (31) |
| Income tax | | | |
| Current year | | | |
| Current tax expense | 658 | 275 | 325 |
| Deferred tax expense/(benefit) | 301 | (1,308) | 184 |
| Adjustment to prior years | | | |
| Current tax (benefit)/expense | (20) | 16 | – |
| Deferred tax expenses/(benefit) | 18 | (9) | 2 |
| Income tax expenses/(benefit) | 957 | (1,026) | 511 |
| Tax expense/(benefit) | 1,254 | (1,465) | 480 |
| (b) Reconciliation of income tax expense | | | |
| Profit/(loss) before tax | 3,290 | (5,440) | 862 |
| PRRT (expenses)/benefit | (297) | 439 | 31 |
| Profit/(loss) before income tax | 2,993 | (5,001) | 893 |
| Income tax expense/(benefit) calculated at 30% | 898 | (1,500) | 268 |
| Foreign income tax expense/(benefit) | 23 | (11) | – |
| Non-deductible items | 7 | 2 | – |
| Foreign expenditure not brought to account | 49 | 473 | 242 |
| Adjustment to prior years | (2) | 7 | 2 |
| Foreign exchange impact on tax (benefit)/ expense | (18) | 3 | (1) |
| Income tax expense/(benefit) | 957 | (1,026) | 511 |
| (c) Reconciliation of PRRT benefit | | | |
| Profit/(loss) before tax | 3,290 | (5,440) | 862 |
| Non-PRRT assessable (profit)/loss | (2,134) | 3,080 | (528) |
| PRRT projects profit/(loss) before tax ¹ | 1,156 | (2,360) | 334 |
| PRRT (benefit)/expense calculated at 40% ² | 462 | (944) | 134 |
| Augmentation | (166) | (138) | (168) |
| Derecognition of Pluto general expenditure ¹ | – | 627 | – |
| Other | 1 | 16 | 3 |
| PRRT expense/(benefit) | 297 | (439) | (31) |
| (d) Deferred tax income statement reconciliation | | | |
| PRRT | | | |
| Production and growth assets | 455 | (242) | 190 |
| Augmentation for current year | (166) | (138) | (168) |
| Provisions | (29) | (32) | (52) |
| Other | 37 | (27) | (1) |
| PRRT expenses/(benefit) | 297 | (439) | (31) |

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A.5 Taxes (cont.)

| | 2021 US\$m | 2020 US\$m | 2019 US\$m |
|--|---------------|----------------|---------------|
| Income tax | | | |
| Oil and gas properties | 674 | (981) | 94 |
| Exploration and evaluation assets | (204) | (210) | 92 |
| Provisions | (10) | (106) | (97) |
| PRRT liabilities | (88) | 134 | 6 |
| Lease assets and liabilities | 1 | (16) | (23) |
| Unused tax losses and tax credits | 149 | (149) | 73 |
| Non-current assets held for sale | (205) | - | |
| Other | 2 | 11 | 23 |
| Income tax deferred tax expenses/(benefit) | 319 | (1,317) | 168 |
| Deferred tax expense/(benefit) | 616 | (1,756) | 137 |
| (e) Deferred tax balance sheet reconciliation | | | |
| Deferred tax assets | | | |
| PRRT | | | |
| Production and growth assets | 767 | 1,098 | 989 |
| Augmentation for current year | 166 | 124 | 145 |
| Provisions | 75 | 46 | 37 |
| Other | (1) | 36 | 2 |
| | <u>1,007</u> | <u>1,304</u> | <u>1,173</u> |
| Deferred tax liabilities | | | |
| PRRT | | | |
| Production and growth assets | - | 224 | 525 |
| Augmentation for current year | - | (14) | (23) |
| Provisions | - | (214) | (191) |
| Other | - | 4 | (3) |
| Income tax | | | |
| Oil and gas properties | 1,520 | 846 | 1,827 |
| Exploration and evaluation assets | 51 | 255 | 465 |
| Lease assets and liabilities | (38) | (39) | (23) |
| Provisions | (706) | (696) | (590) |
| PRRT liabilities | 303 | 391 | 257 |
| Unused tax losses and tax credits | - | (149) | - |
| Non-current assets held for sale | (205) | - | - |
| Other ² | (47) | (59) | (51) |
| | <u>878</u> | <u>549</u> | <u>2,193</u> |
| (f) Tax payable reconciliation | | | |
| Income tax payable | 413 | 46 | 86 |
| | <u>413</u> | <u>46</u> | <u>86</u> |
| (g) Effective income tax rate: Australian and global operations | | | |
| Effective income tax rate⁴ | | | |
| Australia | 30.6 % | 29.6 % | 29.3 % |
| Global | 32.0 % | 20.5 % | 57.2 % |
| (h) Current income tax expense reconciliation | | | |
| Profit/(loss) before income tax | 2,993 | (5,001) | 893 |
| Income tax expense/(benefit) at the statutory tax rate of 30% | 898 | (1,500) | 268 |
| Foreign income tax expense/(benefit) | 23 | (11) | - |
| Non-temporary differences ^{5,6} | 56 | 475 | 242 |

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Notes to the Consolidated Financial Statements

A.5 Taxes (cont.)

| | 2021 | 2020 | 2019 |
|--|--------------|--------------|--------------|
| | <u>US\$m</u> | <u>US\$m</u> | <u>US\$m</u> |
| Temporary differences: deferred tax ⁶ | (301) | 1,308 | (184) |
| Foreign exchange impact on tax (benefit)/expense | (18) | 3 | (1) |
| Current income tax expense | <u>658</u> | <u>275</u> | <u>325</u> |

1. The net \$348 million reduction of the Pluto PRRT deferred tax asset in 2020 includes derecognition of general expenditure of \$627 million (based on expected future utilisation) offset by a reduction in the Pluto asset accounting base of \$279 million (included within 'PRRT projects profit/ (loss) before tax').
2. Includes a \$226 million PRRT expense as a result of the 2021 Pluto-Scarborough impairment reversal increasing the asset accounting base and thereby reducing the deferred tax asset.
3. Includes \$10 million tax expense recognised in other comprehensive income (2020: \$19 million benefit; 2019: nil).
4. The global operations effective income tax rate (ETR) is calculated as the Group's income tax expense divided by profit before income tax. The Australian operations ETR is calculated with reference to all Australian companies and excludes foreign exchange on settlement and revaluation of income tax liabilities.
5. Primarily expenditure in respect of foreign operations, including the impairment of foreign assets and onerous contract provision.
6. Excludes adjustment to prior years.

Recognition and measurement

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised. The tax rates and laws used to determine the amount are based on those that have been enacted or substantially enacted by the end of the reporting period. Income taxes relating to items recognised directly in equity are recognised in equity.

Current taxes

Current tax expense is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years.

Deferred taxes

Deferred tax expense represents movements in the temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.

With the exception of those noted below, deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and tax credits only if it is probable that sufficient future taxable income will be available to utilise those temporary differences and losses.

Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither accounting profit nor the taxable profit.

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A.5 Taxes (cont.)

In relation to PRRT, the impact of future augmentation on expenditure is included in the determination of future taxable profits when assessing the extent to which a deferred tax asset can be recognised in the statement of financial position.

Offsetting deferred tax balances

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities that the Group intends to settle its current tax assets and liabilities on a net basis.

Key estimates and judgements

(a) Income tax classification

Judgement is required when determining whether a particular tax is an income tax or another type of tax. PRRT is considered, for accounting purposes, to be an income tax. Accounting for deferred tax is applied to income taxes as described above, but is not applied to other types of taxes, e.g. North West Shelf royalties, excise and levies which are recognised in cost of sales in the income statement.

(b) Deferred tax asset recognition

Australian tax losses: A deferred tax asset (DTA) of nil (2020: \$149 million; 2019: nil) has been recognised for carry forward unused tax losses and credits. The 2020 DTA was fully utilized in 2021.

Foreign tax losses: DTAs of \$497 million (2020: \$477 million; 2019: \$471 million) relating to unused foreign tax losses have not been recognised on the basis that it is not probable that the assets will be utilised based on current planned activities in those regions.

PRRT: The recoverability of PRRT DTAs is primarily assessed with regard to future oil price assumptions. As a result of the Pluto impairment reversal (as disclosed in Note B.4) increasing the Pluto PRRT accounting base, the Pluto PRRT DTA has been reduced by \$226 million. The Pluto PRRT DTA of \$785 million continues to be recognised on the basis that it is probable that future taxable profits will be available to utilise the deductible expenditure. In determining the amount of DTA that is considered probable and eligible for recognition, forecast future taxable profits are risk-adjusted where appropriate by a market premium risk rate to reflect uncertainty inherent in long term forecasts. A long-term bond rate of 1.5% (31 December 2020: 1.0%; 31 December 2019: 1.3%) was used for the purposes of augmentation. All other deferred PRRT and income tax movements are a result of the effective income tax rates applicable to each Australian or foreign jurisdiction.

Certain deferred tax assets on deductible temporary differences have not been recognised on the basis that deductions from future augmentation of the deductible temporary difference will be sufficient to offset future taxable profit. \$4,507 million (2020: \$4,167 million; 2019: \$3,831 million) relates to the North West Shelf Project, \$1,432 million (2020: \$1,345 million; 2019: \$654 million) relates to the quarantined exploration spend and unrecognised general spend of Pluto LNG and \$1,071 million (2020: \$1,049 million; 2019: \$856 million) relates to Wheatstone. A long-term bond rate of 1.5% (31 December 2020: 1.0%; 31 December 2019: 1.3%) was used for the purposes of augmentation.

Had an alternative approach been used to assess recovery of the deferred tax assets, whereby future augmentation was not included in the assessment, the additional deferred tax assets would be recognised, with a corresponding benefit to income tax expense. It was determined that the approach adopted provides the most meaningful information on the implications of the PRRT regime, whilst ensuring compliance with IAS 12 *Income Taxes*.

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Notes to the Consolidated Financial Statements

B. Production and Growth Assets

This section addresses the strategic growth (exploration and evaluation) and core producing (oil and gas properties) assets position of the Group at the end of the reporting period including, where applicable, the accounting policies and key estimates and judgements applied. This section also includes the impairment position of the Group at the end of the reporting period.

B.1 Segment production and growth assets

Set out below are segment production and growth assets as at 31 December 2021.

| | Producing | | | | Development | | | Other | Consolidated |
|---|------------------|--------------|---------------|--------------|--------------|--------------|--------------------|----------------|---------------|
| | North West Shelf | Pluto | Australia Oil | Wheatstone | Scarborough | Sangomar | Other Developments | Other Segments | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | |
| Balance as at 31 December | | | | | | | | | |
| Oceania | 9 | – | 13 | 4 | 43 | – | 477 | – | 546 |
| Asia | – | – | – | – | – | – | – | – | – |
| Canada | – | – | – | – | – | – | – | – | – |
| Africa | – | – | – | – | – | 58 | – | 10 | 68 |
| Other | – | – | – | – | – | – | – | – | – |
| Total exploration and evaluation | 9 | – | 13 | 4 | 43 | 58 | 477 | 10 | 614 |
| Balance as at 31 December | | | | | | | | | |
| Land and buildings | 16 | 321 | – | 401 | – | – | – | 1 | 739 |
| Transferred exploration and evaluation | 65 | 234 | 69 | 158 | – | – | – | – | 526 |
| Plant and equipment | 1,757 | 7,651 | 585 | 2,315 | – | – | – | 5 | 12,313 |
| Marine vessels and carriers | 8 | – | – | – | – | – | – | – | 8 |
| Projects in development | 226 | 403 | 10 | 27 | 1,980 | 2,195 | – | 7 | 4,848 |
| Total oil and gas properties | 2,072 | 8,609 | 664 | 2,901 | 1,980 | 2,195 | – | 13 | 18,434 |
| Balance as at 31 December | | | | | | | | | |
| Land and buildings | 11 | 52 | – | 3 | 10 | 11 | – | 290 | 377 |
| Plant and equipment | – | – | – | – | – | 167 | – | – | 167 |
| Marine vessels and carriers | 1 | 132 | – | – | – | 9 | – | 394 | 536 |
| Total lease assets | 12 | 184 | – | 3 | 10 | 187 | – | 684 | 1,080 |
| Additions to exploration and evaluation: | | | | | | | | | |
| Exploration | – | – | – | 1 | – | 7 | – | 34 | 42 |
| Evaluation | – | – | – | – | 446 | – | 5 | 2 | 453 |
| Restoration | – | – | – | – | – | – | 6 | – | 6 |
| | – | – | – | 1 | 446 | 7 | 11 | 36 | 501 |
| Additions to oil and gas properties: | | | | | | | | | |
| Oil and gas properties | 119 | 268 | 13 | 112 | 559 | 1,049 | – | 6 | 2,126 |
| Capitalised borrowings costs ¹ | 2 | 20 | – | 15 | 9 | 77 | – | – | 123 |
| Restoration | (12) | 4 | (13) | 39 | – | 14 | – | – | 32 |
| | 109 | 292 | – | 166 | 568 | 1,140 | – | 6 | 2,281 |
| Additions to lease assets: | | | | | | | | | |
| Land and buildings | – | – | – | – | – | 14 | – | – | 14 |
| Plant and equipment | – | – | – | – | – | 205 | – | – | 205 |
| Marine vessels and carriers | – | – | – | – | – | 9 | – | – | 9 |
| | – | – | – | – | – | 228 | – | – | 228 |

1. Borrowing costs capitalised were at a weighted average interest rate of 3.6% (2020: 3.8%).

Refer to Note A.1 for descriptions of the Group's segments and geographical regions.

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Notes to the Consolidated Financial Statements

B.1 Segment production and growth assets (cont.)

Set out below are segment production and growth assets as at 31 December 2020.

| | Producing | | | | Development ² | | | Other | Consolidated |
|---|--------------|--------------|------------|--------------|--------------------------|-----------|--------------|------------|---------------|
| | North West | Pluto | Australia | Wheatstone | Scarborough | Sangomar | Other | Other | |
| | Shelf | | Oil | | | | Developments | Segments | |
| | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m | US\$m |
| Balance as at 31 December | | | | | | | | | |
| Oceania | 9 | – | 13 | 3 | 1,261 | – | 466 | – | 1,752 |
| Asia | – | – | – | – | – | – | – | 229 | 229 |
| Canada | – | – | – | – | – | – | – | – | – |
| Africa | – | – | – | – | – | 51 | – | 13 | 64 |
| Other | – | – | – | – | – | – | – | – | – |
| Total exploration and evaluation | 9 | – | 13 | 3 | 1,261 | 51 | 466 | 242 | 2,045 |
| Balance as at 31 December | | | | | | | | | |
| Land and buildings | 9 | 307 | – | 432 | – | – | – | 1 | 749 |
| Transferred exploration and evaluation | 61 | 167 | 90 | 113 | – | – | – | – | 431 |
| Plant and equipment | 1,574 | 7,498 | 784 | 2,074 | – | – | – | 3 | 11,933 |
| Marine vessels and carriers | 11 | – | – | – | – | – | – | – | 11 |
| Projects in development | 131 | 549 | 10 | 395 | – | – | 1,055 | 3 | 2,143 |
| Total oil and gas properties | 1,786 | 8,521 | 884 | 3,014 | – | – | 1,055 | 7 | 15,267 |
| Balance as at 31 December | | | | | | | | | |
| Land and buildings | 12 | 22 | – | 3 | 4 | 1 | 33 | 317 | 392 |
| Marine vessels and carriers | 1 | 156 | – | – | – | – | – | 435 | 592 |
| Total lease assets | 13 | 178 | – | 3 | 4 | 1 | 33 | 752 | 984 |
| Additions to exploration and evaluation: | | | | | | | | | |
| Exploration | – | – | – | 1 | – | 26 | – | 18 | 45 |
| Evaluation | – | – | – | – | 255 | – | 39 | 16 | 310 |
| Restoration | – | – | – | – | – | – | 44 | – | 44 |
| | – | – | – | 1 | 255 | 26 | 83 | 34 | 399 |
| Additions to oil and gas properties: | | | | | | | | | |
| Oil and gas properties | 68 | 322 | 93 | 287 | – | 767 | – | 2 | 1,539 |
| Capitalised borrowings costs ¹ | 1 | 17 | 2 | 10 | – | 27 | – | – | 57 |
| Restoration | 34 | 68 | 42 | 43 | – | – | – | – | 187 |
| | 103 | 407 | 137 | 340 | – | 794 | – | 2 | 1,783 |
| Additions to lease assets: | | | | | | | | | |
| Land and buildings | 12 | 6 | – | 3 | – | – | 1 | 2 | 24 |
| Marine vessels and carriers | 1 | – | – | – | – | – | – | 101 | 102 |
| | 13 | 6 | – | 3 | – | – | 1 | 103 | 126 |

1. Borrowing costs capitalised were at a weighted average interest rate of 3.8%.
2. The 2020 amounts have been restated to reflect the changes in the Development segment. Refer to Note A.1 for details.

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Notes to the Consolidated Financial Statements

B.2 Exploration and evaluation

| | <u>Oceania</u> | <u>Asia</u> | <u>Canada</u> | <u>Africa</u> | <u>Other</u> | <u>Total</u> |
|---|----------------|--------------|---------------|---------------|--------------|--------------|
| | <u>US\$m</u> | <u>US\$m</u> | <u>US\$m</u> | <u>US\$m</u> | <u>US\$m</u> | <u>US\$m</u> |
| Carrying amount at 1 January 2020 | 2,243 | 199 | 742 | 623 | 2 | 3,809 |
| Additions | 272 | 34 | 67 | 26 | - | 399 |
| Amortisation of licence acquisition costs Expensed ¹ | (5) | (4) | - | (3) | - | (12) |
| Impairment losses ² | (748) | - | (809) | - | - | (1,557) |
| Transferred exploration and evaluation | (10) | - | - | (582) | - | (592) |
| Carrying amount at 31 December 2020 | 1,752 | 229 | - | 64 | - | 2,045 |
| Additions | 458 | 36 | - | 7 | - | 501 |
| Amortisation of licence acquisition costs Expensed ¹ | - | - | - | (3) | - | (3) |
| Transferred exploration and evaluation | (1,664) | - | - | - | - | (1,664) |
| Carrying amount at 31 December 2021 | 546 | - | - | 68 | - | 614 |
| Exploration commitments | | | | | | |
| Year ended 31 December 2021 | 8 | 8 | - | 77 | 1 | 94 |
| Year ended 31 December 2020 | 11 | 55 | - | 46 | 3 | 115 |

1. \$56 million (2020: \$2 million) relates to costs of unsuccessful wells. \$209 million (2020: nil) relates to capitalised costs written off due to the Group's decision to withdraw from its interests in Myanmar.
2. Refer to Note B.4 for details on impairment.

Recognition and measurement

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method.

Areas of interest are based on a geographical area for which the rights of tenure are current. All exploration and evaluation expenditure, including general permit activity, geological and geophysical costs and new venture activity costs, is expensed as incurred except for the following:

where the expenditure relates to an exploration discovery for which the assessment of the existence or otherwise of economically recoverable hydrocarbons is not yet complete; or

where the expenditure is expected to be recouped through successful exploitation of the area of interest, or alternatively, by its sale.

The costs of acquiring interests in new exploration and evaluation licences are capitalised. The costs of drilling exploration wells are initially capitalised pending the results of the well.

Costs are expensed where the well does not result in the successful discovery of economically recoverable hydrocarbons and the recognition of an area of interest.

Subsequent to the recognition of an area of interest, all further evaluation costs relating to that area of interest are capitalised.

Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to oil and gas properties.

In the statement of cash flows, those cash flows associated with capitalised exploration and evaluation expenditure, including unsuccessful wells, are classified as cash flows used in investing activities.

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Notes to the Consolidated Financial Statements

B.2 Exploration and evaluation (cont.)

Exploration commitments

The Group has exploration expenditure obligations which are contracted for, but not provided for in the financial statements. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of the Group's operations.

Impairment

Refer to Note B.4 for details on impairment, including any write-offs.

Key estimates and judgements

(a) Area of interest

Typically, an area of interest (AOI) is defined by the Group as an individual geographical area whereby the presence of hydrocarbons is considered favourable or proved to exist. The Group has established criteria to recognise and maintain an AOI.

(a) Transfer to projects in development

Development activities commence after project sanctioning by the appropriate level of management. Judgement is applied by management in determining when the project is technically feasible and economically viable.

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B.3 Oil and gas properties

| | Land and buildings US\$m | Transferred exploration and evaluation US\$m | Plant and equipment US\$m | Marine vessels and carriers US\$m | Projects in development US\$m | Total US\$m |
|---|-------------------------------------|---|--------------------------------------|--|--|------------------------|
| Carrying amount at 1 January 2020 | 1,068 | 729 | 15,813 | 36 | 652 | 18,298 |
| Additions | – | – | 150 | – | 1,633 | 1,783 |
| Disposals at written down value | – | – | (3) | – | (2) | (5) |
| Depreciation and amortisation | (55) | (99) | (1,533) | (2) | – | (1,689) |
| Impairment losses ¹ | (264) | (199) | (2,636) | (23) | (590) | (3,712) |
| Completions and transfers | – | – | 142 | – | 450 | 592 |
| Carrying amount at 31 December 2020 | 749 | 431 | 11,933 | 11 | 2,143 | 15,267 |
| At 31 December 2020 | | | | | | |
| Historical cost | 1,722 | 1,348 | 31,225 | 184 | 2,791 | 37,270 |
| Accumulated depreciation and impairment | (973) | (917) | (19,292) | (173) | (648) | (22,003) |
| Net carrying amount at 31 December 2020 | 749 | 431 | 11,933 | 11 | 2,143 | 15,267 |
| Carrying amount at 1 January 2021 | 749 | 431 | 11,933 | 11 | 2,143 | 15,267 |
| Additions | – | – | 13 | – | 2,268 | 2,281 |
| Disposals at written down value | (2) | – | (2) | – | (19) | (23) |
| Depreciation and amortisation | (51) | (79) | (1,416) | (3) | – | (1,549) |
| Impairment losses ¹ | (10) | – | – | – | – | (10) |
| Impairment reversal ¹ | 44 | 66 | 911 | – | 37 | 1,058 |
| Completions and transfers | 11 | 108 | 874 | – | 671 | 1,664 |
| Transfer to non-current assets held for sale ² | (2) | – | – | – | (252) | (254) |
| Carrying amount at 31 December 2021 | 739 | 526 | 12,313 | 8 | 4,848 | 18,434 |
| At 31 December 2021 | | | | | | |
| Historical cost | 1,701 | 1,495 | 32,241 | 184 | 5,250 | 40,871 |
| Accumulated depreciation and impairment | (962) | (969) | (19,928) | (176) | (402) | (22,437) |
| Net carrying amount | 739 | 526 | 12,313 | 8 | 4,848 | 18,434 |

1. Refer to Note B.4 for details on impairment losses and impairment reversal.
2. Refer to Note B.6 for details on non-current assets held for sale.

Recognition and measurement

Oil and gas properties are stated at cost less accumulated depreciation and impairment charges. Oil and gas properties include the costs to acquire, construct, install or complete production and infrastructure facilities such as pipelines and platforms, capitalised borrowing costs, transferred exploration and evaluation assets, development wells and the estimated cost of dismantling and restoration.

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Notes to the Consolidated Financial Statements

B.3 Oil and gas properties (cont.)

Subsequent capital costs, including major maintenance, are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured.

Depreciation and amortisation

Oil and gas properties and other plant and equipment are depreciated to their estimated residual values at rates based on their expected useful lives.

Transferred exploration and evaluation and offshore plant and equipment are depreciated using the unit of production basis. Transferred exploration and evaluation and subsurface development expenditure are depreciated over developed proved plus probable reserves. Late life assets are typically depreciated over proved reserves. Offshore facility assets are depreciated over proved plus a portion of probable reserves. The depreciable amount for the unit of production basis for offshore facility assets excludes future development costs necessary to bring probable reserves into production. Onshore plant and equipment are depreciated using a straight-line basis over the lesser of useful life and the life of proved plus probable reserves. On a straight-line basis the assets have an estimated useful life of 5-50 years.

All other items of oil and gas properties are depreciated using the straight-line method over their useful life. They are depreciated as follows:

Buildings - 24-40 years;

Marine vessels and carriers - 10-40 years;

Other plant and equipment - 5-15 years; and

Land is not depreciated.

Impairment

Refer to Note B.4 for details on impairment.

Capital commitments

The Group has capital expenditure commitments contracted for, but not provided for in the financial statements, of \$7,875 million (2020: \$1,569 million) as at 31 December 2021. Subsequent to year end, capital commitments contracted for has reduced by approximately \$2,876 million due to the Group's participating interest in the Pluto Train 2 Joint venture reducing from 100% to 51% (refer to Note E.5).

Key estimates and judgements

(a) Reserves

The estimation of reserves requires significant management judgement and interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs, and their anticipated recoveries.

Estimates of oil and natural gas reserves are used to calculate depreciation and amortisation charges for the Group's oil and gas properties. Judgement is used in determining the reserve base applied to each asset. Typically, late life oil assets use proved reserves.

Estimates are reviewed at least annually or when there are changes in the economic circumstances impacting specific assets or asset groups. These changes may impact depreciation, asset carrying values, restoration

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Notes to the Consolidated Financial Statements

B.3 Oil and gas properties (cont.)

provisions and deferred tax balances. If proved plus probable (2P) reserves estimates are revised downwards, earnings could be affected by higher depreciation expense or an immediate write-down of the asset's carrying value.

(b) Depreciation and amortisation

Judgement is required to determine when assets are available for use to commence depreciation and amortisation. Depreciation and amortisation generally commences on first production.

(c) Change in useful life

As a result of FID on the Scarborough LNG Development and Pluto Train 2, the Group conducted a review of the expected utilisation of the Pluto LNG onshore assets. Pluto LNG onshore assets were previously intended for use until the cessation of production from Pluto LNG. A number of Pluto LNG onshore assets are now expected to be utilised in the processing of Scarborough reserves and as a result the expected useful lives of these assets have increased by a range of 1-23 years. The change in useful life has been applied prospectively from the month of FID and has resulted in a decrease in depreciation expense of \$60 million for the year ended 31 December 2021.

B.4 Impairment of exploration and evaluation and oil and gas properties

Exploration and evaluation

Impairment testing

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective AOI.

Each AOI is reviewed half-yearly to determine whether economic quantities of hydrocarbons have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. In cases where continued carry-forward of capitalised costs is supported, but where a potential impairment is indicated for an AOI, an assessment is performed using a fair value less costs to dispose (FVLCD) method to determine its recoverable amount. Upon approval for commercial development, exploration and evaluation assets are also assessed for impairment before they are transferred to oil and gas properties.

Impairment calculations

The recoverable amounts of exploration and evaluation assets are determined using FVLCD as there is no value in use (VIU). Costs to dispose are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

If the carrying amount of an AOI exceeds its recoverable amount, the AOI is written down to its recoverable amount and an impairment loss is recognised in the income statement.

For assets previously impaired, if the recoverable amount exceeds the carrying amount, the impairment is reversed, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been recognized if no impairment had occurred.

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Notes to the Consolidated Financial Statements

B.4 Impairment of exploration and evaluation and oil and gas properties (cont.)

Oil and gas properties

Impairment testing

The carrying amounts of oil and gas properties are assessed half-yearly to determine whether there is an indication of impairment or impairment reversal for those assets which have previously been impaired. Indicators of impairment and impairment reversals include changes in future selling prices, future costs and reserves.

Oil and gas properties are assessed for impairment indicators and impairments on a cash-generating unit (CGU) basis. CGUs are determined as an FPSO and associated oil fields for an oil asset, and an LNG plant, offshore infrastructure and associated gas fields for a gas asset.

If there is an indicator of impairment or impairment reversal for a CGU then the recoverable amount is calculated.

Impairment calculations

The recoverable amount of an asset or CGU is determined as the higher of its VIU and FVLCD. VIU is determined by estimating future cash flows after taking into account the risks specific to the asset and discounting to present value using an appropriate discount rate.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is written down and an impairment loss is recognised in the income statement.

For assets previously impaired, if the recoverable amount exceeds the carrying amount, the impairment is reversed. The carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

Recognised impairment and impairment reversals

31 December 2021

As at 31 December 2021 the Group identified the following indicators for impairment and impairment reversals:

Pluto-Scarborough and Wheatstone CGU - a reduction of 2P total reserves within the Greater Pluto and Wheatstone reserves and resources estimates.

Pluto-Scarborough CGU - additional value generated by Scarborough and Pluto Train 2, which have been combined with Pluto into a new Pluto-Scarborough CGU following the final investment decision for Scarborough and Pluto Train 2 in November 2021.

North West Shelf CGU - updated cost and production profiles, including the impact of third-party processing agreements, and short-term pricing assumptions.

NWS Oil (Okha) CGU - The reclassification to a late life oil asset due to natural reservoir decline and short-term pricing assumptions.

No impairment was recognised for Wheatstone and NWS Oil (Okha) as the recoverable amount exceeds the carrying amount of the CGU.

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Notes to the Consolidated Financial Statements

B.4 Impairment of exploration and evaluation and oil and gas properties (cont.)

Impairment reversals were recognised for Pluto-Scarborough and NWS Gas (refer to Note A.1). The results were as follows:

| Segment | CGU | Impairment reversal | | | | | | Total US\$m |
|---------------------------|-------------------|--------------------------------|-----------------------------------|--|---------------------------------|---|-------------------------------------|----------------|
| | | Oil and gas properties | | | | | | |
| | | Recoverable amount US\$m | Land and buildings US\$m | Transferred exploration and evaluation US\$m | Plant and equipment US\$m | Marine vessels and carriers US\$m | Projects in development US\$m | |
| Producing and Development | Pluto-Scarborough | 17,474 | 42 | 53 | 563 | – | 24 | 682 |
| Producing | North West Shelf | 2,425 | 2 | 13 | 348 | – | 13 | 376 |
| | Total | 19,899 | 44 | 66 | 911 | – | 37 | 1,058 |

The recoverable amounts have been determined using the VIU method. The carrying amounts of the CGUs include all assets allocated to the CGU. Refer to key estimates and judgements for further details.

Sensitivity analysis

Changes in the following key assumptions have been estimated to result in a higher or lower carrying amounts¹ than what was determined as at 31 December 2021:

| | | Sensitivity (US\$m) ² | | | | | | |
|------------------------|------------------------------|---|--|---------------------------------------|---------------------------------------|---|---------------------------|-----|
| | | Discount rate: increase of 1% ^{3,4} | Discount rate: decrease of 1% | Brent price: increase of 10% | Brent price: decrease of 10% | FX: increase of 12% ⁵ | FX: decrease of 12% | |
| Oil and gas properties | Producing and Development | Pluto-Scarborough | – | – | – | – | – | – |
| | Producing | North West Shelf | – | – | – | (13) | – | – |
| | | Wheatstone | (159) | 178 | 438 | (438) | (122) | 122 |
| | | NWS Oil (Okha) | (4) | 4 | 39 | (39) | (28) | 28 |

- Increases to carrying amounts are limited to historical impairment losses recognised, net of depreciation and amortisation that would have been incurred had no impairment taken place.
- The sensitivities represent reasonable possible changes to the discount rate, oil price and FX assumptions.
- A change of 1% represents 100 basis points.
- The relationship between the discount rate and carrying amount is non-linear and as such, the sensitivities are unlikely to result in a symmetrical impact. Due to the non-linear relationship, the impact of changing the discount rate is likely to be greater at a lower discount rate than at a higher discount rate.
- FX sensitivity of +12%/-12% was determined based on historical 5-year standard deviation of AU\$/US\$.

Impairment on non-current assets held for sale

The pending sale of a portion of the Wheatstone Construction Village resulted in an impairment loss of \$10 million as the asset's carrying value exceeded its FVLCD, which was determined based on the underlying sale agreements, classified as Level 3 on the fair value hierarchy. An impairment loss of \$10 million was recognised in the Wheatstone operating segment of Note A.1. Refer to note B.6 for more details.

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B.4 Impairment of exploration and evaluation and oil and gas properties (cont.)

Key estimates and judgements

CGU determination

Identification of a CGU requires management judgement. In determining the new combined Pluto-Scarborough CGU, management has determined that the Scarborough and Train 2 development concept integrates with the existing Pluto onshore assets and is the smallest group of assets that generate significant cash inflows that are independent from other assets or group of assets.

Recoverable amount calculation key assumptions

In determining the recoverable amount of CGUs, estimates are made regarding the present value of future cash flows when determining the VIU. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can also affect the assumptions used and the rates used to discount future cash flow estimates.

The basis for the estimates used to determine recoverable amounts as at 31 December 2021 is set out below:

Resource estimates - 2P reserves for oil and gas properties, except for NWS Oil (Okha) which is based on 1P reserves due to the reclassification to a late life asset.

Inflation rate - an inflation rate of 2% has been applied (31 December 2020: 2.0%; 31 December 2019: 2.0%).

Foreign exchange rates - a rate of \$0.75 US\$:AU\$ (31 December 2020: \$0.75; 31 December 2019: \$0.75) is based on management's view of long-term exchange rates.

Discount rates - a range of pre-tax discount rates between 8.9% and 11.6% (2020: 9.3%-14.8%) (post-tax discount rates 7.5%-8.5%; 2020: 7.5%-11.0%; 2019: 7.5%-9.0%) for CGUs has been applied. The discount rate reflects an assessment of the risks specific to the asset.

An evaluation of climate risk is reflected in Woodside's assumptions on carbon cost pricing, including a long-term Australian carbon price of US\$80/tonne of emissions (real terms 2022). This is applicable to Australian emissions that exceed facility-specific baselines in accordance with Australian regulations, as well as global emissions that exceed voluntary corporate net emissions targets. Woodside continues to monitor the uncertainty around climate change risks and will revise carbon pricing assumptions accordingly.

LNG price - the majority of LNG sales contracts are linked to an oil price marker; accordingly the LNG prices used are consistent with oil price assumptions.

Brent Oil prices - derived from long-term views of global supply and demand, building upon past experience of the industry and consistent with external sources. Prices are adjusted for premiums and discounts based on the nature and quality of the product. Brent oil price estimates have considered the risk of climate policies along with other factors such as industry investment and cost trends. There is significant uncertainty around how society will respond to the climate challenge; Woodside's pricing assumptions reflect a 'most-likely' scenario in which global governments pursue decarbonisation as well as other goals such as energy security and economic development. As with carbon pricing, Woodside continues to monitor this uncertainty and will revise its oil pricing assumptions accordingly in its transition to a lower carbon economy. The nominal Brent oil prices (US\$/bbl) used were:

| | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 31 December 2021 | 73 | 71 | 68 | 69 | 70 | 72 |
| 30 June 2020 | 57 | 62 | 67 | 72 | 73 | 75 |

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Notes to the Consolidated Financial Statements

B.4 Impairment of exploration and evaluation and oil and gas properties (cont.)

1. Based on US\$65/bbl (2022 real terms) from 2024 with prices escalated at 2.0% annually thereafter.
2. Based on US\$65/bbl (2020 real terms) from 2025 with prices escalated at 2.0% annually thereafter.

31 December 2020

For the year ended 31 December 2020, the following impairments were recognized:

As at 30 June 2020, the Group assessed each AOI and CGU and identified the following indicators of impairment for certain AOIs and all CGUs:

AOIs - uncertainties on fiscal conditions and/or development strategies have led to a lack of substantive ongoing and/or planned activity; and

CGUs - the decrease in global oil and gas prices due to the impacts of the COVID-19 pandemic, oversupply and weakened global demand.

Impairment losses before tax were recognised in profit and loss, refer to Note A.1. The results are set out in the following table, which includes the AOIs and CGUs which were subject to impairment testing:

| Segment | AOI/CGU | Recoverable amount ¹ US\$m | Impairment Losses | | | | | | Total US\$m |
|----------------|--|--|-------------------------------------|-----------------------------|---|------------------------------|--------------------------------------|----------------------------------|----------------|
| | | | Exploration and evaluation US\$m | Land and buildings US\$m | Oil and gas properties | | | Projects in development US\$m | |
| | | | | | Transferred exploration and evaluation US\$m | Plant and equipment US\$m | Marine vessels and carriers US\$m | | |
| Producing | Pluto (WA-404-P) ^{2,4} | - | 429 | - | - | - | - | - | - |
| Development | Kitimat LNG ⁵ | - | 809 | - | - | - | - | - | - |
| | Sunrise ⁶ | - | 168 | - | - | - | - | - | - |
| Other segments | (WA-93-R)/ Ragnar (WA-94-R) ^{3,7} | - | 151 | - | - | - | - | - | - |
| Production | North West Shelf | 1,922 | - | 2 | 15 | 387 | 23 | 27 | 454 |
| | Pluto | 9,712 | - | 54 | 59 | 666 | - | 83 | 862 |
| | Australia Oil Vincent (Ngujima-Yin) | 836 | - | - | 64 | 517 | - | 26 | 607 |
| | NWS Oil (Okha) | 102 | - | - | 3 | 61 | - | 3 | 67 |
| | Wheatstone | 3,029 | - | 208 | 58 | 1,005 | - | 130 | 1,401 |
| Development | Sangomar | 415 | - | - | - | - | - | 321 | 321 |
| Total | | 16,016 | 1,557 | 264 | 199 | 2,636 | 23 | 590 | 3,712 |

1. The recoverable amounts for exploration and evaluation assets and oil and gas properties have been determined using the FVLCD and VIU methods, respectively. The carrying amount of the CGUs includes all assets allocated to the CGU. Refer to key estimates and judgements for further details.
2. The impairment of Pluto (WA-404-P) has resulted in a reclassification of Greater Pluto (WA-404-P) Proved (1P) Undeveloped Reserves and Proved plus Probable (2P) Undeveloped Reserves, to Best Estimate (2C) Contingent Resources. These proved reserves were classified under Society of Petroleum Engineers Petroleum Resources Management System.

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Notes to the Consolidated Financial Statements

B.4 Impairment of exploration and evaluation and oil and gas properties (cont.)

3. Converted from WA-430-P.

Impairment indicators for exploration and evaluation assets

4. Increased uncertainty of development timing, given the prioritisation of the higher-value Scarborough resource.
5. The revision of long-term oil and Alberta natural gas market spot price assumptions, and a change to the development concept to a standalone LNG facility, de-linked from the upstream resource, with different accounting requirements.
6. Increased uncertainty of regulatory conditions, fiscal terms and development concept.
7. Increased uncertainty of development timing.

Following the impairment recognised at 30 June 2020, the Group assessed each AOI and CGU for indicators of impairment as at 31 December 2020 in accordance with the Group's accounting policy. In assessing whether there was an indicator of impairment or impairment reversal, the Group considered whether there have been any significant changes in the key estimates and judgements and underlying project assumptions used for the 30 June 2020 impairment assessment and determined that there had been none. No indicators of additional impairment or impairment reversal were identified as at 31 December 2020.

Key estimates and judgements

Recoverable amount calculation key assumptions

In determining the recoverable amounts of exploration and evaluation assets, the market comparison approach using adjusted market multiples (fair value hierarchy Level 3) was utilised to determine FVLCD.

In determining the recoverable amount of CGUs, estimates are made regarding the present value of future cash flows when determining the VIU. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can also affect the assumptions used and the rates used to discount future cash flow estimates.

The basis for the estimates used to determine recoverable amounts as at 30 June 2020 is set out below:

Resource estimates - 2P reserves for oil and gas properties.

Inflation rate - an inflation rate of 2% has been applied (31 December 2019: 2.0%).

Foreign exchange rates - a rate of \$0.75 US\$:AU\$ (31 December 2019: \$0.75) is based on management's view of long-term exchange rates.

Discount rates - a range of pre-tax discount rates between 9.3%-14.8% (post-tax discount rates 7.5%-11.0%; 2019: 7.5%-9.0%) for CGUs has been applied. The discount rate reflects an assessment of the risks specific to the asset, including country risk.

An evaluation of climate risk impacts, including a long-term Australian carbon price of US\$80/tonne (real terms 2020), applicable to Australian emissions that exceed facility-specific baselines in accordance with Australian regulations.

LNG price - the majority of LNG sales contracts are linked to an oil price marker; accordingly the LNG prices used are consistent with oil price assumptions.

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B.4 Impairment of exploration and evaluation and oil and gas properties (cont.)

Brent Oil prices - derived from long-term views of global supply and demand, building upon past experience of the industry and consistent with external sources. Prices are adjusted for premiums and discounts based on the nature and quality of the product. The nominal Brent oil prices (US\$/bbl) used were:

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2022</u> | <u>2024</u> | <u>2025</u> |
|--------------|-------------|-------------|-------------|-------------|-------------|-----------------|
| 30 June 2020 | 35 | 45 | 57 | 62 | 67 | 72 ¹ |

1. Based on US\$65/bbl (2020 real terms) from 2025 and prices are escalated at 2.0% onwards (31 December 2019: US\$72.50/bbl (2020 real terms) and prices are escalated at 2.0% onwards).

B.5 Signification production and growth asset acquisitions

(a) Sangomar - Acquisition from FAR Senegal RSSD SA

On 7 July 2021, Woodside completed the acquisition of FAR Senegal RSSD SA' s interest in the RSSD Joint Venture (13.67% interest in the Sangomar exploitation area and 15% interest in the remaining RSSD evaluation area), for an aggregate purchase price of \$212 million. The transaction was accounted for as an asset acquisition.

Additional payments of up to \$55 million are contingent on future commodity prices and timing of first oil. The contingent payments terminate on the earliest of 31 December 2027, three years from first oil being sold, and a total contingent payment of \$55 million being reached. The contingent payments are accounted for as contingent liabilities in accordance with the Group' s accounting policies.

Woodside' s interest has increased to 82% in the Sangomar exploitation area (31 December 2020: 68.33%) and to 90% in the remaining RSSD evaluation area (31 December 2020: 75%).

Assets acquired and liabilities assumed

The identifiable assets and liabilities acquired as at the date of the acquisition inclusive of transaction costs are:

| | <u>US\$m</u> |
|---|-------------------|
| Oil and gas properties | 205 |
| Exploration and evaluation | 7 |
| Cash acquired | 3 |
| Payables | (13) |
| Net other assets and liabilities assumed | 10 |
| Total identifiable net assets at acquisition | <u>212</u> |

Cash flows on acquisition

| | <u>US\$m</u> |
|---|-------------------|
| Purchase cash consideration | 212 |
| Transaction costs | - |
| Total purchase consideration | <u>212</u> |
| Net cash outflows on acquisition | <u>212</u> |

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Notes to the Consolidated Financial Statements

B.5 Signification production and growth asset acquisitions (cont.)

Key estimates and judgements

Nature of acquisition

Judgement is required to determine if the transaction is the acquisition of an asset or a business combination. The Sangomar project is in the early phase of development and a substantive process that has the ability to convert inputs to outputs is not present and therefore the acquisitions in both 2020 and 2021 are treated as asset acquisitions.

(b) BHP merger commitment deed

On 17 August 2021, Woodside and BHP Group (BHP) entered into a merger commitment deed to combine their respective oil and gas portfolios by an all stock merger (the Transaction). The share sale agreement and the integration and transition services agreement were executed on 22 November 2021.

On completion of the Transaction, BHP's oil and gas business will merge with Woodside, and Woodside will issue new shares to be distributed to BHP shareholders. The expanded Woodside will be owned 52% by existing Woodside shareholders and 48% by existing BHP shareholders. The Transaction is subject to satisfaction of conditions precedent including shareholder, regulatory and other approvals. The completion of the proposed merger is targeted for Q2 2022 following all necessary approvals.

Woodside and BHP have also agreed on an option for BHP to sell its 26.5% interest in the Scarborough Joint Venture and its 50% interest in the Thebe and Jupiter Joint Ventures to Woodside. The option is exercisable by BHP in the second half of 2022 and, if exercised, consideration of \$1,000 million is payable to BHP plus working capital adjustments from 1 July 2021 to completion date. An additional \$100 million is payable contingent upon future FID for a Thebe development.

(c) Sangomar Acquisition from Capricorn Senegal Limited

On 22 December 2020, Woodside completed the acquisition of Capricorn Senegal Limited's (Cairn's) interest in the RSSD Joint Venture (36.44% interest in the Sangomar exploitation area and 40% interest in the remaining RSSD evaluation area) for an aggregate purchase price of \$527 million. The transaction was accounted for as an asset acquisition.

Additional payments of up to \$100 million are contingent on future commodity prices and the timing of first oil. The contingent payments are accounted for as contingent liabilities in accordance with the Group's accounting policies.

Assets acquired and liabilities assumed

The identifiable assets and liabilities acquired as at the date of the acquisition inclusive of transaction costs were:

| | US\$m |
|---|-------------------|
| Oil and gas properties | 540 |
| Exploration and evaluation | 26 |
| Cash acquired | 5 |
| Payables | (51) |
| Net other assets and liabilities assumed | 7 |
| Total identifiable net assets at acquisition | <u>527</u> |

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Notes to the Consolidated Financial Statements

B.5 Signification production and growth asset acquisitions (cont.)

Cash flows on acquisition

| | US\$m |
|---|--------------|
| Purchase cash consideration | 525 |
| Transaction costs | 2 |
| Total purchase consideration | 527 |
| Net cash outflows on acquisition | 527 |

B.6 Non-current assets held for sale

Recognition and measurement

The Group classifies non-current assets and liabilities as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use. Such non-current assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the sale, excluding the finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale, expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Transfers to non-current assets held for sale

On 15 November 2021, the Group and Global Infrastructure Partners (GIP) entered into a Sale and Purchase Agreement for GIP to acquire a 49% participating interest in the Pluto Train 2 Joint Venture. The transaction completed on 18 January 2022 (refer to Note E.5), reducing the Group's participating interest from 100% to 51%. Accordingly, the associated Pluto Train 2 assets within the Development segment have been reclassified to non-current assets held for sale. The arrangements require GIP to fund its 49% share of capital expenditure from 1 October 2021 and an additional amount of capital expenditure of approximately \$822 million. If the total capital expenditure incurred is less than \$5,600 million, GIP will pay Woodside an additional amount equal to 49% of the under-spend. In the event of a cost overrun, Woodside will fund up to approximately \$822 million of GIP's share of the overrun. Delays to the expected start-up of production will result in payments by Woodside to GIP in certain circumstances. The arrangements include provisions for GIP to be compensated for exposure to additional Scope 1 emissions liabilities above agreed baselines, and to sell its 49% interest back to Woodside if the status of key regulatory approvals materially changes.

In addition, in December 2021, Woodside committed to sell a portion of the Wheatstone Construction Village and six residential properties. The construction village within the Wheatstone operating segment and the residential properties within the Pluto segment have been reclassified as non-current assets held for sale and both sale transactions are expected to complete in 2022.

Impairment relating to the non-current assets held for sale

Immediately before the classification as non-current assets held for sale, the recoverable amount of the relevant assets were calculated and an impairment of the Wheatstone Construction Village amounting to \$10 million was recognised within oil and gas properties (Note B.4).

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Notes to the Consolidated Financial Statements

B.6 Non-current assets held for sale (cont.)

Assets and liabilities of the non-current assets held for sale

As at 31 December 2021, the Group has reclassified \$252 million of Pluto Train 2 assets, \$1 million of the Wheatstone Construction Village assets and \$1 million of the Pluto residential housing to non-current assets held for sale. There are no recognised liabilities associated with the assets held for sale.

C. Debt and Capital

This section addresses cash, debt and the capital position of the Group at the end of the reporting period including, where applicable, the accounting policies applied and the key estimates and judgements made.

Key financial and capital risks in this section

Capital risk management

Group Treasury is responsible for the Group's capital management including cash, debt and equity. Capital management is undertaken to ensure that a secure, cost-effective and flexible supply of funds is available to meet the Group's operating and capital expenditure requirements. A stable capital base is maintained from which the Group can pursue its growth aspirations, whilst maintaining a flexible capital structure that allows access to a range of debt and equity markets to both draw upon and repay capital.

The Dividend Reinvestment Plan (DRP) was approved by shareholders at the Annual General Meeting in 2003 for activation as required to fund future growth. The DRP was reactivated for the 2019 interim dividend and will remain in place until further notice.

A range of financial metrics are monitored, including gearing and cash flow leverage, and Treasury policy breaches and exceptions.

Liquidity risk management

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay financial liabilities as and when they fall due. The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet its financial commitments in a timely and cost-effective manner.

The Group's liquidity is continually reviewed, including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels. At 31 December 2021, the Group had a total of \$6,125 million (2020: \$6,704 million) of available undrawn facilities and cash at its disposal. The maturity profile of interest-bearing liabilities is disclosed in Note C.2, trade and other payables are disclosed in Note D.4 and lease liabilities are disclosed in Note D.7. Financing facilities available to the Group are disclosed in Note C.2.

Interest rate risk management

Interest rate risk is the risk that the Group's financial position will fluctuate due to changes in market interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to financial instruments with floating interest rates including long-term debt obligations, cash and short-term deposits. The Group manages its interest rate risk by maintaining an appropriate mix of fixed and floating rate debt. To manage the ratio of fixed rate debt to floating rate debt, the Group may enter into interest rate swaps. The Group holds cross-currency interest rate swaps to hedge the foreign exchange risk (refer to Section A) and interest rate risk of the

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C. Debt and Capital (cont.)

CHF denominated medium term note. The Group also holds interest rate swaps to hedge the interest rate risk associated with the \$600 million syndicated facility. Refer to Notes C.2 and D.6 for further details.

At the reporting date, the Group was exposed to various benchmark interest rates that were not designated in cash flow hedges, primarily \$2,962 million (2020: \$3,527 million) on cash and cash equivalents, \$367 million (2020: \$450 million) on interest-bearing liabilities (excluding transaction costs) and \$9 million (2020: \$15 million) on cross-currency interest rate swaps.

A reasonably possible change in the USD London Interbank Offered Rate (LIBOR) (+1%/-1% (2020: +0.5%/-0.5%)), with all variables held constant, would not have a material impact on the Group's equity or the income statement in the current period.

The Group's Treasury function is closely monitoring the market and the output from the various industry working groups managing the transition to new benchmark interest rates. The Treasury function is assessing the implications of the Interbank Offered Rates (IBOR) reform across the Group and will manage and execute the transition from current benchmark rates to alternative benchmark rates.

C.1 Cash and cash equivalents

| | 2021 | 2020 |
|--|--------------|--------------|
| | US\$m | US\$m |
| Cash and cash equivalents | | |
| Cash at bank | 300 | 367 |
| Term deposits | <u>2,725</u> | <u>3,237</u> |
| Total cash and cash equivalents | <u>3,025</u> | <u>3,604</u> |

Recognition and measurement

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are stated at face value in the statement of financial position.

Foreign exchange risk

The Group held \$108 million of cash and cash equivalents at 31 December 2021 (2020: \$78 million) in currencies other than US dollars.

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C.2 Interest-bearing liabilities and financing facilities

| | Bilateral Facilities US\$m | Syndicated Facilities US\$m | JBIC Facility US\$m | US Bonds US\$m | Medium Term Notes US\$m | Total US\$m |
|---|----------------------------------|-----------------------------------|---------------------------|----------------------|----------------------------------|----------------|
| Year ended 31 December 2021 | | | | | | |
| At 1 January 2021 | (4) | 593 | 250 | 4,778 | 597 | 6,214 |
| Repayments ¹ | – | – | (84) | (700) | – | (784) |
| Fair value adjustment and foreign exchange movement | – | – | – | – | (5) | (5) |
| Transaction costs capitalised and amortised | – | 2 | – | 3 | – | 5 |
| Carrying amount at 31 December 2021 | (4) | 595 | 166 | 4,081 | 592 | 5,430 |
| Current | (2) | (2) | 83 | (2) | 200 | 277 |
| Non-current | (2) | 597 | 83 | 4,083 | 392 | 5,153 |
| Carrying amount at 31 December 2021 | (4) | 595 | 166 | 4,081 | 592 | 5,430 |
| Undrawn balance at 31 December 2021 | 1,900 | 1,200 | – | – | – | 3,100 |
| Year ended 31 December 2020 | | | | | | |
| At 1 January 2020 | (3) | (4) | 333 | 4,775 | 578 | 5,679 |
| Repayments | – | – | (83) | – | – | (83) |
| Drawdowns | – | 600 | – | – | – | 600 |
| Fair value adjustment and foreign exchange movement | – | – | – | – | 19 | 19 |
| Transaction costs capitalised and amortised | (1) | (3) | – | 3 | – | (1) |
| Carrying amount at 31 December 2020 | (4) | 593 | 250 | 4,778 | 597 | 6,214 |
| Current | (1) | (2) | 83 | 696 | – | 776 |
| Non-current | (3) | 595 | 167 | 4,082 | 597 | 5,438 |
| Carrying amount at 31 December 2020 | (4) | 593 | 250 | 4,778 | 597 | 6,214 |
| Undrawn balance at 31 December 2020 | 1,900 | 1,200 | – | – | – | 3,100 |

Recognition and measurement

All borrowings are initially recognised at fair value less transaction costs. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds received and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings designated as a hedged item are measured at amortised cost adjusted to record changes in the fair value of risks that are being hedged in fair value hedges. The changes in the fair value risks of the hedged item resulted in a gain of \$5 million being recorded (2020: loss of \$19 million), and a loss of \$7 million recorded on the hedging instrument (2020: gain of \$18 million).

All bonds, notes and facilities are subject to various covenants and a negative pledge restricting future secured borrowings, subject to a number of permitted lien exceptions. Neither the covenants nor the negative pledges have been breached at any time during the reporting period.

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C.2 Interest-bearing liabilities and financing facilities (cont.)

Fair value

The carrying amount of interest-bearing liabilities approximates their fair value, with the exception of the Group's unsecured bonds and the medium term notes. The unsecured bonds have a carrying amount of \$4,081 million (2020: \$4,778 million) and a fair value of \$4,443 million (2020: \$5,196 million). The medium term notes have a carrying amount of \$592 million (2020: \$597 million) and a fair value of \$604 million (2020: \$617 million). Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date and classified as Level 1 on the fair value hierarchy. Where these cash flows are in a foreign currency, the present value is converted to US dollars at the foreign exchange spot rate prevailing at the reporting date. The Group's repayment obligations remain unchanged.

Foreign exchange risk

All interest-bearing liabilities are denominated in US dollars, excluding the CHF175 million medium term note.

Maturity profile of interest-bearing liabilities

The table below presents the contractual undiscounted cash flows associated with the Group's interest-bearing liabilities, representing principal and interest. The figures will not necessarily reconcile with the amounts disclosed in the consolidated statement of financial position.

| | <u>2021</u> <u>US\$m</u> | <u>2020</u> <u>US\$m</u> |
|----------------------------|-----------------------------|-----------------------------|
| Due for payment in: | | |
| 1 year or less | 470 | 979 |
| 1-2 years | 462 | 470 |
| 2-3 years | 188 | 462 |
| 3-4 years | 1,169 | 178 |
| 4-5 years | 951 | 1,161 |
| More than 5 years | <u>3,320</u> | <u>4,266</u> |
| | <u>6,560</u> | <u>7,516</u> |

Amounts exclude transaction costs.

Bilateral facilities

The Group has 14 bilateral loan facilities totaling \$1,900 million (2020: 14 bilateral loan facilities totaling \$1,900 million). Details of bilateral loan facilities at the reporting date are as follows:

2021:

| <u>Number of facilities</u> | <u>Term (years)</u> | <u>Currency</u> | <u>Extension option</u> |
|-----------------------------|---------------------|-----------------|-------------------------|
| 5 | 5 | US\$ | Evergreen |
| 2 | 4 | US\$ | Evergreen |
| 7 | 3 | US\$ | Evergreen |

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Notes to the Consolidated Financial Statements

C.2 Interest-bearing liabilities and financing facilities (cont.)

2020:

| <u>Number of facilities</u> | <u>Term (years)</u> | <u>Currency</u> | <u>Extension option</u> |
|-----------------------------|---------------------|-----------------|-------------------------|
| 6 | 5 | US\$ | Evergreen |
| 2 | 4 | US\$ | Evergreen |
| 6 | 3 | US\$ | Evergreen |

Interest rates are based on USD LIBOR and margins are fixed at the commencement of the drawdown period. Interest is paid at the end of the drawdown period. Evergreen facilities may be extended continually by a year subject to the bank's agreement.

Syndicated facility

On 14 October 2019, Woodside increased the existing facility to \$1,200 million, with \$400 million expiring on 11 October 2022 and \$800 million expiring on 11 October 2024. Interest rates are based on USD LIBOR and margins are fixed at the commencement of the drawdown period.

On 17 January 2020, the Group completed a new \$600 million syndicated facility with a term of seven years. Interest is based on the USD London Interbank Offered Rate (LIBOR) plus 1.2%. Interest is paid on a quarterly basis.

Japan Bank for International Cooperation (JBIC) facility

On 24 June 2008, the Group entered into a two tranche committed loan facility of \$1,000 million and \$500 million respectively. The \$500 million tranche was repaid in 2013. There is a prepayment option for the remaining balance. Interest rates are based on LIBOR. Interest is payable semi-annually in arrears and the principal amortises on a straight-line basis, with equal instalments of principal due on each interest payment date (every six months).

Under this facility, 90% of the receivables from designated Pluto LNG sale and purchase agreements are secured in favour of the lenders through a trust structure, with a required reserve amount of \$30 million.

To the extent that this reserve amount remains fully funded and no default notice or acceleration notice has been given, the revenue from Pluto LNG continues to flow directly to the Group from the trust account.

Medium term notes

On 28 August 2015, the Group established a \$3,000 million Global Medium Term Notes Programme listed on the Singapore Stock Exchange. Three notes have been issued under this programme as set out below:

| <u>Issue date</u> | <u>Maturity date</u> | <u>Currency</u> | <u>Carrying amount (million)</u> | <u>Nominal interest rate</u> |
|-------------------|----------------------|-----------------|--------------------------------------|---------------------------------|
| 15 July 2016 | 15 July 2022 | US\$ | 200 | Floating three month US\$ LIBOR |
| 11 July 2016 | 11 December 2023 | CHF | 175 | 1 % |
| 29 November 2019 | 29 January 2027 | US\$ | 200 | 3 % |

The unutilised program is not considered to be an unused facility.

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Notes to the Consolidated Financial Statements

C.2 Interest-bearing liabilities and financing facilities (cont.)

US bonds

The Group has four unsecured bonds issued in the United States of America as defined in Rule 144A of the *US Securities Act of 1933* as set out below:

| <u>Issue date</u> | <u>Maturity date</u> | <u>Carrying amount US\$m</u> | <u>Nominal interest rate</u> |
|-------------------|----------------------|------------------------------|------------------------------|
| 5 March 2015 | 5 March 2025 | 1,000 | 3.65 % |
| 15 September 2016 | 15 September 2026 | 800 | 3.70 % |
| 13 September 2017 | 15 March 2028 | 800 | 3.70 % |
| 4 March 2019 | 4 March 2029 | 1,500 | 4.50 % |

Interest on the bonds is payable semi-annually in arrears.

During the period, the Group redeemed the \$700 million 2021 US bond and repaid \$84 million on the JBIC facility.

C.3 Contributed equity

Recognition and measurement

Issued capital

Ordinary shares are classified as equity and recorded at the value of consideration received. The cost of issuing shares is shown in share capital as a deduction, net of tax, from the proceeds.

Reserved shares

The Group's own equity instruments, which are reacquired for later use in employee share-based payment arrangements (reserved shares), are deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments.

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Notes to the Consolidated Financial Statements

C.3 Contributed equity (cont.)

(a) Issued and fully paid shares

| | Number of shares | US\$m |
|---|-----------------------------|--------------|
| Year ended 31 December 2021 | | |
| Opening balance | 962,225,814 | 9,297 |
| DRP - ordinary shares issued at A\$24.77 (2020 final dividend) | 1,354,072 | 26 |
| DRP - ordinary shares issued at A\$19.47 (2021 interim dividend) | 6,051,940 | 86 |
| Amounts as at 31 December 2021 | 969,631,826 | 9,409 |
| Year ended 31 December 2020 | | |
| Opening balance | 942,286,900 | 9,010 |
| DRP - ordinary shares issued at A\$25.61 (2019 final dividend) | 12,072,034 | 181 |
| DRP - ordinary shares issued at A\$18.79 (2020 interim dividend) | 6,091,035 | 83 |
| Employee share plan - ordinary shares issued at A\$18.27 (2017 Woodside equity plan) | 1,775,845 | 23 |
| Amounts as at 31 December 2020 | 962,225,814 | 9,297 |
| Year ended 31 December 2019 | | |
| Opening balance | 936,151,549 | 8,880 |
| DRP - ordinary shares issued at A\$31.34 (2019 interim dividend) | 6,135,351 | 130 |
| Amounts as at 31 December 2019 | 942,286,900 | 9,010 |

All shares are a single class with equal rights to dividends, capital, distributions and voting. The Company does not have authorised capital nor par value in relation to its issued shares.

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Notes to the Consolidated Financial Statements

C.3 Contributed equity (cont.)

(b) Shares reserved for employee share plans

| | Number of shares | US\$m |
|---------------------------------------|-----------------------------|--------------|
| Year ended 31 December 2021 | | |
| Opening balance | 1,766,099 | (23) |
| Purchases during the year | 2,683,469 | (47) |
| Vested during the year | (2,629,824) | 40 |
| Amounts as at 31 December 2021 | 1,819,744 | (30) |
| Year ended 31 December 2020 | | |
| Opening balance | 1,985,306 | (39) |
| Purchases during the year | 2,242,345 | (32) |
| Vested during the year | (2,461,552) | 48 |
| Amounts as at 31 December 2020 | 1,766,099 | (23) |
| Year ended 31 December 2019 | | |
| Opening balance | 1,130,104 | (31) |
| Purchases during the year | 3,052,348 | (66) |
| Vested during the year | (2,197,146) | 58 |
| Amounts as at 31 December 2019 | 1,985,306 | (39) |

C.4 Other reserves

| | 2021 US\$m | 2020 US\$m | 2019 US\$m |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| Other reserves | | | |
| Employee benefits reserve | 232 | 219 | 211 |
| Foreign currency translation reserve | 793 | 793 | 793 |
| Hedging reserve | (400) | (71) | (12) |
| Distributable profits reserve | 58 | 462 | - |
| | 683 | 1,403 | 992 |

Nature and purpose

Employee benefits reserve

Used to record share-based payments associated with the employee share plans and remeasurement adjustments relating to the defined benefit plan.

Foreign currency translation reserve

Used to record foreign exchange differences arising from the translation of the financial statements of foreign entities from their functional currency to the Group's presentation currency.

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Notes to the Consolidated Financial Statements

C.4 Other reserves (cont.)

Hedging reserve

Used to record gains and losses on hedges designated as cash flow hedges, and foreign currency basis spread arising from the designation of a financial instrument as a hedging instrument. Gains and losses accumulated in the cash flow hedge reserve are taken to the income statement in the same period during which the hedged expected cash flows affect the income statement.

Distributable profits reserve

Used to record distributable profits generated by the Parent entity, Woodside Petroleum Ltd.

D. Other Assets and Liabilities

This section addresses the other assets and liabilities position at the end of the reporting period including, where applicable, the accounting policies applied and the key estimates and judgements made.

Key financial and capital risks in this section

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss to the Group. Credit risk arises from the financial assets of the Group, which comprise trade and other receivables, loans receivables and deposits with banks and financial institutions.

The Group manages its credit risk on trade receivables and financial instruments by predominantly dealing with counterparties with an investment grade credit rating. Sufficient collateral is obtained to mitigate the risk of financial loss when transacting with counterparties with below investment grade credit ratings. Customers who wish to trade on unsecured credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis. As a result, the Group's exposure to bad debts is not significant. The Group's maximum credit risk is limited to the carrying amount of its financial assets.

Customer credit risk is managed by the Treasury function subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At 31 December 2021, the Group had four customers (2020: four customers) that owed the Group more than \$10 million each and accounted for approximately 88% (2020: 82%) of all trade receivables. Payment terms are typically 14 to 30 days providing only a short credit exposure.

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant depreciation in credit quality on an ongoing basis. A significant decrease in credit quality is defined as a debtor being greater than 30 days past due in making a contractual payment. Credit losses for trade receivables (including lease receivables) and contract assets are determined by applying the simplified approach and are measured at an amount equal to lifetime expected loss. Under the simplified approach, determination of the loss allowance provision and expected loss rate incorporates past experience and forward-looking information, including the outlook for market demand and forward-looking interest rates. A default on other financial assets is considered to be when the counterparty fails to make contractual payments within 60 days of when they fall due.

At 31 December 2021, the Group had a provision for credit losses of nil (2020: nil). Subsequent to 31 December 2021, 100% (2020: 100%) of the trade receivables balance of \$152 million (2020: \$164 million) has been received.

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D. Other Assets and Liabilities (cont.)

Credit risk from balances with banks is managed by the Treasury function in accordance with the Group's policy. The Group's main funds are placed as short-term deposits with reputable financial institutions with strong investment grade credit ratings. At 31 December 2021 and 31 December 2020, there were no significant concentrations of credit risk within the Group and financial instruments are spread amongst a number of financial institutions to minimise the risk of counterparty default. The maximum exposure to financial institution credit risk is represented by the sum of all cash deposits plus accrued interest, bank account balances and fair value of derivative assets. The Group's counterparty credit policy limits this exposure to commercial and investment banks, according to approved credit limits based on the counterparty's credit rating.

D.1 Segment assets and liabilities

| | 2021 | 2020 |
|--------------------------------|---------------|---------------|
| | US\$m | US\$m |
| (a) Segment assets | | |
| NWS | 2,208 | 1,943 |
| Pluto | 9,380 | 9,250 |
| Australia Oil | 758 | 978 |
| Wheatstone | 3,047 | 3,108 |
| Scarborough | 2,281 | 1,294 |
| Sangomar | 2,872 | 1,254 |
| Other development | 482 | 507 |
| Other segments | 411 | 697 |
| Unallocated items | 5,035 | 5,592 |
| | <u>26,474</u> | <u>24,623</u> |
| | | |
| | 2021 | 2020 |
| | US\$m | US\$m |
| (b) Segment liabilities | | |
| NWS | 647 | 679 |
| Pluto | 937 | 950 |
| Australia Oil | 913 | 848 |
| Wheatstone | 302 | 281 |
| Scarborough | 84 | 16 |
| Sangomar | 350 | 96 |
| Other development | 83 | 153 |
| Other segments | 798 | 953 |
| Unallocated items | 8,131 | 7,772 |
| | <u>12,245</u> | <u>11,748</u> |

Refer to Note A.1 for descriptions of the Group's segments. Unallocated assets mainly comprise cash and cash equivalents, deferred tax assets and lease assets. Unallocated liabilities mainly comprise interest-bearing liabilities, deferred tax liabilities and lease liabilities.

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D.2 Receivables

| | 2021 | 2020 |
|--------------------------------------|--------------|--------------|
| | US\$m | US\$m |
| (a) Receivables (current) | | |
| Trade receivables ¹ | 152 | 164 |
| Other receivables ¹ | 123 | 75 |
| Loans receivable | 75 | 59 |
| Lease receivables | 18 | 3 |
| Interest receivable | – | 1 |
| Dividend receivable | – | 1 |
| | <u>368</u> | <u>303</u> |
| (b) Receivables (non-current) | | |
| Loans receivable | 627 | 394 |
| Lease receivables | 26 | 10 |
| Defined benefit plan asset | 33 | 19 |
| | <u>686</u> | <u>423</u> |

1. Interest-free and settlement terms are usually between 14 and 30 days.

Recognition and measurement

Trade receivables are initially recognised at the transaction price determined under IFRS 15 *Revenue from Contracts with Customers*. Other receivables are initially recognised at fair value. Receivables that satisfy the contractual cash flow and business model tests are subsequently measured at amortised cost less an allowance for uncollectable amounts. Uncollectable amounts are determined using the expected loss impairment model. Collectability and impairment are assessed on a regular basis.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement. Certain receivables that do not satisfy the contractual cash flow and business model tests are subsequently measured at fair value (refer to Note D.6).

The Group's customers are required to pay in accordance with agreed payment terms. Depending on the product, settlement terms are 14 to 30 days from the date of invoice or bill of lading and customers regularly pay on time. There are no significant overdue trade receivables as at the end of the reporting period (2020: nil).

Fair value

The carrying amount of trade and other receivables approximates their fair value.

Foreign exchange risk

The Group held \$121 million of receivables at 31 December 2021 (2020: \$68 million) in currencies other than US dollars (predominantly Australian dollars).

Loans receivable

On 9 January 2020, Woodside Energy Finance (UK) Ltd entered into a secured loan agreement with Petrosen (the Senegal National Oil Company), to provide up to \$450 million for the purpose of funding Sangomar project

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Notes to the Consolidated Financial Statements

D.2 Receivables (cont.)

costs. The facility has a maximum term of 12 years and semi-annual repayments of the loan are due to commence at the earlier of 12 months after RFSU or 30 June 2025. The carrying amount of the loan receivable is \$335 million at 31 December 2021 (2020: \$113 million), which approximates its fair value. The remaining balance of loans receivable is due from non-controlling interests.

D.3 Inventories

| | 2021 | 2020 |
|--------------------------------------|--------------|--------------|
| | US\$m | US\$m |
| (a) Inventories (current) | | |
| Petroleum products | | |
| Goods in transit | 35 | 18 |
| Finished stocks | 34 | 33 |
| Warehouse stores and materials | <u>133</u> | <u>74</u> |
| | <u>202</u> | <u>125</u> |
| (b) Inventories (non-current) | | |
| Warehouse stores and materials | <u>19</u> | <u>40</u> |
| | <u>19</u> | <u>40</u> |

Recognition and measurement

Inventories include hydrocarbon stocks, consumable supplies and maintenance spares. Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes direct costs and an appropriate portion of fixed and variable production overheads where applicable. Inventories determined to be obsolete or damaged are written down to net realisable value, being the estimated selling price less selling costs.

D.4 Payables

The following table shows the Group's payables balances and maturity analysis.

| | < 30 days | 30-60 days | > 60 days | Total |
|------------------------------------|---------------------|-------------------|---------------------|--------------|
| | US\$m | US\$m | US\$m | US\$m |
| Year ended 31 December 2021 | | | | |
| Trade payables ¹ | 191 | – | – | 191 |
| Other payables ¹ | 390 | – | – | 390 |
| Interest payable ² | <u>7</u> | <u>–</u> | <u>51</u> | <u>58</u> |
| Total payables | <u>588</u> | <u>–</u> | <u>51</u> | <u>639</u> |
| Year ended 31 December 2020 | | | | |
| Trade payables ¹ | 100 | – | – | 100 |
| Other payables ¹ | 342 | – | – | 342 |
| Interest payable ² | <u>7</u> | <u>5</u> | <u>51</u> | <u>63</u> |
| Total payables | <u>449</u> | <u>5</u> | <u>51</u> | <u>505</u> |

1 Interest-free and normally settled on 30 day terms.

2 Details regarding interest-bearing liabilities are contained in Note C.2.

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Notes to the Consolidated Financial Statements

D.4 Payables (cont.)

Recognition and measurement

Trade and other payables are carried at amortised cost and are recognised when goods and services are received, whether or not billed to the Group, prior to the end of the reporting period.

Fair value

The carrying amount of payables approximates their fair value.

Foreign exchange risk

The Group held \$311 million of payables at 31 December 2021 (2020: \$210 million) in currencies other than US dollars (predominantly Australian dollars).

D.5 Provisions

| | Restoration¹ | Employee | Onerous | Other | Total |
|--|--------------------------------|-----------------|------------------------------|--------------|--------------|
| | US\$m | benefits | contracts² | US\$m | US\$m |
| | | US\$m | US\$m | | |
| Year ended 31 December 2021 | | | | | |
| At 1 January 2021 | 2,134 | 295 | 349 | 129 | 2,907 |
| Change in provision | 60 | (9) | (140) | (23) | (112) |
| Unwinding of present value discount | 24 | – | 5 | – | 29 |
| Carrying amount at 31 December 2021 | 2,218 | 286 | 214 | 106 | 2,824 |
| Current | 235 | 269 | – | 101 | 605 |
| Non-current | 1,983 | 17 | 214 | 5 | 2,219 |
| Net carrying amount | 2,218 | 286 | 214 | 106 | 2,824 |
| Year ended 31 December 2020 | | | | | |
| At 1 January 2020 | 1,869 | 189 | – | 70 | 2,128 |
| Change in provision | 237 | 106 | 347 | 59 | 749 |
| Unwinding of present value discount | 28 | – | 2 | – | 30 |
| Carrying amount at 31 December 2020 | 2,134 | 295 | 349 | 129 | 2,907 |
| Current | 54 | 272 | 46 | 128 | 500 |
| Non-current | 2,080 | 23 | 303 | 1 | 2,407 |
| Net carrying amount | 2,134 | 295 | 349 | 129 | 2,907 |

- 2021 change in provision is due to changes in estimates of \$239 million (primarily due to the inclusion of costs for the removal of rigid plastic-coated pipelines, reflecting an update to Woodside's assumptions based on decommissioning planning activities in 2021), offset by a revision of discount rates of \$134 million and provisions used of \$45 million.
- 2021 change in provision is due to provisions used of \$45 million and changes in estimates of \$95 million.

Recognition and measurement

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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Notes to the Consolidated Financial Statements

D.5 Provisions (cont.)

Restoration

The restoration provision is first recognised in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas. Restoration provisions are updated annually, with the corresponding movement recognised against the related exploration and evaluation assets or oil and gas properties.

Over time, the liability is increased for the change in the present value based on a pre-tax discount rate appropriate to the risks inherent in the liability. The unwinding of the discount is recorded as an accretion charge within finance costs. The carrying amount capitalised in oil and gas properties is depreciated over the useful life of the related asset (refer to Note B.3).

Costs incurred that relate to an existing condition caused by past operations, and which do not have a future economic benefit, are expensed.

Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the end of the reporting period. These benefits include wages, salaries, annual leave and long service leave.

Liabilities in respect of employees' services rendered that are not expected to be wholly settled within one year after the end of the period in which the employees render the related services are recognised as long-term employee benefits.

These liabilities are measured at the present value of the estimated future cash outflow to the employees using the projected unit credit method. Liabilities expected to be wholly settled within one year after the end of the period in which the employees render the related services are classified as short-term benefits and are measured at the amount due to be paid.

Onerous contract provision

Provision is made for loss-making contracts at the present value of the lower of the net cost of fulfilling and the cost arising from failure to fulfill each contract. Long term expectations of reduced spreads between North American and European/Asian LNG or gas markets has given rise to a loss-making contract.

Key estimates and judgements

(a) Restoration obligations

The Group estimates the future remediation and removal costs of offshore oil and gas platforms, production facilities, wells and pipelines at different stages of the development and construction of assets or facilities. In many instances, removal of assets occurs many years into the future.

The Group's restoration obligations are based on compliance with the requirements of relevant regulations which vary for different jurisdictions and are often non-prescriptive. Australian legislation requires removal of structures, equipment and property, or alternative arrangements to removal which are satisfactory to the regulator. The Group maintains technical expertise to ensure that industry learnings, scientific research and local and international guidelines are reviewed in assessing its restoration obligations.

The restoration obligation requires judgemental assumptions regarding removal date, environmental legislation and regulations, the extent of restoration activities required, the engineering methodology for estimating cost,

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Notes to the Consolidated Financial Statements

D.5 Provisions (cont.)

future removal technologies in determining the removal cost, and liability-specific discount rates to determine the present value of these cash flows. The Group's provision includes the following costs:

for onshore assets, provision has been made for the full removal of production facilities and aboveground pipelines.

for offshore assets, provision has been made for the plug and abandonment of wells and the removal of offshore platform topsides, floating production storage offloading (FPSO) and some subsea infrastructure. It is currently the Group's assumption that certain pipelines and infrastructure, parts of offshore platform substructures, and certain subsea infrastructure remain in-situ where it can be demonstrated that this will deliver equal or better health, safety and environmental outcomes than full removal and that regulatory approval is obtained where arrangements are satisfactory to the regulator.

Elements composed of steel, or steel and concrete, with hydrocarbons removed have previously been accepted by the Australian regulator to be decommissioned in-situ where it has been demonstrated there is an acceptable impact to the environment and to current and future marine users (i.e. fishing, shipping and other activities).

The basis of the restoration obligation provision for assets with approved decommissioning plans or general directions issued by the regulator can differ from the assumptions disclosed above. Whilst the provisions reflect the Group's best estimate based on current knowledge and information, further studies and detailed analysis of the restoration activities for individual assets will be performed near the end of their operational life and/or when detailed decommissioning plans are required to be submitted to the relevant regulatory authorities. Actual costs and cash outflows can materially differ from the current estimate as a result of changes in regulations and their application, prices, analysis of site conditions, further studies, timing of restoration and changes in removal technology. These uncertainties may result in actual expenditure differing from amounts included in the provision recognised as at 31 December 2021.

A range of pre-tax discount rates between 0.4% and 2.4% (2020: 0.1% to 2%) has been applied. If the discount rates were decreased by 0.5% then the provision would be \$134 million higher. If the cost estimates were increased by 10% then the provision would be \$225 million higher. The proportion of the non-current balance not expected to be settled within 10 years is 65% (2020: 73%).

In the event that the removal of all, or a substantial portion of, the elements was required, Woodside estimates the additional cost would lead to an increase to the provision of approximately \$300 - \$500 million. This excludes costs related to large diameter trunklines between the offshore platforms and onshore plants as further assessment is required for these pipelines which are buried below the seabed or heavily stabilised by rock or concrete due to their location and metocean conditions.

(b) Long service leave

Long service leave is measured at the present value of benefits accumulated up to the end of the reporting period. The liability is discounted using an appropriate discount rate. Management uses judgement to determine key assumptions used in the calculation including future increases in salaries and wages, future on-cost rates and future settlement dates of employees' departures.

(c) Legal case outcomes

Provisions for legal cases are measured at the present value of the amount expected to settle the claim. Management is required to use judgement when assessing the likely outcome of legal cases, estimating the risked amount and whether a provision or contingent liability should be recognised.

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Notes to the Consolidated Financial Statements

D.5 Provisions (cont.)

(d) Onerous contracts

The onerous contract provision assessment requires management to make certain estimates regarding the unavoidable costs and the expected economic benefits from the contract. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can affect the assumptions. The present value of the provision was estimated using the assumptions set out below:

Contract term - 19 years; the provision is released as contract deliveries are made up to 2040.

Discount rate - a pre-tax, risk free US government bond rate of 1.855% (2020: 1.390%) has been applied.

LNG pricing - forecast sales and purchase prices are subject to a number of price markers. Price assumptions are based on the best information on the market available at measurement date and derived from short- and long-term views of global supply and demand, building upon past experience of the industry and consistent with external sources. The forecasted sales are linked to gas hub prices (Title Transfer Facility (TTF)) at which physical sales are expected to occur and incorporates known pricing information related to sales¹. The long-term gas sales price is estimated on the basis of the Group's Brent price forecast. The estimated purchase price is linked to US hub prices (Henry Hub (HH)) at which physical purchases are expected to occur. The nominal TTF, Brent oil prices and HH gas prices used at 31 December 2021 were:

| | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> |
|-------------------------|-------------|-------------|-------------|-------------|-------------|
| TTF (US\$/MMBtu) | 15.0 | 8.2 | 6.9 | 7.0 | 7.2 |
| Brent (US\$/bbl) | 73 | 71 | 68 | 69 | 70 |
| Henry Hub (US\$/ MMBtu) | 4.0 | 3.6 | 3.1 | 3.2 | 3.3 |

The nominal impacts of the effects of changes to discount rate and long-term oil price assumptions are estimated as follows:

| <u>Change in assumption⁵</u> | <u>US\$m</u> |
|--|--------------|
| LNG sales price ¹ : increase of 10% | 500 |
| LNG sales price ¹ : decrease of 10% | (509) |
| US hub gas price (HH) ³ : increase of 10% | (282) |
| US hub gas price (HH) ³ : decrease of 10% | 282 |
| Discount rate: increase of 1% ⁵ | 19 |
| Discount rate: decrease of 1% ⁵ | (20) |

1. For committed volumes, contracted pricing information has been applied. For hedge accounted volumes, the relevant hedged prices have been applied.
2. Long-term oil prices are based on US\$65/bbl (2022 real terms) from 2024 and prices are escalated at 2.0% onwards.
3. Long-term gas prices are based on US\$3.0/MMBtu (2022 real terms) from 2025 to 2029 and thereafter US\$3.5/MMBtu (2022 real terms). All long term prices are escalated at 2.0%.
4. Amounts shown represent the change of the present value of the contract keeping all other variables constant. Any reduction in the onerous provision recognised would not exceed the balance of the provision itself.
5. A change of 1% represents 100 basis points.

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D.6 Other financial assets and liabilities

| | <u>2021</u> | <u>2020</u> |
|---|--------------|--------------|
| | <u>US\$m</u> | <u>US\$m</u> |
| Other financial assets | | |
| Financial instruments at fair value through profit and loss | | |
| Derivative financial instruments designated as hedges | 134 | 31 |
| Other financial assets | 293 | 195 |
| Total other financial assets | <u>427</u> | <u>226</u> |
| Current | 320 | 172 |
| Non-current | 107 | 54 |
| Net carrying amount | <u>427</u> | <u>226</u> |
| Other financial liabilities | | |
| Financial instruments at fair value through profit and loss | | |
| Derivative financial instruments designated as hedges | 563 | 68 |
| Other financial liabilities | 9 | 3 |
| Total other financial liabilities | <u>572</u> | <u>71</u> |
| Current | 411 | 37 |
| Non-current | 161 | 34 |
| Net carrying amount | <u>572</u> | <u>71</u> |

Recognition and measurement

Other financial assets and liabilities

Receivables subject to provisional pricing adjustments are initially recognised at the transaction price and subsequently measured at fair value with movements recognised in the income statement.

Derivative financial instruments

Derivative financial instruments that are designated within qualifying hedge relationships are initially recognised at fair value on the date the contract is entered into. For relationships designated as fair value hedges, subsequent fair value movements of the derivative are recognised in the income statement. For relationships designated as cash flow hedges, subsequent fair value movements of the derivative for the effective portion of the hedge are recognised in other comprehensive income and accumulated in reserves in equity; fair value movements for the ineffective portion are recognised immediately in the income statement. Costs of hedging have been separated from the hedging arrangements and deferred to other comprehensive income and accumulated in reserves in equity. Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects profit or loss.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged exposure and the hedging instrument. The Group assesses whether the derivative designated in each hedging relationship has been, and is expected to be, effective in offsetting changes in cash flows of the hedged exposure using the hypothetical derivative method.

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Notes to the Consolidated Financial Statements

D.6 Other financial assets and liabilities (cont.)

Ineffectiveness is recognised where the cumulative change in the designated component value of the hedging instrument on an absolute basis exceeds the change in value of the hedged exposure attributable to the hedged risk.

Ineffectiveness may arise where the timing of the transaction changes from what was originally estimated such as delayed shipments or changes in timing of forecast sales. This may also arise where the commodity swap pricing terms do not perfectly match the pricing terms of the LNG revenue contracts.

Fair value

Except for the other financial assets and other financial liabilities set out in this note, there are no material financial assets or financial liabilities carried at fair value.

The fair value of commodity derivative financial instruments is determined based on observable quoted forward pricing and swap rates and is classified as Level 2 on the fair value hierarchy. The most frequently applied valuation techniques include forward pricing and swap models that use present value calculations. The models incorporate various inputs including the credit quality of counterparties and forward rate curves of the underlying commodity.

The fair value of interest rate swaps is calculated by discounting estimated future cash flows based on the terms of maturity of each contract, using market interest rates for a similar instrument at the reporting date and is classified as Level 2 on the fair value hierarchy.

The fair value of foreign exchange forward contracts is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies and is classified as Level 2 on the fair value hierarchy.

The fair values of other financial assets and other financial liabilities are predominantly determined based on observable quoted forward pricing and are predominantly classified as Level 2 on the fair value hierarchy.

Foreign exchange

The derivative financial instruments include foreign exchange forward contracts that are denominated in Australian dollars. The Group had no material other financial assets and liabilities denominated in currencies other than US dollars.

Hedging activities

During the period, the following hedging activities were undertaken:

The Group hedged a percentage of its oil-linked exposure, entering into oil swap derivatives settling between 2021 to 2023 in order to achieve a minimum average sales price per barrel.

The Group also entered into separate HH commodity swaps to hedge the purchase leg of the Corpus Christi volumes and separate TTF commodity swaps to hedge the sales leg of Corpus Christi volumes effectively protecting against pricing risk for 2022 and 2023. As a result of hedging and term sales, approximately 97% of Corpus Christi volumes in 2022 and 70% in 2023 have hedged pricing risk.

The Group entered into TTF commodity swaps to hedge equity LNG cargoes expected to be exposed to winter 2021/22 natural gas pricing.

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Notes to the Consolidated Financial Statements

D.6 Other financial assets and liabilities (cont.)

The Group entered into foreign exchange forward contracts to fix the Australian dollar to US dollar exchange rate in relation to a portion of the Australian dollar denominated capital expenditure expected to be incurred under the Scarborough development.

For the year ended 31 December 2020 the following main hedging activities were undertaken:

The Group hedged a percentage of its exposure to commodity price risk, entering into 13.4 million barrels of oil swap derivatives to achieve a minimum average sales price of \$33 per barrel. The Group also entered into 7.9 million barrels of oil call options, to take advantage of increases in oil prices above \$40 per barrel, for a premium of \$37 million. Most of the derivatives settled between April 2020 and December 2020, with swaps and options for 1.3 million barrels settling in 2021. The swaps and call options were designated as cash flow hedges.

| | <u>2021</u> | <u>2020</u> |
|--|--------------|--------------|
| Oil swaps (cash flow hedges) | | |
| Carrying amount (US\$m) | (1) | (22) |
| Notional amount (MMbbl) | 30 | 1 |
| Maturity date | 2022-2023 | 2021 |
| Hedge Ratio | 1:1 | 1:1 |
| Weighted average hedged rate (US\$/MMbbl) | <u>74</u> | <u>33</u> |
| HH Corpus Christi commodity swaps (cash flow hedges) | | |
| Carrying amount (US\$m) | 31 | – |
| Notional amount (TBtu) | 65 | – |
| Maturity date | 2022-2023 | – |
| Hedge Ratio | 1:1 | – |
| Weighted average hedged rate (US\$/MMBtu) | <u>3</u> | <u>–</u> |
| TTF Corpus Christi commodity swaps (cash flow hedges) | | |
| Carrying amount (US\$m) | (465) | – |
| Notional amount (TBtu) | 49 | – |
| Maturity date | 2022-2023 | – |
| Hedge Ratio | 1:1 | – |
| Weighted average hedged rate (US\$/MMBtu) | <u>9</u> | <u>–</u> |
| TTF commodity swaps (cash flow hedges) | | |
| Carrying amount (US\$m) | 4 | – |
| Notional amount (TBtu) | 3 | – |
| Maturity date | 2022 | – |
| Hedge Ratio | 1:1 | – |
| Weighted average hedged rate (US\$/MMBtu) | <u>26</u> | <u>–</u> |
| Interest rate swap (cash flow hedges) | | |
| Carrying amount (US\$m) | (17) | (43) |
| Notional amount | 600 | 600 |
| Maturity date | 2027 | 2027 |
| Hedge Ratio | 1:1 | 1:1 |
| Weighted average hedged rate | <u>1.7 %</u> | <u>1.7 %</u> |

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Notes to the Consolidated Financial Statements

D.6 Other financial assets and liabilities (cont.)

| | 2021 | 2020 |
|--|----------------------------------|----------------------------------|
| Cross currency interest rate swap (cash flow and fair value hedges) | | |
| Carrying amount (US\$m) | 9 | 15 |
| Notional amount (Swiss Franc) | 175 | 175 |
| Maturity date | 2023 | 2023 |
| Hedge Ratio | 1:1 | 1:1 |
| Weighted average hedged rate | Three month US LIBOR +2.8% | Three month US LIBOR +2.8% |
| Oil call options (cash flow hedges) | | |
| Carrying amount (US\$m) | – | 13 |
| Notional amount (MMbbl) | – | 1 |
| Maturity date | – | 2021 |
| Hedge Ratio | – | 1:1 |
| Weighted average hedged rate (US\$/MMbbl) | – | 33 |
| FX forwards (cash flow hedges) | | |
| Carrying amount (US\$m) | 10 | – |
| Notional amount (AUD\$m) | 934 | – |
| Maturity date | 2022-2025 | – |
| Hedge Ratio | 1:1 | – |
| Weighted average hedged rate (AUD:USD) | 0.71 | – |

Hedge ineffectiveness of \$38 million (2020: \$1 million) has been recognised in the profit and loss.

Other financial assets

Other financial assets measured at fair value include receivables subject to provisional pricing adjustments of \$163 million (2020: \$144 million) and repurchase agreements entered into for the purposes of net settlement rather than for physical delivery of \$69 million (2020: nil).

Interest Rate Benchmark Reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be impacted as part of these market-wide initiatives. The Group's main IBOR exposure at the reporting date is USD LIBOR. In 2020, the Federal Reserve announced that LIBOR will be phased out and eventually replaced by June 2023.

The Group anticipates that IBOR reform will impact its operational and risk management processes and hedge accounting. The main risks to which the Group is exposed as a result of IBOR reform are operational, for example renegotiating borrowing contracts through bilateral negotiation with counterparties, implementing new fallback clauses with its derivative counterparties, updating contractual terms and revising operational controls related to the reform. Financial risk is predominantly limited to interest rate risk. Hedging relationships may experience ineffectiveness due to uncertainty about when and how replacement may occur with respect to the relevant hedged item and hedging instrument or the difference in the timing of a replacement.

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Notes to the Consolidated Financial Statements

D.6 Other financial assets and liabilities (cont.)

The Group's financial instruments have not yet transitioned to an alternative interest rate benchmark. The Group has financial liabilities and financial assets with a total carrying value of \$957 million and \$367 million respectively, with reference to USD LIBOR.

The Group has the following hedging relationships which are exposed to interest rate benchmarks impacted by IBOR Reform:

Interest rate swaps to hedge the LIBOR interest rate risk associated with the \$600 million syndicated facility (refer to Note C.2). The interest rate swaps are designated as cash flow hedges, converting the variable interest into fixed interest US dollar debt, and mature in 2027.

A fixed rate 175 million Swiss Franc (CHF) denominated medium term note, which it hedges with cross-currency interest rate swaps designated in both fair value and cash flow hedge relationships. The cross-currency interest rate swaps are referenced to LIBOR (refer to Note C.2).

The Group's Treasury function continues to assess the implications of the IBOR reform across the Group and will manage and execute the transition from current benchmark rates to alternative benchmark rates.

Key estimates and judgements

Fair value of other financial assets and liabilities

Estimates have been applied in the measurement of other financial assets and liabilities and, where required, judgement is applied in the settlement of any financial assets or liabilities. In the current period, this included a \$56 million periodic adjustment which increased other financial liabilities, reflecting the arrangements governing Wheatstone LNG sales (2020: \$12 million decrease).

D.7 Leases

| | Land and buildings US\$m | Plant and equipment US\$m | Marine vessels and carriers US\$m | Total US\$m |
|--|---|--|--|------------------------|
| Lease assets | | | | |
| Year ended 31 December 2021 | | | | |
| Carrying amount at 1 January 2021 | 392 | – | 592 | 984 |
| Additions | 14 | 205 | 9 | 228 |
| Lease remeasurements | 15 | – | 16 | 31 |
| Disposals at written down value | (12) | – | – | (12) |
| Depreciation | (32) | (38) | (81) | (151) |
| Carrying amount at 31 December 2021 | 377 | 167 | 536 | 1,080 |
| At 31 December 2021 | | | | |
| Historical cost | 462 | 205 | 743 | 1,410 |
| Accumulated depreciation and impairment | (85) | (38) | (207) | (330) |
| Net carrying amount | 377 | 167 | 536 | 1,080 |

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D.7 Leases (cont.)

| | Land and buildings US\$m | Plant and equipment US\$m | Marine vessels and carriers US\$m | Total US\$m |
|--|--------------------------------|---------------------------------|---|----------------|
| Lease liabilities | | | | |
| Year ended 31 December 2021 | | | | |
| At 1 January 2021 | 484 | 3 | 791 | 1,278 |
| Additions | 7 | 231 | 13 | 251 |
| Repayments (principal and interest) | (70) | (48) | (144) | (262) |
| Accretion of interest | 25 | 7 | 65 | 97 |
| Lease remeasurements | (9) | (1) | 13 | 3 |
| Carrying amount at 31 December 2021 | 437 | 192 | 738 | 1,367 |
| Current | 19 | 87 | 85 | 191 |
| Non-current | 418 | 105 | 653 | 1,176 |
| Carrying amount at 31 December 2021 | 437 | 192 | 738 | 1,367 |
| Lease assets | | | | |
| Year ended 31 December 2020 | | | | |
| Carrying amount at 1 January 2020 | 396 | – | 552 | 948 |
| Additions | 24 | – | 102 | 126 |
| Lease remeasurements | 1 | – | 4 | 5 |
| Depreciation | (29) | – | (66) | (95) |
| Carrying amount at 31 December 2020 | 392 | – | 592 | 984 |
| At 31 December 2020 | | | | |
| Historical cost | 447 | – | 718 | 1,165 |
| Accumulated depreciation and impairment | (55) | – | (126) | (181) |
| Net carrying amount | 392 | – | 592 | 984 |
| Lease liabilities | | | | |
| Year ended 31 December 2020 | | | | |
| At 1 January 2020 | 431 | – | 739 | 1,170 |
| Additions | 24 | 3 | 107 | 134 |
| Repayments (principal and interest) | (34) | – | (123) | (157) |
| Accretion of interest | 23 | – | 63 | 86 |
| Lease remeasurements | 40 | – | 5 | 45 |
| Carrying amount at 31 December 2020 | 484 | 3 | 791 | 1,278 |
| Current | 16 | 1 | 77 | 94 |
| Non-current | 468 | 2 | 714 | 1,184 |
| Carrying amount at 31 December 2020 | 484 | 3 | 791 | 1,278 |

Recognition and measurement

When a contract is entered into, the Group assesses whether the contract contains a lease. A lease arises when the Group has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the asset throughout the period of use. The leases recognised by the Group predominantly relate to LNG vessels, property and drilling rigs.

The Group separates the lease and non-lease components of the contract and accounts for these separately. The Group allocates the consideration in the contract to each component on the basis of their relative stand-alone prices.

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Notes to the Consolidated Financial Statements

D.7 Leases (cont.)

Leases as a lessee

Lease assets and lease liabilities are recognised at the lease commencement date, which is when the assets are available for use. The assets are initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred.

Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Refer to Note B.3 for the useful lives of assets. Periodic adjustments are made for any re-measurements of the lease assets and for impairment losses, assessed in accordance with the Group's impairment policies.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments are fixed payments or index-based variable payments incorporating the Group's expectations of extension options and do not include non-lease components of a contract. A portfolio approach was taken when determining the implicit discount rate for LNG vessels with similar terms and conditions on transition.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets, with any excess recognised in the consolidated income statement.

There are no restrictions placed upon the lessee by entering into these leases.

Short-term leases and leases of low value

Short-term leases (lease term of 12 months or less) and leases of low value assets are recognised as incurred as an expense in the consolidated income statement. Low value assets comprise plant and equipment.

Foreign exchange risk

The Group held \$476 million of lease liabilities at 31 December 2021 (2020: \$518 million; 2019: \$461 million) in currencies other than the US dollar (predominantly Australian dollars).

Maturity profile of lease liabilities

The table below presents the contractual undiscounted cash flows associated with the Group's lease liabilities, representing principal and interest. The figures will not necessarily reconcile with the amounts disclosed in the consolidated statement of financial position.

| | 2021 | 2020 |
|----------------------------|--------------|--------------|
| | US\$m | US\$m |
| Due for payment in: | | |
| 1 year or less | 283 | 184 |
| 1-2 years | 283 | 181 |
| 2-3 years | 191 | 180 |
| 3-4 years | 171 | 174 |
| 4-5 years | 161 | 174 |
| More than 5 years | 789 | 994 |
| | <u>1,878</u> | <u>1,887</u> |

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Notes to the Consolidated Financial Statements

D.7 Leases (cont.)

Lease commitments

The table below presents the contractual undiscounted cash flows associated with the Group's future lease commitments for non-cancellable leases not yet commenced, representing principal and interest.

| | 2021 | 2020 |
|---|--------------|--------------|
| | US\$m | US\$m |
| Due for payment: | | |
| Within one year | 80 | 90 |
| After one year but not more than five years | 159 | 365 |
| Later than five years | 49 | 45 |
| | <u>288</u> | <u>500</u> |

Subsequent to year end, contractual undiscounted future lease commitments for non-cancellable leases not yet commenced increased by \$634 million. The leases commence from 2025 and relate to facilities, marine vessels and carriers (refer to Note E.5).

Payments of \$68 million (2020: \$101 million) for short-term leases (lease term of 12 months or less) and payments of \$18 million (2020: \$17 million) for leases of low value assets were expensed in the consolidated income statement. Total payments for leases in the statement of cash flows are \$330 million (2020: \$275 million), with \$244 million (2020: \$157 million) included in financing activities.

The Group has short-term and low value lease commitments for marine vessels and carriers, property, drill rigs and plant and equipment contracted for, but not provided for in the financial statements, of \$53 million (2020: \$94 million).

Key estimates and judgements

(a) Control

Judgement is required to assess whether a contract is or contains a lease at inception by assessing whether the Group has the right to direct the use of the identified asset and obtain substantially all the economic benefits from the use of that asset.

(b) Lease term

Judgement is required when assessing the term of the lease and whether to include optional extension and termination periods. Option periods are only included in determining the lease term at inception when they are reasonably certain to be exercised.

Lease terms are reassessed when a significant change in circumstances occurs. On this basis, possible additional lease payments amounting to \$1,654 million (2020: \$1,670 million) were not included in the measurement of lease liabilities.

(c) Interest in joint arrangements

Judgement is required to determine the Group's rights and obligations for lease contracts within joint operations, to assess whether lease liabilities are recognised gross (100%) or in proportion to the Group's participating interest in the joint operation. This includes an evaluation of whether the lease arrangement contains a sublease with the joint operation.

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Notes to the Consolidated Financial Statements

D.7 Leases (cont.)

(d) Discount rates

Judgement is required to determine the discount rate, where the discount rate is the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to the Group's borrowing portfolio at the inception of the arrangement or the time of the modification.

E. Other Items

This section includes Group structure information and other disclosures.

E.1 Contingent liabilities and assets

| | 2021 | 2020¹ |
|---|--------------|-------------------------|
| | US\$m | US\$m |
| Contingent liabilities at reporting date | | |
| Contingent liabilities | 195 | 587 |
| Guarantees | 7 | 10 |
| | <u>202</u> | <u>597</u> |

1. Contingent payments of \$450 million were paid in 2021 due to a positive FID to develop the Scarborough field and capitalised to oil and gas properties.

Contingent liabilities relate predominantly to possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of uncertain future events, and therefore the Group has not provided for such amounts in these financial statements. Additionally, there are a number of other claims and possible claims that have arisen in the course of business against entities in the Group, the outcome of which cannot be estimated at present and for which no amounts have been included in the table above.

The above table includes contingent payments of \$155 million (2020: \$100 million) relating to the Sangomar development, dependent on commodity prices and the timing of first oil.

Additionally, the Group has issued guarantees relating to workers' compensation liabilities.

There were no contingent assets as at 31 December 2021 or 31 December 2020.

E.2 Employee benefits

(a) Employee benefits

Employee benefits for the reporting period are as follows:

| | 2021 | 2020 | 2019 |
|---------------------------------|--------------|--------------|--------------|
| | US\$m | US\$m | US\$m |
| Employee benefits | 217 | 252 | 246 |
| Share-based payments | 12 | 19 | 21 |
| Defined contribution plan costs | 26 | 27 | 28 |
| Defined benefit plan expense | 1 | 2 | 1 |
| | <u>256</u> | <u>300</u> | <u>296</u> |

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Notes to the Consolidated Financial Statements

E.2 Employee benefits (cont.)

Recognition and measurement

The Group's accounting policy for employee benefits other than superannuation is set out in Note D.5. The policy relating to share-based payments is set out in Note E.2(c).

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plan. The majority of employees are party to a defined contribution scheme and receive fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. Contributions to defined contribution funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available. The Group also operates a defined benefit superannuation scheme, the membership of which is now closed. The net defined benefit plan asset at 31 December 2021 was \$33 million (2020: \$19 million; 2019: \$18 million).

(b) Compensation of key management personnel

Key management personnel (KMP) compensation for the financial year was as follows:

| | 2021 | 2020 | 2019 |
|------------------------------|-------------------|-------------------|-------------------|
| | US\$ | US\$ | US\$ |
| Short-term employee benefits | 6,599,678 | 5,868,476 | 6,416,430 |
| Post-employment benefits | 77,515 | 63,805 | 71,137 |
| Share-based payments | 5,609,022 | 7,201,653 | 7,253,672 |
| Long-term employee benefits | 717,223 | 515,585 | 281,882 |
| Termination benefits | 2,447,525 | 390,087 | – |
| | <u>15,450,963</u> | <u>14,039,606</u> | <u>14,023,121</u> |

(c) Share plans

The Group provides benefits to its employees (including KMP) in the form of share-based payments whereby employees render services for shares (equity-settled transactions).

Woodside equity plan (WEP) and supplementary Woodside equity plan (SWEP)

The WEP is available to all permanent employees, but since 1 January 2018 has excluded EIS participants. The number of Equity Rights (ERs) offered to each eligible employee is calculated with reference to salary and performance. The linking of performance to an allocation allows the Group to recognise and reward eligible employees for high performance. The ERs have no further ongoing performance conditions after allocation, and do not require participants to make any payment in respect of the ERs at grant or at vesting.

Each ER relating to the WEP for 2018 and prior years entitles the participant to receive a Woodside share on a vesting date three years after the grant date. From the 2019 WEP onwards, 75% of the ERs offered to each participant will vest three years after the grant date, with the remaining 25% vesting five years after the grant date.

The SWEP award is available to employees identified as being retention critical. Each ER entitles the participant to receive a Woodside share on the vesting date three years after the effective grant date. Participants do not make any payment in respect of the ERs at grant or at vesting.

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Notes to the Consolidated Financial Statements

E.2 Employee benefits (cont.)

Executive incentive plans (EIP)

The EIP operated as Woodside's Executive incentive framework until the end of 2017, after which the Board introduced the EIS. The EIP was used to deliver short-term award (STA) and long-term award (LTA) to Senior Executives.

Short-term awards (STA)

STAs were delivered in the form of restricted shares to Executives, including all Executive KMP. There are no further performance conditions for vesting of deferred STA. Participants are not required to make any payments in respect of STA awards at grant or at vesting. Restricted shares entitle their holders to receive dividends.

Long-term awards (LTA)

LTAs were granted in the form of Performance Rights (PRs) to Executives, including all Executive KMP. Vesting of LTA is subject to achievement of relative total shareholder return (RTSR) targets, with 33% measured against the ASX 50 and the remaining 67% tested against an international group of oil and gas companies.

Participants are not entitled to receive dividends and are not required to make any payments in respect of LTA awards at grant or at vesting.

Executive incentive scheme (EIS)

The EIS was introduced for the 2018 performance year for all Executives including Executive KMP. The EIS is delivered in the form of a cash incentive, Restricted Shares and Performance Rights. The grant date of the Restricted Shares and Performance Rights has been determined to be subsequent to the performance year, being the date of the Board of Directors' approval. Accordingly, the 2020 Restricted Shares and Performance Rights for executives were granted on 17 February 2021, while the Performance Rights for the outgoing CEO were granted on 15 April 2021 and have been included in the table below. The expense estimated as at 31 December 2021 in relation to the 2021 performance year was updated to the fair value on grant date during the period.

The 2021 Restricted Shares and Performance Rights have not been included in the table below as they have not been approved as at 31 December 2021. An expense related to the 2021 performance year has been estimated for Restricted Shares and Performance Rights, using fair value estimates based on inputs at 31 December 2021.

The Restricted Shares and Performance Rights relating to the 2019 performance year were granted on 12 February 2020 and have been included in the table below. The expense estimated as at 31 December 2019 in relation to the 2019 performance year was updated to the fair value on grant date during the period.

The Restricted Shares and Performance Rights relating to the 2018 performance year were granted on 13 February 2019 and have been included in the table below. The expense estimated as at 31 December 2018 in relation to the 2018 performance year was updated to the fair value on grant date during the period.

Recognition and measurement

All compensation under WEP, SWEP and executive share plans is accounted for as share-based payments to employees for services provided. The cost of equity-settled transactions with employees is measured by reference to the fair values of the equity instruments at the date at which they are granted. The fair value of share-based

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E.2 Employee benefits (cont.)

payments is recognised, together with the corresponding increase in equity, over the period in which the vesting conditions are fulfilled, ending on the date on which the relevant employee becomes fully entitled to the shares. At each balance sheet date, the Group reassesses the number of awards that are expected to vest based on service conditions. The expense recognised each year takes into account the most recent estimate.

The fair value of the benefit provided for the WEP and SWEP is estimated using the Black-Scholes option pricing technique. The fair value of the restricted shares is estimated as the closing share price at grant date. The fair value of the benefit provided for the RTSR VPRs was estimated using the Binomial or Black-Scholes option pricing technique combined with a Monte Carlo simulation methodology, where relevant, using historical volatility to estimate the volatility of the share price in the future.

The number of awards and movements for all share plans are summarised as follows:

| | Number of performance awards | | | |
|--|-------------------------------------|--------------|--------------------------------------|-------------------------------------|
| | Employee plans | | Executive plans | |
| | WEP | SWEP | Short-term awards³ | Long-term awards³ |
| Year ended 31 December 2021 | | | | |
| Opening balance | 5,618,603 | – | 975,295 | 2,798,305 |
| Granted during the year ^{1,2} | 2,507,167 | – | 353,412 | 553,849 |
| Vested during the year | (1,999,676) | – | (307,402) | (322,746) |
| Forfeited during the year | (476,311) | – | (26,869) | (650,188) |
| Awards at 31 December 2021 | <u>5,649,783</u> | <u>–</u> | <u>994,436</u> | <u>2,379,220</u> |
| | US\$m | US\$m | US\$m | US\$m |
| Fair value of awards granted during the year | <u>39</u> | <u>–</u> | <u>7</u> | <u>9</u> |
| | | | | |
| | Number of performance awards | | | |
| | Employee plans | | Executive plans | |
| | WEP | SWEP | Short-term awards³ | Long-term awards³ |
| Year ended 31 December 2020 | | | | |
| Opening balance | 6,911,551 | 17,678 | 867,716 | 2,704,143 |
| Granted during the year ^{1,2} | 1,127,546 | – | 373,774 | 617,091 |
| Vested during the year | (1,943,777) | (17,678) | (257,489) | (242,608) |
| Forfeited during the year | (476,717) | – | (8,706) | (280,321) |
| Awards at 31 December 2020 | <u>5,618,603</u> | <u>–</u> | <u>975,295</u> | <u>2,798,305</u> |
| | US\$m | US\$m | US\$m | US\$m |
| Fair value of awards granted during the year | <u>13</u> | <u>–</u> | <u>9</u> | <u>12</u> |

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E.2 Employee benefits (cont.)

| | Number of performance awards | | | |
|--|------------------------------|--------------|--------------------------------|-------------------------------|
| | Employee plans | | Executive plans | |
| | WEP | SWEP | Short-term awards ³ | Long-term awards ³ |
| Year ended 31 December 2019 | | | | |
| Opening balance | 6,325,364 | 17,678 | 813,968 | 2,545,915 |
| Granted during the year ^{1,2} | 2,537,991 | – | 417,166 | 731,799 |
| Vested during the year | (1,645,915) | – | (338,537) | (212,694) |
| Forfeited during the year | (305,889) | – | (24,881) | (360,877) |
| Awards at 31 December 2019 | 6,911,551 | 17,678 | 867,716 | 2,704,143 |
| | US\$m | US\$m | US\$m | US\$m |
| Fair value of awards granted during the year | 47 | – | 10 | 15 |

1. For the purpose of valuation, the share price on grant date for the 2021 WEP allocations was \$15.17 (2020: \$12.57; 2019: \$21.72).
2. For the purpose of valuation, the share price on grant date for Restricted Shares was \$20.18 (2020: \$22.76; 2019: \$24.71) and the Performance Rights were \$11.66 and \$14.44 (2020: \$15.81; 2019: \$16.87).
3. Includes awards issued under EIP and EIS.

E.3 Related party transactions

Transactions with directors

There were no transactions with directors during the year. Key management personnel compensation is disclosed in Note E.2(b).

E.4 Events after the end of the reporting period

On 15 November 2021, the Group and Global Infrastructure Partners (GIP) entered into a Sale and Purchase Agreement for GIP to acquire a 49% participating interest in the Pluto Train 2 Joint Venture. The transaction completed on 18 January 2022, reducing the Group's participating interest from 100% to 51% and reducing the Group's future capital commitments by approximately \$2,876 million. The full financial effect of the transaction is still being assessed.

Subsequent to year end, the Group entered into new lease arrangements (refer to Note D.7).

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Notes to the Consolidated Financial Statements

E.5 Joint arrangements

(a) Interest percentage in joint ventures

| Entity | Principal activity | Group Interest % | |
|---|---|------------------|-------|
| | | 2021 | 2020 |
| North West Shelf Gas Pty Ltd | Marketing services for ventures in the sale of gas to the domestic market | 16.67 | 16.67 |
| North West Shelf Liaison Company Pty Ltd | Liaison for ventures in the sale of LNG to the Japanese market | 16.67 | 16.67 |
| China Administration Company Pty Ltd | Marketing services for ventures in the sale of LNG to international markets | 16.67 | 16.67 |
| North West Shelf Shipping Service Company Pty Ltd | LNG vessel fleet advisor | 16.67 | 16.67 |
| North West Shelf Lifting Coordinator Pty Ltd | Coordinator for venturers for all equity liftings | 16.67 | 16.67 |

(b) Interest percentage in joint operations

| | Group Interest % | |
|--|------------------|-------------|
| | 2021 | 2020 |
| Producing and developing assets | | |
| Oceania | | |
| North West Shelf | 12.5 - 50.0 | 12.5 - 50.0 |
| Greater Enfield and Vincent | 60.0 | 60.0 |
| Stybarrow | 50.0 | 50.0 |
| Balnaves | 65.0 | 65.0 |
| Pluto | 90.0 | 90.0 |
| Wheatstone | 13.0 - 65.0 | 13.0 - 65.0 |
| Scarborough ¹ | 73.5 | - |
| Africa | | |
| Senegal ² | 82.0 | 68.3 |
| Exploration and evaluation assets | | |
| Oceania | | |
| Browse Basin | 30.6 | 30.6 |
| Scarborough ¹ | 15.8 - 70.0 | 15.8 - 73.5 |
| Bonaparte Basin | 26.7 - 35.0 | 26.7 - 35.0 |
| Africa | | |
| Congo | 42.5 | 42.5 |
| Senegal ² | 90.0 | 75.0 |
| The Americas | | |
| Peru | - | - |
| Kitimat ³ | 50.0 | 50.0 |
| Asia | | |
| Republic of Korea | 50.0 | 50.0 |
| Myanmar ⁴ | 40.0 - 50.0 | 40.0 - 50.0 |
| Europe | | |
| Ireland ⁵ | - | 90.0 |
| Bulgaria ⁵ | - | 30.0 |

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Notes to the Consolidated Financial Statements

E.5 Joint arrangements (cont.)

1. FID taken on permits WA-1-L and WA-62-L announced on 22 November 2021.
2. Following the completion of the sale of FAR' s interest in the RSSD joint venture during the year, Woodside' s participating interest increased to 82% in the exploitation area and 90% in the exploration area (refer to Note B.5 more details).
3. Woodside is retaining an upstream position in the Liard Basin by taking on full equity in 28 non-infrastructure related Liard Basin leases from Chevron Canada.
4. The Group completed the relinquishment of permits AD-2, AD-5 and A-4 in 2021 and is in the process of withdrawing from AD-6, AD-7 and A-7. In 2022, the Group will also commence arrangements to formally exit AD-1, AD-8, the A-6 Joint Venture and the A-6 production sharing contract.
5. Licence surrendered in 2021.

The principal activities of the joint operations above are exploration, development and production of hydrocarbons.

Key estimates and judgements

Accounting for interests in other entities

Judgement is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, Woodside may obtain control, joint control or significant influence over the entity or arrangement. Judgement is applied when determining the relevant activities of a project and if joint control is held over it.

Relevant activities include, but are not limited to, work program and budget approval, investment decision approval, voting rights in joint operating committees, amendments to permits and changes to joint arrangement participant holdings. Transactions which give Woodside control of a business are business combinations. If Woodside obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture.

If Woodside has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then accounted for as an associate.

Recognition and measurement

Joint arrangements are arrangements in which two or more parties have joint control. Joint control is the contractual agreed sharing of control of the arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint arrangements are classified as either a joint operation or joint venture, based on the rights and obligations arising from the contractual obligations between the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the individual assets and obligations arising from the joint arrangement, the arrangement is classified as a joint operation, and as such the Group recognises its:

- assets, including its share of any assets held jointly;
- liabilities, including its share of any liabilities incurred jointly;
- revenue from the sale of its share of the output arising from the joint operation;
- share of revenue from the sale of the output by the joint operation; and
- expenses, including its share of any expenses incurred jointly.

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E.5 Joint arrangements (cont.)

To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the investment is classified as a joint venture and accounted for using the equity method.

Joint arrangements acquired which are deemed to be carrying on a business are accounted for applying the principles of IFRS 3 *Business Combinations*. Joint arrangements which are not deemed to be carrying on a business are treated as asset acquisitions.

E.6 Subsidiaries

(a) Subsidiaries

2021

| <u>Name of entity</u> | <u>Country of incorporation</u> | <u>Notes</u> |
|---|---------------------------------|--------------|
| Ultimate Parent Entity | | |
| Woodside Petroleum Ltd. | Australia | (1,2) |
| Subsidiaries | | |
| Company Name | | |
| Woodside Energy Ltd | Australia | (2,2) |
| Woodside Browse Pty Ltd | Australia | (2) |
| Woodside Burrup Pty Ltd | Australia | (2) |
| Burrup Facilities Company Pty Ltd | Australia | (3) |
| Burrup Train 1 Pty Ltd | Australia | (3) |
| Pluto LNG Pty Ltd | Australia | (3) |
| Woodside Burrup Train 2 A Pty Ltd | Australia | (2) |
| Woodside Burrup Train 2 B Pty Ltd | Australia | (2) |
| Woodside Energy (LNG Fuels and Power) Pty Ltd | Australia | (2) |
| Woodside Energy (Domestic Gas) Pty Ltd | Australia | (2) |
| Woodside Energy (Algeria) Pty Ltd | Australia | (2) |
| Woodside Energy Australia Asia Holdings Pte Ltd | Singapore | (2) |
| Woodside Energy Holdings International Pty Ltd | Australia | (2) |
| Woodside Energy Mediterranean Pty Ltd | Australia | (2) |
| Woodside Energy International (Canada) Limited | Canada | (2) |
| Woodside Energy (Canada LNG) Limited | Canada | (2) |
| Woodside Energy (Canada PTP) Limited | Canada | (2) |
| KM LNG Operating General Partnership | Canada | (2,6) |
| KM LNG Operating Ltd | Canada | (2) |
| Woodside Energy Holdings Pty Ltd | Australia | (2) |
| Woodside Energy Holdings (USA) Inc | USA | (2) |
| Woodside Energy (USA) Inc | USA | (2) |
| Gryphon Exploration Company | USA | (2) |
| Woodside Energy (Cameroon) SARL | Cameroon | (2) |
| Woodside Energy (Gabon) Pty Ltd | Australia | (2) |
| Woodside Energy (Indonesia) Pty Ltd | Australia | (2) |
| Woodside Energy (Indonesia II) Pty Ltd | Australia | (2) |
| Woodside Energy (Malaysia) Pty Ltd | Australia | (2,8) |
| Woodside Energy (Ireland) Pty Ltd | Australia | (2) |
| Woodside Energy (Korea) Pte Ltd | Singapore | (2) |

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E.6 Subsidiaries (cont.)

| <u>Name of entity</u> | <u>Country of incorporation</u> | <u>Notes</u> |
|--|---------------------------------|--------------|
| Woodside Energy (Korea II) Pte Ltd | Singapore | (2) |
| Woodside Energy (Myanmar) Pte Ltd | Singapore | (2) |
| Woodside Energy (Morocco) Pty Ltd | Australia | (2) |
| Woodside Energy (New Zealand) Limited | New Zealand | (2) |
| Woodside Energy (New Zealand 55794) Limited | New Zealand | (2) |
| Woodside Energy (Peru) Pty Ltd | Australia | (2) |
| Woodside Energy (Senegal) Pty Ltd | Australia | (2) |
| Woodside Energy (Tanzania) Limited | Tanzania | (4) |
| Woodside Energy Holdings II Pty Ltd | Australia | (2) |
| Woodside Power Pty Ltd | Australia | (2) |
| Woodside Power (Generation) Pty Ltd | Australia | (2) |
| Woodside Energy Holdings (South America) Pty Ltd | Australia | (2) |
| Woodside Energia (Brasil) Apoio Administratio Ltd | Brazil | (5) |
| Woodside Energy Holdings (UK) Pty Ltd | Australia | (2) |
| Woodside Energy (UK) Limited | England and Wales | (2) |
| Woodside Energy Finance (UK) Limited | England and Wales | (2) |
| Woodside Energy (Congo) Limited | England and Wales | (2) |
| Woodside Energy (Bulgaria) Limited | England and Wales | (2) |
| Woodside Energy Holdings (Senegal) Limited | England and Wales | (2) |
| Woodside Energy (Senegal) B.V. | The Netherlands | (2) |
| Woodside Energy (France) SAS | France | (2) |
| Woodside Energy Iberia S.A. | Spain | (2) |
| Woodside Energy (N.A.) Ltd | England and Wales | (2) |
| Woodside Energy Services (Qingdao) Co Ltd | China | (2) |
| Woodside Energy Julimar Pty Ltd | Australia | (2) |
| Woodside Energy (Norway) Pty Ltd | Australia | (2) |
| Woodside Energy Technologies Pty Ltd | Australia | (2,7) |
| Woodside Technology Solutions Pty Ltd | Australia | (2) |
| Woodside Energy Scarborough Pty Ltd | Australia | (2,9) |
| Woodside Energy Carbon Holdings Pty Ltd | Australia | (2,10) |
| Woodside Energy Carbon (Assets) Pty Ltd | Australia | (2,11) |
| Woodside Energy Carbon (Services) Pty Ltd | Australia | (2,11) |
| Woodside Energy Carbon (Financial Advisory Services) Pty Ltd | Australia | (2,11) |
| Woodside Energy Trading Singapore Pte Ltd | Singapore | (2) |
| WelCap Insurance Pte Ltd | Singapore | (2) |
| Woodside Energy Shipping Singapore Pte Ltd | Singapore | (2) |
| Metasource Pty Ltd | Australia | (2) |
| Mermaid Sound Port and Marine Services Pty Ltd | Australia | (2) |
| Woodside Finance Limited | Australia | (2) |
| Woodside Petroleum (Timor Sea 19) Pty Ltd | Australia | (2) |
| Woodside Petroleum (Timor Sea 20) Pty Ltd | Australia | (2) |
| Woodside Petroleum Holdings Pty Ltd | Australia | (2) |

- (1) Woodside Petroleum Ltd. is the ultimate holding company.
- (2) All subsidiaries are wholly owned except those referred to in Notes 3, 4, 5 and 6.

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Notes to the Consolidated Financial Statements

E.6 Subsidiaries (cont.)

- (3) Kansai Electric Power Australia Pty Ltd and Tokyo Gas Pluto Pty Ltd each hold a 5% interest in the shares of these subsidiaries. These subsidiaries are controlled.
- (4) As at 31 December 2021, Woodside Energy Holdings Pty Ltd held a 99.99% interest in the shares of Woodside Energy (Tanzania) Limited and Woodside Energy Ltd held the remaining 0.01% interest.
- (5) As at 31 December 2021, Woodside Energy Holdings (South America) Pty Ltd held a 99.99% interest in the shares of Woodside Energia (Brasil) Apoi Administrativo Ltda and Woodside Energy Ltd held the remaining 0.01% interest.
- (6) As at 31 December 2021, Woodside Energy International (Canada) Limited and Woodside Energy (Canada LNG) Limited were the general partners of the KM LNG Operating General Partnership holding a 99.99% and 0.01% partnership interest, respectively.
- (7) Woodside Energy Technologies Pty Ltd owns 30% in Blue Ocean Seismic Services Limited which is accounted for as an investment in associate.
- (8) On 4 May 2021, Woodside Energy (Indonesia III) Pty Ltd changed its name to Woodside Energy (Malaysia) Pty Ltd.
- (9) Woodside Energy Scarborough Pty Ltd was incorporated on 13 May 2021.
- (10) Woodside Energy Carbon Holdings Pty Ltd was incorporated on 29 July 2021.
- (11) Woodside Energy Carbon (Assets) Pty Ltd, Woodside Energy Carbon (Services) Pty Ltd and Woodside Energy (Financial Advisory Services) Pty Ltd were incorporated on 3 August 2021.

2020

| <u>Name of entity</u> | <u>Country of incorporation</u> | <u>Notes</u> |
|---|---------------------------------|--------------|
| Ultimate Parent Entity | | |
| Woodside Petroleum Ltd. | Australia | (1,2) |
| Subsidiaries | | |
| Company Name | | |
| Woodside Energy Ltd | Australia | (2,2) |
| Woodside Browse Pty Ltd | Australia | (2) |
| Woodside Burrup Pty Ltd | Australia | (2) |
| Burrup Facilities Company Pty Ltd | Australia | (3) |
| Burrup Train 1 Pty Ltd | Australia | (3) |
| Pluto LNG Pty Ltd | Australia | (3) |
| Woodside Burrup Train 2 A Pty Ltd | Australia | (2) |
| Woodside Burrup Train 2 B Pty Ltd | Australia | (2) |
| Woodside Energy (LNG Fuels and Power) Pty Ltd | Australia | (2) |
| Woodside Energy (Domestic Gas) Pty Ltd | Australia | (2) |
| Woodside Energy (Algeria) Pty Ltd | Australia | (2) |
| Woodside Energy Australia Asia Holdings Pte Ltd | Singapore | (2) |
| Woodside Energy Holdings International Pty Ltd | Australia | (2) |
| Woodside Energy Mediterranean Pty Ltd | Australia | (2) |
| Woodside Energy International (Canada) Limited | Canada | (2) |
| Woodside Energy (Canada LNG) Limited | Canada | (2) |
| Woodside Energy (Canada PTP) Limited | Canada | (2) |
| KM LNG Operating General Partnership | Canada | (2,6) |
| KM LNG Operating Ltd | Canada | (2) |
| Woodside Energy Holdings Pty Ltd | Australia | (2) |
| Woodside Energy Holdings (USA) Inc | USA | (2) |
| Woodside Energy (USA) Inc | USA | (2) |
| Gryphon Exploration Company | USA | (2) |

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Notes to the Consolidated Financial Statements

E.6 Subsidiaries (cont.)

| <u>Name of entity</u> | <u>Country of incorporation</u> | <u>Notes</u> |
|---|---------------------------------|--------------|
| Woodside Energy (Cameroon) SARL | Cameroon | (2) |
| Woodside Energy (Gabon) Pty Ltd | Australia | (2) |
| Woodside Energy (Indonesia) Pty Ltd | Australia | (2) |
| Woodside Energy (Indonesia II) Pty Ltd | Australia | (2) |
| Woodside Energy (Indonesia III) Pty Ltd | Australia | (2) |
| Woodside Energy (Ireland) Pty Ltd | Australia | (2) |
| Woodside Energy (Korea) Pte Ltd | Singapore | (2) |
| Woodside Energy (Korea II) Pte Ltd | Singapore | (2) |
| Woodside Energy (Myanmar) Pte Ltd | Singapore | (2) |
| Woodside Energy (Morocco) Pty Ltd | Australia | (2) |
| Woodside Energy (New Zealand) Limited | New Zealand | (2) |
| Woodside Energy (New Zealand 55794) Limited | New Zealand | (2) |
| Woodside Energy (Peru) Pty Ltd | Australia | (2) |
| Woodside Energy (Senegal) Pty Ltd | Australia | (2) |
| Woodside Energy (Tanzania) Limited | Tanzania | (4) |
| Woodside Energy Holdings II Pty Ltd | Australia | (2,8) |
| Woodside Power Pty Ltd | Australia | (2,8) |
| Woodside Power (Generation) Pty Ltd | Australia | (2,8) |
| Woodside Energy Holdings (South America) Pty Ltd | Australia | (2) |
| Woodside Energia (Brasil) Apoio Administratio Ltd | Brazil | (5) |
| Woodside Energy Holdings (UK) Pty Ltd | Australia | (2) |
| Woodside Energy (UK) Limited | England and Wales | (2) |
| Woodside Energy Finance (UK) Limited | England and Wales | (2) |
| Woodside Energy (Congo) Limited | England and Wales | (2) |
| Woodside Energy (Bulgaria) Limited | England and Wales | (2) |
| Woodside Energy Holdings (Senegal) Limited | England and Wales | (2) |
| Woodside Energy (Senegal) B.V. | The Netherlands | (2) |
| Woodside Energy (France) SAS | France | (2) |
| Woodside Energy Iberia S.A. | Spain | (2) |
| Woodside Energy (N.A.) Ltd | England and Wales | (2) |
| Woodside Energy Services (Qingdao) Co Ltd | China | (2,8) |
| Woodside Energy Julimar Pty Ltd | Australia | (2) |
| Woodside Energy (Norway) Pty Ltd | Australia | (2) |
| Woodside Energy Technologies Pty Ltd | Australia | (2,7) |
| Woodside Technology Solutions Pty Ltd | Australia | (2,9) |
| Woodside Energy Trading Singapore Pte Ltd | Singapore | (2) |
| WelCap Insurance Pte Ltd | Singapore | (2) |
| Woodside Energy Shipping Singapore Pte Ltd | Singapore | (2) |
| Metasource Pty Ltd | Australia | (2) |
| Mermaid Sound Port and Marine Services Pty Ltd | Australia | (2) |
| Woodside Finance Limited | Australia | (2) |
| Woodside Petroleum (Timor Sea 19) Pty Ltd | Australia | (2) |
| Woodside Petroleum (Timor Sea 20) Pty Ltd | Australia | (2) |
| Woodside Petroleum Holdings Pty Ltd | Australia | (2) |

- (1) Woodside Petroleum Ltd. is the ultimate holding company.
- (2) All subsidiaries are wholly owned except those referred to in Notes 3, 4, 5 and 6.

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E.6 Subsidiaries (cont.)

- (3) Kansai Electric Power Australia Pty Ltd and Tokyo Gas Pluto Pty Ltd each hold a 5% interest in the shares of these subsidiaries. These subsidiaries are controlled.
- (4) As at 31 December 2020, Woodside Energy Holdings Pty Ltd held a 99.99% interest in the shares of Woodside Energy (Tanzania) Limited and Woodside Energy Ltd held the remaining 0.01% interest.
- (5) As at 31 December 2020, Woodside Energy Holdings (South America) Pty Ltd held a 99.99% interest in the shares of Woodside Energia (Brasil) Apoio Administrativo Ltda and Woodside Energy Ltd held the remaining 0.01% interest.
- (6) As at 31 December 2020, Woodside Energy International (Canada) Limited and Woodside Energy (Canada LNG) Limited were the general partners of the KM LNG Operating General Partnership holding a 99.99% and 0.01% partnership interest, respectively.
- (7) Woodside Energy Technologies Pty Ltd owns 30% in Blue Ocean Seismic Services Limited which is accounted for as an investment in associate.
- (8) Woodside Energy Services (Qingdao) Co Ltd was incorporated on 16 July 2020.
- (9) Woodside Technology Solutions Pty Ltd was incorporated on 27 August 2020.

Classification

Subsidiaries are all the entities over which the Group has the power over the investee such that the Group is able to direct the relevant activities, has exposure, or rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns.

(b) Subsidiaries with material non-controlling interests

The Group has two Australian subsidiaries with material non-controlling interests (NCI).

| <u>Name of entity</u> | <u>Principal place of business</u> | <u>% held by NCI</u> | |
|-----------------------------------|------------------------------------|----------------------|---|
| Burrup Facilities Company Pty Ltd | Australia | 10 | % |
| Burrup train 1 Pty Ltd | Australia | 10 | % |

The NCI in both subsidiaries is 10% held by the same parties (refer to Note E.6(a) footnote 3 for details).

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Notes to the Consolidated Financial Statements

E.6 Subsidiaries (cont.)

The summarised financial information (including consolidation adjustments but before intercompany eliminations) of subsidiaries with material NCI is as follows:

| | 2021 | 2020 | 2019 |
|---|--------------|--------------|--------------|
| | US\$m | US\$m | US\$m |
| Burrup Facilities Company Pty Ltd | | | |
| Current assets | 518 | 425 | 423 |
| Non-current assets | 5,038 | 5,224 | 5,185 |
| Current liabilities | (71) | (51) | (6) |
| Non-current liabilities | (528) | (571) | (577) |
| Net assets | 4,957 | 5,027 | 5,025 |
| Accumulated balance of NCI | 496 | 503 | 503 |
| Revenue | 858 | 859 | 718 |
| Profit | 328 | 318 | 263 |
| Profit allocated to NCI | 33 | 32 | 26 |
| Dividends paid to NCI | (40) | (32) | (48) |
| Operating | 633 | 652 | 492 |
| Investing | (111) | (69) | (34) |
| Financing | (522) | (583) | (458) |
| Net increase/(decrease) in cash and cash equivalents | – | – | – |
| Burrup Train 1 Pty Ltd | | | |
| Current assets | 435 | 372 | 371 |
| Non-current assets | 2,915 | 3,081 | 2,989 |
| Current liabilities | (110) | (103) | (71) |
| Non-current liabilities | (345) | (385) | (396) |
| Net assets | 2,895 | 2,965 | 2,893 |
| Accumulated balance of NCI | 290 | 297 | 289 |
| Revenue | 1,421 | 1,423 | 1,189 |
| Profit | 200 | 208 | 132 |
| Profit allocated to NCI | 20 | 21 | 13 |
| Dividends paid to NCI | (27) | (13) | (32) |
| Operating | 393 | 473 | 275 |
| Investing | (4) | (2) | (10) |
| Financing | (389) | (471) | (265) |
| Net increase/(decrease) in cash and cash equivalents | – | – | – |

E.7 Other accounting policies

(a) New and amended accounting standards and interpretations issued but not yet effective

A number of new standards, amendments of standards and interpretations have recently been issued but are not yet effective and have not been adopted by the Group as at the financial reporting date.

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Notes to the Consolidated Financial Statements

E.7 Other accounting policies (cont.)

The Group has reviewed these standards and interpretations and has determined that none of the new or amended standards will significantly affect the Group's accounting policies, financial position or performance.

(b) New and amended accounting standards and interpretations adopted

The Group adopted International Financial Reporting Standard *Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)* as of 1 January 2021.

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- practical expedients when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities;
- reliefs from discontinuing hedge relationships;
- temporary relief from having to meet the separately identifiable requirement when a RFR instrument is designated as a hedge of a risk component; and
- additional IFRS 7 *Financial Instruments: Disclosures*.

These amendments did not impact the financial statements of the Group other than additional required disclosures (refer to Note D.6). The Group intends to use the practical expedients in future periods when existing IBORs are replaced by RFRs.

A number of other new standards are also effective from 1 January 2021 but they do not have a material effect on the Group's financial statements.

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Supplementary Oil and Gas Information - Unaudited

SUPPLEMENTARY OIL AND GAS INFORMATION - UNAUDITED

In accordance with the requirements of the Financial Accounting Standards Board (FASB) Accounting Standard Codification 'Extractive Activities-Oil and Gas' (Topic 932) and SEC requirements set out in Subpart 1200 of Regulation S-K, the Group is presenting certain disclosures about its oil and gas activities. These disclosures are presented below as supplementary oil and gas information, in addition to information relating to the reserves and production of Woodside disclosed in the registration statement to which these financial statements are attached.

The information set out in this section is referred to as unaudited as it is not included in the scope of the audit opinion of the independent auditor on Woodside's combined financial statements.

Reserves

Proved oil and gas reserves information for Woodside is included in the registration statement to which these financial statements are attached.

Capitalised costs relating to oil and gas production activities

The following table shows the aggregate capitalised costs relating to oil and gas exploration and production activities and related accumulated depreciation, depletion, amortisation and valuation provisions.

| | <u>Australia US\$m</u> | <u>United States US\$m</u> | <u>Other US\$m</u> | <u>Total US\$m</u> |
|--|----------------------------|------------------------------------|------------------------|------------------------|
| Capitalised cost | | | | |
| 2021 | | | | |
| Unproved properties | 1,172 | – | 1,703 | 2,875 |
| Proved properties | 38,352 | – | 2,517 | 40,869 |
| Total costs | 39,524 | – | 4,220 | 43,744 |
| Less: Accumulated depreciation, depletion, amortisation and valuation provisions | (22,738) | – | (1,958) | (24,696) |
| Net capitalised costs | <u>16,786</u> | <u>–</u> | <u>2,262</u> | <u>19,048</u> |
| Capitalised cost | | | | |
| 2020 | | | | |
| Unproved properties | 2,709 | – | 1,750 | 4,459 |
| Proved properties | 35,892 | – | 1,377 | 37,269 |
| Total costs | 38,601 | – | 3,127 | 41,728 |
| Less: Accumulated depreciation, depletion, amortisation and valuation provisions | (22,305) | – | (2,111) | (24,416) |
| Net capitalised costs | <u>16,296</u> | <u>–</u> | <u>1,016</u> | <u>17,312</u> |
| 2019 | | | | |
| Unproved properties | 2,118 | – | 2,534 | 4,652 |
| Proved properties | 34,890 | – | – | 34,890 |
| Total costs | 37,008 | – | 2,534 | 39,542 |
| Less: Accumulated depreciation, depletion, amortisation and valuation provisions | (16,630) | – | (805) | (17,435) |
| Net capitalised costs | <u>20,378</u> | <u>–</u> | <u>1,729</u> | <u>22,107</u> |

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Supplementary Oil and Gas Information - Unaudited

Costs incurred relating to oil and gas property acquisition, exploration and development activities

The following table shows costs incurred relating to oil and gas property acquisition, exploration and development activities (whether charged to expense or capitalised). Amounts shown include interest capitalised.

| | <u>Australia</u> <u>US\$m</u> | <u>United</u> <u>States</u> <u>US\$m</u> | <u>Other</u> <u>US\$m</u> | <u>Total</u> <u>US\$m</u> |
|-----------------------------------|----------------------------------|--|------------------------------|------------------------------|
| 2021 | | | | |
| Acquisitions of proved property | - | - | 205 | 205 |
| Acquisitions of unproved property | - | - | 7 | 7 |
| Exploration(1) | 459 | - | 84 | 543 |
| Development | 1,141 | - | 935 | 2,076 |
| Total costs(2) | <u>1,600</u> | <u>-</u> | <u>1,231</u> | <u>2,831</u> |
| 2020 | | | | |
| Acquisitions of proved property | - | - | 540 | 540 |
| Acquisitions of unproved property | - | - | 26 | 26 |
| Exploration(1) | 279 | - | 117 | 396 |
| Development | 987 | - | 256 | 1,243 |
| Total costs(2) | <u>1,266</u> | <u>-</u> | <u>939</u> | <u>2,205</u> |
| 2019 | | | | |
| Acquisitions of proved property | - | - | - | - |
| Acquisitions of unproved property | - | - | - | - |
| Exploration(1) | 330 | - | 247 | 577 |
| Development | 952 | - | 1 | 953 |
| Total costs(2) | <u>1,282</u> | <u>-</u> | <u>248</u> | <u>1,530</u> |

- (1) Represents gross exploration expenditure, including capitalised exploration expenditure, geological and geophysical expenditure and development evaluation costs charged to income as incurred.
- (2) Total costs include US\$2,777 million (2020: US\$2,138 million; 2019: US\$1,427 million) capitalised during the year.

Results of operations from oil and gas producing activities

Amounts shown in the following table exclude financial income, financial expenses, and general corporate overheads.

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Supplementary Oil and Gas Information - Unaudited

Income taxes were determined by applying the applicable statutory rates to pre-tax income with adjustments for permanent differences and tax credits.

| | Australia US\$m | United States US\$m | Other US\$m | Total US\$m |
|--|--------------------|---------------------------|----------------|----------------|
| 2021 | | | | |
| Oil and gas revenue | 5,624 | - | - | 5,624 |
| Production costs | (504) | - | - | (504) |
| Exploration expenses | (6) | - | (48) | (54) |
| Depreciation, depletion, amortisation and valuation provision(1) | (501) | - | (268) | (769) |
| Production taxes(2) | (218) | - | - | (218) |
| Accretion expense(3) | (23) | - | (1) | (24) |
| Income taxes | (1,312) | - | - | (1,312) |
| Royalty-related taxes(4) | - | - | - | - |
| Results of oil and gas producing activities(5) | 3,060 | - | (317) | 2,743 |
| 2020 | | | | |
| Oil and gas revenue | 3,339 | - | - | 3,339 |
| Production costs | (550) | - | - | (550) |
| Exploration expenses | (8) | - | (59) | (67) |
| Depreciation, depletion, amortisation and valuation provision(1) | (5,833) | - | (1,137) | (6,970) |
| Production taxes(2) | (82) | - | - | (82) |
| Accretion expense(3) | (27) | - | (1) | (28) |
| Income taxes | 948 | - | - | 948 |
| Royalty-related taxes(4) | - | - | - | - |
| Results of oil and gas producing activities(5) | (2,213) | - | (1,197) | (3,410) |
| 2019 | | | | |
| Oil and gas revenue | 4,500 | - | 2 | 4,502 |
| Production costs | (499) | - | (2) | (501) |
| Exploration expenses | (10) | - | (93) | (103) |
| Depreciation, depletion, amortisation and valuation provision(1) | (1,585) | - | (724) | (2,309) |
| Production taxes(2) | (193) | - | - | (193) |
| Accretion expense(3) | (36) | - | (2) | (38) |
| Income taxes | (653) | - | - | (653) |
| Royalty-related taxes(4) | - | - | - | - |
| Results of oil and gas producing activities(5) | 1,524 | - | (819) | 705 |

(1) Includes valuation provision of US\$(1,048) million (2020: US\$5,269 million; 2019: US\$720 million).

(2) Includes royalties and excise duty.

(3) Represents the unwinding of the discount on the closure and rehabilitation provision.

(4) Includes petroleum resource rent tax and petroleum revenue tax where applicable.

(5) Amounts shown exclude financial income, financial expenses and general corporate overheads and, accordingly, do not represent all of the operations attributable to the Petroleum segment presented in note A.1 'Segment reporting' in these financial statements.

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Supplementary Oil and Gas Information - Unaudited

Standardized measure of discounted future net cash flows relating to proved oil and gas reserves (Standardized measure)

The following tables set out the standardized measure of discounted future net cash flows, and changes therein, related to the Woodside' s estimated proved reserves and should be read in conjunction with that related disclosure.

The analysis is prepared in compliance with FASB Oil and Gas Disclosure requirements, applying certain prescribed assumptions under Topic 932 including the use of unweighted average first-day-of-the-month market prices for the previous 12-months, year-end cost factors, currently enacted tax rates and an annual discount factor of 10 per cent to year-end quantities of net proved reserves.

Certain key assumptions prescribed under Topic 932 are arbitrary in nature and may not prove to be accurate. The reserve estimates on which the Standard measure is based are subject to revision as further technical information becomes available or economic conditions change.

Discounted future net cash flows like those shown below are not intended to represent estimates of fair value. An estimate of fair value would also consider, among other things, the expected recovery of reserves in excess of proved reserves, anticipated future changes in commodity prices, exchange rates, development and production costs as well as alternative discount factors representing the time value of money and adjustments for risk inherent in producing oil and gas.

Woodside standardized measure year ended December 31

| | Australia | United | Other | Total |
|-----------------------------------|---------------|----------|--------------|---------------|
| | US\$m | States | US\$m | US\$m |
| | | US\$m | US\$m | |
| Standardized measure | | | | |
| 2021 | | | | |
| Future cash inflows (1) | 76,202 | – | 5,695 | 81,897 |
| Future production costs (1) | (22,193) | – | (899) | (23,092) |
| Future development costs (2) | (8,296) | – | (2,481) | (10,777) |
| Future income taxes | (16,266) | – | (90) | (16,356) |
| Future net cash flows | 29,447 | – | 2,225 | 31,672 |
| Discount at 10 per cent per annum | (14,793) | – | (1,142) | (15,935) |
| Standardized measure | 14,654 | – | 1,083 | 15,737 |
| 2020 | | | | |
| Future cash inflows (1) | 14,630 | – | – | 14,630 |
| Future production costs (1) | (3,862) | – | – | (3,862) |
| Future development costs (2) | (3,800) | – | – | (3,800) |
| Future income taxes | (1,023) | – | – | (1,023) |
| Future net cash flows | 5,944 | – | – | 5,944 |
| Discount at 10 per cent per annum | (860) | – | – | (860) |
| Standardized measure | 5,084 | – | – | 5,084 |

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Supplementary Oil and Gas Information - Unaudited

| | Australia US\$m | United States US\$m | Other US\$m | Total US\$m |
|-----------------------------------|--------------------|---------------------------|----------------|----------------|
| Standardized measure | | | | |
| 2019 | | | | |
| Future cash inflows (1) | 26,801 | - | - | 26,801 |
| Future production costs (1) | (4,632) | - | - | (4,632) |
| Future development costs (2) | (4,798) | - | - | (4,798) |
| Future income taxes | (4,142) | - | - | (4,142) |
| Future net cash flows | 13,229 | - | - | 13,229 |
| Discount at 10 per cent per annum | (2,905) | - | - | (2,905) |
| Standardized measure | 10,324 | - | - | 10,324 |
| 2018 | | | | |
| Future cash inflows (1) | 35,500 | - | - | 35,500 |
| Future production costs (1) | (5,516) | - | - | (5,516) |
| Future development costs (2) | (5,401) | - | - | (5,401) |
| Future income taxes | (6,108) | - | - | (6,108) |
| Future net cash flows | 18,474 | - | - | 18,474 |
| Discount at 10 per cent per annum | (4,920) | - | - | (4,920) |
| Standardized measure | 13,554 | - | - | 13,554 |

- (1) Woodside have entered multiple term contracts relating to LNG volumes from our producing and sanctioned assets. Under a 2P reserves outcome, we produce a sufficient quantity of LNG to satisfy these contracts within expected timeframes. Therefore, we have not included the revenue and cost impact of LNG shortfalls under a SEC 1P reserves outcome.
- (2) Future development costs include decommissioning

Changes in the Standardized measure are presented in the following table.

| | 2021 US\$m | 2020 US\$m | 2019 US\$m |
|---|---------------|---------------|---------------|
| Changes in the Standardized measure | | | |
| Standardized measure at the beginning of the year | 5,084 | 10,324 | 13,554 |
| Revisions: | | | |
| Prices, net of production costs | 7,741 | (5,801) | (2,586) |
| Changes in future development costs | 20 | (29) | (101) |
| Revisions of reserves quantity estimates | 2,109 | 269 | 132 |
| Accretion of discount | 430 | 1,038 | 1,453 |
| Changes in production timing and other | 3,485 | (1,180) | (839) |
| Sales of oil and gas, net of production costs | (5,698) | (2,666) | (3,441) |
| Acquisitions of reserves-in-place | - | - | - |
| Sales of reserves-in-place | - | - | - |
| Previously estimated development costs incurred | 565 | 702 | 738 |
| Extensions, discoveries, and improved recoveries, net of future costs | 8,346 | 44 | 124 |
| Changes in future income taxes | (6,345) | 2,382 | 1,289 |
| Standardized measure at the end of the year | 15,737 | 5,084 | 10,324 |

- (1) Changes in reserves quantities are shown in the Petroleum reserves tables included in the registration statement to which these financial statements are attached.

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Supplementary Oil and Gas Information - Unaudited

Accounting for suspended exploratory well costs

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method. The Group's application of the accounting policy is closely aligned to the US GAAP-based successful efforts method. Areas of interest are based on a geographical area for which the rights of tenure are current. All exploration and evaluation expenditure, including general permit activity, geological and geophysical costs and new venture activity costs, is expensed as incurred except for the following:

where the expenditure relates to an exploration discovery for which the assessment of the existence or otherwise of economically recoverable hydrocarbons is not yet complete; or

where the expenditure is expected to be recouped through successful exploitation of the area of interest, or alternatively, by its sale.

The costs of acquiring interests in new exploration and evaluation licences are capitalised. The costs of drilling exploration wells are initially capitalised pending the results of the well.

Costs are expensed where the well does not result in the successful discovery of economically recoverable hydrocarbons and the recognition of an area of interest.

Subsequent to the recognition of an area of interest, all further evaluation costs relating to that area of interest are capitalised.

Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to oil and gas properties.

In the statement of cash flows, those cash flows associated with capitalised exploration and evaluation expenditure, including unsuccessful wells, are classified as cash flows used in investing activities.

The following table provides the changes to capitalised exploratory well costs that were pending the determination of proved reserves for the three years ended 31 December 2021, 31 December 2020 and 31 December 2019.

| | 2021 | 2020 | 2019 |
|---|--------------|--------------|--------------|
| | US\$m | US\$m | US\$m |
| Movement in capitalised exploratory well costs | | | |
| At the beginning of the year | 2,045 | 3,809 | 4,180 |
| Additions to capitalised exploratory well costs pending the determination of proved reserves | 501 | 399 | 479 |
| Capitalised exploratory well costs charged to expense | (265) | (2) | (46) |
| Capitalised exploratory well costs reclassified to wells, equipment, and facilities based on the determination of proved reserves | (1,664) | (592) | (69) |
| Sale of suspended wells | | | |
| Impairment | – | (1,557) | (720) |
| Amortisation of licence acquisition | (3) | (12) | (15) |
| At the end of the year | <u>614</u> | <u>2,045</u> | <u>3,809</u> |

The following table provides an ageing of capitalised exploratory well costs, based on the date the drilling was completed, and the number of projects for which exploratory well costs has been capitalised for a period greater than one year since the completion of drilling.

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Supplementary Oil and Gas Information - Unaudited

Exploration activity typically involves drilling multiple wells, over a number of years, to fully evaluate and appraise a project. The term 'project' as used in this disclosure refers primarily to individual wells and associated exploratory activities.

| | 2021 | 2020 | 2019 |
|--|--------------|--------------|--------------|
| | US\$m | US\$m | US\$m |
| Ageing of capitalised exploratory well costs | | | |
| Exploratory well costs capitalised for a period of one year or less | 19 | 330 | 395 |
| Exploratory well costs capitalised for a period greater than one year | <u>595</u> | <u>1,715</u> | <u>3,414</u> |
| At the end of the year | <u>614</u> | <u>2,045</u> | <u>3,809</u> |
| | | | |
| | 2021 | 2020 | 2019 |
| | 25 | 13 | 10 |
| Number of projects that have been capitalised for a period greater than one year | <u>25</u> | <u>13</u> | <u>10</u> |

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Report of Independent Auditors to the Shareholder and the Board of Directors of BHP Petroleum International Pty Ltd

We have audited the accompanying combined financial statements of BHP Petroleum Assets, which comprise the combined statement of financial position as of 30 June 2021 and 2020, and the related combined statements of profit or loss and other comprehensive income, cash flows and changes in equity for the years then ended, and the related notes to the combined financial statements (collectively referred to as the “financial statements”).

Management’s responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of BHP Petroleum Assets at June 30, 2020 and 2021, and the combined results of their operations and their cash flows for the years then ended in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on comparative information

We have not audited, reviewed or compiled the comparative combined information presented herein as of and for the year ended June 30, 2019, and, accordingly, we express no opinion on it.

/s/ Ernst & Young

Ernst & Young
Melbourne, Australia
17 December 2021

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BHP Petroleum Assets

Combined statement of profit or loss and comprehensive income or loss for the years ended 30 June 2021, 2020 and 2019

| | Notes | 2021 US\$M | 2020 US\$M | Unaudited 2019 US\$M |
|---|-------|---------------|---------------|----------------------------|
| Continuing operations | | | | |
| Revenue | 3 | 3,909 | 3,997 | 5,867 |
| Other income | 4 | 130 | 57 | 32 |
| Expenses excluding net finance costs | 4 | (3,799) | (3,390) | (3,510) |
| Loss from equity accounted investments | 21 | (6) | (4) | (2) |
| Profit from operations | | 234 | 660 | 2,387 |
| Finance expense | 9, 17 | (464) | (660) | (1,001) |
| Finance income | | 56 | 304 | 364 |
| Net finance costs | | (408) | (356) | (637) |
| Profit/(loss) before taxation | | (174) | 304 | 1,750 |
| Income tax expense | | (211) | (400) | (925) |
| Royalty - related taxation (net of income tax benefit) | | 24 | (82) | (164) |
| Total taxation expense | 5 | (187) | (482) | (1,089) |
| Profit/(loss) after taxation from Continuing operations | | (361) | (178) | 661 |
| Discontinued operations | | | | |
| Loss after taxation from Discontinued operations | 24 | - | - | (335) |
| Profit/(loss) after taxation from Continuing and Discontinued operations | | (361) | (178) | 326 |
| Attributable to non-controlling interests | | - | - | 7 |
| Attributable to BHP shareholders | | (361) | (178) | 319 |
| Other comprehensive income or loss | | | | |
| Items that may be reclassified subsequently to the income statement: | | | | |
| Exchange fluctuations on transactions of foreign operations taken to equity | | - | 1 | 1 |
| Total items that may be reclassified subsequently to the income statement | | - | 1 | 1 |
| Items that will not be reclassified to the income statement: | | | | |
| Re-measurement gain/(loss) on pension & medical schemes | 18 | 1 | (14) | (10) |
| Tax recognised within other comprehensive income | | - | 3 | 2 |
| Total items that will not be reclassified to the income statement | | 1 | (11) | (8) |
| Total other comprehensive income/(loss) | | 1 | (10) | (7) |
| Total comprehensive income/(loss) | | (360) | (188) | 319 |
| Attributable to non-controlling interests | | - | - | 7 |
| Attributable to BHP shareholders | | (360) | (188) | 312 |

The accompanying notes form part of these financial statements.

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BHP Petroleum Assets

Combined statement of financial position as at 30 June 2021, 2020 and 2019

| | Notes | 2021 US\$M | 2020 US\$M | Unaudited 2019 US\$M |
|---|--------|---------------|---------------|----------------------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 9, 17 | 776 | 325 | 1,398 |
| Trade and other receivables | 6 | 908 | 673 | 835 |
| Receivables from BHP Group | 22 | 5,526 | 12,424 | 15,871 |
| Other financial assets | 17 | – | 7 | 3 |
| Inventories | 7 | 307 | 250 | 251 |
| Current tax assets | 5 | 130 | 210 | 6 |
| Other | | 9 | 34 | 23 |
| Total current assets | | 7,656 | 13,923 | 18,387 |
| Non-current assets | | | | |
| Trade and other receivables | 6 | 157 | 112 | 38 |
| Other financial assets | 17 | 52 | 86 | 67 |
| Property, plant and equipment | 8 | 11,854 | 11,787 | 10,628 |
| Intangible assets | 11 | 78 | 110 | 104 |
| Net investments and funding of equity accounted investments | 21 | 253 | 245 | 239 |
| Deferred tax assets | 5 | 2,182 | 2,041 | 2,040 |
| Other | | 3 | 5 | 1 |
| Total non-current assets | | 14,579 | 14,386 | 13,117 |
| Total assets | | 22,235 | 28,309 | 31,504 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 13 | 919 | 771 | 929 |
| Payables to BHP Group | 17, 22 | 2,001 | 6,533 | 6,520 |
| Interest bearing liabilities | 9 | 35 | 61 | 17 |
| Other financial liabilities | | 9 | 6 | 1 |
| Current tax payable | 5 | 280 | 292 | 465 |
| Closure and rehabilitation provisions | 14 | 141 | 162 | 205 |
| Other provisions | 15, 18 | 315 | 274 | 277 |
| Deferred income | | 14 | 25 | 21 |
| Total current liabilities | | 3,714 | 8,124 | 8,435 |
| Non-current liabilities | | | | |
| Non-current tax payable | 5 | 14 | – | – |
| Payables to BHP Group | 17, 22 | 10,347 | 10,347 | 14,340 |
| Interest bearing liabilities | 9 | 234 | 322 | – |
| Closure and rehabilitation provisions | 14 | 3,816 | 3,433 | 2,095 |
| Deferred tax liabilities | 5 | 610 | 1,028 | 1,244 |
| Other provisions | 15, 18 | 344 | 276 | 368 |
| Deferred income | | 44 | 55 | 85 |
| Total non-current liabilities | | 15,409 | 15,461 | 18,132 |
| Total liabilities | | 19,123 | 23,585 | 26,567 |
| Net assets | | 3,112 | 4,724 | 4,937 |
| EQUITY | | 3,112 | 4,724 | 4,937 |

The accompanying notes form part of these financial statements.

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BHP Petroleum Assets

Combined statement of cash flows for the years ended 30 June 2021, 2020 and 2019

| | Notes | 2021 US\$M | 2020 US\$M | Unaudited 2019 US\$M |
|--|-------|----------------|----------------|----------------------------|
| Operating activities | | | | |
| Profit/(loss) before taxation | | (174) | 304 | 1,750 |
| Adjustments for: | | | | |
| Depreciation and amortisation expense | | 1,840 | 1,457 | 1,560 |
| Impairments of property, plant and equipment and intangible assets | | 127 | 11 | 21 |
| Net finance costs | | 408 | 356 | 637 |
| Share of operating loss of equity accounted investments | | 6 | 4 | 2 |
| Other | | (187) | (141) | (223) |
| Changes in assets and liabilities: | | | | |
| Trade and other receivables | | (298) | 253 | 142 |
| Inventories | | (42) | (1) | (1) |
| Trade and other payables | | 52 | (166) | 17 |
| Provisions and other assets and liabilities | | 11 | (152) | (212) |
| Cash generated from operations | | 1,743 | 1,925 | 3,693 |
| Dividends received | | 25 | 20 | 17 |
| Net interest paid | | (257) | (395) | (553) |
| Income taxes paid (including royalty taxes) | | (451) | (965) | (810) |
| Net operating cash flows from Continuing operations | | 1,060 | 585 | 2,347 |
| Net operating cash flows from Discontinued operations | 24 | – | – | 474 |
| Net operating cash flows | | 1,060 | 585 | 2,821 |
| Investing activities | | | | |
| Purchases of property, plant and equipment | | (994) | (909) | (645) |
| Exploration expenditure | | (26) | (169) | (297) |
| Investment in subsidiaries, operations and joint operations, net of cash | | (480) | – | – |
| Net investment and funding of equity accounted investments | | (25) | (22) | (6) |
| Other investing | | (34) | (11) | (4) |
| Proceeds from sale of assets | | 39 | 78 | 8 |
| Net investing cash flows from Continuing operations | | (1,520) | (1,033) | (944) |
| Net investing cash flows from Discontinued operations | 24 | – | – | (443) |
| Net investing cash flows | | (1,520) | (1,033) | (1,387) |
| Financing activities | | | | |
| Lease payments | | (38) | (39) | – |
| Repayments of long-term borrowing to BHP Group | | (3,993) | (3,000) | – |
| Net other financing with BHP Group | | 4,941 | 2,432 | (12,544) |
| Proceeds from issuance of shares to BHP Group | | – | – | 2,000 |
| Net financing cash flows from Continuing operations | | 910 | (607) | (10,544) |
| Net financing cash flows from Discontinued operations | 24 | – | – | (13) |
| Net financing cash flows | | 910 | (607) | (10,557) |
| Net increase/(decrease) in cash and cash equivalents from Continuing operations | | 450 | (1,055) | (9,141) |
| Net increase in cash and cash equivalents from Discontinued operations | 24 | – | – | 18 |
| Proceeds from divestment of Onshore US, net of its cash | | – | – | 10,427 |
| Cash and cash equivalents, net of overdrafts at the beginning of the financial year | | 325 | 1,381 | 77 |
| Foreign currency exchange rate changes on cash and cash equivalents | | 1 | (1) | – |
| Cash and cash equivalents, net of overdrafts at the end of the financial year | 9 | 776 | 325 | 1,381 |

The accompanying notes form part of these financial statements.

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BHP Petroleum Assets

Combined statement of changes in equity for the years ended 30 June 2021, 2020 and 2019

| | Share capital (1) US\$M | Retained earnings US\$M | Foreign currency translation reserve US\$M | Equity attributable to Parent US\$M | Non-controlling interests US\$M | Total equity US\$M |
|-------------------------------------|----------------------------|----------------------------|---|--|------------------------------------|-----------------------|
| Balance as at 1 July 2020 | 18,676 | (13,998) | 46 | 4,724 | – | 4,724 |
| Total comprehensive loss | – | (360) | – | (360) | – | (360) |
| Deemed distributions to BHP Group | – | (1,252) | – | (1,252) | – | (1,252) |
| Balance as at 30 June 2021 | 18,676 | (15,610) | 46 | 3,112 | – | 3,112 |
| Balance as at 1 July 2019 | 18,676 | (13,784) | 45 | 4,937 | – | 4,937 |
| Total comprehensive income/(loss) | – | (189) | 1 | (188) | – | (188) |
| Deemed distributions to BHP Group | – | (25) | – | (25) | – | (25) |
| Balance as at 30 June 2020 | 18,676 | (13,998) | 46 | 4,724 | – | 4,724 |
| <i>Unaudited</i> | | | | | | |
| Balance as at 1 July 2018 | 16,676 | (14,095) | 44 | 2,625 | 168 | 2,793 |
| Total comprehensive income | – | 311 | 1 | 312 | 7 | 319 |
| Issuance of shares to BHP Group | 2,000 | – | – | 2,000 | – | 2,000 |
| Change in ownership in subsidiaries | – | – | – | – | (175) | (175) |
| Balance as at 30 June 2019 | 18,676 | (13,784) | 45 | 4,937 | – | 4,937 |

- (1) Number of shares outstanding of BHP Petroleum International Pty Ltd (Parent of BHP Petroleum) for the reporting periods ended 30 June 2021, 2020, 2019 were 18,876,136,568. On May 29, 2019, 2,890,800,028 ordinary shares were issued to BHP Group Limited for US\$2,000 million in consideration.

The accompanying notes form part of these financial statements.

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BHP Petroleum Assets

Notes to the Financial Statements

1. Organisation and summary of significant accounting policies

Organisation

BHP Petroleum Assets are a subset of entities wholly owned by BHP Group Limited. The subset of entities primarily represents BHP Group Limited's interests in its petroleum businesses, whose principal activities are the exploration, development and production of oil and gas. These petroleum businesses comprise of oil and gas assets located in the United States (US) Gulf of Mexico, Australia, Trinidad and Tobago, Algeria and Mexico and appraisal and exploration options in Trinidad and Tobago, central and western US Gulf of Mexico, eastern Canada and Barbados. The purpose of these non-statutory combined financial statements is to provide general purpose historical financial information of the BHP Petroleum Assets for inclusion in listing documents to be issued by Woodside Petroleum Limited, which has entered into a share sale agreement to combine with BHP Petroleum Assets (Proposed Transaction).

These combined financial statements include financial information that is limited to the legal entities carved out (BHP Petroleum) from BHP Group Limited, in connection with the Proposed Transaction. BHP Petroleum consists of BHP Petroleum International Pty Ltd and the entities it controls, except for the following entities:

BHP BK Limited

BHP Billiton Petroleum Great Britain Limited

BHP Mineral Resources Inc.

BHP Copper Inc. and its subsidiaries

BHP Capital Inc.

A list of the subsidiaries included within BHP Petroleum's combined financial statements is included in Note 23 'Significant entities of BHP Petroleum'.

BHP Petroleum International Pty Ltd, the Parent of BHP Petroleum, is a proprietary limited company domiciled in Western Australia, Australia. The registered office of BHP Petroleum International Pty Ltd is 125 St Georges Terrace, Perth WA 6000.

Ultimate group company

BHP Group Limited, a company incorporated in the state of Victoria, Australia, is the ultimate Parent company. Copies of the ultimate Parent company's financial statements are available from BHP Centre, 171 Collins Street, Melbourne Victoria 3000, Australia.

Basis of presentation

These combined financial statements present the results of BHP Petroleum, as at and for the years ended 30 June 2021, 2020 and 2019 (the reporting periods) and comprise of:

the combined statement of profit or loss and other comprehensive income for the years then ended;

the combined statement of financial position as at the years ended;

the combined statement of cash flows for the years then ended;

the combined statement of changes in equity for the years then ended and

notes comprising a summary of significant accounting policies and other explanatory information.

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BHP Petroleum Assets

Notes to the Financial Statements

The financial information of BHP Petroleum has been extracted on a “carve-out” basis from the accounting records of BHP Group for the purposes of presenting the combined financial position, combined results of operations and combined cash flows of BHP Petroleum. The combined financial statements reflect assets, liabilities, revenues and expenses directly attributable to BHP Petroleum identified above. BHP Petroleum has adopted the same accounting policies as BHP Group, unless otherwise stated.

The combined financial statements as at and for the reporting periods:

are a combined general purpose financial report

have been prepared in accordance with the requirements of the Australian Corporations Act 2001 and UK Companies Act 2006

were prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB)

are prepared on a going concern basis

measure items on the basis of historical cost principles, except for the following items:

- derivative financial instruments and certain other financial assets and liabilities, which are carried at fair value

include significant accounting policies in the notes to the financial statements that summarise the recognition and measurement basis used and are relevant to an understanding of the combined financial statements

apply a presentation currency of US dollars, consistent with the predominant functional currency of BHP Petroleum’s operations. However, some subsidiaries and joint arrangements have functional currencies other than US dollars

round amounts presented to the nearest million dollars, unless otherwise stated

adopt all new and amended standards and interpretations under IFRS issued by the relevant bodies (listed above) (refer to Note 25 ‘New and amended accounting standards and interpretations’), that are mandatory for application in periods beginning on 1 July 2019. Those new and amended standards and interpretations did not require restatement of prior period financial information

early adopt amendments to IFRS 9 ‘Financial Instruments’ (IFRS 9); IAS 39 ‘Financial Instruments: Recognition and Measurement’ (IAS 39); IFRS 7 ‘Financial Instruments: Disclosures’ (IFRS 7) and IFRS 16 ‘Leases’ (IFRS 16) in relation to Interest Rate Benchmark Reform (refer to Note 25 ‘New and amended accounting standards and interpretations’)

have not early adopted any other standards and interpretations that have been issued or amended but are not yet effective

The accounting policies are consistently applied by all entities included in BHP Petroleum.

Principles of combination

In preparing the combined financial statements, the effects of all intragroup balances and transactions have been eliminated in accordance with the consolidation requirements of IFRS 10 ‘Consolidated Financial Statements’.

The combined financial statements of BHP Petroleum include the combination of entities controlled by BHP Petroleum International Pty Ltd, except for certain controlled entities as identified above, which are excluded on the basis that they are outside the Proposed Transaction.

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BHP Petroleum Assets

Notes to the Financial Statements

Control exists where BHP Petroleum:

is exposed to, or has rights to, variable returns from its involvement with the entity.

has the ability to affect those returns through its power to direct the activities of the entity.

has the ability to approve the operating and capital budget of an entity and the ability to appoint key management personnel, which are decisions that demonstrate that BHP Petroleum has the existing rights to direct the relevant activities of an entity.

Joint arrangements

BHP Petroleum undertakes a number of business activities through joint arrangements, which exist when two or more parties have joint control. All of BHP Petroleum's joint arrangements are classified as joint operations. A joint operation is an arrangement in which BHP Petroleum shares joint control, primarily via contractual arrangements with other parties. In a joint operation, BHP Petroleum has rights to the assets and obligations for the liabilities relating to the arrangement. This includes situations where the parties benefit from the joint activity through a share of the output, rather than by receiving a share of the results of trading. In relation to BHP Petroleum's interest in a joint operation, BHP Petroleum recognises: its assets and liabilities, including its share of any assets and liabilities held or incurred jointly; revenue from the sale of its share of the output and its share of any revenue generated from the sale of the output by the joint operation; and its expenses including its share of expenses incurred jointly. All such amounts are measured in accordance with the terms of the arrangement, which is usually in proportion to BHP Petroleum's interest in the joint operation.

Associates

BHP Petroleum accounts for investments in associates using the equity accounting method. An entity is considered an associate where we are deemed to have significant influence but not control or joint control.

Significant influence is presumed to exist where BHP Petroleum:

has over 20 per cent but less than 50 per cent of the voting rights of an entity, unless it can be clearly demonstrated that this is not the case or

holds less than 20 per cent of the voting rights of an entity; however, has the power to participate in the financial and operating policy decisions affecting the entity.

Foreign currencies

Transactions related to BHP Petroleum's worldwide operations are conducted in a number of foreign currencies. The majority of the subsidiaries, joint arrangements and associates within each of the operations have assessed US dollars as the functional currency, however, some subsidiaries and joint arrangements have functional currencies other than US dollars.

Transactions and monetary items denominated in foreign currencies are translated into US dollars as follows:

| <u>Foreign currency item</u> | <u>Applicable exchange rate</u> |
|-------------------------------------|--|
| Transactions | Date of underlying transaction |
| Monetary assets and liabilities | Period-end rate |

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BHP Petroleum Assets

Notes to the Financial Statements

Foreign exchange gains and losses resulting from translation are recognised in the income statement, except for foreign exchange gains or losses on foreign currency provisions for site closure and rehabilitation costs (which are capitalised in property, plant and equipment for operating sites).

On combination, the assets, liabilities, income and expenses of non-US dollar denominated functional currency entities are translated into US dollars using the following applicable exchange rates:

Foreign currency amount

Income and expenses
Assets and liabilities
Equity
Reserves

Applicable exchange rate

Date of underlying transaction
Period-end rate
Historical rate
Historical rate

Foreign exchange differences resulting from translation are initially recognised in the foreign currency translation reserve and subsequently transferred to the income statement on disposal of a foreign operation.

Significant accounting policies, judgements and estimates

BHP Petroleum has identified a number of accounting policies under which significant judgements, estimates and assumptions are made. All judgements, estimates and assumptions are based on the most current facts and circumstances and are reassessed on an ongoing basis. Actual results in future reporting periods may differ for these estimates under different assumptions and conditions. Significant judgements and key estimates and assumptions made in applying these accounting policies are embedded within Note 5 'Income Tax', Note 8 'Property, plant and equipment', Note 11 'Intangible assets', Note 12 'Impairment of non-current assets' and Note 14 'Closure and rehabilitation provisions'.

Reserve estimates

Reserves are estimates of the amount of product that can be demonstrated to be able to be economically and legally extracted from BHP Petroleum's properties. In order to estimate reserves, assumptions are required about a range of technical and economic factors, including quantities, qualities, production techniques, recovery efficiency, production and transport costs, commodity supply and demand, commodity prices and exchange rates.

Estimating the quantity and/or quality of reserves requires the size, shape and depth of oil and gas reservoirs to be determined by analysing geological data, such as drilling samples and geophysical survey interpretations. Economic assumptions used to estimate reserves change from period-to-period as additional technical and operational data is generated. This process may require complex and difficult geological judgements to interpret the data.

Reserve impact on financial reporting

Estimates of reserves may change from period-to-period as the economic assumptions used to estimate reserves change and additional geological data is generated during the course of operations. Changes in reserves may affect BHP Petroleum's financial results and financial position in a number of ways, including:

asset carrying values may be affected due to changes in estimated future production levels

depreciation, depletion and amortisation charged in the income statement may change where such charges are determined on the units of production basis, or where the useful economic lives of assets change

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BHP Petroleum Assets

Notes to the Financial Statements

closure and rehabilitation provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities

the carrying amount of deferred tax assets may change due to changes in estimates of the likely recovery of the tax benefits

Impact of Coronavirus Disease 2019 (COVID-19) Pandemic

BHP Petroleum continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. During FY2021, BHP Petroleum experienced lower commodity prices and market demand driven by travel restrictions and lockdowns. As the pandemic continues to progress and evolve, it is difficult to predict the full extent and duration of resulting operational and economic impacts for BHP Petroleum, which are expected to impact a number of reporting periods. The ongoing uncertainty has also been considered in BHP Petroleum's assessment of the appropriateness of applying the going concern basis of preparation of the financial statements. BHP Petroleum has made an assessment of its ability to continue as a going concern over the period to 30 November 2022 (the going concern period) and believes that it has sufficient financial resources to meet its obligations as they fall due throughout the going concern period. As such, the financial statements continue to be prepared on a going concern basis.

2. First time adoption of IFRS

Management has given due consideration to the requirements of IFRS 1 'First-time Adoption of International Financial Reporting Standards' in preparing these combined financial statements. The combined financial statements of BHP Petroleum are the first combined financial statements presented by BHP Petroleum. Entities included within the combined financial statements, for all periods presented, have applied the recognition and measurement requirements of IFRS, in accordance with BHP Group accounting policies. As such, the preparation of these combined financial statements has not required the transition to IFRS recognition and measurement requirements.

For this purpose, the date of BHP Petroleum's first presentation of IFRS financial statements is determined to be 1 July 2018, being the beginning of the earliest period for which BHP Petroleum presents full comparative information in these combined financial statements. BHP Petroleum has measured its assets and liabilities at the carrying amounts that are included in BHP Group's consolidated financial statements, based on BHP Group's date of transition to IFRSs. With due regard to BHP Group's accounting policies and the requirements of IFRS 1, management has concluded that no adjustments were required to comply with IFRS as issued by the IASB.

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BHP Petroleum Assets

Notes to the Financial Statements

3. Revenue

The following table provides a summary of BHP Petroleum's revenue by geographic location:

| | 2021 | 2020 | Unaudited 2019 |
|----------------------|--------------|--------------|-------------------|
| | US\$M | US\$M | US\$M |
| Australia | 1,133 | 1,080 | 1,340 |
| North America | 1,285 | 1,108 | 1,903 |
| United Kingdom | 28 | 40 | 77 |
| Rest of Europe | 161 | 149 | 260 |
| Japan | 407 | 567 | 887 |
| South Korea | 16 | – | 28 |
| China | 74 | 73 | 95 |
| Other Asia | 638 | 808 | 1,016 |
| Rest of World | 167 | 172 | 261 |
| Total revenue | 3,909 | 3,997 | 5,867 |

The following table provides a summary of BHP Petroleum's revenue by asset:

| | 2021 | 2020 | Unaudited 2019 |
|-------------------------------|--------------|--------------|-------------------|
| | US\$M | US\$M | US\$M |
| Australia Production Unit (1) | 327 | 361 | 507 |
| Bass Strait | 1,066 | 1,102 | 1,237 |
| North West Shelf | 893 | 1,076 | 1,657 |
| Atlantis | 560 | 561 | 979 |
| Shenzi | 417 | 277 | 540 |
| Mad Dog | 231 | 216 | 319 |
| Trinidad and Tobago | 204 | 191 | 287 |
| Algeria | 164 | 159 | 258 |
| Third-party products | 12 | 5 | 10 |
| Other | 35 | 49 | 73 |
| Total revenue | 3,909 | 3,997 | 5,867 |

(1) Australia Production Unit includes Macedon, Pyrenees and Minerva (divested in December 2019).

The following table provides a summary of BHP Petroleum's revenue by product:

| | 2021 | 2020 | Unaudited 2019 |
|----------------------|--------------|--------------|-------------------|
| | US\$M | US\$M | US\$M |
| Crude oil | 2,013 | 2,033 | 3,173 |
| Gas | 1,659 | 1,754 | 2,399 |
| Natural gas liquids | 212 | 198 | 252 |
| Other | 25 | 12 | 43 |
| Total revenue | 3,909 | 3,997 | 5,867 |

Revenue consists of revenue from contracts with customers of US\$3,859 million (2020: US\$3,952 million, 2019: US\$5,817 million) and other revenue of US\$50 million (2020: US\$45 million, 2019: US\$50million).

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BHP Petroleum Assets

Notes to the Financial Statements

Recognition and measurement

BHP Petroleum generates revenue primarily from the production and sale of crude oil, natural gas and natural gas liquids (NGLs). Revenue is recognised when or as control of the promised goods or services passes to the customer. In most instances, control passes when the goods are delivered to a destination specified by the customer, typically on board the customer's appointed vessel or at another contractually agreed delivery point such as an outlet to storage facilities. Where applicable, revenue from the provision of services is recognised over time but does not represent a significant proportion of total revenue and is aggregated with the respective asset and product revenue for disclosure purposes. The amount of revenue recognised reflects the consideration to which BHP Petroleum expects to be entitled in exchange for the goods or services. As at 30 June 2021, 2020 and 2019, no significant estimates are required to determine revenue from contracts with customers.

Major customers

BHP Petroleum has two major customers which account for 18 per cent and 10 per cent of external revenue (2020: one customer, 13 per cent, 2019: one customer, 15 per cent). BHP Petroleum does not believe the loss of either of these customers would have a material adverse effect on BHP Petroleum because the markets in which BHP Petroleum sells its production volumes are significant liquid markets with alternative customers readily available for its production volumes.

Contract balances and asset recognition

Where BHP Petroleum's sales are provisionally priced, the final price is generally known within the month of sale due to the typical pricing terms of BHP Petroleum's contracts with customers. The period between provisional pricing and final invoicing is typically less than 30 days.

BHP Petroleum applies the practical expedient to not adjust the expected consideration for the effects of the time value of money if the period between the delivery and when the customer pays for the promised good or service is one year or less.

Performance obligations

For commodity sales contracts, each metric unit is a separate performance obligation. Where BHP Petroleum has contracts with unfulfilled performance obligations at period-end, it is required to disclose the transaction price allocated to these performance obligations. BHP Petroleum applies the practical expedient to not disclose this information for contracts with an expected duration of one year or less. Most of BHP Petroleum's long-term contracts are priced on variable terms, based on quoted index prices near the time of delivery and at times include fixed pricing components. Long-term contracts that include fixed pricing components, such as premiums and other charges, do not represent a significant portion of the total price. Any estimate of the future transaction price would exclude estimated amounts of variable consideration. The amount of future consideration from fixed pricing components has not been disclosed, as it is not considered to be relevant or useful information.

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BHP Petroleum Assets Notes to the Financial Statements

4. Expenses and other income

| | 2021 | 2020 | Unaudited |
|---|--------------|--------------|--------------|
| | US\$M | US\$M | 2019 |
| | | | US\$M |
| Employee benefits expense: | | | |
| Wages, salaries and redundancies | 381 | 388 | 416 |
| Employee share awards | 36 | 39 | 45 |
| Pension and other post-retirement obligations | 42 | 37 | 68 |
| Less employee benefits expense classified as exploration and evaluation expenditure | (93) | (50) | (70) |
| Changes in inventories of finished goods | (13) | 22 | 26 |
| Raw materials and consumables used | 90 | 97 | 121 |
| Freight and transportation | 112 | 117 | 150 |
| External services | 620 | 505 | 387 |
| Third-party commodity purchases | 11 | 6 | 11 |
| Net foreign exchange losses | 17 | 14 | (5) |
| Government royalties paid and payable | 137 | 191 | 223 |
| Exploration and evaluation and expenditure incurred and expensed in the period | 296 | 395 | 388 |
| Depreciation and amortisation expense | 1,840 | 1,457 | 1,560 |
| Fair value change on derivatives | 58 | 29 | 1 |
| Net impairments: | | | |
| Property, plant and equipment (1) | 108 | 11 | 7 |
| Intangible assets | 19 | – | 14 |
| Other expenses | 138 | 132 | 168 |
| Total expenses | 3,799 | 3,390 | 3,510 |
| Dividend income | 14 | 8 | – |
| Gain on sale of subsidiaries and operations (2) | 56 | – | – |
| Other income (3) | 60 | 49 | 32 |
| Total other income | 130 | 57 | 32 |

(1) Refer to Note 12 'Impairment of non-current assets' .

(2) Relates to the divestiture of our interest in Neptune, Gulf of Mexico. Refer to Note 8 'Property, plant and equipment' and Note 14 'Closure and rehabilitation provisions' .

(3) Other income is generally income earned from transactions outside the course of BHP Petroleum' s ordinary activities and may include boat charter and tariff revenue.

Recognition and measurement

Income is recognised when it is probable that the economic benefits associated with a transaction will flow to BHP Petroleum and can be reliably measured. Dividends are recognised upon declaration.

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BHP Petroleum Assets Notes to the Financial Statements

5. Income tax

| | 2021 | 2020 | Unaudited |
|--|--------------|------------|--------------|
| | US\$M | US\$M | 2019 |
| | | | US\$M |
| Total taxation expense comprises: | | | |
| Current tax expense | 743 | 696 | 1,147 |
| Deferred tax benefit | (556) | (214) | (58) |
| | 187 | 482 | 1,089 |
| | | | |
| | 2021 | 2020 | Unaudited |
| | US\$M | US\$M | 2019 |
| | | | US\$M |
| Factors affecting income tax expense for the year | | | |
| Income tax expense differs to the standard rate of corporation tax as follows: | | | |
| (Loss)/profit before taxation | (174) | 304 | 1,750 |
| Tax expense/(benefit) at Australian prima facie tax rate of 30 per cent | (52) | 91 | 525 |
| Non-tax effected operating losses and capital gains | 272 | 209 | 289 |
| Tax effect of loss from equity accounted investments, related impairments and expenses | 2 | 1 | 1 |
| Investment and development allowance | - | - | (1) |
| Tax rate changes | - | (1) | 12 |
| Amounts under/(over) provided in prior years | 46 | 50 | (6) |
| Recognition of previously unrecognised tax assets | - | (23) | - |
| Foreign exchange adjustments | (61) | (21) | 35 |
| Impact of tax rates applicable outside of Australia | 77 | 99 | 60 |
| Other | (73) | (5) | 10 |
| Income tax expense | 211 | 400 | 925 |
| Royalty-related taxation (net of income tax benefit) | (24) | 82 | 164 |
| Total taxation expense | 187 | 482 | 1,089 |

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BHP Petroleum Assets

Notes to the Financial Statements

Income tax recognised in other comprehensive income is as follows:

| | 2021 | 2020 | <i>Unaudited</i> 2019 |
|--|--------------|--------------|--------------------------|
| | <u>US\$M</u> | <u>US\$M</u> | <u>US\$M</u> |
| Income tax effect of: | | | |
| <i>Items that may be reclassified to the income statement:</i> | | | |
| Income tax (charge)/credit relating to items that may be reclassified subsequently to the income statement | – | – | – |
| <i>Items that will not be reclassified to the income statement:</i> | | | |
| Remeasurement gains/(losses) on pension and medical schemes | – | 3 | 2 |
| Others | – | – | – |
| Income tax (charge)/credit relating to items that will not be reclassified to the income statement | – | 3 | 2 |
| Total income tax (charge)/credit relating to components of other comprehensive income (1) | <u>–</u> | <u>3</u> | <u>2</u> |

- (1) Included within total income tax relating to components of other comprehensive income is US\$ nil relating to deferred taxes and US\$ nil relating to current taxes (2020: US\$3 million and US\$ nil; 2019: US\$2 million and US\$ nil).

Recognition and measurement

Income taxes have been prepared on a separate return basis for the net income/(loss) from operations of BHP Petroleum based upon the estimated applicable income tax rates for the jurisdictions in which BHP Petroleum is taxable, while also reflecting that, in historically filed returns, BHP Petroleum in Australia is part of the income tax consolidated group return parented by BHP Group Limited.

Current tax payables and receivables are the amounts of tax payable or refundable on the basis of hypothetical, current year separate returns, adjusted to reflect actual historical transactions undertaken in relation to the income tax consolidated group return parented by BHP Group Limited.

As such, the benefit of tax losses generated by certain entities has not been recognised in BHP Petroleum's Combined statement of profit or loss and comprehensive income or loss as these losses were transferred to BHP Group Limited in the year in which they were generated. These losses, amounting to US\$83 million (2020:US\$143 million, 2019:US\$205 million) would have been utilised by BHP Petroleum, and recognised as a credit in profit and loss, had BHP Petroleum operated as a hypothetical tax consolidated group.

Deferred taxes are provided on temporary differences and on any carry forward losses or unused credits that could be claimed on hypothetical returns and the recoverability of recognised and unrecognised deferred taxes is assessed on the basis of projected separate-return results.

Taxation on the profit/(loss) for the year comprises of current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax effect is also recognised in equity or other comprehensive income.

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BHP Petroleum Assets

Notes to the Financial Statements

Current tax

Current tax is the expected tax on the taxable income for the year, using tax rates and laws enacted or substantively enacted at the reporting date and any adjustments to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is not recognised for temporary differences relating to:

- initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit

- investment in subsidiaries, associates and jointly controlled entities where BHP Petroleum is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Current and deferred tax assets and liabilities are offset when BHP Petroleum has a legally enforceable right to offset and when the tax balances are related to taxes levied by the same tax authority and BHP Petroleum intends to settle on a net basis or realise the asset and settle the liability simultaneously.

Royalty-related taxation

Royalties and resource rent taxes are treated as taxation arrangements (impacting income tax expense/(benefit)) when they are imposed under government authority and the amount payable is calculated by reference to revenue derived (net of any allowable deductions) after adjustment for temporary differences. Obligations arising from royalty arrangements that do not satisfy these criteria are recognised as current liabilities and included in expenses.

Uncertain tax and royalty matters

BHP Petroleum operates across many tax jurisdictions. Application of tax law can be complex and requires judgement to assess risk and estimate outcomes. The evaluation of tax risks considers both amended assessments received and potential sources of challenge from tax authorities. The status of proceedings for these matters will impact the ability to determine the potential exposure and in some cases, it may not be possible to determine a range of possible outcomes or a reliable estimate of the potential exposure.

BHP Petroleum has unresolved tax and royalty matters for which the timing of resolution and potential economic outflow are uncertain. Tax and royalty matters with uncertain outcomes arise in the normal course of business and occur due to changes in tax law, changes in interpretation of tax law, periodic challenges and disagreements with tax authorities and legal proceedings.

Tax and royalty obligations assessed as having probable future economic outflows capable of reliable measurement are provided for in the balance sheet. Matters with possible economic outflow and/or presently incapable of being measured reliably are contingent liabilities and disclosed in Note 16 'Contingent liabilities'.

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BHP Petroleum Assets

Notes to the Financial Statements

Key judgements and estimates

Income tax classification

Judgements: BHP Petroleum's accounting policy for taxation, including royalty-related taxation, requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost.

Deferred tax

Judgements: Judgement is required to determine the amount of deferred tax assets that are recognised based on the likely timing and the level of future taxable profits.

Estimates: BHP Petroleum assesses the recoverability of recognised and unrecognised deferred taxes, on a consistent basis. Estimates and assumptions relating to projected earnings and cash flows as applied in BHP Petroleum's impairment process are used for operating assets.

Uncertain tax matters

Judgements: Management applies judgements about the application of income tax legislation and its interaction with income tax accounting principles. These judgements are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of tax assets and tax liabilities, including deferred tax, recognised on the balance sheet and the amount of other tax losses and temporary differences not yet recognised.

Where the final tax outcomes are different from the amounts that were initially recorded, these differences impact the current and deferred tax provisions in the period in which the determination is made.

Measurement of uncertain tax and royalty matters considers a range of possible outcomes, including assessments received from tax authorities. Where management is of the view that potential liabilities have a low probability of crystallising, or it is not possible to quantify them reliably, they are disclosed as contingent liabilities (refer to Note 16 'Contingent liabilities').

The movement for the year in BHP Petroleum's net deferred tax positions is as follows:

| | 2021 | 2020 | Unaudited 2019 |
|--|--------------|--------------|-------------------|
| | US\$M | US\$M | US\$M |
| Net deferred tax (liability/asset) | | | |
| At the beginning of the financial year | 1,013 | 796 | 736 |
| Income tax credit recorded in the income statement | 556 | 214 | 58 |
| Income tax credit recorded directly in equity | 3 | 3 | 2 |
| At the end of the financial year | 1,572 | 1,013 | 796 |

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BHP Petroleum Assets Notes to the Financial Statements

The composition of BHP Petroleum's net deferred tax assets and liabilities recognised in the balance sheet and the deferred tax expense charged/(credited) to the income statement is as follows:

| Type of temporary difference | Deferred tax assets | | | Deferred tax liabilities | | | Charged/(credited) to the income statement | | |
|-----------------------------------|---------------------|---------------|---------------|--------------------------|----------------|-----------------|--|---------------|--------------|
| | 2021 US\$M | 2020 US\$M | Unaudited | 2021 US\$M | 2020 US\$M | Unaudited | 2021 US\$M | 2020 US\$M | Unaudited |
| | | | 2019 US\$M | | | 2019 US\$M | | | |
| Depreciation | (1,024) | (1,054) | (629) | (66) | (105) | (119) | (69) | 411 | (11) |
| Exploration expenditure | 32 | 37 | 43 | - | - | - | 5 | 6 | 7 |
| Employee benefits | 63 | 63 | 59 | - | - | 1 | - | - | 1 |
| Closure and rehabilitation | 1,036 | 967 | 604 | (18) | - | - | (51) | (363) | (78) |
| Resource rent tax | 292 | 363 | 431 | (526) | (922) | (1,123) | (322) | (133) | (168) |
| Other provisions | 65 | 55 | 49 | - | - | - | (10) | (6) | (20) |
| Deferred income | 7 | 8 | 9 | - | - | - | 1 | 1 | (6) |
| Foreign exchange gains and losses | 3 | 1 | 1 | - | - | - | (2) | - | (1) |
| Tax losses | 1,667 | 1,541 | 1,421 | - | - | - | (126) | (120) | 156 |
| Lease liability | 55 | 79 | - | - | - | - | 24 | (79) | - |
| Other | (14) | (19) | 52 | - | (1) | (3) | (6) | 69 | 62 |
| Total | 2,182 | 2,041 | 2,040 | (610) | (1,028) | (1,244) | (556) | (214) | (58) |

The amount of deferred tax assets dependent on future taxable profits not arising from the reversal of existing deferred tax liabilities and which relate to tax jurisdictions where the taxable entity has suffered a loss in the current or preceding year, was US\$ nil at 30 June 2021 (2020: US\$ nil, 2019: US\$1,250 million). For operating assets, BHP Petroleum assesses the recoverability of these deferred tax assets using estimates and assumptions relating to projected earnings and cash flows as applied in BHP Petroleum impairment process for associated operations.

The composition of BHP Petroleum's unrecognised deferred tax assets and liabilities is as follows:

| | 2021 US\$M | 2020 US\$M | Unaudited 2019 US\$M |
|---|---------------|---------------|----------------------------|
| Unrecognised deferred tax assets | | | |
| Tax losses and tax credits (1) | 1,078 | 1,219 | 1,145 |
| Deductible temporary differences relating to PRRT (2) | 2,402 | 2,079 | 2,197 |
| Petroleum rights (3) | 566 | 552 | 545 |
| Other deductible temporary differences (4) | 419 | 315 | 398 |
| Total unrecognised deferred tax assets | 4,465 | 4,165 | 4,285 |
| Unrecognised deferred tax liabilities | | | |
| Future taxable temporary differences relating to unrecognised deferred tax asset for PRRT (2) | 720 | 624 | 659 |
| Total unrecognised deferred tax liabilities | 720 | 624 | 659 |

- (1) At 30 June 2021, BHP Petroleum had income and capital tax losses with a tax benefit of US\$768 million (2020: US\$890 million, 2019: US\$823 million) and tax credits of US\$310 million (2020: US\$329 million,

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2019: US\$321 million), which are not recognised as deferred tax assets, because it is not probable that future taxable profits or capital gains will be available against which BHP Petroleum can utilise the benefits.

- (2) BHP Group had unrecognised deferred tax assets relating to Australian Petroleum Resource Rent Tax (PRRT). Recognition of a deferred tax asset for PRRT depends on benefits expected to be obtained from the deduction against PRRT liabilities. As PRRT payments are deductible for income tax purposes, to the extent these PRRT deferred tax assets are recognised this would give rise to a corresponding deferred tax liability for income tax (presented as the future taxable temporary differences relating to the unrecognised PRRT deferred tax assets).
- (3) BHP Petroleum had deductible temporary differences relating to mineral rights for which deferred tax assets had not been recognised because it is not probable that future capital.
- (4) BHP Petroleum had other deductible temporary differences for which deferred tax assets had not been recognised because it is not probable that future tax profits will be available against which BHP Petroleum can utilise the benefits. The deductible temporary differences do not expire under current tax legislation.

| Year of Expiry | 2021 | 2020 | Unaudited 2019 |
|--|--------------|--------------|-------------------|
| | US\$M | US\$M | US\$M |
| Income tax losses | | | |
| Not later than one year | 12 | 474 | 359 |
| Later than one year and not later than two years | 3 | 239 | 442 |
| Later than two years and not later than five years | 46 | 2,475 | 2,713 |
| Later than five years and not later than ten years | 1,339 | 600 | 455 |
| Later than ten years and not later than twenty years | 1,787 | 2,373 | 2,267 |
| Unlimited | 824 | 757 | 653 |
| | <u>4,011</u> | <u>6,918</u> | <u>6,889</u> |
| Capital tax losses | | | |
| Not later than one year | - | - | - |
| Later than two years and not later than five years | - | - | - |
| Unlimited | 1 | - | - |
| Total capital tax losses | 1 | - | - |
| Gross amount of tax losses not recognised | <u>4,012</u> | <u>6,918</u> | <u>6,889</u> |
| Tax effect of total losses not recognised | <u>768</u> | <u>892</u> | <u>823</u> |

6. Trade and other receivables

| | 2021 | 2020 | Unaudited 2019 |
|---|--------------|------------|-------------------|
| | US\$M | US\$M | US\$M |
| Trade receivables | 358 | 185 | 392 |
| Joint operations partner receivables (1) | 384 | 257 | 240 |
| Value-added tax (VAT) and other tax related receivables | 262 | 282 | 238 |
| Other receivables | 61 | 61 | 3 |
| Total trade and other receivables | <u>1,065</u> | <u>785</u> | <u>873</u> |
| Comprising: | | | |
| Current | 908 | 673 | 835 |
| Non-current | 157 | 112 | 38 |

- (1) Joint operations partner receivables include production underlift positions and receivables for joint operations cash float arrangements.

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Recognition and measurement

Trade receivables are recognised initially at their transaction price or, for those receivables containing a significant financing component, at fair value. Trade receivables are subsequently measured at amortised cost using the effective interest method, less an allowance for impairment, except for provisionally priced receivables (where applicable) which are subsequently measured at fair value through the income statement under IFRS 9 'Financial Instruments'.

The collectability of trade receivables is assessed on an ongoing basis. At the reporting date, specific allowances are made for any expected credit losses based on a review of all outstanding amounts at reporting period-end. Individual receivables are written off when management deems them unrecoverable. The net carrying amount of trade and other receivables approximates their fair values.

Credit risk

Trade receivables generally have terms of less than 30 days. BHP Petroleum has no material concentration of credit risk with any single counterparty and are not dominantly exposed to any individual industry.

Credit risk can arise from the non-performance by counterparties of their contractual financial obligations towards BHP Petroleum. To manage credit risk, BHP Petroleum maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits, proactive monitoring of exposures against these limits and requirements triggering secured payment terms. As part of these processes, the credit exposures with all counterparties are regularly monitored and assessed on a timely basis. The credit quality of customers is reviewed and the solvency of each debtor and their ability to pay the receivable is considered in assessing receivables for impairment.

The ten largest customers represented 66 per cent (2020: 59 per cent, 2019: 51 per cent) of total credit risk exposures managed by BHP Petroleum.

Receivables are deemed to be past due or impaired in accordance with our terms and conditions. These terms and conditions are determined on a case-by-case basis with reference to the customer's credit quality, payment performance and prevailing market conditions. As at 30 June 2021, 30 June 2020 and 30 June 2019 no trade receivables were past due.

The assessment of recoverability of trade receivables at 30 June 2021 has considered the impacts of COVID-19 and no material recoverability issues have been identified. As COVID-19 continues to impact key markets in Australia, United States, Europe and Asia, BHP Petroleum continues to perform enhanced credit monitoring of commercial counterparties.

At 30 June 2021 and 2020, provisions for expected credit losses were not significant.

7. Inventories

| | 2021 | 2020 | <i>Unaudited</i> | |
|-------------------------------|--------------|-------|------------------|--|
| | US\$M | US\$M | 2019 | Definitions |
| | | | US\$M | |
| Raw materials and consumables | 271 | 226 | 206 | Spares, consumables and other supplies yet to be utilised in the production process or in the rendering of services. |
| Finished goods | 36 | 24 | 45 | Commodities ready for sale and not requiring further processing. |
| Total inventories | 307 | 250 | 251 | |

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Recognition and measurement

Finished goods inventories primarily represent crude oil in storage. Regardless of the type of inventory and its stage in the production process, inventories are valued at the lower of cost and net realisable value. Cost is determined primarily on the basis of average costs. For processed inventories, cost is derived on an absorption costing basis. Cost comprises costs of purchasing raw materials and costs of production, including attributable manufacturing overheads taking into consideration normal operating capacity. Inventory quantities are derived through flow rate or tank volume measurement and the composition is derived via sample analysis.

8. Property, plant and equipment

| | Land and buildings US\$M | Plant and equipment US\$M | Other mineral assets US\$M | Assets under construction US\$M | Exploration and evaluation US\$M | Total US\$M |
|--|--------------------------------|------------------------------------|-------------------------------------|--|---|----------------|
| Net book value–30 June 2021 | | | | | | |
| At the beginning of the financial year | 257 | 8,268 | 133 | 2,040 | 1,089 | 11,787 |
| Additions (1) | 1 | 294 | – | 1,133 | 7 | 1,435 |
| Acquisitions of subsidiaries & operations (2) | – | 151 | 491 | – | – | 642 |
| Depreciation for the year | (27) | (1,719) | (62) | – | – | (1,808) |
| Impairments for the year (3) | (40) | (2) | – | – | (66) | (108) |
| Divestment and demerger of subsidiaries and operations (4) | – | (14) | – | (2) | – | (16) |
| Transfers and other movements | – | 675 | – | (753) | – | (78) |
| At the end of the financial year (5) | 191 | 7,653 | 562 | 2,418 | 1,030 | 11,854 |
| - Cost | 463 | 29,358 | 1,090 | 2,418 | 1,086 | 34,415 |
| - Accumulated depreciation and impairments | (272) | (21,705) | (528) | – | (56) | (22,561) |
| Net book value–30 June 2020 | | | | | | |
| At the beginning of the financial year | 101 | 8,103 | 144 | 1,240 | 1,040 | 10,628 |
| Impact of adopting IFRS 16 (7) | 233 | 128 | – | – | – | 361 |
| Additions (1) | 4 | 1,246 | – | 1,008 | 120 | 2,378 |
| Depreciation for the year | (32) | (1,368) | (19) | – | – | (1,419) |
| Impairments for the year (3) | – | (11) | – | – | – | (11) |
| Disposals (6) | – | (8) | – | – | (65) | (73) |
| Transfers and other movements | (49) | 178 | 8 | (208) | (6) | (77) |
| At the end of the financial year (5) | 257 | 8,268 | 133 | 2,040 | 1,089 | 11,787 |
| - Cost | 462 | 28,965 | 600 | 2,040 | 1,089 | 33,156 |
| - Accumulated depreciation and impairments | (205) | (20,697) | (467) | – | – | (21,369) |
| Unaudited | | | | | | |
| Net book value–30 June 2019 | | | | | | |
| At the beginning of the financial year | 151 | 8,985 | 167 | 903 | 790 | 10,996 |
| Additions (1) | – | 292 | – | 978 | 296 | 1,566 |
| Depreciation for the year | (50) | (1,510) | (23) | – | – | (1,583) |
| Impairments for the year (3) | – | – | – | – | (7) | (7) |
| Disposals (6) | – | (15) | – | – | – | (15) |
| Transfers and other movements | – | 351 | – | (641) | (39) | (329) |
| At the end of the financial year (5) | 101 | 8,103 | 144 | 1,240 | 1,040 | 10,628 |
| - Cost | 274 | 27,791 | 592 | 1,240 | 1,044 | 30,941 |
| - Accumulated depreciation and impairments | (173) | (19,688) | (448) | – | (4) | (20,313) |

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- (1) Includes change in estimates, impact of discount rate change and net foreign exchange gains/(losses) related to the closure and rehabilitation provisions for operating sites. Refer to Note 14 'Closure and rehabilitation provisions' .
- (2) Relates to the acquisition of an additional 28 per cent working interest in Shenzi. Refer to Note 20 'Interest in joint operations' .
- (3) Refer to Note 12 'Impairment of non-current assets' for information on impairments.
- (4) Relates to the divestment of our 35 per cent interest in the Gulf of Mexico Neptune field, which closed in May 2021. The transfer resulted in a book gain on disposal of US\$56 million. The book gain was largely the result of transferring the Neptune closure obligation liability to the acquirer.
- (5) Includes the carrying value of BHP Petroleum's right-of-use assets relating to land and buildings and plant and equipment of US\$131 million (2020: US\$263 million, 2019: US\$ nil). Refer to Note 9 'Interest bearing liabilities' for the movement of the right-of-use assets.
- (6) US\$65 million relates to the divestment of BHP Petroleum's 50 per cent interest in the Murphy Oil operated Samurai field in the Gulf of Mexico; which closed in November 2019.
- (7) Refer to Note 25 'New and amended accounting standards and interpretations' .

Recognition and measurement

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment charges. Cost is the fair value of consideration given to acquire the asset at the time of its acquisition or construction and includes the direct costs of bringing the asset to the location and the condition necessary for operation and the estimated future costs of closure and rehabilitation of the facility.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Exploration and evaluation

Exploration costs are incurred to discover petroleum resources. Evaluation costs are incurred to assess the technical feasibility and commercial viability of resources found.

Exploration and evaluation expenditure is charged to the income statement as incurred, except in the following circumstances in which case the expenditure may be capitalised:

the exploration and evaluation activity is within an area of interest for which it is expected that the expenditure will be recouped by future exploitation or sale, or

the exploration and evaluation activity has not reached a stage that permits a reasonable assessment of the existence of commercially recoverable reserves.

A regular review of each area of interest is undertaken to determine the appropriateness of continuing to carry forward costs in relation to that area. Capitalised costs are only carried forward to the extent that they are expected to be recovered through the successful exploitation of the area of interest or alternatively by its sale. To the extent that capitalised expenditure is no longer expected to be recovered, it is charged to the income statement.

Key judgements and estimates

Judgements: Exploration and evaluation expenditure results in certain items of expenditure being capitalised for an area of interest where a judgement is made that it is likely to be recoverable by future exploitation or sale, or where the activities are judged not to have reached a stage that permits a reasonable assessment of the existence of reserves.

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Estimates: Management makes certain estimates and assumptions as to future events and circumstances, in particular when making a quantitative assessment of whether an economically viable extraction operation can be established. These estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, new information suggests that recovery of the expenditure is unlikely, the relevant capitalised amount is charged to the income statement.

Development expenditure

When proven reserves are determined and development is sanctioned, capitalised exploration and evaluation expenditure is reclassified as assets under construction within property, plant and equipment. All subsequent development expenditure is capitalised and classified as assets under construction, provided commercial viability conditions continue to be satisfied.

BHP Petroleum may use borrowed funds to finance the acquisition and development of assets and operations. Finance costs are expensed as incurred, except where they relate to the financing of construction or development of qualifying assets. Borrowing costs directly attributable to acquiring or constructing a qualifying asset are capitalised during the development phase. Development expenditure is net of proceeds from the saleable material extracted during the development phase. On completion of development, all assets included in assets under construction are reclassified as either plant and equipment or other mineral assets and depreciation commences.

Key judgements and estimates

Judgements: Development activities commence after project sanctioning by the appropriate level of management. Judgement is applied by management in determining when a project is economically viable.

Estimates: In determining whether a project is economically viable, management is required to make certain estimates and assumptions as to future events and circumstances, including reserve estimates, existence of an accessible market and forecast prices and cash flows. Estimates and assumptions may change as new information becomes available. If, after having commenced the development activity, new information suggests that a development asset is impaired, the appropriate amount is charged to the income statement.

Depreciation

Depreciation of assets, other than land, assets under construction and capitalised exploration and evaluation that are not depreciated, is calculated using either the straight-line (SL) method or units of production (UoP) method, net of residual values, over the estimated useful lives of specific assets. The depreciation method and rates applied to specific assets reflect the pattern in which the asset's benefits are expected to be used by BHP Petroleum. The proved reserves for petroleum assets are used to determine UoP depreciation unless doing so results in depreciation charges that do not reflect the asset's useful life. Where this occurs, alternative approaches to determining reserves are applied, such as using management's expectations of future oil and gas prices rather than yearly average prices, to provide a phasing of periodic depreciation charges that better reflects the asset's expected useful life.

Where assets are dedicated to a petroleum lease, the useful lives below are subject to the lesser of the asset category's useful life and the life of the petroleum lease, unless those assets are readily transferable to another lease.

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Key judgements and estimates

The determination of useful lives, residual values and depreciation methods involves estimates and assumptions and is reviewed annually. Any changes to useful lives or any other estimates or assumptions may affect prospective depreciation rates and asset carrying values. The table below summarises the principal depreciation methods and rates applied to major asset categories by BHP Petroleum.

| Category | Buildings | Plant and equipment | Petroleum interests | Capitalised exploration, evaluation and development expenditure |
|----------------------------------|------------------|--|--|--|
| Typical depreciation methodology | SL | UoP | UoP | UoP |
| Depreciation rate | 15 - 50 years | Based on the rate of depletion of reserves | Based on the rate of depletion of reserves | Based on the rate of depletion of reserves |

Commitments

BHP Petroleum's commitments for capital expenditure were US\$754 million at 30 June 2021 (2020: US\$971 million, 2019: US\$1,201 million). BHP Petroleum's commitments related to leases are included in Note 10 'Leases'.

9. Interest bearing liabilities

| | Current | | | Non-current | | |
|---|----------------|--------------|------------------|--------------------|--------------|------------------|
| | 2021 | 2020 | <i>Unaudited</i> | 2021 | 2020 | <i>Unaudited</i> |
| | | | 2019 | | | 2019 |
| US\$M | US\$M | US\$M | US\$M | US\$M | US\$M | |
| Lease liabilities | 35 | 61 | – | 234 | 322 | – |
| Bank overdrafts | – | – | 17 | – | – | – |
| Total interest bearing liabilities | 35 | 61 | 17 | 234 | 322 | – |

Further information on BHP Petroleum's leases is provided in Note 10 'Leases'.

Cash is disclosed in the cash flow statement net of bank overdrafts and interest bearing liabilities at call.

| | 2021 | 2020 | <i>Unaudited</i> |
|---|--------------|--------------|------------------|
| | US\$M | US\$M | 2019 |
| | | | US\$M |
| Total cash and cash equivalents | 776 | 325 | 1,398 |
| Bank overdrafts | – | – | (17) |
| Total cash and cash equivalents, net of overdrafts | 776 | 325 | 1,381 |

10. Leases

BHP Petroleum applied IFRS 16 'Leases' from 1 July 2019. Details on the transition to IFRS 16 are included in Note 25 'New and amended accounting standards and interpretations'.

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Movements in BHP Petroleum's lease liabilities during the year are as follows:

| | 2021 | 2020 |
|---|-------------------|-------------------|
| | <u>US\$M</u> | <u>US\$M</u> |
| At the beginning of the financial year | 383 | – |
| IFRS 16 transition (1) | – | 438 |
| Additions | 2 | 13 |
| Lease payments | (45) | (46) |
| Foreign exchange movement | – | 1 |
| Amortisation of discounting | 7 | 8 |
| Derecognition due to lease modification | (62) | – |
| Transfers and other movements | (16) | (31) |
| At the end of the financial year | <u>269</u> | <u>383</u> |
| Comprising: | | |
| Current liabilities | 35 | 61 |
| Non-current liabilities | <u>234</u> | <u>322</u> |

(1) Refer to Note 25 'New and amended accounting standards and interpretations'.

A significant proportion by value of BHP Petroleum's lease contracts relate to building leases, drill rig and equipment leases. These lease contracts contain a wide variety of different terms and considerations including extension and termination options and variable lease payments. BHP Petroleum's lease obligations are included in the interest-bearing liabilities.

The maturity profile of lease liabilities based on the undiscounted contractual amounts is as follows:

| | 2021 | 2020 |
|---|-------------------|-------------------|
| | <u>US\$M</u> | <u>US\$M</u> |
| Due for payment: | | |
| In one year or less or on demand | 41 | 70 |
| In more than one year but not more than two years | 37 | 70 |
| In more than two years but not more than five years | 91 | 130 |
| In more than five years (1) | 133 | 156 |
| Total | <u>302</u> | <u>426</u> |
| Less amount representing interest | 33 | 43 |
| Present value of net minimum lease payments | <u>269</u> | <u>383</u> |

(1) Includes US\$9 million (2020: US\$35 million) due for payment in more than ten years.

At 30 June 2021, commitments for leases not yet commenced based on undiscounted contractual amounts were US\$36 million (2020: US\$14 million). At 30 June 2021, commitments relating to short-term leases were US\$8 million (2020: US\$2 million).

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BHP Petroleum's aggregate amounts of minimum lease payments under non-cancellable operating leases at 30 June 2019 under IAS 17 were as follows:

| | <i>Unaudited</i> 2019 US\$M |
|---|-----------------------------------|
| Commitments under operating leases | |
| Due not later than one year | 58 |
| Due later than one year and not later than five years | 155 |
| Due later than five years | 189 |
| Total | 402 |

As at 30 June 2019, BHP Petroleum did not recognise any finance lease liabilities under IAS 17 'Leases'.

Movements in BHP Petroleum's right-of-use assets during the year are as follows:

| | Land and buildings US\$M | 2021 Plant and equipment US\$M | Total US\$M | Land and buildings US\$M | 2020 Plant and equipment US\$M | Total US\$M |
|--|---|---|------------------------|---|---|------------------------|
| Net book value | | | | | | |
| At the beginning of the financial year | 167 | 96 | 263 | – | – | – |
| Assets recognised on adoption of IFRS 16 | – | – | – | 233 | 128 | 361 |
| Additions | 1 | – | 1 | 4 | 9 | 13 |
| Depreciation for the period | (18) | (26) | (44) | (23) | (41) | (64) |
| Impairments for the year | (27) | – | (27) | – | – | – |
| Derecognition due to lease modification | – | (62) | (62) | – | – | – |
| Transfers and other movements (1) | – | – | – | (47) | – | (47) |
| At the end of the financial year | 123 | 8 | 131 | 167 | 96 | 263 |
| - Cost | 190 | 29 | 219 | 189 | 106 | 295 |
| - Accumulated depreciation and impairments | (67) | (21) | (88) | (22) | (10) | (32) |

(1) Transfer to net investment in sublease receivable, on commencement of sublease.

Right-of-use assets are included within the underlying asset classes in property, plant and equipment. Refer to Note 8 'Property, plant and equipment'.

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Amounts recorded in the income statement and the cash flow statement for the year were:

| | 2021 | 2020 | |
|--|-------|-------|--------------------------------------|
| | US\$M | US\$M | Included within |
| Income statement | | | |
| Depreciation of right-of-use assets | 37 | 46 | Profit from operations |
| Short-term, low-value and variable lease costs (1) | 52 | 37 | Profit from operations |
| Interest on lease liabilities | 7 | 8 | Financial expenses |
| Cash flow statement | | | |
| Principal lease payments | 38 | 39 | Cash flows from financing activities |
| Lease interest payments | 7 | 7 | Cash flows from operating activities |

- (1) Relates to US\$36 million of variable lease costs (2020: US\$22 million), US\$13 million of short-term lease costs (2020: US\$10 million) and US\$3 million of low-value lease costs (2020: US\$5 million). Variable lease costs include contracts for building leases, drill rig and equipment leases. These contracts contain variable lease payments based on usage and asset performance.

Recognition and measurement (following adoption of IFRS 16)

All leases with the exception of short-term (under 12 months) and low-value leases are recognised on the balance sheet, as a right-of-use asset and a corresponding interest-bearing liability. Lease liabilities are initially measured at the present value of the future lease payments from the lease commencement date and are subsequently adjusted to reflect the interest on lease liabilities, lease payments and any remeasurements due to, for example, lease modifications or changes to future lease payments linked to a rate. Lease payments are discounted using the interest rate implicit in the lease, where it is readily determinable. Where the implicit interest rate is not readily determinable, the interest payments are discounted at BHP Group's incremental borrowing rate, adjusted to reflect factors specific to the lease, including where relevant the currency, tenor and location of the lease.

In addition to containing a lease, the contractual arrangements may include non-lease components (for example, the maintenance and service costs associated with building leases). BHP Petroleum has elected to separate these non-lease components from the lease components in measuring lease liabilities.

Low-value and short-term leases are expensed to the income statement. Variable lease payments not dependent on an index or rate are excluded from lease liabilities and expensed to the income statement.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost will initially correspond to the lease liability, adjusted for initial direct costs, lease payments made prior to lease commencement, capitalised provisions for closure and rehabilitation and any lease incentives.

Lease costs are recognised in the income statement over the lease term in the form of depreciation on the right-of-use asset and finance charges representing the unwind of the discount on the lease liability, replacing certain operating lease expenses previously reported under IAS 17.

Where BHP Petroleum is the operator of an unincorporated joint operation and all investors are parties to a lease, BHP Petroleum recognises its proportionate share of the lease liability and associated right-of-use asset. In the event BHP Petroleum is the sole signatory to a lease and therefore has the sole legal obligation to make lease payments, the lease liability is recognised in full. Where the associated right-of-use asset is sub-leased (under a

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finance sub-lease) to a joint operation, for instance where it is dedicated to a single operation and the joint operation has the right to direct the use of the asset, BHP Petroleum recognises its proportionate share of the right-of-use asset and a net investment in the lease, representing amounts to be recovered from the other parties to the joint operation. If BHP Petroleum is not party to the lease contract but sub-leases the associated right-of-use asset, the proportionate share of the right-of-use asset and a lease liability which is payable to the operator is recognised.

Key judgements and estimates

Where BHP Petroleum cannot readily determine the interest rate implicit in the lease, estimation is involved in the determination of the weighted average incremental borrowing rate to measure lease liabilities. The incremental borrowing rate reflects the rates of interest a lessee would have to pay to borrow over a similar term, with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Under BHP Group's portfolio approach to debt management, it does not specifically borrow for asset purchases. Therefore, the incremental borrowing rate is estimated with reference to BHP Group's corporate borrowing portfolio, adjusted to reflect the terms and conditions of the lease (including the impact of currency, credit rating of subsidiary entering into the lease and the term of the lease), at the commencement of the lease arrangement or the time of lease modification.

BHP Petroleum estimates stand-alone prices, where such prices are not readily observable, in order to allocate the contractual payments between lease and non-lease components.

IAS 17 Leases replaced by IFRS 16

BHP Petroleum applied accounting standard IAS 17 prior to adoption of IFRS 16 from 1 July 2019. Pre 1 July 2019, BHP Petroleum had no leases classified as finance leases under IAS17, however had a number of leases classified as operating leases as at 30 June 2019. Operating leases under IAS 17 are not capitalised and rental payments are included in the income statement on a straight-line basis over the lease term. Minimum lease payments under non-cancellable operating leases as at 30 June 2019 are disclosed above.

The effect of applying IFRS 16 has been disclosed in Note 25 'New and amended accounting standards'.

11. Intangible assets

| | 2021 | 2020 | <i>Unaudited</i> 2019 |
|--|--------------|--------------|--------------------------|
| | <u>US\$M</u> | <u>US\$M</u> | <u>US\$M</u> |
| Net book value | | | |
| At the beginning of the financial year | 110 | 104 | 149 |
| Additions | 19 | 44 | 6 |
| Amortisation for the year (1) | (32) | (38) | (37) |
| Impairment for the year (2) | (19) | - | (14) |
| At the end of the financial year | <u>78</u> | <u>110</u> | <u>104</u> |
| - Cost | 248 | 305 | 298 |
| - Accumulated depreciation and impairments | (170) | (195) | (194) |

(1) Included in income statement line item 'Expenses excluding net finance costs'.

(2) Refer to Note 12 'Impairment of non-current assets' for information on impairments.

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Recognition and measurement

Where applicable, BHP Petroleum capitalises amounts paid for initial payments for the acquisition of identifiable intangible assets, such as software, licenses and initial payments for the acquisition of petroleum lease assets, where it is considered that they will contribute to future periods through revenue generation or reductions in cost. These assets, classified as finite life intangible assets, are carried in the balance sheet at the fair value of consideration paid less accumulated amortisation and impairment charges. Intangible assets with finite useful lives are amortised on a straight-line basis over their useful lives. The estimated useful lives are generally no greater than ten years.

Intangible assets primarily represent payments made for exploration leases, which have finite useful lives. Initial payments for the acquisition of intangible exploration lease assets are capitalised and amortised over the term of the permit. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area. Capitalised costs are only carried forward to the extent that they are expected to be recovered through the successful exploitation of the area of interest or alternatively by its sale. To the extent that capitalised expenditure is no longer expected to be recovered, it is charged to the income statement.

Key judgements and estimates

Assessment of impairment indicators requires management's judgement. If a judgement is made that recovery of previously capitalised intangible petroleum lease assets is unlikely, the relevant amount will be charged to the income statement.

Determining the recoverable amount requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established.

Where indications of impairment exist for intangible assets, in the absence of quoted market prices, estimates are made regarding the present value of future post-tax cash flows. These estimates require management's judgement and assumptions and are subject to risk and uncertainty that may be beyond the control of BHP Petroleum; hence there is a possibility that changes in circumstances will materially alter projections, which may impact the recoverable amount of assets at each reporting date. The estimates are made from the perspective of a market participant and includes prices, future production volumes operating costs, tax attributes and discount rates.

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BHP Petroleum Assets Notes to the Financial Statements

12. Impairment of non-current assets

| | Property, plant and equipment US\$M | Intangibles US\$M | Total US\$M |
|--|--|------------------------------|------------------------|
| As at 30 June 2021 | | | |
| Previously capitalised exploration and evaluation cost (1) | 66 | – | 66 |
| Abandoned/relinquished exploration leases (2) | – | 19 | 19 |
| Leasehold fit out and fittings (3) | 42 | – | 42 |
| Total impairment of non-current assets | 108 | 19 | 127 |
| | Property, plant and equipment US\$M | Intangibles US\$M | Total US\$M |
| As at 30 June 2020 | | | |
| Other | 11 | – | 11 |
| Total impairment of non-current assets | 11 | – | 11 |
| | Property, plant and equipment US\$M | Intangibles US\$M | Total US\$M |
| Unaudited As at 30 June 2019 | | | |
| Previously capitalised exploration and evaluation cost (1) | 7 | 13 | 20 |
| Abandoned/relinquished exploration leases (2) | – | 1 | 1 |
| Total impairment of non-current assets | 7 | 14 | 21 |

- (1) Write-off of previously capitalised exploration and evaluation cost, following technical analysis of exploration results for various areas of interest.
- (2) Write-off of capitalised exploration costs, where no further exploration and evaluation work was planned, following technical review of exploration portfolio.
- (3) Write-off of leasehold fit out and fittings following restructuring, which resulted in a reduction in required office space.

For all impairments recognised in FY2021, FY2020 and FY2019, the recoverable amount of individual assets impaired was determined to be US\$ nil following impairment review.

Recognition and measurement

Impairment tests for all assets are performed when there is an indication of impairment. If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired, and an impairment loss is charged to the income statement so as to reduce the carrying amount in the balance sheet to its recoverable amount.

Where applicable, previously impaired assets are reviewed for possible reversal of previous impairment at each reporting date. Impairment reversal cannot exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset. There were no reversals of impairment in the current or prior periods presented.

How recoverable amount is calculated

The recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

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BHP Petroleum Assets

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Valuation methods

Fair value less cost of disposal (FVLCD)

FVLCD is an estimate of the amount that a market participant would pay for an asset, less the cost of disposal. FVLCD is generally determined using independent market assumptions to calculate the present value of the estimated future post-tax cash flows expected to arise from the continued use of the asset, including the anticipated cash flow effects of any capital expenditure to enhance production or reduce cost and its eventual disposal where a market participant may take a consistent view. Cash flows are discounted using an appropriate post tax market discount rate to arrive at a net present value of the asset, which is compared against the asset's carrying value. FVLCD may also take into consideration other market-based indicators of fair value.

Value in Use (VIU)

VIU is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal or closure. VIU is determined by applying assumptions specific to our continued use and cannot take into account future development. These assumptions are different to those used in calculating FVLCD and consequently the VIU calculation is likely to give a different result (usually lower) to a FVLCD calculation.

Key judgements and estimates

Judgements: Assessment of indicators of impairment or impairment reversal require significant management judgement. Indicators of impairment may include changes in BHP Petroleum's operating and economic assumptions, including those arising from changes in reserves, updates to the commodity supply, demand and price forecasts, or the possible additional impacts from emerging risks such as those related to climate change and the transition to a low carbon economy and pandemics similar to COVID-19.

Climate Change

BHP Petroleum operated for all periods presented as part of BHP Group. As such, BHP Petroleum does not have a stand-alone climate change strategy. Future changes to BHP Group's climate change strategy, global decarbonisation signposts or physical risks to BHP Petroleum's assets may impact BHP Petroleum significant judgements and key estimates and result in material changes to financial results and the carrying values of certain assets and liabilities in future reporting periods.

When considering asset impairment assessment of BHP Petroleum, future impacts related to climate change and the transition to a lower carbon economy may include:

demand for BHP Petroleum's commodities decreasing, due to policy, regulatory (including carbon pricing mechanisms), legal, technological, market or societal responses to climate change, resulting in a proportion of reserves becoming incapable of extraction in an economically viable fashion

physical impacts related to acute risks resulting from increased severity of extreme weather events and those related to chronic risks resulting from longer-term changes in climate patterns.

Where sufficiently developed, the potential financial impacts on BHP Petroleum of climate change and the transition to a low carbon economy have been considered in the assessment of indicators of impairment, including:

BHP Group's current assumptions relating to demand for commodities and carbon pricing, including their impact on BHP Group's long-term price forecasts applied by BHP Petroleum

BHP Group's operational emissions reduction strategy

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COVID-19

The macroeconomic disruptions relating to COVID-19 and mitigating actions enforced by health authorities create uncertainty in BHP Petroleum's operating and economic assumptions, including commodity prices, demand and supply volumes, operating costs and applied discount rates. However, given the long-lived nature of the majority of BHP Petroleum's assets, COVID-19 did not, in isolation, result in the identification of indicators of impairment for BHP Petroleum's asset values at 30 June 2021. Due to ongoing uncertainty as to the extent and duration of COVID-19 restrictions and the overall impact on economic activity, actual experience may materially differ from internal forecasts and may result in the reassessment of indicators of impairment for BHP Petroleum's assets in future reporting periods.

Estimates: BHP Petroleum performs a recoverable amount determination for an asset when there is an indication of impairment or impairment reversal.

When the recoverable amount is measured by reference to FVLCD, in the absence of quoted market prices or binding sale agreement, estimates are made regarding the present value of future post-tax cash flows. These estimates are made from the perspective of a market participant and include prices, future production volumes, operating costs, capital expenditure, closure and rehabilitation costs, tax attributes, risk factors applied to cash flows and discount rates. Reserves and resources are included in the assessment of FVLCD to the extent that it is considered probable that a market participant would attribute value to them.

When recoverable amount is measured using VIU, estimates are made regarding the present value of future cash flows based on internal budgets and forecasts and life of asset plans. Key estimates are similar to those identified for FVLCD, although some assumptions and values may differ as they reflect the perspective of management rather than a market participant.

All estimates require management judgements and assumptions and are subject to risk and uncertainty that may be beyond the control of BHP Petroleum; hence, there is a possibility that changes in circumstances will materially alter projections, which may impact the recoverable amount of assets at each reporting date.

The most significant estimates impacting BHP Petroleum's recoverable amount determinations include:

Commodity prices

Commodity prices were based on BHP Petroleum's latest internal forecasts which assume that short-term market prices will revert to BHP Petroleum's assessment of long-term prices. These price forecasts reflect management's long-term views of global supply and demand, built upon past experience of the commodity markets and are benchmarked with external sources of information such as analyst forecasts. Prices are adjusted based upon premiums or discounts applied to global price markers based on the location, nature and quality produced, or to take into account contracted prices.

Future production volumes

Estimated production volumes were based on detailed data and took into account development plans established by management as part of BHP Petroleum's long-term planning process. When estimating FVLCD, assumptions reflect all reserves and resources that a market participant would consider when valuing assets, which in some cases are broader in scope than the reserves that would be used in a VIU test. In determining FVLCD, risk factors may be applied to reserves and resources which do not meet the criteria to be treated as proved.

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Operating costs and capital expenditures

Operating costs and capital expenditures are generally based on internal budgets and forecasts and life of asset plans. Cost assumptions reflect management's experience and expectations. In the case of FVLCD, cash flow projections include the anticipated cash flow effects of any capital expenditure to enhance production or reduce cost where a market participant may take a consistent view. VIU does not take into account future development.

Discount rates

BHP Petroleum uses real post-tax discount rates applied to real post-tax cash flows. The discount rates are derived using BHP Group's weighted average cost of capital methodology. Adjustments to the rates are made for any risks that are not reflected in the underlying cash flows.

13. Trade and other payables

| | 2021 | 2020 | Unaudited 2019 |
|---------------------------------------|------------|------------|-------------------|
| | US\$M | US\$M | US\$M |
| Trade payables external | 641 | 491 | 625 |
| Other payables | 278 | 280 | 304 |
| Total trade and other payables | 919 | 771 | 929 |

14. Closure and rehabilitation provisions

A reconciliation of the changes in the closure and rehabilitation provisions is shown in the following table:

| | 2021 | 2020 | Unaudited 2019 |
|--|-------|-------|-------------------|
| | US\$M | US\$M | US\$M |
| At the beginning of the financial year | 3,595 | 2,300 | 1,980 |
| Capitalised amounts for operating sites: | | | |
| Change in estimate | 131 | 486 | 334 |
| Impact of change in discount rate | - | 775 | - |
| Exchange translation | 162 | (24) | (42) |
| Adjustments charged/(credited) to the income statement for closed sites: | | | |
| Change in estimate | 17 | 19 | (11) |
| Impact of change in discount rate | - | 22 | - |
| Exchange translation | 10 | (2) | (3) |

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BHP Petroleum Assets Notes to the Financial Statements

| | 2021 | 2020 | <i>Unaudited</i> 2019 |
|--|---------------------|---------------------|--------------------------|
| | <u>US\$M</u> | <u>US\$M</u> | <u>US\$M</u> |
| Other adjustments to the provision: | | | |
| Amortisation of discounting impacting net finance costs | 94 | 106 | 111 |
| Acquisition of subsidiaries and operations | 179 | – | – |
| Divestment and demerger of subsidiaries and operations | (81) | – | – |
| Expenditure on closure and rehabilitation activities | (152) | (86) | (67) |
| Exchange variations impacting foreign currency translation reserve | 2 | (1) | (2) |
| At the end of the financial year | <u>3,957</u> | <u>3,595</u> | <u>2,300</u> |
| Comprising: | | | |
| Current | 141 | 162 | 205 |
| Non-current | 3,816 | 3,433 | 2,095 |
| Operating sites | 3,623 | 3,292 | 2,043 |
| Closed sites | 334 | 303 | 257 |

BHP Petroleum is required to rehabilitate sites and associated facilities at the end of, or in some cases, during the course of production, to a condition acceptable to the relevant authorities, as specified in license requirements and BHP Group's environmental performance requirements as set out within the BHP Group Charter.

The key components of closure and rehabilitation activities are:

- the removal of all unwanted infrastructure associated with an operation
- the return of disturbed areas to a safe, stable, productive and self-sustaining condition, consistent with agreed end use

Recognition and measurement

Provisions for closure and rehabilitation are recognised by BHP Petroleum when:

- it has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation;
- the amount can be reliably estimated.

Initial recognition

Closure and rehabilitation provisions are initially recognised when an environmental disturbance first occurs. The individual site provisions are an estimate of the expected value of future cash flows required to rehabilitate the relevant site using current restoration standards and techniques and taking into account risks and uncertainties. Individual site provisions are discounted to their present value using currency specific discount rates aligned to the estimated timing of cash outflows.

When provisions for closure and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation.

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Subsequent measurement

The closure and rehabilitation asset, recognised within property, plant and equipment, is depreciated over the life of the operations. The value of the provision is progressively increased over time as the effect of discounting unwinds, resulting in an expense recognised in net finance costs.

The closure and rehabilitation provision is reviewed at each reporting date to assess if the estimate continues to reflect the best estimate of the obligation. If necessary, the provision is remeasured to account for factors, including:

- revisions to estimated reserves, resources and lives of operations;
- developments in technology;
- regulatory requirements and environmental management strategies;
- changes in the estimated extent and costs of anticipated activities, including the effects of inflation and movements in foreign exchange rates, where applicable;
- movements in interest rates affecting the discount rate applied.

Changes to the closure and rehabilitation estimate for operating sites are added to, or deducted from, the related asset and amortised on a prospective basis accordingly over the remaining life of the operation, generally applying the UoP method.

Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognised as an expense and liability when incurred.

Closed sites

Where future economic benefits are no longer expected to be derived through operations, changes to the associated closure and remediation costs are charged to the income statement in the period identified.

Key estimates

The recognition and measurement of closure and rehabilitation provisions requires the use of significant estimates and assumptions, including, but not limited to:

- the extent (due to legal or constructive obligations) of potential activities required for the removal of infrastructure and rehabilitation activities;
- costs associated with future rehabilitation activities;
- applicable discount rates;
- the timing of cash flows and ultimate closure of operations.

The extent and cost of future rehabilitation activities may also be impacted by the potential physical impacts of climate change. In estimating the potential cost of closure activities, BHP Petroleum considers factors such as long-term weather outlooks, for example forecast changes in rainfall patterns and the cost of performing rehabilitation activities.

While progressive closure is performed across a number of operations, significant rehabilitation activities are generally undertaken at the end of the production life at the individual sites, the estimated timing of which is

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informed by BHP Petroleum's current assumptions relating to demand for commodities and their impact on BHP Petroleum's long-term price forecasts. Remaining production lives range from 1-36 years with an average for all sites, weighted by current closure provision, of approximately 17 years. The discount rates applied to BHP Petroleum's closure and rehabilitation provisions are determined by reference to the currency of the closure cash flows, the period over which the cash flows will be incurred and prevailing market interest rates (where available). The effect of prior year (FY2020) changes to discount rates was an increase of approximately US\$797 million in the closure and rehabilitation provision. There were no changes to the discount in the current year or FY2019.

While the closure and rehabilitation provisions reflect management's best estimates based on current knowledge and information, further studies and detailed analysis of the closure activities for individual assets will be performed as the assets near the end of their operational life and/or detailed closure plans are required to be submitted to relevant regulatory authorities. Such studies and analysis can impact the estimated costs of closure activities. Estimates can also be impacted by the emergence of new restoration techniques, changes in regulatory requirements for rehabilitation, risks relating to climate change and the transition to a low carbon economy and experience at other operations. These uncertainties may result in future actual expenditure differing from the amounts currently provided for in the balance sheet.

Sensitivity

A further 0.5 per cent decrease in the discount rates applied at 30 June 2021 would result in an increase to the closure and rehabilitation provision of approximately US\$245 million, an increase in property, plant and equipment of approximately US\$241 million in relation to operating sites and an income statement charge of approximately US\$4 million in respect of closed sites. In addition, the change would result in an increase of approximately US\$46 million in depreciation expense and a US\$13 million reduction in net finance costs for the year ending 30 June 2022.

Given the long-lived nature of the majority of BHP Petroleum's assets, closure activities are generally not expected to occur for a significant period of time. A one-year acceleration in forecast cash flows of BHP Petroleum's closure and rehabilitation provisions, in isolation, would result in an increase to the provision of approximately US\$53 million, an increase in property, plant and equipment of US\$46 million in relation to operating sites and an income statement charge of US\$7 million in respect of closed sites.

15. Other provisions

The disclosure below excludes closure and rehabilitation provisions (refer to Note 14 'Closure and rehabilitation provisions'), employee benefits, restructuring and post-retirement employee benefits provisions (refer to Note 18 'Employee benefits, restructuring and post-retirement employee benefits provisions').

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A reconciliation of changes in other provisions for other liabilities is shown in the following table:

| | 2021 | 2020 | Unaudited 2019 |
|---|------------|------------|-------------------|
| | US\$M | US\$M | US\$M |
| At the beginning of the financial year | 168 | 259 | 229 |
| Charge/(credit) for the year: | | | |
| Disposals | (1) | – | 30 |
| Underlying | 122 | 94 | 193 |
| Discounting | 1 | 3 | 10 |
| Exchange variations | 6 | – | – |
| Released during the year | (7) | (43) | (69) |
| Utilisation | (57) | (85) | (138) |
| Transfers and other movements | 1 | (60) | 4 |
| At the end of the financial year | 233 | 168 | 259 |
| Comprising: | | | |
| Current | 137 | 145 | 137 |
| Non-current | 96 | 23 | 122 |

16. Contingent liabilities

BHP Petroleum's total contingent liabilities for subsidiaries and joint operations as at 30 June 2021 is US\$759 million (2020: US\$687 million, 2019: US\$713 million).

A contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of BHP Petroleum. A contingent liability may also be a present obligation arising from past events but is not recognised on the basis that an outflow of economic resources to settle the obligation is not viewed as probable, or the amount of the obligation cannot be reliably measured.

When BHP Petroleum has a present obligation, an outflow of economic resources is assessed as probable and the obligation can be reliably measured, a provision is recognised. BHP Petroleum's contingent liabilities primarily include possible obligations for litigation, uncertain tax and royalty matters, open regulatory audits and various other claims, for which the timing of resolution and potential economic outflow is uncertain. Obligations assessed as having probable future economic outflows capable of reliable measurement are provided at reporting date and matters assessed as having possible future economic outflows capable of reliable measurement are included in the total amount of contingent liabilities above.

| | |
|--|---|
| Uncertain tax and royalty matters | <p>BHP Petroleum is subject to a range of taxes and royalties across many jurisdictions, the application of which is uncertain in some regards. Changes in tax law, changes in interpretation of tax law, periodic challenges and disagreements with tax authorities and legal proceedings result in uncertainty of the outcome of the application of taxes and royalties to BHP Petroleum's business. Areas of uncertainty at reporting date include the application of taxes and royalties to BHP Petroleum's cross-border operations and transactions.</p> <p>To the extent uncertain tax and royalty matters give rise to a contingent liability, an estimate of the potential liability is included within the above total, where it is capable of reliable measurement.</p> |
|--|---|

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| Open regulatory audits | <p>Under contractual terms, BHP Petroleum is subject to regulatory and joint venture partner audit activity on a routine basis.</p> <p>BHP Petroleum has included contingent liabilities for various periods remaining under audit with regulatory bodies; primarily related to cost recovery claimed by BHP Petroleum, as operator, under contractual terms.</p> <p>To the extent that outcomes of audits remain uncertain, these may give rise to a contingent liability. An estimate of the potential outflow is included within the above total, where it is capable of reliable measurement.</p> |
|-------------------------------|---|

BHP Petroleum has entered into various counterindemnities of bank and performance guarantees related to its own future performance, which are entered into in the normal course of business. The likelihood of these guarantees being called upon is considered remote.

17. Financial risk management

Capital Management

BHP Petroleum has operated for all periods presented as part of BHP Group, with capital of BHP Petroleum managed in accordance with BHP Group capital management strategies and priorities. BHP Group defines capital as the total equity of BHP Group. BHP Group seeks to maintain a strong balance sheet and deploys its capital with reference to BHP Group Capital Allocation Framework. BHP Group monitors capital using BHP Group's net debt balance and BHP Group's gearing ratio, being the ratio of net debt to net debt plus net assets. Capital is managed with the goal of maintaining levels of gearing designed to optimise the cost of capital and return on capital employed, while also growing the business consistently through project developments and acquisitions across BHP Group portfolio of assets.

BHP Petroleum's strategy, as part of BHP Group, is to focus on upstream, large, long life, low cost and expandable assets. BHP Group and BHP Petroleum continually review its portfolio to identify assets that do not fit this strategy. BHP Group, together with BHP Petroleum, will invest capital in assets that fit its strategy.

Financial risks

BHP Petroleum has operated for all periods presented as part of BHP Group; with BHP Petroleum's financial risks considered and managed by the BHP Group Financial Risk Management Committee (FRMC) under authority delegated by the BHP Group Chief Executive Officer.

Financial risk management strategy

The financial risks arising from BHP Petroleum's operations are market risk, including risks associated with movements in interest rates, currency exchange rates and commodity prices, liquidity risk and credit risk. These risks arise in the normal course of business and BHP Petroleum manages its exposure to them in accordance with the BHP Group Portfolio Risk Management Strategy.

Primary responsibility for identification and control of financial risks rests with the BHP Group's FRMC under authority delegated by the BHP Group Chief Executive Officer.

The FRMC reviews the effectiveness of internal controls related to commodity price risk, counterparty credit risk, financing risk, interest rate risk and insurance. The FRMC monitors the financial risk management policies and exposures and approves financial transactions within the scope of its authority.

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BHP Petroleum Assets

Notes to the Financial Statements

BHP Petroleum's risk exposure and responses

BHP Petroleum's operations expose it to a variety of financial risks that include commodity price risk, liquidity risk, credit risk, currency risk and interest rate risk.

The individual risks along with the responses of BHP Petroleum are set out below.

Credit risk

Trade receivables generally have terms of less than 30 days. BHP Petroleum has no material concentration of credit risk with any single counterparty.

Refer to Note 6 'Trade and other receivables' for details on BHP Petroleum's credit risk.

Commodity price risk

BHP Petroleum is exposed to movements in the prices of the products that are sold as commodities on the market. While fluctuations occur in the market, it would take significant decreases over an extended period of time to have a material effect on results of operations.

Interest rate risk

BHP Petroleum is exposed to interest rate risk on its outstanding borrowings and short-term cash deposits from the possibility that changes in interest rate will affect future cash flows. BHP Petroleum does not have exposure to external facing debt—with all current debt funding provided by BHP Group entities.

The majority of BHP Petroleum's debt is issued at London Interbank Offered Rate (LIBOR) interest rates. Based on the net debt position as at 30 June 2021, it is estimated that a one percentage point increase in the US LIBOR interest rate will decrease BHP Petroleum's equity and profit after taxation by US\$67 million (2020: decrease of US\$98 million, 2019: decrease of US\$112 million). This assumes the change in interest rates is effective from the beginning of the financial year and the net debt balances are constant over the year.

Interest rate benchmark reform

LIBOR and other benchmark interest rates are expected to be replaced by alternative risk-free rates (ARR) by the end of CY2021 as part of inter-bank offer rate (IBOR) reform. BHP Group has established a project to assess the implications of IBOR reform across BHP Group and to manage and execute the transition from current discontinuing IBORs rates to ARR, including updating policies, systems and processes.

BHP Petroleum has early adopted amendments to IFRS 9 'Financial Instruments', IFRS 7 'Financial Instruments: Disclosures' and IFRS 16 'Leases' in relation to IBOR reform.

Currency risk

The US dollar is the predominant functional currency within BHP Petroleum and as a result, currency exposures arise from transactions and balances in currencies other than the US dollar. BHP Petroleum's potential currency exposures comprise:

translational exposure in respect of non-functional currency monetary items

transactional exposure in respect of non-functional currency expenditure and revenues.

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BHP Petroleum Assets

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The following table shows the foreign currency risk arising from financial assets and liabilities, which are denominated in currencies other than the US dollar:

| Net financial (liabilities)/assets—by currency of denomination | 2021 | 2020 | <i>Unaudited</i> 2019 |
|---|--------------|--------------|---------------------------------|
| | US\$M | US\$M | US\$M |
| Australian dollars | (95) | 68 | 101 |
| Other | 37 | 6 | 15 |
| Total | (58) | 74 | 116 |

The principal non-functional currency exposure for BHP Petroleum is the Australian dollar. Based on BHP Petroleum's net financial assets and liabilities as at 30 June 2021, a weakening of the US dollar against this currency (one cent strengthening in the Australian dollar), with all other variables held constant, would decrease BHP Petroleum's equity and profit after taxation by US\$1 million (2020: increase of US\$1 million, 2019: increase of US\$1 million).

Liquidity risk

BHP Petroleum's liquidity risk arises from the possibility that it may not be able to settle or meet its obligations as they fall due. The risk is managed as part of BHP Group's Portfolio Risk Management Strategy and within BHP Group's overall Cash Flow at Risk (CFaR) limit.

The tables below summarise the timing of cash outflows relating to payables, including those to BHP Group entities and leases:

| 2021 | Trade and other | Payables to | | |
|-------------------------|------------------------|--------------------|---------------|---------------|
| US\$M | payables | BHP Group | Leases | Total |
| Due for payment: | | | | |
| Within 1 year | 919 | 2,001 | 41 | 2,961 |
| 1 to 2 years | – | 10,347 | 37 | 10,384 |
| 2 to 3 years | – | – | 35 | 35 |
| 3 to 4 years | – | – | 33 | 33 |
| 4 to 5 years | – | – | 23 | 23 |
| Above 5 years | – | – | 133 | 133 |
| Total | 919 | 12,348 | 302 | 13,569 |
| 2020 | Trade and other | Payables to | | |
| US\$M | payables | BHP Group | Leases | Total |
| Due for payment: | | | | |
| Within 1 year | 771 | 6,533 | 70 | 7,374 |
| 1 to 2 years | – | – | 70 | 70 |
| 2 to 3 years | – | 10,347 | 63 | 10,410 |
| 3 to 4 years | – | – | 35 | 35 |
| 4 to 5 years | – | – | 32 | 32 |
| Above 5 years | – | – | 156 | 156 |
| Total | 771 | 16,880 | 426 | 18,077 |

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BHP Petroleum Assets Notes to the Financial Statements

Unaudited

| 2019 US\$M | Trade and other payables | Payables to BHP Group | Total |
|------------------|-----------------------------|--------------------------|--------|
| Due for payment: | | | |
| Within 1 year | 929 | 6,520 | 7,449 |
| 1 to 2 years | – | 3,993 | 3,993 |
| 2 to 3 years | – | – | – |
| 3 to 4 years | – | 10,347 | 10,347 |
| 4 to 5 years | – | – | – |
| Above 5 years | – | – | – |
| Total | 929 | 20,860 | 21,789 |

* Refer to Note 25 'New and amended accounting standards and interpretations'.

Fair value measurement

All financial assets and financial liabilities are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate and subsequently carried at fair value or amortised cost. The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate to fair values.

| | IFRS 13 Fair value hierarchy Level | IFRS 9 Classification | 2021 US\$M | 2020 US\$M | Unaudited 2019 US\$M |
|------------------------------------|--|--------------------------------------|---------------|---------------|-------------------------|
| Cash and cash equivalents | | Amortised cost | 776 | 325 | 1,398 |
| Trade and other receivables | | Amortised cost | 1,065 | 785 | 873 |
| Receivables from BHP Group | | Amortised cost | 5,526 | 12,424 | 15,871 |
| Other financial assets (1)(2) | 2,3 | Fair value through profit or loss | 51 | 93 | 70 |
| Total financial assets | | | 7,418 | 13,627 | 18,212 |
| Trade and other payables | | Amortised cost | 919 | 771 | 929 |
| Payables to BHP Group | | Amortised cost | 12,348 | 16,880 | 20,860 |
| Other financial liabilities | 3 | Fair value through profit or loss | 9 | 6 | 2 |
| Interest bearing liabilities | | Amortised cost | 269 | 383 | 17 |
| Total financial liabilities | | | 13,545 | 18,040 | 21,808 |

(1) Includes financial assets of US\$51 million (2020: US\$78 million, 2019: US\$70 million) categorised as Level 3. Significant items are derivatives embedded in physical commodity purchase and sales contract and contingent consideration receivable.

(2) Includes investment in debt security of \$0 (2020: US\$15 million, 2019: \$0) categorised as Level 2.

BHP Petroleum uses fair value to measure certain of its assets and liabilities in the combined financial statements. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, that is, an exit price from the perspective of a market participant that holds the asset or owes the liability.

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For financial assets and liabilities carried at fair value, BHP Petroleum uses the following to categorise the method used based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Based on quoted process (unadjusted) in active markets for identical financial assets and liabilities

Level 2 - Based on inputs other than quoted prices included within Level 1 that are observable for financial asset or liability

Level 3 - Based on inputs not observable in the market using appropriate valuation models, including discounted cash flow modelling

If, at inception of a contract, the valuation cannot be supported by observable market data, any gain or loss determined by the valuation methodology is not recognised in the income statement but deferred on the balance sheet and is commonly known as 'day-one gain or loss'. This deferred gain or loss is recognised in the income statement over the life of the contract until substantially all the remaining contract term can be valued using observable market data at which point any remaining deferred gain or loss is recognised in the income statement. Changes in valuation subsequent to the initial valuation at inception of a contract are recognised immediately in the income statement.

The carrying value of Other financial assets and Other financial liabilities includes an embedded derivative resulting from a physical commodity (gas) purchase and sale contract in Trinidad and Tobago. The carrying value of the embedded derivative at 30 June 2021 was a net liability of US\$4 million (2020: net asset of US\$26 million, 2019: net asset of US\$23 million).

Within Other financial assets, BHP Petroleum has also recognised a receivable for contingent consideration of US\$46 million for each reporting period. The contingent consideration asset was recognised on sale of an interest in the Scarborough gas project to Woodside Petroleum Limited in 2016. Where a positive final investment decision is made, a contingent payment of US\$150 million will be payable to BHP Petroleum.

The valuation techniques used by BHP Petroleum to measure fair value include the use of internally developed methodologies and models that result in management's best estimate of fair value. Inputs used in the valuation include, but are not limited to, future commodity prices, market discount rates and consideration of risks specific to the asset or liability being fair valued.

The following table presents the impact of activity for financial instruments classified as Level 3 in the fair value hierarchy as at 30 June 2021, 2020 and 2019:

| | 2021 | 2020 | <i>Unaudited</i> 2019 |
|--|--------------|-------|--------------------------|
| | US\$M | US\$M | US\$M |
| Fair value at beginning of year | 72 | 68 | 61 |
| Gains/(losses) recognised in income statement: | (10) | 29 | 22 |
| Settlements | (20) | (25) | (15) |
| Net fair value at end of year | 42 | 72 | 68 |

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BHP Petroleum Assets Notes to the Financial Statements

18. Employee benefits, restructuring and post-retirement employee benefits provisions

| | 2021 | 2020 | Unaudited 2019 |
|--|------------|------------|-------------------|
| | US\$M | US\$M | US\$M |
| Employee benefits provisions (1) | 147 | 121 | 114 |
| Restructuring provisions (2) | 31 | 8 | 26 |
| Post-retirement employee benefits provisions | 248 | 253 | 246 |
| Total provisions | 426 | 382 | 386 |
| Comprising: | | | |
| Current | 178 | 129 | 140 |
| Non-current | 248 | 253 | 246 |

- (1) The expenditure associated with total employee benefits will occur in a pattern consistent with when employees choose to exercise their entitlement to benefits.
- (2) Total restructuring provisions include provisions for terminations.

| 2021 US\$M | Employee benefits (1) | Restructuring (2) | Post- retirement employee benefits | Total |
|--|--------------------------|-------------------|---|------------|
| At the beginning of the financial year | 121 | 8 | 253 | 382 |
| Charge/(credit) for the year: | | | | |
| Underlying | 144 | 29 | 20 | 193 |
| Discounting | - | - | 11 | 11 |
| Net interest expense | - | - | (4) | (4) |
| Exchange variations | 1 | - | - | 1 |
| Released during the year | (18) | - | - | (18) |
| Remeasurement gains taken to retained earnings | - | - | (2) | (2) |
| Utilisation | (101) | (6) | (30) | (137) |
| At the end of the financial year | 147 | 31 | 248 | 426 |

- (1) The expenditure associated with total employee benefits will occur in a pattern consistent with when employees choose to exercise their entitlement to benefits.
- (2) Total restructuring provisions include provisions for terminations.

Recognition and measurement

Provisions are recognised by BHP Petroleum when:

there is a present legal or constructive obligation as a result of past events

it is more likely than not that a permanent outflow of resources will be required to settle the obligation

the amount can be reliably estimated and measured at the present value of management's best estimate of the cash outflow required to settle the obligation at reporting date.

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BHP Petroleum Assets

Notes to the Financial Statements

| Provision | Description |
|----------------------|--|
| Employee benefits | <p>Liabilities for annual leave and any accumulating sick leave accrued up until the reporting date that are expected to be settled within 12 months are measured at the amounts expected to be paid when the liabilities are settled. To the extent uncertain tax and royalty matters give rise to a contingent liability, an estimate of the potential liability is included within the above total, where it is capable of reliable measurement.</p> <p>Liabilities for long service leave are measured as the present value of estimated future payments for the services provided by employees up to the reporting date and disclosed within employee benefits.</p> <p>Liabilities that are not expected to be settled within 12 months are discounted at the reporting date using market yields of high-quality corporate bonds or government bonds for countries where there is no deep market for corporate bonds. The rates used reflect the terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.</p> <p>In relation to industry-based long service leave funds, BHP Petroleum's liability, including obligations for funding shortfalls, is determined after deducting the fair value of dedicated assets of such funds.</p> <p>Liabilities for unpaid wages and salaries are recognised in other creditors.</p> |
| Restructuring | <p>Restructuring provisions are recognised when:</p> <ul style="list-style-type: none">BHP Petroleum has a detailed formal plan identifying the business or part of the business concerned, the location and approximate number of employees affected, a detailed estimate of the associated costs and an appropriate timelinethe restructuring has either commenced or been publicly announced and can no longer be withdrawn. <p>Payments falling due greater than 12 months after the reporting date are discounted to present value.</p> |

Post-retirement employee benefits

BHP Petroleum operates or participates in a number of pension (including superannuation) schemes throughout the world. The funding of the schemes complies with local regulations. The assets of the schemes are generally held separately from those of BHP Petroleum and are administered by trustees or management boards.

| Schemes/Obligations | Description |
|--|--|
| Defined contribution pension schemes and multi-employer pension schemes | <p>For defined contribution schemes or schemes operated on an industry-wide basis where it is not possible to identify assets attributable to the participation by our employees, the pension charge is calculated on the basis of contributions payable. BHP Petroleum contributed US\$42 million during the financial year (2020: US\$37 million, 2019: US\$68 million) to defined contribution plans and multi-employer defined contribution plans. These contributions are expensed as incurred.</p> |

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BHP Petroleum Assets

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|--|--|
| Defined benefit pension schemes | <p>For defined benefit pension schemes, the cost of providing pensions is charged to the income statement so as to recognise current and past service costs, net interest cost on the net defined benefit obligations/plan assets and the effect of any curtailments or settlements. Remeasurement gains and losses are recognised directly in equity. An asset or liability is consequently recognised in the balance sheet based on the present value of defined benefit obligations less the fair value of plan assets, except that any such asset cannot exceed the present value of expected refunds from and reductions in future contributions to the plan.</p> <p>Defined benefit obligations are estimated by discounting expected future payments using market yields at the reporting date on high-quality corporate bonds in countries that have developed corporate bond markets. However, where developed corporate bond markets do not exist, the discount rates are selected by reference to national government bonds. In both instances, the bonds are selected with terms to maturity and currency that match, as closely as possible, the estimated future cash flows. BHP Petroleum has closed all defined benefit pension schemes to new entrants. Defined benefit pension schemes remain operating in Australia and the United States for existing members. Full actuarial valuations are prepared and updated annually to 30 June by local actuaries for all schemes. BHP Petroleum operates final salary schemes (that provide final salary benefits only), non-salary related schemes (that provide flat dollar benefits) and mixed benefit schemes (that consist of a final salary defined benefit portion and a defined contribution portion).</p> |
| Defined benefit post-retirement medical schemes | <p>BHP Petroleum operates a number of post-retirement medical schemes in the United States and certain BHP Group companies provide post-retirement medical benefits to qualifying retirees. In some cases, the benefits are provided through medical care schemes to which BHP Group, the employees, the retirees and covered family members contribute. Full actuarial valuations are prepared by local actuaries for all schemes. These schemes are recognised on the same basis as described for defined benefit pension schemes. All of the post-retirement medical schemes are unfunded.</p> |

Risk

BHP Petroleum defined benefit schemes/obligations expose BHP Petroleum to a number of risks, including asset value volatility, interest rate variations, inflation, longevity and medical expense inflation risk.

Recognising this, BHP Petroleum has adopted an approach of moving away from providing defined benefit pensions. The majority of BHP Petroleum's sponsored defined benefit pension schemes have been closed to new entrants for many years. Existing benefit schemes and the terms of employee participation in these schemes are reviewed on a regular basis.

Actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

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The material financial assumptions used to estimate the benefit obligations of the various plans are set out below. The assumptions are reviewed by management at the end of each year and are used to evaluate the accrued benefit obligation at 30 June and pension expense for the following year.

| | Defined benefit pension schemes | | | Defined benefit post-retirement medical schemes | | |
|--|---------------------------------|-------|-----------|---|-------|-----------|
| | 2021 | 2020 | Unaudited | 2021 | 2020 | Unaudited |
| | | | 2019 | | | 2019 |
| Key assumptions used to determine benefit obligation: | | | | | | |
| Discount rate | 3.09% | 2.51% | 3.47% | 2.56% | 2.40% | 3.27% |
| Post-retirement health care trend rate–initial | – | – | – | 4.22% | 4.41% | 4.52% |
| Post-retirement health care trend rate–ultimate | – | – | – | 4.03% | 4.06% | 4.08% |
| Key assumptions used to determine benefit expense: | | | | | | |
| Discount rate | 2.51% | 3.48% | 4.11% | 2.40% | 3.27% | 4.00% |
| Post-retirement health care trend rate–initial | – | – | – | 4.41% | 4.52% | 4.84% |
| Post-retirement health care trend rate–ultimate | – | – | – | 4.06% | 4.08% | 4.11% |

In addition to the financial assumptions, we regularly review the demographic and mortality assumptions. The mortality assumptions reflect best practice in the countries in which we provide pensions and have been chosen with regard to applicable published tables adjusted where appropriate to reflect the experience of BHP Petroleum and an extrapolation of past longevity improvements into the future.

BHP Petroleum's most substantial pension liabilities are in the US where mortality assumptions applied are as follows:

| | 2021 | 2020 | Unaudited |
|---|--------|--------|-----------|
| | 2021 | 2020 | 2019 |
| Life Expectancy of a Male aged 65 now | 21.561 | 21.451 | 21.386 |
| Life Expectancy of a Male aged 65 in 15 years | 22.458 | 22.358 | 22.303 |
| Life Expectancy of a Female aged 65 now | 23.285 | 23.197 | 23.137 |
| Life Expectancy of a Female aged 65 in 15 years | 24.116 | 23.379 | 23.984 |

Fund assets

BHP Petroleum follows a coordinated strategy for the funding and investment of its defined benefit pension schemes (subject to meeting all local requirements). BHP Petroleum aims for the value of defined benefit pension scheme assets to be maintained at close to the value of the corresponding benefit obligations, allowing for some short-term volatility. Scheme assets are invested in a diversified range of asset classes, predominantly comprising bonds and equities.

BHP Petroleum aims to progressively shift defined benefit pension scheme assets towards investments that match the anticipated profile of the benefit obligations, as funding levels improve, and benefit obligations mature. Over time, this is expected to result in a further reduction in the total exposure of pension scheme assets to equity markets. For pension schemes that pay lifetime benefits, BHP Petroleum may consider and support the purchase of annuities to back these benefit obligations if it is commercially sensible to do so.

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BHP Petroleum Assets

Notes to the Financial Statements

Net liability recognised in the Consolidated Balance Sheet

The net liability recognised in the Consolidated Balance Sheet is as follows:

| | Defined benefit pension schemes/post-employment obligations | | | Post-retirement medical schemes | | |
|---|---|-----------|--------------------------|---------------------------------|------------|--------------------------|
| | 2021 | 2020 | <i>Unaudited</i> 2019 | 2021 | 2020 | <i>Unaudited</i> 2019 |
| | US\$M | US\$M | US\$M | US\$M | US\$M | US\$M |
| Present value of funded defined benefit obligation | 163 | 172 | 172 | – | – | – |
| Present value of unfunded defined benefit obligation | 111 | 97 | 104 | 154 | 166 | 154 |
| Fair value of defined benefit scheme assets | (180) | (182) | (184) | – | – | – |
| Scheme deficit | 94 | 87 | 92 | 154 | 166 | 154 |
| Unrecognised surplus | – | – | – | – | – | – |
| Unrecognised past service credits | – | – | – | – | – | – |
| Adjustment for employer contributions tax | – | – | – | – | – | – |
| Net liability recognised in the Consolidated Balance Sheet | 94 | 87 | 92 | 154 | 166 | 154 |

BHP Petroleum has no legal obligation to settle these liabilities with any immediate contributions or additional one-off contributions. BHP Petroleum intends to continue to contribute to each defined benefit pension and post-retirement medical scheme in accordance with the latest recommendations of each scheme actuary.

Employee share ownership plans

Awards, in the form of the right to receive ordinary shares in either BHP Group Limited or BHP Group Plc, have been granted under the following employee share ownership plans: Cash and Deferred Plan (CDP), Short-Term Incentive Plan (STIP), Long-Term Incentive Plan (LTIP), Management Award Plan (MAP), Transitional and Commencement Key Management Personnel awards and the all-employee share plan, Shareplus.

Some awards are eligible to receive a cash payment, or the equivalent value in shares, equal to the dividend amount that would have been earned on the underlying shares awarded to those participants (the Dividend Equivalent Payment, or DEP). The DEP is provided to the participants once the underlying shares are allocated or transferred to them. Awards under the plans do not confer any rights to participate in a share issue; however, there is discretion under each of the plans to adjust the awards in response to a variation in the share capital of BHP Group Limited or BHP Group Plc.

Employee share awards pre-tax expense is US\$36 million (2020: US\$39 million, 2019: US\$45 million).

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BHP Petroleum Assets Notes to the Financial Statements

Fair value and assumptions in the calculation of fair value for awards issued

| 2021 | Closing number of shares at the end of the financial year | Weighted average fair value of awards granted during the year US\$ | Risk-free interest rate | Estimated life of awards | Share price at grant date | Estimated volatility of share price | Dividend yield |
|--------------------------|---|--|-------------------------|--------------------------|-------------------------------------|-------------------------------------|----------------|
| BHP Group Limited | | | | | | | |
| CDP awards | 50,980 | 25.28 | n/a | 2 and 5 years | A\$35.90 | n/a | n/a |
| STIP awards | 6,628 | 25.28 | n/a | 2 years | A\$35.90 | n/a | n/a |
| LTIP awards (1) | 328,709 | 14.68 | 0.25 % | 5 years | A\$35.90/A\$33.81/A\$38.56 | 28.0 % | n/a |
| MAP awards (2) | 3,867,213 | 22.88 | n/a | 1-5 years | A\$38.36/A\$36.91/A\$35.90/A\$45.88 | n/a | 4.90 % |
| Shareplus | 333,738 | 28.35 | 0.21 % | 3 years | A\$30.19 | n/a | 5.59 % |
| BHP Group Plc | | | | | | | |
| Shareplus | 481 | 15.32 | 0.12 % | 3 years | £12.11 | n/a | 6.40 % |

(1) Includes LTIP awards granted on 20 October 2020, 2 November 2020 and 1 December 2020.

(2) Includes MAP awards granted on 21 August 2020, 24 September 2020, 20 October 2020 and 7 April 2021.

Recognition and measurement

The fair value at grant date of equity-settled share awards is charged to the income statement over the period for which the benefits of employee services are expected to be derived. The fair values of awards granted were estimated using a Monte Carlo simulation methodology and Black-Scholes option pricing technique and consider the following factors:

exercise price

expected life of the award

current market price of the underlying shares

expected volatility using an analysis of historic volatility over different rolling periods. For the LTIP, it is calculated for all sector comparators and the published MSCI World index

expected dividends

risk-free interest rate, which is an applicable government bond rate

market-based performance hurdles

non-vesting conditions

Where awards are forfeited because non-market-based vesting conditions are not satisfied, the expense previously recognised is proportionately reversed.

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Notes to the Financial Statements

The tax effect of awards granted is recognised in income tax expense, except to the extent that the total tax deductions are expected to exceed the cumulative remuneration expense. In this situation, the excess of the associated current or deferred tax is recognised in equity and forms part of the employee share awards reserve. The fair value of awards as presented in the tables above represents the fair value at grant date.

In respect of employee share awards, BHP Group utilises the Billiton Employee Share Ownership Trust and the BHP Billiton Limited Employee Equity Trust. The trustees of these trusts are independent companies, resident in Jersey. The trusts use funds provided by BHP Group to acquire ordinary shares to enable awards to be made or satisfied. The ordinary shares may be acquired by purchase in the market or by subscription at not less than nominal value. These entities are outside BHP Petroleum boundary and are not included as part of BHP Petroleum's combined financial statements.

19. Subsidiaries

BHP Petroleum's financial statements include the combination of subsidiaries as described in Note 1 'Organisation and summary of significant accounting policies'.

Significant subsidiaries are those with the most significant contribution to BHP Petroleum's net profit or net assets. BHP Petroleum's interest in significant subsidiaries' results is listed in the table below:

| Significant subsidiaries | Country of incorporation |
|---|---------------------------------|
| BHP (Trinidad-3A) Ltd | Trinidad and Tobago |
| BHP Billiton (Trinidad-2C) Ltd. | Canada |
| BHP Petroleum (Australia) Pty Ltd | Australia |
| BHP Billiton Petroleum (Deepwater) Inc. | US |
| BHP Petroleum (International Exploration) Pty Ltd | Australia |
| BHP Petroleum (Bass Strait) Pty Ltd | Australia |
| BHP Petroleum (North West Shelf) Pty Ltd | Australia |

BHP Petroleum's interest in these significant subsidiaries in FY2021, FY2020 and FY2019 was 100 per cent and the principal activity of each significant subsidiary was primarily hydrocarbon exploration and production.

20. Interests in joint operations

Significant joint operations of BHP Petroleum are those with the most significant contributions to its net profit or net assets. BHP Petroleum's interest in the significant joint operations, whose principal activities are primarily hydrocarbon production, results are listed in the table below.

| Significant joint operations | Country of operation | Principal activity | 2021 % | 2020 % | 2019 % |
|-------------------------------------|-----------------------------|---------------------------|-------------------|-------------------|-------------------|
| Atlantis | US | Hydrocarbon production | 44 | 44 | 44 |
| Bass Strait | Australia | Hydrocarbon production | 50 | 50 | 50 |
| Macedon (1) | Australia | Hydrocarbon production | 71 | 71 | 71 |
| Mad Dog | US | Hydrocarbon production | 24 | 24 | 24 |
| North West Shelf | Australia | Hydrocarbon production | 12.5-16.67 | 12.5-16.67 | 12.5-16.67 |
| Pyrenees (1) | Australia | Hydrocarbon production | 40-71.43 | 40-71.43 | 40-71.43 |
| ROD Integrated Development (2) | Algeria | Hydrocarbon production | 29 | 30 | 30 |
| Shenzi (3) | US | Hydrocarbon production | 72 | 44 | 44 |
| Trinidad and Tobago (1)(4) | Trinidad and Tobago | Hydrocarbon production | 45-68.46 | 45-68.46 | 45-68.46 |

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Notes to the Financial Statements

- (1) While BHP Petroleum may hold a greater than 50 per cent interest in these joint operations, all the participants in these joint operations approve the operating and capital budgets and therefore Carve-Out Entity has joint control over the relevant activities of these arrangements.
- (2) BHP Petroleum's interest reflects the working interest and may vary year-on-year based on BHP Petroleum's effective interest in producing wells.
- (3) Relates to BHP Petroleum's acquisition of an additional 28 per cent working interest in Shenzi.
- (4) Trinidad and Tobago joint operations include Greater Angostura and Ruby.

Shenzi Acquisition

In November 2020, BHP Petroleum finalised a membership interest purchase and sale agreement to acquire an additional 28 per cent working interest in Shenzi. The transaction was completed on 6 November 2020 for a purchase price of US\$480 million after customary post-closing adjustments. Shenzi continues to be accounted for as a joint operation because BHP Petroleum continues to have joint decision-making rights with the other joint venture partner.

The assets and liabilities related to the acquired interests have been accounted for in line with the principles of IFRS 3 'Business Combinations' with no remeasurement of BHP Petroleum's previous interest. The acquisition resulted in increases to property, plant and equipment of US\$642 million, inventory of US\$17 million and closure and rehabilitation liabilities of US\$179 million. Fair value of the identifiable assets and liabilities approximate the consideration paid and therefore no goodwill or bargain purchase gain has been recognised for the acquisition. The acquisition of an additional 28 per cent working interest in Shenzi since November 2020 contributed US\$136 million of revenue and US\$48 million to profit before tax of BHP Petroleum in FY2021. If the acquisition had taken place at the beginning of the financial year, revenue for BHP Petroleum would have been US\$3,952 million and loss before tax for BHP Petroleum would have been US\$183 million.

BHP Petroleum's share of assets held in joint operations subject to significant restrictions are as follows:

| | 2021 | 2020 | Unaudited 2019 |
|-------------------------|---------------|---------------|-------------------|
| | US\$M | US\$M | US\$M |
| Current assets | 866 | 804 | 751 |
| Non-current assets | 12,255 | 11,516 | 10,943 |
| Total assets (1) | 13,121 | 12,320 | 11,694 |

- (1) While BHP Petroleum is unrestricted in its ability to sell a share of its interest in these joint operations, it does not have the right to sell individual assets that are used in these joint operations without the unanimous consent of the other participants. The assets in these joint operations are also restricted to the extent that they are only available to be used by the joint operation itself and not by other operations of BHP Petroleum.

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Ownership interest for BHP Petroleum' s investments in associates, which are operated in the US, are listed in the table below:

| <u>Associates</u> | <u>Principal activity</u> | <u>Reporting date</u> | <u>Ownership interest % (1)</u> |
|--|-----------------------------|-----------------------|---------------------------------|
| Caesar Oil Pipeline Company LLC (COP) | Hydrocarbons transportation | 31 December | 25 |
| Cleopatra Gas Gathering Company LLC (CGG) | Hydrocarbons transportation | 31 December | 22 |
| Marine Well Containment Company LLC (MWCC) | Oil spill services | 31 December | 10 |

(1) Reflects BHP Petroleum' s ownership interest at 30 June 2021, 2020 and 2019.

BHP Petroleum is restricted in its ability to make dividend payments from its investments in associates as any such payments require the approval of all investors in the associates. There has been no change in BHP Petroleum' s ownership interest in the associates for any of the reporting periods covered by these combined financial statements. When the annual financial reporting date is different to BHP Petroleum' s, financial information is obtained as at 30 June in order to report on an annual basis consistent with BHP Petroleum' s reporting date.

The movement for the year in BHP Petroleum' s net investments in associates is as follows:

| | 2021 | 2020 | <i>Unaudited</i> |
|---|--------------|-------|------------------|
| | US\$M | US\$M | 2019 |
| | | | US\$M |
| At the beginning of the financial year | 245 | 239 | 249 |
| Loss from investments in associates | (6) | (4) | (2) |
| Investment in associates | 25 | 22 | 6 |
| Dividends received from associates | (11) | (12) | (14) |
| At the end of the financial year | 253 | 245 | 239 |

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BHP Petroleum Assets Notes to the Financial Statements

The following table summarises the financial information relating to each of BHP Petroleum's significant equity accounted investments:

| | COP | | | CGG | | | MWCC | | |
|--|----------------|----------------|--------------------------|----------------|----------------|--------------------------|------------------|------------------|--------------------------|
| | 2021 | 2020 | <i>Unaudited</i> 2019 | 2021 | 2020 | <i>Unaudited</i> 2019 | 2021 | 2020 | <i>Unaudited</i> 2019 |
| | US\$' 000 | US\$' 000 | US\$' 000 | US\$' 000 | US\$' 000 | US\$' 000 | US\$' 000 | US\$' 000 | US\$' 000 |
| Current assets | 7,873 | 10,090 | 8,758 | 7,102 | 6,414 | 6,076 | 25,145 | 22,147 | 16,935 |
| Non-current assets | 199,335 | 202,082 | 212,006 | 206,496 | 211,909 | 223,265 | 1,565,938 | 1,619,219 | 1,545,412 |
| Current liabilities | (1,262) | (2,344) | (479) | (198) | (174) | (187) | (14,414) | (16,938) | (28,992) |
| Non-current liabilities | - | - | (7,512) | - | - | (5,944) | (273,446) | (262,143) | (153,890) |
| Net Assets | 205,946 | 209,828 | 212,773 | 213,400 | 218,149 | 223,210 | 1,303,223 | 1,362,285 | 1,379,465 |
| Net assets - Company share | 51,486 | 52,457 | 53,193 | 46,948 | 47,993 | 49,106 | 130,322 | 136,229 | 137,947 |
| Adjustments for difference between US GAAP and IFRS | (1,493) | (536) | (252) | (1,046) | (286) | (117) | 26,748 | 9,536 | (1,049) |
| Carrying amount of investment | 49,993 | 51,921 | 52,941 | 45,902 | 47,707 | 48,989 | 157,070 | 145,765 | 136,898 |
| Revenue - 100% | 36,028 | 40,988 | 46,897 | 18,048 | 21,178 | 25,827 | 41,042 | 54,204 | 63,441 |
| Profit/(loss) - 100% | 22,691 | 28,288 | 35,264 | 6,694 | 12,271 | 22,028 | (135,877) | (135,600) | (154,883) |
| Profit/(loss) - Company share | 5,673 | 7,072 | 8,816 | 1,473 | 2,700 | 4,846 | (13,588) | (13,560) | (15,488) |
| Dividends received | 7,600 | 8,093 | 8,950 | 3,278 | 3,982 | 4,906 | - | - | - |
| Contributions | - | - | - | - | - | - | 24,893 | 22,427 | 5,382 |

22. Related party transactions

BHP Petroleum has a related party relationship with key management personnel, equity accounted investments (see Note 21 'Investments in associates') and entities under common control of BHP Group.

Transactions with key management personnel

Key management personnel includes roles which have the authority and responsibility for planning, directing and controlling the activities of BHP Petroleum. The compensation for key management personnel for the years ended 30 June 2021, 2020 and 2019 are as follows:

| | 2021 US\$ | 2020 US\$ | <i>Unaudited</i> 2019 US\$ |
|------------------------------|------------------|-------------------|----------------------------------|
| Short-term employee benefits | 6,679,429 | 8,526,547 | 10,086,495 |
| Post-employment benefits | 701,596 | 1,009,198 | 1,116,154 |
| Share-based payments | 2,492,766 | 3,511,720 | 4,259,619 |
| Total | 9,873,791 | 13,047,465 | 15,462,268 |

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BHP Petroleum Assets

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Transactions with equity accounted investments

The following transactions took place during the year with equity accounted investments:

| | 2021 | 2020 | <i>Unaudited</i> 2019 |
|-----------------------------|--------------|-------|--------------------------|
| | US\$M | US\$M | US\$M |
| Purchases of goods/services | 16 | 20 | 23 |
| Dividends received | 11 | 12 | 14 |

Outstanding balances with related parties

| | <u>Equity Accounted Investments</u> | | | <u>BHP Group Entities</u> | | |
|--|-------------------------------------|-------|--------------------------|---------------------------|--------|--------|
| | 2021 | 2020 | <i>Unaudited</i> 2019 | 2021 | 2020 | 2019 |
| | US\$M | US\$M | US\$M | US\$M | US\$M | US\$M |
| Amounts payable to BHP Group | – | – | – | 12,348 | 16,880 | 20,860 |
| Trade amounts owing from related parties | 2 | 1 | 2 | – | – | – |
| Amounts receivable from BHP Group | – | – | – | 5,526 | 12,424 | 15,871 |

BHP Petroleum has a financing arrangement with BHP Group for short-term cash management. As at 30 June 2021 amount receivable from BHP Group related to these financing arrangements was US\$5,526 million (2020: US\$12,424 million, 2019: US\$ 15,871 million). These amounts are included in receivables from BHP Group on the balance sheet. As at 30 June 2021 amounts payable to BHP Group related to this was US\$2,001 million (2020: US\$2,540 million, 2019: US\$3,520 million).

BHP Petroleum also entered into long-term debt agreements with BHP Group to finance its projects. The current portion of the long-term debt is recorded on the balance sheet under current liabilities in Payables to BHP Group. The current portion of long-term debt as at 30 June 2021 was \$0 (2020: US\$3,993 million, 2019: US\$3,000 million). The non-current portion of the long-term debt is recorded on the balance sheet under non-current liabilities in Payables to BHP Group. The non-current portion of long-term debt as at 30 June 2021 was US\$ 10,347 million (2020: US\$ 10,347 million, 2019: US\$ 14,340 million). Interest expense related to the long-term debt is recorded in Finance expense in the income statement. Interest expense related to the long-term debt for the year ended 30 June 2021 was US\$267 million (2020:US\$622 million, 2019:US\$822 million). The long-term debt agreements with BHP Group are entered at 3-month USD LIBOR plus margin. The margin ranges between 1.3 per cent and 1.8 per cent. The long-term debt agreements have a maturity date between November 2022 and December 2022.

There are no expected credit losses related to balances from related parties at 30 June 2021, 2020 and 2019.

BHP Petroleum has entered various performance and corporate guarantees with certain BHP Group entities in the normal course of business. At 30 June 2021, BHP Petroleum had outstanding guarantees as follows:

Guarantees provided by BHP Petroleum:

corporate guarantee given to financial institutions that manage future trades in order to hedge oil and gas production with maximum exposure of US\$1 million

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Guarantees received by BHP Petroleum:

corporate guarantee received for regulatory requirements for drilling in the amount of US\$20 million

corporate guarantee received for exploration licenses in the amount of US\$232 million

corporate guarantee received for Outer Continental Shelf Right of Way Grant Bond in the amount of US\$3.3 million

corporate guarantee received for plugging and abandonment of well in the amount of US\$12 million

The likelihood of these performance and corporate guarantees being called upon is considered remote.

23. Significant entities of BHP Petroleum

As disclosed in Note 1 'Organisation and summary of significant accounting policies' the combined financial statements include financial information that is limited to the legal entities carved out from BHP Group Limited. A listing of subsidiaries of BHP Petroleum, included as part of the Proposed Transaction boundary are detailed below. For subsidiaries and joint operations that most significantly contribute to BHP Petroleum's net profit and net assets refer to Note 19 'Subsidiaries', Note 20 'Interest in joint operations'.

Wholly owned subsidiaries

Country of Incorporation

Australia

Registered office address

125 St Georges Terrace, Perth, WA 6000, Australia

Company Name

BHP Billiton Petroleum Holdings LLC

BHP Petroleum (Australia) Pty Ltd

BHP Petroleum (Bass Strait) Pty Ltd

BHP Petroleum (International Exploration) Pty Ltd

BHP Petroleum (North West Shelf) Pty Ltd

BHP Petroleum Investments (Great Britain) Pty Ltd

BHP Petroleum Pty Ltd

Bermuda

Victoria Place, 31 Victoria Street, Hamilton, HM 10, Bermuda

BHP Petroleum (Tankers) Limited

Canada

4500 Bankers Hall East, 855-2nd Street S.W., Calgary, Alberta, T2P 4K7, Canada

BHP Billiton (Trinidad-2C) Ltd.

Canada

1741 Lower Water Street, Suite 600, Halifax NS B3J 0J2, Canada

BHP Petroleum (New Ventures) Corporation

Saint Lucia

Pointe Seraphine, Castries, St Lucia

BHP (Trinidad) Holdings Ltd.

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BHP Petroleum Assets

Notes to the Financial Statements

Trinidad

Invaders Bay Tower, Invaders Bay, off Audrey Jeffers Highway, Port of Spain, Trinidad, Trinidad and Tobago
BHP (Trinidad-3A) Ltd

United Kingdom

Nova South, 160 Victoria Street, London, England, SW1E 5LB, United Kingdom
BHP Petroleum (Trinidad Block 23A) Limited
BHP Petroleum (Trinidad Block 28) Limited
BHP Petroleum (Mexico) Limited
BHP Petroleum (Carlisle Bay)
BHP Petroleum (Egypt) Limited
BHP Billiton Petroleum Limited

United States

Suite B, 1675 South State Street, Dover, DE, 19901, United States of America
BHP Billiton Petroleum Holdings LLC
BHP Resources Inc.
BHP Billiton Petroleum (Americas) Inc.
BHP Billiton Petroleum (GOM) Inc.
Hamilton Brothers Petroleum Corporation
Hamilton Oil Company Inc.
BHP Billiton Bolivianna de Petroleo Inc.
BHP Petroleum (Arkansas Holdings) LLC
BHP Petroleum (Foreign Exploration Holdings) LLC
BHP Petroleum (North America) LLC
BHP Holdings (Resources) Inc
BHP Billiton Marketing Inc.
Broken Hill Proprietary (USA) Inc
BHP Billiton Petroleum (Deepwater) Inc.
BHP Petroleum (Mexico Holdings) LLC
BHP Petroleum (Trinidad Block 3) Limited
BHP Petroleum (Trinidad Block 6) Limited
BHP Petroleum (Trinidad Block 14) Limited
BHP Billiton Petroleum (Trinidad Block 23B) Limited
BHP Petroleum (Trinidad Block 29) Limited
BHP Billiton Petroleum (South Africa 3B/4B) Limited
BHP Petroleum (Trinidad Block 5) Limited
BHP Billiton Petroleum (Trinidad Block 7) Limited

United States

1188 Bishop Street, Suite 2212, Honolulu, HI 96813, United States of America
BHP Hawaii Inc.

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BHP Petroleum Assets

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Subsidiaries where effective interest is less than 100%

Country of Incorporation

Brazil

Registered office address

Avenida Rio Branco, No. 110, room 901, Centro, Rio de Janeiro, 20040-001, Brazil

Company Name

BHP Billiton Brasil Investimentos de Petróleo Ltda.

BHP Billiton Brasil Exploração e Produção de Petróleo Limitada

Mexico

Av. Ejercito Nacional #769, Torre B, Piso 3, Colonia Granada, Alcadia Miguel Hidalgo, Ciudad de Mexico, 11520, Mexico

Perdido Mexico Pipeline Holdings, S.A. de C.V.

Perdido Mexico Pipeline, S. de R.L. de C.V.

BHP Billiton Petróleo Holdings de México, S. de R.L. de C.V.

BHP Billiton Petróleo Servicios Administrativos, S. de R.L. de C.V.

Operaciones Conjuntas, S. de R.L. de C.V.

BHP Billiton Petróleo Servicios de México, S. de R.L. de C.V.

BHP Billiton Petróleo Operaciones de México, S. de R.L. de C.V.

United States

Suite B, 1675 South State Street, Dover, DE, 19901, United States of America

BHP Billiton Petroleum Holdings (USA) Inc.

Joint Operations

Australia

Registered office address

Level 16, Alluvion Building, 58 Mounts Bay Road, Perth, WA 6000, Australia

Company Name

North West Shelf Liaison Company Pty Ltd

North West Shelf Shipping Service Company Pty Ltd

North West Shelf Gas Pty Limited

North West Shelf Lifting Coordinator Pty Ltd

China Administration Company Pty Ltd

Associates

United States

Registered office address

1209 Orange Street, Wilmington, DE, 19801, United States of America

Company Name

Caesar Oil Pipeline Company LLC

Cleopatra Gas Gathering Company LLC

United States

9807 Katy Freeway, Suite 1200, Houston, TX, 77024, United States of America

Marine Well Containment Company LLC

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BHP Petroleum Assets

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24. Discontinued operations (Onshore US assets)

On 28 September 2018, BHP Petroleum completed the sale of 100 per cent of the issued share capital of BHP Billiton Petroleum (Arkansas) Inc. and 100 per cent of the membership interests in BHP Billiton Petroleum (Fayetteville) LLC, which held the Fayetteville assets, for a gross cash consideration of US\$0.3 billion.

On 31 October 2018, BHP Petroleum completed the sale of 100 per cent of the issued share capital of Petrohawk Energy Corporation, the subsidiary which held the Eagle Ford (being Black Hawk and Hawkville), Haynesville and Permian assets, for a gross cash consideration of US\$10.3 billion (net of preliminary customary completion adjustments of US\$0.2 billion). Results from the Onshore US assets are disclosed as Discontinued operations.

While the effective date at which the right to economic profits transferred to the purchasers was 1 July 2018, BHP Petroleum continued to control the Onshore US assets until the completion dates of their respective transactions. As such BHP Petroleum continued to recognise its share of revenue, expenses, net finance costs and associated income tax expense related to the operation until the completion date. In addition, BHP Petroleum provided transitional services to the buyer, which ceased in July 2019.

The completion adjustments included a reduction in sale proceeds, based on the operating cash generated and retained by BHP Petroleum in the period prior to completion, in order to transfer the economic profits from 1 July 2018 to completion date to the buyers. Therefore, the pre-tax profit from operating the assets is largely offset by a pre-tax loss on disposal. Accordingly, the net loss from discontinued operations predominantly relates to incremental costs arising as a consequence of the divestment, including restructuring costs and provisions for surplus office accommodation and tax expenses largely triggered by the completion of the transactions.

The contribution of Discontinued operations included within BHP Petroleum's profit and cash flows are detailed below:

Income statement - Discontinued operations

| | <i>Unaudited</i> 2019 US\$M |
|---|-----------------------------------|
| Revenue | 851 |
| Other income | 94 |
| Expenses excluding net finance costs | (729) |
| Profit/(loss) from operations | 216 |
| Financial expenses | (8) |
| Net finance costs | (8) |
| Profit/(loss) before taxation | 208 |
| Income tax (expense)/benefit | (33) |
| Profit/(loss) after taxation from operating activities | 175 |
| Net loss on disposal | (510) |
| Loss after taxation | (335) |
| Attributable to non-controlling interests | 7 |
| Attributable to BHP Petroleum | (342) |

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BHP Petroleum Assets

Notes to the Financial Statements

The total comprehensive income attributable to BHP Petroleum from Discontinued operations was a loss of US\$342 million in 2019.

Cash flows from Discontinued operations

| | <i>Unaudited</i> 2019 US\$M |
|--|-----------------------------------|
| Net operating cash flows | 474 |
| Net investing cash flows (1) | (443) |
| Net financing cash flows (2) | (13) |
| Net increase/(decrease) in cash and cash equivalents from Discontinued operations | 18 |
| Net proceeds received from the sale of Onshore US | 10,531 |
| Less Cash and cash equivalents | (104) |
| Proceeds from divestment of Onshore US, net of its cash | 10,427 |
| Total cash impact | 10,445 |

(1) Includes purchases of property, plant and equipment of US\$443 million.

(2) Includes net repayment of interest bearing liabilities of US\$6 million and dividends paid to non-controlling interests of US\$7 million.

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BHP Petroleum Assets

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Net loss on disposal of Discontinued operations

Details of the net loss on disposal is presented below:

| | <i>Unaudited</i> 2019 US\$M |
|--|-----------------------------------|
| Assets | |
| Cash and cash equivalents | 104 |
| Trade and other receivables | 562 |
| Other financial assets | 31 |
| Inventories | 34 |
| Property, plant and equipment | 10,998 |
| Intangible assets | 667 |
| Total assets | <u>12,396</u> |
| Liabilities | |
| Trade and other payables | 794 |
| Provisions | 491 |
| Total liabilities | <u>1,285</u> |
| Net assets | <u>11,111</u> |
| Less non-controlling interest share of net assets disposed | (168) |
| BHP Petroleum' s of net assets disposed | <u>10,943</u> |
| Gross consideration | 10,555 |
| Less transaction costs | (54) |
| Income tax expense | (68) |
| Net loss on disposal | <u>(510)</u> |

25. New and amended accounting standards and interpretations

BHP Petroleum adopted IFRS 16 'Leases' (IFRS 16) in BHP Petroleum' s Financial Statements from 1 July 2019. The adoption of other new or amended accounting standards or interpretations applicable from 1 July 2019, including IFRIC 23 'Uncertainty over Income Tax Treatment' , did not have a significant impact on BHP Petroleum' s Financial Statements.

BHP Petroleum has also early adopted amendments to IFRS 9 'Financial Instruments' (IFRS 9) and IFRS 7 'Financial Instruments: Disclosures' (IFRS 7) in relation to Interest Rate Benchmark Reform.

IFRS 16 Leases

IFRS 16 replaces IAS 17 'Leases' (IAS 17) including associated interpretative guidance and covers the recognition, measurement, presentation and disclosures of leases in the Financial Statements of both lessees and lessors.

Transition impact

IFRS 16 became effective for BHP Petroleum from 1 July 2019 and BHP Petroleum elected to apply the modified retrospective transition approach, with no restatement of comparative financial information. For existing finance leases, the right-of-use asset and lease liability on transition was the IAS 17 carrying amounts as at 30 June 2019. BHP Petroleum did not recognise any finance leases as at 30 June 2019.

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BHP Petroleum Assets

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As allowed by IFRS 16, BHP Petroleum has elected:

except for existing finance leases, to measure the right-of-use asset on transition at an amount equal to the lease liability (as adjusted for prepaid or accrued lease payments);

not to recognise low-value or short-term leases on the balance sheet;

to only recognise, within the lease liability, the lease component of contracts that include non-lease components and other services;

to adjust the carrying amount of right-of-use assets on transition for related onerous lease provisions that were recognised on BHP Petroleum balance sheet as at 30 June 2019.

Adoption of IFRS 16 resulted in an increase in interest bearing liabilities of US\$438 million, right-of-use assets of US\$361 million and net adjustments to other assets and liabilities of US\$36 million at 1 July 2019. The weighted average incremental borrowing rate applied to BHP Petroleum's additional lease liabilities at 1 July 2019 was 2.3 per cent taking into account the currency, tenor and location of each lease.

The following table provides a reconciliation of the operating lease commitments disclosed as at 30 June 2019 the total lease liability recognised at 1 July 2019:

| | <i>Unaudited</i> US\$M |
|---|---------------------------|
| Operating lease commitments as at 30 June 2019 | 402 |
| Add: Leases which did not meet the definition of a lease under IAS 17 | 1 |
| Add: Cost of reasonably certain extension options (discounted) | 91 |
| Less: Components excluded from lease liability (undiscounted) | (5) |
| Less: Effect of discounting | (51) |
| Total additional lease liabilities recognised at 1 July 2019 | 438 |

BHP Petroleum's activities as a lessor are not material and hence there is no significant impact on the Financial Statements on adoption of IFRS 16.

26. Subsequent events

In November 2021, BHP Group Limited (BHP) and Woodside Petroleum Ltd (Woodside) signed a binding share sale agreement for the merger of BHP's oil and gas portfolio with Woodside. Woodside will acquire the entire share capital of BHP Petroleum International Pty Ltd in exchange for new Woodside shares. The merger is expected to be completed during the first half of calendar year 2022.

In November 2021, the BHP Group approved US\$1.5 billion in capital expenditure for development of the Scarborough upstream project located in the North Carnarvon Basin, Western Australia. A final investment decision has also been made by Woodside which has triggered a US\$150 million payment to BHP Petroleum (North West Shelf) Pty Ltd (a wholly owned subsidiary of BHP Petroleum) by Woodside, in accordance with the terms of the 2016 divestment of BHP's 25 per cent Scarborough Joint Venture interest to Woodside.

The approved capital expenditure represents BHP's 26.5 per cent participating interest in Phase 1 of the upstream development. Woodside holds the remaining 73.5 per cent interest and is the operator of the project.

Other than the matters outlined above, no matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs in subsequent accounting periods of BHP Petroleum.

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Supplementary oil and gas information - unaudited

In accordance with the requirements of the Financial Accounting Standards Board (FASB) Accounting Standard Codification 'Extractive Activities-Oil and Gas' (Topic 932) and SEC requirements set out in Subpart 1200 of Regulation S-K, BHP Petroleum (as defined in the BHP Petroleum Assets combined financial statements as of and for the years ended 30 June 2021, 2020 and 2019) is presenting certain disclosures about its oil and gas activities. These disclosures are presented below as supplementary oil and gas information, in addition to information relating to the reserves and production of BHP Petroleum disclosed in the registration statement to which these financial statements are attached.

The information set out in this section is referred to as unaudited as it is not included in the scope of the audit opinion of the independent auditor on BHP Petroleum combined financial statements.

Reserves and production

Proved oil and gas reserves and net crude oil and condensate, natural gas, LNG and NGL production information for BHP Petroleum is included in the registration statement to which these financial statements are attached.

Capitalised costs relating to oil and gas production activities

The following table shows the aggregate capitalised costs relating to oil and gas exploration and production activities and related accumulated depreciation, depletion, amortisation and valuation provisions.

| | <u>Australia US\$M</u> | <u>United States US\$M</u> | <u>Other(1) US\$M</u> | <u>Total US\$M</u> |
|--|----------------------------|--------------------------------|---------------------------|------------------------|
| Capitalised cost | | | | |
| 2021 | | | | |
| Unproved properties | – | 754 | 580 | 1,334 |
| Proved properties | 17,882 | 13,210 | 1,972 | 33,064 |
| Total costs | 17,882 | 13,964 | 2,552 | 34,398 |
| Less: Accumulated depreciation, depletion, amortisation and valuation provisions | (12,720) | (8,329) | (1,483) | (22,532) |
| Net capitalised costs | 5,162 | 5,635 | 1,069 | 11,866 |
| 2020 | | | | |
| Unproved properties | 10 | 808 | 576 | 1,394 |
| Proved properties | 17,079 | 12,538 | 1,743 | 31,360 |
| Total costs | 17,089 | 13,346 | 2,319 | 32,754 |
| Less: Accumulated depreciation, depletion, amortisation and valuation provisions | (11,423) | (8,726) | (1,370) | (21,519) |
| Net capitalised costs | 5,666 | 4,620 | 949 | 11,235 |
| 2019 | | | | |
| Unproved properties | 10 | 875 | 458 | 1,343 |
| Proved properties | 16,514 | 11,751 | 1,625 | 29,890 |
| Total costs | 16,524 | 12,626 | 2,083 | 31,233 |
| Less: Accumulated depreciation, depletion, amortisation and valuation provisions | (10,867) | (8,339) | (1,302) | (20,508) |
| Net capitalised costs | 5,657 | 4,287 | 781 | 10,725 |

(1) Other is primarily comprised of Algeria, Mexico, and Trinidad and Tobago.

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Costs incurred relating to oil and gas property acquisition, exploration and development activities

The following table shows costs incurred relating to oil and gas property acquisition, exploration and development activities (whether charged to expense or capitalised). Amounts shown include interest capitalised.

| | Australia | United | Other(4) | Total |
|-----------------------------------|------------------|------------------|-----------------|--------------|
| | US\$M | States(3) | US\$M | US\$M |
| | US\$M | US\$M | US\$M | US\$M |
| 2021 | | | | |
| Acquisitions of proved property | – | 642 | – | 642 |
| Acquisitions of unproved property | – | 19 | – | 19 |
| Exploration(1) | 23 | 166 | 310 | 499 |
| Development | 201 | 749 | 184 | 1,134 |
| Total costs(2) | 224 | 1,576 | 494 | 2,294 |
| 2020 | | | | |
| Acquisitions of proved property | – | – | – | – |
| Acquisitions of unproved property | – | 38 | 6 | 44 |
| Exploration(1) | 38 | 278 | 370 | 686 |
| Development | 232 | 676 | 100 | 1,008 |
| Total costs(2) | 270 | 992 | 476 | 1,738 |
| 2019 | | | | |
| Acquisitions of proved property | – | – | – | – |
| Acquisitions of unproved property | – | 5 | – | 5 |
| Exploration(1) | 44 | 190 | 492 | 726 |
| Development | 132 | 792 | 54 | 978 |
| Total costs(2) | 176 | 987 | 546 | 1,709 |

- (1) Represents gross exploration expenditure, including capitalised exploration expenditure, geological and geophysical expenditure and development evaluation costs charged to income as incurred.
- (2) Total costs include US\$1,160 million (2020: US\$1,178 million; 2019: US\$1,275 million) capitalised during the year.
- (3) Total costs include Onshore US assets of US\$ nil (2020: US\$ nil; 2019: US\$331 million).
- (4) Other is primarily comprised of Algeria, Canada, Mexico and Trinidad and Tobago.

Results of operations from oil and gas producing activities

Amounts shown in the following table exclude financial income, financial expenses, and general corporate overheads. Further, the amounts shown below include Onshore US.

Income taxes were determined by applying the applicable statutory rates to pre-tax income with adjustments for permanent differences and tax credits.

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| | Australia US\$M | United States(7) US\$M | Other(8) US\$M | Total US\$M |
|--|--------------------|------------------------------|-------------------|----------------|
| 2021 | | | | |
| Oil and gas revenue(1) | 2,272 | 1,244 | 368 | 3,884 |
| Production costs | (487) | (267) | (80) | (834) |
| Exploration expenses | (23) | (164) | (305) | (492) |
| Depreciation, depletion, amortisation and valuation provision(2) | (1,210) | (489) | (113) | (1,812) |
| Production taxes(3) | (125) | – | (12) | (137) |
| | 427 | 324 | (142) | 609 |
| Accretion expense(4) | (89) | (22) | (3) | (114) |
| Income taxes | (46) | (78) | (105) | (229) |
| Royalty-related taxes(5) | 11 | – | – | 11 |
| Results of oil and gas producing activities(6) | 303 | 224 | (250) | 277 |
| 2020 | | | | |
| Oil and gas revenue(1) | 2,535 | 1,101 | 350 | 3,986 |
| Production costs | (575) | (161) | (76) | (812) |
| Exploration expenses | (37) | (271) | (252) | (560) |
| Depreciation, depletion, amortisation and valuation provision(2) | (906) | (476) | (75) | (1,457) |
| Production taxes(3) | (177) | (1) | (13) | (191) |
| | 840 | 192 | (66) | 966 |
| Accretion expense(4) | (78) | (24) | (5) | (107) |
| Income taxes | (275) | (35) | (134) | (444) |
| Royalty-related taxes(5) | (85) | – | – | (85) |
| Results of oil and gas producing activities(6) | 402 | 133 | (205) | 330 |
| 2019 | | | | |
| Oil and gas revenue(1) | 3,404 | 2,675 | 598 | 6,677 |
| Production costs | (752) | (568) | (110) | (1,430) |
| Exploration expenses | (44) | (162) | (229) | (435) |
| Depreciation, depletion, amortisation and valuation provision(2) | (917) | (621) | (103) | (1,641) |
| Production taxes(3) | (198) | – | (25) | (223) |
| | 1,493 | 1,324 | 131 | 2,948 |
| Accretion expense(4) | (80) | (34) | (8) | (122) |
| Income taxes | (530) | (193) | (236) | (959) |
| Royalty-related taxes(5) | (164) | – | – | (164) |
| Results of oil and gas producing activities(6) | 719 | 1,097 | (113) | 1,703 |

(1) Includes sales to affiliated companies of US\$51 million (2020: US\$62 million; 2019: US\$75 million).

(2) Includes valuation provision of US\$101 million (2020: US\$12 million; 2019: US\$21 million).

(3) Includes royalties and excise duty.

(4) Represents the unwinding of the discount on the closure and rehabilitation provision.

(5) Includes petroleum resource rent tax and petroleum revenue tax where applicable.

(6) Amounts shown exclude financial income, financial expenses and general corporate overheads and, accordingly, do not represent all of the operations attributable to the Petroleum segment presented in note 1 'Segment reporting' in section 3.1.

(7) Results of oil and gas producing activities includes Onshore US assets of US\$ nil (2020: US\$ nil; 2019: US\$431 million).

(8) Other is primarily comprised of Algeria, Canada, Mexico, and Trinidad and Tobago.

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Standardised measure of discounted future net cash flows relating to proved oil and gas reserves (Standardised measure)

The following tables set out the standardised measure of discounted future net cash flows, and changes therein, related to BHP Petroleum's estimated proved reserves and should be read in conjunction with that related disclosure.

The analysis is prepared in compliance with FASB Oil and Gas Disclosure requirements, applying certain prescribed assumptions under Topic 932 including the use of unweighted average first-day-of-the-month market prices for the previous 12-months, year-end cost factors, currently enacted tax rates and an annual discount factor of 10 per cent to year-end quantities of net proved reserves.

The standardized measure includes cost for future dismantlement, abandonment, and rehabilitation obligations.

Certain key assumptions prescribed under Topic 932 are arbitrary in nature and may not prove to be accurate. The reserve estimates on which the Standard measure is based are subject to revision as further technical information becomes available or economic conditions change.

Discounted future net cash flows like those shown below are not intended to represent estimates of fair value. An estimate of fair value would also take into account, among other things, the expected recovery of reserves in excess of proved reserves, anticipated future changes in commodity prices, exchange rates, development and production costs as well as alternative discount factors representing the time value of money and adjustments for risk inherent in producing oil and gas.

| | <u>Australia</u> <u>US\$M</u> | <u>United States</u> <u>US\$M</u> | <u>Other(1)</u> <u>US\$M</u> | <u>Total</u> <u>US\$M</u> |
|-----------------------------------|----------------------------------|--------------------------------------|---------------------------------|------------------------------|
| Standardised measure 2021 | | | | |
| Future cash inflows | 8,948 | 13,437 | 1,561 | 23,946 |
| Future production costs | (3,783) | (5,122) | (418) | (9,323) |
| Future development costs | (4,118) | (2,996) | (261) | (7,375) |
| Future income taxes(2) | 706 | (944) | (438) | (676) |
| Future net cash flows | 1,753 | 4,375 | 444 | 6,572 |
| Discount at 10 per cent per annum | (160) | (1,468) | (93) | (1,721) |
| Standardised measure | 1,593 | 2,907 | 351 | 4,851 |
| 2020 | | | | |
| Future cash inflows | 11,526 | 12,997 | 1,660 | 26,183 |
| Future production costs | (4,027) | (4,943) | (494) | (9,464) |
| Future development costs | (4,124) | (3,242) | (433) | (7,799) |
| Future income taxes(2) | (187) | (880) | (473) | (1,540) |
| Future net cash flows | 3,188 | 3,932 | 260 | 7,380 |
| Discount at 10 per cent per annum | (642) | (1,586) | (94) | (2,322) |
| Standardised measure | 2,546 | 2,346 | 166 | 5,058 |
| 2019 | | | | |
| Future cash inflows | 18,292 | 18,076 | 1,807 | 38,175 |
| Future production costs | (4,710) | (4,917) | (459) | (10,086) |
| Future development costs | (3,860) | (4,516) | (226) | (8,602) |
| Future income taxes(2) | (2,551) | (1,657) | (711) | (4,919) |
| Future net cash flows | 7,171 | 6,986 | 411 | 14,568 |
| Discount at 10 per cent per annum | (1,926) | (3,396) | (94) | (5,416) |
| Standardised measure | 5,245 | 3,590 | 317 | 9,152 |

(1) Other is primarily comprised of Algeria and Trinidad and Tobago.

(2) Future income taxes include credits to be received as a result of oil and gas operations and the utilisation of future tax losses by BHP Petroleum.

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Changes in the Standardised measure are presented in the following table.

| | 2021 US\$M | 2020 US\$M | 2019 US\$M |
|---|---------------|---------------|---------------|
| Changes in the Standardised measure | | | |
| Standardised measure at the beginning of the year | 5,058 | 9,152 | 10,240 |
| Revisions: | | | |
| Prices, net of production costs | (175) | (5,633) | 3,821 |
| Changes in future development costs | (238) | 330 | (228) |
| Revisions of reserves quantity estimates(1) | (107) | (229) | 1,268 |
| Accretion of discount | 678 | 1,313 | 1,178 |
| Changes in production timing and other | 360 | (310) | (618) |
| | <u>5,576</u> | <u>4,623</u> | <u>15,661</u> |
| Sales of oil and gas, net of production costs | (2,901) | (2,980) | (5,029) |
| Acquisitions of reserves-in-place | 462 | - | - |
| Sales of reserves-in-place(2) | 44 | - | (1,489) |
| Previously estimated development costs incurred | 1,075 | 1,005 | 545 |
| Extensions, discoveries, and improved recoveries, net of future costs | 17 | 145 | (33) |
| Changes in future income taxes | 578 | 2,265 | (503) |
| Standardised measure at the end of the year | <u>4,851</u> | <u>5,058</u> | <u>9,152</u> |

(1) Changes in reserves quantities are shown in the Petroleum reserves tables in section 4.6.1.

(2) Onshore US assets disposal in 2019.

Accounting for suspended exploratory well costs

Refer to note 8 'Property, plant and equipment' in the financial statements for BHP Petroleum for a discussion of the accounting policy applied to the cost of exploratory wells. Suspended wells are also reviewed in this context.

The following table provides the changes to capitalised exploratory well costs that were pending the determination of proved reserves for the three years ended 30 June 2021, 30 June 2020 and 30 June 2019.

| | 2021 US\$M | 2020 US\$M | 2019 US\$M |
|---|---------------|---------------|---------------|
| Movement in capitalised exploratory well costs | | | |
| At the beginning of the year | 1,089 | 1,040 | 794 |
| Additions to capitalised exploratory well costs pending the determination of proved reserves | 7 | 120 | 297 |
| Capitalised exploratory well costs charged to expense | (66) | - | (9) |
| Capitalised exploratory well costs reclassified to wells, equipment, and facilities based on the determination of proved reserves | - | (6) | (42) |
| Sale of suspended wells | - | (65) | - |
| At the end of the year | <u>1,030</u> | <u>1,089</u> | <u>1,040</u> |

The following table provides an ageing of capitalised exploratory well costs, based on the date the drilling was completed, and the number of projects for which exploratory well costs has been capitalised for a period greater than one year since the completion of drilling.

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Exploration activity typically involves drilling multiple wells, over a number of years, to fully evaluate and appraise a project. The term 'project' as used in this disclosure refers primarily to individual wells and associated exploratory activities.

| | 2021 | 2020 | 2019 |
|---|--------------|-------|-------|
| | US\$M | US\$M | US\$M |
| Ageing of capitalised exploratory well costs | | | |
| Exploratory well costs capitalised for a period of one year or less | 7 | 120 | 210 |
| Exploratory well costs capitalised for a period greater than one year | 1,023 | 969 | 830 |
| At the end of the year | 1,030 | 1,089 | 1,040 |
| | 2021 | 2020 | 2019 |
| Number of projects that have been capitalised for a period greater than one year | 15 | 14 | 13 |

Drilling and other exploratory and development activities

The number of crude oil and natural gas wells drilled and completed for each of the last three years was as follows:

| | <u>Net exploratory wells</u> | | | <u>Net development wells</u> | | | <u>Total</u> |
|--------------------------------|------------------------------|------------|--------------|------------------------------|------------|--------------|--------------|
| | <u>Productive</u> | <u>Dry</u> | <u>Total</u> | <u>Productive</u> | <u>Dry</u> | <u>Total</u> | |
| Year ended 30 June 2021 | | | | | | | |
| Australia | - | - | - | 1 | - | 1 | 1 |
| United States(1) | - | - | - | 1 | - | 1 | 1 |
| Other(2) | - | 1 | 1 | 1 | - | 1 | 2 |
| Total | - | 1 | 1 | 3 | - | 3 | 4 |
| Year ended 30 June 2020 | | | | | | | |
| Australia | - | - | - | - | - | - | - |
| United States(1) | - | - | - | - | 1 | 1 | 1 |
| Other(2) | 1 | 1 | 2 | 1 | - | 1 | 3 |
| Total | 1 | 1 | 2 | 1 | 1 | 2 | 4 |
| Year ended 30 June 2019 | | | | | | | |
| Australia | - | - | - | 1 | - | 1 | 1 |
| United States(1) | 1 | - | 1 | 33 | - | 33 | 34 |
| Other(2) | 4 | 2 | 6 | - | - | - | 6 |
| Total | 5 | 2 | 7 | 34 | - | 34 | 41 |

(1) Includes Onshore US assets net productive development wells of nil (2020: nil; 2019: 33). Includes Onshore US assets net exploratory wells of nil for 2021, 2020 and 2019.

(2) Other is primarily comprised of Algeria, Mexico and Trinidad and Tobago.

The number of wells drilled refers to the number of wells completed at any time during the respective year, regardless of when drilling was initiated. Completion refers to the installation of permanent equipment for production of oil or gas, or, in the case of a dry well, to reporting to the appropriate authority that the well has been abandoned.

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An exploratory well is a well drilled to find oil or gas in a new field or to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir. A development well is a well drilled within the limits of a known oil or gas reservoir to the depth of a stratigraphic horizon known to be productive.

A productive well is an exploratory, development or extension well that is not a dry well. Productive wells include wells in which hydrocarbons were encountered and the drilling or completion of which, in the case of exploratory wells, has been suspended pending further drilling or evaluation. A dry well (hole) is an exploratory, development, or extension well that proves to be incapable of producing either oil or gas in sufficient quantities to justify completion as an oil or gas well.

The number of wells in the process of drilling and/or completion as of 30 June 2021 was as follows:

| | <u>Exploratory wells</u> | | <u>Development wells</u> | | <u>Total</u> | |
|---------------|--------------------------|---------------|--------------------------|---------------|--------------|---------------|
| | <u>Gross</u> | <u>Net(1)</u> | <u>Gross</u> | <u>Net(1)</u> | <u>Gross</u> | <u>Net(1)</u> |
| Australia | - | - | - | - | - | - |
| United States | - | - | 27 | 9 | 27 | 9 |
| Other(2) | - | - | 5 | 3 | 5 | 3 |
| Total | - | - | 32 | 12 | 32 | 12 |

(1) Represents BHP Petroleum's share of the gross well count.

(2) Other is comprised of T&T.

Oil and gas properties, wells, operations, and acreage

The following tables show the number of gross and net productive crude oil and natural gas wells and total gross and net developed and undeveloped oil and natural gas acreage as at 30 June 2021, 2020 and 2019. A gross well or acre is one in which a working interest is owned, while a net well or acre exists when the sum of fractional working interests owned in gross wells or acres equals one. Productive wells are producing wells and wells mechanically capable of production. Developed acreage is comprised of leased acres that are within an area by or assignable to a productive well. Undeveloped acreage is comprised of leased acres on which wells have not been drilled or completed to a point that would permit the production of economic quantities of oil and gas, regardless of whether such acres contain proved reserves.

The number of productive crude oil and natural gas wells in which BHP Petroleum held an interest at 30 June 2021 was as follows:

| | <u>Crude oil wells</u> | | <u>Natural gas wells</u> | | <u>Total</u> | |
|---------------|------------------------|------------|--------------------------|------------|--------------|------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 334 | 166 | 176 | 66 | 510 | 232 |
| United States | 55 | 27 | - | - | 55 | 27 |
| Other(1) | 61 | 23 | 8 | 4 | 69 | 27 |
| Total | 450 | 216 | 184 | 70 | 634 | 286 |

(1) Other is primarily comprised of Algeria and Trinidad and Tobago.

Of the productive crude oil and natural gas wells, 131 (net: 60) operated wells had multiple completions.

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Developed and undeveloped acreage (including both leases and concessions) held at 30 June 2021 was as follows:

| <u>Thousands of acres</u> | <u>Developed acreage</u> | | <u>Undeveloped acreage</u> | |
|---------------------------|--------------------------|--------------|----------------------------|--------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 2,423 | 897 | 391 | 148 |
| United States | 92 | 41 | 403 | 339 |
| Other(1)(2) | 160 | 67 | 3,394 | 3,104 |
| Total | 2,675 | 1,005 | 4,188 | 3,591 |

- (1) Developed acreage in Other primarily consists of Algeria and Trinidad and Tobago.
- (2) Undeveloped acreage in Other primarily consists of Barbados, Canada, Mexico and Trinidad and Tobago.

Approximately 139 thousand gross acres (22 thousand net acres), 386 thousand gross acres (241 thousand net acres) and 121 thousand gross acres (103 thousand net acres) of undeveloped acreage will expire in the years ending 30 June 2022, 2023 and 2024 respectively, if BHP Petroleum does not establish production or take any other action to extend the terms of the licences and concessions.

The number of productive crude oil and natural gas wells in which BHP Petroleum held an interest at 30 June 2020 was as follows:

| | <u>Crude oil wells</u> | | <u>Natural gas wells</u> | | <u>Total</u> | |
|---------------|------------------------|------------|--------------------------|------------|--------------|------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 353 | 176 | 162 | 54 | 515 | 230 |
| United States | 61 | 24 | – | – | 61 | 24 |
| Other(1) | 59 | 22 | 8 | 4 | 67 | 26 |
| Total | 473 | 222 | 170 | 58 | 643 | 280 |

- (2) Other is primarily comprised of Algeria and Trinidad and Tobago.

Of the productive crude oil and natural gas wells, 133 (net: 62) operated wells had multiple completions.

Developed and undeveloped acreage (including both leases and concessions) held at 30 June 2020 was as follows:

| <u>Thousands of acres</u> | <u>Developed acreage</u> | | <u>Undeveloped acreage</u> | |
|---------------------------|--------------------------|------------|----------------------------|--------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 2,152 | 823 | 766 | 279 |
| United States | 98 | 36 | 844 | 800 |
| Other(1)(2) | 146 | 57 | 3,926 | 3,445 |
| Total | 2,396 | 916 | 5,536 | 4,524 |

- (3) Developed acreage in Other primarily consists of Algeria and Trinidad and Tobago.
- (4) Undeveloped acreage in Other primarily consists of Barbados, Canada, Mexico and Trinidad and Tobago.

Approximately 833 thousand gross acres (411 thousand net acres), 1,089 thousand gross acres (655 thousand net acres) and 264 thousand gross acres (256 thousand net acres) of undeveloped acreage will expire in the years ending 30 June 2021, 2022 and 2023 respectively, if BHP Petroleum does not establish production or take any other action to extend the terms of the licences and concessions.

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The number of productive crude oil and natural gas wells in which BHP Petroleum held an interest at 30 June 2019 was as follows:

| | <u>Crude oil wells</u> | | <u>Natural gas wells</u> | | <u>Total</u> | |
|---------------|------------------------|------------|--------------------------|------------|--------------|------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 352 | 176 | 153 | 53 | 505 | 229 |
| United States | 60 | 25 | – | – | 60 | 25 |
| Other(1) | 57 | 21 | 8 | 4 | 65 | 25 |
| Total | 469 | 222 | 161 | 57 | 630 | 279 |

(3) Other is primarily comprised of Algeria, Mexico and Trinidad and Tobago.

Of the productive crude oil and natural gas wells, 43 (net: 18) operated wells had multiple completions.

Developed and undeveloped acreage (including both leases and concessions) held at 30 June 2019 was as follows:

| <u>Thousands of acres</u> | <u>Developed acreage</u> | | <u>Undeveloped acreage</u> | |
|---------------------------|--------------------------|------------|----------------------------|--------------|
| | <u>Gross</u> | <u>Net</u> | <u>Gross</u> | <u>Net</u> |
| Australia | 2,152 | 823 | 963 | 393 |
| United States | 105 | 39 | 828 | 776 |
| Other(1)(2) | 146 | 57 | 3,526 | 2,869 |
| Total | 2,403 | 919 | 5,317 | 4,038 |

(5) Developed acreage in Other primarily consists of Algeria and Trinidad and Tobago.

(6) Undeveloped acreage in Other primarily consists of Canada, Mexico and Trinidad and Tobago.

Approximately 126 thousand gross acres (59 thousand net acres), 1,612 thousand gross acres (932 thousand net acres) and 1,257 thousand gross acres (889 thousand net acres) of undeveloped acreage will expire in the years ending 30 June 2020, 2021 and 2022 respectively, if BHP Petroleum does not establish production or take any other action to extend the terms of the licences and concessions.

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Review Report of Independent Auditors to the Shareholder and the Board of Directors of BHP Petroleum International Pty Ltd

We have reviewed the condensed combined financial information of BHP Petroleum Assets, which comprise the combined statement of financial position as of 31 December 2021, and the related combined statements of profit or loss and comprehensive income or loss, statement of cash flows and statement of changes in equity for the half year ended 31 December 2021.

Management' s Responsibility for the Financial Information

Management is responsible for the preparation and fair presentation of the condensed combined financial information in conformity with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB); this includes the design, implementation and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in conformity with IAS 34 *Interim Financial Reporting*.

Auditor' s Responsibility

Our responsibility is to conduct our review in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial information. Accordingly, we do not express such an opinion.

Conclusion

Based on our review, we are not aware of any material modifications that should be made to the condensed combined financial information referred to above for it to be in conformity with IAS 34 *Interim Financial Reporting* as issued by IASB.

Report on combined statement of financial position as of 30 June 2021

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the combined statement of financial position of BHP Petroleum Assets as of 30 June 2021, and the related combined statements of profit or loss and comprehensive income or loss, statement of cash flows and statement of changes in equity for the year then ended; and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated 17 December 2021. In our opinion, the accompanying combined statement of financial position of BHP Petroleum Assets as of 30 June 2021, is consistent, in all material respects, with the combined statement of financial position from which it has been derived.

/s/ Ernst and Young

Ernst and Young
Melbourne, Australia
4 March 2022

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BHP Petroleum Assets

Combined statement of profit or loss and comprehensive income or loss for the half year ended 31 December 2021

| | Notes | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|---|-------|--|--|
| Revenue | 2 | 3,198 | 1,602 |
| Other income | 3 | 172 | 20 |
| Expenses excluding net finance costs | 3 | (1,761) | (1,816) |
| Loss from equity accounted investments | 11 | (1) | (5) |
| Profit/(loss) from operations | | 1,608 | (199) |
| Finance expense | | (124) | (277) |
| Finance income | | 6 | 39 |
| Net finance costs | | (118) | (238) |
| Profit/(loss) before taxation | | 1,490 | (437) |
| Income tax (expense)/income | 4 | (870) | 34 |
| Royalty-related taxation (net of income tax benefit) | 4 | (37) | 16 |
| Total taxation (expense)/income | | (907) | 50 |
| Profit/(loss) after taxation | | 583 | (387) |
| Other comprehensive income or loss | | | |
| Items that may be reclassified subsequently to the income statement: | | | |
| Exchange fluctuations on transactions of foreign operations taken to equity | | 1 | - |
| Total items that may be reclassified subsequently to the income statement | | 1 | - |
| Total other comprehensive loss | | 1 | - |
| Total comprehensive income/(loss) | | 584 | (387) |

The accompanying notes form part of these half year financial statements.

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BHP Petroleum Assets

Combined statement of financial position as at 31 December 2021

| | Notes | 31 Dec 2021 US\$M | 30 June 2021 US\$M |
|---|-------|----------------------|-----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 9 | 992 | 776 |
| Trade and other receivables | 5 | 1,230 | 908 |
| Receivables from BHP Group | 9,12 | 10,852 | 5,526 |
| Inventories | | 278 | 307 |
| Current tax assets | | 69 | 130 |
| Other | | 14 | 9 |
| Total current assets | | 13,435 | 7,656 |
| Non-current assets | | | |
| Trade and other receivables | 5 | 201 | 157 |
| Other financial assets | 9 | 37 | 52 |
| Property, plant and equipment | | 11,226 | 11,854 |
| Intangible assets | | 63 | 78 |
| Net investments and funding of equity accounted investments | 11 | 246 | 253 |
| Deferred tax assets | | 1,947 | 2,182 |
| Other | | 3 | 3 |
| Total non-current assets | | 13,723 | 14,579 |
| Total assets | | 27,158 | 22,235 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 6 | 952 | 919 |
| Payables to BHP Group | 9,12 | 12,552 | 2,001 |
| Interest bearing liabilities | | 38 | 35 |
| Other financial liabilities | 9 | 60 | 9 |
| Current tax payable | | 312 | 280 |
| Closure and rehabilitation provisions | 7 | 144 | 141 |
| Other provisions | 8,10 | 216 | 315 |
| Deferred income | | 16 | 14 |
| Total current liabilities | | 14,290 | 3,714 |
| Non-current liabilities | | | |
| Non-current tax payable | | 69 | 14 |
| Payables to BHP Group | 9,12 | – | 10,347 |
| Interest bearing liabilities | | 219 | 234 |
| Closure and rehabilitation provisions | 7 | 3,760 | 3,816 |
| Deferred tax liabilities | | 465 | 610 |
| Other provisions | 8,10 | 341 | 344 |
| Deferred income | | 40 | 44 |
| Total non-current liabilities | | 4,894 | 15,409 |
| Total liabilities | | 19,184 | 19,123 |
| Net assets | | 7,974 | 3,112 |
| EQUITY | | 7,974 | 3,112 |

The accompanying notes form part of these half year financial statements.

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BHP Petroleum Assets

Combined statement of cash flows for the half year ended 31 December 2021

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|--|--|--|
| Operating activities | | |
| Profit/(loss) before taxation | 1,490 | (437) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 1,047 | 890 |
| Impairments of property, plant and equipment and intangible assets | 210 | 61 |
| Net finance costs | 118 | 238 |
| Share of operating loss of equity accounted investments | 1 | 5 |
| Other | (215) | (51) |
| Changes in assets and liabilities: | | |
| Trade and other receivables | (630) | (122) |
| Inventories | 29 | (52) |
| Trade and other payables | 74 | 25 |
| Provisions and other assets and liabilities | (144) | (97) |
| Cash generated from operations | 1,980 | 460 |
| Dividends received | 8 | 10 |
| Net interest paid | (104) | (119) |
| Income taxes paid (including royalty taxes) | (496) | (245) |
| Net operating cash flows | 1,388 | 106 |
| Investing activities | | |
| Purchases of property, plant and equipment | (556) | (498) |
| Exploration expenditure | (131) | (14) |
| Investment in subsidiaries, operations and joint operations, net of cash | - | (482) |
| Net investment and funding of equity accounted investments | (2) | (1) |
| Other investing | - | (26) |
| Proceeds from sale of assets | 146 | 41 |
| Net investing cash flows | (543) | (980) |
| Financing activities | | |
| Lease payments | (18) | (19) |
| Repayments of long-term borrowing to BHP Group | - | (3,994) |
| Net other financing with BHP Group | (633) | 4,869 |
| Currency valuation change | 23 | (90) |
| Net financing cash flows | (628) | 766 |
| Net increase/(decrease) in cash and cash equivalents | 217 | (108) |
| Cash and cash equivalents, net of overdrafts at the beginning of the period | 776 | 325 |
| Foreign currency exchange rate changes on cash and cash equivalents | (1) | - |
| Cash and cash equivalents, net of overdrafts at the end of the period | 992 | 217 |

The accompanying notes form part of these half year financial statements.

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BHP Petroleum Assets

Combined statement of changes in equity for the half year ended 31 December 2021

| | Share capital (1) US\$M | Retained earnings US\$M | Foreign currency translation reserve US\$M | Total equity US\$M |
|---------------------------------------|-------------------------------|-------------------------------|--|--------------------------|
| Balance as at 1 July 2021 | 15,234 | (15,610) | 3,488 | 3,112 |
| Total comprehensive income/(loss) | – | 583 | 1 | 584 |
| Deemed contributions from BHP Group | – | 4,278 | – | 4,278 |
| Balance as at 31 December 2021 | 15,234 | (10,749) | 3,489 | 7,974 |
| Balance as at 1 July 2020 | 15,234 | (13,997) | 3,487 | 4,724 |
| Total comprehensive loss | – | (387) | – | (387) |
| Deemed distributions to BHP Group | – | (1,252) | – | (1,252) |
| Balance as at 31 December 2020 | 15,234 | (15,636) | 3,487 | 3,085 |

- (1) Number of shares outstanding of BHP Petroleum International Pty Ltd (Parent of BHP Petroleum) for the reporting periods ended 31 December 2021 and 2020 were 18,876,136,568.

The accompanying notes form part of these half year financial statements.

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BHP Petroleum Assets

Notes to the Combined Financial Statements

1. Organisation and summary of significant accounting policies

Organisation

BHP Petroleum Assets are a subset of certain entities wholly owned by BHP Group Limited. The subset of entities primarily represents BHP Group Limited's interests in its petroleum businesses, whose principal activities are the exploration, development and production of oil and gas. These petroleum businesses comprise of oil and gas assets located in the United States (US), Gulf of Mexico, Australia, Trinidad and Tobago, Algeria and Mexico and appraisal and exploration options in Trinidad and Tobago, central and western US Gulf of Mexico, eastern Canada, Egypt and Barbados. The purpose of these non-statutory half year combined financial statements is to provide general purpose historical financial information of the BHP Petroleum Assets for inclusion in listing documents to be issued by Woodside Petroleum Limited, which has entered into a share sale agreement to combine with BHP Petroleum Assets (Proposed Transaction).

These half year combined financial statements include financial information that is limited to the legal entities carved out (BHP Petroleum) from BHP Group Limited (BHP Group), in connection with the Proposed Transaction. BHP Petroleum consists of BHP Petroleum International Pty Ltd and the entities it controls, except for the following entities:

BHP BK Limited

BHP Billiton Petroleum Great Britain Limited

BHP Mineral Resources Inc.

BHP Copper Inc. and its subsidiaries

BHP Capital Inc.

BHP Petroleum International Pty Ltd, the Parent of BHP Petroleum, is a proprietary limited company domiciled in Western Australia, Australia. The registered office of BHP Petroleum International Pty Ltd is 125 St Georges Terrace, Perth WA 6000.

Ultimate group company

BHP Group Limited, a company incorporated in the state of Victoria, Australia, is the ultimate Parent company. Copies of the ultimate Parent company's financial statements are available from BHP Centre, 171 Collins Street, Melbourne Victoria 3000, Australia.

Basis of presentation

The combined financial statements for the half year ended 31 December 2021 are unaudited and have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board (IASB). The half year combined financial statements represent a 'condensed set of financial statements' and do not include all of the information required for a full annual report and are to be read in conjunction with the most recent audited fiscal year BHP Petroleum financial statements.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent audited annual financial statements.

All amounts are expressed in US dollars unless otherwise stated. BHP Petroleum's presentation currency and the functional currency of the majority of its operations is US dollars as this is the principal currency of the economic environment in which it operates. Amounts in this half year financial report have, unless otherwise indicated, been rounded to the nearest million dollars.

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BHP Petroleum Assets

Notes to the Combined Financial Statements

At 31 December 2021 BHP Petroleum had net amounts payable to BHP Group of US\$1,700 million. Under the terms of the Share Sale Agreement, between BHP Group and Woodside Petroleum Limited, intra-group funding arrangements are required to be repaid or otherwise eliminated. BHP Petroleum expects to settle intercompany balances with BHP Group either as a capital injection or loan forgiveness neither of which will involve an outflow of cash in order to satisfy the terms of the Share Sale Agreement. BHP Petroleum has made an assessment of its ability to continue as a going concern over the period to 4 March 2023 (the going concern period) and believes that it has sufficient financial resources to meet its obligations as they fall due throughout the going concern period. As such, the financial statements continue to be prepared on a going concern basis.

2. Revenue

The following table provides a summary of BHP Petroleum's revenue by geographic location:

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|----------------------|--|--|
| Australia | 761 | 501 |
| North America | 1,025 | 454 |
| United Kingdom | – | 15 |
| Rest of Europe | 113 | 79 |
| Japan | 270 | 167 |
| South Korea | 38 | 16 |
| China | 35 | 38 |
| Other Asia | 763 | 265 |
| Rest of World | 193 | 67 |
| Total revenue | 3,198 | 1,602 |

The following table provides a summary of BHP Petroleum's revenue by asset:

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|-------------------------------|--|--|
| Australia Production Unit (1) | 225 | 123 |
| Bass Strait | 775 | 478 |
| North West Shelf | 865 | 402 |
| Atlantis | 517 | 212 |
| Shenzi | 326 | 137 |
| Mad Dog | 157 | 88 |
| Trinidad and Tobago | 206 | 68 |
| Algeria | 108 | 75 |
| Third-party products | 6 | 3 |
| Other | 13 | 16 |
| Total revenue | 3,198 | 1,602 |

(1) Australia Production Unit includes Macedon and Pyrenees.

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BHP Petroleum Assets

Notes to the Combined Financial Statements

The following table provides a summary of BHP Petroleum's revenue by product:

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|----------------------|--|--|
| Crude oil | 1,656 | 772 |
| Gas | 1,334 | 712 |
| Natural gas liquids | 183 | 93 |
| Other | 25 | 25 |
| Total revenue | 3,198 | 1,602 |

Revenue consists of revenue from contracts with customers of US\$3,187 million (31 December 2020: US\$1,583 million) and other revenue of US\$11 million (31 December 2020: US\$19 million).

3. Expenses and other income

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|---|--|--|
| Employee benefits expense: | | |
| Wages, salaries and redundancies | 147 | 183 |
| Employee share awards | 11 | 17 |
| Pension and other post-retirement obligations | 30 | 32 |
| Less employee benefits expense classified as exploration and evaluation expenditure | (31) | (48) |
| Changes in inventories of finished goods | 12 | (9) |
| Raw materials and consumables used | 57 | 45 |
| Freight and transportation | 62 | 40 |
| External services | 274 | 302 |
| Third-party commodity purchases | 7 | 3 |
| Net foreign exchange losses | (5) | 32 |
| Government royalties paid and payable | 119 | 44 |
| Exploration and evaluation and expenditure incurred and expensed in the period | 112 | 181 |
| Depreciation and amortisation expense | 1,047 | 890 |
| Fair value change on derivatives | 32 | 1 |
| Net impairments: | | |
| Property, plant and equipment (1) | 210 | 57 |
| Intangible assets | - | 4 |
| Other expenses (2) | (323) | 42 |
| Total expenses | 1,761 | 1,816 |
| Dividend income | 1 | 5 |
| Gain from sell-down of Scarborough interest (3) | 104 | - |
| Other income (4) | 67 | 15 |
| Total other income | 172 | 20 |

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BHP Petroleum Assets

Notes to the Combined Financial Statements

- (1) At 31 December 2021, the overall recoverable amount of the Ruby operations in offshore Trinidad and Tobago was determined to be US\$107 million, resulting in an impairment charge of US\$210 million against property, plant and equipment. The valuation of Ruby is most sensitive to changes in reserves, with the impairment driven by revisions to estimated reserves resulting from technical analysis of well drilling results and performance following project completion in December 2021. Recoverable amount for the impairment assessment was determined based on Ruby's value in use.
- (2) Half year ended 31 December 2021 includes US\$355 million LNG underlift valuation movement.
- (3) Gain attributable to Final Investment Decision (FID) of the Scarborough project pursuant to the 2016 divestment of BHP Petroleum's 25 per cent Scarborough Joint Venture interest to Woodside.
- (4) Other income includes boat charter, tax barrel income, tariff revenue, income from licensing agreements and sublease income.

4. Income tax

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|--|--|--|
| Total taxation expense/(income) comprises: | | |
| Current tax expense | 822 | 228 |
| Deferred tax expense/(benefit) | 85 | (278) |
| | <u>907</u> | <u>(50)</u> |
| | | |
| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
| Factors affecting income tax expense/(income) for the half year | | |
| Income tax expense differs to the standard rate of corporation tax as follows: | | |
| Profit/(loss) before taxation | 1,490 | (437) |
| Tax expense/(benefit) at Australian prima facie tax rate of 30 per cent | 447 | (131) |
| Non-tax effected operating losses and capital gains | 188 | 156 |
| Tax effect of loss from equity accounted investments, related impairments and expenses | - | 1 |
| Amounts under provided in prior periods | 55 | 65 |
| Recognition of previously unrecognised tax assets | 1 | - |
| Foreign exchange adjustments | 33 | (87) |
| Impact of tax rates applicable outside of Australia | (3) | 5 |
| Other (1) | 149 | (43) |
| Income tax expense/(income) | <u>870</u> | <u>(34)</u> |
| Royalty-related taxation (net of income tax benefit) | <u>37</u> | <u>(16)</u> |
| Total taxation expense/(income) | <u>907</u> | <u>(50)</u> |

- (1) Includes US\$163 million tax expense related to the taxable gain on the disposal of Hamilton Oil Company Inc's interest in BHP Billiton Petroleum Great Britain Limited, refer to Note 12 'Related party transactions'

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BHP Petroleum Assets Notes to the Combined Financial Statements

5. Trade and other receivables

| | 31 Dec 2021 | 30 June 2021 |
|---|--------------|--------------|
| | US\$M | US\$M |
| Trade receivables | 319 | 358 |
| Joint operations partner receivables (1) | 764 | 384 |
| Value-added tax (VAT) and other tax related receivables | 288 | 262 |
| Other receivables | 60 | 61 |
| Total trade and other receivables | 1,431 | 1,065 |
| Comprising: | | |
| Current | 1,230 | 908 |
| Non-current | 201 | 157 |

(1) Joint operations partner receivables include production underlift positions and receivables for joint operations cash float arrangements.

6. Trade and other payables

| | 31 Dec 2021 | 30 June 2021 |
|---------------------------------------|-------------|--------------|
| | US\$M | US\$M |
| Trade payables external | 638 | 641 |
| Other payables | 314 | 278 |
| Total trade and other payables | 952 | 919 |

7. Closure and rehabilitation provisions

A reconciliation of the changes in the closure and rehabilitation provisions is shown in the following table:

| | 31 Dec 2021 | 30 June 2021 |
|--|--------------|--------------|
| | US\$M | US\$M |
| At the beginning of the period | 3,957 | 3,595 |
| Capitalised amounts for operating sites: | | |
| Change in estimate | 13 | 131 |
| Exchange translation | (71) | 162 |
| Adjustments charged/(credited) to the income statement for closed sites: | | |
| Change in estimate | (1) | 17 |
| Exchange translation | (6) | 10 |
| Other adjustments to the provision: | | |
| Amortisation of discounting impacting net finance costs | 58 | 94 |
| Acquisition of subsidiaries and operations | - | 179 |
| Divestment and demerger of subsidiaries and operations | - | (81) |
| Expenditure on closure and rehabilitation activities | (43) | (152) |
| Exchange variations impacting foreign currency translation reserve | (3) | 2 |
| At the end of the period | 3,904 | 3,957 |
| Comprising: | | |
| Current | 144 | 141 |
| Non-current | 3,760 | 3,816 |
| Operating sites | 3,580 | 3,623 |
| Closed sites | 324 | 334 |

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BHP Petroleum Assets

Notes to the Combined Financial Statements

BHP Petroleum is required to rehabilitate sites and associated facilities at the end of, or in some cases, during the course of production, to a condition acceptable to the relevant authorities, at the time rehabilitation occurs, and in accordance with BHP Group's environmental performance requirements as set out within the BHP Group Charter. The requirements of the relevant authorities vary by jurisdiction and are often non-prescriptive.

The key components of closure and rehabilitation activities are:

- the removal of certain infrastructure associated with an operation
- the return of disturbed areas to a safe, stable, productive and self-sustaining condition, consistent with agreed end use.

The recognition and measurement of closure and rehabilitation provisions requires the use of significant estimates and assumptions, including, but not limited to:

- the extent (due to legal or constructive obligations) of potential activities required for the removal of infrastructure and rehabilitation activities
- costs associated with future rehabilitation activities
- applicable discount rates
- the timing of cash flows and ultimate closure of operations.

Many rehabilitation activities are expected to occur a number of years in the future and the precise requirements that will have to be met when the rehabilitation occurs is currently uncertain. Decommissioning technologies and costs are constantly changing, as are political, environmental, safety and public expectations.

Management determines the best estimate of future closure and rehabilitation cash flows by weighting a range of possible scenarios, including only partial removal of offshore infrastructure where BHP Petroleum believes it will be able demonstrate to the relevant regulators, that such an approach will result in better environmental, safety and asset integrity outcomes.

While the closure and rehabilitation provisions reflect management's best estimates based on current knowledge and information, further studies and detailed analysis of the closure activities for individual assets will be performed as the assets near the end of their operational life and/or detailed closure plans are required to be submitted to, and agreed with, relevant regulatory authorities. Such studies and analysis can impact the estimated costs of closure activities. Estimates can also be impacted by the emergence of new restoration techniques, changes in regulatory requirements for rehabilitation, risks relating to climate change and the transition to a low carbon economy and experience at other operations. These uncertainties may result in future actual expenditure differing from the amounts currently provided for in the balance sheet.

8. Other provisions

The disclosure below excludes closure and rehabilitation provisions (refer to Note 7 'Closure and rehabilitation provisions'), employee benefits, restructuring and post-retirement employee benefits provisions (refer to Note 10 'Employee benefits, restructuring and post-retirement employee benefits provisions').

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Notes to the Combined Financial Statements

A reconciliation of changes in other provisions for other liabilities is shown in the following table:

| | 31 Dec 2021 US\$M | 30 June 2021 US\$M |
|---------------------------------|----------------------|-----------------------|
| At the beginning of the period | 233 | 168 |
| Charge/(credit) for the year: | | |
| Disposals | – | (1) |
| Underlying | 9 | 122 |
| Discounting | – | 1 |
| Exchange variations | (3) | 6 |
| Released during the period | (14) | (7) |
| Utilisation | (10) | (57) |
| Transfers and other movements | (2) | 1 |
| At the end of the period | 213 | 233 |
| Comprising: | | |
| Current | 131 | 137 |
| Non-current | 82 | 96 |

9. Fair value measurement

All financial assets and financial liabilities are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate and subsequently carried at fair value or amortised cost. The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate to fair values.

The carrying amount of financial assets and liabilities measured at fair value is principally calculated based on inputs other than quoted prices that are observable for these financial assets or liabilities, either directly (i.e. as unquoted prices) or indirectly (i.e. derived from prices). Where no price information is available from a quoted market source, alternative market mechanisms or recent comparable transactions, fair value is estimated based on BHP Petroleum's views on relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates.

The valuation techniques used by BHP Petroleum to measure fair value include the use of internally developed methodologies and models that result in management's best estimate of fair value. Inputs used in the valuation include, but are not limited to, future commodity prices, market discount rates and consideration of risks specific to the asset or liability being fair valued.

If, at inception of a contract, the valuation cannot be supported by observable market data, any gain or loss determined by the valuation methodology is not recognised in the income statement but deferred on the balance sheet and is commonly known as 'day-one gain or loss'. This deferred gain or loss is recognised in the income statement over the life of the contract until substantially all the remaining contract term can be valued using observable market data at which point any remaining deferred gain or loss is recognised in the income statement. Changes in valuation subsequent to the initial valuation at inception of a contract are recognised immediately in the income statement.

For financial assets and liabilities carried at fair value, BHP Petroleum uses the following to categorise the method used based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Based on quoted process (unadjusted) in active markets for identical financial assets and liabilities

Level 2 - Based on inputs other than quoted prices included within Level 1 that are observable for the financial asset or liability

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BHP Petroleum Assets

Notes to the Combined Financial Statements

Level 3 - Based on inputs not observable in the market using appropriate valuation models, including discounted cash flow modelling

For financial instruments that are carried at fair value on a recurring basis, BHP Petroleum determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period. There were no transfers between categories during the period.

| | IFRS 13 Fair value hierarchy Level | IFRS 9 Classification | 31 Dec 2021 US\$M | 30 June 2021 US\$M |
|------------------------------------|---|--------------------------------------|------------------------------|-------------------------------|
| Cash and cash equivalents | | Amortised cost | 992 | 776 |
| Trade and other receivables | | Amortised cost | 1,431 | 1,065 |
| Receivables from BHP Group | | Amortised cost | 10,852 | 5,526 |
| Other financial assets (1) | 3 | Fair value through profit or loss | 37 | 51 |
| Total financial assets | | | 13,312 | 7,418 |
| Trade and other payables | | Amortised cost | 952 | 919 |
| Payables to BHP Group | | Amortised cost | 12,552 | 12,348 |
| Other financial liabilities | 3 | Fair value through profit or loss | 60 | 9 |
| Interest bearing liabilities | | Amortised cost | 257 | 269 |
| Total financial liabilities | | | 13,821 | 13,545 |

(1) Includes US\$ nil (30 June 2021: US\$46 million) contingent consideration receivable and US\$37 million (30 June 2021: US\$5 million) derivatives embedded in physical commodity purchase contract.

The carrying value of Other financial assets and Other financial liabilities includes an embedded derivative resulting from a physical commodity (gas) purchase and sale contract in Trinidad and Tobago. The carrying value of the embedded derivative at 31 December 2021 was a net liability of US\$23 million (30 June 2021: net liability of US\$4 million).

The following table presents the impact of activity for financial instruments classified as Level 3 in the fair value hierarchy:

| | 31 Dec 2021 US\$M | 30 June 2021 US\$M |
|--|------------------------------|-------------------------------|
| Fair value at the beginning of the period | 42 | 72 |
| Losses recognised in income statement | (10) | (10) |
| Settlements | (55) | (20) |
| Net fair value at the end of the period | (23) | 42 |

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BHP Petroleum Assets

Notes to the Combined Financial Statements

10. Employee benefits, restructuring and post-retirement employee benefits provisions

| | 31 Dec 2021 | 30 June 2021 |
|--|-------------|--------------|
| | US\$M | US\$M |
| Employee benefits provisions (1) | 78 | 147 |
| Restructuring provisions (2) | 7 | 31 |
| Post-retirement employee benefits provisions | 259 | 248 |
| Total provisions | 344 | 426 |
| Comprising: | | |
| Current | 85 | 178 |
| Non-current | 259 | 248 |

- (1) The expenditure associated with total employee benefits will occur in a pattern consistent with when employees choose to exercise their entitlement to benefits.
- (2) Total restructuring provisions include provisions for terminations.

| | Employee benefits (1) | Restructuring (2) | Post-retirement employee benefits | Total |
|-------------------------------|--------------------------|-------------------|---|------------|
| | US\$M | US\$M | US\$M | US\$M |
| As at 30 June 2021 | 147 | 31 | 248 | 426 |
| Charge/(credit) for the year: | | | | |
| Underlying | 47 | 1 | 12 | 60 |
| Discounting | - | - | 6 | 6 |
| Net interest expense | - | - | (2) | (2) |
| Exchange variations | (1) | - | - | (1) |
| Released during the year | (1) | - | (10) | (11) |
| Utilisation | (114) | (25) | 5 | (134) |
| As at 31 December 2021 | 78 | 7 | 259 | 344 |

- (1) The expenditure associated with total employee benefits will occur in a pattern consistent with when employees choose to exercise their entitlement to benefits.
- (2) Total restructuring provisions include provisions for terminations.

BHP Petroleum contributed US\$18 million during the half year ended 31 December 2021 (31 December 2020: US\$19 million) to defined contribution plans and multi-employer defined contribution plans.

11. Investments in associates

Ownership interest for BHP Petroleum's investments in associates, which are operated in the US, are listed in the table below:

| <u>Associates</u> | <u>Principal activity</u> | <u>Reporting date</u> | <u>Ownership interest % (1)</u> |
|-------------------------------------|-----------------------------|-----------------------|---------------------------------|
| Caesar Oil Pipeline Company LLC | Hydrocarbons transportation | 31 December | 25 |
| Cleopatra Gas Gathering Company LLC | Hydrocarbons transportation | 31 December | 22 |
| Marine Well Containment Company LLC | Oil spill services | 31 December | 10 |

- (1) Reflects BHP Petroleum's ownership interest as at 31 December 2021 and 31 December 2020.

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Notes to the Combined Financial Statements

The following table summarises the financial information relating to each of BHP Petroleum's significant equity accounted investments:

| | Half year ended 31 Dec 2021 US\$' 000 | Half year ended 31 Dec 2020 US\$' 000 |
|---|--|--|
| Share of profit/(loss) of equity accounted investments: | | |
| Caesar Oil Pipeline Company LLC | 3,694 | 2,325 |
| Cleopatra Gas Gathering Company LLC | 1,511 | 559 |
| Marine Well Containment Company LLC | (6,523) | (7,412) |
| Share of loss of equity accounted investments | (1,318) | (4,528) |
| Dividends received | 6,909 | 4,993 |
| Contributions | (1,500) | (1,260) |

12. Related party transactions

Transactions with equity accounted investments

The following transactions took place during the half year with equity accounted investments:

| | Half year ended 31 Dec 2021 US\$M | Half year ended 31 Dec 2020 US\$M |
|-----------------------------|--|--|
| Purchases of goods/services | 10 | 7 |
| Dividends received | 7 | 5 |

Outstanding balances with related parties

| | Equity Accounted Investments | | BHP Group Entities | |
|---------------------------------------|---------------------------------|-----------------------|----------------------|-----------------------|
| | 31 Dec 2021 US\$M | 30 June 2021 US\$M | 31 Dec 2021 US\$M | 30 June 2021 US\$M |
| Amounts receivable from BHP Group | – | – | 10,852 | 5,526 |
| Trade amounts owed to related parties | 1 | 2 | – | – |
| Amounts payable to BHP Group | – | – | 12,552 | 12,348 |

BHP Petroleum has financing arrangements with BHP Group for short-term cash management. As at 31 December 2021 current amounts receivable from BHP Group related to these financing arrangements was US\$10,852 million (30 June 2021: US\$5,526 million). These amounts are included in Receivables from BHP Group on the balance sheet. During the half year ended 31 December 2021, BHP Petroleum entities Hamilton Oil Company Inc. and BHP Petroleum Investments (Great Britain) Pty Ltd sold their respective shareholdings in BHP Billiton Petroleum Great Britain Limited and BHP BK Limited for US\$4.3 billion to BHP Group companies outside the Proposed Transaction boundary. As the disposed entities are outside of the Proposed Transaction boundary and excluded from the BHP Petroleum Assets financial statements, the proceeds from the sale were recorded as an equity transaction between BHP Petroleum and BHP Group with no gain or loss recognised in earnings. As at 31 December 2021 the amounts receivable from BHP Group related to the divestment was US\$4.3 billion, included in Receivables from BHP Group on the balance sheet. For tax purposes,

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Notes to the Combined Financial Statements

the sale generated a taxable gain which did not result in current taxes payable as it was offset by a reduction of BHP Petroleum's net operating loss deferred tax asset. Tax expense of US\$163 million related to the taxable gain has been recognized in BHP Petroleum's financial statements.

BHP Petroleum also entered into long-term debt agreements with BHP Group to finance its projects. As at 31 December 2021 and 30 June 2021, the outstanding balance relating to these agreements was US\$10,347 million. This balance was recorded as a non-current liability in Payables to BHP Group at 30 June 2021 and was reclassified to a current liability in Payables to BHP Group as it became current at 31 December 2021. As at 31 December 2021 current amounts payable to BHP Group related to financing arrangements outside the long-term debt agreements were US\$2,205 million (30 June 2021: US\$2,001 million). These amounts are included in Payables to BHP Group on the balance sheet.

Interest expense related to the long-term debt, recorded in Finance expense in the income statement, for the half year ended 31 December 2021 was US\$101 million (31 December 2020: US\$148 million). The long-term debt agreements with BHP Group are entered at 3-month USD LIBOR plus margin. The margin ranges between 1.3 per cent and 1.8 per cent. The long-term debt agreements have a maturity date between November 2022 and December 2022.

There are no expected credit losses related to balances from related parties at 31 December 2021 and 30 June 2021.

BHP Petroleum has entered into various performance and corporate guarantees with certain BHP Group entities in the normal course of business. As at 31 December 2021, BHP Petroleum had outstanding guarantees as follows:

Guarantees provided by BHP Petroleum:

corporate guarantee given to financial institutions that manage future trades in order to hedge oil and gas production with maximum exposure of US\$1 million

Guarantees received by BHP Petroleum:

corporate guarantee received for regulatory requirements for drilling in the amount of US\$24 million

corporate guarantee received for exploration licenses in the amount of US\$249 million

corporate guarantee received for Outer Continental Shelf Right of Way Grant Bond in the amount of US\$3 million

corporate guarantee received for plugging and abandonment of wells in the amount of US\$12 million

The likelihood of these performance and corporate guarantees being called upon is considered remote.

13. Subsequent events

No matters or circumstances have arisen since the end of the half year, 31 December 2021, that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of BHP Petroleum in subsequent accounting periods.



SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED. THESE REDACTED TERMS HAVE BEEN MARKED IN THIS EXHIBIT WITH THREE ASTERISKS [*].**

Share sale agreement

BHP Group Limited

Woodside Petroleum Ltd

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Share sale agreement

Date

Between the parties

Seller

BHP Group Limited

(ACN 004 028 077) of Level 18, 171 Collins Street, Melbourne, Victoria, 3000

Woodside

Woodside Petroleum Ltd

(ACN 004 898 962) of 'Mia Yellagonga', 11 Mount Street, Perth, Western Australia, 6000

Recitals

- 1 The Seller owns the Sale Shares.
- 2 The Seller has agreed to sell and Woodside has agreed to buy the Sale Shares on the terms and conditions of this agreement.
- 3 The parties have agreed to implement the Transaction on the terms and conditions of this agreement.

The parties agree as follows:

1 Definitions and interpretation

1.1 Definitions

The meanings of the terms used in this agreement are set out below.

| <u>Term</u> | <u>Meaning</u> |
|---------------------------------------|---|
| ACCC | the Australian Competition and Consumer Commission. |
| Accounting Standards | International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. |
| Acquired Shares | Seller Shares that participants may purchase (up to a maximum value) under Shareplus. |
| Additional Share Consideration | the aggregate of all Woodside Dividend Shares in relation to all Woodside Dividends (if any). |
| Adjustment Amount | the amount (if any) by which the Amended Locked Box Payment differs from the estimate of the Locked Box Payment provided by the Seller in the Completion Notice, expressed as a positive number. |
| ADS Deposit Agreement | amended and restated deposit agreement dated 11 February 2015 between Woodside and Citibank N.A as depositary (as such agreement has been amended from time to time), or in the event that Woodside engages another party to act as ADS Depositary Bank, such other deposit agreement between Woodside and the ADS Depositary Bank. |

A-1



| Term | Meaning |
|--|---|
| ADS Depository Bank | Citibank, N.A., as depository under the amended and restated deposit agreement dated 11 February 2015 between Woodside and Citibank N.A (as such agreement has been amended from time to time), or such other depository as Woodside may engage in connection with the Transaction provided that any other depository shall be a reputable national bank in the United States. |
| Aggregate Balancing Shares | the aggregate of all Balancing Shares in relation to each Permitted Equity Raise prior to Completion. |
| Amended Locked Box Payment | an amount equal to the final Locked Box Payment determined pursuant to Part 2 of Schedule 6. |
| Anticipated Completion Date | the estimated date for Completion, as agreed by the Parties (acting reasonably and in good faith, and taking into account the status of Conditions and the Timetable) from time to time. |
| Anticipated Project Expenditure and Timing | <p>in respect of the:</p> <ol style="list-style-type: none">1 Woodside Group, the document with Doc ID reference 09.01.03.03 in the Woodside Data Room (Document 09.01.03.03: Anticipated Project Expenditure November 2021); and / or2 Target Group, the document with Doc ID reference 17.1.1.9 in the Target Data Room (Document 17.1.1.9: Aurora Business Plan Update (SSA_Final)), <p>as appropriate.</p> |
| Anticipated Shareholder Approval Date | the estimated date for the Woodside Shareholder vote on the Transaction, as set out in the Timetable (as amended from time to time). |
| Anti-competitive Behavior | any conduct (including entering into, or giving effect to, a contract, arrangement or understanding or any other form of coordination or cooperation), whether past, present or potential, that is unlawful or otherwise restricted or prohibited under any applicable competition law. |
| Applicable Anti-Bribery and Corruption Laws | the <i>Criminal Code Act 1995</i> (Cth), the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth), the <i>UK Bribery Act 2010</i> , the <i>U.S. Foreign Corrupt Practices Act of 1977</i> , the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (which entered into force on 15 February 1999) and the Convention's commentaries, and other such Conventions including the United Nations against Corruption (which entered into force on 14 December 2005), or any other applicable legislation or regulation relating to anti-bribery or anti-corruption (governmental or commercial). |
| Applicable Securities Regulations | the Corporations Act, the ASX Listing Rules, US Securities Act, US Exchange Act, NYSE Listing Standards the UK Prospectus Regulation, the Prospectus Regulation Rules, Market Abuse Regulation, the UK Listing Rules or any other regulations or legislation governing the issue, offer, registration or admission to trading of Woodside Shares (including through, or in the form of, depository interests or depository receipts) in a relevant jurisdiction. |

| Term | Meaning |
|---------------------------------------|---|
| Applicable Trade Controls Laws | any sanctions, export control, or import laws, or other regulations, orders, directives, designations, licenses, or decisions relating to the trade of goods, technology, software and services which are imposed, administered or enforced from time to time by Australia, the United States, the United Kingdom, the EU, EU Member States, Switzerland, the United Nations or United Nations Security Council and also includes U.S. anti-boycott laws and regulations. |
| ASIC | the Australian Securities and Investments Commission. |
| Assets | <ol style="list-style-type: none">1 the Projects described in Attachment 3 of the Seller Disclosure Letter;2 the interests of the Target Group in Petroleum Titles and Joint Operating Agreements described in Attachment 3 of the Seller Disclosure Letter and the corresponding rights, title and interest arising from such Petroleum Titles and JV Contracts;3 the Minority Interests;4 all direct and indirect interests in plant and equipment comprising processing facilities, pipelines or other petroleum-related infrastructure forming part of the Projects described in Attachment 3 of the Seller Disclosure Letter; and5 any pipelines, plant, machinery, wells, facilities and any other offshore and onshore installations and structures forming part of the Projects described in Attachment 3 of the Seller Disclosure Letter, <p>provided that items 4 and 5 above will only apply to assets described therein if the asset has a value of not less than US\$50 million.</p> |
| Associate | has the meaning set out in section 12 of the Corporations Act, as if subsection 12(1) of the Corporations Act included a reference to this agreement. |
| ASX | ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates. |
| ASX Listing Rules | the official listing rules of ASX. |
| Authorisation | any approval, licence, consent, authority or permit. |
| Balance Sheet Negative Impact | the aggregate amount (if any) by which the operating cash flows attributable to the Target Group received between the Effective Time and Completion included in the calculation of the Locked Box Payment is lower solely as a result of using the Locked Box Accounts as opposed to the Unaudited Balance Sheet (for avoidance of doubt any differences in the tax accounts in the Locked Box Accounts and Unaudited Balance Sheet will be excluded for the purposes of this calculation). For the purposes of this definition all negative impacts in accordance with the definition are to be aggregated, without aggregating any positive impacts (the latter being aggregated in the Balance Sheet Positive Impact). |
| Balance Sheet Positive Impact | the aggregate amount (if any) by which the operating cash flows attributable to the Target Group received between the Effective Time and Completion otherwise included in the calculation of the Locked Box Payment is greater solely as a result of using the Locked Box Accounts as opposed to the Unaudited Balance Sheet (for avoidance of doubt any |

| <u>Term</u> | <u>Meaning</u> |
|--------------------------------------|--|
| | differences in the tax accounts in the Locked Box Accounts and Unaudited Balance Sheet will be excluded for the purposes of this calculation). For the purposes of this definition all positive impacts in accordance with the definition are to be aggregated, without aggregating any negative impacts (the latter being aggregated in the Balance Sheet Negative Impact). |
| Balancing Shares | <p>in relation to a Permitted Equity Raise undertaken by Woodside after 17 August 2021 and prior to Completion:</p> $A = \frac{B \times (C - D)}{D}$ <p>where:</p> <p>A is the Balancing Shares for that Permitted Equity Raise.</p> <p>B is the Equity Ratio (immediately prior to the Permitted Equity Raise) multiplied by the Outstanding Woodside Shares (immediately prior to the Permitted Equity Raise).</p> <p>C is the closing price of the Woodside Shares on ASX on the trading day immediately prior to the announcement of the Permitted Equity Raise.</p> <p>D is the Theoretical Discounted Price for that Permitted Equity Raise.</p> |
| BHP | <p>if:</p> <ol style="list-style-type: none">1 Unification has not occurred, each of the Seller and BHP Group Plc; or2 Unification has occurred, the Seller. |
| BHP Board | <p>the board of directors of the Seller and, for as long as Unification has not been implemented, of BHP Group Plc and a ‘BHP Board Member’ means any director of the Seller or, for as long as Unification has not occurred, of BHP Group Plc, comprising part of the BHP Board.</p> |
| BHP Captive | <p>means a Seller Group Member licensed to operate as an insurer and/or reinsurer and as at the Effective Time includes BHP Marine & General Insurances Pty Ltd and Stein Insurance Company Ltd.</p> |
| BHP Component | <p>has the meaning given in clause 15.5(b)(1).</p> |
| BHP Distribution Announcement | <p>the announcement to be made by BHP on ASX (and for the purposes of satisfying any other Applicable Securities Regulations) on or about the date that the Woodside EM and NoM is announced on ASX, describing (among other things) the impact of the Transaction on BHP and BHP Shareholders.</p> |
| BHP Group Insurance Policies | <p>means:</p> <ol style="list-style-type: none">1 any current or expired Insurance Contracts that have been taken out in the name of an Other Seller Entity or which name an Other Seller Entity as the policyholder;2 any Captive Insurance Policies; and3 any direct or reinsurance contract (including fronting insurance and reinsurance) which is reinsured by a BHP Captive (as reinsurer), <p>that insure a Target Group Member or the Target Petroleum Business including against loss, destruction, damage, liability, cost or expense.</p> |

| <u>Term</u> | <u>Meaning</u> |
|---------------------------------------|--|
| BHP Information | information regarding the Target Group provided by (or on behalf of, provided it is clearly expressed to have been authorised by the Seller and provided as BHP Information) the Seller to Woodside in writing for inclusion in the Woodside Disclosure Documents, being: <ol style="list-style-type: none">1 information about the Target Group and the businesses of the Target Group (including, for the avoidance of doubt, any such information provided by (or on behalf of) the Seller to Woodside for inclusion in, and to the extent that such information relates solely to the Seller or the Target Group and is expressed in, the Combined Group section of the Woodside Disclosure Documents); and2 any other information required under Applicable Securities Regulations to enable the relevant Woodside Disclosure Documents to be prepared that the Parties agree (acting reasonably) is BHP Information and is identified in the relevant Woodside Disclosure Document as such. |
| BHP Register | the register of members of BHP maintained in accordance with section 169 of the Corporations Act and, if Unification has not been implemented, in accordance with section 113 of the Companies Act 2006 (UK). |
| BHP Shareholder | a person who is identified on the BHP Register. |
| BHP Shares | a fully paid ordinary share in the capital of the Seller, and if Unification has not occurred BHP Group Plc, including shares held by the custodian in respect of which Limited ADSs or Plc ADSs (if applicable) have been issued. |
| Business Day | a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Australia, Perth, Australia, London, United Kingdom or New York, United States of America. |
| Business Intellectual Property | has the meaning given in warranty 6 of Schedule 2. |
| Business Records | all original and certified copies of the books, records, documents, information, accounts and data (whether machine readable or in printed form) owned by, or the property of, a Target Group Member or which specifically relate to either the corporate management, governance or operation of a Target Group Member or to the Target Petroleum Business, but excluding any Excluded Records. |
| Capital Expenditure | expenditure incurred after the Effective Time in respect of property, plant and equipment, development of oil and gas properties and capitalised exploration in accordance with current Target Group accounting policies but excluding any capitalised interest. |
| Captive Insurance Policies | means an Insurance Contract or Reinsurance Contract which is issued or underwritten by a BHP Captive (as insurer, coinsurer or reinsurer). |
| CFIUS | the Committee on Foreign Investment in the United States. |



| Term | Meaning |
|---|---|
| Claim | any claim, demand, legal proceedings or cause of action, including any claim, demand, legal proceedings or cause of action under common law, in equity or under statute in any way relating to this agreement or the Transaction and includes a claim, demand, legal proceedings or cause of action arising from a breach of Warranty, or under an indemnity in this agreement, including the US NOL Indemnity, or under any Transaction Agreement. |
| Claims-Made Liability Insurance Policies | means a liability Insurance Contract (whether standalone or part of a composite policy) self- or mutual-insurance arrangements, and insurance provided via a BHP Captive, taken out by a Seller Group Member which upon its terms: <ol style="list-style-type: none">1 responds to a claim made (or deemed made) during the policy period of the insurance cover against the insured to whom the Insurance Contract extends protection in respect of a loss, destruction, damage, liability, cost or expense suffered or incurred by some other person irrespective of whether the act, error, omission, occurrence, event, happening, fact, circumstance, matter, thing or liability the subject of such claim upon the insured happens, transpires or occurs during or prior to the policy period/period of insurance; and2 is in force and for which the policy period of the insurance cover has not expired as at the date of this agreement. |
| Combined Group | the Woodside Group following Completion of the Transaction, which includes the Target Group. |
| Completion | completion of the sale and purchase of the Sale Shares under clause 7. |
| Completion Date | the date on which Completion occurs. |
| Completion Notice | has the meaning given in clause 3.6(b). |
| Completion Steps | the steps that each Party must carry out at Completion, which are set out in Schedule 5. |
| Condition | each of the conditions set out in clause 2.1. |
| Confidential Information | has the meaning given in clause 19(a). |
| Confidentiality Deed | the confidentiality deed between the Target and Woodside dated 28 April 2021, as amended and/or restated from time to time. |
| Consequential Loss | loss or damage which does not fairly and reasonably arise naturally from the relevant breach, including: <ol style="list-style-type: none">1 wasted expenditure;2 indirect loss of profit;3 loss of expected savings;4 opportunity costs;5 indirect loss of business (including loss or reduction of goodwill);6 damage to reputation; and7 loss or corruption of data. |



| <u>Term</u> | <u>Meaning</u> |
|-------------------------------------|--|
| Consolidated Group | a Consolidated Group or a MEC group as those terms are defined in section 995-1 of the Tax Act. |
| Control | has the meaning given in section 50AA of the Corporations Act. |
| Corporations Act | the <i>Corporations Act 2001</i> (Cth). |
| Critical Separation Activity | <p>means any one or more of:</p> <ol style="list-style-type: none">1 the establishment and delivery of the Ringfenced System and the Initial-State Clone (each as defined in Schedule 5 of the ITSA) at Completion in accordance with clause 1.1(a)(iii(A) of Schedule 5 of the ITSA;2 any Separation Activity the completion of which on or before Completion is essential to ensuring that the Target Petroleum Business can operate, on and from Completion, without a significant risk (such risk also being materially greater than the level of risk to which other reputable Third Parties operating comparable oil and gas businesses of a similar size are exposed) of any one or more of the following circumstances occurring:<ol style="list-style-type: none">a. a significant threat to health and safety such that the relevant Project or facility is unable to safely operate;b. a serious environmental incident in respect of a Project or the oil and gas operations of the Target Group that would involve significant contamination or pollution or a serious breach of environmental law, or of a regulation, permit or Authorisation, in each case, that has a material adverse effect on the assets, liabilities, reputation or operations of the Target Group;c. the Target Group breaching applicable laws in a manner that has a material adverse effect on the assets, liabilities, reputation or operations of the Target Group; ord. a material element of the ordinary operations of the Target Petroleum Business being prevented or impaired such that there is a material adverse effect on the assets, liabilities, reputation or operations of the Target Group,<p>provided that, in each case, the circumstances are:</p><ol style="list-style-type: none">e. a material departure from the conduct and operation of the Target Petroleum Business in the 6 month period immediately preceding the date of this agreement; andf. not reasonably capable of being mitigated or avoided, either by Woodside or through the provision of transitional services by the Other Seller Entities (on the basis that such services are treated as Separation Activities and subject to the costs regime set out in the ITSA),<p>(each such circumstance in this item 2 being a “Material Adverse Separation Circumstance”).</p> |



| Term | Meaning |
|---|---|
| Current Insurance Policies | those Insurance Policies in force and in respect of which the period of insurance has not expired as at the date of this agreement. |
| Cut Off Date | 30 June 2022, or as extended in accordance with clause 2.5. |
| Data Centres | <ol style="list-style-type: none">1 the data centre the subject of the Data Center Lease between IP Stream Houston, LLC and BHP Billiton Petroleum (Deepwater) Inc. dated 12 June 2013; and2 the data centre in respect of which the services are provided under the Disaster Recovery and Data Center Services Agreement between CyrusOne LLC and BHP Billiton Petroleum (Deepwater) Inc. dated 10 July 2014. |
| Decommissioning Liabilities | <p>any Liabilities arising from or relating to any or all of:</p> <ol style="list-style-type: none">1 abandonment;2 decommissioning;3 restoration, remediation, rehabilitation and reclamation of the surface and subsurface of lands or waters; and4 removal and making safe of, <p>any of the property relating to, associated with, employed, held or utilised in connection with the Target Petroleum Business (including any pipelines, plant, machinery, wells, facilities and any other offshore and onshore installations and structures), including Liabilities arising from or relating to any obligation (whether express or implied) under or pursuant to any Petroleum Title, any agreement, contract or understanding, or any Environmental Laws or other law, duty of care, international law or convention or other obligation howsoever arising, including obligations under all applicable regulations and any commitments made under any abandonment and site restoration plans prepared in respect of all or any part of the Target Petroleum Business, and including any residual liability for continuing insurance, maintenance and monitoring costs, whether arising before, on or after the Effective Time and irrespective of whether such Liabilities arise as a consequence of the negligence, fault or breach of duty or on account of strict liability on the part of any Target Group Member or any Seller Group Member or otherwise.</p> |
| Demand | a written notice of, or demand for, an amount payable. |
| Detailed Matters Letter | the letter between the Parties executed on the same date as this agreement. |
| Designated Person | has the meaning given in clause 15.8(c). |
| Direct Distribution | the Distribution being effected by the Share Consideration being issued directly by Woodside to the BHP Shareholders as a result of the Seller making an election in accordance with clause 3.5(a)(5). |
| Directors & Officers Insurance | means a liability Insurance Contract, self- or mutual-insurance arrangements, and insurance provided via a BHP Captive, providing “directors and officers” insurance coverage taken out by a Seller Group Member for the benefit of (amongst others) the directors, officers, managers and employees of the Target Group Members, insuring them against liability for acts and omissions in their capacity as directors, officers, managers or employees of the Target Group Members and in effect as at the date of this agreement. |



| Term | Meaning |
|------------------------------------|--|
| Disputing Action | in respect of a Tax Demand, any action to cause the Tax Demand to be withdrawn, reduced or postponed or to avoid, resist, object to, defend, appear against or compromise the Tax Demand and any judicial or administrative proceedings arising out of that action. |
| Distribution | the in specie distribution of Woodside Shares by BHP to the BHP Shareholders that are on the BHP Register on the Distribution Record Date in satisfaction of a dividend, capital reduction or a combination of the two that has been declared or determined by the BHP Board. |
| Distribution Entitlement | <p>the number of Woodside Shares comprising the Share Consideration to which each BHP Shareholder is entitled (subject to operation of clause 3.7(g)):</p> $A = B \times (C / D)$ <p>where:</p> <p>A is the number of Woodside Shares comprising the Share Consideration to which each BHP Shareholder is entitled.</p> <p>B is the total number of new Woodside Shares issued as Share Consideration.</p> <p>C is the number of BHP Shares held by the BHP Shareholder at the Distribution Record Date.</p> <p>D is the total number of BHP Shares on issue at the Distribution Record Date.</p> |
| Distribution Implementation | implementation of the Distribution in accordance with this agreement, being the issue or transfer of the Share Consideration to Participating BHP Shareholders and the Sale Agent, and the recording of the issue of the Share Consideration to Participating BHP Shareholders and the Sale Agent as at the Distribution Record Date in the Woodside Register. |
| Distribution Record Date | the time determined by the BHP Board as the date for determining BHP Shareholders' entitlement to the Distribution. |
| Divested Assets | has the meaning given in clause 12.3(c)(2). |
| Divestment Agreement | <p>each of the following agreements:</p> <ol style="list-style-type: none">1 Share and Membership Interest Purchase Agreement between BHP Billiton Petroleum (Arkansas Holdings) Inc and MMGJ Hugoton III, LLC dated 26 July 2018;2 Share Purchase Agreement between BHP Billiton Petroleum (North America) Inc. and BP America Production Company dated 26 July 2018 and the Guaranty Agreement entered on or about the same date entered into by BHP Billiton Petroleum International Pty Ltd in favour of BP Production Company;3 Ongoing Divestment Asset SPA; and4 Purchase and Sale Agreement between BHP Billiton Petroleum Properties (N.A.), LP, BHP Billiton Petroleum (TXLA Operating) Company, BHP BILLITON Petroleum (TX Gathering), LLC, and Petrohawk Energy Corporation and Encana Oil & Gas dated 20 September 2016. |



| Term | Meaning |
|------------------------|---|
| Dormant Entity | each of the following: <ol style="list-style-type: none">1 BHP Petroleum (Arkansas Holdings) LLC;2 BHP Billiton Boliviana de Petroleo Inc;3 BHPB Petroleum (Trinidad Block 23B) Ltd;4 BHPB Petroleum (Trinidad Block 23B) Ltd (Trinidad and Tobago);5 BHPB Petroleum (Trinidad Block 7) Ltd (Trinidad and Tobago);6 BHP Billiton Petroleum (Trinidad Block 7) Limited;7 BHP Billiton Petroleum (International Exploration) Pty. Ltd. (India);8 BHP Petroleum (Tankers) Limited;9 BHP Petroleum (Trinidad Block 28) Ltd (Trinidad and Tobago);10 BHP Petroleum (Trinidad Block 28) Limited;11 BHP Petroleum (Trinidad Block 3) Limited (Trinidad and Tobago);12 BHP Petroleum (Trinidad Block 3) Limited;13 BHP Petroleum (Trinidad Block 6) Limited (Trinidad and Tobago);14 BHP Petroleum (Trinidad Block 6) Limited;15 BHP Petroleum (Trinidad Block 29) Limited (Trinidad and Tobago);16 BHP Petroleum (Trinidad Block 29) Limited;17 BHP Billiton Petroleum (South Africa 3B-4B) Limited;18 BHP Billiton Boliviana de Petroleo Inc (Sucursal Bolivia);19 BHP Petroleum (Tankers) Limited - Australian Branch; and20 BHP Billiton Petroleum (South Africa 3B/4B) Limited (South Africa Branch). |
| DPA | Section 721 of the Defense Production Act of 1950, as amended (50 U.S.C. § 4565) and all rules and regulations thereunder, including those codified at 31 C.F.R. Parts 800 and 801. |
| Duty | any stamp, transaction or registration duty or similar charge imposed by any Governmental Agency and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them. |
| Effective Time | 11:59pm, 30 June 2021. |
| Electronic Data | has the meaning given in clause 15.5(c). |

| Term | Meaning |
|-----------------------------|--|
| Employee | any: <ol style="list-style-type: none">1 employee of a Target Group Member who remains employed by a Target Group Member immediately before Completion;2 Transferring Employee; and3 Singapore Transferring Employee, but in all cases excluding any Seller Employee. |
| Employee Entitlement | any wages, salary, bonuses, allowances and other benefits or entitlements accruing and payable to an Employee pursuant to their employment including under any applicable employment contract, industrial instrument or at law and including superannuation entitlements. |
| Encumbrance | an interest or power: <ol style="list-style-type: none">1 reserved in or over an interest in any asset; or2 created or otherwise arising in or over any interest in any asset under a security agreement, a bill of sale, mortgage, charge, lien, pledge, trust or power or title retention, by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes, but is not limited to:3 any agreement to grant or create any of the above;4 any third party right or interest, or any right arising as a consequence of the enforcement of a judgment; and5 a security interest within the meaning of section 12(1) or (2) of the PPSA. |
| Entity | includes a body corporate, a partnership, a trust and the trustee of a trust. |
| Environment | <ol style="list-style-type: none">1 the climate;2 any ecological systems or components thereof (including living organisms existing in such systems);3 the living organisms which live in them (including persons, communities or people and their physical, biological and social surroundings); and4 all or any of the following media (alone or in combination): air (including the air within buildings and the air within other natural or man-made structures whether above or below ground), water (including water under or within land or in drains, culverts or sewers, and coastal and inland waters) and land (including land under water). |



| Term | Meaning |
|----------------------------------|---|
| Environmental Laws | <p>all or any applicable laws from time to time in force, as such laws are interpreted and applied in practice from time to time, including:</p> <ol style="list-style-type: none">1 any national, provincial, state, municipal, regional, local or governmental statutes, legislation, regulations, rules, judgments or orders or any other laws or legislation (including any rules, regulations or orders made thereunder);2 any international conventions or treaties having the force of law;3 all ordinances, notices, codes of practice, directives, circulars or guidance notes or Authorisations (and all conditions relating to such Authorisations) made or issued under paragraph 1 of this definition; and4 any judgments, notices, orders, directions, instructions, policies or awards of any Governmental Agency under paragraphs 1 or 2 of this definition, <p>to the extent that they relate to Environmental Matters.</p> |
| Environmental Liabilities | <p>any Liabilities arising from or relating to any Environmental Matters arising under any Environmental Law or otherwise in connection with any Asset or any Target Group Member whether arising before, on or after the Effective Time and irrespective of whether such Liabilities arise as a consequence of the negligence, fault or breach of duty or on account of strict liability on the part of any Target Group Member or any Seller Group Member or otherwise.</p> |
| Environmental Matters | <p>all matters relating to the Environment, including the condition, pollution, emission, contamination or protection of the Environment and the remediation or compensation for any pollution of, emission to or damage or harm to, the Environment.</p> |
| Equity Ratio | <p>is 48/52, except that following the occurrence of a Permitted Equity Raise, the Equity Ratio will be adjusted to be the total number of Woodside Shares comprising the Share Consideration (calculated as if the Permitted Equity Raise has occurred but on the basis that thereafter (i) no further Permitted Equity Raises occur, and (ii) no Woodside Dividend Shares are issued in respect of dividends to be declared after the Permitted Equity Raise) divided by the total number of the Woodside Shares on issue following the Permitted Equity Raise.</p> |
| ERISA | <p>the U.S. Employee Retirement Income Security Act of 1974, as amended.</p> |
| ERISA Affiliate | <p>with respect to any entity, trade or business, any other entity, trade or business that is a member of a group described in Section 414(b), (c), (m) or (o) of the Internal Revenue Code or Section 4001(b)(1) of ERISA that includes the first entity, trade or business, or that is a member of the same “controlled group” as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.</p> |
| Excluded Claim | <ol style="list-style-type: none">1 in respect of a Claim against the Seller, a Tax Claim or a Claim arising under the Title and Capacity Warranties; and2 in respect of a Claim against Woodside, a Claim arising under the Woodside Title and Capacity Warranties or Warranty 6 of Schedule 3. |

| <u>Term</u> | <u>Meaning</u> |
|-------------------------|---|
| Excluded Records | <ol style="list-style-type: none">1 any record, document, data or information of the Other Seller Entities that is not exclusively used in connection with any of the Target Group Members or the Target Petroleum Business;2 any record of the Seller Group in connection with the evaluation of or negotiation process in respect of the MCD, this agreement or the transactions contemplated by the Transaction Agreements or the evaluation of a demerger of the Target or the Target Petroleum Business;3 each document of the Other Seller Entities that is subject to legal professional privilege other than documents solely relating to Target Group Members;4 each document of the Other Seller Entities which cannot be disclosed as a result of:<ol style="list-style-type: none">a. restrictions by third party agreements or law; orb. required consents not having been obtained,in each case provided that reasonable endeavours have been used by the Other Seller Entities to obtain consent to the disclosure;5 any records relating to personal information, personal data or personnel files collected by or on behalf of the Other Seller Entities, other than with respect to any of the Target Group Members or the Target Petroleum Business;6 all documentation and descriptions of the Intra-group Funding Arrangements or the Seller Group treasury arrangements, other than to the extent that it exclusively relates to the Target Group and:<ol style="list-style-type: none">a. does not contain intellectual property rights owned by the Seller Group that are connected to the Intra-group Funding Arrangements and used by Other Seller Entities (Relevant Funding IPR) (for the avoidance of doubt, only the specific information carrying the Relevant Funding IPR will be an Excluded Record and the Seller shall take steps to redact, omit or separate this information); orb. if it does contain Relevant Funding IPR, then the Relevant Funding IPR is necessary for a Permitted Purpose;7 any information that presents (other than in an incidental or immaterial manner) the Seller Group' s commodity, foreign exchange, discount rate or economic or similar views or investment making or decision making principles, criteria or approach in each case that may be applied to or used by Other Seller Entities and their businesses, but only to the extent that such information remains current and is not "out of date";8 Pre-Completion Privileged Materials; and9 any record, data or information, regardless of format or form (including whether in paper or digital form), to the extent it was created, generated or received prior to 31 October 2014, and the record, data or information is no longer readily accessible by any Seller Group Member using reasonable efforts to access or retrieve the information. |

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1 Definitions and interpretation

| Term | Meaning |
|--|---|
| Excluded Retiree Medical Plan Participant | a current or former employee (or current or former employee' s beneficiary) entitled to benefits under the Copper or Coal division (which includes the Minerals division) of the BHP (USA) Inc. Health Plan for Salaried Retirees. |
| Excluded Supplemental Plan Participant | a current or former employee (or current or former employee' s beneficiary) of a Coal, Copper or other employer affiliate of the Seller (other than a Target Group Member) entitled to benefits under the BHP USA Supplemental Plan. |
| Excluded Tax | <ol style="list-style-type: none">1 PRRT, if the tax return is a PRRT instalment statement; or2 an Expense Tax (as defined in Schedule 8). |
| Exclusivity Period | the period between the date of this agreement and the earlier of Completion and termination of this agreement. |
| Existing Representation | has the meaning given in clause 15.8(c). |
| Existing Tax Dispute | has the meaning given in the Seller Disclosure Letter. |
| Exit Payment | the payment required to be made by clause 17.1(c) in accordance with the Tax Sharing Agreement and pursuant to section 721-35 of the Tax Act. |
| Expert | has the meaning given in paragraph 2.5(b) of Schedule 6. |
| Expert' s Report | has the meaning given in paragraph 2.5(d) of Schedule 6. |
| Fairly Disclosed | a reference to 'Fairly Disclosed' means disclosed to the other Party or its Related Bodies Corporate (or to their respective directors or employees), to a sufficient extent, and in sufficient detail, so as to enable a reasonable person experienced in transactions similar to the Transaction and experienced in a business similar to any business conducted by the Party making the disclosure, to identify the nature and scope of the relevant matter, event or circumstance and the fact that it may have financial, operational or other consequences. |
| FCA | the Financial Conduct Authority of the United Kingdom and, where applicable, any successor body or bodies carrying out the functions currently carried out by the Financial Conduct Authority. |
| FIRB | the Foreign Investment Review Board. |
| Form F-4 Registration Statement | the U.S. registration statement on Form F-4 to be prepared and filed by Woodside with the SEC under the US Securities Act relating to the offers and sales of the new Woodside Shares, as amended or supplemented from time to time. |



| Term | Meaning |
|--|--|
| Form F-6 Registration Statement | the U.S. registration statement on Form F-6 to be prepared and filed by the ADS Depositary Bank with the SEC relating to the registration under the US Securities Act of the Woodside ADSs, as amended or supplemented from time to time. |
| Form 8-A Registration Statement | the U.S. registration statement on Form 8-A to be prepared and filed by Woodside with the SEC under the US Exchange Act relating to the class of new Woodside Shares and class of Woodside ADSs, as amended or supplemented from time to time. |
| Former Subsidiary Cover | means an Insurance Contract (or part thereof) providing “directors and officers” liability insurance coverage with respect to Target Group Members and their directors, officers, managers and employees that provides cover for acts or omissions occurring on or before Completion of directors, officers, managers and employees of the Target Group Members. |
| Freehold Properties | the freehold properties listed in Attachment 4 of the Seller Disclosure Letter. |
| FSMA | the Financial Services and Markets Act 2000 of the United Kingdom, as amended from time to time. |
| Government Official | any: <ol style="list-style-type: none">1 individual who is employed by or acting on behalf of a Governmental Agency, government, government-controlled entity, wholly or partially-owned government entity, or public international organisation;2 political party, party official or candidate;3 individual who holds or performs the duties of an appointment, office or position created by custom or convention; or4 individual who holds themselves out to be the authorised intermediary of any person specified in paragraphs 1, 2 or 3 above. |
| Governmental Agency | any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities regulatory authority or exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian. |
| Group Liability | has the same meaning as that term is defined in section 721-10(1)(a) of the Tax Act. |
| Group Liability Date | the date Group Liability becomes due and payable. |
| GST | goods and services tax or similar value added tax levied or imposed in Australia under the GST Law or otherwise on a supply. |



| Term | Meaning |
|---------------------------------------|---|
| GST Act | the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth). |
| GST Group | has the same meaning as that term is defined in the GST Act. |
| GST Law | has the same meaning as in the GST Act. |
| Guarantees | has the meaning given in clause 5.11. |
| Head Company | has the same meaning as that term is defined in section 995-1 of the Tax Act. |
| HSR Act | the Hart-Scott-Rodino Antitrust Improvements Act of 1976. |
| Immediately Available Funds | cash, bank cheque or telegraphic or other electronic means of transfer of cleared funds into a bank account nominated in advance by the payee. |
| Indirect Distribution | the Distribution being effected after the Seller, and if applicable, BHP Group Plc, has been registered as the holder of the Share Consideration in the Woodside Register, as a result of the Seller making an election in accordance with clause 3.5(a)(3) or 3.5(a)(4). |
| Industrial Instrument | any enterprise agreement (as defined in the Fair Work Act 2009 (Cth)), and any industry-wide collective agreement, any other collective bargaining agreement, agreement or understanding with any trade union, works council or similar employee representative of Employees, and any other instrument that would have a similar effect to the preceding classes of instruments under the laws of any jurisdiction in which the Target Group operates. |
| Ineligible Foreign Shareholder | <p>a BHP Shareholder on the BHP Register at the Distribution Record Date whose registered address on the BHP Register is in any jurisdiction (Ineligible Jurisdiction) where the Seller determines (acting reasonably and following consultation with Woodside) that it would be unlawful, unduly onerous or unduly impracticable (in each case in respect of either BHP or Woodside) to distribute the new Woodside Shares comprising the Share Consideration, it being agreed that:</p> <ol style="list-style-type: none">1 each of the United States of America and United Kingdom must not be determined as an Ineligible Jurisdiction by the Seller; and2 any jurisdiction which would require Woodside to issue, lodge, file or register a formal disclosure or registration document (other than Australia, United Kingdom and the United States) must be an Ineligible Jurisdiction unless Woodside agrees otherwise, unless the requirements are not unduly onerous. |



| Term | Meaning |
|---------------------------------------|--|
| Insolvency Event | means, in relation to an entity: <ol style="list-style-type: none">1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;3 the holder of an encumbrance takes possession of the whole or substantial part of the undertaking or property of the entity;4 the entity executing a deed of company arrangement;5 the entity proposes or takes any steps to implement a scheme or arrangement or other compromise with its creditors or any class of them;6 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this agreement;7 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation);8 the entity is declared or taken under applicable law to be insolvent or the entity's board of directors resolve that it is, or is likely to become insolvent; or9 the entity being deregistered as a company or otherwise dissolved, but ignoring any such occurrence or circumstances that exists as a result of a failure by Woodside to comply with its obligations in clause 5.2(c). |
| Insurance Contract | means insurance contracts, policies, agreements, cover notes or similar. |
| Insurance Policies | means the BHP Group Insurance Policies and the Target Group Insurance Policies. |
| Integration Activities | has the meaning given in the ITSA. |
| Integration Plan | the plan developed by the Seller and Woodside in accordance with the ITSA. |
| Integration Steering Committee | the committee of that name established by the Seller and Woodside in accordance with clause 7.1 of the ITSA. |
| Intellectual Property Rights | all intellectual and industrial property rights and interests throughout the world, whether registered or unregistered, including trade marks, designs, patents, inventions, circuit layouts, copyright, trade secrets and analogous rights, confidential information, knowhow and domain names and all other intellectual property rights as defined in Article 2 of the convention establishing the World Intellectual Property Organisation on 14 July 1967 as amended from time to time. |



| Term | Meaning |
|---|--|
| Interest Rate | the daily 11.00am cash rate quoted on Reuters page RBA30. |
| Interim Non-Target Group Employee List | the list referred to in clause 3.1(a)(2) of Schedule 4. |
| Interim Target Functions Employee List | the list referred to in clause 3.1(a)(3) of Schedule 4. |
| Internal Revenue Code | the U.S. Internal Revenue Code of 1986, as amended. |
| Intra-group Funding Arrangements | <p>all funding arrangements between any Other Seller Entities and Target Group Members comprising of receivables due to any:</p> <ol style="list-style-type: none">1 Other Seller Entity that are payable by a Target Group Member; or2 Target Group Member that are payable by an Other Seller Entity, <p>but excluding any such arrangements between Target Group Members (that is, both payable and receivable by Target Group Members).</p> |
| IT Assets | has the meaning given in clause 5.1(d). |
| ITSA | the Integration and Transition Services Agreement entered into between the Seller and Woodside on the date of this agreement. |
| Joint Operating Agreements | each joint operating agreement listed in Attachment 3 of the Seller Disclosure Letter. |
| JV Contract | a contract in whatever form relating to joint operating, joint venture, production sharing or similar arrangements, in each case in relation to the exploration, appraisal, development or production of petroleum. |
| Leasehold Properties | the properties leased by the Target Group Members listed in Attachment 4 of the Seller Disclosure Letter. |
| Liability | all debts, costs, damages, expenses, charges, penalties, outgoings, Losses, liabilities or obligations whatsoever, whether actual, prospective, contingent or otherwise and whether or not ascertained. |
| Limited ADS | a Limited American Depositary Share issued under the second amended and restated deposit agreement dated 2 July 2007 between BHP Group Limited and Citibank, N.A., as depositary (the Limited ADS Deposit Agreement). |



| Term | Meaning |
|---|--|
| Locked Box Accounts | the audited consolidated balance sheet, cashflow statement and profit and loss statement of the consolidated Target Group (excluding the Restructure Entities) as at 30 June 2021. |
| Locked Box Payment | the amount determined in accordance with Part 1 of Schedule 6. |
| Locked Box Payment Statement | a statement prepared in accordance with Part 2 of Schedule 6. |
| London Stock Exchange | means the London Stock Exchange plc. |
| Loss | losses, liabilities, damages, costs, charges and expenses and includes Taxes, Duties and Tax Costs. |
| MAP award | an award under the Seller's Management Award Plan (MAP), being a plan governed by the rules of the BHP Billiton Limited Executive Incentive Plan (Executive Incentive Plan). Under the MAP, participants are granted an award of conditional rights to the Seller's Shares subject to satisfaction of a service condition. |
| Market Abuse Regulation | means the UK version of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended)). |
| Matching Shares | the Seller Shares to which Shareplus participants become entitled upon satisfaction of certain conditions determined by the Seller's Directors (including retaining some or all of the Acquired Shares for a specified qualification period). |
| Material Adverse Separation Circumstance | has the meaning given in item 2 of the definition of "Critical Separation Activity". |
| Material Conflict Notice | means a written notice given by the Seller to Woodside that the Seller considers there is a Material Insurance Conflict (or a reasonable likelihood of a Material Insurance Conflict) and giving reasons for the asserted conflict. |
| Material Insurance Conflict | means a material conflict of interest, or a reasonable likelihood of material conflict, between the interests of, on the one hand, the Seller and, on the other hand, Woodside or a Target Group Member with respect to an insurance claim to which clause 5.16(g) or 5.16(h) applies. |
| MCD | the Merger Commitment Deed between the Seller and Woodside dated 17 August 2021. |

| Term | Meaning |
|-----------------------------------|---|
| Minority Interests | <p>the following interests held by a Target Group Member:</p> <ol style="list-style-type: none">1 Marine Well Containment Company LLC (10% interest);2 Caesar Oil Pipeline Company, LLC (25% interest);3 Cleopatra Gas Gathering Company LLC (22% interest);4 China Administration Company Pty Ltd (16.67%);5 International Gas Transportation Company Limited (16.67%);6 North West Shelf Gas Pty Limited (16.67%);7 North West Shelf Liaison Company Pty Ltd (16.67%);8 North West Shelf Lifting Coordinator Pty Ltd (16.67%);9 North West Shelf Shipping Service Company Pty Ltd (16.67%);10 Iwilei District Participating Parties, LLC (14.96%); and11 Oil Insurance Limited (2.10%), <p>where the Parties acknowledge that the percentage interests listed in items 10 and 11 are subject to change from time to time for movements in issued capital.</p> |
| Mixed Primarily TPB Record | <p>a Mixed Record that is primarily used in connection with any of the Target Group Members or the Target Petroleum Business.</p> |
| Mixed Records | <p>any record, document, data or information of an Other Seller Entity, regardless of the format or form (including in electronic, digital, paper or physical form) that:</p> <ol style="list-style-type: none">1 is an Excluded Record only by operation of paragraph 1 of the definition of “Excluded Record”; and2 contains information used in, and specifically relates to, or which is necessary for the conduct or operation of, any of the Target Group Members or the Target Petroleum Business (including the Integration Activities). |
| Net Amount | <p>has the meaning given in clause 3.6(e).</p> |
| Net Balance Sheet Impact | <p>the amount equal to the Balance Sheet Positive Impact (which may be zero) less the Balance Sheet Negative Impact (which may be zero), expressed as a positive number</p> |
| NiW GSA | <p>the gas supply agreement between BHP Billiton Petroleum (Australia) Pty Ltd and BHP Billiton Nickel West Pty Ltd dated 17 September 2014, as amended by Letter Agreement dated 19 March 2015 and Letter Agreement dated 12 June 2019.</p> |
| Nominated Counterparty | <p>has meaning given in clause 6.4(a).</p> |

| Term | Meaning |
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| Non-Target Group Employee List | the list referred to in clause 3.1(b)(1) of Schedule 4. |
| NOPTA | the National Offshore Petroleum Titles Administrator. |
| North West Shelf Project | the projects that are operated pursuant to: <ol style="list-style-type: none">1 the Australian North West Shelf Project Agreement, as restated on 31 July 2020 between BHP Billiton Petroleum (North West Shelf) Pty Ltd, BP Developments Australia Pty Ltd, Chevron Australia Pty Ltd, CNOOC NWS Private Limited, Japan Australia LNG (MIMI) Pty Ltd, Shell Australia Pty Ltd, Woodside Energy Limited and Woodside; and2 the Cossack Wanaea Lambert Hermes Project Agreement as amended and restated on 8 March 2001 between Woodside Energy Ltd, Shell Australia Ltd, BHP Petroleum (North West Shelf) Pty Ltd, BP Developments Australia Pty Ltd, Chevron Australia Pty Ltd and Japan Australia LNG (MIMI) Pty Ltd and Woodside. |
| Notified Party | has the meaning given in clause 11.17. |
| NYSE | the New York Stock Exchange, Inc. |
| OBL Support | the liability of the Seller provided pursuant to the Royalty Agreement dated 28 December 1960 between BHP Billiton Limited and Oil Basins Incorporated. |
| Occurrence-Based Liability Insurance Policies | means a liability Insurance Contract (whether standalone or part of a composite policy), self- or mutual-insurance arrangements, and insurance provided via a BHP Captive, taken out by a Seller Group Member where the insurer's liability to indemnify is triggered by an occurrence, event, happening, fact, circumstance, matter, thing or liability which happens or occurs within the policy period, even if: <ol style="list-style-type: none">1 any claim against an insured in connection with that occurrence, event, happening, fact, circumstance, matter, thing or liability is made outside of the policy period; or2 the insured's or insurer's liability is not determined or ascertained until after the policy period expires, but excluding any Claims-Made Liability Insurance Policies. For the avoidance of doubt, Occurrence-Based Liability Insurance Policies includes property damage and business interruption insurance policies whether issued by a BHP Captive or otherwise. |
| Ongoing Divestment Agreement | has the meaning given to the term in the Detailed Matters Letter. |



| Term | Meaning |
|--------------------------------------|---|
| Ongoing Divestment Indemnity | the indemnity in paragraph 2.3(e) of the Detailed Matters Letter. |
| Ongoing Divestment Asset SPA | has the meaning given to the term in the Detailed Matters Letter. |
| Operator | the entity appointed in the role of the 'Operator' under the relevant joint operating agreement or joint venture contract, as amended from time to time. |
| OPGGSA | the <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006</i> (Cth). |
| Original ERP System | means all data, applications, processes and systems comprised in the Other Seller Entities' 'ISAP' system as such system exists as at the date of this agreement, subject to any modifications or developments made by the Other Seller Entities after the date of this agreement from time to time. |
| Other Material Contract | a contract, commitment or arrangement which is reasonably likely to generate revenue or incur expenses for any Target Group Member or Woodside Group Member (as applicable) over the term of the contract, commitment or arrangement in excess of US\$[***]. |
| Other Seller Entities | the Seller Group Members that are not Target Group Members. |
| Outstanding Woodside Shares | the number of Woodside Shares on issue at the relevant time. |
| Participating BHP Shareholder | each BHP Shareholder on the BHP Register as at the Distribution Record Date who is not: <ol style="list-style-type: none">1 an Ineligible Foreign Shareholder; nor2 a Selling Shareholder in respect of the entirety of their Distribution Entitlement. |
| Party | each of Woodside and the Seller. |
| PEMEX | Pemex Exploracion y Produccion, a State-Owned Enterprise, an affiliate of Petróleos Mexicanos (Federal Taxpayer Number 9207167XA). |
| Permitted Encumbrance | <ol style="list-style-type: none">1 any charge or lien arising in favour of a Governmental Agency by operation of law, provided that no liability secured by such charge of lien is overdue for payment (unless contested in good faith);2 any interest or right, including in relation to personal property, arising under any joint operating agreements, joint venture contracts, production sharing or petroleum sales contracts or related or similar arrangements, including any pre-emptive rights of any kind; |

| <u>Term</u> | <u>Meaning</u> |
|-------------------------------|---|
| | <p>3 any Encumbrance in favour of a Governmental Agency for Taxes (including any Tax credits) and assessments not yet due and payable or not yet delinquent or the amount or validity of which is being contested in good faith by appropriate proceedings;</p> <p>4 mechanics' , materialmen' s, carriers' , workers' , repairers' and statutory liens and rights in rem provided that no Target Group Member is in default in relation to the lien or any agreement or arrangement related to the lien;</p> <p>5 every lien or retention of title arrangement securing the unpaid balance of purchase money for property acquired in the ordinary course of business provided that no Target Group Member is in default in relation to the retention of title arrangement;</p> <p>6 any interest or right arising under the terms and conditions of the relevant Petroleum Title or under the Petroleum Legislation;</p> <p>7 any Encumbrance in relation to personal property (as defined in the PPSA and to which that Act applies) that is created or provided for by:</p> <ul style="list-style-type: none">a transfer of an Account or Chattel Paper;a PPS Lease; ora Commercial Consignment, <p>that is not a security interest within the meaning of section 12(1) or (2) of the PPSA;</p> <p>8 the interest of the lessor or owner in respect of assets subject to a finance or capital lease, a hire-purchase agreement or a conditional sale agreement; and</p> <p>9 any other Encumbrance approved by Woodside, where the amount secured does not increase, and the time for payment of that amount is not extended, beyond the amount and time approved by Woodside.</p> <p>In this definition, Account, Chattel Paper, PPS Lease and Commercial Consignment have the meanings given in the PPSA.</p> |
| Permitted Equity Raise | <p>any issue (in accordance with the ASX Listing Rules) of Woodside Shares by Woodside for the purpose of raising capital, other than:</p> <ol style="list-style-type: none">1 the issue of Woodside Shares on the vesting of any rights or entitlements to Woodside Shares on issue under Woodside' s executive incentive plan or other employee incentive arrangements; and2 the issue of Woodside Shares under the Woodside DRP, or any underwritten component of the Woodside DRP. |
| Permitted Purpose | <p>the purpose of or in connection with Woodside or any Target Group Member operating the Target Petroleum Business, to comply with legal and contractual obligations, to discharge statutory obligations, to prepare tax returns, accounts and other financial statements, discharge statutory obligations (including those relating to sanctions and anti-corruption or other similar activities), to comply with Tax (including reply to a general request for information received from the ATO), Duty or other legal requirements, to conduct legal or arbitration proceedings or in connection with any public, regulatory or</p> |



| <u>Term</u> | <u>Meaning</u> |
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| | governmental investigations, inquiries or commissions, or a corporate governance or any other compliance related purpose. |
| Permitted Tax | the amount calculated under Schedule 8. |
| Personnel Files | any employment related records of Employees required to be created and kept by any law, including records relating to past employee members of the Target Group US Plans. |
| Petroleum Legislation | in relation to each of a Petroleum Title or Woodside Petroleum Title, the legislation under which the Petroleum Title or Woodside Petroleum Title, respectively, was granted. |
| Petroleum Titles | each petroleum title listed in Attachment 3 of the Seller Disclosure Letter. |
| Plc ADS | a BHP Group Plc American Depository Share issued under the second amended and restated deposit agreement dated 2 July 2007 between BHP Group Plc and Citibank, N.A., as depositary (the Plc ADS Deposit Agreement). |
| PPSA | the <i>Personal Property Securities Act 2009</i> (Cth). |
| PPS Register | means the register established under the PPSA. |
| Pre Completion Insurance Claim | has the meaning given in clause 5.16(g). |
| Pre-Completion Privileged Materials | all Pre-Completion Privileges, and all books and records and other documents of the Seller Group to the extent (and only to the extent) containing any advice or communication that is subject to any Pre-Completion Privilege. |
| Pre-Completion Privileges | has the meaning given in clause 15.8(c). |
| Pre Completion Returns | has the meaning given in clause 17.4(a). |
| Pre-Completion Tax Event | has the meaning given in clause 17.4(h). |
| Pre-Completion Designated Persons | has the meaning given in clause 15.8(c). |
| Pre-Tax Net Cash Flow | all pre-Tax operating cash flows other than investing or financing flows, excluding any interest received, paid or accrued but including: <ol style="list-style-type: none">1 any cash received from or paid to equity accounted associates consistent with these definitions as set out in the accounting policies adopted by the Target Group; |



| <u>Term</u> | <u>Meaning</u> |
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| | <p>2 any external dividend received by the Target Group in accordance with the accounting policies adopted by the Target Group; and</p> <p>3 any payments in respect of leases in accordance with IFRS16.</p> |
| Prior Company Counsel | has the meaning given in clause 15.8(c). |
| Proceeds | has the meaning given in clause 3.7(k)(2). |
| Projects | the projects described in Attachment 3 of the Seller Disclosure Letter. |
| Properties | the Freehold Properties and Leasehold Properties. |
| Prospectus Regulation Rules | the prospectus regulation rules made by the FCA, and includes, where appropriate, relevant provisions of the UK Prospectus Regulation as referred to or incorporated within the Prospectus Regulation Rules, under section 73A of FSMA, as amended from time to time. |
| Protocols | the Information Disclosure Protocols agreed between the Target and Woodside dated 8 July 2021. |
| PRRT | Petroleum Resources Rent Tax imposed under the <i>Petroleum Resource Rent Tax Assessment Act 1987</i> (Cth). |
| Public Databases Relevant to Target | <p>the records, registers or databases maintained by:</p> <ol style="list-style-type: none">1 Corporate: the Australian Securities Investment Commission, Australian Securities Exchange, the Texas Secretary of State and the Delaware Secretary of State (Division of Corporations) in the United States, the Mexican Commercial Public Registry (Registro Publico de Comercio), the Registry of Joint Stock Companies of Nova Scotia and the Corporate Registry of Alberta (Canada) and the Companies Registry of the Republic of Trinidad and Tobago;2 Courts and tribunals: the High Court of Australia, the Federal Court of Australia, the Federal Circuit Court of Australia, the Supreme Courts of Victoria, New South Wales, Queensland, South Australia, Western Australia, Tasmania, the District Courts of New South Wales, Queensland, Western Australia and South Australia and the County Court of Victoria, Courts of Appeal of Western Australia and South Australia and the County Court of Victoria, the National Native Title Tribunal, the state and federal courts located in Harris County, Texas, the state and federal courts located in Orleans Parish, Louisiana, the Superior Tribunal of Justice of Mexico City, and the Federal Conciliation and Registry Centers (Centro Federal de Conciliacion y Registro Laboral) and the Judiciary of Trinidad and Tobago;3 Real property: the Department of Environment, Land, Water & Planning (Victoria), the Land Titles Office in Queensland, the Department of Planning, Transport and Infrastructure (SA), Landgate in Western Australia and the Land Titles Office in |



Term

Meaning

Northern Territory, the Harris County Clerk's Office, the Orleans Parish Civil Clerk of Court and the Property Public Registry (Registro Publico de la Propiedad) of Mexico City and the State of Tamaulipas;

- 4 **Environment:** Environment Protection Authority Victoria, Department of Environment and Heritage Protection (Queensland), Environment Protection Authority (SA), Department of Environment Regulation (WA), and Northern Territory Environment Protection Authority, the "Incidents of Non-Compliance" section of the BSEE Data Center maintained by the Bureau of Safety and Environmental Enforcement for the 5 year period prior to the date of this agreement, the LDEQ EDMS database maintained by the Records Management Section of the Louisiana Department of Environmental Quality, Mexico's Agency for Security, Energy and Climate, Canadian Environmental Assessment Agency, Canada Department of Fisheries and Oceans and the Environmental Management Authority of Trinidad and Tobago; and
- 5 **Titles:** National Offshore Petroleum Titles Administrator, Earth Resources (maintained by the Department of Economic Development, Jobs, Transport and Resources (Victoria)), Department of Natural Resources and Mines (Queensland), the Petroleum Exploration and Production System - South Australia, maintained by the Department of the Premier and Cabinet (SA) and Department of Mines, Industry Regulation and Safety (WA) and Department of Primary Industry and Resources (Northern Territory), the "Active-Inactive Leases, Pipeline Permits, Pipeline ROW Files and the Rights of Use and Easement Summary" section of the BOEM Data Center maintained by the Bureau of Ocean Energy Management of the United States Department of the Interior, Ministry of Energy and Energy Industries of Trinidad and Tobago, the National Hydrocarbons Commission of Mexico, the Energy Regulatory Commission of Mexico, the Ministry of Energy of Mexico and the Canada-Newfoundland and Labrador Offshore Petroleum Board,

and the PPS Register maintained by the Australian Financial Security Authority.

the records, registers or databases maintained by:

**Public Databases
Relevant to Woodside**

- 1 **Corporate:** the Australian Securities Investment Commission, Australian Securities Exchange, Myanmar Companies Online (MyCo) Registry, Netherlands Chamber of Commerce, Registre du Commerce et du Cr dit Mobilier (RCCM);
- 2 **Courts and tribunals:** the High Court of Australia, the Federal Court of Australia, the Federal Circuit Court of Australia, the Supreme Courts of Victoria, New South Wales, Queensland, South Australia, Western Australia, Tasmania and the Northern Territory, the District Court, Court of Appeal, the National Native Title Tribunal;
- 3 **Real property:** the Department of Environment, Land, Water & Planning (Victoria), the Land Titles Office in Queensland, the Department of Planning, Transport and Infrastructure (SA), Landgate in Western Australia, and the Land Titles Office in Northern Territory;
- 4 **Environment:** Environment Protection Authority Victoria, Department of Environment and Heritage Protection (Queensland), Environment Protection

| <u>Term</u> | <u>Meaning</u> |
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| | Authority (SA), Department of Environment Regulation (WA), Northern Territory Environment Protection Authority, Myanmar Environmental Conservation Department and Extractive Industries Transparency Initiative (Senegal); |
| | 5 Titles: National Offshore Petroleum Titles Administrator, Earth Resources (maintained by the Department of Economic Development, Jobs, Transport and Resources (Victoria)), Department of Natural Resources and Mines (Queensland), the Petroleum Exploration and Production System - South Australia, maintained by the Department of the Premier and Cabinet (SA), Department of Mines, Industry Regulation and Safety (WA), Department of Primary Industry and Resources (Northern Territory) and Petrolier Cadastre, Imprimerie Nationale (Senegal), |
| | and the PPS Register maintained by the Australian Financial Security Authority. |
| Purchase Price | the: <ol style="list-style-type: none">1 Share Consideration; plus2 Woodside Dividend Payment; plus, if payable to the Seller, or minus, if payable to Woodside3 Locked Box Payment; plus or minus (as applicable)4 any other adjustments made under this agreement (and which are not otherwise included in the Locked Box Payment). |
| Put Option | the 'Option', as defined in the Put Option Deed between Woodside Energy Ltd, Woodside Energy Scarborough Pty Ltd (ACN 650 177 227), BHP Petroleum (North West Shelf) Pty Ltd (ACN 004 514 489) and BHP Petroleum (Australia) Pty Ltd dated 17 August 2021. |
| Put Option Amounts | has the meaning given in clause 3.10(a)(2). |
| Readiness Check | has the meaning given in clause 7.2(b). |
| Regulator' s Draft | in respect of a Woodside Disclosure Document, the version of such document (including in the case of the Woodside EM and NoM, the Woodside Independent Expert' s Report) to be submitted to ASIC, the ASX, the SEC, the FCA, the London Stock Exchange or other equivalent applicable regulatory authority or Governmental Agency for review or approval ahead of publication. |
| Regulatory Approvals | the: <ol style="list-style-type: none">1 FIRB Approval described in clause 2.1(a);2 ACCC Approval described in clause 2.1(b);3 NOPTA Approval described in clause 2.1(c);4 ASIC, ASX, SARB and JSE actions described in clause 2.1(e); |



| Term | Meaning |
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| | <p>5 US HSR Act Clearance described in clause 2.1(f);</p> <p>6 CFIUS Approval described in clause 2.1(g);</p> <p>7 US Registration Statements have become effective as described in clause 2.1(k);</p> <p>8 Trinidad and Tobago Approval described in clause 2.1(l);</p> <p>9 PRC Approval described in clause 2.1(m);</p> <p>10 Japan Approval described in clause 2.1(n);</p> <p>11 Mexico Approval described in clause 2.1(o); and</p> <p>12 Vietnam Approval described in clause 2.1(p).</p> |
| Reimbursement Fee | US\$160,000,000. |
| Reinsurance Contract | means reinsurance contracts, policies, agreements, cover notes or similar. |
| Related Body Corporate | <p>has the meaning set out in section 50 of the Corporations Act, except that the term “body corporate” in that term includes any Entity and the term “subsidiary” where used in that section has the meaning given to it in the Corporations Act, but so that:</p> <ol style="list-style-type: none">1 an Entity will also be taken to be a subsidiary of another Entity if it is controlled by that Entity pursuant to section 50AA of the Corporations Act, but disregarding for this purpose section 50AA(4);2 a trust may be a subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and3 an entity may be a subsidiary of a trust if it would have been a subsidiary if both that entity and the trust were a corporation, <p>and in respect of the Seller, each of:</p> <ol style="list-style-type: none">4 BHP Group Plc and its Related Bodies Corporate (determined by operation of the remainder of this definition of “Related Bodies Corporate”) will be Related Bodies Corporate of each of the Seller and its Related Bodies Corporate (determined by operation of the remainder of this definition of “Related Bodies Corporate”); and5 the Seller and its Related Bodies Corporate (determined by operation of the remainder of this definition of “Related Bodies Corporate”) will be Related Bodies Corporate of each of BHP Group Plc and its Related Bodies Corporate (determined by operation of the remainder of this definition of “Related Bodies Corporate”). |
| Related Party Customer Contracts | <ol style="list-style-type: none">1 the NiW GSA; and2 the WAIO GSA. |



| Term | Meaning |
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| Related Person | <ol style="list-style-type: none">1 in respect of a Party, a Related Body Corporate of that Party;2 in respect of a Party or its Related Bodies Corporate, each director, officer, employee, advisor, agent or representative of that Party or of its Related Body Corporate; and3 in respect of an adviser, each director, officer, employee or contractor of that adviser. |
| Relevant Contracts and Consents | the material contracts, consents and authorisations of the Target Group which contain change of control provisions, unilateral termination rights, notification rights, pre-emptive rights, tag-along rights or applicable regulatory approvals (the latter relating to petroleum titles, licences or similar authorisations including, for example, NOPSEMA) which may be required by, triggered by or exercised in response to, implementation of the Transaction, a list of such contracts, consents and authorisations that have been identified by the Parties as at the date of this agreement being set out in Attachment 2 of the Seller Disclosure Letter (but, for the avoidance of doubt, the Seller does not make any representation in respect of the accuracy or completeness of the list other than to the extent of the Warranties and the Parties may agree that any contracts, consents or arrangements identified after the date of this agreement will be treated as Relevant Contracts and Consents). |
| Relevant Interest | has the meaning given in sections 608 and 609 of the Corporations Act. |
| Relevant Record | all books, records, documents, information, accounts and data (whether machine readable or in printed form) that are: <ol style="list-style-type: none">1 a Mixed Record; or2 are Excluded Records by operation of paragraphs 3 and 4 of the definition of “Excluded Records”, in each case that relate specifically to, or are necessary for the conduct or operation of, any one or more Target Group Member or the Target Petroleum Business (including the Integration Activities). |
| Resolution Institute | the alternate dispute resolution body of that name (and formerly known as the Institute of Arbitrators and Mediators Australia and LEADR), or its replacement from time to time. |
| Restricted Employee | any employee of Broken Hill Proprietary (USA) Inc. as at the date of this agreement who becomes an employee of the Seller Group on or before Completion. |
| Restructure | the transfer, liquidation or other removal of the following entities from the Target Group: <ol style="list-style-type: none">1 BHP Capital Inc.;2 BHP Copper Inc.;3 Resolution Copper Mining LLC;4 BHP Resolution Holdings LLC; |



| <u>Term</u> | <u>Meaning</u> |
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| | 5 BHP Mineral Resources Inc.; |
| | 6 BHP Billiton Petroleum Great Britain Limited; and |
| | 7 BHP BK Limited. |
| Restructure Entities | each of the entities the subject of the Restructure. |
| Run-Off Cover | has the meaning given in clause 5.16(m)(3). |
| Sale Agent | a nominee appointed by the Seller following consultation with Woodside to receive and sell Woodside Shares comprising the Share Consideration attributable to the Ineligible Foreign Shareholders and Selling Shareholders (if applicable). |
| Sale Proceeds Amount | <p>the amount in A\$ that an Ineligible Foreign Shareholder or Selling Shareholder who is entitled to a Distribution Entitlement is entitled to receive as a result of the sale of their Distribution Entitlement by the Sale Agent, which is determined pursuant to the following formula:</p> $A = (B \div C) \times D$ <p>where:</p> <p>A is the amount the relevant Ineligible Foreign Shareholder or Selling Shareholder is entitled to.</p> <p>B is the number of Woodside Shares that would otherwise have been issued to that Ineligible Foreign Shareholder or Selling Shareholder for its Distribution Entitlement had it not been an Ineligible Foreign Shareholder or Selling Shareholder and which were issued or transferred to the Sale Agent.</p> <p>C is the total number of Woodside Shares which would otherwise have been issued to all Ineligible Foreign Shareholders and Selling Shareholders in respect of their Distribution Entitlement which were issued to the Sale Agent.</p> <p>D is the aggregate of all Proceeds realised by the Sale Agent in respect of the sale of all Woodside Shares issued or transferred to the Sale Agent which would otherwise have been issued to all Ineligible Foreign Shareholders and Selling Shareholders in respect of their Distribution Entitlement.</p> |
| Sale Related Contract | any master sales and purchase agreement, sales and purchase agreement, confirmation notice, time or voyage charter party, marketing representative or agency agreement or other agreement between BHP Billiton Marketing AG (or any Other Seller Entity) and a Third Party (under or in relation to which a quantity of liquefied natural gas, crude, condensate, liquefied petroleum gas or other product stream of the Target Petroleum Business is still to be delivered following Completion or where BHP Billiton Marketing AG (or any Other Seller Entity) performs marketing representative or agency services in relation to the product stream of a Third Party), as well as any agreements directly related to these arrangements (such as transportation, freight and handling arrangements), in all |



| <u>Term</u> | <u>Meaning</u> |
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| | cases entered into in the ordinary course of business of the Target Petroleum Business prior to Completion. |
| Sale Shares | all of the issued share capital in the Target. |
| Sanctioned Country or Territory | any country or territory against which comprehensive sanctions are imposed, administered or enforced from time to time by Australia, the United States, the United Kingdom, the EU, any EU Member States, Switzerland, the United Nations or United Nations Security Council, or any other country with jurisdiction over the activities undertaken in connection with this agreement. As at the date of this agreement, Sanctioned Country or Territory includes Iran, Cuba, Sudan, Syria, North Korea and the Crimea region of Ukraine. |
| Sanctioned Party | <ol style="list-style-type: none">any person or entity that is designated for export controls or sanctions restrictions under any Applicable Trade Controls Laws, including but not limited to those designated under the U.S. List of Specially Designated Nationals and Blocked Persons, Foreign Sanctions Evaders List, Entity List, Denied Persons List, Debarred List, Australia's Consolidated List, the UK Consolidated List and the EU Consolidated List of Persons, Groups, and Entities Subject to EU Financial Sanctions; andany entity 50% or more owned or any entity which is controlled directly or indirectly, by one or more of the persons or entities in item 1. |
| SARB | South African Reserve Bank. |
| SEC | the U.S. Securities and Exchange Commission. |
| Security Interest | a security interest as defined in the PPSA. |
| Seller Asset | has the meaning given in clause 8.2. |
| Seller Disclosure Letter | a letter dated the date of this agreement, together with the attachments to that letter, addressed by the Seller to Woodside, including for the purpose of disclosing facts, matters and circumstances that are, or may be, inconsistent with the Warranties. |
| Seller Employee | any employee of a Target Group Member as at the date of this agreement, who is not wholly or predominantly assigned or seconded to the provision of services to the Target Petroleum Business. |
| Seller Group | the Seller and BHP Group Plc and any of their respective Related Bodies Corporate, and a reference to a ' Seller Group Member ' or a ' member of the Seller Group ' is to the Seller or BHP Group Plc or any of their respective Related Bodies Corporate. |
| Seller Group Employee List | the list referred to in clause 3.1(b)(3) of Schedule 4. |



| Term | Meaning |
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| Seller Group Intellectual Property | any Intellectual Property Rights that are owned by any Seller Group Member and that were used in the conduct and operation of the Target Petroleum Business, or were directly relied on by the Target Petroleum Business, at any time in the 12 month period prior to the Effective Time until Completion (except, in the case of limb (a)(i) of the definition of Shared Intellectual Property, at any time in the 5 year period prior to the Effective Time until Completion), but excluding all Seller Group Marks and Third Party Intellectual Property. |
| Seller Group Marks | the expressions “BHP”, “Broken Hill” or “Billiton” and any other name (including any company name, business name or domain name), logo, device or trade mark (if registered) owned by any Seller Group Member, applied to be registered by any Seller Group Member or that any Seller Group Member has a right to use or which is unregistered in which the Seller Group Member has rights (in the latter case where the Seller notifies the Buyer of the relevant name, logo, device or trade mark before Completion). |
| Seller Group Representative or Adviser | any representative or adviser of any Seller Group Member and any Related Bodies Corporate of such representative or adviser (or any current or former director, officer or employee of any of them). |
| Seller’ s Consolidated Group | the Consolidated Group of which the Seller and any of the Target Group Members are members pursuant to section 703-15 of the Tax Act. |
| Seller’ s Fund | The BHP Billiton Superannuation Fund (a sub-Plan in the Plum Division of the MLC Super Fund). |
| Seller’ s GST Group | the GST Group which includes the Seller or any of the Target Group Members as a member. |
| Seller Shares | a share in the capital of the Seller. |
| Seller’ s Head Company | the Head Company of the Seller’ s Consolidated Group. |
| Seller Specified Executives | Geraldine Slattery, Sonia Scarselli, Graham Salmond, Matthew Ridolfi, Shiva McMahon and: <ol style="list-style-type: none"> 1 in respect of the Warranties in clause 14 of Schedule 2 only, Richard Hearn 2 in respect of the Warranties in clause 12 of Schedule 2 only, Marius Kotze and Greg Smith. |
| Selling Shareholder | a BHP Shareholder who neither resides in the United States nor acts for the account or benefit of persons in the United States and whose holding of BHP Shares as at the Distribution Record Date entitles them to participate in any sale facility offered by the Seller as contemplated by clause 3.7(j) and who: <ol style="list-style-type: none"> 1 elects to have all Woodside Shares to which they are entitled under the Distribution sold by the Sale Agent (in the case of a voluntary sale facility); or |



| Term | Meaning |
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| | <p>2 if an “opt-out” mechanism is adopted by the Seller, does not opt out from having all Woodside Shares to which they are entitled under the Distribution sold by the Sale Agent (in the case of a compulsory sale facility).</p> |
| Senior Executive | any Employee employed in a position that is Grade 14 or higher. |
| Senior Insurance Counsel | means a currently practising member of the Bar Association of New South Wales (or such other jurisdiction(s) that the parties reasonably agree having regard to the applicable law of the relevant policy) having the title “Queen’s Counsel” or “Senior Counsel” (or equivalent status) who: <ol style="list-style-type: none">1 specialises in insurance law;2 is selected jointly by the parties, or, if they cannot agree within 14 days, is selected by the President of the New South Wales Bar Association (or equivalent monitoring body in the relevant jurisdiction) at either party’s request; and3 is acting as an expert and not as an arbitrator. |
| Separation Activities | has the meaning given in the ITSA. |
| SFT | a successor fund transfer (in accordance with the <i>Superannuation Industry (Supervision) Regulations 1994</i> (Cth)). |
| Shareplus | the Seller Group’s Global Employee Share Plan last amended and approved on 7 August 2018, through which employees contribute funds after tax to purchase Acquired Shares and, upon satisfaction of certain conditions, may become entitled to Matching Shares. |
| Share Consideration | the number of Woodside Shares that is determined from the following formula: $A = ((48 / 52) \times B) + C + D$ where: A is the number of Woodside Shares the Seller is entitled to. B is the agreed number of Woodside Shares at the Effective Time, being 970,598,757. C is the Additional Share Consideration. D is the Aggregate Balancing Shares. |
| Shared Contract IP | has the meaning given to it in the definition of “Shared Intellectual Property”. |
| Shared Documentation IP | has the meaning given to it in the definition of “Shared Intellectual Property”. |

| Term | Meaning |
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| Shared Intellectual Property | <p>Seller Group Intellectual Property comprising copyright and confidential information in:</p> <ol style="list-style-type: none">documentation (whether in physical or electronic form) that is comprised of:<ul style="list-style-type: none">designs, basis of design documents, plans, manuals (including operating and maintenance manuals), models, methodologies, reports and operator economic models (including Target Group joint venture-specific assumptions or data points, but excluding all other Seller Group assumptions or data points), in all cases directly relating to the sites and operations of the Target Petroleum Business; andpolicies, procedures, processes and standards (including regarding risk, operations, health & safety, procurement, governance) used by the Target Petroleum Business,(Shared Documentation IP); andSeller Group standard form purchase order and contract terms and conditions (including negotiated terms based on such standard form purchase orders and contracts) that are used for the procurement of assets and services in relation to the operation of the Target Petroleum Business (Shared Contract IP). |
| Singapore Transferring Employee | <p>any employee of the Seller Group based in Singapore (as at the date of this agreement) who is wholly or predominantly assigned to the provision of services to the Target Petroleum Business but who is not employed by a Target Group Member (excluding the Restructure Entities) as at the date of this agreement.</p> |
| Specified Project | <p>the Target Group's interest in the North West Shelf Project.</p> |
| Straddle Returns | <p>has the meaning given in clause 17.4(d).</p> |
| Subsidiary | <p>has the meaning given in Division 6 of Part 1.2 of the Corporations Act.</p> |
| Target | <p>BHP Petroleum International Pty Ltd (ACN 006 923 897).</p> |
| Target Competing Proposal | <p>any proposal, agreement, arrangement or transaction, which, if entered into or completed, would result in any one or more Third Parties (either alone or together with any Associate):</p> <ol style="list-style-type: none">acquiring, or having a right to acquire, a legal, beneficial or economic interest in, or control of, any of the Target's shares or of the share capital of any one or more Subsidiaries of the Target that either alone or together hold a substantial part of the assets of the Target Group;acquiring Control of the Target or any other Target Group Member that holds a substantial part of the Target Petroleum Business;directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part of the Target Petroleum Business; |

| <u>Term</u> | <u>Meaning</u> |
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| | <p>4 otherwise directly or indirectly acquiring or merging with Target or one or more Target Group Members that either alone or together hold a substantial part of the Target Petroleum Business; or</p> <p>5 requiring the Seller to abandon, or otherwise fail to proceed with, the Transaction,</p> <p>whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement.</p> <p>Each successive material modification or variation of a Target Competing Proposal will constitute a new Target Competing Proposal.</p> |
| Target Data Room | <p>the data room compiled by the Seller in connection with the Transaction that is located at the following URL: https://services.intralinks.com/web/index.html?clientID=1#workspace/10984985/documents,</p> <p>excluding:</p> <ol style="list-style-type: none">1 documents located in folder 17.3 Integration and all sub-folders thereof; and2 responses within the VDR Q&A functionality that are denoted "[Integration RFI]". |
| Target Disclosure Materials | <p>all documents and information that were:</p> <ol style="list-style-type: none">1 made available to Woodside in the Target Data Room as at 12 November 2021, as set out in the data room index sent by the Seller's legal advisers to, and confirmed by, Woodside's legal advisers for the purposes of this paragraph, as well as the following documents with data room references:<ul style="list-style-type: none">17.1.11.3.2 - Draft Unaudited Consolidated Balance Sheet vs MCD (11 Nov 2021); and17.1.11.3.3 - Draft Unaudited Consolidated Balance Sheet vs MCD (16 Nov 2021);2 all questions and responses within the VDR Q&A functionality of the Target Data Room excluding responses that are denoted "Integration RFI"; and3 contained in the document entitled "Project Endeavour - Management Questionnaire - Specific Due Diligence Matters" dated 12 November 2021 emailed by the Seller's legal advisers to Woodside's legal advisers, <p>and:</p> <ol style="list-style-type: none">4 the information set out in the Seller Disclosure Letter; and5 all information in respect of the Target Petroleum Business released by BHP to the market announcements platform of ASX up to the date that is 5 Business Days prior to the date of this agreement. |



| <u>Term</u> | <u>Meaning</u> |
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| Target Functions Employees | has the meaning given to that term in clause 1 of Schedule 4. |
| Target Functions Employee List | the list referred to in clause 3.1(b)(2) of this Schedule 4. |
| Target Group | the Target and its Subsidiaries on a post-Restructure basis (as listed in Attachment 5 of the Seller Disclosure Letter), and a reference to a ' Target Group Member ' or a ' member of the Target Group ' is to Target or any of its Subsidiaries on a post-Restructure basis (as listed in Attachment 5 of the Seller Disclosure Letter). |
| Target Group Insurance Policies | means any current or expired Insurance Contracts or insurance mutual contracts that insure Target Group Members exclusively and do not insure any Other Seller Entity. |
| Target Group Employee List | the list referred to in clause 3.1(a)(1) of Schedule 4. |
| Target Group US Plan | each US Employee Benefit Plan that is listed in Exhibit A of Schedule 4. |
| Target Guarantees | has the meaning given in clause 5.12. |
| Target Material Adverse Change | <p>an event, change, condition, matter, circumstance or thing occurring before, on or after the date of this agreement (each a Specified Event) which becomes known to Woodside after the date of this agreement and:</p> <ol style="list-style-type: none">whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:<ol style="list-style-type: none">the effect of a diminution in the value of the consolidated net assets of the Target Group, taken as a whole, by at least US\$[***] against what it would reasonably have been expected to have been but for such Specified Event; orthe effect of a diminution in the consolidated earnings before interest, tax, depreciation, amortisation and any impairment of the Target Group, taken as a whole, (i) by at least US\$[***] in any [***] period commencing after signing of this agreement (but within [***] of signing this agreement); and (ii) cumulatively by at least US\$[***] in any period, against what they would reasonably have been expected to have been but for such Specified Event; oris a serious environmental incident in respect of any oil and gas operations operated by a Target Group Member that involves significant contamination or pollution or a serious breach of environmental law, regulation, permit or Authorisation that has a material adverse effect on the assets, liabilities or reputation of the Target Group; or |



| <u>Term</u> | <u>Meaning</u> |
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| | 3 is the: <ul style="list-style-type: none">a. announcement or commencement of a material claim, dispute or litigation; orb. announcement, commencement, escalation or resolution of a material enforcement action or investigation by a Governmental Agency, against or involving a Target Group Member involving an actual or alleged breach of Applicable Anti-Bribery and Corruption Laws and/or Applicable Trade Controls Laws that has had or would be considered reasonably likely to have a material adverse effect on the assets, liabilities or reputation of the Target Group, other than to the extent that those events, changes, conditions, matters, circumstances or things: |
| | 4 arise out of the announcement, pendency or implementation of the Transaction (including any loss of or adverse change in the relationship of the Target Group with their respective employees, customers, partners (including joint venture partners), creditors or suppliers as at the date of this agreement, including the loss of any contract); |
| | 5 are required, or expressly and specifically permitted by, this agreement, the Transaction or the transactions contemplated by either, including the Restructure; |
| | 6 result from implementing a transaction contemplated in the Anticipated Project Expenditure and Timing; |
| | 7 are agreed to in writing by Woodside; |
| | 8 arise as a result of any generally applicable change in law (including subordinate legislation) or governmental policy (including any fee, Tax, levy, charge, payment, cost, impost, deduction or withholding imposed or collected by, or payable to, any Governmental Agency); |
| | 9 arise from changes in economic or business conditions that impact on the Target Group and its competitors in a similar manner (including interest rates, general economic, political or business conditions, commodity prices, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets); |
| | 10 arise from any act of terrorism, outbreak or escalation of war (whether or not declared), major hostilities, civil unrest or outbreak or escalation of any disease epidemic or pandemic (including the outbreak, escalation or any impact of, or recovery from, the Coronavirus or COVID-19 pandemic); or |
| | 11 are Fairly Disclosed by the Seller in an announcement made by the Seller to ASX, or in a publicly available document lodged by it with ASIC, in the 12 month period prior to the date of this agreement. |
| Target Petroleum Business | the business carried out by the Target Group from time to time, but excluding any business conducted by, and any matter, asset or thing relating to, the Restructure Entities. |

| <u>Term</u> | <u>Meaning</u> |
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| Target Prescribed Occurrence | <p>other than as:</p> <ol style="list-style-type: none">1 required or permitted by this agreement (including the Restructure), other Transaction Agreements, or the transactions contemplated by either;2 agreed to in writing by Woodside; or3 result from implementing a transaction contemplated in the Anticipated Project Expenditure and Timing, <p>the occurrence of any of the following:</p> <ol style="list-style-type: none">4 the Target converting all or any of its shares into a larger or smaller number of shares;5 the Target resolving to reduce its share capital in any way;6 the Target:<ol style="list-style-type: none">entering into a buy-back agreement; orresolving to approve the terms of a buy-back agreement under the Corporations Act;7 a Target Group Member issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than to the Target or to a directly or indirectly wholly-owned Subsidiary of the Target;8 a Target Group Member issuing or agreeing to issue securities or other instruments convertible into shares, other than to the Target or to a directly or indirectly wholly-owned Subsidiary of the Target (but excluding to any Restructure Entity);9 a Target Group Member disposing, or agreeing to dispose, of the whole, or a material part, of the Target Group' s business or property, except any transaction the Target Group is permitted to conduct under clause 5.4 (applied for these purposes as if clause 5.4(b) is deemed not to apply) and other than to another Target Group Member or pursuant to the Restructure;10 a Target Group Member granting a security interest, or agreeing to grant a security interest, (including giving or agreeing to give any guarantee), in the whole or a material part of the Target Group' s business or property, except to the extent the Target Group is permitted to do so under 5.4 (applied for these purposes as if clause 5.4(b) is deemed not to apply), and other than the usual and ordinary course of business;11 an Insolvency Event occurs in relation to a Target Group Member;12 a Target Group Member reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares; or13 a Target Group Member making any change to its constitution. |

| Term | Meaning |
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| Target Superior Proposal | <p>a bona fide Target Competing Proposal (and not resulting from a breach by the Seller of any of its obligations under clause 20.2 (it being understood that any actions by the Related Persons of the Seller in breach of clause 20.2 shall be deemed to be a breach by the Seller for the purposes hereof)) which the BHP Board, acting in good faith, and after receiving written legal advice from its legal advisor and written advice from its financial advisor, determines:</p> <ol style="list-style-type: none">1 is reasonably capable of being valued and completed in a reasonable timeframe and substantially in accordance with its terms; and2 would, if completed substantially in accordance with its terms, be reasonably likely to be more favourable to BHP Shareholders (as a whole) than the Transaction, <p>in each case taking into account all terms and conditions and other aspects of the Target Competing Proposal (including any timing considerations, any conditions precedent, the identity, expertise, reputation and technical and financial capacity of the proponent or other matters affecting the probability of the Target Competing Proposal being completed) and of the Transaction.</p> |
| Tax | <ol style="list-style-type: none">1 a tax, levy, excise, royalty, charge, impost, deduction or withholding (including GST and amounts payable under the <i>Petroleum Resource Rent Tax Assessment Act 1987</i> (Cth)) that is at any time imposed or levied pursuant to any law by any Governmental Agency or required to be remitted to, or collected, withheld or assessed by, any Governmental Agency;2 Government entitlements to production paid in-kind (but excluding any amount of Tax that is then indemnified by the government as a consequence of that payment in kind); and3 any related interest, expense, fine, penalty or other charge on those amounts, <p>and includes any amount that a person is required to pay to another person on account of that other person's liability for Tax, but excludes Duty.</p> |
| Tax Act | <p>the <i>Income Tax Assessment Act 1936</i> (Cth), the <i>Income Tax Assessment Act 1997</i> (Cth) and the <i>Taxation Administration Act 1953</i> (Cth), as the context requires.</p> |
| Tax Attribute | <p>means anything that would reduce or extinguish the base on which Tax is assessed or the amount of Tax payable (including any amount of any relief, allowance, exemption, exclusion, set off, deduction, loss, rebate, right to repayment or credit granted or available in respect of a Tax).</p> |
| Tax Claim | <p>any claim, demand, legal proceedings or cause of action in respect of Tax or Duty, including any claim, demand, legal proceedings or cause of action arising from a breach of a Tax Warranty, or under the indemnity in clause 9.5.</p> |
| Tax Cost | <p>all costs, and expenses incurred in:</p> <ol style="list-style-type: none">1 managing an inquiry; or2 conducting any Disputing Action in relation to a Tax Demand. |



| Term | Meaning |
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| Tax Demand | <ol style="list-style-type: none">1 a Demand or assessment (including an amended assessment) from a Governmental Agency requiring the payment of any Tax or Duty for which the Seller may be liable under this agreement;2 any document received from a Governmental Agency administering any Tax or Duty assessing, imposing, claiming or indicating an intention to claim any Tax or Duty;3 a notice of any pending U.S. federal, state, local or non-U.S. Tax audit or examination or notice of deficiency or other adjustment, assessment or redetermination relating to Taxes;4 a notice to a contributing member of a Consolidated Group given under section 721-15(5) or (5A) of the Tax Act; or5 lodgement of a tax return initiated by a Governmental Agency; or6 an amendment under a law about self-assessment of Tax by a Governmental Agency. |
| Tax Funding Agreement | any agreement where a Target Group Member may be required to pay an amount to the Seller's Head Company to pay a Group Liability or to reimburse the Seller's Head Company after payment of the Group Liability. |
| Tax Indemnity | the tax indemnity in clause 9.5. |
| Tax Invoice | includes any document or record treated by the Commissioner of Taxation as a tax invoice or as a document entitling a recipient to an input tax credit. |
| Tax Law | any law relating to either Tax or Duty as the context requires. |
| Tax Loss | means any loss or deduction incurred or made for the purposes of a Tax Law that may be used to reduce any income, value, amount or gain that is subject to Tax, including but not limited to any income or revenue loss or any capital loss, and includes US Net Operating Losses which Target Group has the benefit of as at the Effective Time. |
| Tax Sharing Agreement | the tax sharing agreement contemplated by section 721-25 of the Tax Act entered into by the Seller's Head Company and each Target Group Member that is a member of the Seller's Consolidated Group dated 28 November 2003, as amended. |
| Tax Warranty | Warranty 15. |
| Theoretical Discounted Price | <p>in respect of a Permitted Equity Raise means:</p> $\frac{((A \times B) + (C \times D))}{(A + C)}$ <p>where:</p> <p>A is the number of the Woodside Shares issued under the Permitted Equity Raise.</p> |

| Term | Meaning |
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| | B is the offer price under the Permitted Equity Raise. |
| | C is the total Woodside Shares expected to be on issue immediately prior to the issue of the Share Consideration plus the total number of Woodside Shares comprising the Share Consideration (calculated as if the Permitted Equity Raise did not occur and on the basis that thereafter (i) no further Permitted Equity Raises occur, and (ii) no Woodside Dividend Shares are issued in respect of dividends to be declared after the Permitted Equity Raise). |
| | D is the closing price of the Woodside Shares on ASX on the trading day immediately prior to the announcement to the Permitted Equity Raise. |
| Third Party | any person or entity (including a Governmental Agency) other than a Seller Group Member, a Woodside Group Member or a Target Group Member. |
| Third Party Claim | any claim, Demand, legal proceedings or cause of action made or brought by a Third Party, other than a Tax Demand. |
| Third Party Intellectual Property | any Intellectual Property Rights that are owned by a Third Party and licensed to a Seller Group Member by that Third Party and that were used in the conduct and operation of the Target Petroleum Business at any time in the 12 month period prior to the Effective Time until Completion, but excluding any modifications, adaptations, improvements or developments of or to any component of the foregoing, any Seller Group Marks and any Seller Group Intellectual Property. |
| Timetable | the indicative timetable for implementation of the Transaction set out in Schedule 9. |
| Title and Capacity Warranties | Warranties 1 and 2.1(a) of Schedule 2. |
| Transaction | the transaction contemplated by this agreement under which: <ol style="list-style-type: none">1 Woodside acquires the Sale Shares predominantly in exchange for the Share Consideration; and2 BHP and Woodside give effect to the Distribution. |
| Transaction Agreements | <ol style="list-style-type: none">1 this agreement;2 the ITSA; and3 the Detailed Matters Letter. |
| Transferring Employee | has the meaning given to that term in clause 1 of Schedule 4. |
| Trion Project | the farm-in into the contractual area known as Trion in the deep water Mexican Gulf of Mexico with BHP Billiton Petroleo Operaciones de Mexico, S. de R.L. de C.V. (BHP Mexico) holding a 60% Participating Interest in that certain Hydrocarbon Exploration and Extraction Contract in the Modality of a License among Mexico's National Hydrocarbons Commission (CNH) and PEMEX dated 3 March 2017, with BHP Mexico as "Operator". |

| Term | Meaning |
|---------------------------------|---|
| UK Data Protection Laws | <ol style="list-style-type: none">1 the General Data Protection Regulation (EU) 2016/679 of the European Parliament, in such form as incorporated into the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 and any regulations thereunder;2 the Data Protection Act 2018; and3 any other laws, regulations and secondary legislation enacted from time to time in the UK relating to data protection, the use of information relating to individuals the information rights of individuals and/or the processing of personal data. |
| UK Listing Rules | the rules made by the FCA under Part 6 of the FSMA. |
| UK Official List | the Official List of the FCA. |
| UK Prospectus | the prospectus (together with any supplementary prospectus required to be published by Woodside pursuant to article 23 of the UK Prospectus Regulation) prepared by Woodside in accordance with the Prospectus Regulation Rules in connection with the admission of the Woodside Shares to the standard listing segment of the UK Official List and to trading on the London Stock Exchange' s main market for listed securities. |
| UK Prospectus Regulation | the Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2018 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended from time to time). |
| Unaudited Balance Sheet | the unaudited balance sheet of the consolidated Target Group (excluding the Restructure Entities) as at 30 June 2021 included as Target Data Room document number 17.1.11.3.2). |
| Unification | the proposed reorganisation of the Seller Group to remove the existing dual listed company structure whereby the Seller will become the sole parent company of the Seller Group by acquiring all the ordinary shares in BHP Group Plc. |
| US Employees | any Employee whose employment involves providing services in the United States of America. |
| US Employee Benefit Plan | each: <ol style="list-style-type: none">1 "employee benefit plan," as such term is defined in Section 3(3) of ERISA, sponsored, maintained or contributed to by a Seller Group Member or a Target Group Member with respect to individuals residing in the United States; and2 equity option plan, equity appreciation rights plan, restricted equity plan, phantom equity plan, equity based compensation arrangement, bonus plan or arrangement, incentive award plan or arrangement, vacation policy, severance pay plan, policy or |



| <u>Term</u> | <u>Meaning</u> |
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| | agreement, deferred compensation agreement or arrangement, executive compensation or supplemental income arrangement, consulting agreement, employment agreement, retention agreement, change of control agreement and each other employee benefit plan, policy, agreement, arrangement, program, practice or understanding which is not described in item 1 above that is sponsored, maintained or contributed to by a Seller Group Member or a Target Group Member with respect to individuals residing in the United States. |
| US Exchange Act | the US Securities Exchange Act of 1934, as amended. |
| US Group IV | the consolidated group for U.S. federal income tax purposes (and any similar U.S. state and local tax purposes) of which BHP Petroleum Holdings (USA) Inc. or any other Target Group Member (for purposes of U.S. state and local tax law) is the common parent. |
| US Net Operating Losses or US NOLs | the aggregate amount of loss carryovers available for future deductions under the Internal Revenue Code Section 172 (or corresponding U.S. state or local tax law) available for deduction against US Group IV' s taxable income post the Effective Time (but for the avoidance of doubt (i) without taking into account any limitations under Internal Revenue Code Section 382 or 383 (or corresponding U.S. state or local tax law) and (ii) does not include any Tax Attribute that is attached to a Restructure Entity that remains as an Other Seller Entity on or after Completion). |
| US NOL Indemnity | has the meaning given in clause 5.1(b)(3). |
| US Pension Plan | the BHP USA Retirement Income Plan (as Amended and Restated Generally Effective As of January 1, 2021). |
| US Registration Statements | the Form F-4 Registration Statement, the Form F-6 Registration Statement and the Form 8-A Registration Statement, collectively; each such Registration Statement being referred to individually as a US Registration Statement . |
| US Retiree Medical Plan | the BHP (USA) Inc. Health Plan for Salaried Retirees, as amended, as amended. |
| US Securities Act | the U.S. Securities Act of 1933, as amended. |
| WAIO GSA | the gas supply agreement between BHP Billiton Petroleum (Australia) Pty Ltd and BHP Billiton Iron Ore Pty Ltd dated 11 March 2015, as amended by the Letter Agreement dated 30 October 2018 and Letter Agreement dated 27 June 2019. |
| Warranties | the representations and warranties in Schedule 2. |
| Woodside ADS | an American Depositary Share issued under the ADS Deposit Agreement, with each such Woodside ADS representing one Woodside Share. |



| <u>Term</u> | <u>Meaning</u> |
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| Woodside Board | the board of directors of Woodside and a ‘ Woodside Board Member ’ means any director of Woodside comprising part of the Woodside Board. |
| Woodside Competing Proposal | <p>any proposal, agreement, arrangement or transaction, which, if entered into or completed, would result in a Third Party (either alone or together with any Associate):</p> <ol style="list-style-type: none">1 directly or indirectly acquiring a Relevant Interest in, or having a right to acquire, a legal, beneficial or economic interest in, or control of, 15% or more of Woodside Shares;2 acquiring Control of Woodside or any other material Woodside Group Member that holds a substantial part of the Woodside Group’ s business;3 directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part of the Woodside Group’ s business or assets or the business or assets of the Woodside Group;4 otherwise directly or indirectly acquiring or merging with Woodside or another material Woodside Group Member that holds a substantial part of the Woodside Group’ s business; or5 requiring Woodside to abandon, or otherwise fail to proceed with, the Transaction,<p>whether by way of takeover bid, members’ or creditors’ scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement, but excluding any transaction contemplated in the Anticipated Project Expenditure and Timing.</p><p>Each successive material modification or variation of a Woodside Competing Proposal will constitute a new Woodside Competing Proposal.</p> |
| Woodside Counter-proposal | has the meaning given in clause 20.5(b). |
| Woodside Data Room | the data room compiled by Woodside in connection with the Transaction that is located at the following URL: https://dataroom.ansarada.com/_mvc/71993louh2t%7C77882/3952551/spa/documents . |
| Woodside Disclosure Documents | <ol style="list-style-type: none">1 the Woodside EM and NoM;2 the Form F-4 Registration Statement and the Form 8-A Registration Statement;3 the UK Prospectus;4 any equivalent public document prepared by Woodside for the purposes of disclosure, lodgement or registration by Woodside that is required by a Governmental Agency or under Applicable Securities Regulations in relation to: the issue, offer or quotation of Woodside Shares; or |

| Term | Meaning |
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| | <p>the registration of Woodside Shares or Woodside depositary receipts or interests in respect of Woodside Shares, in each case directly in connection with the Distribution or otherwise directly in connection with the transactions expressly contemplated in this agreement including, to avoid doubt, where Woodside is pursuing a listing of its securities on a recognised securities exchange (including, if applicable, the Johannesburg Stock Exchange); and</p> <p>5 any supplementary disclosure document that is published to supplement any of the disclosure documents listed in paragraphs 1 to 4 as is required under any Applicable Securities Regulations.</p> |
| Woodside Disclosure Letter | <p>a letter dated the date of this agreement together with the attachments to that letter addressed by Woodside to the Seller disclosing facts, matters and circumstances that are, or may be, inconsistent with the Woodside Warranties.</p> |
| Woodside Disclosure Materials | <p>all documents and information that were:</p> <ol style="list-style-type: none">1 made available to the Seller in the Woodside Data Room as at 12 November 2021 as set out in the data room index sent by Woodside's legal advisers to, and confirmed by, the Seller's legal advisers for the purposes of this paragraph;2 all questions and responses within the VDR Q&A functionality of the Target Data Room; and3 contained in the documents entitled:<ul style="list-style-type: none">“Project Endeavour - Management Questionnaire - Management Due Diligence Questionnaire: Financing, Accounting and Tax” dated 22 October 2021;“Project Endeavour - Management Questionnaire - Management Due Diligence Questionnaire: Legal” dated 22 October 2021; andemailed by the Seller's legal advisers to Woodside's legal advisers; <p>and:</p> <ol style="list-style-type: none">4 the information set out in the Woodside Disclosure Letter; and5 all information released by Woodside to the market announcements platform of ASX up to the date that is 5 Business Days prior to the date of this agreement. |
| Woodside Dividend | <p>each dividend declared by Woodside (expressed in US dollars) that has a record date that occurs following the date of the Effective Time, but prior to Completion.</p> |
| Woodside Dividend Payment | <p>the aggregate amount of all Dividend Payments in respect of all Woodside Dividends (excluding franking credits) where the “Dividend Payment” for each Woodside Dividend is the amount equal to the following calculation:</p> <ol style="list-style-type: none">1 the Equity Ratio at the time the Woodside Dividend is paid multiplied by the total amount of that Woodside Dividend (in respect of all Woodside Shares); less2 the Woodside Dividend Shares multiplied by the Woodside Dividend Share Price each calculated in respect of that Woodside Dividend. |



| <u>Term</u> | <u>Meaning</u> |
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| Woodside Dividend Share Price | the volume weighted price per Woodside Share (expressed in US dollars) at which Woodside Shares are issued under the Woodside DRP, including any underwritten component of the Woodside DRP as announced on the ASX and applying the A\$:US\$ exchange rate referred to in that announcement of notification of dividend. If the price per Woodside Share to be issued under the Woodside DRP has not been determined prior to Completion in respect of a Woodside Dividend, then the Parties must agree in good faith the price per Woodside Share (expressed in US dollars) that is a reasonable estimate of what that price is likely to be. |
| Woodside Dividend Shares | <p>in relation to each Woodside Dividend means:</p> $A = B \times (C - D)$ <p>where:</p> <p>A is the number of Woodside Dividend Shares attributable to that Woodside Dividend.</p> <p>B is the Equity Ratio at the time the Woodside Dividend is paid.</p> <p>C is the Outstanding Woodside Shares determined as at immediately after the Woodside Dividend has been paid and the Woodside Shares have been issued under the Woodside DRP in connection with that Woodside Dividend.</p> <p>D is the Outstanding Woodside Shares determined as at immediately prior to the Woodside Dividend being paid and the Woodside Shares being issued under the Woodside DRP in connection with that Woodside Dividend.</p> <p>If the Woodside Dividend has been declared prior to Completion and the record date for that Woodside Dividend is also prior to or on Completion, but the Woodside Shares to be issued under the Woodside DRP have not been determined prior to Completion in respect of a Woodside Dividend, then the Parties must agree in good faith the reasonable estimate of Woodside Shares to be issued pursuant to the Woodside DRP in respect of that Woodside Dividend and use that estimate in place of the '(C - D)' component in the formula in this definition.</p> |
| Woodside DRP | the dividend reinvestment plan conducted by Woodside in the ordinary course, including any underwriting (and issue of Woodside Shares in connection with the underwriting) of such dividend reinvestment plan. |
| Woodside EM and NoM | the explanatory memorandum and notice of meeting to be prepared to seek the approval of Woodside Shareholders for the Transaction prepared in accordance with all applicable laws. |
| Woodside Employee | an employee of a Woodside Group Member as at the date of this agreement. |
| Woodside Group | Woodside and all of its Related Bodies Corporate, and a reference to a ' Woodside Group Member ' or a ' member of the Woodside Group ' is to Woodside or any of its Related Bodies Corporate. After Completion, it includes the Target Group. |



| <u>Term</u> | <u>Meaning</u> |
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| Woodside Group Accounts | the reviewed balance sheet, profit and loss statement and statement of cash flows for the Woodside Group for the half year ended 30 June 2021. |
| Woodside Group Assets | the assets of the Woodside Group described in Attachment 1 of the Woodside Disclosure Letter. |
| Woodside Independent Expert | the independent expert in respect of the Transaction appointed by Woodside. |
| Woodside Independent Expert's Report | the report to be issued by the Woodside Independent Expert in connection with the Transaction. |
| Woodside Information | <p>information regarding the Woodside Group, and the Combined Group, provided by (or on behalf of, provided it is clearly expressed to have been authorised by Woodside and provided as Woodside Information) Woodside to the Seller in writing for inclusion in the BHP Distribution Announcement, being:</p> <ol style="list-style-type: none">1 information about the Woodside Group, the businesses of the Woodside Group and the Combined Group; and2 any other information required under the Corporations Act, the ASX Listing Rules and, to the extent applicable, the Market Abuse Regulation and the UK Listing Rules, for the purposes of the BHP Distribution Announcement that the Parties agree is Woodside Information and is identified in the BHP Distribution Announcement as such, <p>but excluding information regarding the Combined Group to the extent that it comprises information of the Target Group expressly set out in the BHP Information or elsewhere in the BHP Distribution Announcement.</p> |
| Woodside Joint Operating Agreements | each joint operating agreement listed in Attachment 1 of the Woodside Disclosure Letter. |
| Woodside Material Adverse Change | <p>an event, change, condition, matter, circumstance or thing occurring before, on or after the date of this agreement (each a Specified Event) which becomes known to the Seller after the date of this agreement and:</p> <ol style="list-style-type: none">1 whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:<ol style="list-style-type: none">a. the effect of a diminution in the value of the consolidated net assets of the Woodside Group, taken as a whole, by at least US\$1,500,000,000 against what it would reasonably have been expected to have been but for such Specified Event; or |

| <u>Term</u> | <u>Meaning</u> |
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| | <p>b. the effect of a diminution in the consolidated earnings before interest, tax, depreciation, amortisation and any impairment of the Woodside Group, taken as a whole, (i) by at least US\$350,000,000 in any 12 month period commencing after signing of this agreement (but within 5 years of signing this agreement); and (ii) cumulatively by at least US\$1,000,000,000 in any period, against what they would reasonably have been expected to have been but for such Specified Event;</p> |
| 2 | <p>is a serious environmental incident in respect of any oil and gas operations operated by a Woodside Group Member that involves significant contamination or pollution or a serious breach of environmental law, regulation, permit or Authorisation that has a material adverse effect on the assets, liabilities or reputation of the Woodside Group; or</p> |
| 3 | <p>is the:</p> <p>a. announcement or commencement of a material claim, dispute or litigation against a Woodside Group Member; or</p> <p>b. announcement, commencement, escalation or resolution of a material enforcement action or investigation by a Governmental Agency,</p> <p>against or involving a Woodside Group Member involving an actual or alleged breach of Applicable Anti-Bribery and Corruption Laws and/or Applicable Trade Controls Laws that has had or would be considered reasonably likely to have a material adverse effect on the assets, liabilities or reputation of the Woodside Group,</p> <p>other than to the extent that those events, changes, conditions, matters, circumstances or things:</p> |
| 4 | <p>arise out of the announcement, pendency or implementation of the Transaction (including any loss of or adverse change in the relationship of the Woodside Group with their respective employees, customers, partners (including joint venture partners), creditors or suppliers as at the date of this agreement, including the loss of any contract);</p> |
| 5 | <p>are required or permitted by this agreement, the Transaction or the transactions contemplated by either;</p> |
| 6 | <p>result from implementing a transaction, or exercising a vote or discretion to proceed or not proceed with a final investment decision in respect of a transaction or project, contemplated in the Anticipated Project Expenditure and Timing;</p> |
| 7 | <p>are agreed to in writing by the Seller;</p> |
| 8 | <p>arise as a result of any generally applicable change in law (including subordinate legislation) or governmental policy (including any fee, tax, levy, charge, payment, cost, impost, deduction or withholding imposed or collected by, or payable to, any Governmental Agency);</p> |
| 9 | <p>arise from changes in economic or business conditions that impact on Woodside Group and its competitors in a similar manner (including interest rates, general</p> |

| <u>Term</u> | <u>Meaning</u> |
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| | economic, political or business conditions, commodity prices, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets); |
| | 10 arise from any act of terrorism, outbreak or escalation of war (whether or not declared), major hostilities, civil unrest or outbreak or escalation of any disease epidemic or pandemic (including the outbreak, escalation or any impact of, or recovery from, the Coronavirus or COVID-19 pandemic); or |
| | 11 are Fairly Disclosed by Woodside in an announcement made by Woodside to ASX, or in a publicly available document lodged by it with ASIC, in the 12 month period prior to the date of this agreement. |
| Woodside Nominee | has the meaning given in clause 1.1(b) of Schedule 6. |
| Woodside Petroleum Titles | each petroleum title listed in Attachment 1 of the Woodside Disclosure Letter. |
| Woodside Prescribed Occurrence | other than as: <ol style="list-style-type: none">1 required or permitted by this agreement, other Transaction Agreements, or the transactions contemplated by either;2 agreed to in writing by the Seller; or3 arising out of or relating to a transaction contemplated in the Anticipated Project Expenditure and Timing, the occurrence of any of the following: <ol style="list-style-type: none">4 Woodside converting all or any of its shares into a larger or smaller number of shares;5 Woodside resolving to reduce its share capital in any way;6 Woodside:<ul style="list-style-type: none">entering into a buy-back agreement; orresolving to approve the terms of a buy-back agreement under the Corporations Act;7 a Woodside Group Member issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than:<ul style="list-style-type: none">to Woodside or a directly or indirectly wholly-owned Subsidiary of Woodside;the issue of shares on the vesting of any rights or entitlements to shares on issue under Woodside' s executive incentive plan;the grant of new rights or entitlements to shares to employees in the ordinary course and consistent with past practice under Woodside' s current incentive arrangements and the issue of shares upon the vesting of those rights;the issue of shares under the Woodside DRP; or |

| <u>Term</u> | <u>Meaning</u> |
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| | the issue of shares under a Permitted Equity Raise; |
| 8 | a Woodside Group Member issuing or agreeing to issue securities or other instruments convertible into shares other than: to Woodside or a directly or indirectly wholly-owned Subsidiary of Woodside; the grant of new rights or entitlements to shares to employees in the ordinary course and consistent with past practice under Woodside's current incentive arrangements; or the issue of shares under a Permitted Equity Raise; |
| 9 | a Woodside Group Member disposing, or agreeing to dispose, of the whole, or a material part, of the Woodside Group's business or property, except any transaction the Woodside Group is permitted to conduct under clause 5.5 (applied for these purposes as if clause 5.5(b) is deemed not to apply); |
| 10 | a Woodside Group Member granting a security interest, or agreeing to grant a security interest, (including granting or agreeing to grant any guarantee) in the whole or a material part of the Woodside Group's business or property, except any transaction the Woodside Group is permitted to conduct under clause 5.5 (applied for these purposes as if clause 5.5(b) is deemed not to apply) and other than in the usual and ordinary course of business (including in connection with the financing of any project development, the refinancing of any existing Woodside finance facility or liquidity management); |
| 11 | an Insolvency Event occurs in relation to a Woodside Group Member; |
| 12 | Woodside reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares, other than an on-market purchase of shares for the purposes of satisfying entitlements under a Woodside employee incentive plan; or |
| 13 | Woodside making any change to its constitution. |
| Woodside Projects | the projects described in Attachment 1 of the Woodside Disclosure Letter. |
| Woodside Register | the register of members of Woodside maintained in accordance with section 169 of the Corporations Act. |
| Woodside's Consolidated Group | the Consolidated Group of which Woodside is a member. |
| Woodside's HR Lead | Vice President People & Global Capability and General Manager, Global Remuneration and Benefits (or their delegates to the extent required under the Protocol). |
| Woodside Share | a fully paid ordinary share in the capital of Woodside. |
| Woodside Shareholder | a person who is identified on the register of members maintained by, or on behalf of, Woodside. |



| Term | Meaning |
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| Woodside Shareholder Approval | the approval described in clause 2.1(d). |
| Woodside Shareholders Meeting | a meeting of the Woodside Shareholders for the purposes of seeking the Woodside Shareholder Approval. |
| Woodside Specified Executives | Meg O' Neil, Sherry Duhe, Rebecca McNicol, Shaun Gregory and Michael Robinson. |
| Woodside Superior Proposal | <p>a bona fide Woodside Competing Proposal (and not resulting from a breach by Woodside or Woodside of any of its obligations under clause 20.7 (it being understood that any actions by the Related Persons of Woodside in breach of clause 20.7 shall be deemed to be a breach by Woodside for the purposes hereof)) which the Woodside Board, acting in good faith, and after receiving written legal advice from its legal advisor and written advice from its financial advisor, determines:</p> <ol style="list-style-type: none">1 is reasonably capable of being valued and completed in a reasonable timeframe and substantially in accordance with its terms; and2 would, if completed substantially in accordance with its terms, be reasonably likely to be more favourable to Woodside Shareholders (as a whole) than the Transaction, <p>in each case taking into account all terms and conditions and other aspects of the Woodside Competing Proposal (including any timing considerations, any conditions precedent, the identity, expertise, reputation and technical and financial capacity of the proponent or other matters affecting the probability of the Woodside Competing Proposal being completed) and of the Transaction.</p> |
| Woodside Title and Capacity Warranties | Woodside Warranty 1 of Schedule 3. |
| Woodside Warranties | the representations and warranties in Schedule 3. |

1.2 Interpretation

In this agreement:

- (a) Headings and bold type are for convenience only and do not affect the interpretation of this agreement.
- (b) The singular includes the plural and the plural includes the singular.
- (c) Words of any gender include all genders.
- (d) Other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning

- (e) An expression importing a person includes any company, partnership, joint venture, association, corporation, limited liability company or other body corporate and any Governmental Agency as well as an individual.
- (f) A reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this agreement.
- (g) A reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them.
- (h) A reference to a document includes all amendments or supplements to, or replacements or novations of, that document.
- (i) A reference to a party to a document includes that party's successors and permitted assignees.
- (j) A promise on the part of 2 or more persons binds them jointly and severally.
- (k) A reference to an agreement other than this agreement includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing.
- (l) No provision of this agreement will be construed adversely to a party because that party was responsible for the preparation of this agreement or that provision.
- (m) A reference to a body, other than a party to this agreement (including an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions.
- (n) A reference to 'A\$' or 'Australian dollar' is to the lawful currency of Australia and a reference to 'US\$' or 'US dollar' is to the lawful currency of the United States of America.
- (o) A reference to any time, unless otherwise indicated, is to the time in Melbourne, Australia.
- (p) If a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day.
- (q) A reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later.
- (r) If an act prescribed under this agreement is to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day.
- (s) A term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1, has the same meaning when used in this agreement.
- (t) A reference to the Applicable Securities Regulations, or any listing rules, market rules or securities regulations included therein, includes any variation, consolidation or replacement of these rules or regulations and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules or regulations by a party.

1.3 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

1.4 Inclusive expressions

Specifying anything in this agreement after the words 'include' or 'for example' or similar expressions does not limit what else is included.

1.5 Agreement components

This agreement includes any schedule.

2 Conditions for Completion

2.1 Conditions

Clauses 3 and 7 do not become binding on the Parties and are of no force or effect unless and until each of the following Conditions has been satisfied or, where permitted, waived in accordance with clause 2.4:

- (a) **(FIRB Approval):** if the Seller determines (acting reasonably) that any of the following are likely to be required in connection with the Transaction, any one of the following occurring:
 - (1) the Seller has received a written notice under the *Foreign Acquisitions and Takeovers Act 1975* (Cth), by or on behalf of the Treasurer of the Commonwealth of Australia stating or to the effect that the Commonwealth Government does not object to the Transaction contemplated by this agreement, either unconditionally or subject to:
 - (A) the 'standard' tax-related conditions which are in the form, or substantially in the form, of those set out in Section D of FIRB's Guidance Note 12 on 'Tax Conditions' (in the form released on 9 July 2021); and/or
 - (B) such other conditions that are acceptable to the Seller (acting reasonably);
 - (2) the Treasurer of the Commonwealth of Australia becomes precluded from making an order in relation to the subject matter of this agreement and the Transaction contemplated by it under the *Foreign Acquisitions and Takeovers Act 1975* (Cth); or
 - (3) if an interim order is made under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) in respect of the Transaction contemplated by this agreement, the subsequent period for making a final order prohibiting the Transaction contemplated by this agreement elapses without a final order being made.
- (b) **(ACCC Approval):** Woodside has received written advice from ACCC stating or to the effect that it has no objection to, or does not propose to take any action in respect of, the Transaction under section 50 of the *Competition and Consumer Act 2010* (Cth), either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).

- (c) **(NOPTA Approval):** Woodside has received written approval from NOPTA that is necessary under Chapter 5A of the OPGGSA to implement the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (d) **(Woodside Shareholder Approval):** The Woodside Shareholders approve by ordinary resolution the Transaction for the purposes of ASX Listing Rule 7.1 and for all other purposes.
- (e) **(ASIC, ASX, SARB and JSE):** Each of ASIC, ASX, SARB and JSE (the latter two Governmental Agencies for the purposes of enabling the Distribution to occur, rather than to prevent BHP Shareholders who are residents of South Africa being Ineligible Foreign Shareholders) issue or provide all relief, waivers, confirmations, exemptions, consents or approvals, and do all other acts, necessary, or which Woodside and the Seller agree (each acting reasonably) are desirable, to implement the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (f) **(US HSR Act Clearance):** The statutory waiting period (and any extension thereof) applicable to the consummation of the Transaction under the HSR Act and if applicable, any contractual waiting periods under any timing agreements with the US Department of Justice or the Federal Trade Commission applicable to the consummation of the Transaction shall have expired or been earlier terminated without the US Department of Justice or the Federal Trade Commission challenging the Transaction or requiring conditions that are not acceptable to Woodside or the Seller (each acting reasonably).
- (g) **(CFIUS Approval):** Any one of the following has occurred:
 - (1) the Parties have received a written notice issued by CFIUS stating that CFIUS has concluded that the Transaction is not a “covered transaction” and not subject to review under applicable law;
 - (2) the Parties have received a written notice issued by CFIUS that it has determined that there are no unresolved national security concerns with respect to the Transaction, and has concluded all action under the DPA; or
 - (3) either:
 - (A) the President of the United States shall have notified the Parties of his determination not to use his powers pursuant to the DPA to unwind, suspend, condition or prohibit the consummation of the Transaction; or
 - (B) the period allotted for presidential action under the DPA shall have passed without any determination by the President.
- (h) **(Official Quotation):** In response to a request from Woodside, ASX has not indicated to Woodside prior to the date on which all other Conditions have been satisfied or waived in accordance with clause 2.4 that it will not grant permission for the official quotation of the new Woodside Shares to be issued as Share Consideration.
- (i) **(Woodside Independent Expert' s Report):** The Woodside Independent Expert appointed by Woodside:
 - (1) issues a Woodside Independent Expert' s Report which concludes that the Transaction is in the best interests of the Woodside Shareholders; and

- (2) does not change its conclusion or withdraw its Woodside Independent Expert's Report before Woodside Shareholder Approval.
- (j) **(Restructure)**: The Seller completes the Restructure.
- (k) **(US Registration Statements)**: Each US Registration Statement has been declared effective by the SEC in accordance with the provisions of the US Securities Act and the US Exchange Act, as applicable. No stop order suspending the effectiveness of any US Registration Statement shall have been issued, and no proceedings for that purpose have commenced or, so far as Woodside is aware, been threatened by the SEC.
- (l) **(Trinidad and Tobago Approval)**: Woodside has received clearance by the Trinidad and Tobago Fair Trade Commission in respect of the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (m) **(PRC Approval)**: Woodside has received clearance by the State Administration for Market Regulation of the People's Republic of China in respect of the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (n) **(Japan Approval)**: Woodside and, if applicable, the Seller and/or BHP Group Plc, have received clearance by the Japan Fair Trade Commission in respect of the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (o) **(Mexico Approval)**: Woodside has received clearance by the Federal Economic Competition Commission of Mexico in respect of the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (p) **(Vietnam Approval)**: Woodside, the Seller and the Target have received approval from the Vietnam Ministry of Industry and Trade, the Vietnam Competition and Consumer Agency, or the Vietnam National Competition Commission, in respect of the Transaction, or have otherwise confirmed the Transaction will not be opposed in Vietnam, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (q) **(Barbados Approval)**: Woodside has received (i) confirmation from the Barbados Fair Trade Commission that the Transaction does not require notification to, and clearance by, it, or (ii) clearance by the Barbados Fair Trade Commission in respect of the Transaction, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside and the Seller (each acting reasonably).
- (r) **(No Injunction or Order)**: No court or other Governmental Agency of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any law or governmental order (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins or otherwise prohibits consummation of the Transaction and all Regulatory Approvals shall be in full force and effect.

2.2 Notice

Each Party must advise the other by notice in writing, as soon as possible (and in any event within 2 Business Days) if it becomes aware:

- (a) that any Condition in clause 2.1 has been satisfied; or
- (b) of the happening of an event or occurrence that would, does, will, or would reasonably be likely to:
 - (1) prevent a Condition in clause 2.1 being satisfied; or
 - (2) mean that any Condition will not otherwise be satisfied, before the Cut Off Date; or
- (c) if the Condition has been satisfied, it is unlikely to remain satisfied in all respects up to and including Completion.

2.3 Satisfaction of Conditions

- (a) The Seller must use reasonable endeavours to ensure that the Condition relating to the Restructure described in clause 2.1(j) is satisfied as soon as practicable on or before the Cut Off Date.
- (b) Woodside must use reasonable endeavours to ensure that the following Conditions are satisfied as soon as practicable on or before the Cut Off Date:
 - (1) Woodside Shareholder Approval described in clause 2.1(d);
 - (2) Official Quotation described in clause 2.1(h); and
 - (3) Woodside Independent Expert's Report described in clause 2.1(i).
- (c) The Seller and Woodside must use reasonable endeavours to ensure that the Conditions comprising of the Regulatory Approvals are satisfied as soon as practicable on or before the Cut Off Date including by responding to each Governmental Agency in an appropriate and timely manner.
- (d) The Seller may determine (acting reasonably, after good faith consultation with Woodside) whether or not the FIRB Approval described in clause 2.1(a) is likely to be required in order for the Transaction contemplated by this agreement to be implemented, provided that the Seller must:
 - (1) consult with Woodside in good faith in respect of whether or not FIRB Approval described in clause 2.1(a) is likely to be required;
 - (2) promptly inform Woodside upon having made such a determination;
 - (3) have applied for the FIRB Approval and paid the relevant fee in respect of the application for FIRB Approval as soon as reasonably practicable and in any case by no later than 1 December 2021, unless the Seller (i) has determined (acting reasonably) prior to that date that the FIRB Approval described in clause 2.1(a) is not required in order for the Transaction contemplated by this agreement to be implemented and (ii) has waived the Condition in clause 2.1(a) (FIRB Approval);
 - (4) promptly respond to all requests for further information in respect of the application for FIRB Approval and not withdraw the application for FIRB Approval without Woodside's written consent unless the Seller has determined that the FIRB Approval is not required in order for the Transaction contemplated by this agreement to be implemented; and

- (5) if the Seller determines to pursue the FIRB Approval described in clause 2.1(a), use reasonable endeavours to ensure the FIRB Approval Condition is satisfied as soon as practicable on or before the Cut Off Date.
- (e) Without prejudice to clauses 2.3(a) to 2.3(d), each Party must:
- (1) keep the other Party informed in a timely manner of the status and progress towards satisfaction of the Conditions;
 - (2) provide all reasonable assistance to the other as is necessary to satisfy the Conditions;
 - (3) to the extent it is within its power to do so, use reasonable endeavours to procure that there is no occurrence within its control or the control of any of its Subsidiaries that would prevent any of the Conditions being satisfied or remaining satisfied up to and including Completion;
 - (4) exclusively pay and incur the filing or lodgement fees associated with the filings or lodgements it makes in connection with its endeavours to satisfy the Conditions, except that for the filings made in respect of the Condition in clause 2.1(g) (CFIUS Approval), Woodside will pay the fees; and
 - (5) otherwise bear its own costs in connection with providing reasonable assistance and otherwise discharging its obligations under this clause 2.3,
- and, for the avoidance of doubt, where a fee or cost is to be borne by the Seller under this clause 2.3(e) that fee or cost shall not be borne by the Target Group.
- (f) In respect of Regulatory Approvals, without limiting this clause 2.3 and except to the extent prohibited by a Governmental Agency:
- (1) the Parties agree that the ACCC Approval and NOPTA Approval as described in clauses 2.1(b) and 2.1(c), respectively, will be pursued jointly by the Parties (for which the Parties will develop a joint work plan as soon as practicable after, if not before, the date of this agreement), with the Parties developing the plan, preparing the submissions and dedicating the resources necessary to satisfy these Conditions in good faith (the Parties acknowledging that in respect of the NOPTA Approval, the requirement for approval under the OPGGSA is not expected to come into effect until March 2022, and the Parties will agree in good faith an engagement strategy with the intention to not cause a delay to the Timetable as a result of this timing);
 - (2) to the extent there is any disagreement between the Parties in respect of the content of any submissions proposed to be made to a Governmental Agency:
 - (A) both Woodside and the Seller must approve the submissions to ACCC, NOPTA, CFIUS, ASIC, SARB, ASX, JSE and the Governmental Agencies referenced in clauses 2.1(f), 2.1(l), 2.1(m), 2.1(n), 2.1(o), 2.1(p), 2.1(q);
 - (B) the Seller will have final determination for submissions to FIRB; and
 - (C) the Parties will act reasonably in each case;
 - (3) the Parties agree that each of Woodside and the Seller, as applicable, shall use its reasonable endeavours to obtain CFIUS Approval. Such reasonable endeavours shall include filing of a joint declaration in accordance with the DPA as soon as reasonably practicable, but in no event later than 10 business days after the date of this agreement. Further, if Woodside and the

Seller do not receive CFIUS Approval based on the joint declaration by 31 December 2021, either unconditionally or on conditions (including any undertakings) that are acceptable to Woodside (acting reasonably), Woodside and the Seller will (i) submit a draft joint voluntary notice to CFIUS no later than 15 January 2022, (ii) promptly after resolving any comments from CFIUS on the draft joint voluntary notice, submit a final joint voluntary notice to CFIUS, and (iii) provide any information requested by CFIUS or any other agency or branch of the U.S. government in connection with the CFIUS review or investigation of the transactions contemplated by this agreement within the timeframes set forth in the DPA; and

- (4) each Party must:
- (A) provide copies of their draft submissions reasonably in advance (and in any event no later than 3 Business Days prior to, the proposed lodgement with the relevant Governmental Agency) to the other Party, unless there is a shorter deadline for such submission in which case a draft submission shall be provided reasonably in advance of such shorter deadline, and consult in good faith in respect of the content;
 - (B) keep the other Party informed of progress in relation to each Regulatory Approval (including in relation to any material matters raised by, enquiries or requests for information from, or conditions or other arrangements proposed by, or to, any Governmental Agency in relation to a Regulatory Approval) and provide the other Party with all information reasonably requested in connection with preparing the applications for, or progress of, the Regulatory Approvals (including any evidence of financial or technical expertise following Completion as reasonably requested by a Third Party);
 - (C) without limiting clause 2.3(f)(4)(A), consult in good faith with the other Parties in advance in relation to the progress of obtaining and all material communications with Governmental Agencies regarding any of, the Regulatory Approvals; and
 - (D) if practicable, provide each other reasonable advance notice of meetings and telephone calls with a Governmental Agency in relation to a Regulatory Approval, and, to the extent reasonably practicable and permitted by the Governmental Agency, provide the other Party or its external counsel with the opportunity to participate in such meetings or telephone calls,

provided that:

- (E) the Party applying for a Regulatory Approval may withhold or redact information or documents from the other Parties (i) to the extent that they are reasonably determined to be either confidential to a Third Party or commercially sensitive, confidential or privileged to the applicant; and (ii) as necessary to comply with contractual arrangements or applicable laws, including competition laws, in which cases such Party shall provide unredacted versions of the relevant documents to the other Parties' outside counsel only, as applicable;
- (F) no Party is required to disclose to the other Parties information that it has determined (acting reasonably) is confidential and commercially sensitive information, in which case it shall provide unredacted versions of the relevant documents to the other Parties' outside counsel only, as applicable, if such information is included in, or forms the basis of, a submission to a Governmental Agency; and

- (G) the Party applying for a Regulatory Approval is not prevented from taking any step (including communicating with a Governmental Agency) in respect of a Regulatory Approval if the other Parties have not promptly responded under clause 2.3(f)(4)(A) or clause 2.3(f)(4)(C).
- (g) The Seller is permitted to engage with and make submissions to all Tax and Duty authorities in connection with the Transaction that affect either the Seller Group or the BHP Shareholders.
- (h) Woodside is permitted to engage with and make submissions to all Tax and Duty authorities in connection with the Transaction that affect either the Woodside Group (before or after Completion) or the Woodside Shareholders.

2.4 Waiver

- (a) Subject to clauses 2.3(d) and 2.4(b), the following Conditions cannot be waived:
 - (1) clause 2.1(a) (FIRB Approval), unless the Seller determines in accordance with clause 2.3(d) that the approval is not required to implement the Transaction (in which case the Seller can waive the Condition);
 - (2) clause 2.1(c) (NOPTA Approval), clause 2.1(e) (ASIC, ASX, SARB and JSE), clause 2.1(g) (CFIUS Approval), and clause 2.1(h) (Official Quotation); and
 - (3) clause 2.1(b) (ACCC Approval), clause 2.1(f) (US HSR Act Clearance), clause 2.1(l) (Trinidad and Tobago Approval), clause 2.1(m) (PRC Approval), clause 2.1(n) (Japan Approval), clause 2.1(o) (Mexico Approval); clause 2.1(p) (Vietnam Approval), clause 2.1(q) (Barbados Approval) and clause 2.1(r) (No Injunction or Order),
- (b) If the Parties agree in writing that a Condition referred to in clause 2.4(a)(3) is no longer required in order to implement the Transaction, the Parties together can waive that Condition.
- (c) The Condition in clause 2.1(i) (Woodside Independent Expert' s Report):
 - (1) is for the sole benefit of Woodside and may only be waived, in whole or in part, in writing by Woodside (in its absolute discretion); and
 - (2) must be waived if the Condition in clause 2.1(d) (Woodside Shareholder Approval) is waived.
- (d) The Conditions in clause 2.1(d) (Woodside Shareholder Approval), clause 2.1(j) (Restructure) and clause 2.1(k) (US Registration Statements) are for the benefit of both the Seller and Woodside and may only be waived, in whole or in part, by written agreement between the Seller and Woodside (in each case in their respective absolute discretion).
- (e) Waiver of a breach or non-satisfaction of one Condition does not constitute:
 - (1) a waiver of a breach or non-satisfaction of any other Condition resulting from the same event; or
 - (2) a waiver of a breach or non-satisfaction of that Condition resulting from any other event.

2.5 Cut Off Date

The Cut Off Date:

- (a) may be extended at any time by written agreement between the Seller and Woodside; and

- (b) will be automatically extended (as applicable):
 - (1) by the same number of days that the deadline for Completion is extended in the Timetable in accordance with clause 4.1(d); or
 - (2) if an extension of the Timetable pursuant to clause 4.1(e) or clause 7.2(c) has been effected, to a date that is 1 Business Day after the date for Completion under the Timetable as so extended (but, to avoid doubt, this clause will not operate to bring forward the Cut Off Date to a date that is earlier than 30 June 2022).

2.6 Termination on failure of Condition

- (a) On receipt of notice under clause 2.2(b) or clause 2.2(c), the Parties must promptly consult in good faith to:
 - (1) consider and, if agreed, determine whether the Transaction may proceed by way of alternative means or methods or in the case of a breach, whether the breach or the effects of the breach is or are able to be remedied; and
 - (2) consider and, if agreed, extend the Cut Off Date.
- (b) If the Parties are unable to reach agreement under clause 2.6(a) within 10 Business Days of the earlier of:
 - (1) a Party giving the other Parties written notice of the relevant event or occurrence under clause 2.2(b) or clause 2.2(c); and
 - (2) the Cut Off Date,or if any Condition (i) has not been satisfied by the Cut Off Date, or (ii) has been satisfied by the Cut Off Date, but does not remain satisfied in all respects up to Completion then, unless that Condition has been waived, in whole or in part, in accordance with clauses 2.4(a), 2.4(c) or 2.4(d) (as applicable), either the Seller or Woodside may terminate this agreement by written notice to the other Party. However, a Party may not terminate this agreement pursuant to this clause 2.6 if the relevant occurrence or event or the failure of the Condition to be satisfied arises out of a breach of clause 2.3 by that Party, although in such circumstances the other Party may still terminate this agreement.

2.7 No binding agreement for transfer

For the avoidance of doubt, nothing in this agreement will cause a binding agreement for the transfer of Sale Shares or issue of Share Consideration to arise unless and until all the Conditions in clause 2.1:

- (a) have been satisfied and remain satisfied in all respects up to and including Completion, including where a relief, waiver, confirmation, exemption, consent, approval or other act (as the case may be) has been given by a Governmental Agency, it must remain in full force and effect in all respects and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing); and/or
- (b) waived in accordance with clause 2.4,

and no person will obtain beneficial ownership, a beneficial interest or any other rights in relation to the Sale Shares as a result of this agreement unless and until all those Conditions have been satisfied or waived on the terms and conditions of this agreement.

3 Transaction steps

3.1 Sale Shares

On the day for Completion determined under clause 7.1, the Seller must sell, and Woodside must buy, the Sale Shares for the Purchase Price free and clear of all Encumbrances.

3.2 Associated rights

The Seller must sell the Sale Shares to Woodside together with all rights attached to them as at Completion. For the avoidance of doubt, this agreement does not entitle Woodside to any beneficial ownership, beneficial interest or beneficial right in the Sale Shares until and unless all of the Conditions have been satisfied or waived in accordance with clause 2.4.

3.3 Purchase Price

- (a) The consideration for the sale of the Sale Shares is the payment by Woodside of the Purchase Price.
- (b) The Purchase Price must be paid as follows:
 - (1) the issue of the Share Consideration by Woodside pursuant to clause 3.5 on Completion;
 - (2) the Woodside Dividend Payment, payable by Woodside to the Seller pursuant to clause 3.6(c)(1) on Completion;
 - (3) the Locked Box Payment, if any, payable by Woodside to the Seller or the Seller to Woodside (as required) pursuant to clause 3.6(c)(2) on Completion; and
 - (4) any other adjustments to the Purchase Price payable in accordance with this agreement.

3.4 Title and risk

Title to and risk, and beneficial ownership, in the Sale Shares passes to Woodside (or if applicable, the Woodside Nominee) on Completion.

3.5 Share Consideration

- (a) The Seller must issue to Woodside:
 - (1) an indicative written notice not less than 10 Business Days prior to the first lodgement or filing with a Governmental Agency; and
 - (2) a confirmatory written notice not less than 10 Business Days prior to publishing, the Woodside EM and NoM, stating that the Seller directs Woodside to issue the Share Consideration:
 - (3) to the Seller;
 - (4) to the Seller and BHP Group Plc, in proportions to each specified by the Seller in the notice; or
 - (5) directly to the BHP Shareholders.



- (b) In respect of the Share Consideration, Woodside must:
 - (1) no later than 5 Business Days prior to Completion, deliver a notice to the Seller setting out the number of Woodside Shares to be issued as Share Consideration;
 - (2) ensure that each new Woodside Share is unencumbered, fully paid up and ranks equally with existing Woodside Shares;
 - (3) procure that all new Woodside Shares are listed for quotation on the ASX; and
 - (4) procure the delivery of holding statements to each BHP Shareholder that has received new Woodside Shares promptly after completion of the Distribution.

3.6 Cash consideration

- (a) Woodside must deliver to the Seller no later than 5 Business Days before Completion a notice (which may form part of the notice delivered pursuant to clause 3.5(b)(1)) setting out the Woodside Dividend Payment, which must include all workings in the constituent amounts of the calculation of the Woodside Dividend Payment.
- (b) The Seller must deliver to Woodside no later than 7 Business Days before Completion a notice (**Completion Notice**) setting out the Seller's good faith estimate of the Locked Box Payment calculated in accordance with Schedule 6, which must include all workings in the constituent amounts of the calculation of the Locked Box Payment.
- (c) On Completion:
 - (1) Woodside must pay (or procure the payment of) the Woodside Dividend Payment to the Seller; and
 - (2) if the Locked Box Payment is:
 - (A) greater than zero, the Seller must pay the Locked Box Payment to Woodside;
 - (B) less than zero, Woodside must pay the Locked Box Payment to the Seller; or
 - (C) equal to zero, neither Party is liable to make a payment to the other in respect of this clause 3.6(c)(2).
- (d) Subject to clause 3.6(e) and clause 3.6(f), all payments payable pursuant to clause 3.6(c) must be paid in Immediately Available Funds (without counter-claim, set-off or deduction, unless expressly contemplated by this agreement) into an account nominated by the Party to whom it is payable (such account to be notified to the paying Party no later than 5 Business Days prior to Completion).
- (e) If the Seller owes the Locked Box Payment to Woodside pursuant to clause 3.6(c)(2)(A), Woodside and the Seller agree that the Woodside Dividend Payment and Locked Box Payment will be set-off against one another, such that the net amount (**Net Amount**) will be payable by:
 - (1) the Seller to Woodside, if the Locked Box Payment exceeds the Woodside Dividend Payment; or
 - (2) Woodside to the Seller, if the Woodside Dividend Payment exceeds the Locked Box Payment.
- (f) If the Seller owes the Net Amount to Woodside pursuant to clause 3.6(e):
 - (1) Woodside may request by written notice given no later than 5 Business Days before Completion that the Seller leave the Net Amount in one or more accounts in the name of a

Target Group Member immediately prior to Completion, rather than being effected as a payment from the Seller to Woodside; and

- (2) if the Seller determines that:
- (A) the Seller Group will not be adversely impacted by doing so, upon receiving a notice pursuant to clause 3.6(f)(1), the Seller may leave the Net Amount in one or more accounts in the name of a Target Group Member immediately prior to Completion (having informed Woodside by notice in writing delivered no later than 2 Business Day prior to Completion of its intention to do so); or
 - (B) the Seller Group will be adversely impacted by doing so, pay the Net Amount to Woodside in accordance with clause 3.6(d) (having informed Woodside by notice in writing delivered no later than 2 Business Day prior to Completion of its intention to do so).

For the avoidance of doubt, other than pursuant to this clause 3.6(f) the Seller may leave behind at Completion any amount as cash in bank accounts held beneficially by any Target Group Members, which will be included in the Locked Box Payment calculation pursuant to clause 1.2(g) of Part 1 of Schedule 6.

- (g) Woodside must not amend, and must procure that the Woodside Board does not exercise any right to suspend, vary or terminate pursuant to rule 12.1 of, the Woodside Dividend Reinvestment Rules dated August 2019 in a manner that would materially adversely impact the Seller.
- (h) The Seller must deliver to Woodside the Locked Box Accounts prior to the date on which Woodside first submits the Form F-4 Registration Statement to the SEC for review (18 December 2021 being acknowledged by the Parties as the expected date for submission).

3.7 Distribution

- (a) The Parties must ensure that Completion occurs on the same day as Distribution Implementation, and must not allow Completion to occur in circumstances where it is uncertain if Distribution Implementation will occur.
- (b) The Seller must, and, if the Distribution is to occur before Unification has occurred, must procure that BHP Group Plc, declare or determine a dividend, a reduction of capital (pursuant to Chapter 2J of the Corporations Act) or a combination of the two (as determined by the Seller) in order to facilitate the Distribution.
- (c) Where the written notice issued pursuant to clause 3.5(a)(2) requests:
 - (1) an Indirect Distribution, at Completion the Seller must procure that the new Woodside Shares issued as Share Consideration are distributed to the Participating BHP Shareholders and to the Sale Agent (as applicable) in satisfaction of the dividend and/or return of capital declared pursuant to clause 3.7(b); or
 - (2) a Direct Distribution, at Completion Woodside must issue the Share Consideration to the Participating BHP Shareholders and to the Sale Agent (as applicable) in satisfaction of the dividend and/or return of capital (if applicable) declared by the Seller in favour of the BHP Shareholders.

- (d) For as long as the Seller holds the Share Consideration, the Seller undertakes not to exercise any voting power in respect of any of those Woodside Shares, nor to dispose of those Woodside Shares, other than in accordance with clause 3.7(c)(1).
- (e) Woodside and the Seller must provide all reasonably necessary assistance to one another to enable the Distribution of the new Woodside Shares issued as Share Consideration to the Participating BHP Shareholders and to the Sale Agent (as applicable) on Completion including, in the case of the Seller, procuring the delivery to Woodside or Woodside's registry of the BHP Register as at the Distribution Record Date (including details of the Selling Shareholders) in sufficient time prior to Completion to allow Woodside to discharge its obligations under clause 3.7(c)(2).
- (f) On Distribution Implementation, each Participating BHP Shareholder will be entitled to their Distribution Entitlement, and Woodside must procure that each Participating BHP Shareholder's Distribution Entitlement and the issue or transfer (as the case may be) of Woodside Shares to the Sale Agent in accordance with the terms of this agreement is recorded in the Woodside Register as soon as practicable.
- (g) The Seller may determine (acting reasonably), and Woodside must take all actions to give effect to, the treatment of an entitlement by any BHP Shareholder to a fraction of a Woodside Share as part of that BHP Shareholder's Distribution Entitlement, including the Seller determining that each BHP Shareholder entitled to a fraction of a Woodside Share will have:
 - (1) the fraction of a Woodside Share to which they are entitled as part of their Distribution Entitlement issued to or transferred to (as the case may be) the Sale Agent to be sold on their behalf, with the BHP Shareholder to receive cash in respect of that fraction of a Woodside Share substantively in the same way as Selling Shareholders; or
 - (2) their Distribution Entitlement rounded down to the nearest whole number of Woodside Shares and the fraction of a Woodside Share to which they would otherwise have been are entitled to as part of their Distribution Entitlement issued to or transferred (as the case may be) to the Sale Agent to be sold and the sale proceeds transferred to the Seller or to any party that the Seller may direct,

and the Parties will consult one another prior to Completion to determine if it would be more beneficial to both Parties, and whether they can agree (in their respective sole discretions), an alternative treatment of entitlements of BHP Shareholders to a fraction of a Woodside Share, including for example a cash payment to be made by Woodside instead of issuing Woodside Shares in respect of such fractional entitlements.

- (h) At Distribution Implementation, Woodside shall have deposited, or shall have caused to be deposited with or provided to Citibank N.A. (in its capacity as the depositary under the Limited ADS Deposit Agreement) and, if Unification has not occurred prior to Distribution Implementation, to Citibank N.A. (in its capacity as the depositary under the PLC ADS Deposit Agreement, as applicable), or a nominee thereof, a number of Woodside ADSs to be issued as Share Consideration in respect of the Limited ADSs and, if Unification has not occurred at Distribution Implementation, Plc ADSs on issue as at the Distribution Implementation, and Woodside and BHP must provide all reasonably necessary assistance, and use reasonable endeavours, to effect the immediate distribution of the Woodside ADSs to the holders of Limited ADSs and, if Unification has not occurred at Distribution Implementation, Plc ADSs. The Parties must consult in good faith and use reasonable endeavours to determine the actions required to give effect to this clause.

- (i) In respect of Ineligible Foreign Shareholders, on Distribution Implementation:
 - (1) if the Distribution is an Indirect Distribution, BHP must transfer; and
 - (2) if the Distribution is a Direct Distribution, Woodside must issue, the Woodside Shares which would otherwise be required to be issued or transferred (as applicable) to the Ineligible Foreign Shareholders under the Distribution to the Sale Agent.
- (j) The Seller may offer Selling Shareholders a voluntary sale facility, whereby BHP Shareholders with less than a certain number of BHP Shares at the Distribution Record Date may elect for all but, subject to clause 3.7(g), not some of the Distribution Entitlement to be sold and the Sale Proceeds Amount to which that Selling Shareholder is entitled remitted to that Selling Shareholder. The Parties will investigate and discuss in good faith the possibility of the sale facility being compulsory (with an “opt out” mechanism) rather than voluntary.
- (k) In respect of the Woodside Shares issued or transferred to the Sale Agent pursuant to the arrangements described in clauses 3.7(i) and 3.7(j) (if applicable), BHP must:
 - (1) procure that as soon as reasonably practicable (and in any event not more than 15 Business Days after Distribution Implementation), the Sale Agent sells on market all the Woodside Shares issued or transferred (as applicable) to the Sale Agent;
 - (2) account to each Ineligible Foreign Shareholder or Selling Shareholder (as applicable) for the proceeds of the sale of all of the Woodside Shares (after deduction of any applicable brokerage, stamp duty and other costs, taxes and charges) (**Proceeds**); and
 - (3) as soon as reasonably practicable, remit to each Ineligible Foreign Shareholder or Selling Shareholder the Sale Proceeds Amount to which that Ineligible Foreign Shareholder or Selling Shareholder is entitled.

3.8 Locked Box Payment adjustment

- (a) Following Completion, the Seller must prepare and provide to Woodside the Locked Box Payment Statement in accordance with Part 2 of Schedule 6.
- (b) The Parties agree that Part 2 of Schedule 6 will apply in respect of finalising the Locked Box Payment Statement.
- (c) If the Amended Locked Box Payment:
 - (1) is greater than the Locked Box Payment, the Seller must pay the Adjustment Amount to Woodside, as an adjustment to the Purchase Price in favour of Woodside;
 - (2) is less than the Locked Box Payment, Woodside must pay the Adjustment Amount to the Seller, as an adjustment to the Purchase Price in favour of the Seller; or
 - (3) is equal to the Locked Box Payment, no adjustment to the Purchase Price will be made under this clause 3.8.
- (d) A Party required to make a payment to another Party under this clause 3.8 must make the payment in Immediately Available Funds without counter-claim, deduction or set-off within 10 Business Days after the finalisation of the Locked Box Payment Statement.

3.9 Detailed Matters Letter

Each Party agrees to comply with their obligations, and agrees to comply with the rights granted to the other Party, under the Detailed Matters Letter.

3.10 Payments relating to Scarborough

- (a) If a Target Group Member receives any payment from a Woodside Group Member on completion of the exercise of the Put Option by the relevant Target Group Member, then:
 - (1) any and all such payments will be held in a separate interest-bearing bank account held by an escrow agent for the benefit of a Target Group Member;
 - (2) no such payment nor any amount standing to the credit of the separate interest-bearing bank account (**Put Option Amounts**) will be the subject of any transaction under the Seller Group Intra-group Funding Arrangements;
 - (3) the Put Option Amounts will not be taken into account in determining the value of the Locked Box Payment or the Amended Locked Box Payment; and
 - (4) the Put Option Amounts will be available for release to the Target Group on the earlier of Completion and termination of this agreement.
- (b) If the Put Option is exercised and Completion occurs under this agreement any Tax liability arising as a result of the exercise of the Put Option and completion of the sale under the Put Option will be to the account and expense of the Seller.

3.11 Woodside Nominee

If Woodside issues a direction pursuant to clause 1.1(b) of Schedule 5:

- (a) Woodside will remain liable for all obligations;
 - (b) Woodside must procure the Woodside Nominee complies with and undertakes to give effect to all obligations of Woodside; and
 - (c) the Seller retains all rights against Woodside,
- agreed to pursuant to this agreement irrespective of the transfer of (or direction to transfer) the Sale Shares to the Woodside Nominee.

4 Implementation

4.1 Timetable

- (a) Subject to clause 4.1(b), the Parties must each use reasonable endeavours to:
 - (1) comply with their respective obligations under this clause 4; and
 - (2) take all necessary steps and exercise all rights necessary to implement the Transaction,in accordance with the Timetable.
- (b) Failure by a Party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 4.1(a) to the extent that such failure is due to circumstances and matters outside the

Party's reasonable control or due to the Seller or Woodside taking or omitting to take any action in response to a Seller Competing Proposal or Woodside Competing Proposal (as applicable) as permitted or contemplated by this agreement.

- (c) Each Party must keep the other informed about their progress against the Timetable and notify each other if it believes that any of the dates in the Timetable are or may not be achievable.
- (d) To the extent that any of the timeframes or deadlines set out in the Timetable are reasonably likely to become delayed or not achievable, the Parties will promptly consult in good faith and may agree to any necessary extension to the Timetable to ensure the relevant steps are completed as soon as reasonably practicable.
- (e) The Seller may require that the date for Completion in the Timetable be delayed by one or more reasonable periods that must not in aggregate result in a delay to Completion that is in excess of [***], provided that:
 - (1) the Seller must use reasonable endeavours to keep this delay as short as practicable; and
 - (2) in any event, the Seller must not use this clause 4.1(e) to delay a timeframe or deadline if the effect, or likely effect, is to cause Completion to occur later than [***].

4.2 London Stock Exchange and NYSE listings

- (a) Subject to clause 4.2(e) and to the Seller complying with its obligations in clause 4.4, Woodside must use reasonable endeavours to procure that prior to Completion each of the following has occurred:
 - (1) the UK Prospectus (including any supplementary prospectus) is approved by the FCA in accordance with the Prospectus Regulation Rules;
 - (2) the FCA has confirmed that the application for admission of the Woodside Shares to the standard segment of the UK Official List is approved and (after satisfaction of any conditions to which approval is expressed to be subject) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions have been satisfied;
 - (3) the London Stock Exchange has confirmed (and such confirmation is not withdrawn) that the Woodside Shares will be admitted to trading on the London Stock Exchange's Main Market for listed securities; and
 - (4) Woodside Shares represented by Woodside ADSs to be issued as Share Consideration have been approved for listing on the NYSE subject to official notice of issuance.
- (b) For the purposes of clause 4.2(a), Woodside acknowledges and agrees that "reasonable endeavours" require Woodside to do each of the following (without limiting the meaning of the phrase "reasonable endeavours"):
 - (1) incur all costs and dedicate all Woodside director, officer, employee and adviser time;
 - (2) commission third party experts (such as technical and accounting experts) to produce such information or reports as are required under Applicable Securities Regulations; and
 - (3) make all submissions, lodge all Regulator's Drafts and file all applicable forms on a timely basis having regard to the Timetable,

as would reasonably be expected for the satisfaction of the undertakings in clause 4.2(a).

- (c) Subject to clause 4.2(d), in respect of the undertakings in clause 4.2(a) and without prejudice to clause 4.3, Woodside must:
 - (1) keep the Seller reasonably informed of the status and progress towards satisfaction of the undertakings (including in relation to any material matters raised by, enquiries or requests for information from, or conditions or other arrangements proposed by, or to, any Governmental Agency in relation to such undertaking);
 - (2) if practicable, provide the Seller reasonable advance notice of meetings with a Governmental Agency in connection with satisfaction of each undertaking, and, to the extent reasonably practicable and permitted by the Governmental Agency, provide the Seller and/or its external advisers with the opportunity to participate in such meetings; and
 - (3) provide copies of all draft submissions (including responses to comments made by the FCA and revised Regulator's Drafts and any appendices) to the FCA reasonably in advance to the Seller.
- (d) Woodside may at any time prior to the Regulator's Draft of the Woodside EM and NoM being first submitted to the ASX for review and in its absolute discretion issue a written notice to the Seller notifying the Seller that Woodside will no longer pursue one or more outcomes in clause 4.2(a)(1) to 4.2(a)(3), provided Woodside:
 - (1) has first consulted with the Seller for a reasonable period of time in connection with ceasing to pursue the outcomes and has taken account of the Seller's views in relation to the same; and
 - (2) reasonably determines that pursuit of the listing is not in the interests of Woodside (as determined by Woodside in its discretion).
- (e) Upon Woodside issuing a notice pursuant to clause 4.2(d):
 - (1) Woodside will no longer be bound by the obligations in clauses 4.3(c), 4.3(g) (in respect of the UK Prospectus), 4.3(i) (in respect of the UK Prospectus) and 4.3(j) (as applicable); and
 - (2) if the relevant undertaking relates to the outcomes described in clauses 4.2(a)(1) to 4.2(a)(3), the Seller is not required to fulfil any obligation in clause 4.4 in respect of the BHP Information for the purposes of the UK Prospectus.

4.3 Woodside obligations

Woodside must take all necessary steps to implement the Transaction as soon as is reasonably practicable and, without limiting anything else in this clause 4, must do each of the following:

- (a) **(Woodside EM and NoM):** prepare and despatch the Woodside EM and NoM and convene the Woodside Shareholders Meeting;
- (b) **(US Registration Statements):** use reasonable endeavours to (i) prepare and submit non-publicly the Form F-4 Registration Statement with the SEC; (ii) respond promptly to comments on the Form F-4 Registration Statement from the SEC; (iii) after resolution of all comments on the Form F-4 Registration Statement, prepare and file the Form F-4 Registration Statement and the Form 8-A Registration Statement publicly with the SEC, (iv) have the Form F-4 Registration Statement and the Form 8-A Registration Statement declared effective under the US Securities Act and the US

- Exchange Act, as applicable as promptly as practicable after their filing (or in the case of the Form 8-A Registration Statement, no later than Completion); (v) cause the Form F-6 Registration Statement to be prepared and filed by the ADS Depository Bank with the SEC and declared effective under the US Securities Act, (vi) maintain, or cause to be maintained, the effectiveness of the US Registration Statements for as long as necessary to consummate the Transaction; and (vii) cause the US Registration Statements to comply as to form in all material respects with the applicable provisions of the US Securities Act and the US Exchange Act, as applicable;
- (c) **(UK Prospectus)**: subject to the Seller complying with its obligations in clause 4.4, use reasonable endeavours to (i) procure that the Woodside Board accept responsibility for the Prospectus in accordance with the Prospectus Regulation Rules; (ii) prepare and finalise the UK Prospectus in accordance with applicable laws and obtain approval for the UK Prospectus from the FCA; (iii) subject to the UK Prospectus being finalised and approved by the FCA in accordance with the Prospectus Regulation Rules, as soon as possible following such approval publish the UK Prospectus in accordance with the Prospectus Regulation Rules;
- (d) **(Woodside Board recommendation)**: the Woodside EM and NoM must include a statement by at least a majority of the Woodside Board:
- (1) recommending that Woodside Shareholders vote in favour of the Transaction, subject to the Woodside Independent Expert concluding and continuing to conclude that the Transaction is in the best interests of Woodside Shareholders; and
 - (2) that each Woodside Board Member providing the recommendation in clause 4.3(d)(1) will (subject to the same qualification as set out in clause 4.3(d)(1)) vote, or procure the voting of, all Woodside Shares held by them or on their behalf at the time of the meeting in favour of the Transaction, unless there has been a change of recommendation permitted by clause 4.6(b);
- (e) **(Woodside Independent Expert' s Report)**: promptly appoint the Woodside Independent Expert and provide any assistance or information reasonably requested by the Woodside Independent Expert in connection with the preparation of the Woodside Independent Expert' s Report;
- (f) **(Woodside investigating accountant)**: promptly appoint an investigating accountant in connection with the preparation of the Woodside EM and NoM and provide all assistance or information reasonably requested by the appointed investigating accountant for that purpose;
- (g) **(Consultation with the Seller)**: consult with the Seller in respect of the contents of the Woodside Disclosure Documents, including:
- (1) providing to the Seller drafts of the Woodside EM and NoM (including the Woodside Independent Expert' s Report) and the other Woodside Disclosure Documents for the purpose of enabling the Seller to review and comment on those draft documents and any responses or submissions resulting from comments or requests from the Governmental Agency to whom a Woodside Disclosure Document has been submitted. In relation to the Woodside Independent Expert' s Report, the Seller' s review is to be limited to a factual accuracy review;
 - (2) taking all comments made by the Seller into account in good faith when producing a revised draft of the documents described in clause 4.3(g)(1);
 - (3) providing to the Seller revised drafts of each of the documents described in clause 4.3(g)(1) within a reasonable time before the Regulator' s Draft is finalised and to enable the Seller to review and comment on the Regulator' s Draft before the date of its submission;

- (4) without prejudice to clause 4.3(i), notifying the Seller if Woodside becomes aware of any significant new factor, material mistake or material inaccuracy relating to the information included in the UK Prospectus and such would or could reasonably be expected to result in a requirement for Woodside to publish a supplementary prospectus, and consult with the Seller as per this clause 4.3(g);
- (5) in connection with describing the tax implications of the Distribution for BHP Shareholders in the Woodside Disclosure Documents, adopting all amendments reasonably requested by the Seller; and
- (6) obtaining written consent from the Seller for the form and content in which the BHP Information appears in the Woodside Disclosure Documents;
- (h) **(Woodside Information):** as soon as reasonably practicable:
 - (1) prepare and provide to the Seller such Woodside Information, including (with the Seller's reasonable cooperation) all information regarding the Combined Group following Completion, as may be reasonably requested by the Seller for inclusion in the BHP Distribution Announcement for the purposes of BHP complying with all applicable laws in relation to the BHP Distribution Announcement; and
 - (2) provide to the Seller any information as may be reasonably requested by the Seller to undertake due diligence in connection with the preparation of the US Registration Statements;
- (i) **(Accuracy of disclosure):** confirm in writing to the Seller that:
 - (1) the Woodside Information and Woodside Disclosure Documents (other than the BHP Information contained therein) does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
 - (2) the UK Prospectus (other than the BHP Information contained therein, or used in the preparation thereof) contains all information that would be material to an investor for the purposes of making an informed assessment of: (i) the assets and liabilities, profits and losses, financial position, and prospects of Woodside; (ii) the rights attaching to the Woodside Shares; and (iii) the reasons for the Transaction and its impact on Woodside and does not include any information (other than BHP Information contained therein or information on the Combined Group to the extent it comprises the BHP Information) that is false, misleading or deceptive, or omit material information that results in the UK Prospectus being false, misleading or deceptive;
 - (3) each of the Form F-4 Registration Statement and the Form 8-A Registration Statement (other than in respect of the BHP Information contained therein) does not contain any untrue statement of a material fact, or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; and
 - (4) Woodside shall reasonably cooperate, and it shall use its reasonable best efforts to cause representatives of Woodside and its subsidiaries to reasonably cooperate, in connection with the due diligence investigations of the Seller concerning the US Registration Statements, including by (i) subject to applicable law, giving access to documentation that would be reasonably requested by persons in connection with capital markets transactions in the United

States; (ii) using commercially reasonable efforts to provide direct contact between the Seller and the Woodside management team and other appropriate officers of Woodside and its subsidiaries; and (iii) assisting the Seller in securing the cooperation of the independent accountants of Woodside. The information contained in the US Registration Statements (other than in respect of the BHP Information contained therein or information on the Combined Group to the extent it comprises the BHP Information) will comply as to form in all material respects with the provisions of the US Securities Act, the US Exchange Act and the rules and regulations promulgated thereunder, as applicable;

- (j) **(Update information):** after consulting with the Seller pursuant to clause 4.3(g):
 - (1) until the date of the Woodside Shareholders Meeting, update the Woodside Disclosure Documents once published (other than the US Registration Statements and the UK Prospectus) to ensure they do not contain statements that are false or misleading in any material respect or any material omission;
 - (2) until Completion, update the US Registration Statements to ensure that no US Registration Statement contains an untrue statement of a material fact, or omits to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; and
 - (3) in addition to its obligations under clauses 4.2, 4.3(g), 4.3(i), and 4.3(m), following publication of the UK Prospectus until the date of the admission of the Woodside Shares to the UK Official List and to trading on the London Stock Exchange, promptly prepare and finalise any supplementary prospectus following any significant new factor, material mistake or material inaccuracy relating to the information included in the UK Prospectus (and use all reasonable endeavours to obtain approval of such supplementary prospectus from the FCA and to publish the supplementary prospectus in accordance with the Prospectus Regulation Rules);
- (k) **(Compliance with laws):** do everything reasonably within its power to ensure the Transaction is effected in accordance with applicable laws and regulations;
- (l) **(Tax):** provide the Seller with such assistance and information as may reasonably be requested by the Seller for the purposes of obtaining any Tax or Duty rulings or similar in a form reasonably acceptable to the Seller;
- (m) **(Regulator engagement):** keep the Seller reasonably informed of any matters raised by ASIC, ASX, the SEC, the FCA, the NYSE, the London Stock Exchange or any other Governmental Agency (including by promptly providing copies of any material correspondence received) in connection with Transaction and consult in good faith with the Seller to take into consideration the Seller's views in resolving such matters;
- (n) **(Promotion):** participate in efforts reasonably requested by the Seller to promote the merits of the Transaction and to collaborate in good faith with respect to any announcement in respect of the Transaction;
- (o) **(New Woodside Shares):**
 - (1) not do anything that would cause Woodside Shares to cease to be quoted on the ASX;
 - (2) take all reasonable actions as necessary to ensure the new Woodside Shares are quoted on ASX and, for so long as Woodside has not given a notice pursuant to clause 4.2(d), the UK Official List and to trading on the London Stock Exchange's Main Market;

- (3) give to the ASX a notice of the proposed issue of new Woodside Shares by lodging an Appendix 2A under the ASX Listing Rules promptly and without delay upon Completion; and
 - (4) subject to clause 7.5(d), take all actions reasonably necessary to ensure that the Share Consideration can be issued to the Participating BHP Shareholders and the Sale Agent and can thereafter be immediately traded on ASX by the Participating BHP Shareholders and the Sale Agent, including, giving to ASX a notice under section 708A(5)(e)(i) of the Corporations Act which complies with section 708A(6) of the Corporations Act in relation to the new Woodside Shares;
- (p) **(ADR Facility; NYSE Listing):**
- (1) cause a sponsored American depositary receipt (ADR) facility (the **Woodside ADR Facility**) to be established or amended, as the case may be, with the ADS Depository Bank, for the purpose of issuing the Woodside ADSs, including entering into a deposit agreement with the ADS Depository Bank establishing the Woodside ADR Facility, or amending the ADS Deposit Agreement as necessary or desirable, with such amendments to be effective as of the Effective Time. Woodside shall consider in good faith the comments of BHP on the ADS Deposit Agreement, and the ADS Deposit Agreement shall be subject to the approval of BHP, such approval not to be unreasonably withheld. At or prior to the Effective Time, Woodside shall cause the ADS Depository Bank to issue a number of Woodside ADSs sufficient to constitute the Share Consideration to holders of Limited ADSs and Plc ADSs (if applicable), and any other BHP Shareholders that elect to receive their Share Consideration in the form of Woodside ADSs. Woodside shall use reasonable endeavours to cause the Woodside ADSs to be eligible for settlement through the Depository Trust Corporation; and
 - (2) use reasonable endeavours to cause the Woodside ADSs issuable pursuant to this agreement to be approved for listing on the NYSE, subject to official notice of issuance, as promptly as practicable after the establishment of the Woodside ADR Facility, and in any event prior to the Completion Date; and
- (q) **(Woodside credit rating):**
- (1) if the Seller so requires, following reasonable consultation between the Parties [***], seek from Moody's a Rating Assessment Service and from S&P Global Ratings a Rating Evaluation Service in respect of the impact of the Transaction on Woodside's rating and in doing so:
 - (A) consult with the Seller in good faith in respect of any, and prior to, such engagement, communication or provision of information to the ratings agencies;
 - (B) give the Seller reasonable notice of any meetings with the relevant rating agency; and
 - (C) keep the Seller reasonably informed of the content of any engagement, communication or meeting with the ratings agency, including providing copies of the relevant communication (subject to redaction of information that is reasonably determined to be commercially sensitive) and
 - (2) if, following the date of this agreement, there is a significant change to the expected profile of the Combined Group that is reasonably likely to result in a credit rating for Woodside following Completion that is lower than BBB or Baa2 the Parties must consult in good faith to determine whether to seek a credit rating assessment from ratings agencies.

4.4 Seller obligations

The Seller must take all necessary steps to implement the Transaction as soon as is reasonably practicable and, without limiting anything else in this clause 4, must do each of the following:

- (a) **(Distribution)**: take all actions reasonably required to give effect to the Distribution;
- (b) **(Consultation with Woodside)**: consult with Woodside in respect of the information relating to the Seller to be included in the US Registration Statements and UK Prospectus to be filed by Woodside, including without prejudice to clause 4.4(d), notify Woodside if the Seller becomes aware of any significant new factor, material mistake or material inaccuracy relating to BHP Information included in the UK Prospectus and such would or could reasonably be expected to result in a requirement for Woodside to publish a supplementary prospectus, and consult with Woodside as per this clause 4.4(b).
- (c) **(BHP Information)**: promptly prepare and provide to Woodside the BHP Information required by all applicable laws for inclusion in the Woodside Disclosure Documents, and any other information as may be reasonably requested by Woodside or that is determined to be reasonable after good faith consultation between the Parties in each case to respond promptly to any comments of the SEC or its staff, or any other relevant Governmental Agency;
- (d) **(Accuracy of disclosure)**: confirm in writing to Woodside that the BHP Information does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement and, in respect of the BHP Information included in the US Registration Statements or the UK Prospectus, such information does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The BHP Information contained in the US Registration Statements and the UK Prospectus will comply as to form in all material respects with the provisions of the Applicable Securities Regulations, as applicable;
- (e) **(Update information)**: after consulting with Woodside, update the BHP Information to ensure it does not contain statements that are false or misleading in any material respect or any material omission;
- (f) **(Compliance with laws)**: do everything reasonably within its power to ensure the Transaction is effected in accordance with applicable laws and regulations;
- (g) **(Regulator engagement)**: keep Woodside reasonably informed of any matters raised by ASIC, ASX, SARB or JSE (including by providing copies of any material correspondence received) in connection with the Transaction and consult in good faith with Woodside to take into consideration Woodside's views in resolving such matters;
- (h) **(Promotion)**: participate in efforts reasonably requested by Woodside to promote the merits of the Transaction and to collaborate in good faith with respect to any announcement in respect of the Transaction;
- (i) **(Information regarding BHP Shareholders)**: at a time that is reasonable (based on consultation between the Parties) to facilitate the Distribution in accordance with the Timetable, provide all necessary information, and procure that the Seller share registry provides all necessary information, in each case in a form requested by Woodside (acting reasonably), which Woodside reasonably requires in order to facilitate the issue of the new Woodside Shares to Participating BHP Shareholders (in the form of new Woodside Shares or new Woodside ADRs) and the Sale Agent; and

- (j) **(Tax):** provide Woodside with such assistance and information as may reasonably be requested by Woodside for the purposes of obtaining any Tax or Duty rulings or similar in a form reasonably acceptable to Woodside.

4.5 Responsibility for disclosure

- (a) Woodside will be responsible for the Woodside Information and the Woodside Disclosure Documents, except for the BHP Information.
- (b) The Seller will be responsible for the BHP Information.
- (c) The Parties agree that responsibility statements will be included in the Woodside Disclosure Documents reflecting the allocation of responsibility set out in clauses 4.5(a) and 4.5(b), subject to, in the case of the US Registration Statements and the UK Prospectus, applicable law. For the avoidance of doubt, under no circumstances (other than where a BHP Board Member is a Woodside Board Member or a proposed Woodside Board Member, in which case that individual will only be included in a responsibility statement to the same extent as the other non-executive Woodside Board Members) shall any such responsibility statement name any BHP Board Member as taking responsibility for all or part of any Woodside Disclosure Document or the BHP Information.

4.6 Woodside Board recommendation

- (a) Woodside must procure that a majority of the Woodside Board recommend that Woodside Shareholders vote in favour of the Transaction subject to the Woodside Independent Expert concluding (and continuing to conclude) that the Transaction is in the best interests of Woodside Shareholders and, subject to the same qualifications, that a majority of the Woodside Board Members vote (or procure the voting of) all Woodside Shares held by them or on their behalf at the time of the Woodside Shareholders Meeting in favour of the Transaction at the Woodside Shareholders Meeting.
- (b) Woodside must procure that half or more of the Woodside Board Members do not change, withdraw or qualify their recommendation to vote in favour of the Transaction, unless:
 - (1) the Woodside Independent Expert concludes (including in any updated report) that the Transaction is not in the best interests of Woodside Shareholders; or
 - (2) Woodside agrees to, or supports, a Woodside Superior Proposal.

5 Period before Completion

5.1 Sale perimeter and Restructure

- (a) Prior to Completion, the Seller must:
 - (1) undertake and complete the Restructure;
 - (2) take all reasonable steps to complete the separation of the Target Group from the systems and processes of the broader Seller Group;
 - (3) comply with the ITSA and discharge all obligations in the ITSA that fall due for performance at or prior to Completion; and

- (4) use reasonable endeavours to finalise the liquidation and/or deregistration of each Dormant Entity.
- (b) The Seller agrees that in respect of the Restructure:
 - (1) once the steps to be taken to effect the Restructure have been determined by the Seller, those steps will be described to Woodside (including responding to any reasonable requests for further information made by Woodside);
 - (2) at any time during the Exclusivity Period, if the Seller believes (acting reasonably) that the Restructure is likely to result in the use of US NOLs in excess of US\$1 billion, the Seller must consult with Woodside on the proposed steps to effect the Restructure and consider any reasonable steps that could be adopted to mitigate the use of US NOLs; and
 - (3) the Restructure must not result in the use of US NOLs in excess of US\$1.2 billion, and the Seller shall indemnify Woodside at the rate of US\$0.05 for every US\$1.00 of US NOLs used in the Restructure above US\$1.2 billion (such obligation to indemnify being the **US NOL Indemnity**).
- (c) Woodside acknowledges and agrees that:
 - (1) the US NOL Indemnity is the sole and exclusive remedy available to Woodside (or any Woodside Group Member) in connection with the use of US NOLs in connection with the Restructure; and
 - (2) any Tax Attributes that are attached to the Restructure Entities that will remain as Other Seller Entities on or after Completion will not be treated as constituting the use of US NOLs as a result of the Restructure for the purpose of the US NOL Indemnity.
- (d) The Parties:
 - (1) acknowledge and agree that prior to signing this agreement the Seller has become aware that one or more Target Group Members own or have the right to use or access information technology systems or assets (including hardware and data centre assets) in the Data Centres that are used to support, store data from and/or allow access to the information technology systems of the Seller or Other Seller Entities and the Target Group Members (**IT Assets**); and
 - (2) must agree, and give effect to (acting reasonably and in good faith) prior to Completion, the means by which these IT Assets will be apportioned between an Other Seller Entity and a Target Group Member (as applicable) in accordance with the following principles:
 - (A) the access to or use of the Other Seller Entities and the Target Group Members to the IT Assets must not be disturbed, to the extent reasonably practicable taking into account the nature of the arrangements or the IT Assets;
 - (B) the Parties will work together in good faith as soon as reasonably practicable after the date of this agreement and by Completion to identify IT Assets comprising hardware that are used exclusively for the purposes of the Target Petroleum Business and such IT Assets will either be retained by the Target Group Members on and from Completion or transferred to a Target Group Member on and from Completion (for no or nominal consideration payable to the Seller or any Other Seller Entity) if owned by Seller or any Other Seller Entity;

- (C) IT Assets comprising hardware that is used by an Other Seller Entity and is also reasonably necessary for the conduct of the Target Petroleum Business will be (i) retained by or transferred to an Other Seller Entity (for no or nominal consideration payable to Woodside or any Target Group Member), or (ii) to the extent such IT Assets cannot be transferred, the subject of alternative arrangements to allow the Seller or an Other Seller Entity to have secure and segregated access to such IT Assets, provided that the Parties must arrange for either transitional access to, or replacement of, the hardware for the Target Group (with any costs of such access or replacement being a separation cost for the purposes of Schedule 7);
- (D) IT Assets comprising a data centre lease or colocation agreement (or analogous arrangement) in respect of the Data Centres and office space in the name of a Target Group Member must be transferred (for no or nominal consideration payable to Woodside or any Target Group Member) to the Seller or an Other Seller Entity subject to the Seller granting a sublease or arranging a partial novation or new contract for Woodside Group and the Target Group for continued access to and use of separate secure areas of the Data Centres on, to the extent possible after the Seller or Other Seller Entity has used its reasonable endeavours to procure them, the same or substantially similar terms and conditions, including in accordance with clause 5.1(d)(2)(H);
- (E) IT Assets comprising IT support, managed service, outsourcing or other IT or telecommunications services contracts to which a Target Group Member is a party and used exclusively by any one or more Target Group Members must be retained by the Target Group Members as at Completion and the Seller must provide all reasonable assistance required for the Target Group Members to amend or vary those contracts to enable the contracts to be retained and used by the Target Group Members on and from Completion;
- (F) IT Assets comprising IT support, managed service, outsourcing or other IT or telecommunications services contracts to which a Target Group Member is a party and which are provided for the benefit of Other Seller Entities must be transferred (for no or nominal consideration payable to Woodside or any Target Group member) to the Seller or an Other Seller Entity with effect on and from Completion;
- (G) the Seller must procure that the Target Group Members continue to have access to and use and enjoyment of (at no additional cost) the IT Assets transferred to the Seller or any Other Seller Entity and required to operate the Target Petroleum Business in substantially the same manner as the Target Group Members had access to and use and enjoyment of the IT Assets as at the date of this agreement for the period specified or to be agreed under the ITSA for that access; and
- (H) the Seller will have the right to renegotiate and amend any data centre leases or colocation agreements (or analogous arrangements) in respect of the Data Centres or IT support, managed service, outsourcing or other IT or telecommunications services contracts comprising part of the IT Assets, subject to prior consultation and agreement with Woodside and provided that the Seller has used all reasonable endeavours to ensure (including consulting with Woodside on any such terms) the amended terms will not be materially detrimental to any Target Group Member, materially impact or delay the completion of the Separation Activities under the ITSA (unless a reasonable solution to

such impact or delay can be implemented to mitigate or avoid the cause of the impact or delay) or cause any of the Target Group Members to incur material additional costs, in order to enable the apportionment of the IT Assets or to enable the Other Seller Entities or Target Group Members (as applicable) to continue to have access to the IT Assets used in connection with the business of the Other Seller Entities or Target Group Members (as applicable),

and, following Completion, if all the IT Assets have not been apportioned between the Seller or an Other Seller Entity and a Target Group Member, then the Parties must continue to pursue the apportionment of the IT Assets or, to the extent the IT Assets cannot be apportioned in accordance with the principles in this clause 5.1(d), use reasonable endeavours to agree alternative arrangements to be put in place to allow the Seller or an Other Seller Entity and the Target Group Members (as applicable) to have access to the IT Assets, in each case in accordance with the principles set out in this clause 5.1(d).

5.2 Intra-group Funding Arrangements

- (a) Prior to or at Completion, the Intra-group Funding Arrangements will be eliminated, including:
 - (1) all Intra-group Funding Arrangements will be repaid or otherwise eliminated, which may include transactions required to allow this elimination to be conducted efficiently (for example, funding balances within the Target Group may need to be adjusted to the extent necessary to give effect to the elimination of intragroup funding consolidated balances as part of separation of the Target Group from the Seller Group); and
 - (2) the Seller Group will be entitled to remove any cash received by the Target Group Members in relation to the repayment of Intra-group Funding Arrangements that are intra-group receivables held by the Target Group.
- (b) Woodside may request reasonable further information or detail regarding how the Intra-group Funding Arrangements will be restructured, but only to the extent it is relevant to the Target Group following Completion, in which case the Seller will respond within a reasonable period of the request.
- (c) Woodside agrees that Woodside will procure (from a Woodside Group Member) the replacement of any letter of support given by the Seller or an Other Seller Entity in favour of a Target Group Member or as between Target Group Members that Woodside (acting reasonably) believes is required for the purposes of ensuring that the relevant entity meets the solvency requirements in the relevant jurisdiction in which the relevant Target Group Member has been incorporated, and any such support provided by the Seller or an Other Seller Entity will be terminated with effect at or prior to Completion. For the avoidance of doubt, Woodside's obligations under this clause 5.2(c) are limited to letters of support given by the Seller or an Other Seller Entity in favour of a Target Group Member exclusively to support the solvency of such Target Group Member and do not extend to any indemnities, guarantees or similar support given by Other Seller Entities to a Third Party (which shall be dealt with in accordance with clause 5.11) or that otherwise go beyond solvency support for the purposes of Intra-group Funding Arrangements or financial reporting.

5.3 Integration planning

- (a) In the period between the date of this agreement and the earlier of Completion and termination of this agreement, and subject always to the implementation of any measures reasonably required for

compliance with applicable laws, including competition laws, the Parties will work together and plan for the implementation of the Transaction and prepare an Integration Plan of the Target Group and Target Petroleum Business into the Woodside Group which will take effect following Completion in accordance with the ITSA.

- (b) Subject to the operation of clauses 5.3(c) and 19, the Confidentiality Deed, the Protocols and all applicable laws (including competition laws), during the Exclusivity Period the Seller must:
- (1) ensure the Seller Data Room remains open and available to Woodside and its representatives;
 - (2) provide a verbal and/or written report on the operations and financial performance of the Target Petroleum Business within 10 Business Days of the end of each calendar month, provided:
 - (A) Woodside may request specific information to be included in the report, which the Parties can discuss; and
 - (B) any written report is to contain no more information than is readily accessible by the Seller and the Target Group has been regularly producing on a monthly basis in the 12 months prior to the date of this agreement and may omit any information that relates to the intra-group arrangements of the Seller Group or that is unlikely to be relevant to the Target Petroleum Business following Completion;
 - (3) discuss such other reasonable arrangements to be adopted during the Exclusivity Period for the Seller to report to Woodside on the performance of the Target Petroleum Business; and
 - (4) provide such information regarding the Target Petroleum Business and its performance as Woodside may reasonably request from time to time and for a proper purpose.
- (c) Nothing in clause 5.3(b) requires the Seller to provide information:
- (1) relating to the Transaction or any Target Competing Proposal, or the Seller or Target Group' s consideration of the same;
 - (2) to the extent it would result in unreasonable disruptions to the Seller' s business, is commercially sensitive, is subject to existing confidentiality obligation to a Third party (in respect of which the consent of the Third Party is required and such consent is not reasonably capable of being obtained), would require the Seller to make further disclosures to any other entity or to a Governmental Agency or require the Seller to make any disclosure that would compromise legal professional privilege,

but the Seller must use reasonable endeavours to obtain any necessary consent from a Third Party for the disclosure of information which is subject to a consent right in favour of that Third Party.

5.4 Seller conduct of business

Subject to clause 5.7, in the period between the date of this agreement and the earlier of Completion and termination of this agreement, the Seller must:

- (a) use reasonable endeavours to ensure, to the extent it is within the Seller' s power to do so, that the business of the Target Group is conducted in a manner not inconsistent with the Anticipated Project Expenditure and Timing, and otherwise in the ordinary course of business and in accordance with the usual commercial and operational practice of the Target Group in all material respects;

- (b) ensure, to the extent it is within the Seller' s power to do so, that a Target Prescribed Occurrence does not occur;
- (c) use reasonable endeavours to ensure that a Target Material Adverse Change does not occur;
- (d) keep Woodside reasonably informed of any material development in respect of the Target Group that may have a material adverse impact on the operations, financial performance or financial position (including as to Tax attributes) of the Target Group, except where the information is the subject of the Protocols;
- (e) use reasonable efforts to:
 - (1) preserve and maintain the value of the businesses and assets of the Target Group;
 - (2) keep available the services of required employees of each Target Group Member; and
 - (3) maintain and preserve each Target Group Member' s relationships with Governmental Agencies, customers, joint venture partners, suppliers and others having business dealings with any Target Group Member;
- (f) procure that each Target Group Member prepares its Tax filings in a manner which is materially consistent with the past practice of that Target Group Member, except as required by a Tax Law or if, after the Effective Time, there is a change in interpretation of a Governmental Agency;
- (g) other than as expressly set out in the Anticipated Project Expenditure and Timing (including as to timing), or approved by Woodside, procure that no Target Group Member engages in or commits to any of the following conduct:
 - (1) intentionally relinquishes or allows material petroleum titles or authorisations to lapse without renewal, agrees to any materially adverse amendments to the terms of any petroleum titles or authorisations or intentionally resigns as operator (or assumes operatorship) of any operating arrangements to which it is a party at the date of this agreement;
 - (2) either:
 - (A) incurs any capital expenditure;
 - (B) makes any acquisition, divestment, asset swap or exercises any pre-emptive right; or
 - (C) makes a binding and enforceable investment commitment (including a final investment decision), that is not contemplated in the Anticipated Project Expenditure and Timing (including as to timing), where:
 - (D) the individual commitment for capital expenditure or investment exceeds, or the final investment decision contemplates future capital expenditure in excess of, US\$[***]; and
 - (E) for acquisitions, divestments, asset swaps or the exercise of pre-emptive rights, the consideration is in excess of US\$[***];
 - (3) incurs any expenditure that is in excess of its working interest share (as it exists at the date of this agreement) of expenditure under any operating agreement other than:
 - (A) to the extent the amount of expenditure is less than US\$[***] in each instance; or

- (B) in respect of Shenzi North Project to the extent announced by BHP to the ASX on 5 August 2021;
- (4) makes an acquisition, or commences a business undertaking, in a country other than a country in which it undertakes a petroleum exploration or exploitation business as at the date of this agreement;
- (5) undertakes any action that has, and the Target Group Member should reasonably have been aware that it would have, the effect, or likely effect, of a Target Group Member being in default or material breach of
 - (A) a petroleum title, authorisation, or operating agreement; or
 - (B) a contract or consent that is material to the operation of the Target Petroleum Business;
- (6) enters into any guarantee or indemnity for the obligations of any person other than a Target Group Member, unless required pursuant to a law or contractual obligation that has been Fairly Disclosed in the Target Disclosure Material;
- (7) enters into a transaction with any member of the Seller Group (other than a Target Group Member) other than: (i) where it is consistent with the basis on which amounts have been charged for inter-group services or support in the 12 months prior to 17 August 2021 or (ii) permitted by this agreement;
- (8) enters into any new contract, agreement or arrangement which contains, or varies or amends an existing contract, agreement or arrangement to introduce, a change of control provision (including a consent right, uplift or transfer fee or unilateral termination right exercisable specifically on a change of control) or pre-emptive right, which (in respect of a right for the benefit of a Third Party) will be triggered by, or is enlivened as a result of, implementation of the Transaction where:
 - (A) the contract is reasonably likely to give rise to additional total revenue or expenses for a Target Group Member in excess of US\$[***];
 - (B) if clause 5.4(g)(8)(A) does not apply and the contract is a seismic licence, the contract is reasonably likely to give rise to additional total expenses for a Target Group Member in excess of US\$[***]; or
 - (C) if neither of clauses 5.4(g)(8)(A) nor 5.4(g)(8)(B) apply and the impact of the rights under the change of control provision or pre-emptive right being exercised is that it would have a material adverse effect on or negatively impact business continuity of the Target Petroleum Business (for example because the arrangements the subject of the contract are unique and are not capable of being replaced with reasonably similar arrangements), the contract is reasonably likely to give rise to additional total revenues or expenses for a Target Group Member in excess of US\$[***];
- (9) enters into any contract, agreement or arrangement which requires the Seller or any Other Seller Entity to provide a bank guarantee, indemnity or guarantee or similar support to a Third Party to support the obligations of the Target Group and which would become the subject of clause 5.11 other than (i) any rollover of a bank guarantee, indemnity or guarantee already in place at the date of this agreement, on the same terms and conditions, or (ii) a bank guarantee, indemnity or guarantee for which the financial liability does not exceed US\$[***]; and

- (10) except in respect of the Seller or an Other Seller Entity undertaking any upgrade or maintenance or any Separation Activities, Transition Services, Systems Separation Activities or Systems Services (as each of those terms is defined in the ITSA) in accordance with the obligations under the ITSA, not make any material changes, to any IT systems, software or operations used or owned by the Seller or a Seller Group Member (including to data held on those systems or software relating to the Target Petroleum Business) which are used by or in relation to the Target Petroleum Business, which such change would have a material adverse impact on:
- (A) the safe and lawful operation of the Target Petroleum Business; or
 - (B) the timeline for the completion of the Separation Activities, Systems Separation Activities or Systems Services, which BHP is unable to remediate or rectify by implementing another solution (having used reasonable endeavours to do so), provided that nothing in this clause 5.4(g)(10) prevents the Seller or an Other Seller Entity from carrying out system changes with at least 4 weeks prior notice for the following purposes (or as much prior notice as is reasonably practicable to provide if paragraph (C) below applies):
 - (C) if promptly required to rectify malfunctions or guarantee the safe operation of the business of any one or more Seller Group Member or in order to comply with law;
 - (D) to perform upgrades to or perform maintenance of Seller Group' s IT Systems which are used by or in relation to the Target Petroleum Business to the extent consistent with Seller Group' s ordinary business practices and/or with upgrades and maintenance otherwise undertaken for Seller Group' s IT Systems used by other Seller Group Members; and
 - (E) to perform upgrades to Seller Group IT Systems (excluding the ring-fenced or cloned part of the Seller Group' s IT Systems used solely for the conduct and operation of the Target Petroleum Business) consistent with Seller Group' s Technology roadmap after notifying Woodside if the ERP Solution has not been delivered by Seller Group or has not been accepted by Woodside by 1 October 2022; and
- (h) comply with the additional employment-related requirements set out in clause 2(a) of Schedule 4.

5.5 Woodside conduct of business

Subject to clause 5.7, in the period between the date of this agreement and the earlier of Completion and termination of this agreement, Woodside must:

- (a) use reasonable endeavours to ensure, to the extent it is within Woodside' s power to do so, that the business of the Woodside Group is conducted in a manner not inconsistent with the Anticipated Project Expenditure and Timing, and otherwise in the ordinary course of business and in accordance with the usual commercial and operational practice of the Woodside Group in all material respects;
- (b) ensure, to the extent it is within Woodside' s power to do so, that a Woodside Prescribed Occurrence does not occur;
- (c) use reasonable endeavours to ensure that a Woodside Material Adverse Change does not occur;



- (d) keep BHP reasonably informed of any material development in respect of the Woodside Group that may have a material adverse impact on the operations, financial performance or financial position of the Woodside Group, except where the information is the subject of the Protocols;
- (e) use reasonable efforts to:
 - (1) preserve and maintain the value of the businesses and assets of the Woodside Group;
 - (2) keep available the services of required employees of each Woodside Group Member; and
 - (3) maintain and preserve each Woodside Group Member's relationships with Governmental Agencies, customers, joint venture partners, suppliers and others having business dealings with any Woodside Group Member; and
- (f) other than as expressly set out in the Anticipated Project Expenditure and Timing (including as to timing), or approved by BHP, procure that no Woodside Group Member engages in or commits to any of the following conduct:
 - (1) intentionally relinquishes or allows material petroleum titles or authorisations to lapse without renewal, agrees to any materially adverse amendments to the terms of any petroleum titles or authorisations or intentionally resigns as operator (or assumes operatorship) of any operating arrangements to which it is a party at signing;
 - (2) either:
 - (A) incurs any capital expenditure;
 - (B) makes any acquisition, divestment, asset swap or exercises any pre-emptive right; or
 - (C) makes a binding and enforceable investment commitment (including a final investment decision), that is not contemplated in the Anticipated Project Expenditure and Timing (including as to timing), where:
 - (D) the individual commitment for capital expenditure or investment exceeds US\$100 million; and
 - (E) for acquisitions, divestments, asset swaps or the exercise of pre-emptive rights, the consideration is in excess of US\$100 million;
 - (3) incurs any expenditure that is in excess of its working interest share (as it exists at the date of this agreement) of expenditure under any operating agreement to the extent the amount of expenditure is in excess of its share for more than US\$25 million in each instance this clause applies;
 - (4) makes an acquisition, or commences a business undertaking, in a country other than a country in which it currently undertakes a petroleum exploration or exploitation business;
 - (5) undertakes any action that has, and the Woodside Group Member should reasonably have been aware that it would have, the effect, or likely effect, of a Woodside Group Member being in default or material breach of:
 - (A) a petroleum title, authorisation, or operating agreement;
 - (B) a contract or consent that is material to the operation of the Woodside Group's business;

- (6) enters into any guarantee or indemnity for the obligations of any person other than a Woodside Group Member, unless required pursuant to a law or contractual obligation that has been Fairly Disclosed in the Woodside Disclosure Material;
- (7) not make at any time a choice under section 125-65(5) of the Tax Act that the Seller or any Seller Group Member will not be a member of a demerger group that includes Woodside; or
- (8) enters into any new contract, agreement or arrangement which contains a change of control provision (including a consent right, uplift or transfer fee or unilateral termination right exercisable specifically on a change of control) or pre-emptive right which (in respect of a right for the benefit of a Third Party) will be triggered by, or is enlivened in favour of a Third Party as a result of, implementation of the Transaction where:
 - (A) the contract is reasonably likely to give rise to additional total revenue or expenses for a Woodside Group Member in excess of \$50 million;
 - (B) if clause 5.5(f)(8)(A) does not apply and the contract is a seismic licence, the contract is reasonably likely to give rise to additional total expenses for a Woodside Group Member in excess of US\$10 million; or
 - (C) if neither of clauses 5.5(f)(8)(A) nor 5.5(f)(8)(B) apply and the impact of the rights under the change of control provision or pre-emptive right being exercised is that it would have a material adverse effect on or negatively impact business continuity of the Woodside Group Business (for example because the arrangements the subject of the contract are unique and are not capable of being replaced with reasonably similar arrangements), the contract is reasonably likely to give rise to additional total revenues or expenses for a Woodside Group Member in excess of US\$20 million.

5.6 Other obligations

- (a) During the period between the date of this agreement and the earlier of Completion and termination of this agreement, each Party will promptly notify the other orally and in writing of anything of which a Seller Specified Executive or Woodside Specified Executive becomes aware that:
 - (1) causes any material information publicly filed by BHP in respect of the Target Group or which causes any material information publicly filed by Woodside (either on its own account or in respect of any other Woodside Group Member) to be, or reasonably likely to be, incomplete, incorrect, untrue or misleading in any material respect;
 - (2) makes any information provided in the Target Disclosure Materials or the Woodside Disclosure Materials (as the case may be) incomplete, incorrect, untrue or misleading in any material respect; or
 - (3) would constitute or be likely to constitute a Target Prescribed Occurrence, Woodside Prescribed Occurrence, Target Material Adverse Change or Woodside Material Adverse Change.
- (b) Each Party must consult in good faith with the other prior to taking, agreeing to take, or voting on the following matters (and if the Parties cannot reach agreement, the matter will be escalated to the Parties' respective CEOs and/or Chairpersons to negotiate in good faith):
 - (1) in respect of the Target Group, making new commitments in respect of (i) decommissioning plans or obligations, (ii) frontier exploration (including drilling in the Canadian Orphan

Basin), (iii) (if Completion has not occurred by the time the Trion Project minimum work obligations have been completed) next steps for the development of the Trion Project, or (iv) exercising any pre-emptive rights in respect of the North West Shelf Project; and

- (2) in respect of the Woodside Group, (i) making new commitments in respect of decommissioning plans or obligations or (ii) exercising any pre-emptive rights in respect of the North West Shelf Project.

5.7 Permitted acts

- (a) Except in respect of the restrictions in clauses 5.4(b) and 5.5(b) (to which this clause 5.7 will not apply), nothing in clauses 5.4, 5.5 or 5.6 restricts the ability of a Party to take any action or inaction:
- (1) to the extent required to give effect to any of the Transaction Agreements or the good faith implementation of activities approved by the Integration Steering Committee;
 - (2) in accordance with or in furtherance of any approved work program and budget or approved authority for expenditure under any joint operating or joint venture agreement or similar which approved work program and budget or approved authority for expenditure (as applicable) has been Fairly Disclosed in the Target Disclosure Materials or the Woodside Disclosure Materials prior to the date of this agreement;
 - (3) provided it is not inconsistent with the Anticipated Project Expenditure and Timing, as being an action that the Party intends or is required to be carried out during the Exclusivity Period;
 - (4) which is required by any applicable law, regulation, contract (provided the contract has been Fairly Disclosed in the Target Disclosure Materials or Woodside Disclosure Materials, as the case may be), Authorisation or by a Governmental Agency, in any case that operates upon the relevant Party;
 - (5) to the extent required to reasonably and prudently respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property or to respond to environmental, health and safety regulations, or a disease epidemic or pandemic, including the outbreak, escalation or any impact of, or recovery from, the Coronavirus or COVID-19 pandemic);
 - (6) that is reasonable and prudent action which is taken in response to the presence of, or increase in cases of, Coronavirus or COVID-19, including in accordance with the direction or recommendation of a Governmental Agency;
 - (7) to the extent approved in writing by the other Party, such approval not to be unreasonably withheld or delayed (but may be withheld or delayed if the matter relates to a change in the Anticipated Project Expenditure and Timing or a Capital Expenditure, acquisition or divestment, in any case that would give rise to a commitment in excess of US\$500 million individually or US\$1 billion in aggregate); or
 - (8) in respect of the following:
 - (A) the Seller continuing to conduct its Intra-group Funding Arrangements or funding arrangements between members of the Target Group (including the payment of any dividend or distribution by a Target Group Member paid in accordance with applicable law), in a manner that is not inconsistent with the terms of this agreement;

- (B) transactions contemplated in the Anticipated Project Expenditure and Timing;
 - (C) the Seller progressing through the 'Define Phase' or proceeding with the 'Declaration of Commerciality' and progressing to execute against the work program and budget in respect of the Trion Project as described in the Anticipated Project Expenditure and Timing; or
 - (D) good faith implementation of activities included in the Anticipated Project Expenditure and Timing or otherwise approved by the Integration Steering Committee.
- (b) Woodside acknowledges and agrees that prior to Completion:
- (1) the Seller or another Seller Group Member may advance or charge amounts to, or pay or collect amounts from or on behalf of, a Target Group Member;
 - (2) any Target Group Member may advance or charge amounts to, or pay or collect amounts from or on behalf of, a Seller Group Member; and
 - (3) a Seller Group Member or any Target Group Member may pay dividends or other distributions (including capital returns) to the Other Seller Entities in accordance with applicable law;
- in each case, in a manner not inconsistent with clause 5.4(g)(7) of this agreement; and
- (4) in respect of a Project that is not wholly owned by a Target Group Member, the Seller will not be in breach of any of its obligations under clause 5.4 that are applicable to the relevant Project provided that the Seller consults with Woodside in advance (through the Integration Steering Committee) and exercises its voting rights under any relevant JV Contract on any matter in a manner that is consistent with compliance with its obligations under clause 5.4.
- (c) The Seller acknowledges and agrees that prior to Completion in respect of a Woodside Group Asset that is not wholly owned by a Woodside Group Member, Woodside will not be in breach of any of its obligations under clause 5.5 that are applicable to the relevant Woodside Group Asset provided that the Woodside Group Member exercises its voting rights under any relevant joint operating agreement or joint venture contract on any matter in a manner that is consistent with compliance with its obligations under clause 5.5.

5.8 Notification of breaches

If on or before Completion, a Party becomes aware of any material breach or potential material breach of clause 5.4, 5.5, 5.6 or 5.7, it must:

- (a) notify the other Party of the material breach or potential material breach and provide the other Party with reasonable details of the alleged material breach or potential material breach; and
- (b) without prejudice to clause 22, consult with the other Party as to the effect of the alleged material breach or potential material breach.

5.9 Access to Target Group

- (a) Subject to applicable competition laws, and any measures implemented by the Seller which are reasonably necessary to comply with applicable competition laws, the Protocols and clause 5.9(b), during the period between signing and the earlier of Completion and termination of this agreement,

the Seller must ensure that Woodside and a reasonable number of persons authorised by Woodside are given reasonable, non-disruptive access during normal business hours and on reasonable notice, access to the Target Group, to inspect the premises, books and records of the Target Group Members for the sole purpose of planning the integration of the Target Group Members with the Woodside Group following Completion and to understand and stay up to date with the affairs of the Target Group prior to Completion.

- (b) The Seller is not required to give Woodside or persons authorised by Woodside the access described in clause 5.9(a) to the extent that despite Woodside's compliance with clause 5.9(d) such access might reasonably be expected to:
- (1) breach the relevant Target Group Member's obligations under the relevant joint operating agreements or joint venture contracts;
 - (2) pose a risk to the safety of persons or property;
 - (3) put a Seller Group Member or a Target Group Member in breach of any duty of confidence or any duty or obligation under the *Privacy Act 1988* (Cth) and any other legislation in any other jurisdiction affecting privacy, personal information or the collection, handling, storage, processing, use or disclosure of data; or
 - (4) result in a loss of any legal professional privilege,
- and to the extent that such access is not granted by the relevant Operator.
- (c) To the extent that a Target Group Member does not have the power to grant Woodside access to premises, books and records of the Target Group, the Seller must request, and use all reasonable endeavours to procure, (at Woodside's reasonable cost) access for Woodside to such, premises, books and records from the relevant Operator for the sole purpose of planning the integration of the Target Group Members with the Woodside Group following Completion and to understand and stay up to date with the affairs of the Target Group prior to Completion.
- (d) Woodside:
- (1) must not direct, manage or control the conduct of any Target Group Member or of any employee of a Target Group Member, or otherwise impede the conduct of the Target Petroleum Business, at any time before Completion; and
 - (2) must ensure that any persons provided with the access referred to in clause 5.9(a) comply with the reasonable requirements of the Target Group Members or any relevant Third Party in respect of the access and do not interfere with the business or operations of the Target Group Members.
- (e) Nothing in this clause 5.9 gives Woodside any rights as to the decision making of any Target Group Member or its business.

5.10 Consents and other actions

- (a) The Parties agree:
- (1) to comply with their obligations in respect of the Specified Project set out in the Detailed Matters Letter; and
 - (2) in respect of the Specified Project, clauses 5.10(b), 5.10(c) and 5.10(d) are subject to the Detailed Matters Letter.

- (b) In relation to the Relevant Contracts and Consents:
- (1) each Party must promptly take the actions assigned to it in the column entitled “Agreed approach/comments” in Attachment 2 of the Seller Disclosure Letter (to the extent the action specified has been expressly agreed);
 - (2) the Seller does not make any representation in respect of the accuracy or completeness of the list in Attachment 2 of the Seller Disclosure Letter being an accurate or complete list of the Relevant Contracts and Consents which may be required by, triggered by or exercised in response to, implementation of the Transaction but the list in Attachment 2 of the Seller Disclosure Letter has been prepared with the intent that it contains all such contracts and consents of which the Seller is aware as at the date of this agreement;
 - (3) without limiting clause 5.10(b)(1), to the extent they have not done so prior to the date of this agreement or such Relevant Contract and Consent has not been identified as at the date of this agreement, the Parties will agree a proposed course of action (which, among other things, will have due regard to the nature and operation of the applicable legal restrictions in the Relevant Contracts and Consents) following which the Seller will initiate contact with the relevant counterparty or Governmental Agency, seek joint discussions (if required) with the relevant counterparty or Governmental Agency, and request the provision of any consents or confirmations that are reasonably considered by Woodside to be required or appropriate. Woodside must ensure its representatives do not contact any counterparties (other than any counterparties that a Woodside Group Member has a pre-existing relationship with prior to the date of this agreement in relation to matters not related to the Transaction) or Governmental Agency in relation to the applicable Relevant Contract and Consent without the Seller’s representatives present or without the Seller’s prior written consent (which is not to be unreasonably withheld or delayed);
 - (4) without limiting clause 5.10(b)(1), the Seller must take all reasonable action necessary to give any notifications required or obtain such consents or confirmations in respect of the Relevant Contracts and Consents as expeditiously as possible after the date of this agreement, including by promptly providing any information reasonably required by counterparties or the Governmental Agency. The Seller must seek and take into consideration Woodside’s reasonable input on all relevant correspondence, and keep Woodside reasonably informed of all relevant developments; and
 - (5) without limiting clause 5.10(b)(1), Woodside must cooperate with, and provide reasonable assistance to, the Seller to obtain such consents or confirmations as expeditiously as possible, including by promptly providing any information reasonably required by counterparties.
- (c) Notwithstanding anything else in this agreement, but subject to the agreements in the Detailed Matters Letter in respect of the Specified Project:
- (1) provided that the Seller has complied with its obligations under clause 5.10(b), a failure by a Seller Group Member or Target Group Member to obtain any Third Party consent or confirmation, or the exercise of a termination right, will not constitute a breach of this clause 5.10 by the Seller;
 - (2) neither the existence or exercise of the pre-emptive rights or similar, nor the existence of the requirement to obtain or the refusal to give the consent or confirmation, will delay or prevent Completion;

- (3) the Seller must procure that no Target Group Member offers, or agrees to accept, any consideration payable by the holder of a pre-emptive right, change of control right, termination right or similar without the prior approval of Woodside (not to be unreasonably withheld or delayed);
 - (4) except to the extent contemplated in section 1.2(d) of Schedule 6, the Purchase Price will not be adjusted for:
 - (A) the exercise of any pre-emptive rights or similar, including where the consideration payable by the holder or holders of the pre-emptive right is greater than or less than the part of the Purchase Price attributed by Woodside to the relevant interest, asset or shares (but, to avoid doubt, the relevant Target Group Member that is subject of the pre-emptive right or similar will be entitled to the consideration payable by the holder or holders of the pre-emptive right); or
 - (B) the failure to obtain the consent or confirmation; and
 - (5) Woodside must not make any Claim, and no Seller Group Member will have any liability for Loss, in respect of any pre-emptive rights or consent or confirmation required from a counterparty, except in respect of the Seller's obligations under this clause 5.10.
- (d) The Parties acknowledge and agree that this agreement and the transactions contemplated by it are not conditional on receipt of any consents from Third Parties, except to the extent set out in the Conditions and subject to the agreements in the Detailed Matters Letter in respect of the Specified Project. Woodside acknowledges and agrees that if, in connection with this agreement or the Transaction, a Governmental Agency refuses to grant a regulatory approval which is not the subject of a Condition:
- (1) following Completion, Woodside will be solely responsible for dealing with the refusal or conditional grant or consequential action; and
 - (2) irrespective of the refusal or conditional grant, Completion will not be delayed or prevented and Woodside must comply with all its obligations under this agreement.

5.11 Outstanding Guarantees

- (a) Woodside must between the date of this agreement and Completion take all actions reasonably necessary [***] to allow any bank guarantees, indemnities or guarantees or similar support given by Other Seller Entities to a Third Party, [***] to the extent that the bank guarantees, indemnities, guarantees or similar support relate to the existing obligations of the Target Group (**Guarantees**), to be released by having a Woodside Group Member provide a replacement bank guarantee, indemnity, guarantee or similar support (as the case may be) to enable these to be released.
- (b) If and to the extent any Other Seller Entity has not been released from (including in connection with all Liabilities arising out of) a Guarantee by Completion in accordance with clause 5.11(a) (or the Parties become aware of its existence from time to time after Completion) Woodside must continue to use all reasonable endeavours to procure the release of the relevant Guarantee within a reasonable time after (i) Completion or (ii) becoming aware of its existence (as the case may be).
- (c) If and to the extent any Other Seller Entity is not released from a Guarantee in accordance with clause 5.11(a) or 5.11(b) (as applicable) from time to time, subject to Completion, Woodside indemnifies and holds harmless the Seller and the relevant Other Seller Entity for any Loss that the Other Seller Entity actually pays, suffers, incurs or is liable for under or in relation to that Guarantee.

- (d) With effect from Completion, Woodside must ensure that all obligations to produce bank guarantees, indemnities or similar support in respect of Target Group Members are complied with.
- (e) The Parties agree that the obligations in this clause 5.11 apply in respect of all Guarantees in place as at Completion.

5.12 Outstanding Target Guarantees

- (a) The Seller must between the date of this agreement and Completion take all actions necessary to allow any bank guarantees, indemnities or guarantees or similar support given by Target Group Members to a Third Party to the extent that the bank guarantees, indemnities, guarantees or similar support relate to obligations of Other Seller Entities, if any, (**Target Guarantees**) to be released, by having an Other Seller Entity provide replacement security or support to enable these to be released.
- (b) If and to the extent any Target Group Member has not been released from a Target Guarantee by Completion in accordance with clause 5.12(a) (or the Parties become aware of its existence from time to time after Completion) the Seller must continue to use all reasonable endeavours to procure the release of the relevant Target Guarantee within a reasonable time after (i) Completion or (ii) becoming aware of its existence (as the case may be).
- (c) If and to the extent any Target Group Member is not released from a Target Guarantee in accordance with clause 5.12(a) or 5.12(b) (as applicable) from time to time, subject to Completion, the Seller indemnifies and holds harmless Woodside and the relevant Target Group Member for any Loss that the Target Group Member actually pays, suffers, incurs or is liable for under or in relation to that Target Guarantee.
- (d) The Parties agree that the obligations in this clause 5.12 apply to all Target Guarantees in place as at and after Completion.

5.13 Settling disputes

The Seller agrees to consult with Woodside in good faith prior to settling any dispute, claim or litigation in connection with the Target Petroleum Business where such settlement:

- (a) is expected to have an adverse effect that will reduce revenue or increase costs of the Target Group following Completion by US\$[***] or more relative to what was expected; or
- (b) is reasonably likely to have a material adverse effect on the reputation of the Target Group or its ability to continue to operate the Target Petroleum Business or any material part of it, including any Project.

5.14 Certain Encumbrances

During the Exclusivity Period, the Seller and Woodside will:

- (a) consult in good faith to identify all Encumbrances (other than Permitted Encumbrances) over shares in the capital of all Target Group Members (other than the Sale Shares) and over the Assets; and
- (b) use reasonable endeavours to obtain a release, at or prior to Completion, from the beneficiary of those Encumbrances that are not Permitted Encumbrances and that the Parties agree should be targeted for release, including those Encumbrances specified in Attachment 6 of the Seller Disclosure Letter.

5.15 Compliance with laws

To avoid doubt, the Parties acknowledge that their obligations under this clause 5 shall be subject to clause 19, the Confidentiality Deed, the Protocols and all applicable laws (including competition laws).

5.16 Insurances

- (a) A reference to a Seller Group Member, an Other Seller Entity or the Seller Group in this clause 5.16 is deemed to not include any BHP Captive.
- (b) During the Exclusivity Period:
 - (1) the Seller must ensure and must procure that each Seller Group Member ensures that:
 - (A) each Insurance Policy does not expire; and
 - (B) each Seller Group Member does not cancel any of the Insurance Policies and takes reasonable care not to do anything that is likely to result in the cancellation of or to render any Insurance Policy void, unenforceable or otherwise limit, prejudice or reduce the cover afforded by any of the Insurance Policies, unless a replacement policy (on terms no less favourable to the relevant Target Group Member) has been put in place prior to such expiry, cancellation or other change;
 - (2) the Seller must do all things reasonably necessary to ensure that, after Completion, the Target Group Members continue to be entitled to make claims against the BHP Group Insurance Policies for:
 - (A) in respect of any Occurrence-Based Liability Insurance Policies only, events or occurrences that happened or occurred prior to Completion;
 - (B) claims made, notified or reported; or
 - (C) circumstances notified or reported, prior to Completion in accordance with the terms of such BHP Group Insurance Policies or in accordance with applicable law (including the *Insurance Contracts Act 1984* (Cth) (if applicable));
 - (3) the Seller must use reasonable endeavours to advise Woodside of any actual material change (which for the purpose of any change to monetary amounts or limits of liability, will constitute a change of 20% (or more) of the existing amount) to insurance limits, deductibles, retentions or coverage terms occurring or effecting the Insurance Policies during the Exclusivity Period within 21 days of that actual material change, insofar as such changes are relevant to a Target Group Member or the Target Petroleum Business; and
 - (4) the Seller must upon Woodside' s request, provide reasonable cooperation and assistance to Woodside in relation to the Woodside Group' s actual or potential insurance of a Target Group Member or the Target Petroleum Business.
- (c) The Seller will not be taken to be in breach of its obligations under clause 5.16(b)(1) and/or 5.16(m)(2) and/or 5.16(m)(3) if the relevant insurance coverage or benefits attaching to an Insurance Policy:
 - (1) cease to be available, including as a result of the full or partial cancellation of the policy by the relevant insurer except where the Insurance Policy has ceased to be available due to any

- default or act or omission of, prior to Completion, a Seller Group Member, or, post-Completion, an Other Seller Entity;
- (2) cease to be available to a Seller Group Member from its existing insurers on the terms existing as at the date of this agreement and cannot be replaced on reasonable commercial terms; or
- (3) despite the best endeavours of the Seller, are only available at a material additional cost, and the Seller:
- (A) does not agree to meet that increase in cost; and
- (B) advises Woodside of the increased cost and Woodside does not elect within 21 days to meet such increased cost.
- (d) [***]
- and otherwise the Target Group will cease to have any rights in respect of BHP Group Insurance Policies on and from the Completion Date.
- (e) Within 14 days from execution of this agreement, the Seller must provide Woodside with:
- (1) for the previous 7 policy years prior to the date of this agreement complete policy schedules for Occurrence-Based Liability Insurance Policies with the exception of property damage and business interruption insurance policies for which only the complete policy schedules for current policies are required;
- (2) for all Insurance Policies current immediately before the Completion Date, full copies of each of the Insurance Policies, except that (and subject to clause 5.16(i)) only a comprehensive summary of the applicable coverage of the Target Group will be provided for any BHP Group Insurance Policies;
- (3) a comprehensive claim experience relating to Target Group Members or the Target Petroleum Business for the previous 5 policy years prior to the date of this agreement; and
- (4) complete copies of all underwriting information relating to the Target Group Member or the Target Petroleum Business as provided or disclosed to insurers to support the placement of the Insurance Policies for the last renewal immediately prior to the date of this agreement provided that any information that is not relevant to a Target Group Member or the Target Petroleum Business (having regard to the rights and obligations under this clause 5.16) will be redacted.
- (f) In the event that during the Exclusivity Period, the Seller Group becomes aware of any fact, event or circumstance relating to the Target Group Members or Target Petroleum Business which gives rise to a claim under any of the Insurance Policies, the Seller must use reasonable endeavours to:
- (1) notify Woodside and provide details of such fact, event or circumstance within 21 days of the Seller Group Member first becoming so aware;
- (2) notify insurer(s) (including in respect of self-insurance or captive arrangements) of any such Insurance Policy in accordance with the notification provisions of the applicable Insurance Policy or in accordance with applicable law (including the *Insurance Contracts Act 1984* (Cth) (if applicable)), and in any event as soon as reasonably practicable and including details of the fact, event or circumstance;

- (3) pursue any claims available under the Insurance Policies and:
 - (A) to the extent that any insurance proceeds are actually received from insurers for such claims during the Exclusivity Period, take all necessary steps to procure that such proceeds are paid to the relevant Target Group Member(s) prior to Completion; and
 - (B) comply with clauses 5.16(r)(6) and 5.16(r)(7) in respect of any proposed settlement, resolution or compromise of such claims provided that:
 - (i) any assumption of the conduct and control of a claim by Woodside pursuant to clause 5.16(r)(7)(B) will occur on the later of Completion and the date on which a settlement or compromise is made by the Seller pursuant to clause 5.16(r)(7)(A); and
 - (ii) the obligation on the Seller to comply with clauses 5.16(r)(6) and 5.16(r)(7) will only apply to claims in excess of \$[***];
- (4) comply with the terms of the relevant Insurance Policy and otherwise act with utmost good faith towards insurers in relation to any claims;
- (5) co-operate with and provide Woodside with:
 - (A) a copy of any notifications made in compliance with clause 5.16(f)(2) within 7 days of the notification to insurer(s); and
 - (B) regular updates in respect of any such notifications.
- (g) [***]
 - (2) the Seller must, on request of Woodside and to the extent permitted by applicable laws, provide and procure that any Other Seller Entity provides, all reasonable cooperation, assistance, information, documents and access to personnel reasonably requested by Woodside to enable it to pursue or prosecute a Pre-Completion Insurance Claim that it assumes conduct and control of under this clause.
- (h) Subject to clause 5.16(d) and clause 5.16(e), any claims or notifications made after Completion against the Insurance Policies in respect of a Target Group Member will be, to the extent permitted by the Insurance Policies and applicable laws, conducted by Woodside or the relevant Target Group Member, except:
 - (1) where there is a Material Insurance Conflict and the Seller gives a Material Conflict Notice which is either not disputed by Woodside within 14 days of receipt or, where disputed, is resolved in accordance with clause 5.16(q) with a finding of a Material Insurance Conflict; or
 - (2) in respect of any claim that covers any liability, loss, damage, cost or expense suffered by an Other Seller Entity which must be conducted in accordance with clause 5.16(r),and to the extent that an Insurance Policy requires the consent or other action of the Seller or an Other Seller Entity in order to permit Woodside or the relevant Target Group Member to make or conduct such claim against the Insurance Policy, the Seller will provide, or procure that the relevant Seller Group Member provides, such consent or other action.
- (i) The Seller will, within 21 days of a request by Woodside, provide Woodside with a complete copy of the relevant Insurance Policy with respect to any matters conducted by Woodside in accordance with clauses 5.16(g) or 5.16(h) but only where a dispute arises over the cover afforded by the policy.

- (j) Subject to clause 5.16(d), in the event that, after Completion, a Target Group Member or Woodside becomes aware of any claim, fact, event or circumstance arising, happening or occurring prior to Completion which gives rise to a claim by a Target Group Member against the Insurance Policies:
 - (1) Woodside will notify the Seller of such fact, event or circumstance within 21 days of Woodside first becoming so aware; and
 - (2) the Seller must, on request of Woodside and to the extent permitted by applicable laws, provide and procure that any Other Seller Entity provides all reasonable cooperation, assistance, information, documents and access to personnel reasonably requested by Woodside and the Target Group Member to enable it to pursue or prosecute a notification and/or claim under the Insurance Policies.

- (k) Subject to clause 5.16(d), in the event that, after Completion, the Seller or Other Seller Entity becomes aware of any claim, fact, event or circumstance arising, happening or occurring prior to Completion with respect to a Target Group Member which gives rise to a claim against the Insurance Policies, the Seller shall, and shall procure any Other Seller Entity to:
 - (1) notify Woodside of such fact, event or circumstance within 21 days of the Seller first becoming so aware; and
 - (2) to the extent permitted by applicable laws, provide all reasonable cooperation, assistance, information, documents and access to personnel reasonably requested by Woodside and the Target Group Member to enable it to pursue or prosecute a notification or claim under the Insurance Policies.

- (l) The Seller must ensure the proceeds of:
 - (1) any Pre-Completion Insurance Claim; and/or
 - (2) a claim made against the Insurance Policies by or in relation to a Target Group Member,to the extent covering liability, loss, damage, cost or expense incurred by a Target Group Member, where payable to the benefit of the Seller or any Other Seller Entity, are paid to Woodside within 30 days of the Other Seller Entity receiving payment for such claim, less any Tax payable by any Other Seller Entity (including by the Seller Consolidated Group) on those proceeds

- (m) Notwithstanding anything else in this clause 5.16, the Seller must:
 - (1) prior to Completion, arrange Former Subsidiary Cover;
 - (2) take all reasonable steps to ensure that such Former Subsidiary Cover is maintained for a period of not less than 7 years after Completion;
 - (3) prior to Completion:
 - (A) ensure that the terms of the Former Subsidiary Cover indemnifies a Target Group Member against any obligation to indemnify a director, officer, manager or employee of a Target Group Member for acts or omissions occurring on or before Completion; or
 - (B) if clause 5.16(m)(3)(A) cannot be satisfied, the Seller must do one of the following:
 - (i) procure that all directors and officers of the Target Group Members who are entitled to an indemnity from the Target Group Members for liabilities, losses, damages, costs and/or expenses incurred in connection with their role as a director

or officer of the Target Group Member agree in writing and with effect from Completion, to only claim on any indemnity available from the Seller or any Other Seller Entity and otherwise forego any entitlement to the indemnity available from a Target Group Member in respect of any acts or omissions of the director or officer occurring on or before Completion, and provide copies of all such agreements to Woodside by no later than 7 days prior to Completion;

- (ii) where the constitution or articles of association or equivalent of a Target Group Member provides an indemnity to directors, officers, managers and/or employees for liabilities, losses, damages, costs and/or expenses incurred by them in connection with their role as a director, officer, manager or employee of the Target Group Member, procure that any such constitution or articles of association or equivalent is amended, with effect from Completion, so as to ensure that such indemnity is not effective to the extent that the director, officer, manager or employee can make a claim under an indemnity provided by the Seller or an Other Seller Entity in respect of such liabilities, losses, damages, costs and/or expenses, and provide a copy of any such amended constitution or articles of association or equivalent to Woodside 7 days prior to Completion; or
 - (iii) procure a policy of Directors and Officers Insurance, at the Seller's cost, with a policy period of not less than 7 years after Completion, that indemnifies a Target Group Member against any obligation to indemnify a director, officer, manager or employee of a Target Group Member for acts or omissions occurring on or before Completion (**Run-Off Cover**);
- (4) advise Woodside within 14 days if, at any stage during the period 7 years after Completion, the Former Subsidiary Cover (or Run-Off Cover, as relevant), can no longer be placed or maintained;
 - (5) not cancel or do anything that is likely to result in the cancellation of or render the Former Subsidiary Cover (or Run-Off Cover, as relevant) void, unenforceable or otherwise limit, prejudice or reduce the Former Subsidiary Cover (or Run-Off Cover, as relevant); and
 - (6) within 21 days of the annual renewal date of the Directors & Officers Insurance for a period of 7 years after Completion provide to Woodside a summary of any changes to the Former Subsidiary Cover (or Run-Off Cover, as relevant) from the original summary provided under clause 5.16(e)(2) or the previous year's cover, as the case may be.
- (n) Any deductible or retained amount that applies to any claim under the Former Subsidiary Cover (or Run-Off Cover, as relevant) shall be borne by the entity claiming under the Former Subsidiary Cover (or Run-Off Cover, as relevant).
 - (o) It is expressly understood and agreed that nothing in this clause 5.16 or in any other provision of this agreement shall be understood to affect or limit the obligations of any insurer for any loss, damage, cost, expense or liability under any Insurance Contract issued to or covering any Seller Group Member, any Target Group Member or the Target Petroleum Business and, if and to the extent that any contrary and final, non-appealable ruling is made by any court or body, any such provision shall be invalidated and severed to the extent, but only to the extent, necessary to eliminate its impact in affecting or limiting such insurer obligations.
 - (p) The Seller will procure that each BHP Captive will, whilst it continues to have any (known or unknown, actual or contingent) liability under such Insurance Policy to any Target Group Member,

comply with all financial resources, solvency margin and other applicable capital adequacy requirements and other conditions contained in any applicable law or prudential standard or authorisation with which it is required to comply in the jurisdictions in which it is licensed to operate as insurer and/or reinsurer.

- (q) If Woodside disputes a Material Conflict Notice:
- (1) Woodside must send written notice of its reasons to the Seller within 14 days of receipt of the Material Conflict Notice;
 - (2) the parties must use reasonable endeavours to resolve the dispute within 14 days of receipt by the Seller of notice given under clause 5.16(q)(1) and if the parties are unable to agree, either party may refer the dispute for resolution by a Senior Insurance Counsel, the costs of whom are to be borne equally; and
 - (3) the decision of the Senior Insurance Counsel is, in the absence of manifest error, conclusive and binding on the parties for the purposes of determining whether there is a Material Insurance Conflict, or there is a reasonable likelihood of Material Insurance Conflict.
- (r) The Seller may manage and control the conduct of any claims to which clause 5.16(g)(1)(B) or clause 5.16(h)(2) applies, but the Seller must:
- (1) do so at the cost of the Seller;
 - (2) consult with Woodside about material decisions regarding the claim insofar as they concern or impact claims in respect of a Target Group Member (**TG Claim**);
 - (3) instruct its lawyers on behalf of the Seller and Woodside in relation to the TG Claim so that legal professional privilege, where applicable, is owned jointly by the Seller and Woodside;
 - (4) take into account the interests of Woodside and the Target Group Member in making material decisions about the TG Claim;
 - (5) keep Woodside and the Target Group Member reasonably informed of developments regarding the TG Claim;
 - (6) before it can settle or compromise a TG Claim, the Seller must give written notice to Woodside and the Target Group Member setting out:
 - (A) the intention to settle or compromise the TG Claim;
 - (B) the terms of the proposed settlement or compromise;
 - (C) a reasonable period during which Woodside or the Target Group Member may give notice to the Seller objecting to the proposed settlement or compromise; and
 - (D) the parties must use reasonable endeavours to resolve any objection by Woodside or the Target Group Member within 14 days of receipt by the Seller of the notice given under clause 5.16(r)(6)(C); and
 - (7) if the parties are unable to agree a resolution to any objection by Woodside pursuant to clause 5.16(r)(6)(D):
 - (A) the Seller can settle or compromise the claim to the extent of any liability, loss, damage, cost or expense suffered by an Other Seller Entity only; and

- (B) upon such a settlement or compromise being made by the Seller, Woodside or the relevant Target Group Member must, at its cost, assume conduct and control of the TG Claim.
- (s) Notwithstanding anything else in this agreement, prior to Completion the Seller must:
 - (1) procure an Insurance Contract that provides cover for civil liability on the same terms as the civil liability Insurance Contract that was to be put in place on 25 January 2021 and underwritten by AIG Seguros México, S.A. de C.V (**Mexico Insurance Policy**);
 - (2) take all reasonable steps to ensure that the Mexico Insurance Policy covers any civil liability arising from any act, occurrence, event, claim, fact, matter or circumstance occurring on or from 25 January 2021; and
 - (3) promptly provide a copy of the Mexico Insurance Policy to Woodside and, in any event, not less than 7 days prior to Completion.

6 Related party transactions

6.1 Termination of arrangements with Other Seller Entities

At or prior to Completion, Seller shall, and shall cause the Target Group Members and any Other Seller Entities to, terminate all agreements, contracts, loans, payables, receivables and any other transactions between any Target Group Member, on the one hand, and any Other Seller Entities, on the other hand (the **Affiliate Transactions**), other than:

- (a) the agreements contemplated in clause 6.3 and 6.4;
- (b) the arrangements agreed to under the ITSA;
- (c) any balances of trade receivables or trade payables in relation to the Marketing Arrangements (as defined below) or Related Party Customer Contracts that have accrued and remain unpaid in the ordinary and normal course of the Target Petroleum Business between the Effective Time and Completion, that, had they been paid prior to Completion, would have formed part of the Pre-Tax Net Cash Flows, to the extent they have not been accounted for in the Locked Box Payment and the amount recognised complies with the principle in clause 1.1(b)(1) of Schedule 6;
- (d) if any novation of a Sale Related Contract contemplated by clause 6.4 has not occurred by Completion, any agreements or arrangements entered into between a Target Group Member and an Other Seller Entity (**Marketing Arrangements**) in order to enable an Other Seller Entity to meet its obligations under any Sale Related Contracts, provided that as soon as the Sale Related Contracts have either been novated or fully discharged and the relevant Target Group Member has received its full interest and benefit under the Marketing Arrangements, the Marketing Arrangements shall be immediately terminated and the mutual release contemplated in clauses 6.2(a) and 6.2(b) shall take effect at that time;
- (e) any Affiliate Transactions in respect of the supply of petroleum products (and related activities, such as transportation, freight and handling) to the businesses of Other Seller Entities entered into on a reasonable arms' length basis, in the ordinary course of business and in accordance with the usual commercial and operational practice of the Target Group in all material respects, provided that any new Affiliate Transaction entered into (or extended or varied) after the date of this agreement does

not have a fixed or minimum term that will result in the agreement remaining executory beyond 8:00am WST on 1 January 2023, except for any payment or other “tail” obligations related to supplies of petroleum products and related activities (where such supplies or related activities were performed prior to 8:00am WST on 1 January 2023); and

- (f) the self-insurance arrangements to the extent the ability to claim on past policies remains intact under the terms of the policy and pursuant to clause 5.16.

6.2 Release of Target Group Members

With effect from Completion, each:

- (a) Target Group Member is released from any Liability to the Seller or an Other Seller Entity; and
- (b) Other Seller Entity is released from any Liability to a Target Group Member,

that has accrued prior to Completion directly in respect of any Affiliate Transactions, except:

- (c) as set out in the Transaction Agreements;
- (d) any agreements or arrangements or balances owed described in clauses 6.1(c), 6.1(d) and 6.1(e);
- (e) pursuant to the self insurance arrangements to the extent the ability to claim on past policies remains intact under the terms of the policy and pursuant to clause 5.16;
- (f) pursuant to the agreements contemplated in clause 6.3 and 6.4; and
- (g) the arrangements agreed to under the ITSA.

6.3 Related Party Customer Contracts

- (a) Prior to Completion, the Seller must procure that no amendment, waiver or termination is made in respect of the terms and conditions of the Related Party Customer Contracts, including any amendment, waiver or termination of:

- (1) the Supply End Date of the Related Party Customer Contracts;
- (2) provisions relating to volume of supply (including any provisions relating to volume flexibilities);
- (3) pricing and any price review mechanism;
- (4) credit support provisions;
- (5) dispute resolution provisions; or
- (6) change of control provisions,

and must not undertake or agree any price review in respect of the Related Party Customer Contracts, except in accordance with this clause 6.3 or otherwise with the prior written consent of Woodside.

- (b) Prior to Completion, in respect of the NiW GSA the Seller must procure that the Other Seller Entity which is the “Buyer” under the NiW GSA agrees the following in writing in a form acceptable to Woodside (acting reasonably):
 - (1) notwithstanding the provisions of the NiW GSA, the “Supply End Date” under the NiW GSA is extended to 0800 hours WST on [***];

- (2) notwithstanding the provisions of the Letter Agreement - Macedon Gas Pricing dated 19 March 2015 (Letter Agreement), when the “Seller” and “Buyer” under the NiW GSA cease to be Related Bodies Corporate upon Completion, the Contract Price determined under the Letter Agreement to apply from 1 July 2021 shall continue to apply subject to review as set out in paragraph (3) below; and
 - (3) notwithstanding the provisions of the NiW GSA, during the period of 90 days following the Completion Date only, the “Seller” under the NiW GSA may give a “Price Review Notice” requiring a price review to be undertaken in accordance with Schedule 2 of the NiW GSA in respect of the Contract Price to apply from [***] until the Supply End Date under the NiW GSA (as extended in accordance with paragraph (1) above), with the same subsequent steps (i.e from item 1(d)) and time periods in Schedule 2 to apply from the date of the Price Review Notice (instead of from the start dates currently set out in Schedule 2).
- (c) Prior to Completion, in respect of the WAIO GSA the Seller must procure that the Other Seller Entity which is the “Buyer” under the WAIO GSA agrees the following in writing in a form acceptable to Woodside (acting reasonably):
- (1) to consent to the Change in Control (as defined in the WAIO GSA) that will arise from the Transaction;
 - (2) to agree to the following amendments to the WAIO GSA with effect from Completion as being the amendments required for the purposes of clause 26.1 of the WAIO GSA:
 - (A) the provisions of clause 11 and Schedule 3 of the WAIO GSA are replaced mutatis mutandis by the provisions of clause 11 and Schedule 2 of the NiW GSA; and
 - (B) the provisions of clauses 25 (Disputes), 26 (Change in Control) and 27 (Credit Support) are replaced mutatis mutandis by the provisions of the equivalent sections of the NiW GSA;
 - (3) notwithstanding the provisions of the WAIO GSA, the “Supply End Date” under the WAIO GSA is extended to 0800 hours WST on [***];
 - (4) notwithstanding the provisions of the WAIO GSA, when the Seller and Buyer under the WAIO GSA cease to be Related Bodies Corporate upon Completion, the Contract Price determined under the WAIO GSA to apply from [***] shall continue to apply subject to review as set out in paragraph (5) below; and
 - (5) notwithstanding the provisions of the WAIO GSA, during the period of 90 days following the Completion Date only, the “Seller” under the WAIO GSA may give a “Price Review Notice” requiring a price review to be undertaken in accordance with Schedule 3 of the WAIO GSA (as implemented in accordance with paragraph (2) above) in respect of the Contract Price to apply from [***] until the Supply End Date under the WAIO GSA (as extended in accordance with paragraph (1) above), with the same subsequent steps (i.e from item 1(d)) and time periods in Schedule 2 to the NiW GSA to apply from the date of the Price Review Notice (instead of from the start dates currently set out in Schedule 2 to the NiW GSA).
- (d) As soon as practicable following the date of this agreement, and in any event by no later than 15 December 2021, the Seller shall provide Woodside with copies of its proposed agreements under paragraphs (b) and (c) in respect of each of the Related Party Customer Contracts (**Seller Proposed Agreements**).

- (e) Woodside shall notify the Seller within 30 Business Days of receipt of the Seller Proposed Agreements confirming whether or not it consents to the Seller Proposed Agreements. If Woodside does not consent to the Seller Proposed Agreements, Woodside must promptly provide the Seller with details of the matters in respect of which it disagrees with the Seller Proposed Amendments and the Parties must continue to consult in good faith and use reasonable endeavours to reach agreement before Completion.
- (f) If Woodside has provided written consent to the Seller Proposed Agreements or if the Parties subsequently agree in writing the proposed agreements in respect of the Related Party Customer Contracts, the Seller must procure that agreements take effect from Completion.
- (g) If the Seller has not complied with clauses 6.3(b)(3) or 6.3(c) above by Completion, then:
 - (1) BHP Iron Ore Pty Ltd shall nevertheless be deemed to have waived the right to terminate the WAIO GSA under clauses 22.3 and 26.1(b)(ii) of the WAIO GSA for a Change of Control Default (as defined) and the Seller must procure that BHP Iron Ore Pty Ltd does not exercise or purport to exercise any such termination right; and
 - (2) BHP Nickel West Pty Ltd and BHP Iron Ore Pty Ltd (as applicable) shall nevertheless be deemed to have agreed, with effect from Completion, that the pricing, dispute resolution, change in control and credit support provisions set out above will apply to the NiW GSA and WAIO GSA (as applicable) and the Seller must procure that BHP Nickel West Pty Ltd and BHP Iron Ore Pty Ltd (as applicable) act accordingly, including promptly formalising the amendments.
- (h) The Seller must procure that the relevant Other Seller Entity' s rights under the Related Party Customer Contracts are not assigned to any Third Party unless and until the agreed amendments to the Related Party Customer Contracts have been implemented in accordance with this clause 6.3.

6.4 Novation of Sale Related Contracts

- (a) In respect of each Sale Related Contract that is or will be executory at Completion, the Seller and Woodside must use all best endeavours to novate with effect from Completion (and to cause to be so novated) the relevant Other Seller Entity' s rights and obligations under the Sale Related Contract to a Woodside Group Member or a Target Group Member (as nominated by Woodside) (**Nominated Counterparty**), including that Woodside agrees to promptly do all such things as may be reasonably requested by Seller to facilitate and complete the novation, including promptly signing, or procuring the signing of, a novation deed.
- (b) The Seller must use best endeavours to ensure that any Sale Related Contract that BHP Billiton Marketing AG (or any Other Seller Entity) enters into after the date of this agreement contains an express right for the relevant Other Seller Entity to novate the contract to the Nominated Counterparty in accordance with clause 6.4(a) without cost, fee or expense to the Nominated Counterparty or any change in terms that is adverse to the Nominated Counterparty.
- (c) Where the novation of a Sale Related Contract as contemplated by clause 6.4(a) has not occurred by Completion and such Sale Related Contract remains executory as at Completion, the Seller and Woodside must use best endeavours to ensure that novation occurs in accordance with this agreement as soon as reasonably practicable after Completion.
- (d) Following Completion, until the earlier of (i) [***] or such later date when all obligations under a Sale Related Contract related to deliveries of product scheduled on or prior to [***] have been fully

performed, and (ii) the time when all Sale Related Contracts that remained on foot at Completion (by reason of the novations required under clauses 6.4(a) or 6.4(c) not having occurred) having been fully performed:

- (1) the Target Group must continue to supply product and provide all assistance necessary to enable the Other Seller Entity to meet its obligations under the Sale Related Contract on the same terms that applied in respect of supply under the Sale Related Contract prior to Completion;
- (2) [***]; and
- (3) to the extent there is no written agreement between the relevant Target Group Member and Other Seller Entity, the Seller and Woodside must negotiate in good faith the terms on which the supply and assistance arrangements are continued.

7 Completion

7.1 Time and Place

- (a) Subject to clauses 2.1, 7.2 and 22, Completion must take place:
 - (1) at the office of Herbert Smith Freehills, 80 Collins Street, Melbourne, Victoria, 3000; or
 - (2) if attendance at the office of Herbert Smith Freehills is, for any reason, not possible or feasible, at such other place as Woodside and the Seller agree in writing,
at 10am on the day that:
 - (3) subject to clause 7.1(b), is the last Business Day of the calendar month in the month during which the last Condition is satisfied or waived or, if the date on which the last Condition is satisfied or waived is less than 7 Business Days before the last Business Day of that month, the last Business Day of the month following the month in which the last Condition is satisfied or waived, or such other place, time and date as the Seller and Woodside agree; and
 - (4) Distribution Implementation is to occur,
or such other place, time and date as Woodside and the Seller agree in writing.
- (b) The Parties agree to consult in good faith prior to Completion to determine if they can agree for Completion to occur other than on the last Business Day of the month (after the last Condition is satisfied or waived) in order to enable Completion to occur sooner, including whether the Parties agree on a traditional locked box arrangement that would facilitate the Locked Box Payment to be determined at the end of the last month before Completion and for the Target Group to be separated from the Intra-group Funding Arrangements at that time.

7.2 Completion deferral for Critical Separation Activities

- (a) Woodside must use reasonable endeavours (acting in good faith) to identify, and notify the Seller of, as soon as reasonably practicable following the date of this agreement and after having formed the requisite view (acting reasonably) with the benefit of relevant information, any Separation Activity that Woodside considers should be treated as a Critical Separation Activity.

- (b) Prior to 10 March 2022, the Parties must jointly review the status of all Critical Separation Activities and the timeline to complete all such Critical Separation Activities (**Readiness Check**). As part of conducting the Readiness Check, the Parties must have regard to the work being done by the Integration Management Office (and, if applicable, the Integration Steering Committee) in relation to a Carry-over Plan under clause 11 of the ITSA and to the status and results of any testing undertaken by the Parties in order to validate the estimated completion of the Critical Separation Activities, including whether such testing has resulted in the satisfaction of any acceptance criteria applicable to the Critical Separation Activities.
- (c) If, whether as a result of the Readiness Check or otherwise, either Party forms the opinion (acting reasonably and in good faith), not less than 10 Business Days prior to the Anticipated Shareholder Approval Date, that any Critical Separation Activity will not be completed by the Seller prior to the Anticipated Completion Date, then, without limiting their obligations under clause 11 or any other provision of the ITSA, such Party may notify the other Party and the Parties must thereafter promptly negotiate in good faith and act reasonably to (in order of priority):
- (1) agree actions that can be taken to enable, as soon as practicable, either (i) the completion of the Critical Separation Activity, or (ii) in the case of limb 2 of the definition of Critical Separation Activity, notwithstanding the non-completion of the Critical Separation Activity, the development and agreement of a Carry-over Plan under the ITSA or the provision of any other transitional service arrangements that would enable Completion to occur without any of the Material Adverse Separation Circumstances occurring; and
 - (2) discuss in good faith and act reasonably to determine whether Completion needs to be delayed to enable either (whichever can occur sooner) the Critical Separation Activity to be completed or, in the case of limb 2 of the definition of Critical Separation Activity, the development and agreement of a Carry-over Plan under the ITSA or the provision of any other transitional service arrangements that would enable Completion to occur without any of the Material Adverse Separation Circumstances occurring, provided always that:
 - (3) if the Parties have been unable to reach an agreement regarding the completion of a relevant Critical Separation Activity by the date that is 5 Business Days prior to the Anticipated Shareholder Approval Date, then either Party may, acting reasonably, determine that Completion be deferred, subject to clause 7.2(e) and 7.2(f), for such period that is necessary to allow either:
 - (A) the Critical Separation Activity to be completed; or
 - (B) in the case of limb 2 of the definition of Critical Separation Activity, the development and agreement of a Carry-over Plan under the ITSA or the provision of any other transitional service arrangements that would enable Completion to occur without any of the Material Adverse Separation Circumstances being reasonably likely to exist;(if both Parties determine that Completion be deferred, then, subject to clause 7.2(f), the determination of the Party proposing the longer deferral will prevail); and
 - (4) if the Woodside Shareholder Approval has not occurred at the time the Parties determine that Completion be deferred in accordance with clause 7.2(c)(3), then the Parties will discuss in good faith and acting reasonably whether the Woodside Shareholder Approval should also be delayed.

- (d) The Parties agree that in negotiating and agreeing any matter pursuant to clause 7.2(c), the following principles will always apply:
- (1) the Parties are committed to achieving Completion as quickly as practicable and will identify all solutions available (and relevant to a Critical Separation Activity) to enable Completion to occur quickly;
 - (2) if a potential non-completion of a Critical Separation Activity has been identified then, without limiting the Seller's obligation to complete the Separation Activities at its cost and expense and the sharing of costs and expense of the digital solution under Schedule 5 of the ITSA, each Party will be practical and reasonable and commit additional resources to the extent reasonably necessary to enable Completion to occur as quickly as practicable;
 - (3) if a potential non-completion of a Critical Separation Activity has been identified and transitional services or alternative arrangements are available to be incorporated into a Carry-over Plan under clause 11 of the ITSA to enable Completion to occur, the Parties will explore these thoroughly; and
 - (4) for the purposes of the Parties agreeing the actions to enable Completion to occur, the Critical Separation Activity need only enable the operation of the Target Petroleum Business to occur separately from the Other Seller Entities (subject to any transitional services arrangements) and does not require the Seller Group to deliver any customisation of systems, processes or arrangements to conform with Woodside-specific systems processes and arrangements.
- (e) If Completion has been deferred pursuant to clause 7.2(c) and by 30 June 2022 either:
- (1) the relevant Critical Separation Activity(ies) have not been completed, or
 - (2) in the case of limb 2 of the definition of Critical Separation Activity, the Parties have not agreed a Carry-over Plan under the ITSA that would enable Completion to occur without unacceptable risk (determined by Woodside, acting reasonably) of any of the Material Adverse Separation Circumstances occurring,
- then the Parties must thereafter consult and negotiate in good faith (including through escalation of the matter to the Parties' respective CEOs and/or Chairpersons) to agree an alternative solution in respect of the relevant Critical Separation Activity(ies), including, subject to clause 7.2(f), a further deferral of Completion (and a commensurate extension of the Cut Off Date, and during such period of extension any termination right under clause 2.6 shall be suspended).
- (f) Notwithstanding anything in this clause 7.2, the Parties agree that in no circumstances will Completion be delayed as a result of the operation of, or in reliance on, clause 7.2(c)(3) to a date that is later than 1 August 2022.

7.3 Completion

- (a) On or before Completion, each Party must carry out the Completion Steps referable to it in accordance with Schedule 5.
- (b) Completion is taken to have occurred when each Party has performed all its obligations under this clause 7 and Schedule 5.

- (c) Completion and Distribution Implementation must occur on the same day and as close in time to one another as is reasonably practicable (unless the Parties otherwise agree).

7.4 Notice to complete

- (a) If a Party (**Defaulting Party**) fails to satisfy its obligations under clause 7.3 and Schedule 5 on the day and at the place and time for Completion determined under clause 7.1 then the other Party (**Notifying Party**) may give the Defaulting Party a notice requiring the Defaulting Party to satisfy those obligations within a period of 10 Business Days from the date of the notice and declaring time to be of the essence.
- (b) If the Defaulting Party fails to satisfy those obligations within those 10 Business Days the Notifying Party may, without limitation to any other rights it may have, terminate this agreement by giving written notice to the Defaulting Party.

7.5 Completion and Distribution inter-dependence

- (a) Subject to clause 7.5(b), the actions to take place as contemplated by clause 7.3 and Schedule 5 are interdependent and, subject to clause 7.5(c), must take place, as nearly as possible, simultaneously. If one action does not take place, then without prejudice to any rights available to any Party as a consequence:
 - (1) there is no obligation on any Party to undertake or perform any of the other actions;
 - (2) to the extent that such actions have already been undertaken, the Parties must do everything reasonably required to reverse those actions; and
 - (3) each Party must each return to the other all documents delivered to it under clause 7.3(a) and Schedule 5 and must each repay to the other all payments received by it under clause 7.3(a) and Schedule 5 without prejudice to any other rights any Party may have in respect of that failure.

For the avoidance of doubt, clauses 7.5(a)(1) to 7.5(a)(3) will apply in circumstances where any of the Completion Steps relating to Distribution Implementation has not occurred, but all other Completion Steps have occurred, subject in each case to clause 7.5(b).

- (b) Woodside may, in its sole discretion, waive any or all of the actions that the Seller is required to perform under clause 2.1 of Schedule 5 and the Seller may, in its sole discretion, waive any or all of the actions that Woodside is required to perform under clause 2.2 of Schedule 5.
- (c) Notwithstanding any other provision of this clause 7 or Schedule 5, the issue by Woodside of the Share Consideration will only occur after the transfer of the Sale Shares to Woodside has been effected, but the Parties acknowledge and agree that if the actions required under this agreement in connection with the issue of the Share Consideration or the Distribution do not occur then clauses 7.5(a)(1) to 7.5(a)(3) will apply.
- (d) The Parties will work together in good faith to agree a detailed timetable and procedure for Completion, which must ensure compliance with the Parties' obligations under this agreement and with the Corporations Act, including the content and timing requirements in sections 708A(5) and 708A(6) of the Corporations Act, and to enable the Distribution to occur, as nearly as possible, simultaneously with Completion and BHP Shareholders who receive the Woodside Shares under the

Distribution to commence trading immediately following the Distribution (and earlier under deferred settlement trading, if possible).

7.6 After Completion

After Completion, each Party must carry out the post-Completion steps referable to it in accordance with clause 3 of Schedule 5.

8 Wrong Pockets

8.1 Target Petroleum Business assets

The Seller must procure that any right, property or asset owned by any Other Seller Entity which is used exclusively to conduct the Target Petroleum Business, is transferred, at no cost, to the Target Group at Completion free from any Encumbrance other than Permitted Encumbrances.

8.2 Wrong pockets - Seller Asset

If, after Completion, any right, property or asset that is used to conduct the Target Petroleum Business as at the date of this agreement is found to be the property of any Other Seller Entity (**Seller Asset**), then:

- (a) if the Seller Asset is used exclusively in the conduct of the Target Petroleum Business, the Seller must transfer, or cause the transfer of, at no cost and free of any Encumbrance (other than Permitted Encumbrances), the Seller Asset (and any related liability) as soon as practicable to a Target Group Member nominated by Woodside; and
- (b) if the Seller Asset is used in the conduct of both the Target Petroleum Business and a business of the Seller or any Other Seller Entity, then unless and to the extent the ITSA expressly contemplates the use by the Woodside Group for a limited or specified period of such Seller Asset:
 - (1) if the Seller Asset is not used predominantly in the conduct of Target Petroleum Business, Woodside must use reasonable endeavours to put in place commercially reasonable alternative arrangements so that the Target Group ceases to require use of the Seller Asset in the conduct the Target Petroleum Business;
 - (2) if Woodside is able to make alternative arrangements in accordance with clause 8.2(b)(1), it must cease using the Seller Asset once such arrangements are in place; or
 - (3) if the Seller Asset is used predominantly in the conduct of the Target Petroleum Business or otherwise if commercially reasonable alternative arrangements cannot be put in place then following notice by Woodside to the Seller setting out a description of the Seller Asset and, if applicable, an explanation of why commercially reasonable alternative arrangements cannot be put in place, the Seller must take all reasonable steps to make the Seller Asset available, or procure that the Seller Asset is made available, on a full cost-recovery basis, for use by the Target Group for up to twelve months from Completion.

8.3 Wrong pockets - Target Asset

If, after Completion, any right, property or asset that is used by the Seller or any Other Seller Entity in the conduct of a business (other than the Target Petroleum Business) as at the date of this agreement is found to be the property of the Target or a Target Group Member (**Target Asset**), then:

- (a) if the Target Asset is used exclusively in the conduct of the business of the Seller or any Other Seller Entity (other than the Target Petroleum Business), Woodside must transfer or cause the transfer of, at no cost, the Target Asset (and any related liability) as soon as practicable to, or at the direction of, the Seller; and
- (b) if the Target Asset is used in the conduct of both the Target Petroleum Business and the business of the Seller or any Other Seller Entity, then, subject to the ITSA and clause 5.1(d):
 - (1) if the Target Asset is not used predominantly in the conduct of the business of the Seller or any Other Seller Entity, the Seller must use reasonable endeavours to put in place commercially reasonable alternative arrangements so that the Seller or any Other Seller Entity ceases to require use of the Target Asset to conduct the business;
 - (2) if the Seller is able to make alternative arrangements in accordance with clause 8.3(b)(1), it must cease, or cause the Other Seller Entity to cease, using the Target Asset once such arrangements are in place; or
 - (3) if the Target Asset is used predominantly in the conduct of the business of the Seller or any Other Seller Entity or otherwise if commercially reasonable alternative arrangements cannot be put in place then following notice by the Seller to Woodside setting out a description of the Target Asset and, if applicable, an explanation of why commercially reasonable alternative arrangements cannot be put in place, Woodside must take all reasonable steps to make the Target Asset available, or procure that the Target Asset is made available, on a full cost recovery basis, for use by the Seller or the relevant Other Seller Entity for up to twelve months from Completion.

9 Warranties and indemnities

9.1 Warranties by the Seller

Subject to the applicable qualifications and limitations in clauses 11 and 12, the Seller gives the Warranties in favour of Woodside:

- (a) in respect of each Warranty that is expressed to be given on a particular date, on that date; and
- (b) in respect of each other Warranty, on the date of this agreement and immediately before Completion.

9.2 Independent Warranties

Each of the Warranties is to be construed independently of the others and is not limited by reference to any other Warranty.

9.3 Reliance

The Seller acknowledges that Woodside has entered into this agreement and will complete this agreement in reliance on the Warranties.

9.4 Indemnity for breach of Warranty

The Seller indemnifies Woodside against any Loss suffered or incurred by Woodside as a result of a breach of a Warranty, except to the extent that the Warranty or the Seller's liability for the Loss are limited or qualified under clause 11 or clause 12, and this will be the sole remedy of Woodside in respect of any such breach (but provided that this clause shall not operate to exclude claims against Insurance Policies).

9.5 Tax Indemnity

- (a) Subject to clause 9.5(b), the Seller agrees to indemnify Woodside against, and must pay Woodside the amount of, any:
- (1) Tax or Duty payable or incurred by the Target Group to the extent that Tax or Duty relates to any period, or part period, up to and including the Effective Time;
 - (2) Tax or Duty payable or incurred by the Target Group in connection with the proceeds payable under the Ongoing Divestment Asset SPA that has not otherwise been taken into account by Woodside in quantifying the after-Tax proceeds (if any) under paragraph 2.3(c) of the Detailed Matters Letter;
 - (3) Tax or Duty payable by the Target Group as a result of the Restructure to the extent the liability will result in a cash outflow being paid by the Target Group after Completion (and for the avoidance of doubt the Tax Indemnity does not apply to use or transfer of any Tax Loss or Tax Attribute by a Seller Group Member in connection with the Restructure);
 - (4) Tax or Duty payable by the Target Group as a result of the Unification if this occurs prior to Completion to the extent the liability will result in a cash outflow being paid by the Target Group after Completion (and for the avoidance of doubt the Tax Indemnity does not apply to use or transfer of any Tax Loss or Tax Attribute by a Seller Group Member in connection with the Unification);
 - (5) Tax or Duty payable or incurred by the Target Group in direct connection with:
 - (A) the ongoing participation of the Target Group in the Intra-group Funding Arrangements, for the period, or part period, up to and including Completion;
 - (B) the elimination of the Intra-group Funding Arrangements contemplated in clause 5.2 (and does not include any Tax arising in respect of the funding arrangements for the Target Group for the period from Completion); and
 - (C) the cancellation, termination or assignment of any existing sales, marketing or shipping agreements between the Target Group and any Other Seller Entity; and
 - (6) any reasonable costs and expenses incurred (including professional advisory costs and expenses and Tax Costs) by or on behalf of a Woodside Group Member or a Target Group Member in relation to any amount payable by the Seller under the preceding paragraphs of this clause 9.5(a),

except to the extent that the Seller's liability for the Tax or Duty is limited or qualified under clause 11 or clause 12, and this will be the sole remedy of Woodside and each Target Group Member in respect of any such Tax, Duty or Tax Costs.

- (b) Without prejudice to the US NOL Indemnity or any Claim by Woodside in respect of the US NOL Indemnity, the indemnity under clause 9.5(a) does not include:
 - (1) loss to the extent it is a Permitted Tax, or an Expense Tax or other Tax that is taken into account in calculating the Locked Box Payment;
 - (2) the loss of any Tax Attributes or Tax Losses of a Target Group Member from the Effective Time;
 - (3) the use or transfer of a Tax Attribute or Tax Loss by a Seller Group Member as part of the Restructure; or
 - (4) in respect of an Existing Tax Dispute, any amount in respect of payment of Tax or Duty, or a refund withheld by a Governmental Agency, in respect of a period prior to the Effective Time, that has not been repaid or received by the Seller Group prior to Completion.

10 Woodside Warranties

10.1 Woodside Warranties

Subject to the applicable qualifications and limitations in clauses 11 and 12, Woodside gives the Woodside Warranties in favour of the Seller:

- (a) in respect of each Woodside Warranty that is expressed to be given on a particular date, on that date; and
- (b) in respect of each other Woodside Warranty, on the date of this agreement and immediately before Completion.

10.2 Independent warranties

Each of the Woodside Warranties is to be construed independently of the others and is not limited by reference to any other Woodside Warranty.

10.3 Reliance

Woodside acknowledges that the Seller has entered into this agreement and will complete this agreement in reliance on the Woodside Warranties.

10.4 Indemnity for breach of Woodside Warranty

Woodside indemnifies the Seller against any Loss suffered or incurred by the Seller as a result of a breach of a Woodside Warranty, except to the extent that the Woodside Warranty or Woodside's liability for the Loss are limited or qualified under clause 11 or clause 12, and this will be the sole remedy of the Seller in respect of any such breach.

11 Qualifications and limitations on Claims

11.1 Seller's disclosure

- (a) Woodside acknowledges and agrees that the Seller has disclosed or is deemed to have disclosed against the Warranties (other than the Title and Capacity Warranties and the Tax Indemnity), and

Woodside is aware of, will be treated as having actual knowledge of, all facts, matters and circumstances that:

- (1) are Fairly Disclosed in the Target Disclosure Materials;
 - (2) would have been disclosed to Woodside had Woodside conducted searches on the date that is 10 Business Days before the date of this agreement of the Public Databases Relevant to Target;
 - (3) are within the actual knowledge of a Woodside Specified Executive; or
 - (4) ought reasonably to have been known by a Woodside Group Member as a result of any Woodside Group Member being a participant in, or Operator of, any joint venture or similar in respect of any Project or Asset, which for the avoidance of doubt includes all information contained in agreements entered into or notices or correspondences received by a Woodside Group Member.
- (b) The Warranties (other than the Title and Capacity Warranties) are given subject to the disclosures or deemed disclosures described in clause 11.1(a). A Warranty (other than the Title and Capacity Warranties) will not be regarded as being untrue by reason of facts, matters or circumstances that have been disclosed or are deemed to have been disclosed under clause 11.1(a) and the Seller will have no liability under the Warranties (other than the Title and Capacity Warranties) to the extent that disclosure is made or is deemed to have been made against the Warranties under this clause 11.1.
- (c) Woodside must not make a Warranty Claim (other than a Claim arising under the Tax Indemnity or a Title and Capacity Warranty), and the Seller will not be in breach of a Warranty (other than a Title and Capacity Warranty), if the facts, matters or circumstances giving rise to such Claim are disclosed or are deemed to have been disclosed under clause 11.1(a).

11.2 Woodside's disclosure

- (a) The Seller acknowledges and agrees that Woodside has disclosed or is deemed to have disclosed against the Woodside Warranties (other than the Woodside Title and Capacity Warranties), and the Seller is aware of, will be treated as having actual knowledge of, all facts, matters and circumstances that:
- (1) are Fairly Disclosed in the Woodside Disclosure Materials;
 - (2) would have been disclosed to the Seller had the Seller conducted searches on the date that is 10 Business Days before the date of this agreement of the Public Databases Relevant to Woodside;
 - (3) are within the actual knowledge of a Seller Specified Executive; or
 - (4) ought reasonably have been known by a Seller Group Member as a result of any Seller Group Member being a participant in a joint venture or similar in respect of any Woodside Group Asset, which for the avoidance of doubt includes all information contained in agreements entered into or notices or correspondences received by a Seller Other Group Member.
- (b) The Woodside Warranties (other than the Woodside Title and Capacity Warranties) are given subject to the disclosures or deemed disclosures described in clause 11.2(a). A Woodside Warranty (other

than the Woodside Title and Capacity Warranties) will not be regarded as being untrue by reason of facts, matters or circumstances that have been disclosed or are deemed to have been disclosed under clause 11.2(a) and Woodside will have no liability under the Woodside Warranties (other than the Woodside Title and Capacity Warranties) to the extent that disclosure is made or is deemed to have been made against the Woodside Warranties under this clause 11.2.

- (c) The Seller must not make a Claim (other than a Claim arising under a Woodside Title and Capacity Warranty), and Woodside will not be in breach of a Woodside Warranty (other than a Woodside Title and Capacity Warranty), if the facts, matters or circumstances giving rise to such Claim are disclosed or are deemed to have been disclosed under clause 11.2(a).

11.3 Awareness

- (a) Where a Warranty is given 'to the best of the Seller's knowledge', or 'so far as the Seller is aware' or with a similar qualification as to the Seller's awareness or knowledge, the Seller's awareness is limited to and deemed only to include those facts, matters or circumstances of which a Seller Specified Executive is actually aware as at the relevant time.
- (b) Where a Woodside Warranty is given 'to the best of Woodside's knowledge', or 'so far as Woodside is aware' or with a similar qualification as to Woodside's awareness or knowledge, Woodside's awareness is limited to and deemed only to include those facts, matters or circumstances of which a Woodside Specified Executive is actually aware as at the relevant time.

11.4 No reliance

- (a) Woodside acknowledges that:
 - (1) at no time has:
 - (A) any Seller Group Member or any person on its behalf, made or given; or
 - (B) any Woodside Group Member relied on,
any representation, warranty, promise or undertaking in respect of:
 - (C) the future financial performance or prospects of the Target Group Members or the Target Petroleum Business (or any part thereof), including future or forecast costs, revenues, prices (including Petroleum prices), markets, production or profits;
 - (D) the amount of Petroleum attributable to, the extent of reserves or resources in, or the field life of any field within the areas covered by any Petroleum Title;
 - (E) any geological, geophysical, engineering, economic or other interpretations, forecasts or evaluations;
 - (F) the accuracy of any geological, geophysical, engineering or economic data, or any other data, which forms the basis of any interpretations, forecasts or evaluations of the Target Petroleum Business (or any part thereof);
 - (G) whether native title exists, or will be claimed to exist, over any part of the area covered by the Target Petroleum Business (or any part thereof);
 - (H) the potential impact upon the area covered by the Petroleum Titles, any other areas covered by the Target Petroleum Business (or any part thereof), or any other areas in

respect of which any Target Group Member may be liable, of any present or future native title claims, environmental claims or abandonment, decommissioning, remediation or rehabilitation (collectively **decommissioning**) obligations, including the time at which such decommissioning must occur, the nature or extent of decommissioning activities or the cost of decommissioning;

- (I) the fitness for purpose of any of the Target Petroleum Business (or any part thereof); or
- (J) the physical state or condition of any of the Target Petroleum Business (or any part thereof), including the plant and equipment owned by a Target Group Member;

or otherwise, except those expressly set out in this agreement (including in the Warranties);

- (2) no representations, warranties, promises, undertakings, statements or conduct in respect of the future financial performance or prospects of the Target Group Member or otherwise have:
 - (A) induced or influenced Woodside to enter into, or agree to any terms or conditions of, this agreement;
 - (B) been relied on in any way as being accurate by a Woodside Group Member;
 - (C) been warranted to a Woodside Group Member as being true; or
 - (D) been taken into account by Woodside as being important to its decision to enter into, or agree to any or all of the terms of, this agreement,

except those expressly set out in this agreement (including in the Warranties);

- (3) they have entered into this agreement after inspection and investigation of the affairs of the Target Group Members, including a detailed review of all the Target Disclosure Materials; and
 - (4) they have made, and it relies upon, its own searches, investigations, enquiries and evaluations in respect of the Target Petroleum Business, except to the extent expressly set out in this agreement (including in the Warranties).
- (b) Woodside acknowledges that the Seller has agreed to sell the Sale Shares and enters into this agreement relying on the acknowledgements in this clause 11.4 and would not be prepared to sell the Sale Shares on any other basis.
 - (c) Nothing in this clause 11.4 is intended to have the effect, nor will have or be deemed to have the effect, of relieving or releasing the Seller in any way or to any extent from its obligations under this agreement in respect of, or responsibility for, BHP Information and nothing in this clause 11.4 shall relieve, release or limit the Seller's liability as expressly agreed in this agreement in respect of BHP Information that is included in any Woodside Disclosure Document.

11.5 Opinions, estimates and forecasts

- (a) The Parties acknowledge that no Seller Group Member is under any obligation to provide any Woodside Group Member or its advisers with any information on the future financial performance or prospects of the Target Group Members, other than if required pursuant to clause 4.4(c) or 4.4(e). If a Woodside Group Member has received opinions, estimates, projections, business plans, budget information or other forecasts in respect of the Target Group Members, Woodside acknowledges and agree that:
 - (1) there are uncertainties inherent in attempting to make these estimates, projections, business plans, budgets and forecasts and Woodside are familiar with these uncertainties;

- (2) Woodside are taking full responsibility for making their own evaluation of the adequacy and accuracy of all estimates, projections, business plans, budgets and forecasts furnished to them;
 - (3) at no time has any Woodside Group Member relied on any opinions, estimates, projections, business plans, budgets or forecasts in respect of the Target Group Members; and
 - (4) the Seller is not liable under any Claim arising out of or relating to any opinions, estimates, projections, business plans, budgets or forecasts in respect of the Target Group Members.
- (b) Nothing in this clause 11.5 limits or derogates from Woodside' s acknowledgements in clause 11.4 or the Seller' s reliance on those acknowledgements.
- (c) Nothing in this clause 11.5 is intended to have the effect, nor will have or be deemed to have the effect, of relieving or releasing the Seller in any way or to any extent from its obligations under this agreement in respect of, or responsibility for, BHP Information and nothing in this clause 11.5 shall relieve, release or limit the Seller' s liability in respect of BHP Information that is included in any Woodside Disclosure Document.

11.6 Maximum and minimum amounts

- (a) The Seller is not liable under a Claim unless the amount finally agreed or adjudicated to be payable in respect of that Claim:
- (1) individually exceeds US\$[***] million; and
 - (2) either alone or together with the amount finally agreed or adjudicated to be payable in respect of other Claims that satisfy clause 11.6(a)(1) exceeds US\$[***] million,
- in which event, subject to clauses 11.6(b) and 11.6(c), the Seller is liable for [***].
- This clause 11.6(a) does not apply to an Excluded Claim, a Claim under the Ongoing Divestment Indemnity or clause 12.3 or a Claim on the US NOL Indemnity.
- (b) The maximum aggregate amount that the Seller is required to pay in respect of:
- (1) Claims arising under the Warranties (other than Excluded Claims) is limited to [***]% of the Purchase Price; and
 - (2) all other Claims whenever made is limited to the [***]% of the Purchase Price.
- (c) For the purposes of clause 11.6(a)(1):
- (1) Claims arising out of separate sets of facts, matters or circumstances will not be treated as one Claim, even if each set of facts, matters or circumstances may be a breach of the same Warranty; and
 - (2) Claims of the same or similar nature arising out of the same or similar facts, matters and circumstances will be treated as one Claim.
- (d) This clause 11.6 does not apply to:
- (1) Claims arising under the Purchase Price payment mechanism (including adjustment) under clauses 3.5, 3.6 and 3.8 or Claims arising as a result of a breach of clause 3.10;
 - (2) Claims for the non-payment of costs or expenses that are expressly allocated to, or payable by, a Party under this agreement;

- (3) Claims arising under Ongoing Divestment Indemnity or the indemnity in clause 12.3; or
- (4) the payment of the Reimbursement Fee,
other than the maximum limit on Claims in clause 11.6(b)(2).
- (e) For the purpose of this clause 11.6 only and determining the monetary limitations on liability, the Purchase Price is deemed to be US\$16 billion.

11.7 Time limits

The Seller is only liable under a Claim if:

- (a) Woodside notifies the Seller of the Claim in accordance with clause 13.1(a):
 - (1) within [***] after Completion in the case of an Excluded Claim and the US NOL Indemnity;
 - (2) within [***] after Completion in the case of Claims arising under the Warranties (other than Excluded Claims);
 - (3) within [***] after Completion in respect of Claims arising under the indemnity in clause 12.3(c), except that in respect of any such Claim relating to the assets that have been sold under the Ongoing Divestment Asset SPA, Woodside must notify the Seller of a Claim within 36 months after the later of (i) the Completion Date and (ii) the date on which completion occurs under the Ongoing Divestment Asset SPA; and
 - (4) any time after Completion in all other cases (unless specifically prescribed otherwise in this agreement); and
- (b) within 6 months of the date Woodside is required to notify the Seller of the Claim under clause 13.1(a):
 - (1) the Claim has been agreed, compromised or settled; or
 - (2) Woodside has issued and served legal proceedings against the Seller in respect of the Claim.

11.8 Recovery under other rights and reimbursement

- (a) The Seller is not liable under a Claim arising from a breach of Warranty or under the Tax Indemnity for any Loss to the extent that a Woodside Group Member or a Target Group Member is, or would be but for this clause 11.8, entitled to recover, or be compensated for by any other means, from another source whether by way of contract, indemnity or otherwise (including under a policy of insurance or from a Governmental Agency), but only to the extent that a Woodside Group Member or a Target Group Member actually recovers or is compensated.
- (b) Provided there is no material detriment to any Woodside Group Member in doing so, Woodside must cause a Woodside Group Member or a Target Group Member (as applicable) to use reasonable endeavours to recover any Claim or Loss that is otherwise recoverable from the Seller under this agreement arising from a breach of Warranty or under the Tax Indemnity from other available sources (if any), and to not unreasonably discontinue any such recovery efforts prematurely, failing which the Seller will not be liable under the Claim for any Loss to the extent that Woodside has failed to comply with this clause.

- (c) If, after the Seller has made a payment in respect of a Claim arising from a breach of Warranty or under the Tax Indemnity, a Woodside Group Member or a Target Group Member recovers, or is compensated for by any other means, any Loss that gave rise to the Claim, Woodside must promptly pay to the Seller as an increase in the Purchase Price, the amount of the Loss that was recovered or compensated for.
- (d) Woodside is not liable under a Claim arising from a breach of Woodside Warranty for any Loss to the extent that an Other Seller Entity is, or would be but for this clause 11.8, entitled to recover, or be compensated for by any other means, from another source whether by way of contract, indemnity or otherwise (including under a policy of insurance (including a policy issued by a BHP Captive) or from a Governmental Agency), but only to the extent that an Other Seller Entity actually recovers or is compensated.
- (e) Provided there is no material detriment to any Other Seller Entity in doing so, the Seller must cause an Other Seller Entity to use reasonable endeavours to recover any Claim or Loss that is otherwise recoverable from Woodside under this agreement arising from a breach of Woodside Warranty from other available sources (if any), and to not unreasonably discontinue any such recovery efforts prematurely, failing which Woodside will not be liable under the Claim for any Loss to the extent that the Seller has failed to comply with this clause. The Parties acknowledge and agree that the pursuit of a claim under a policy of insurance with a BHP Captive (and a BHP Captive making a payment in response to a claim against a policy of insurance with a BHP Captive) shall not be considered a material detriment to an Other Seller Entity for the purposes of this clause.
- (f) If, after Woodside has made a payment in respect of a Claim arising from a breach of Woodside Warranty, a Seller Group Member recovers or is compensated for by any other means, any Loss that gave rise to the Claim, the Seller must promptly pay to Woodside as a decrease in the Purchase Price, the amount of the Loss that was recovered or compensated for.

11.9 No double claims

- (a) The Seller is not liable under a Claim for any Loss that a Woodside Group Member or a Target Group Member otherwise recovers, or is otherwise compensated for, under a Transaction Agreement.
- (b) This clause 11.9 does not prevent the Woodside Group Member or Target Group Member entitled to make a Claim under a Transaction Agreement from commencing that Claim. However, if for any reason more than one amount is paid in respect of the same Loss, Woodside must procure that the additional amount is immediately repaid to one or more Seller Group Members nominated by the Seller so as to give full effect to clause 11.9(a).
- (c) Woodside is not liable under a Claim for any Loss that a Seller Group Member otherwise recovers, or is otherwise compensated for, under a Transaction Agreement.
- (d) This clause 11.9 does not prevent the Seller Group Member entitled to make a claim under a Transaction Agreement from commencing that claim. However, if for any reason more than one amount is paid in respect of the same Loss, the Seller must procure that the additional amount is immediately repaid to one or more Woodside Group Members nominated by Woodside so as to give full effect to clause 11.9(c).

11.10 Mitigation of loss

- (a) Woodside must:
 - (1) take, and procure that each other Woodside Group Member and Target Group Member takes, all reasonable actions to mitigate any Loss that may give rise to a Warranty Claim or Claim under the Tax Indemnity; and
 - (2) not omit, and procure that no other Woodside Group Member or Target Group Member omits, to take any reasonable action that would mitigate any Loss that may give rise to a Warranty Claim or Claim under the Tax Indemnity.
- (b) If Woodside does not comply with clause 11.10(a) and compliance with clause 11.10(a) would have mitigated the Loss, the Seller is not liable for the amount by which the Loss would have been reduced.
- (c) The Seller must:
 - (1) take, and procure that no other Seller Group Member takes, all reasonable actions to mitigate any Loss that may give rise to a Woodside Warranty Claim; and
 - (2) not omit, and procure that no other Seller Group Member omits, to take any reasonable action that would mitigate any Loss that may give rise to a Woodside Warranty Claim.
- (d) If the Seller does not comply with clause 11.10(c) and compliance with clause 11.10(a) would have mitigated the Loss, Woodside is not liable for the amount by which the Loss would have been reduced.

11.11 General limitations

The:

- (a) Seller is not liable under a Claim in relation to the Warranties or the Tax Indemnity; and
- (b) Woodside is not liable under a Claim in relation to the Woodside Warranties, for any Loss or amount described below to the extent that Loss or amount:
 - (c) **(provisions in accounts)**: has been included as a provision, allowance, reserve or accrual has been specifically provided for, accrued or taken into account (including in each case by way of offset) in the Locked Box Accounts (other than in respect of a Tax Claim);
 - (d) **(Purchase Price mechanism)**: has been taken into account in the Purchase Price payment mechanism under clauses 3.5, 3.6 and 3.8;
 - (e) **(contingent losses)**: is a contingent Loss, unless and until the Loss becomes an actual Loss and is due and payable;
 - (f) **(pre Completion actions of the Seller)**: in respect of the liability of the Seller, arises from an act or omission by or on behalf of a Seller Group Member or a Target Group Member before Completion that was done or made:
 - (1) with the written consent of a Woodside Group Member; or
 - (2) at the written direction or instruction of a Woodside Group Member;



- (g) **(pre Completion actions of Woodside)**: in respect of the liability of Woodside, arises from an act or omission by or on behalf of a Woodside Group Member before Completion that was done or made:
 - (1) with the written consent of a Seller Group Member; or
 - (2) at the written direction or instruction of a Seller Group Member;
- (h) **(post Completion conduct of Woodside)**: in respect of the liability of the Seller, arises from anything done or not done after Completion by or on behalf of a Woodside Group Member (including a Target Group Member), provided that the Woodside Group Member (including the Target Group Member) was, or ought reasonably have been, aware of the potential effect or consequence of the act or omission;
- (i) **(post Completion conduct of the Seller)**: in respect the liability of Woodside, arises from anything done or not done after Completion by or on behalf of a Seller Group Members, provided that the Seller Group Members were, or ought reasonably have been, aware of the potential effect or consequence of the act or omission;
- (j) **(change of law or interpretation)**: arises from:
 - (1) the enactment or amendment of any legislation or regulations;
 - (2) a change in the judicial or administrative interpretation of the law; or
 - (3) a change in the practice or policy of any Governmental Agency,after the Effective Time, including legislation, regulations, amendments, interpretation, practice or policy that has a retrospective effect;
- (k) **(change in accounting policy)**: would not have arisen but for a change after Completion in any accounting policy or practice of a Woodside Group Member or a Target Group Member that applied before Completion;
- (l) **(change in ownership)**: would not have arisen but for:
 - (1) in respect the liability of the Seller, a change in ownership of the Target Group Members on or after Completion, unless such Loss is an amount of Tax payable under clause 9.5 or an amount of Tax payable as a consequence of circumstances referred to in Warranty 15.11 or Loss resulting from a breach of the Warranties in clause 12.7, 12.13(t) or 12.13(u) of Schedule 2; or
 - (2) in respect the liability of Woodside, a change in ownership of Woodside or the Target Group Members on or after Completion;
- (m) **(change of Business)**: arises out of the cessation or alteration of any part of the Target Petroleum Business after Completion;
- (n) **(breach of law or contract)**: could only have been avoided by:
 - (1) in respect of liability of the Seller, a Seller Group Member; or
 - (2) in respect of liability of Woodside, a Woodside Group Member,breaching its obligations at law or under this agreement or agreements to which it is a party;
- (o) **(Consequential Loss)**: is Consequential Loss;

- (p) (**remediable loss**): is remediable, provided it is remedied to the satisfaction of the Party seeking to make the Claim, acting reasonably, within 30 Business Days after the other Party receives written notice of the Claim under clause 13.1(a) or the Claim under clause 13.2(a).

11.12 Tax limitations

The Seller is not liable under a Claim for any Loss or amount described below in relation to the Tax Warranties, the Tax Indemnity or the US NOL Indemnity:

- (a) (**tax losses**): the lack of availability or disallowance of a deduction, Tax Attribute or Tax Loss of a Target Entity in a period commencing on or after the Effective Time provided that this clause 11.12 shall not apply with respect to the US NOL Indemnity;
- (b) (**inconsistent position**): Loss that arises from a Target Group Member taking a position in relation to the application of a Tax Law that is inconsistent with the position taken by that Target Group Member before Completion (except, subject to clause 11.11(j), where the Target Group Member is required to adopt an inconsistent position to comply with a Tax Law or has been approved by the Seller in writing);
- (c) (**failure to lodge**): arises as a result of Woodside or a Target Group Member's failure to lodge in a timely manner any return, notice or other document relating to Tax or Duty after Completion;
- (d) (**failure to take action**): arises from Woodside or a Target Group Member's failure to take any action after Completion required by, or that should reasonably be taken under, any applicable Tax Law in relation to any Tax or Duty (including any failure to take any such action within the time allowed); or
- (e) (**tax return amendment or ruling**): the claim arises from an amendment made by Woodside after Completion of any tax return of, or seeking a ruling from a Governmental Agency or any other action taken with a Governmental Agency in relation to, any Target Group Member relating to a period ending on or before Completion (except where that amendment is required by a Tax Law or has been approved by the Seller in writing).

11.13 Restructure

Except in respect of the US NOL Indemnity and notwithstanding any other clause in this agreement, the Seller is not liable under a Claim arising under a Warranty or indemnity under this agreement in respect of the use of any Tax Losses or Tax Attributes by a Seller Group Member as part of the Restructure.

11.14 Benefits

- (a) In assessing any loss recoverable by the Woodside Group as a result of any Claim there must be taken into account any benefit accruing to the Woodside Group (including any amount of any relief, allowance, exemption, exclusion, set-off, deduction, loss, rebate, refund, right to repayment or credit granted or available in respect of a Tax or Duty under any law obtained or obtainable by the Woodside Group and any amount by which any Tax for the Woodside Group is or may be liable to be assessed or accountable is reduced or extinguished), arising directly or indirectly from the matter which gives rise to that Claim.
- (b) In assessing any loss recoverable by the Seller as a result of any Claim there must be taken into account any benefit accruing to the Seller (including any amount of any relief, allowance,

exemption, exclusion, set-off, deduction, loss, rebate, refund, right to repayment or credit granted or available in respect of a Tax or Duty under any law obtained or obtainable by the Seller and any amount by which any Tax for the Seller is or may be liable to be assessed or accountable is reduced or extinguished), arising directly or indirectly from the matter which gives rise to that or Claim.

- (c) A Tax or Duty benefit or reduction available to the Seller Group or the Target Group (as the case may be) must be applied to the maximum extent possible before assessing any loss recoverable. By way of example, this means that any Tax Losses must be applied to reduce the Tax liability under the Claim.

11.15 Sole remedy

- (a) It is the intention of the Parties that, only in respect of a Claim made prior to Completion occurring or where Completion does not occur, Woodside' s and the Seller' s sole remedies in connection with the Transaction will be as set out in the Transaction Agreements.
- (b) No Seller Group Member has any liability to a Woodside Group Member or a Target Group Member:
 - (1) in connection with the Transaction or the matters the subject of this agreement; or
 - (2) resulting from or implied by conduct made in the course of communications or negotiations in respect of the Transaction or the matters the subject of this agreement or the Target Disclosure Materials,under a Claim unless that Claim is under or pursuant to the terms of the Transaction Agreements or that Claim otherwise arises out of a statutory right that cannot be excluded by contract.
- (c) Woodside must not, and must procure that each Target Group Member and other Woodside Group Member does not, make a Claim:
 - (1) that Woodside would not be entitled to make under this agreement or that is otherwise inconsistent with Woodside' s entitlement to make a Claim under this agreement;
 - (2) against any current or former director, officer or employee of any Seller Group Member; or
 - (3) against a Seller Group Member that is not a party to this agreement, provided that this provisions shall not exclude any claims against Insurance Policies.
- (d) No Woodside Group Member has any liability to the Seller or an Other Seller Entity:
 - (1) in connection with the Transaction or the matters the subject of this agreement; or
 - (2) resulting from or implied by conduct made in the course of communications or negotiations in respect of the Transaction or the matters the subject of this agreement or the Woodside Disclosure Materials or the Woodside Disclosure Documents,under a Claim unless that Claim is under or pursuant to the terms of the Transaction Agreements or that Claim otherwise arises out of a statutory right that cannot be excluded by contract.
- (e) The Seller must not, and must procure that each Seller Group Member does not, make a Claim:
 - (1) that the Seller would not be entitled to make under this agreement or that is otherwise inconsistent with the Seller' s entitlement to make a Claim under this agreement;



- (2) against any current or former director, officer or employee of any Woodside Group Member; or
 - (3) against a Woodside Group Member that is not a party to this agreement.
- (f) For the avoidance of doubt, the Parties agree that:
- (1) clause 11.15(d) will not limit the ability of the Seller, any Other Seller Entity or their representatives from making a claim under the indemnity in clause 12.2(a); and
 - (2) clause 11.15(b) will not limit the ability of Woodside or any Woodside Group Member from recovering from making a claim the indemnity in clause 12.3(b).

11.16 Gross up

- (a) If a party (**payor**) is liable to pay an amount to another party (**recipient**) in respect of a Claim and that payment is treated as income under the Tax Act such that the payment increases the income tax payable by the recipient, or the Head Company of any Consolidated Group (as those terms are defined in the Tax Act) of which the recipient is a member (collectively the **recipient Group**), then the payment must be grossed-up by such amount as is necessary to ensure that the net amount retained by the recipient Group after deduction of Tax or payment of the increased income tax equals the amount the recipient Group would have retained had the Tax or increased income tax not been payable, after taking into account any benefits or relief relating to Tax obtained or to be obtained by the recipient Group in relation to such claim or payment.
- (b) No gross-up applies under clause 11.16(a) in respect of a payment received by Woodside, if Woodside or a member of Woodside' s Consolidated Group elects to treat the payment as giving rise to a capital gain under section 104-525 of the Tax Act and the payment is received within four years following Completion. If the payment is received thereafter, Woodside shall be entitled to the gross-up even if the payment is treated as a capital gain under section 104-525 of the Tax Act.

11.17 Subsequent disclosure

- (a) At any time before Completion, any Party may notify the other Party in writing (**Notified Party**) of a fact, matter or circumstance that occurs or becomes known after the date of this agreement that results in, or is reasonably likely to result in, a breach of Warranty or Woodside Warranty, and it must so notify where it becomes so aware.
- (b) Upon being notified pursuant to clause 11.17(a), if the Notified Party may terminate the agreement validly in accordance with clause 22.1(c) or 22.2(c) (as applicable):
 - (1) then the Parties will first negotiate (including that if the Parties cannot reach agreement, the matter will be escalated to the Parties' respective CEOs and/or Chairpersons) to consider if a compensatory adjustment to the Locked Box Payment may be agreed by the Parties to avoid the exercise of the Notified Party' s right to terminate; and
 - (2) if the Parties are unable to reach an agreement pursuant to clause 11.17(b)(1), then the Notified Party may exercise its right to terminate pursuant to clause 22.1(c) or 22.2(c) (as applicable).

- (c) If Completion occurs then the Notified Party is not permitted to make a Claim in respect of a Warranty or Woodside Warranty (respectively) in connection with such fact, matter or circumstance notified pursuant to clause 11.17(a), unless:
 - (1) the facts, matters or circumstances notified pursuant to clause 11.17(a) were not of a nature that would permit the Notified Party to validly terminate the agreement in accordance with clause 22.1(c) or 22.2(c); and
 - (2) the breach of Warranty or Woodside Warranty had occurred as at, and only became known after, the date of this agreement.

11.18 Payments affecting the Purchase Price

- (a) Any payment made by a Seller Group Member to a Woodside Group Member in respect of any Claim will be in reduction of the Purchase Price.
- (b) Any payment (including a reimbursement) made by a Woodside Group Member to a Seller Group Member in respect of any Claim will be an increase in the Purchase Price.

11.19 Independent limitations

Each qualification and limitation in this clause 11 is to be construed independently of the others and is not limited by any other qualification or limitation.

11.20 Limitations in favour of Woodside

- (a) The limitations in clauses 11.4 (other than clause 11.4(b)) and 11.5 apply *mutatis mutandis* to Woodside' s liability to the Seller for Claims as if references to "the Seller" and "Seller Group Member" or "Target Group Member" were to "Woodside" and "Woodside Group Member" (and vice versa), as if references to the "Target Petroleum Business" were to "the business of the Woodside Group", references to a "Warranty" were to a "Woodside Warranty", references to "BHP Information" were to "Woodside Information", references to "Woodside Disclosure Document" were to "the BHP Distribution Announcement" and references to "Target Disclosure Material" were to "Woodside Disclosure Material".

In addition, the Seller acknowledges that Woodside has agreed to pay the Purchase Price (including to issue the Share Consideration) and enters into this agreement relying on the acknowledgements in the form of clause 11.4 (as applied by this clause 11.20(a)) and would not be prepared to enter into this agreement on any other basis.

- (b) The limitations in clauses 11.6 and 11.7 apply *mutatis mutandis* to Woodside' s liability to the Seller for Claims as if references to "the Seller" were to "Woodside" (and vice versa), as if references to a "Warranty" were to a "Woodside Warranty", as if references to "clause 13.1(a)" were to "clause 13.2(a)" and as if references to Claims that are exclusively capable of being made by Woodside were disregarded.
- (c) For the avoidance of doubt, nothing in this clause 11.20 limits or qualifies the Liability of Woodside in respect of a Claim pursuant to clauses 12.1 and 12.2.

12 Other allocations of liabilities

12.1 Decommissioning Liabilities and Environmental Liabilities

- (a) Subject to Completion occurring, the Seller and the Other Seller Entities are not liable under any Claim to the extent that the Claim or Loss relates to or arises from any:
- (1) Decommissioning Liabilities; and
 - (2) Environmental Liabilities,
- of the Target Petroleum Business, other than to the extent the relevant Loss is, or could reasonably otherwise be, the subject of a Claim for breach of a Warranty or the indemnity pursuant to clause 12.3 by Woodside (and for this purpose the limits set out in clauses 11.6(a) and 11.6(b) will not apply).
- (b) With effect on and from Completion:
- (1) Woodside, and each Target Group Member will be liable for, and must assume and pay, perform or discharge, all Decommissioning Liabilities and Environmental Liabilities of the Target Petroleum Business; and
 - (2) Woodside will release, and must procure that each Woodside Group Member and Target Group Member releases, each Other Target Group Member and its representatives from all Decommissioning Liabilities and Environmental Liabilities of the Target Petroleum Business,
- other than to the extent Woodside is able to recover any Loss pursuant to a Claim for breach of a Warranty given by the Seller or the indemnity pursuant to clause 12.3.
- (c) Nothing in clauses 12.1 and 12.2 limits the ability of a Target Group Member to claim on an Insurance Policy to the extent permitted to do so in accordance with clause 5.16 and the terms of the relevant Insurance Policy.

12.2 Other allocation of liabilities

Except to the extent Woodside is permitted to recover any Loss against the Seller under a Warranty, or any indemnity (including under clauses 9.5 and 12.3) in favour of Woodside or the Target Group (and for this purpose the limits set out in clauses 11.6(a) and 11.6(b) will not apply), subject to Completion occurring, Woodside indemnifies the Seller, all Other Seller Entities and each of their representatives from any Loss they may incur arising from the following matters (whether existing at the date of this agreement or arising in the future):

- (a) any Claim, regulatory action or similar in connection with either the:
- (1) Woodside Disclosure Documents (other than in respect of the BHP Information, including where the BHP Information is misleading by omission) or the Woodside Information; or
 - (2) new shares of Woodside and new Woodside ADSs, in each case issued as consideration under this agreement or distributed by the Seller to the extent caused or contributed to by any act or omission of any Woodside Group Member or its representatives;
- (b) Decommissioning Liabilities and Environmental Liabilities relating to or arising from the Target Group or Target Petroleum Business;
- (c) any contravention or breach of any law by the Target Group relating to or arising from the Target Petroleum Business;

- (d) any contravention or breach of contract, authorisation or similar by the Target Group relating to or arising from the Target Petroleum Business;
- (e) any dispute, investigation or similar involving any member of the Target Group relating to or arising from the Target Petroleum Business; or
- (f) any failure by the Target Group to perform any obligation or discharge any liability, including in connection with any permit or authorisation held by the Target Group, at any time relating to or arising from the Target Petroleum Business.

12.3 Allocation of liabilities - Excluded Assets etc

Subject to Completion occurring, the Seller indemnifies Woodside, all Woodside Group Members (which for the purpose of this clause shall include the Target Group from the Effective Date) and each of their representatives from any Loss or claims (howsoever arising) and whether existing at the Effective Date or arising in the future, in connection with, or attributable to:

- (a) any claim by a Third Party under a Divestment Agreement against a Target Group Member;
- (b) any Claim, regulatory action or similar in connection with the BHP Information (including in relation to BHP Information included in, or omitted from, the F-4 Registration Statement); and
- (c) any claim, Loss or Liability in respect of the operations or assets:
 - (1) of the Restructure Entities and each of BHP Petroleum Investments (Great Britain) Pty Ltd, Hamilton Oil Company Inc. and BHP Billiton Petroleum Limited to the extent the Claim, Loss or Liability relates to operations or titles in Great Britain (in each case, other than to the extent covered by the indemnity in clause 9.5(a)(3) and does not include the use of any tax losses or attributes as part of the Restructure);
 - (2) of the entities or assets that have been sold (directly or indirectly) under a Divestment Agreement (**Divested Assets**), including any litigation, claims or proceedings arising from or connected to Divested Assets; and
 - (3) of any non-oil and gas related operations or businesses conducted by the Target Group at any time prior to Completion, except to the extent those operations are ancillary to, or undertaken for the purposes of, conducting oil and gas operations,

provided that Woodside may only recover pursuant to this indemnity Loss or claims incurred or paid by a Target Group Member between Effective Time and Completion to the extent that Woodside has not been compensated for that Loss or Liability through the calculation and payment of the Locked Box Payment.

13 Procedures for dealing with Claims

13.1 Woodside Notice of Claims

- (a) (**Actual Claims**): Woodside must promptly notify the Seller if:
 - (1) it decides to make a Claim against the Seller that either alone or together with other Claims exceeds any applicable thresholds set out in clause 11.6(a); or
 - (2) a Third Party Claim or Tax Demand is made:
 - (A) with respect to any taxable period that begins on or prior to the Completion Date; and/or

- (B) that is reasonably likely to give rise to a Claim against the Seller.
- (b) **(Potential Claims)** Without limiting clause 13.1(a) Woodside must also promptly notify the Seller if:
- (1) Woodside believes that it would be entitled to make a Claim against the Seller but for the thresholds set out in clause 11.6(a); or
 - (2) Woodside becomes aware of any events, matters or circumstances (including any potential threatened Third Party Claim or Tax Demand) that are reasonably likely to give rise to a Claim against the Seller, whether alone or with any other Claim or circumstances or with the passage of time.
- (c) **(Details required):** Woodside must include in each notice given under clause 13.1(a) or 13.1(b) all relevant details (including the amount) then known to a Woodside Group Member or a Target Group Member of:
- (1) the Claim and if applicable, any other Claims that together with the Claim give rise to any applicable thresholds in clause 11.6(a) being exceeded;
 - (2) if applicable, the Third Party Claim or Tax Demand; and
 - (3) the events, matters or circumstances giving rise to the Claim.
- (d) **(Extracts):** Woodside must also include in each notice given under clause 13.1(a) or 13.1(b) an extract of:
- (1) any part of a Demand (including a Tax Demand) that identifies the liability or amount to which the Claim relates or other evidence of the amount of the Demand to which the Claim relates; and
 - (2) if reasonably available to Woodside and relevant, any corresponding part of any adjustment sheet or other explanatory material issued by a Governmental Agency that specifies the basis for the Demand to which the Claim relates or other evidence of that basis.
- (e) **(Demands):** Woodside must provide a copy of any document referred to in clause 13.1(d) to the Seller as soon as practicable and in any event within 5 days of receipt of that document by a Woodside Group Member or a Target Group Member.
- (f) **(Developments):** Woodside must also, on an on-going basis, keep the Seller informed (to the extent Woodside becomes aware) of all material developments in relation to the Claim notified under clause 13.1(a) or 13.1(b).
- (g) **(Compliance)** If Woodside does not fully comply with this clause 13.1 in respect of a Claim, the Seller is not liable under the Claim to the extent that the non-compliance has increased the amount of the Claim.

13.2 Seller Notice of Claims

- (a) **(Actual Claims):** The Seller must promptly notify Woodside if it decides to make a Claim against Woodside that either alone or together with other Claims exceeds any applicable thresholds set out in clause 11.6(a) (as applied by clause 11.20(b)).

- (b) **(Potential Claims)** Without limiting clause 13.2(a) the Seller must also promptly notify Woodside if:
 - (1) the Seller believes that it would be entitled to make a Claim against Woodside but for the thresholds set out in clause 11.6(a) (as applied by clause 11.20(b)); or
 - (2) the Seller becomes aware of any events, matters or circumstances that are reasonably likely to give rise to a Claim against Woodside, whether alone or with any other Claim or circumstances or with the passage of time.
- (c) **(Details required):** The Seller must include in each notice given under clause 13.2(a) or 13.2(b) all relevant details (including the amount) then known to a Seller Group Member of:
 - (1) the Claim and if applicable, any other Claims that together with the Claim give rise to any applicable thresholds in clause 11.6(a) (as applied by clause 11.20(b)) being exceeded; and
 - (2) the events, matters or circumstances giving rise to the Claim.
- (d) **(Extracts):** The Seller must also include in each notice given under clause 13.2(a) or 13.2(b) an extract of:
 - (1) any part of a Demand that identifies the liability or amount to which the Claim relates or other evidence of the amount of the Demand to which the Claim relates; and
 - (2) if available or relevant, any corresponding part of any adjustment sheet or other explanatory material issued by a Governmental Agency that specifies the basis for the Demand to which the Claim relates or other evidence of that basis.
- (e) **(Demands):** The Seller must provide a copy of any document referred to in clause 13.2(d) to Woodside as soon as practicable and in any event within 5 days of receipt of that document by a Seller Group Member.
- (f) **(Developments):** The Seller must also, on an on-going basis, keep Woodside informed of all developments in relation to the Claim notified under clause 13.2(a) or 13.1(b).
- (g) **(Compliance):** If the Seller does not fully comply with this clause 13 in respect of a Claim, Woodside is not liable under the Claim to the extent that the non-compliance has increased the amount of the Claim.

13.3 Third Party Claims against Woodside or the Woodside Group

The following additional obligations apply in respect of Third Party Claims (other than Tax Claims) made against Woodside or the Woodside Group and in respect of which Woodside has a Claim against the Seller under this agreement.

- (a) **(No admission):** Woodside must not, and must ensure that each Target Group Member and Woodside Group Member does not:
 - (1) accept, compromise or pay,
 - (2) agree to arbitrate, compromise or settle; or
 - (3) make any admission or take any action in relation to,

a Third Party Claim that may lead to liability on the part of the Seller under a Claim or otherwise could materially adversely affect the Seller Group without the Seller's prior written approval which must not be unreasonably withheld or delayed.

- (b) **(Defence of claim):** Following receipt of a notice under clause 13.1(a) in respect of a Claim that arises from or involves or could potentially involve a Third Party Claim against a Woodside Group Member or Target Group Member, the Seller may, by giving written notice to Woodside, assume the conduct of the defence of the Third Party Claim at its own expense.
- (c) **(Seller assumes conduct):** If the Seller advises Woodside that it wishes to assume the conduct of the defence of the Third Party Claim under clause 13.3(b):
 - (1) **(indemnity)** provided that the Seller provides Woodside and the Woodside Group with an indemnity against all Loss that may result from or in connection with such action at the expense of the Seller, Woodside must promptly take, and must procure that each Woodside Group Member and Target Group Member promptly takes, all action reasonably requested by the Seller to avoid, contest, compromise or defend the Third Party Claim, including using professional advisers nominated by the Seller (acting reasonably) and approved by the Seller for this purpose; and
 - (2) **(access)** Woodside must provide, and must procure that each Woodside Group Member and Target Group Member provides, at the Seller's expense the Seller with all reasonable assistance requested by it in relation to the Third Party Claim, including providing access to witnesses and documentary or other evidence relevant to the Third Party Claim, allowing it and its legal advisers to inspect and take copies of all relevant books, records, files and documents, and providing it with reasonable access to the personnel, premises and chattels of the Woodside Group Members and the Target Group Member for the sole purpose of obtaining information in relation to the Third Party Claim.
- (d) **(Conduct of claim by Seller)** If the Seller assumes the conduct of the defence of a Third Party Claim under clause 13.3(b), in conducting any proceedings or actions in respect of that Third Party Claim the Seller must:
 - (1) act in good faith;
 - (2) consult with Woodside in relation to the defence of the Third Party Claim;
 - (3) provide Woodside with reasonable access to a copy of any notice, correspondence or other document relating to the Third Party Claim;
 - (4) act reasonably in all the circumstances, including, having regard to the likelihood of success and the effect of the proceedings or actions on the goodwill or reputation of the business of the Woodside Group and the Target Group;
 - (5) on an on-going basis, keep Woodside informed of all material developments in relation to the Third Party Claim and any matter giving rise to the Third Party Claim; and
 - (6) not take or persist in any course of action that might reasonably be regarded as harmful to the goodwill, reputation, affairs or operation of any Woodside Group Member, unless that course of action is reasonable in the context of the Third Party Claim or approved by Woodside (such approval not to be unreasonably withheld).
- (e) **(Woodside assumes conduct)** If the Seller advises Woodside that it does not wish to assume the conduct of the defence of the Third Party Claim, then Woodside must procure that any Woodside

Group Member or Target Group Member that is conducting any proceedings or actions in respect of that Third Party Claim:

- (1) acts in good faith;
- (2) consults with the Seller in relation to the defence of the Third Party Claim;
- (3) provides the Seller with reasonable access to a copy of any notice, correspondence or other document relating to the Third Party Claim; and
- (4) acts reasonably in all the circumstances, including, having regard to the likelihood of success and the effect of the proceedings or actions on the goodwill or reputation of the business of the Seller Group.

13.4 Third Party Claims against the Seller or the Seller Group

The following additional obligations apply in respect of Third Party Claims (other than Tax Claims) made against the Seller or an Other Seller Entity and in respect of which the Seller has a Claim against Woodside under this agreement, except for:

- (a) Third Party Claims that are reasonably likely to have an impact on the business or operations of the Seller or an Other Seller Entity that is broader than just giving rise to a Claim against Woodside under this agreement; and
- (b) the matter described in the section of the Seller Disclosure Letter relating to this clause, to the extent that the Third Party Claim relates to aspects of the Third Party Claim is made against the Seller or an Other Seller Entity.
- (c) **(No admission)**: The Seller must not, and must ensure that each Other Seller Entity does not:
 - (1) accept, compromise or pay,
 - (2) agree to arbitrate, compromise or settle; or
 - (3) make any admission or take any action in relation to,a Third Party Claim that may lead to liability on the part of Woodside under a Claim without Woodside's prior written approval which must not be unreasonably withheld or delayed.
- (d) **(Defence of claim)**: Following receipt of a notice under clause 13.2(a) in respect of a Claim that arises from or involves or could potentially involve a Third Party Claim against the Seller or an Other Seller Entity, Woodside may, by giving written notice to the Seller, assume the conduct of the defence of the Third Party Claim at its own expense.
- (e) **(Woodside assumes conduct)**: If Woodside advises the Seller that it wishes to assume the conduct of the defence of the Third Party Claim under clause 13.4(d):
 - (1) **(indemnity)** provided that Woodside provides the Seller and the Seller Group with an indemnity against all Loss that may result from or in connection with such action at the expense of Woodside, the Seller must promptly take, and must procure that each Other Seller Entity promptly takes, all action reasonably requested by Woodside to avoid, contest, compromise or defend the Third Party Claim, including using professional advisers nominated by Woodside (acting reasonably) and approved by Woodside for this purpose; and

- (2) (**access**) the Seller must provide, and must procure that each Other Seller Entity provides, at Woodside' s expense, Woodside with all reasonable assistance requested by it in relation to the Third Party Claim, including providing access to witnesses and documentary or other evidence relevant to the Third Party Claim, allowing it and its legal advisers to inspect and take copies of all relevant books, records, files and documents, and providing it with reasonable access to the personnel, premises and chattels of the Seller Group Member for the sole purpose of obtaining information in relation to the Third Party Claim.
- (f) (**Conduct of claim by Woodside**): If Woodside assumes the conduct of the defence of a Third Party Claim under clause 13.4(d), in conducting any proceedings or actions in respect of that Third Party Claim Woodside must:
 - (1) act in good faith;
 - (2) consult with the Seller in relation to the defence of the Third Party Claim; and
 - (3) provide the Seller with reasonable access to a copy of any notice, correspondence or other document relating to the Third Party Claim;
 - (4) act reasonably in all the circumstances, including, having regard to the likelihood of success and the effect of the proceedings or actions on the goodwill or reputation of the business of the Seller Group;
 - (5) on an on-going basis, keep the Seller informed of all material developments in relation to the Third Party Claim and any matter giving rise to the Third Party Claim; and
 - (6) not take or persist in any course of action that might reasonably be regarded as harmful to the goodwill, reputation, affairs or operation of any Seller Group Member, unless that course of action is reasonable in the context of the Third Party Claim or approved by the Seller.
- (g) (**Seller assumes conduct**) If Woodside advises the Seller that it does not wish to assume the conduct of the defence of the Third Party Claim, then the Seller must procure that any Seller Group Member that is conducting any proceedings or actions in respect of that Third Party Claim:
 - (1) acts in good faith;
 - (2) consults with Woodside in relation to the defence of the Third Party Claim;
 - (3) provides Woodside with reasonable access to a copy of any notice, correspondence or other document relating to the Third Party Claim; and
 - (4) acts reasonably in all the circumstances, including, having regard to the likelihood of success and the effect of the proceedings or actions on the goodwill or reputation of the business of the Woodside Group.
- (h) At any time following the commencement of a Third Party Claim:
 - (1) the Seller may issue a written notice to Woodside that the Seller releases Woodside from the Seller' s right to Claim against Woodside under this agreement in respect of the Third Party Claim and attaching a deed poll giving effect to the release (in a form acceptable to Woodside, acting reasonably and such acceptance not to be unreasonably delayed); and
 - (2) from the date a notice pursuant to clause 13.4(h)(1) has been given to Woodside, clauses 13.4(c) to 13.4(g) will no longer apply in connection with the Third Party Claim the subject of the notice, and the Seller may conduct the Third Party Claim as it determines to be appropriate.

13.5 Tax Demands

The following additional obligations apply in respect of Claims arising from or involving a Tax Demand.

- (a) **(No admission):** Woodside must not, and must ensure that each Target Group Member and Woodside Group Member does not:
 - (1) accept, compromise or pay;
 - (2) agree to arbitrate, compromise or settle; or
 - (3) make any admission or take any action in relation to,
a Tax Demand that may lead to liability on the part of the Seller under a Claim or otherwise could materially adversely impact the Seller Group without the prior written approval of the Seller (which must not be unreasonably withheld or delayed).
- (b) **(Payment if not contesting a Tax Demand):** If the Seller does not advise Woodside that it wishes to control or contest the Tax Demand, then Woodside shall have the right to control such Tax Demand, provided that, in the case of a Tax Demand that may give rise to a Claim for which the Seller is liable under this agreement, Woodside shall keep the Seller reasonably informed regarding the progress of such Tax Demand, and shall not permit the Woodside Group to, concede, settle or compromise such Tax Demand (or portion thereof) controlled by Woodside under this clause 13.5(b) without the prior consent of Seller (which consent shall not be unreasonably withheld). Subject to the preceding sentence, to the extent Woodside is required by the relevant Governmental Agency to pay any Tax or Duty relating to such Tax Demand for which the Seller is liable under this agreement, then the Seller must pay in Immediately Available Funds and as a reduction in the Purchase Price the amount notified by Woodside by the later of:
 - (1) 2 Business Days before the due date for payment to the Governmental Agency; or
 - (2) 10 Business Days after receipt of the notice given by Woodside under clause 13.1.
- (c) **(Contesting a Tax Demand):** Following receipt of a notice under clause 13.1 in respect of a Claim that arises from or involves a Tax Demand, the Seller may, by written notice to Woodside no later than 5 Business Days before the date due for payment of the relevant Tax or Duty advise Woodside that it wishes to control or contest the Tax Demand.
- (d) **(Procedure for contesting a Tax Demand):** The Seller Group shall have the right to control, contest, resolve and defend against any Tax Demands that may give rise to a Claim for which Seller is liable under this agreement. If the Seller advises Woodside that it wishes to control or to contest the Tax or Duty the subject of the Tax Demand under clause 13.5(c) then:
 - (1) **(Payment of Tax)** the Seller must pay Woodside, in Immediately Available Funds and as a reduction in the Purchase Price, so much of the Tax or Duty as is required by the relevant Governmental Agency to be paid while any action is being taken under this clause 13.5 by the date that is the later of 2 Business Days before the due date for payment to the Governmental Agency and 10 Business Days after receipt of the notice given by Woodside under clause 13.1; and
 - (2) **(Objection to Tax Demand or Disputing Action)** at the Seller's written request, Woodside must take, or procure that the person required to pay the Tax or Duty (**Tax Payor**) takes such Disputing Action in a timely manner in relation to the Tax Demand as the Seller may reasonably require, including promptly providing the Seller with copies of any correspondence with, or material provided to or by, a Governmental Agency.

- (e) **(Conduct of proceedings by the Seller):** If the Seller controls or contests the Tax or Duty the subject of a Tax Demand then Woodside must follow, and must procure that each Woodside Group Member and Target Group Member follows, all reasonable directions of the Seller relating to the conduct of any Disputing Action contemplated by this clause 13.5, including using professional advisers nominated by the Seller, provided the appointment does not conflict with auditor independence regulations applicable to Woodside. In making any such directions, the Seller must:
- (1) act in good faith;
 - (2) pay all costs of the professional advisers nominated by the Seller;
 - (3) consult with Woodside in relation to conduct of Disputing Action contemplated by this clause 13.5(e);
 - (4) provide Woodside with reasonable access to a copy of any notice, correspondence of other document relating to that Disputing Action as promptly as reasonably practicable upon receipt of such document; and
 - (5) act reasonably in all the circumstances.
- Woodside must cause the engagement with such professional advisers be on terms that:
- (6) the professional adviser is informed of the commitments made by Woodside under this agreement in relation to the Tax Demand and be authorised by Woodside to perform those obligations on behalf of Woodside;
 - (7) there exists common interest privilege between Woodside and the relevant Woodside Group Member and Target Group Member and the Seller in relation to the Tax Demand; and
 - (8) the professional adviser be given authority to consult with the Seller in relation to the conduct of the Tax Demand.
- (f) **(Access):** Woodside must provide, and must procure that each Woodside Group Member and Target Group Member provides, the Seller with all reasonable assistance requested by it in relation to the Tax Demand and the Disputing Action contemplated by this clause 13.5 including providing, at the Seller's cost (such costs to include Woodside's internal management costs as determined on a reasonable basis), access to witnesses and documentary or other evidence relevant to the Tax Demand or the Disputing Action, allowing it and its professional advisers to inspect and take copies of all relevant books, records, files and documents, and providing it with reasonable access to the personnel, premises and chattels of the Woodside Group Members and the Target Group Members in all cases subject to not prejudicing any legal professional privilege which may exist.

13.6 Existing Tax Disputes

The following obligations apply in respect of Existing Tax Disputes, regardless of whether they have given, or will give, rise to a Claim.

- (a) **(Contesting an Existing Tax Dispute):** This clause will apply to an Existing Tax Dispute until such time that the Seller gives notice to Woodside that it no longer wishes to contest an Existing Tax Dispute.
- (b) **(No admission):** Woodside must not, and must ensure that each Target Group Member and Woodside Group Member does not:
- (1) accept, compromise or pay;

- (2) agree to arbitrate, compromise or settle; or
 - (3) make any admission or take any action in relation to, the Existing Tax Dispute without the prior written approval of the Seller (which must not be unreasonably withheld or delayed).
- (c) **(Procedure for contesting an Existing Tax Dispute):**
- (1) **(Additional Payment of Tax):** The Seller must pay Woodside, in Immediately Available Funds and as a reduction in the Purchase Price, so much of any additional Tax or Duty as is required by the relevant Governmental Agency to be paid, while any action is being taken under this clause 13.6 2 Business Days before the due date for payment to the Governmental Agency;
 - (2) **(Pursuing the Existing Tax Dispute):** At the Seller' s written request, Woodside must take, or procure that the relevant Woodside Group Member, takes such Disputing Action in a timely manner in relation to the Existing Tax Dispute as the Seller may reasonably require, including promptly providing the Seller with copies of any correspondence with, or material provided to or by, a Governmental Agency; and
 - (3) **(Recovery under other rights and reimbursement):** At the Seller' s written request, Woodside must pursue, or procure that the relevant Woodside Group Member pursue, payment from another person (including an insurer) or under another transaction document in respect of any fact, matter or circumstance that relates to the Existing Tax Dispute, and follow reasonable directions from the Seller in relation to such action if required by the Seller.
- (d) **(Conduct of proceedings by Woodside):** Subject to clause 13.6(f), Woodside will have the conduct of any Disputing Action or action contemplated by this clause 13.6. Woodside must:
- (1) act in good faith;
 - (2) consult with the Seller in relation to conduct of Disputing Action contemplated by this clause 13.6;
 - (3) provide the Seller with reasonable access to a copy of any notice, correspondence of other document relating to that Disputing Action within one Business Day of receipt of such document; and
 - (4) act reasonably in all the circumstances.
- (e) **(Seller' s review rights):** Where Woodside has the conduct of any Disputing Action or action contemplated by this clause 13.6, Woodside must:
- (1) consult with the Seller in relation to the conduct of the Existing Tax Dispute;
 - (2) deliver any document to be provided to a Governmental Agency, tribunal or court in relation to an Existing Tax Dispute to the Seller as soon as it is available, and in any event in sufficient time to provide the Seller with a reasonable period to review and comment on the draft before it is due to be provided to the Governmental Agency, tribunal or court; and
 - (3) to the extent practicable, provide the Seller with an updated document taking into account all reasonably requested changes of the Seller before it is due to be provided to the Governmental Agency, tribunal or court.

- (f) **(Seller's right to conduct proceedings):** The Seller may, by written notice to Woodside, take over the conduct of any Disputing Action or action contemplated by this clause 13.6 and the provisions of clause 13.5(e) will apply as if the Existing Tax Dispute were a Tax Demand.
- (g) **(Professional Advisers and Costs):** Where Woodside has the conduct of any Disputing Action or action contemplated by this clause 13.6, Woodside must, and must procure that each Woodside Group Member and Target Group Member, use professional advisers nominated by the Seller in relation to the conduct of an Existing Tax Dispute, provided the appointment does not conflict with auditor independence regulations applicable to Woodside. The Seller must pay all costs of the professional advisers nominated by the Seller in relation to the conduct of the Existing Tax Dispute. Woodside must cause the engagement with such professional advisers be on terms that:
 - (1) the professional adviser is informed of the commitments made by Woodside under this agreement in relation to the Existing Tax Dispute and be authorised by Woodside to perform those obligations on behalf of Woodside;
 - (2) there exists common interest privilege between Woodside and the relevant Woodside Group Member and Target Group Member and the Seller in relation to the Existing Tax Dispute; and
 - (3) the professional adviser be given authority to consult with the Seller in relation to the conduct of the Existing Tax Dispute.
- (h) **(Access):** Woodside must provide, and must procure that each Woodside Group Member and Target Group Member provides, and must use best endeavours to procure that all relevant joint venture partners provide, the Seller with all reasonable assistance requested by it in relation to the Existing Tax Disputes and the Disputing Action contemplated by this clause 13.6 including providing, with the Seller bearing all reasonable costs, access to witnesses and documentary or other evidence relevant to the Existing Tax Disputes or the Disputing Action, allowing it and its professional advisers to inspect and take copies of all relevant books, records, files and documents, and providing it with reasonable access to the personnel, premises and chattels of the Woodside Group Members and the Target Group Members, in all cases subject to not prejudicing any legal professional privilege which may exist.
- (i) **(Tax returns):** Where, after Completion, the Seller has requested in writing to Woodside, and Woodside has agreed, for a Tax return of a Target Group Member that relates to a period beginning on or after the Effective Time to be prepared on a basis that does not prejudice an Existing Tax Dispute, the Seller indemnifies Woodside in relation to any interest and penalties imposed by a Governmental Agency in relation to the issue the subject of the Existing Tax Dispute.

13.7 Tax refund or withheld amount

- (a) This clause 13.7 applies if a Seller Group Member has:
 - (1) made a payment of Tax or Duty to a Governmental Agency in respect of a Tax Demand or Existing Tax Dispute, or had a refund withheld by a Governmental Agency, in respect of a period prior to the Effective Time (including in respect of any Existing Tax Dispute), that has not been repaid or received by the Seller prior to Completion; or
 - (2) made a payment under a Tax Claim, Tax Demand or Existing Tax Dispute to the Woodside Group,(each a **Tax claim/withheld payment**).

- (b) If any Woodside Group Member receives any refund in respect of any fact, matter or circumstance in respect of the Tax claim, Existing Tax Dispute or withheld payment (**Tax claim refund amount**), then the Woodside Group Member must, as soon as reasonably practicable after receipt, pay to the Seller an amount equal to the lesser of the Tax claim/withheld payment amount and the Tax claim refund amount, less:
 - (1) all reasonable costs incurred by any Woodside Group Member in obtaining that refund; and
 - (2) if a refund includes interest on overpaid Tax or Duty, the amount of Tax payable on that interest by the recipient of the refund.
- (c) If any Woodside Group Member receives any payment from another person (including an insurer) or under another transaction document in respect of the fact, matter or circumstance in respect of the Tax Claim or Existing Tax Dispute payment, the Woodside Group Member must pay to the Seller the lesser of the Tax claim/withheld payment and the amount of the payment received by Woodside less Woodside's reasonable costs, and expenses incurred in making that recovery.
- (d) Any payment under this clause 13.7 will be an adjustment to the Purchase Price, for the benefit of the Seller.

14 Period after Completion

14.1 Appointment of proxy

- (a) From Completion until the Sale Shares are registered in the name of Woodside, the Seller must:
 - (1) appoint Woodside as the sole proxy of the holders of Sale Shares to attend shareholders' meetings and exercise the votes attaching to the Sale Shares;
 - (2) not attend and vote at any shareholders' meetings; and
 - (3) take all other actions in the capacity of a registered holder of the Sale Shares as Woodside directs.
- (b) Woodside indemnifies the Seller against all Loss suffered or incurred by it arising out of any action taken in accordance with clause 14.1(a).

14.2 Seller's undertaking not to make any Claim against directors, officers or employees

To the maximum extent permitted by law, from Completion, each of the Seller, each Other Seller Entity, each Woodside Group Member and each Target Group Member must not take any action or make any Claim against any person who, at the date of this agreement, is a present or former director, officer or employee of a Target Group Member (in each case when acting in that capacity) in respect of any matter relating to the period on or prior to Completion in connection with this agreement, including any breach of Warranty, except where the relevant matter which gives rise to the action or claim is as a result of that person's wilful concealment or fraud. Each of Woodside and the Seller acknowledge that this clause 14.2 is for the benefit of those directors, officers and employees of the Target Group Members and Other Seller Entity and is held on trust for them by Woodside and the Seller each of whom may enforce this clause 14.2 on behalf of any such person.

14.3 Seller non-solicit

- (a) For the purposes of this clause 14.3:
“**Restricted Period**” means a period of:
- (1) [***] after the Completion Date;
 - (2) [***] after the Completion Date.
- “**Restricted Person**” is any person employed or engaged by a Target Group Member or in the Target Petroleum Business as at the Completion Date who is employed in a role that is graded [***] by the Seller’s human resources system.
- (b) For the purpose of protecting the goodwill of the Target Petroleum Business being sold to Woodside and subject to this clause 14.3, the Seller undertakes to Woodside that subject to Completion, the Seller will not, and will procure that each Other Seller Entity does not directly during the Restricted Period, entice away, solicit or employ (or endeavour to entice away, solicit or employ) a Restricted Person.
- (c) Nothing in clause 14.3(b) prohibits the Seller or other Seller Group Members (or their officers, employees or other personnel) from soliciting or employing a Restricted Person seeking employment or engagement at their own initiative in response to a genuine public advertisement or to a recruitment agency.
- (d) Clause 14.3(b) is construed and has effect as if it were a number of separate paragraphs which results from combining the undertaking in clause 14.3(b) with each period specified in paragraphs (1) and (2) in the definition of Restricted Period. Each paragraph has effect as a separate and severable prohibition or restriction and is intended to be enforced accordingly.
- (e) The Parties intend the restrictions contained in clause 14.3(b) to operate to the maximum extent. If clause 14.3(b) is judged to go beyond what is reasonable in the circumstances and necessary to protect the goodwill of the Target Petroleum Business but would be reasonable and necessary if any activity or undertaking or if the Restricted Period were reduced, then clause 14.3(b) applies with that part deleted or reduced by the minimum amount necessary to make the clause 14.3(b) reasonable in the circumstances.
- (f) Nothing in clause 14.3 prohibits the Seller or any Other Seller Entity from undertaking any action that is required, provided for or expressly permitted by a Transaction Agreement.
- (g) The Seller acknowledges that the restrictions in clause 14.3(b) are reasonable in the circumstances and necessary to protect the interest of Woodside as the buyer of the value and goodwill of the Target Petroleum Business.

14.4 Change of Target Group Member names

- (a) As soon as reasonably practicable following Completion and in any case no later than:
- (1) 2 months following Completion in respect of those Target Group Members incorporated in Australia; and
 - (2) 6 months following Completion in respect of those Target Group members incorporated outside Australia,

Woodside must procure that the company name of each Target Group Member whose name includes any of the Seller Group Marks is changed to such other name as may be nominated by Woodside that does not use or include the Seller Group Marks.

- (b) Subject to clause 14.4(a), to the licence granted in or agreed pursuant to clause 14.5 and to the incidental use rights in clause 14.5(k), or as otherwise expressly permitted in accordance with the ITSA, on and from Completion Woodside must procure that:
- (1) the Target Group Members do not use any trade mark, logo, get up or business name, domain name or company name comprising or containing any of the Seller Group Marks; and
 - (2) the Target Group Members do not use any trade mark, logo, get up or business name, domain name or company name that is substantially identical or deceptively similar to any of the Seller Group Marks,

and Woodside must ensure that no Woodside Group Member does anything that Woodside must procure the Target Group Members not to do pursuant to this clause 14.4(b).

14.5 Licence to use Seller Intellectual Property

- (a) To enable Woodside and the Target Group Members to continue to operate the Target Petroleum Business with effect on and from Completion, subject to the rest of this clause 14.5, the Seller grants to Woodside on and from the Completion Date a non-exclusive, worldwide (in the jurisdictions in which the Seller or any Other Seller Entity's rights subsist, which the Seller must use commercially reasonable endeavours to notify to Woodside at Completion and from time to time if changed), irrevocable (subject to clause 14.5(f), royalty-free and sub-licensable (to other Target Group Members and Woodside Group Members and their respective third party service providers and personnel) licence to use the Shared Intellectual Property as follows:
- (1) in the case of the Shared Documentation IP, on a perpetual basis and solely and directly for purposes which are the same as or substantially similar to those purposes for which the Shared Intellectual Property was used or relied on by the Target Group Members in the conduct and operation of the Target Petroleum Business at any time in the period following the date that is 12 months prior to the Effective Time until Completion; and
 - (2) in the case of the Shared Contract IP, solely to the extent necessary to enable any Woodside Group Members and any Target Group Members to continue to manage and administer purchase orders and contracts that were entered into at any time prior to Completion and during the term of the ITSA, and solely during the term that such purchase orders or contracts remain in force and effect.
- (b) The licence granted in clause 14.5(a) allows any Target Group Member or Woodside Group Member to reproduce, modify, develop, improve, adapt and copy the Shared Intellectual Property for the sole and direct purposes as set out in the licence grant in clause 14.5(a) for the conduct and operation of the Target Petroleum Business, in which case, subject to clause 14.5(1)(2):
- (1) the rights including Intellectual Property Rights in all modifications, developments, improvements, adaptations and derivative works of the Shared Intellectual Property that are created or developed by or on behalf of a Target Group Member or a Woodside Group Member following Completion will vest on creation in and be owned by a Seller Group Member;

- (2) Woodside hereby assigns (or will procure an assignment from the relevant Target Group Member or Woodside Group Member) on creation any such rights including Intellectual Property Rights to the Seller; and
 - (3) the Seller hereby grants to the Woodside Group Members and the Target Group Members a licence to such modifications, developments, improvements, adaptations and derivative works as assigned to the Seller, on the same licence terms as the licence described in clause 14.5(a).
- (c) Any Seller Group Intellectual Property that:
- (1) the Seller determines (acting reasonably) is commercially sensitive (provided that the Seller must use its reasonable endeavours not to unnecessarily exclude such Seller Group Intellectual Property from the licence granted under clause 14.5(a) where doing so would deprive Woodside Group of a material benefit in connection with the operation of the Target Petroleum Business following Completion);
 - (2) is subject to a confidentiality obligation to any Third Party which would be breached as a result of disclosure of the Seller Group Intellectual Property to the Woodside Group and which Seller has not been able to negotiate permitted rights to use having used reasonable endeavours to do so; or
 - (3) is subject to a contractual obligation to any Third Party which would be breached as a result of a licence of the Seller Group Intellectual Property to Woodside or any Woodside Group Member and which Seller has not been able to negotiate permitted rights to use having used reasonable endeavours to do so,
- is excluded from the licence granted under clause 14.5(a).
- (d) If either Party identifies, after the date of this agreement, Seller Group Intellectual Property (other than Shared Intellectual Property) that is reasonably required for the conduct and operation of the Target Petroleum Business, the Parties will negotiate and agree in good faith a separate agreement which provides a licence from the Seller to Woodside that enables the Woodside Group Members and the Target Group Members to use such agreed Seller Group Intellectual Property, provided that such licence will be based on the following principles:
- (1) the Seller Group Intellectual Property that is the subject of the licence must be reasonably defined or categorised;
 - (2) only Seller Group Intellectual Property that was existing and used by the Target Group Members for the operation of the Target Petroleum Business at any time in the period starting 12 months prior to the Effective Time until Completion will be the subject of the licence;
 - (3) any Seller Group Intellectual Property that:
 - (A) the Seller determines (acting reasonably) is commercially sensitive (provided that the Seller must use its reasonable endeavours not to unnecessarily exclude such Seller Group Intellectual Property from the licence where doing so would deprive Woodside Group of a material benefit in connection with the operation of the Target Petroleum Business following Completion);
 - (B) is subject to a confidentiality obligation to any Third Party which would be breached as a result of disclosure of the Seller Group Intellectual Property to the Woodside Group and which Seller has not been able to negotiate permitted rights to use having used reasonable endeavours to do so; or

(C) is subject to a contractual obligation to any Third Party which would be breached as a result of a licence of the Seller Group Intellectual Property to Woodside or any Woodside Group Member and which Seller has not been able to negotiate permitted rights to use having used reasonable endeavours to do so,

will be excluded from the licence;

- (4) the licence will permit use of the licensed Seller Group Intellectual Property only by the Target Group Members and Woodside Group Members and their third party service providers and personnel for the purposes which are the same or substantively similar to the purposes for which that licensed Seller Group Intellectual Property was used by the Target Group Members in the conduct and operation of the Target Petroleum Business at any time in the period following the date that is 12 months prior to the Effective Time until Completion;
- (5) the licence will be (expressly subject always to reflecting no more than the rights held by the Seller Group) non-exclusive, worldwide (in the jurisdiction in which the Seller's or any Other Seller Entity's rights subsist, which the Seller must use commercially reasonable endeavours to notify to Woodside at Completion and from time to time if changed), irrevocable (unless the terms of the licence are breached, which breach is not cured by Woodside within 30 days of written notice by the Seller to do so, and provided that such breach results in or is reasonably likely to result in a non-trivial adverse impact on or effect to a member of the Seller Group and the licence is revoked only in respect of such licensed Seller Group Intellectual Property in respect of which the breach occurred), sub-licensable (solely to Target Group Members and Woodside Group Members and their third party service providers and personnel) and royalty free;
- (6) nothing in the licence will affect the ownership of the Seller Intellectual Property that is the subject of the licence, and ownership of such Seller Group Intellectual Property will not transfer as a result of the licence and instead remain vested in the relevant Seller Group Member;
- (7) the licence will allow any Target Group Member or Woodside Group Member to reproduce, modify, develop, improve, adapt and copy the Seller Group Intellectual Property for the sole and direct purposes contained in the licence grant as described in the principle in clause 14.5(d)(4), and, subject to clause 14.5(1)(2), a Seller Group Member will own the rights including Intellectual Property Rights in all modifications, developments, improvements, adaptations and derivative works of the Seller Group Intellectual Property that is created or developed by or on behalf of a Target Group Member or a Woodside Group Member, and Woodside hereby assigns (or will procure an assignment from the relevant Woodside Group Member or Target Group Member) on creation any such rights including Intellectual Property Rights to the Seller, and, the Woodside Group Members and Target Group Members will then be granted a licence to such modifications, developments, improvements, adaptations and derivative works on the same terms as the licence described in the principles in this clause 14.5(d); and
- (8) the Seller Group rights including Intellectual Property Rights licensed to any Target Group Member will only be licensed and apply to the extent that the Seller has the right to license such Intellectual Property Rights without any further cost or action or (subject to the warranties and representations in Warranty 6 in Schedule 2 and the warranties regime as set out in this agreement) additional liability, for the Seller Group Members.

- (e) If in the period on and from the date of this agreement until 12 months following Completion either Party identifies any Third Party Intellectual Property which:
- (1) is incorporated into the Shared Intellectual Property, or required by any Woodside Group Member or any Target Group Member to use the Shared Intellectual Property as contemplated by the licence at clause 14.5(a) or Seller Group Intellectual Property as contemplated by any potential licence under clause 14.5(d) (should such a licence be entered into), and at the date of this agreement the Seller's or an Other Seller Entity's right to that Third Party Intellectual Property cannot be automatically and without cost or expense extended to Woodside Group's or Target Group's use of the Shared Intellectual Property or Seller Group Intellectual Property (as applicable); or
 - (2) may or will be beneficial to the Target Petroleum Business for the purposes of the continued operation of the Target Petroleum Business on and from Completion,
- then, unless Woodside can itself procure the necessary licence for the Third Party Intellectual Property within a reasonable period:
- (3) Woodside may request, via the Seller, that the Seller Group Member that is the licensee of the applicable Third Party Intellectual Property seeks to procure for Woodside a non-exclusive, worldwide, sub-licensable licence for the Target Group Members and Woodside Group Members to use the applicable Third Party Intellectual Property on commercial terms for a period of 18 months from Completion, provided always that Woodside will be liable for and reimburses the Seller Group Member on demand for any reasonable and direct costs and expenses incurred by the Seller Group in connection with negotiating or procuring such licence (including any licence fees or other payments to be made to the Third Party); and
 - (4) on receipt of a request from Woodside under clause 14.5(e)(3), the Seller Group Member that is the licensee of the applicable Third Party Intellectual Property must use its reasonable endeavours to procure a licence to the applicable Third Party Intellectual Property for the Target Group Members and Woodside Group Members on the terms set out in clause 14.5(e)(3).
- (f) If Woodside or any Woodside Group Member or Target Group Member breaches the terms of this clause 14.5 in relation to any Shared Intellectual Property, Seller Group Intellectual Property, or Third Party Intellectual Property, which breach is not cured by Woodside within 30 days of written notice by the Seller to do so, and provided that such breach results in or is reasonably likely to result in a non-trivial adverse impact on or effect to a member of the Seller Group, then, the Seller may, by written notice to Woodside, terminate any licence granted in or pursuant to this clause 14.5 in relation to such Shared Intellectual Property, Seller Group Intellectual Property or Third Party Intellectual Property in respect of which the breach occurred. Woodside must ensure that any related sub-licenses terminate on termination of such licence.
- (g) Woodside acknowledges and agrees that, subject only to the warranties and representations in Warranty 6 in Schedule 2 and the warranties regime as set out in this agreement, any rights, including any Shared Intellectual Property, Seller Group Intellectual Property or Third Party Intellectual Property, licensed under or pursuant to this clause 14.5 is licensed on an 'as is where is' basis, and no Seller Group Member makes any representations or warranties of any kind in relation to such rights. If the Seller receives written notice of a claim that any Shared Intellectual Property or Seller Group Intellectual Property, to the extent that the Seller reasonably believes that such Shared

Intellectual Property or Seller Group Intellectual Property is licensed by the Seller to Woodside Group under or pursuant to this clause 14.5, infringes the Intellectual Property Rights of a third party, the Seller will use its reasonable endeavours to promptly notify Woodside of any such claim and to reasonably consult with Woodside with respect to the scope of the claim and the actions to be taken to manage the relevant claim.

- (h) Where mutually agreed by the Parties in the course of good faith discussions during the period between the date of this agreement and 12 months following Completion, and where practicable to do so, the Seller will provide to Woodside or the Target Group Member physical or tangible embodiments or copies of the licensed Seller Group Intellectual Property or Third Party Intellectual Property for the purpose of the licences granted or contemplated under this clause 14.5 provided that:
- (1) Woodside will be liable for and reimburses the Seller Group Member on demand for any costs and expenses incurred by the Seller Group in connection with the Seller's performance of its obligations under this clause 14.5(h); and
 - (2) the Parties acknowledge and agree that this clause 14.5(h) is hereby deemed not to apply to any of the Insurance Policies or to those Excluded Records that are specified in paragraph 6 of the definition of Excluded Records.
- (i) The Seller must ensure, including as part of the Restructure, that all Intellectual Property Rights owned by a Target Group Member or any Seller Group Intellectual Property, which at any time in the period beginning 12 months prior to the Effective Time until Completion was used solely and exclusively by any one or more Target Group Members or solely and exclusively for the benefit of the Target Petroleum Business, is, in each case, retained by or assigned prior to Completion to (as applicable), a Target Group Member, so as to be owned by a Target Group Member by Completion. The Seller must take, and must procure that other Seller Group Members take, all steps reasonably necessary to effect the arrangements contemplated by this clause 14.5(i), including delivery up to a Target Group Member prior to Completion, free of charge, of physical or tangible embodiments or copies of such Intellectual Property Rights the subject of this clause 14.5(i) to the extent such Intellectual Property Rights are not already in the possession, power or control of a Target Group Member.
- (j) To enable Woodside and the Target Group Members time to transition off use of the Seller Group Marks, and for that purpose only, the Seller hereby grants to Woodside a non-exclusive, non-transferable, personal, sub-licensable (to Target Group Members only) licence to use the Seller Group Marks solely and directly as they were used and in the jurisdictions in which they were used directly in connection with the Target Petroleum Business in the 12 months prior to Completion for a period of:
- (1) 6 months after Completion, in respect of continuing all existing uses of the Seller Group Marks, other than as set out in clause 14.5(j)(2); and
 - (2) 6 months after Completion, in respect of physical signage on, or related to, any of the Properties or any other property or assets from which the Target Petroleum Business is operated,
- provided that:
- (3) Woodside must expedite such transition away from use of the Seller Group Marks as soon as practicable; and

- (4) the use of the Seller Group Marks for any form of media activities, marketing, advertising or promotion, in any form, including under social media accounts and online, following 1 month after Completion (which was not otherwise an existing use of the Seller Group Marks as at Completion) is not permitted under this licence. If the Seller notifies Woodside of any such use of the Seller Group Marks at any time following the period ending 1 month after Completion then Woodside must remove such use as soon as reasonably practicable and in any event within no more than 30 days after being notified by the Seller and Woodside and the other Woodside Group Members will not otherwise be liable for damages to the Seller for such use provided Woodside complies with its obligations in this clause.
- (k) The Seller acknowledges and agrees that, notwithstanding the scope of the licences granted under clause 14.5(j):
- (1) Woodside and the Target Group Members may incidentally use and reproduce the Seller Group Marks in connection with Woodside's maintenance, updates, reproduction and modification of Business Records, Mixed Records or Relevant Records bearing the Seller Group Marks that are transferred to Woodside or to which Woodside is given access or to documents to which Woodside Group has rights to use under the licences in clause 14.5(a) and (d), used in the operation of the Target Petroleum Business, and where that use is substantially similar to the use by the Target Group Members prior to Completion (**Incidental Use**);
- (2) Woodside must take all reasonable steps to minimise any such Incidental Use; and
- (3) subject to Woodside and the Target Group Members using and reproducing the Seller Group Marks in a manner solely in accordance with the Incidental Use, the Seller will not, and will procure that the Seller Group Members do not, make a claim, or initiate proceedings, against Woodside or the Target Group Members for infringement of the Intellectual Property Rights in the Seller Group Marks.
- (l) The Seller and Woodside acknowledge and agree that:
- (1) the licences and permitted uses contemplated by this clause 14.5 generally:
- (A) do not create any contract (or make, or permit any effect to be given to, any arrangement or understanding) by or between the parties in respect of the supply or acquisition of any good or service which the parties are, or are likely to be, in competition with each other (as understood for the purposes of any applicable competition laws), and no inference to the contrary is intended or may be construed by any provision in this clause 14.5 or otherwise in this agreement; and
- (B) are only enforceable to the extent permitted by applicable law;
- (2) without limiting the generality of clause 14.5(l)(1), with respect to clauses 14.5(b) and 14.5(d)(7) specifically, each of:
- (A) the granting of rights to a Seller Group Member of any modifications, developments, improvements, adaptations and derivative works of the Shared Intellectual Property or Seller Group Intellectual Property that is created or developed by or on behalf of a Target Group Member or a Woodside Group Member;
- (B) the obligations of Woodside to assign (or procure an assignment) of the rights referred to in clause 14.5(l)(2)(A); and

- (C) any grant of licence to the Woodside Group Members and Target Group Members in respect of any rights referred to in clause 14.5(l)(2)(A),

will always be subject strictly to the parties confirming, as a condition precedent, that those actions are permitted by, and do not contravene, any applicable competition laws.

14.6 Contracts separation

- (a) Promptly following the date of this agreement, the Seller and Woodside must work together in good faith to identify any:
- (1) contract with a Third Party to which an Other Seller Entity is a party that is solely for the benefit of or solely relates to, or under which goods or services are solely provided to, any one or more Target Group Members or the Target Petroleum Business and which is not otherwise provided for under the Transaction Documents (**Target Contract**); and
 - (2) contracts between any Seller Group Member and a Third Party which is for the benefit of, or under which goods or services are provided, to both (i) an Other Seller Entity, and (ii) one or more Target Group Members or the Target Petroleum Business, and which is not otherwise provided for under the Transaction Documents (**Shared Contract**),

and in each case is necessary for the operation of the Target Petroleum Business in the manner it has been operated in the 12 months prior to Completion, but excluding those Target Contracts and Shared Contracts where the treatment of the arrangements to which they relate are contemplated in the Transaction Agreements.

- (b) If required by Woodside or the Seller, the Seller and Woodside must work together in good faith and use reasonable endeavours to:
- (1) enter into arrangements to novate, assign or otherwise enable the Target Group Member to obtain the benefit of or meet the obligations under the Target Contract or Shared Contract; or where that is not possible despite the Parties' reasonable endeavours,
 - (2) enable the Target Group Member to enter into new arrangements with the Third Parties that are counterparties to the Target Contract or Shared Contract,

but acknowledging in respect of Shared Contracts only, that such arrangements will only be progressed where it is not materially detrimental to the Other Seller Entities.

- (c) Promptly following signing of this agreement and during the Exclusivity Period, Woodside and the Seller must agree in good faith the arrangements specified in the section of the Seller Disclosure Letter relating to this clause.
- (d) During the Exclusivity Period, if the Seller discovers a material agreement or arrangement between a Target Group Member and an Other Seller Entity which is necessary for the performance by an Other Seller Entity of obligations under agreements with Third Parties that cannot be terminated at the Other Seller Entity's discretion or would cause material detriment to the Other Seller Entity if it was to be terminated will continue following Completion, the Parties agree to negotiate in good faith with a view to agreeing arrangements under which the relevant Other Seller Entity is able to meet such obligations on substantially the same basis as during the

12 months prior to Completion, provided that (unless otherwise agreed) no Woodside Group Member will be required to assume obligations or provide goods or services:

- (1) on terms that are not arm's length or market; or
- (2) for a period that extends beyond 31 December 2022.

15 Records

15.1 Redaction of Business Records

- (a) The Seller may redact, remove or separate from the Business Records information or data to the extent that the information is reasonably determined by the Seller to be commercially sensitive to the Other Seller Entities or their businesses, but only to the extent that:

- (1) the information does not relate to the operation of the Target Petroleum Business following Completion; and
- (2) the redaction of which information does not deprive the Woodside Group of a material benefit in connection with the operation of the Target Petroleum Business following Completion.

Any such redaction, removal or separation must be undertaken promptly and without delay, and otherwise in a manner and within a period that does not unreasonably inhibit or prevent the discharge of the Seller's obligations under this agreement.

- (b) The Seller must, promptly upon request from Woodside, provide a written explanation of the nature of all information that is redacted, removed or separated under this clause 15.1 in sufficient detail for Woodside to determine compliance with this clause 15.1.

15.2 Request for and access to Business Records by Seller

- (a) Woodside must procure that all Business Records are preserved for the period beginning on the Completion Date and ending on the later of:
- (1) the date 7 years from the Completion Date; and
 - (2) any date required by an applicable law.
- (b) Subject to clause 15.2(d), during the applicable period in clause 15.2(a), Woodside must use its reasonable endeavours to, on reasonable notice from the Seller, on a Business Day, during business hours:
- (1) provide the Seller and its advisers with reasonable access to the Business Records and allow the Seller and its advisers to inspect and obtain copies or certified copies of the Business Records at the Seller's expense; and
 - (2) provide the Seller and its advisers with reasonable access to the personnel of the Woodside Group Members and the Target Group Members with relevant knowledge for the relevant purpose,

only for the purpose of assisting the Seller Group Members to prepare tax returns, accounts and other financial statements required by law, discharge statutory obligations or comply with Tax, Duty or other legal requirements, respond to any review or audit by a Tax or Duty Governmental Agency or to prepare for or conduct legal or arbitration proceedings, and only to the extent necessary for the applicable purpose.

- (c) A notice given by the Seller pursuant to clause 15.2(b) must:
 - (1) clearly identify, and provide all reasonable details available to the Seller regarding, the specific, or categories of, Business Records to which the notice relates;
 - (2) not relate to a Business Record that has previously been provided to the Seller, is already in the possession, power or control of the Seller, or is otherwise available to the Seller other than from Woodside;
 - (3) be accompanied by a reasonable justification of the Seller's need to access the Business Record; and
 - (4) only be made by the Seller after the Seller has used its reasonable endeavours to meet the requirements of the applicable purpose to the request through means other than requesting the relevant Business Record from Woodside.
- (d) Nothing in clause 15.2(b) requires Woodside to:
 - (1) disclose any information that is competitively sensitive to any one or more Woodside Group Member;
 - (2) do anything which would (or might reasonably) waive or otherwise prejudice any one or more Woodside Group Members' legal professional privilege whether in Business Records or otherwise;
 - (3) do anything which would (or might reasonably) result in any one or more of the Woodside Group Members breaching a duty of confidence owed to a third party. Woodside must take all reasonably practicable actions to obtain the permission of the third party to enable Woodside to comply with clause 15.2(b);
 - (4) provide any records, information or data to Seller regarding the business of any one or more Woodside Group Member (other than the Target Group Members), and where such information is comingled with Business Records, Woodside will take all reasonable steps to redact or remove such information in order to enable Woodside to comply with clause 15.2(b);
 - (5) provide the Seller and its advisers access pursuant to clause 15.2(b) where on receipt of a notice from the Seller, Woodside has elected to fulfil the access request itself by accessing, copying and delivering the requested Business Records to the Seller, at the Seller's cost and expense; or
 - (6) convert, translate or transform any Relevant Record from one medium or format to another medium or format, except to the extent that the Seller agrees to reimburse Woodside's associated reasonable internal and third party costs in accordance with clause 15.2(e).
- (e) The Seller must reimburse Woodside for its reasonable internal and third party costs and expenses associated with identifying, retrieving, extracting, cleansing, redacting and transferring any Business Records (or relevant information or data from such Business Record) and making personnel available under this clause 15.2.
- (f) The Seller must comply with any reasonable steps requested by Woodside to preserve confidentiality, or limit the scope of any waiver of privilege (if applicable and acting reasonably), over Business Records made available to the Seller under this clause 15.2.

- (g) The Seller may, at its own cost, retain copies of any Business Records that it may require solely to enable it to comply with any applicable law and any of its obligations under the Transaction Agreements after the Completion Date.
- (h) The Seller must only use Business Records made available and/or retained under this clause 15.2 solely for the purpose for which it was made available and/or retained.
- (i) The Seller must destroy copies of any Business Records made available and/or retained under this clause 15.2 as soon as practicable when no longer reasonably required for purpose for which it was made available and/or retained.

15.3 Retention of Relevant Records by Seller

- (a) Subject to clause 15.3(b) and clause 15.3(c), the Seller must, and must procure that each Other Seller Entity must, retain and maintain a copy of all Relevant Records from the Completion Date, until the later of:
 - (1) the date 7 years from the Completion Date; and
 - (2) any date required by an applicable law.
- (b) The Seller must, and must procure that each Other Seller Entity must retain and maintain all Relevant Records pursuant to clause 15.3(a) to the same or substantially similar standard to which the Seller or the relevant Other Seller Entity retains and maintains its own records that are similar in nature to the Relevant Records. The Seller is not required to convert, translate or transform any Relevant Record from one medium or format to another medium or format, except to the extent that Woodside agrees to reimburse the Seller's reasonable associated costs in doing so.
- (c) The Seller is not required to retain any Relevant Record where that Relevant Record has been provided to Woodside or a Target Group Member prior to or on Completion.
- (d) The Seller must use reasonable endeavours to ensure that if the Seller or any Other Seller Entity intends to destroy any Relevant Records and the Seller is aware that the Relevant Records are to be destroyed it must notify Woodside of such intention (with such notice to include reasonable detail of the Relevant Records to be destroyed) and, if requested by Woodside within 30 Business Days of Woodside having received notice of the Seller or Other Seller Entity's intention to destroy the Relevant Records, shall deliver a copy of such Relevant Records to Woodside.

15.4 Woodside request for Mixed Records

- (a) Subject to clause 15.4(b) and clause 15.4(c), Woodside may request from the Seller a copy of any Mixed Records that the Seller is required to maintain under clause 15.3 for a Permitted Purpose only, and after the applicable period in clause 15.3(a), not at all.
- (b) A request made by Woodside pursuant to clause 15.4 must:
 - (1) identify, and provide all such reasonable details as are known or available to Woodside regarding, the Mixed Record to which the request relates;
 - (2) to the extent to which Woodside has information or knowledge regarding the Mixed Records to which a request relates and which is required for a Permitted Purpose so as to enable Woodside to identify the relevant Mixed Records, not be an open-ended or general request (for

example a request for all Mixed Records in a class, category or date-range). To the extent that this clause applies, Woodside and the Seller will promptly consult with one another (acting reasonably) to assist Woodside to identify the specific Mixed Record being requested in these circumstances;

- (3) not relate to a Mixed Record that has previously been provided to Woodside, is already in the possession, power or control of Woodside, or is otherwise available to Woodside other than from the Seller; and
 - (4) be accompanied by a reasonable justification of Woodside' s need to access the Relevant Record; and
 - (5) only be made by Woodside after Woodside has used its reasonable endeavours to meet the requirements of the applicable purpose to the request through means other than requesting the Mixed Record from the Seller, provided that this does not require Woodside to take any action that would be materially inconvenient (such as incurring material costs or contacting third parties in a manner that would adversely affect its rights).
- (c) Woodside must reimburse the Seller for its reasonable internal and third party costs and expenses associated with identifying, retrieving, extracting, separating, cleansing, redacting and transferring any such Mixed Records (or relevant information or data from such Mixed Records) upon a request by Woodside under this clause 15.4, including all of the Seller' s own and third party costs and expenses of meeting its obligations under clauses 15.4, 15.5 and 15.7.

15.5 Access to Mixed Records by Woodside

- (a) Following the date of this agreement and up to Completion, the Seller must provide all reasonable assistance (including ensuring the impact on the attention of personnel in providing this assistance is reasonable and not unduly onerous) requested by, and consult in good faith with, Woodside in order to assist Woodside in understanding the Mixed Records that exist.
- (b) Subject to clause 15.7, where a request is made under and in accordance with clause 15.4 and the Mixed Record the subject of the request is in the form of paper or physical form, the Seller must use its reasonable endeavours to, as soon as practicable, allow Woodside to access and make copies of that Mixed Record at Woodside' s cost and expense provided that:
 - (1) the Seller (acting reasonably) may deny access to, or redact or remove, the component(s) of any Mixed Record which is information or data relating specifically to the Seller or one or more Other Seller Entities or their business (the **BHP Component**); and
 - (2) the right to access and make copies of that Mixed Record is exercisable only on Business Days, during business hours and subject to reasonable notice being given, provided that the Seller may elect to fulfil an access request itself by accessing, copying and delivering that Mixed Record to Woodside, at Woodside' s cost and expense.
- (c) Subject to clause 15.7, where a request is made under and in accordance with clause 15.4 and the Mixed Record the subject of the request is in a form that is stored in electronic or other digital form (**Electronic Data**):
 - (1) if the Mixed Record can readily or using reasonable efforts be separated from the Electronic Data relating to the BHP Component by a secure, reliable technical means (or any other

- method as agreed between Woodside and the Seller), then the Seller must use its reasonable endeavours to provide a copy of such Mixed Record to Woodside with the BHP Component removed, at Woodside' s cost and expense; or
- (2) if the Mixed Record either cannot be so separated from the BHP Component by a secure, reliable technical means (or any other method as agreed between Woodside and the Seller), or cannot be separated at a cost which Woodside is prepared to pay, then the Seller may in its reasonable discretion elect to either:
 - (A) not provide any of that Mixed Record to Woodside; or
 - (B) provide a complete copy of that Mixed Record, including the BHP Component, to Woodside.
 - (d) For the purpose of this clause 15.5, separating the BHP Component from Mixed Records includes without limitation redacting, removing or deleting the BHP Component from Mixed Records.

15.6 Mixed Primarily TPB Records

- (a) Subject to clauses 15.6(b), after signing of this agreement and up to the date that is 6 months following Completion:
 - (1) the Seller must use:
 - (A) best endeavours to identify all Mixed Primarily TPB Records that are necessary for the operation of the Target Petroleum Business; and
 - (B) reasonable endeavours to identify all other Mixed Primarily TPB Records;
 - (2) the Seller and Woodside will promptly following the date of this agreement establish an agreed process by which the Seller will seek to identify Mixed Primarily TPB Records, including that the Seller must submit to Woodside a list of categories of information that is reasonably likely to constitute Mixed Primarily TPB Records and the Parties agreeing a process by which other Mixed Primarily TPB Records will be identified;
 - (3) the Seller will respond to reasonable requests made by Woodside regarding whether certain Mixed Primarily TPB Records may exist;
 - (4) at Completion the Seller must deliver a copy of the Mixed Primarily TPB Records to Woodside identified prior to Completion; and
 - (5) following Completion, if the Seller (or any Seller Group Member) identifies, or Woodside (or any Woodside Group Member) identifies, any additional Mixed Primarily TPB Records from time to time, the relevant Party must promptly notify the other and at the Seller' s election the Seller must either:
 - (A) as soon as practicable after any redactions, removals or separations the subject of clause 15.6(b) which will be undertaken promptly and without delay by the Seller and any relevant Seller Group Member (at Seller' s cost), deliver a copy of the Mixed Primarily TPB Records to Woodside (Woodside may stipulate an order of priority for the Mixed Primarily TPB Records, and the Seller must work to that order of priority and deliver the Mixed Primarily TPB Records in reasonable batches promptly as the redaction, removal or separation are completed); or

- (B) promptly thereafter deliver a copy of the Mixed Primarily TPB Records to Woodside subject to the confidentiality and use restrictions set out in clause 15.6(c).
- (b) The Seller may redact, remove or separate from the Mixed Primarily TPB Records information or data to the extent that the information is:
 - (1) of the kind described in paragraphs 2 to 9 of the definition of “Excluded Record”; or
 - (2) otherwise reasonably determined by the Seller to relate to the business of the Other Seller Entity or to be materially commercially sensitive to the Seller Group,
(the **Redacted Information**).
- (c) If Mixed Primarily TPB Records are delivered to Woodside in accordance with clause 15.6(a)(5)(B), then to the extent any information in the Mixed Primarily TPB Records would have constituted Redacted Information under clause 15.6(b), Woodside must and must ensure that relevant Woodside Group Members must:
 - (1) treat such Mixed Primarily TPB Records as confidential;
 - (2) keep such Mixed Primarily TPB Records secure; and
 - (3) not knowingly use any such part of the Mixed Primarily TPB Records for its own business.
- (d) To avoid doubt, the arrangements in this clause 15.6 operate independently of, and are without prejudice to, the operation of clause 15.5 and Woodside’s rights thereunder.

15.7 Overriding limitations on Woodside access to and use of Mixed Records

- (a) Nothing in clauses 15.4 or 15.5 requires the Seller to:
 - (1) disclose any information that is competitively sensitive to the Seller or to any one or more Other Seller Entities;
 - (2) subject to clause 15.8, do anything which would (or might reasonably) waive or otherwise prejudice the Seller’s or to any one or more Other Seller Entities’ legal professional privilege whether in Mixed Records or otherwise;
 - (3) subject to clause 15.8, do anything which would (or might reasonably) result in the Seller or to any one or more Other Seller Entities breaching a duty of confidence owed to a third party; or
 - (4) without prejudice to the Seller’s ability to redact information, provide any records, information or data to Woodside regarding the business of the Seller or any one or more Other Seller Entities, whether such information is comprised in Mixed Records or otherwise.
- (b) Woodside must only use a Mixed Record received from the Seller solely for the Permitted Purpose applicable to the request pursuant to which that Mixed Record was obtained, unless the Seller otherwise provides consent.

15.8 Requests for privileged and restricted records

- (a) Where the Seller or an Other Seller Entity is in possession of any record, document, information or data, regardless of the format or form (including whether in paper or digital form) that is an Excluded Record by operation of paragraph 3 or 8 of the definition of “Excluded Record” and it

relates to any one or more Target Group Members or the Target Petroleum Business, Woodside may request in writing that record, document, information or data from the Seller, and following such a request the Seller must as soon as practicable consult in good faith with Woodside to determine if it is possible, and use reasonable endeavours, to share a copy of that record, document, information or data with Woodside while maintain the legal professional privilege to which such Excluded Record is subject.

- (b) Where the Seller or an Other Seller Entity is in possession of any record, document, information or data, regardless of the format or form (including whether in paper or digital form) that is an Excluded Record by operation of paragraph 4 of the definition of “Excluded Record” and it relates to any one or more Target Group Members or the Target Petroleum Business, Woodside may request in writing that record, document, information or data from the Seller, and following such a request the Seller must as soon as practicable use reasonable endeavours to obtain the consent of, or make any relevant arrangements with, the relevant third party to share the record, document, information or data with Woodside.
- (c) Woodside acknowledges that Sullivan & Cromwell LLP, Herbert Smith Freehills and Slaughter and May (collectively, **Prior Company Counsel**) has, on or prior to the Completion Date, represented one or more members of the Seller Group (including, for the avoidance of doubt, one or more Target Group Members) and their respective officers, employees and directors (each such Person, other than Target Group Members, a **Designated Person**) in one or more matters relating to the business affairs of the Seller Group or this agreement (including any matter that may be related to a litigation, claim or dispute arising under or related to this Agreement) (each, an **Existing Representation**), and that, in the event of any post-Completion matters relating to the business affairs of the Seller Group in respect of the period on or prior to the Completion Date, the Designated Persons reasonably anticipate that Prior Company Counsel will represent them in connection with such matters. Each of Woodside and Target (on behalf of itself and the Target Group) waives and shall not assert, and agrees after the Completion to cause its Affiliates to waive and to not assert, any attorney-client privilege, attorney work-product protection or expectation of client confidence with respect to any communication between any Prior Company Counsel, on the one hand, and any Designated Person or Target Group Member, on the other hand (collectively, the **Pre-Completion Designated Persons**), or any advice given to any Pre-Completion Designated Person by any Prior Company Counsel, in each case to the extent occurring during one or more Existing Representations (collectively, **Pre-Completion Privileges**). Furthermore, the Parties hereto agree that all rights to Pre-Completion Privileges, and all rights to waive or otherwise control such Pre-Completion Privileges, shall be retained by the Seller, and shall not pass to or be claimed or used by Woodside or Target Group, except as provided in the last sentence of this clause 15.8(c). Notwithstanding the foregoing, in the event that a dispute arises between Woodside or a Target Group Member or one or more of Other Seller Entity, on the one hand, and a Third Party other than a Designated Person, on the other hand, Target and the Other Seller Entities shall (and shall cause its Related Persons to) assert to the extent available the Pre-Completion Privileges to prevent disclosure of Privileged Materials to such Third Party; provided, however, that upon receipt of any request for such disclosure of privileged materials, Woodside or the applicable Target Group Member, as the case may be, shall notify the Seller as soon as reasonably practicable; provided, further that such privilege may be waived only with the prior written consent of the Seller, whose consent shall not be unreasonably withheld.

16 Employees

Each Party must comply with Schedule 4.

17 Tax matters

17.1 Target Group Member a member of an Australian consolidated group

The Seller must:

- (a) on or before Completion, ensure that the Seller's Head Company provides, Woodside with a copy of the Tax Sharing Agreement entered into between the Seller's Head Company and the Target Group Members;
- (b) at least 10 Business Days prior to Completion, provide Woodside with a draft calculation of the Exit Payment for each Target Group Member, for Woodside's review;
- (c) procure that each Target Group Member pay the relevant Exit Payments to the Seller's Head Company at least one Business Day prior to Completion;
- (d) where applicable, procure that the Seller's Head Company pay the relevant Exit Payment to each Target Group member at least one Business Day prior to Completion; and
- (e) procure that, before Completion, the Seller's Head Company releases each Target Group Member from its obligations under the Tax Sharing Agreement or under any Tax Funding Agreement entered into by the Target Group Member.

17.2 Target Group Member a member of Seller's GST Group

After Completion:

- (a) Woodside must ensure that each Target Group Member gives the representative member of the Seller's GST Group on a timely basis, all information that the Target Group Member holds that is needed to lodge any GST return; and
- (b) the Seller must ensure that the representative member of the Seller's GST Group:
 - (1) applies to the Commissioner of Taxation to revoke the approval of the Target Group Member as a member of the Seller's GST Group; and
 - (2) lodges the GST returns for the final period in which the Target Group Member was a member of the Seller's GST Group and remits all amounts in respect of GST to the Commissioner of Taxation as and when required by the GST Law.

17.3 Exit Payments

Notwithstanding anything else in this agreement, the Parties acknowledge and agree that the Exit Payment is not a Permitted Tax.

17.4 Pre-Completion tax returns

- (a) The Seller will, at the Seller Group's own cost and expense, have the sole conduct and control of the preparation and filing of all Tax or Duty returns, forms or statements of each Target Group Member

to the extent they relate to any periods (or part periods) ending on or before the Completion Date (**Pre-Completion Returns**). To the extent any Pre-Completion Returns have not been lodged by the Completion Date, Woodside must file any such Pre-Completion Returns prepared by the Seller in accordance with clause 17.4(g). The Seller's Head Company is responsible for lodging any Tax Return which concerns the affairs of a Target Group Member but are included in the Seller's Consolidated Group's Tax Return.

- (b) The Seller must deliver each Pre-Completion Return (except a Tax Return of the Seller's Consolidated Group or a tax return relating to an Excluded Tax) to Woodside as soon as it is available but no later than 20 Business Days before it is due to be filed, or 7 Business Days for a Tax Return that relates to Tax other than income tax, (taking into account any extension of time to file the Pre-Completion Return that has been properly obtained) for Woodside's review and comment in respect of items that related to a period commencing on or after the Effective Time. If Woodside objects to any items set forth in the Pre-Completion Return in respect of items that related to a period commencing on or after the Effective Time it must notify the Seller of the objection as soon as it is aware of the objection but no later than 5 Business Days before the Pre-Completion Return is due to be filed.
- (c) Where a Pre Completion Return relates to an Excluded Tax, Woodside can review and comment in respect of items that related to a period commencing on or after the Effective Time after it has been filed. If Woodside objects to any items set forth in the Pre Completion Return that related to a period commencing on or after the Effective Time it must notify the Seller of the objection.
- (d) Subject to clause 17.4(e) and 17.5(a), Woodside will, at its own cost and expense, have the control of the preparation and filing of all Tax returns, forms or statements of each Target Group Member for any period that includes, but does not end on or before the Completion Date (**Straddle Returns**). For the avoidance of doubt, a Tax Return of the Seller's Consolidated Group is not a Straddle Return.
- (e) Woodside must procure that each Straddle Return is prepared in a manner consistent with past practice and consistent with the requirements of any Tax Law and must deliver each Straddle Return to the Seller as soon as it is available but no later than 20 Business Days before it is due to be filed, or 7 Business Days for a Tax Return that related to a Tax other than income tax, (taking into account any extension of time to file the Straddle Return that has been properly obtained) for the Seller's review and comment. If the Seller objects to any items set forth in the Straddle Return it must notify Woodside of the objection as soon as it is aware of the objection but no later than 5 Business Days before the Straddle Return is due to be filed.
- (f) If the Seller or Woodside notifies the other of an objection to a Pre-Completion Return or Straddle Return as applicable, the parties must attempt in good faith to resolve the dispute. If the parties cannot resolve any such dispute within 10 Business Days of the objection being notified, then:
 - (1) the parties must appoint an expert agreed to by the parties, or, if they cannot agree on an expert within a further 5 Business Days, the parties must request the President of the Taxation Institute (in respect of an Australian Tax matter) or a nationally recognised independent accounting firm in respect of a non-Australian tax matter to appoint an expert, to determine the proper amounts for the items remaining in dispute;
 - (2) the expert's determination is, in the absence of manifest error, final and binding on the parties and a party must not commence court proceedings or arbitration in relation to the dispute; and

- (3) the expert's costs and expenses in connection with the dispute resolution proceedings will be borne by the parties in a manner determined by the expert (and either party may request that determination) and in the absence of such a determination will be borne by the Seller and Woodside equally.
- (g) Woodside must procure that each Straddle Return and (subject to the Seller complying with clause 17.4(b)) each Pre-Completion Return is filed by the due date for filing. If a Pre-Completion Return or Straddle Return is due before the date a disputed item is resolved under this clause 17, Woodside must procure that the return is filed as prepared and must procure that an amended return, which reflects the resolution or the disputed items (either as resolved by agreement or by the expert), is filed immediately after the disputed items are resolved.
- (h) The parties agree that it is the intention for the Seller to have the right to determine, control and where appropriate participate in the disclosure (including manner of disclosure) of any material or information to a Governmental Agency and any other dealings with the Governmental Agency in relation to Tax to the extent such disclosure or other dealings is in respect of any event, act, matter or transaction or amount derived (or deemed to be derived) or expenditure incurred before, on, or as a result of, Completion (**Pre-Completion Tax Event**).
- (i) Without limiting clause 17.4(h), from and after Completion Woodside agrees that it will, and will procure that each Target Group Member and Woodside Group Member will:
 - (1) ensure that the preparation of Straddle Returns are done in a manner which complies with clauses 17.4(a) to 17.4(g);
 - (2) not disclose any information or material to a Governmental Agency in relation to a Pre-Completion Tax Event without the prior written consent of the Seller (which consent will not be unreasonably withheld or delayed), except (i) as required by law or (ii) following the expiration of a period of seven (7) years following Completion;
 - (3) not file, or cause to be filed, any amended Tax Return or seek any advice from a Governmental Agency (including seeking a ruling) for a Target Group Member which relates to a Tax period or part of a Tax period ending on or before Completion without the prior written consent of the Seller (such consent not to be unreasonably withheld or delayed);
 - (4) not make any admission of liability, or any agreement, compromise or settlement with a Governmental Agency in relation to a Pre-Completion Tax Event without the prior written consent of the Seller (such consent not to be unreasonably withheld or delayed); and
 - (5) promptly provide the Seller with copies of any correspondence with, or material provided to or by, a Governmental Agency and keep the Seller informed of any oral discussions with a Governmental Agency in relation to a Pre-Completion Tax Event.
- (j) If Woodside provides a notice under clause 13 in respect of a Claim that arises from or involves a Tax Demand, then at all times from the date of receipt of that notice the provisions of clause 13 will apply to that Tax Demand or the Tax or Pre-Completion Tax Event the subject of that Tax Demand and not this clause 17.4.

17.5 Specific tax return disclosures

- (a) Notwithstanding any other clause in this agreement to the contrary, at the Seller's request, Woodside shall, with respect to the Restructure, make or cause to be made an election described in the U.S.

Treasury Regulation Section 1.1502-36(d)(6) (and any corresponding election for U.S. state or local Tax purposes) with respect to US Group IV at the time and in the manner provided at U.S. Treasury Regulations Section 1.1502-36(e)(5) (and any similar U.S. state or local Tax law) to the extent necessary to prevent the application of U.S. Treasury Regulation Section 1.1502-36(d) (and any similar U.S. state or local Tax law) to reduce the Tax Attributes of the Restructure Entities, and Woodside shall take, and shall cause each Woodside Group Member to take, all reasonable actions to effect the foregoing request by the Seller, including by procuring that the relevant Woodside Group Member prepare its Tax return accordingly.

- (b) If the sale effected by the Ongoing Divestment Asset SPA has not completed by Completion, then in preparing the relevant Tax return, Woodside acknowledges that the assets the subject of Ongoing Divestment SPA are held by BHP Billiton Petroleum (International Exploration) Pty Ltd through a permanent establishment such that any income derived in respect of the Ongoing Divestment Asset, gain or loss arising in respect of the Ongoing Divestment Asset SPA are non-assessable non-exempt, or disregarded under section 23AH of the Tax Act, and will procure (to the extent it complies with prevailing tax law) that that the relevant Woodside Group Member prepare its Tax return accordingly.

17.6 Other tax assistance

- (a) The Seller will provide assistance to Woodside for the term of the ITSA in respect of any Woodside Group Member reportable tax positions necessary to be undertaken by Woodside Group Member for accounting or tax purposes, but only to the extent it directly relates to the tax affairs of a Target Group Member after Completion.
- (b) Woodside and the Seller shall provide all reasonable assistance to the other Party, in connection with the filing of Pre-Completion Returns pursuant to clause 17.4 and any Third Party Claim or Tax Demand made that is related to a period prior to the Completion Date. Such cooperation shall include (i) responding as soon as reasonably practicable to any reasonable requests of the Seller for information that is necessary for the preparation of any Pre-Completion Returns, and (ii) the retention and (upon the other Party's reasonable request) the provision of powers of attorney, records and information which are reasonably relevant to any such Third Party Claim or Tax Demand and making employees available on a mutually convenient basis during normal business hours to provide additional information and explanation of any material provided hereunder.

18 Public announcement

18.1 Announcements

Immediately after the execution of this agreement, the Seller and Woodside must issue public announcements at a time and in a form previously agreed to in writing between them.

18.2 Subsequent announcements and disclosure

Where a Party proposes to make any other public announcement in connection with the Transaction (including any changes to reserves), it must to the extent practicable and lawful to do so, consult with the other Party prior to making the relevant disclosure and take account of any reasonable comments received from the other Party in relation to the timing, form and content of the announcement or disclosure.

19 Confidentiality

- (a) Subject to clause 19(b), each Party (**recipient**) must keep secret and confidential, and must not divulge or disclose any information (in any form) relating to the other Party or its business (or any of the other Party's Related Bodies Corporate or their businesses) which is disclosed (whether before or after the date of this agreement) to the recipient by the other Party, its representatives or advisers (the **provider**) under or in connection with the Transaction, this agreement or any Transaction Agreement or the terms of the Transaction (**Confidential Information**), other than to the extent that:
- (1) the information is in the public domain as at the date of this agreement (or subsequently becomes in the public domain other than by breach of this agreement or of any other obligation of confidentiality binding on the recipient);
 - (2) the recipient is required to disclose the information by applicable laws or regulations in Australia or elsewhere (other than under section 275 of the PPSA to the extent that disclosure is not required under that section if it would breach a duty of confidence) or the rules of any recognised stock exchange on which its securities (or the securities of any of its Related Bodies Corporate) are listed or proposed to be listed, or to a Governmental Agency, provided that the recipient has, to the extent reasonably practicable having regard to the required timing of the disclosure, consulted with the provider of the information as to the form, manner and content of the disclosure;
 - (3) the disclosure is made by the recipient to its (or any of its Related Bodies Corporate's) directors, officers, employees, financiers, underwriters, lawyers, accountants, auditors, investment bankers, consultants, other professional advisers, insurance brokers, insurers and reinsurers (including any captive insurer) to the extent reasonably necessary to enable the recipient to properly perform its obligations under this agreement or any Transaction Agreements or to conduct their business generally, in which case the recipient must ensure that such persons keep the information secret and confidential and do not divulge or disclose the information to any other person;
 - (4) the disclosure is necessary to seek satisfaction of any of the Conditions or to comply with any obligations under this agreement, provided that the relevant Third Party or Governmental Agency is made aware of the confidential nature of the information and is instructed to keep the information secret and confidential and does not divulge or disclose the information to any other person;
 - (5) the disclosure is required for use in legal proceedings regarding this agreement or the Transaction;
 - (6) such disclosure is expressly permitted pursuant to the ITSA;
 - (7) the Party to whom the information relates has consented in writing before the disclosure.
- (b) To avoid doubt, on and from Completion, clause 19(a) shall:
- (1) not operate upon Woodside (as recipient) in respect of Confidential Information of the Target Group and/or relating to the Target Petroleum Business; and
 - (2) operate, and be deemed to operate, upon the Seller (as recipient) in respect of Confidential Information of the Target Group and/or relating to the Target Petroleum Business to the extent the Confidential Information relates exclusively to the Target Group and/or Target Petroleum Business as if such information has been disclosed to the Seller.

- (c) Each recipient must ensure that those of its directors, officers, employees, agents, representatives and Related Bodies Corporate to whom Confidential Information is disclosed comply in all respects with the recipient's obligations under this clause 19.
- (d) From Completion, Woodside may disclose and use (for any purpose) the Confidential Information relating to the Target Petroleum Business except to the extent that such information relates to an Other Seller Entity or its business.
- (e) From Completion, the Seller must not, and must procure that the Other Seller Entities do not, disclose to any Third Party any information that relates to the Target Petroleum Business or any Target Group Member that is confidential to any Target Group Member or any Third Party (including Woodside, including as a result of the Confidentiality Deed) to whom a Target Group Member owes an obligation of confidence (but excluding information which is in the public domain other than through a breach of this agreement) to any person, other than to the extent the disclosure is made in reliance on the exceptions in clauses 19(a)(1) to 19(a)(7).
- (f) Nothing in this agreement is to be construed as constituting the consent of a Party, with respect to a Security Interest created by this agreement, to the disclosure of the terms of this agreement for the purpose of section 275(7) of the PPSA. No Party who is the grantor of a Security Interest under this agreement will, after the date of this agreement, consent to the disclosure of the terms of this agreement to an interested person for the purpose of section 275 of the PPSA.
- (g) To the extent not prohibited by the PPSA, each Party that is the grantor of a Security Interest under this agreement waives its right to receive any notice otherwise required to be given by a secured party under section 157 (verification statements) or any other provision of the PPSA.
- (h) Notwithstanding anything in this clause 19, the Seller and BHP Group Plc will be permitted to disclose Confidential Information as is reasonably necessary in connection with engagement with any Governmental Agency made in connection with Unification provided that the Seller makes any such Governmental Agency aware of the confidential nature of the information.
- (i) Without prejudice to the Parties rights and obligations elsewhere in this agreement:
 - (1) the Seller must procure that, promptly after the date of this agreement and in any event promptly on reasonable request by Woodside, the Target consents under and for the purposes of the Confidentiality Deed (in such written form as Woodside may reasonably request) to the use and disclosure of all information as is necessarily or conveniently used or disclosed by Woodside for the purpose of discharging its obligations, or exercising its rights, under the Transaction Agreements or otherwise in connection with the advancement and implementation of the Transaction, but only to the extent necessary to achieve those purposes; and
 - (2) Woodside consents under and for the purposes of the Confidentiality Deed to the use and disclosure of all information as is necessarily or conveniently used or disclosed by the Seller or the Target for the purpose of discharging its obligations, or exercising its rights, under the Transaction Agreements or otherwise in connection with the advancement and implementation of the Transaction, but only to the extent necessary to achieve those purposes.

20 Exclusivity

20.1 No existing discussions

Each of the Seller and Woodside represent and warrant to the other that, as at the date of this agreement, it and each of its Related Bodies Corporate and their respective Related Persons:

- (a) is not a party to any agreement, arrangement or understanding with a Third Party entered into for the purpose of facilitating a Target Competing Proposal or Woodside Competing Proposal (as applicable);
- (b) is not participating in any discussions, negotiations or other communications, and has terminated any existing discussions, negotiations or other communications, in relation to a Target Competing Proposal or Woodside Competing Proposal (as applicable), or which could reasonably be expected to lead to a Target Competing Proposal or Woodside Competing Proposal;
- (c) has ceased to provide or make available any material non-public information in relation to the Seller Group or Woodside Group (as applicable) to a Third Party where such information was provided for the purpose of facilitating, or could reasonably be expected to lead to, a Target Competing Proposal or Woodside Competing Proposal; and
- (d) will not waive the provisions of any confidentiality or standstill agreement with any Third Party in connection with a Target Competing Proposal or Woodside Competing Proposal (as applicable).

20.2 Seller exclusivity

During the Exclusivity Period, the Seller must not, and must ensure that each of its Related Persons does not, directly or indirectly:

- (a) **(no shop)**: solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Target Competing Proposal or communicate to any person an intention to do anything referred to in this clause 20.2(a); or
- (b) **(general no talk)**: subject to clause 20.3:
 - (1) participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Target Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Target Competing Proposal;
 - (2) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Target Competing Proposal;
 - (3) disclose or otherwise provide any material non-public information about the business or affairs of the Target Group to a Third Party (other than a Governmental Agency) with a view to obtaining, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Target Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the Target Group); or

- (4) communicate to any person an intention to do anything referred to in the preceding paragraphs of this clause 20.2(b), but nothing in this clause 20 prevents the Seller from:
- (c) pursuing, evaluating or continuing to conduct the preparatory work for a demerger of the Target or any one or more of its Related Bodies Corporate (including a newly incorporated holding company), provided that all out-of-pocket costs and expenses of any kind (including charges or fees from Other Seller Entities) incurred or paid by a Target Group Member in respect of this preparatory work must be borne by the Seller;
 - (d) making normal presentations to brokers, portfolio investors and analysts in the ordinary course of business or promoting the merits of the Transaction; or
 - (e) providing information to its auditors, customers, joint venturers and suppliers (acting in that capacity) or to the Tax authorities in the ordinary course of business.

20.3 Seller fiduciary exception

Clause 20.2(b) does not prohibit any action or inaction by the Seller or any of its Related Persons in relation to an actual or potential Target Competing Proposal if compliance with that clause would, in the opinion of the BHP Board, formed in good faith after receiving written legal advice from its external legal advisers, constitute, or would be reasonably likely to constitute, a breach of any of the fiduciary or statutory duties of the directors of the Seller, provided that:

- (a) the actual or potential Target Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of clause 20.2(a); and
- (b) the Seller notifies Woodside of each action or inaction by it or any of its Related Persons in reliance on this clause 20.3 within 2 Business Days of that action or inaction,

acknowledging that the Seller's right to exercise clause 22.2(e) when enlivened is a decision of the BHP Board from time to time.

20.4 Seller notification of approaches

- (a) During the Exclusivity Period, the Seller must notify Woodside in writing (within 2 Business Days) if it, or any of its Related Persons, becomes aware of any:
 - (1) negotiations or discussions, approach or attempt to initiate any negotiations or discussions, or intention to make such an approach or attempt to initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Target Competing Proposal;
 - (2) proposal made to the Seller or any of its Related Persons, in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Target Competing Proposal; or
 - (3) provision by the Seller or any of its Related Persons of any non-public information concerning the business or operations of the Seller Group to any Third Party (other than a Governmental Agency) in connection with an actual or potential Target Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise, except in respect of an action taken in reliance on clause 20.2(c). For the avoidance of doubt, any of the acts described in clauses 20.4(a)(1) to 20.4(a)(3) may only be taken by the Seller if not otherwise proscribed by this agreement.

- (b) A notification given under clause 20.4(a) must include the identity of the relevant person making or proposing, and material terms and conditions of, the actual, proposed or potential Target Competing Proposal.

20.5 Woodside matching right

- (a) Without limiting clause 20.2, during the Exclusivity Period, the Seller:
 - (1) must not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which a Third Party proposes to undertake or give effect to a Target Competing Proposal; and
 - (2) must procure that none of its directors change, withdraw or qualify its or their support for, the Transaction.unless:
 - (3) the BHP Board acting in good faith and in order to satisfy what the members of the BHP Board consider to be their statutory or fiduciary duties (having received written advice from its external financial and legal advisers) determines that the Target Competing Proposal would be or could reasonably be expected to become, a Target Superior Proposal;
 - (4) the Seller has provided Woodside with all terms and conditions of the Target Competing Proposal, including the price or assessed value of and the identity of the Third Party making the Target Competing Proposal;
 - (5) the Seller has given Woodside at least 10 Business Days after the date of the provision of the information referred to in clause 20.5(a)(4) to provide a matching or superior proposal to the terms of the Target Competing Proposal; and
 - (6) Woodside has not provided a matching or superior proposal to the terms of the Target Competing Proposal by the expiry of the 10 Business Day period in clause 20.5(a)(5).
- (b) If Woodside proposes to the Seller amendments to the Transaction that constitute a matching or superior proposal to the terms of the Target Competing Proposal (**Woodside Counterproposal**) by the expiry of the 10 Business Day period in clause 20.5(a)(5), the Seller must procure that the BHP Board considers the Woodside Counterproposal and if the BHP Board, acting reasonably and in good faith, determines that the Woodside Counterproposal would provide an equivalent or superior outcome for BHP Shareholders as a whole compared with the Target Competing Proposal, taking into account all of the terms and conditions of the Woodside Counterproposal, then Woodside and the Seller must use their best endeavours to agree the amendments to this agreement that are reasonably necessary to reflect the Woodside Counterproposal and to implement the Woodside Counterproposal, in each case as soon as reasonably practicable, and the Seller must procure that a majority of the directors of the Seller continues to support the Transaction (as modified by the Woodside Counterproposal).

20.6 Seller compliance with law

- (a) The Seller:
 - (1) agrees that it will not request or propose a waiver of any provision of this clause 20;
 - (2) must not make, nor cause or permit to be made, any application to the Australian Takeovers Panel or a court for or in relation to a declaration or determination regarding any provision of this clause 20; and
 - (3) agrees that if a Third Party makes an application to the Australian Takeovers Panel or a court for or in relation to a declaration or determination regarding any provision of this clause 20, then it will make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable that no such declaration or determination should be made.
- (b) If it is finally determined by a court or the Australian Takeovers Panel, that the agreement by the Parties under this clause 20 or any part of it:
 - (1) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the BHP Board;
 - (2) constituted, or constitutes, or would constitute, 'unacceptable circumstances' within the meaning of the Corporations Act; or
 - (3) was, or is, or would be, unlawful or contravene the ASX Listing Rules for any other reason,then, to that extent (and only to that extent) the Seller will not be obliged to comply with that provision of clause 20.

20.7 Woodside exclusivity

During the Exclusivity Period, Woodside must not, and must ensure that each of its Related Persons does not, directly or indirectly:

- (a) **(no shop)**: solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Woodside Competing Proposal or communicate to any person an intention to do anything referred to in this clause 20.7(a); or
- (b) **(general no talk)**: subject to clause 20.8:
 - (1) participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Woodside Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Woodside Competing Proposal;
 - (2) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Woodside Competing Proposal;
 - (3) disclose or otherwise provide any material non-public information about the business or affairs of the Woodside Group to a Third Party (other than a Governmental Agency) with a view to

obtaining, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Woodside Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the Woodside Group); or

- (4) communicate to any person an intention to do anything referred to in the preceding paragraphs of this clause 20.7(b),

but nothing in this clause 20.7 prevents Woodside from:

- (c) making normal presentations to brokers, portfolio investors and analysts in the ordinary course of business or promoting the merits of the Transaction; or
- (d) providing information to its auditors, customers, joint venturers and suppliers (acting in that capacity) or to the Tax authorities in the ordinary course of business.

20.8 Woodside fiduciary exception

Clause 20.7(b) does not prohibit any action or inaction by Woodside or any of its Related Persons in relation to an actual or potential a Woodside Competing Proposal if compliance with that clause would, in the opinion of the Woodside Board, formed in good faith after receiving written legal advice from its external legal advisers, constitute, or would be reasonably likely to constitute, a breach of any of the fiduciary or statutory duties of the directors of Woodside, provided that:

- (a) the actual or potential Woodside Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of clause 20.2(a); and
- (b) Woodside notifies the Seller of each action or inaction by it or any of its Related Persons in reliance on this clause 20.8 within 2 Business Days of that action or inaction.

20.9 Woodside notification of approaches

- (a) During the Exclusivity Period, Woodside must notify the Seller in writing (within 2 Business Days) if it, or any of its Related Persons, becomes aware of any:
- (1) negotiations or discussions, approach or attempt to initiate any negotiations or discussions, or intention to make such an approach or attempt to initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Woodside Competing Proposal;
 - (2) proposal made to Woodside or any of its Related Persons, in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Woodside Competing Proposal; or
 - (3) provision by Woodside or any of its Related Persons of any non-public information concerning the business or operations of the Woodside Group to any Third Party (other than a Governmental Agency) in connection with an actual or potential Woodside Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise. For the avoidance of doubt, any of the acts described in clauses 20.9(a)(1) to 20.9(a)(3) may only be taken by Woodside if not otherwise proscribed by this agreement.

- (b) A notification given under clause 20.9(a) must include the identity of the relevant person making or proposing, and material terms and conditions of, the actual, proposed or potential Woodside Competing Proposal.

20.10 Woodside compliance with law

- (a) Woodside:
- (1) agrees that it will not request or propose a waiver of any provision of this clause 20;
 - (2) must not make, nor cause or permit to be made, any application to the Australian Takeovers Panel or a court for or in relation to a declaration or determination regarding any provision of this clause 20; and
 - (3) agrees that if a Third Party makes an application to the Australian Takeovers Panel or a court for or in relation to a declaration or determination regarding any provision of this clause 20, then it will make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable that no such declaration or determination should be made.
- (b) If it is finally determined by a court, or the Australian Takeovers Panel, that the agreement by the Parties under this clause 20 or any part of it:
- (1) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the Woodside Board;
 - (2) constituted, or constitutes, or would constitute, 'unacceptable circumstances' within the meaning of the Corporations Act; or
 - (3) was, or is, or would be, unlawful or contravene the ASX Listing Rules for any other reason,
- then, to that extent (and only to that extent) Woodside will not be obliged to comply with that provision of clause 20.

21 Reimbursement Fee

21.1 Obligation to pay Reimbursement Fee

- (a) Subject to clause 21.1(b)(3), Woodside must pay to the Seller the Reimbursement Fee if:
- (1) the Seller terminates this agreement pursuant to clause 22.2(b), 22.2(c) or clause 22.2(g);
 - (2) the Seller terminates this agreement in accordance with clause 22.2(a) as a result of a failure to satisfy a Condition where that failure to satisfy a Condition resulted from a breach of the agreement by Woodside because of a deliberate act or omission by Woodside;
 - (3) half or more of the Woodside Board Members change, withdraw or qualify their recommendation that Woodside Shareholders vote in favour of the Transaction, unless:
 - (A) the Woodside Independent Expert concludes in the Woodside Independent Expert's Report (or any update of, or revision, amendment or supplement to, that report) that the Transaction is not in the best interests of Woodside Shareholders (except where that conclusion is due wholly or partly to the existence, announcement or publication of a Woodside Competing Proposal); or

- (B) Woodside is entitled to terminate this agreement and has given the appropriate termination notice to the Seller and Completion has not occurred; or
- (4) a Woodside Competing Proposal is announced in the period between the date of this agreement and the earlier of termination of this agreement or the Cut Off Date and within 12 months of the date of such announcement, the Third Party proponent of the Woodside Competing Proposal or its Associate:
 - (A) completes a Woodside Competing Proposal, or enters into an agreement, arrangement or understanding with Woodside, with another Woodside Group Member or the Woodside Board, in each case of the kind described in any of paragraphs 2, 3 or 4 of the definition of Woodside Competing Proposal; or
 - (B) enters into an agreement, arrangement or understanding with Woodside, with another Woodside Group Member or the Woodside Board, of the kind described in paragraphs 1 or 5 of the definition of Woodside Competing Proposal.
- (b) Subject to clause 21.1(b)(3), the Seller must pay to Woodside the Reimbursement Fee if:
 - (1) Woodside terminates this agreement pursuant to clause 22.1(b), 22.1(c) or clause 22.1(g);
 - (2) Woodside terminates this agreement in accordance with clause 22.1(a) as a result of a failure to satisfy a Condition where that failure to satisfy a Condition resulted from a breach of the agreement by the Seller because of a deliberate act or omission by the Seller;
 - (3) the Seller terminates this agreement pursuant to clause 22.2(e);
 - (4) the Seller or any of its Related Bodies Corporate are approached in respect of any Target Competing Proposal during the Exclusivity Period and during or within 12 months of expiry of the Exclusivity Period the Third Party proponent of the Target Competing Proposal or its Associate completes a Target Competing Proposal, or enters into an agreement, arrangement or understanding with the Seller, a Target Group Member, another Seller Group Member or the BHP Board to implement a Target Competing Proposal; or
 - (5) during the Exclusivity Period, the Seller announces an intention to effect, or completes, a demerger of the Target or any one or more of its Related Bodies Corporate (including a newly incorporated holding company), by whatever means, instead of pursuing the Transaction.
- (c) The Parties agree that no Reimbursement Fee is payable under this clause 21 if Completion occurs, notwithstanding the occurrence of any event in this clause 21 and, if the Reimbursement Fee has already been paid and Completion occurs, then it must be promptly refunded by the payee to the payor.

21.2 Payment of Reimbursement Fee

- (a) A Party that is entitled to the Reimbursement Fee in accordance with clause 21.1, may make a demand in writing (after the occurrence of the event giving rise to the right to payment) to the other Party (**Receiving Party**) for the payment of the Reimbursement Fee. The demand must include details of the circumstances which have given rise to the demand and nominate an account into which the other Party is to pay the Reimbursement Fee.
- (b) Upon receiving a demand in writing for the Reimbursement Fee, the Receiving Party must pay or refund the Reimbursement Fee into the account nominated, without set-off or withholding, within 5

Business Days after receiving a demand for payment where the Party is entitled under clause 21.1 to the Reimbursement Fee.

21.3 Other claims

Notwithstanding any other clause in this agreement, and without limiting the allocation of the Agreed Costs (as that term is defined in the ITSA) pursuant to the ITSA:

- (a) other than a Party's liability to pay the Reimbursement Fee to the other Party in the circumstances referred to in clause 21.1, neither Party has any liability to the other Party for any claim, cost, liability or remedy under or in connection with this agreement in circumstances where Completion does not occur (whether due to termination of the agreement or otherwise), with the effect that the payment of the Reimbursement Fee is the sole and exclusive remedy of each Party if Completion does not occur; and
- (b) if an amount is paid to a Party under clause 21.2 that amount is received by the Party in complete settlement of any and all claims in connection with Completion not occurring under this agreement.

21.4 Acknowledgment

- (a) Each of the Seller and Woodside acknowledge that, if they enter into this agreement and the Transaction does not Complete, each Party will incur significant costs.
- (b) In these circumstances, each of the BHP Board and Woodside Board believes, having taken advice from their respective external legal advisers and financial advisers, that pursuing the Transaction will provide benefits to the Seller and Woodside, and their shareholders respectively, and that it is reasonable and appropriate for the Seller and Woodside to agree to the payments referred to in clause 21.1 in order to secure the other Party's participation in the Transaction.
- (c) The Reimbursement Fee has been calculated to reimburse each Party for costs including the following:
 - (1) fees for legal, financial and other professional advice in planning and pursuing the Transaction;
 - (2) reasonable opportunity costs incurred in engaging in the Transaction or in not engaging in other alternatives;
 - (3) costs of management and directors' time in planning and implementing the Transaction; and
 - (4) out of pocket expenses incurred by each party and its employees, advisers and agents in planning and pursuing the Transaction, and the Parties agree that:
 - (5) the costs actually incurred by each Party will be of such a nature that they cannot all be accurately ascertained; and
 - (6) the Reimbursement Fee is a genuine and reasonable pre-estimate of those costs,and each Party represents and warrants that it has received written legal advice from its legal advisers in relation to the operation of this clause 21.

21.5 Reimbursement Fee payable once only

- (a) Where the Reimbursement Fee becomes payable to the Seller under clause 21.1(a) and is actually paid to the Seller, the Seller cannot make any claim against Woodside for payment of any subsequent Reimbursement Fee.
- (b) Where the Reimbursement Fee becomes payable to Woodside under clause 21.1(b) and is actually paid to Woodside, Woodside cannot make any claim against the Seller for payment of any subsequent Reimbursement Fee.

22 Termination

22.1 Termination by Woodside

Woodside may terminate this agreement at any time before Completion by notice in writing to the Seller:

- (a) where Woodside validly terminates the agreement in the circumstances set out in, and in accordance with, clause 2.6(b);
- (b) if the Seller has materially breached its obligations under this agreement (other than in respect of the Warranties) and subject to the next sentence, has failed to remedy that breach to Woodside's satisfaction (acting reasonably) within 10 Business Days of being notified in writing by Woodside. A breach of a material obligation in clause 20 will be deemed a material breach without a remedy period or ability to cure the breach by the Seller;
- (c) if a breach of one or more Warranties has occurred, or will occur at Completion, which Woodside has notified the Seller of in writing, and the Seller has not rectified the breach within 10 Business Days of receiving such notice from Woodside, and the loss reasonably expected to follow from such a breach or such breaches would exceed US\$500,000,000;
- (d) if half or more of the BHP Board Members make a public statement indicating that they no longer support the Transaction or recommend, support or endorse any Target Competing Proposal, but excluding a statement that no action should be taken by BHP Shareholders pending assessment of a Target Competing Proposal;
- (e) only as expressly permitted under this agreement, if a majority of the members of the Woodside Board fail to recommend or change, withdraw or qualify (except for customary qualifications) their recommendation that Woodside Shareholders vote in favour of the Transaction, or the Woodside Board recommends any Woodside Superior Proposal;
- (f) if a Target Material Adverse Change occurs;
- (g) if a Target Prescribed Occurrence occurs;
- (h) if an Insolvency Event occurs in relation to the Seller; or
- (i) if there is a reduction of 15% or more in the Target Group's proven and probable reserves from 1010.7 million barrels of oil equivalent (excluding any changes to the reserves caused by actual production after 30 June 2021, any divestments or acquisitions of interests permitted under this agreement, any changes to reporting requirements, methodologies or standards (but, for the avoidance of doubt, this would not apply to any changes to the extent they reasonably would have occurred if the previous requirements, methodologies or standards had been applied), and any conversion of contingent resources to proven and probable reserves as a result of the sanction of projects anticipated in the Anticipated Project Expenditure and Timing).

22.2 Termination by the Seller

The Seller may terminate this agreement at any time before Completion by notice in writing to Woodside:

- (a) where the Seller validly terminates the agreement in the circumstances set out in, and accordance with, clause 2.6(b);
- (b) if Woodside has materially breached its obligations under this agreement (other than in respect of the Woodside Warranties) and subject to the next sentence, has failed to remedy that breach to Seller's satisfaction (acting reasonably) within 10 Business Days of being notified in writing by the Seller. A breach of a material obligation in clause 20 will be deemed a material breach without a remedy period or ability to cure the breach by Woodside;
- (c) if a breach of one or more Woodside Warranties has occurred, or will occur at Completion, which the Seller has notified Woodside of in writing, and Woodside has not rectified the breach within 10 Business Days of receiving such notice from the Seller, and the loss reasonably expected to follow from such a breach or such breaches would exceed US\$500,000,000;
- (d) if half or more of the Woodside Board Members either:
 - (1) change, withdraw or qualify their support or recommendation that Woodside Shareholders vote in favour of the Transaction; or
 - (2) makes a public statement indicating that they no longer support or intend to recommend the Transaction or recommends, supports or endorses any Woodside Competing Proposal, but excluding a statement that no action should be taken by Woodside Shareholders pending assessment of a Woodside Competing Proposal;
- (e) the Seller or a majority of the BHP Board has announced an intention, or the Seller or any one or more Seller Group Member has entered into an agreement, to pursue or support a Target Superior Proposal in circumstances where either:
 - (1) Woodside has not made a Woodside Counterproposal within the 10 Business Day period set out in clause 20.5(a)(5); or
 - (2) the BHP Board has determined, acting reasonably and in good faith, that the Woodside Counterproposal would not provide an equivalent or superior outcome for BHP Shareholders as a whole compared with the Target Superior Proposal, taking into account all of the terms and conditions of the Woodside Counterproposal;
- (f) if a Woodside Material Adverse Change occurs;
- (g) if a Woodside Prescribed Occurrence occurs;
- (h) if an Insolvency Event occurs in relation to Woodside;
- (i) if the Woodside Group's credit rating has been, or is reasonably likely to be, downgraded to BB+ or Ba1 or lower;
- (j) if any Moody's Investors Service Rating Assessment Service procured in accordance with clause 4.3(q)(1) or 4.3(q)(2) indicates a likely credit rating for Woodside after Completion of Ba1 or lower;
- (k) if any the S&P Global Ratings' Rating Evaluation Service provided in accordance with clause with clause 4.3(q)(1) or 4.3(q)(2) indicates a likely credit rating for Woodside after Completion of BB+ or lower; or

- (l) if there is a reduction of 158.33 million barrels of oil equivalent or more from the Woodside Group' s proven and probable reserves of 1055.5 million barrels of oil equivalent (excluding any changes to the reserves caused by actual production after 31 December 2020, any divestments or acquisitions of interests permitted under this agreement, any changes to reporting requirements, methodologies or standards (but, for the avoidance of doubt, this would not apply to any changes to the extent they reasonably would have occurred if the previous requirements, methodologies or standards had been applied), and any conversion of contingent resources to proven and probable reserves as a result of the sanction of projects anticipated in the Anticipated Project Expenditure and Timing).

22.3 Termination notice

Where a Party has a right to terminate this agreement, that right for all purposes will be validly exercised if the Party delivers a notice in writing to the other Party stating that it terminates this agreement and the provision under which it is terminating the agreement.

22.4 Effect of termination

If this agreement is terminated under this clause 22, clause 2.6(b), clause 7.4(b) or clause 26.6(b), then:

- (a) the Parties will procure that each Transaction Agreement (if permitted by the terms of that contract) that has already been executed is terminated in accordance with its terms;
- (b) each Party is released from its obligations to further perform its obligations under this agreement and the Transaction Agreements, except those expressed to survive termination;
- (c) each Party retains the rights it has against the other in respect of any breach of this agreement occurring before termination;
- (d) the Parties must return to the other all documents and other materials obtained from the other Party in accordance with the terms of the Confidentiality Deed; and
- (e) the rights and obligations of each Party under each of the following clauses and schedules will continue independently from the other obligations of the Parties and survive termination of this agreement:
 - (1) clause 1 (Definitions and Interpretation);
 - (2) clause 22 (Termination);
 - (3) clause 21 (Reimbursement Fee);
 - (4) clause 18 (Public announcements);
 - (5) clause 19 (Confidentiality);
 - (6) clause 23 (Duties, costs and expenses);
 - (7) clause 24 (GST); and
 - (8) clause 26 (General).

22.5 No other right to terminate or rescind

No Party may terminate or rescind this agreement (including on the grounds of any breach of Warranty or Woodside Warranty that occurs or becomes apparent before Completion) except as permitted under this clause 22, clause 2.6(b), clause 7.4(b) or clause 26.6(b).

23 Duties, costs and expenses

23.1 Duties

- (a) Subject to clause 23.1(b), Woodside must pay all Duty in respect of the execution, delivery and performance of this agreement, each Transaction Agreement and any agreement or document entered into or signed under this agreement and any such agreement and any transaction contemplated by any such agreement or document.
- (b) Woodside is not responsible for any Duty arising on:
 - (1) the issue of the Share Consideration to, or at the direction of, the Seller;
 - (2) the Distribution,
 - (3) Unification (including as a consequence of Unification); or
 - (4) the Restructure.
- (c) Woodside will be liable, and will reimburse the Seller or any Other Seller Entity, for any Duty payable in connection with the actions required to be taken to satisfy the Seller's obligations under clause 5.10(a)(1) or Attachment 1 of the Detailed Matters Letter (or any agreement entered into pursuant to Attachment 1 of the Detailed Matters Letter).

23.2 Costs and expenses

- (a) The Parties agree that costs (other than Duty, which is allocated under clause 23.1) incurred in connection with the Transaction will be allocated between the Parties in accordance with Schedule 7.
- (b) Subject to clause 23.2(a), Schedule 4 (Employee arrangements) and Schedule 7:
 - (1) unless otherwise provided for in this agreement, each Party must pay its own costs and expenses in respect of the negotiation, preparation, execution, delivery and registration of this agreement and any other agreement or document entered into or signed under this agreement (including each Transaction Agreement); and
 - (2) any action to be taken by any Party in performing its obligations under this agreement must be taken at its own cost and expense unless otherwise provided in this agreement,

and for the avoidance of doubt, where a cost or expense is to be borne by the Seller under this clause 23 that cost or expense shall not be borne by the Target Group.

24 GST

24.1 Definitions

In this clause:

- (a) words that have a defined meaning in the GST Law have the same meaning as in the GST Law unless the context indicates otherwise;
- (b) a reference to GST payable by or input tax credit of a party includes the corresponding GST payable by or input tax credit of the representative member of the GST group of which that party is a member; and

- (c) the term 'Excess GST' has the meaning given to that term in section 142-10 of the GST Act.

24.2 GST

- (a) Unless expressly included, the consideration for any supply under or in connection with this agreement does not include GST.
- (b) To the extent that any supply made under or in connection with this agreement is a taxable supply (other than any supply made under another agreement that contains a specific provision dealing with GST), the recipient must pay, in addition to the consideration provided under this agreement for that supply (unless it expressly includes GST) an amount (additional amount) equal to the amount of that consideration (or its GST exclusive market value) multiplied by the rate at which GST is imposed in respect of the supply. The recipient must pay the additional amount at the same time as the consideration to which it is referable.
- (c) Whenever an adjustment event occurs in relation to any taxable supply to which clause 24.2(b) applies:
 - (1) the supplier must determine the amount of the net GST in relation to the supply (taking into account any adjustment and excluding any Excess GST); and
 - (2) if the net GST differs from the amount previously paid, the supplier must issue an adjustment note and the amount of the difference must be paid by, refunded to or credited to the recipient, as applicable.

24.3 Tax invoices

The supplier must issue a Tax Invoice to the recipient of a supply to which clause 24.2 applies as a pre-condition to payment of any GST applicable to that supply under that clause.

24.4 Reimbursements

If either Party is entitled under this agreement to be reimbursed or indemnified by the other Party for a loss, cost, expense or outgoing incurred in connection with this agreement, the reimbursement or indemnity payment must first be reduced by an amount equal to any input tax credit to which the Party being reimbursed or indemnified is entitled in relation to that loss, cost, expense or outgoing and then, if the amount of the payment is consideration or part consideration for a taxable supply, it must be increased on account of GST in accordance with clause 24.

24.5 Supplies between former members of the GST Group

If:

- (a) before Completion a Target Group Member is a member of the Seller' s GST Group;
- (b) the Target Group Member has made a supply to, or has been the recipient of a supply made by, another member of the Seller' s GST Group;
- (c) due to Completion the Target Group Member ceases to be eligible to be a member of the Seller' s GST Group;

- (d) because the supply would have been to another member of the Seller' s GST Group, the supply would not have been treated as a taxable supply if it had been made while the Target Group Member was a member of the Seller' s GST Group;
- (e) the supply is pursuant to an agreement made before Completion;
- (f) that agreement does not contain a provision requiring the recipient to pay to the supplier any amount in respect of GST in addition to the consideration otherwise payable for the supply; and
- (g) the consideration negotiated by the Parties for the supply was not calculated to include GST, then

after Completion, the Seller (if the recipient of a taxable supply is not the Target Group Member) or Woodside (if the recipient of a taxable supply is the Target Group Member) must ensure that the recipient of a taxable supply indemnifies the supplier of a taxable supply for any GST payable in respect of a supply and pays the amount of that GST in addition to the consideration for the supply.

25 Notices

25.1 Form of Notice

A notice or other communication to a Party under this agreement (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending Party; and
- (b) addressed to that Party in accordance with the details nominated in Schedule 1 (or any alternative details nominated to the sending Party by Notice).

25.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee' s time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice

- By hand to the nominated address
- By pre-paid post to the nominated address
- By email to the nominated email address

When Notice is regarded as given and received

- When delivered to the nominated address
- At 9.00am (addressee' s time) on the second Business Day after the date of posting
- When the email (including any attachment) has been sent to the addressee' s email address (unless the sender receives a delivery failure notification indicating that the email has not been addressed to the addressee).

25.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 25.2).

26 General

26.1 Governing law

This agreement is governed by the law in force in Victoria.

26.2 Dispute resolution

- (a) A Party to this agreement claiming that a dispute has arisen under or in connection with this agreement must give written notice to the other Party to this agreement specifying the nature of the dispute and requiring that the matter is escalated for good faith discussions between the Parties respective CEOs and/or Chairperson for resolution. The respective CEOs or Chairpersons of the Parties must meet to seek to resolve the dispute within 7 days of the notice. If the CEOs or Chairpersons cannot resolve the dispute within 7 days of the notice, then either Party may commence court proceedings relating to the dispute or take whatever steps necessary (if any) to protect its interest in any court proceedings which may already have commenced. Nothing in this clause 26.2(a) will limit the ability or right of a Party to seek urgent interlocutory relief.
- (b) Each Party irrevocably submits to the exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts of appeal from them in respect of any proceedings arising out of or in connection with this agreement. Each Party irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.

26.3 Invalidity and enforceability

- (a) If any provision of this agreement is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 26.3(a) does not apply where enforcement of the provision of this agreement in accordance with clause 26.3(a) would materially affect the nature or effect of the Parties' obligations under this agreement.

26.4 Waiver

- (a) No Party to this agreement may rely on the words or conduct of any other Party as a waiver of any right unless the waiver is in writing and signed by the Party granting the waiver.
- (b) In this clause 26.4:
 - (1) **conduct** includes delay in the exercise of a right;
 - (2) **right** means any right arising under or in connection with this agreement and includes the right to rely on this clause; and
 - (3) **waiver** includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.
- (c) A provision of, or a right, discretion or authority created under, this agreement may not be:
 - (1) waived except in writing signed by the Party granting the waiver; and



(2) varied except in writing signed by the Parties.

- (d) A failure or delay in exercise, or partial exercise, of a power, right, authority, discretion or remedy arising from a breach of, or default under this agreement does not result in a waiver of that right, power, authority, discretion or remedy.

26.5 Variation

A variation of any term of this agreement must be in writing and signed by the Parties.

26.6 Assignment

- (a) Other than to the extent expressly permitted by this agreement, rights arising out of or under this agreement are not assignable by a Party without the prior written consent of the other Parties.
- (b) A breach of clause 26.6(a) by a Party entitles the other Party to terminate this agreement.
- (c) Clause 26.6(b) does not affect the construction of any other part of this agreement.

26.7 Further action to be taken at each Party's own expense

Subject to clause 23, each Party must, at its own expense, do all things and execute all documents necessary to give full effect to this agreement and the transactions contemplated by it.

26.8 Relationship of the Parties

- (a) Nothing in this agreement gives a Party authority to bind any other Party in any way.
- (b) Nothing in this agreement imposes any fiduciary duties on a Party in relation to any other Party.

26.9 Exercise of rights

- (a) Unless expressly required by the terms of this agreement, a Party is not required to act reasonably in giving or withholding any consent or approval or exercising any other right, power, authority, discretion or remedy, under or in connection with this agreement.
- (b) A Party may (without any requirement to act reasonably) impose conditions on the grant by it of any consent or approval, or any waiver of any right, power, authority, discretion or remedy, under or in connection with this agreement. Any conditions must be complied with by the Party relying on the consent, approval or waiver.

26.10 Remedies cumulative

Except as provided in this agreement and permitted by law, the rights, powers and remedies provided in this agreement are cumulative with and not exclusive to the rights, powers or remedies provided by law independently of this agreement.

26.11 Counterparts

- (a) This agreement may be executed in any number of counterparts.



- (b) All counterparts, taken together, constitute one instrument.
- (c) A party may execute this agreement by signing any counterpart.

26.12 No merger

The Warranties, Woodside Warranties, undertakings and indemnities in this agreement will not merge on Completion.

26.13 Entire agreement

This agreement states all the express terms of the agreement between the Parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter (including the MCD, which the Parties agree shall be of no further force nor effect) other than the Confidentiality Deed.

26.14 No reliance

No party has relied on any statement by any other party not expressly included in this agreement.

26.15 Default Interest

- (a) If a party fails to pay any amount payable under this agreement on the due date for payment, that party must in addition to a continuing liability to pay the amount unpaid pay interest on the amount unpaid at the higher of the Interest Rate plus 3% per annum or the rate (if any) fixed or payable under any judgment or other thing into which the liability to pay the amount becomes merged.
- (b) The interest payable under clause 26.15(a):
 - (1) accrues from day to day from and including the due date for payment up to and including the actual date of payment, before and, as an additional and independent obligation, after any judgment or other thing into which the liability to pay the amount becomes merged; and
 - (2) may be capitalised by the person to whom it is payable at monthly intervals on the basis of a 360 day year.
- (c) The right to require payment of interest under this clause 26.15 is without prejudice to any other rights the non-defaulting party may have against the defaulting party at law or in equity.
- (d) A failure to pay any amount under this agreement is not remedied until both the amount unpaid and any interest payable under this clause 26.15 have been paid in full.

26.16 Benefits

- (a) The Seller holds the benefit of each indemnity, promise and obligation in this agreement expressed to be for the benefit of a director, officer or employee of a Seller Group Member, or for the benefit of a Seller Group Member or Seller Group Representative or Adviser that is not a party to this agreement, for the benefit of that director, officer, employee, Seller Group Member or Seller Group Representative or Adviser.

- (b) Woodside holds the benefit of each indemnity, promise and obligation in this agreement expressed to be for the benefit of a director, officer or employee of a Woodside Group Member, or for the benefit of a Woodside Group Member that is not a party to this agreement, for the benefit of that director, officer, employee or Woodside Group Member.
- (c) Except where an indemnity, promise or obligation is expressly stated to be for the benefit of a third party, no person (including an Employee) other than Woodside and the Seller, has or is intended to have any right, power or remedy or derives or is intended to derive any benefit under this agreement.

26.17 Foreign resident CGT withholding

- (a) The Seller warrants and declares on the date of entry into this agreement that the Seller is, and will be for a period of 6 months from the date of entry into this agreement, a resident of Australia for the purposes of the Tax Act.
- (b) If the Completion Date is more than six months after the date of this agreement, the Seller must sign and deliver to Woodside, at least 4 Business Days before the Completion Date, a further declaration or declarations that the Seller is a resident of Australia for the purposes of the Tax Act (in the Australian Taxation Office preferred form NAT 74879-06.2016) such that the declaration or declarations cover the period from the date that is six months after the date of this agreement up to and including the Completion Date.
- (c) Woodside hereby confirms that, on the basis of the declaration in clause 26.17(a), or to be given under clause 26.17(b), Woodside is not entitled to withhold any part of the Purchase Price under Section 14-200 of Schedule 1 to the *Taxation Administration Act 1953* (Cth).

26.18 No withholdings

- (a) Woodside and the Seller must make all payments that become due under this agreement, free and clear and without deduction of all present and future withholdings (including taxes, duties, levies, imposts, deductions and charges of Australia or any other jurisdiction).
- (b) Subject to clause 26.18(c), if Woodside or the Seller is compelled by law to deduct any withholding, then in addition to any payment due under this agreement, it must pay to the recipient such amount as is necessary to ensure that the net amount received by the recipient after withholding equals the amount the recipient would otherwise been entitled to if not for the withholding but after taking into account any a credit against, relief or remission for, or repayment of any, Tax that arises for the recipient as a result of the withholding.
- (c) Clause 26.18(b) does not apply in relation to:
 - (1) the amount required to be withheld is calculated by reference to the net income received or receivable by the recipient;
 - (2) the recipient could have lawfully avoided the deduction or withholding by providing or complying with, or procuring that any third party provide or comply with, any statutory notification requirement (such as quoting an Australian Business Number, Tax File Number or providing its name and address);
 - (3) any withholding, deduction or other amount which is imposed or payable by reason of the giving of a notice to the payor in relation to the recipient under section 255 of the Tax Act,

section 260-5 of Schedule 1 to the *Taxation Administration Act 1953 (Cth)* or similar legislation in relation to any other Tax or Duty that allows a Governmental Agency to direct a payer to withhold an amount in respect of an amount of Tax or Duty owing, or likely to become owing, by the payee; and

- (4) any withholding required under Section 14-200 of Schedule 1 to the *Taxation Administration Act 1953 (Cth)*.

26.19 Anti-corruption and trade controls compliance

- (a) In connection with this agreement and its contemplated activities, each Party represents and warrants that it has complied, and covenants that it will comply, with all Applicable Anti-Bribery and Corruption Laws and all Applicable Trade Controls Laws.
- (b) Each Party will promptly respond in reasonable detail to any request by another Party for information relating to the first-mentioned Party's compliance with clause 26.19(a) above.

Nothing in this agreement is intended to require any Party to take any action, or refrain from taking any action, where doing so would be prohibited or penalised under any Applicable Anti-Bribery and Corruption Laws or any Applicable Trade Controls Laws.

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Schedules

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Schedule 1

Notice details

| <u>Party</u> | <u>Address</u> | <u>Addressee</u> | <u>Email</u> |
|-----------------|--|-------------------|--|
| Seller | 125 St Georges Terrace, Perth, WA 6000 | Neil Croker | neil.croker@bhp.com |
| | Copy to: Herbert Smith Freehills Level 22, 80 Collins Street, Melbourne, VIC 3000 | Kam Jamshidi | kam.jamshidi@hsf.com |
| Woodside | 'Mia Yellagonga' , 11 Mount Street, Perth, WA 6000 | Rebecca McNicol | rebecca.mcNicol@woodside.com.au |
| | Copy to: | David Friedlander | david.friedlander@au.kwm.com |
| | King & Wood Mallesons Level 30, 250 St Georges Terrace, Perth, WA 6000 | Heath Lewis | heath.lewis@au.kwm.com |

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Warranties

1 Title and capacity

1.1 Title

At Completion:

- (a) the Seller is the legal and beneficial owner of the Sale Shares;
- (b) the Sale Shares comprise all of the issued capital of the Target; and
- (c) Woodside will acquire the full legal and beneficial ownership of the Sale Shares free and clear of all Encumbrances, subject to registration of Woodside in the register of shareholders.

1.2 No legal impediment

The execution, delivery and performance by the Seller of this agreement:

- (a) complies with its constitution; and
- (b) does not constitute a breach of any law, order, judgement or determination of a Governmental Agency that is binding on the Seller or its assets or cause or result in a default under any Encumbrance, by which it is bound and that would prevent it from entering into and performing its obligations under this agreement.

1.3 Corporate Authorisations

All necessary authorisations for the execution, delivery and performance by the Seller of this agreement in accordance with its terms have been obtained or will be obtained before Completion, other than the consents and approvals required under clause 2.1.

1.4 Power and capacity

The Seller has full power and capacity to enter into and perform its obligations under this agreement.

1.5 Validity of obligations

The Seller's obligations under this agreement are valid and binding and enforceable against the Seller in accordance with its terms.

1.6 Incorporation

The Seller is validly incorporated, organised and subsisting in accordance with the laws of its place of incorporation.

1.7 No trust

The Seller enters into and performs this agreement on its own account and not as trustee for or nominee of any other person.



2 Target Group Members

2.1 Group structure

At Completion:

- (a) the structure diagram for the Target Group Members set out in Attachment 5 of the Seller Disclosure Letter is accurate and complete and, except where indicated, shareholdings are 100%, and all shares in Target Group Members are held beneficially; and
- (b) no Target Group Member is the holder or beneficial owner of any shares or other capital in any body corporate (wherever incorporated) or any units in a unit trust except as described in Attachment 5 of the Seller Disclosure Letter.

2.2 Target Group Members

Each Target Group Member:

- (a) is duly incorporated under the laws of the place of its incorporation;
- (b) has the power to own its assets and carry on the Target Petroleum Business as it is being carried on at Completion;
- (c) is duly registered and authorised to do business in those jurisdictions which, by the nature of its business and assets, makes registration or authorisation necessary; and
- (d) has conducted the Target Petroleum Business in compliance with the constitution or other constituent documents of that Target Group Member.

2.3 No Encumbrances or other arrangements

For each Target Group Member:

- (a) at Completion, all of its shares are free and clear of all Encumbrances (other than Permitted Encumbrances) and the holders of such shares are entitled to exercise all rights, including voting rights and rights to receive a dividend, attached to the shares, except to the extent Fairly Disclosed in the Target Disclosure Materials;
- (b) at Completion, its shares can be sold and transferred free of any competing rights, including pre-emptive rights or rights of first refusal, except restrictions on transfer that may be imposed by the organizational documents or other governing documents of such Target Group Member, any Permitted Encumbrances or to the extent Fairly Disclosed in the Target Disclosure Materials;
- (c) its shares are fully paid and no money is owing in respect of them, except in respect of BHP Petroleum (North West Shelf Pty Ltd), Perdido Mexico Pipeline Holdings, S.A. de C.V. and Perdido Mexico Pipeline, S. de R.L. de C.V.;
- (d) it is not under an obligation to issue, and no person has the right to call for the issue or transfer of, any shares or other securities in it at any time; and
- (e) it has not issued securities with conversion rights to shares or securities in it and there are no agreements or arrangements under which options or convertible notes have been issued by it.

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2.4 No unpaid dividends

No dividend, bonus issue or other distribution has been declared by a Target Group Member that remains unpaid at Completion.

2.5 Joint ventures

So far as the Seller is aware, no Target Group Member is a party to, or has agreed to become a party to, a joint venture or partnership, which has not been Fairly Disclosed in the Target Disclosure Materials.

3 Accounts

For the purposes of clause 9.1:

- (a) Warranties 3.1 and 3.2 are given as at Completion only (and not at signing of the agreement); and
- (b) Provided that the Locked Box Accounts are delivered by the Seller in accordance with clause 3.6(h), warranty 3.3 is given as at signing of the agreement only (and not at Completion).

3.1 Basis of preparation

The Locked Box Accounts have been prepared:

- (a) in accordance with the Accounting Standards;
- (b) in accordance with applicable laws; and
- (c) in the manner described in the notes to them.

3.2 Fair presentation

The Locked Box Accounts fairly present, in all material respects, in conformity with IFRS and interpretations as issued by the International Accounting Standards Board (except as may be indicated in the notes thereto), the financial position of the combined Target Group (excluding the Restructure Entities) as at the Effective Time, and the results of its operations and its cash flows for the year ended on the Effective Time.

3.3 Unaudited Balance Sheet

The Unaudited Balance Sheet presents fairly in all material respects including for the purposes of determining the Locked Box Payment the financial position of the Target Group Members (excluding the Restructure Entities) as at the Effective Time and their performance for the financial period ended on the Effective Time.

3.4 Position since Effective Time

Since the Effective Time:

- (a) each Target Group Member has conducted its Target Petroleum Business in all material respects in the ordinary and usual course of the Target Petroleum Business, other than for the transactions contemplated by this agreement and the Transaction Agreements; and
- (b) so far as the Seller is aware, there has been no breach by the Seller of clause 5.4.

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4 Business Records

- (a) So far as the Seller is aware, the Business Records and the Relevant Records, other than the Unaudited Balance Sheet, Locked Box Accounts, management accounts or any accounting records, but including tax records:
 - (1) have or has been properly maintained; and
 - (2) do or does not contain or reflect any material inaccuracies or material discrepancies.
- (b) The Business Records and the Relevant Records (the latter subject to clause 15), other than the management accounts or any accounting records (other than accounting records to support statutory obligations), but including tax records, that are material to the operation of the Target Petroleum Business will be available to the Target Group.

5 Assets

5.1 Ownership

All Assets are legally and beneficially owned by the Target Group Member, free and clear of all Encumbrances (other than Permitted Encumbrances), or otherwise (in the case of the Assets which are not legally and beneficially owned by a Target Group Member as described in Attachment 3 of the Seller Disclosure Letter) one or more Target Group Members has a right to the Assets.

5.2 Petroleum Titles

- (a) So far as the Seller is aware, the Petroleum Titles comprise all petroleum titles in which a Target Group Member has an interest or which are used in the Target Petroleum Business.
- (b) So far as the Seller is aware, the details of the Petroleum Titles in Attachment 3 of the Seller Disclosure Letter are complete and accurate in all material respects.
- (c) So far as the Seller is aware:
 - (1) the Petroleum Titles are in full force and effect;
 - (2) the Target Group Member's interest in the Petroleum Titles are legally and beneficially owned by the Target Group Member free and clear of all Encumbrances (other than Permitted Encumbrances);
 - (3) the relevant Target Group Member holding each Petroleum Title has not received any written notice that:
 - (A) there has been a material breach of the terms and conditions of the relevant Petroleum Title;
 - (B) there are outstanding payments due in respect of rents, royalties, bonuses, Taxes, or other payments in respect of the Petroleum Titles under the Petroleum Legislation which governs each Petroleum Title or any product sharing or similar arrangements with a Governmental Agency, in each case in relation to the Governmental Agency granting a right for the exploration, appraisal, development or production of petroleum; or



- (C) any person intends or has the right to revoke or terminate any Petroleum Title or require the relinquishment of any area covered by a Petroleum Title that has not been rectified or otherwise resolved.

5.3 Material contracts

- (a) So far as the Seller is aware:
 - (1) all cash calls due and payable by a Target Group Member under a Joint Operating Agreement have been or will be paid;
 - (2) no Target Group Member has given notice of any withdrawal or intention to withdraw, and has not received written notice from any party to a Joint Operating Agreement of that party's withdrawal or intention to withdraw, from a Joint Operating Agreement, in each case that has not been completed or subsequently withdrawn;
 - (3) no Target Group Member has given a sole risk or non-consent notice, and has not received any written sole risk or non-consent notice, pursuant to a Joint Operating Agreement, in each case that has not been completed or subsequently withdrawn, and there are no material sole risk penalties owed to or by any Target Group Member;
 - (4) no Target Group Member has received written notice that it is in default or material breach, or would be in default or material breach but for the requirements of notice or lapse of time, under a Joint Operating Agreement or Other Material Contract and, as at the date of this agreement, no other party to a Joint Operating Agreement or Other Material Contract is in default or material breach, or would be in default or material breach but for the requirements of notice or lapse of time;
 - (5) no Operator has given written notice of resignation and no written notice of removal has been received by the Operator under the relevant Joint Operating Agreement, that in each case has not been completed or subsequently withdrawn;
 - (6) as at the date of this agreement, no Target Group Member has received, or given, any written notice of termination of any Joint Operating Agreement or Other Material Contract; and
 - (7) there are no material contracts, consents and authorisations of the Target Group which contain change of control provisions, unilateral termination rights, notification rights, pre-emptive rights or tag along rights which are required by, triggered by or exercised in response to, implementation of Unification (and have not been de-activated or satisfied as at Completion).
- (b) As at Completion, there are no related party agreements between the Target Group Members on the one hand and the Other Seller Entities on the other hand, other than as Fairly Disclosed in the Target Disclosure Materials or the Transaction Agreements.

5.4 Projects

Other than as disclosed in Attachment 3 of the Seller Disclosure Letter, the interest of the Target Group Members in the Projects are held free from any farm-in, royalties, production payments, net profit interests, easements, restrictive covenants, caveats and/or other security interests other than to the extent Fairly Disclosed in the Target Disclosure Materials or obligations in respect of:

- (a) the terms and conditions of the relevant Petroleum Titles and dealings registered against such Petroleum Titles;

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- (b) present or future obligations arising under legislation, regulations or by-laws, orders of Governmental Agencies or the terms of Authorisations;
- (c) the joint venture agreement or similar relating to that Project; and
- (d) undetermined or inchoate liens incurred or created in favour of suppliers and contractors to the Project in the ordinary course of business.

5.5 Environmental

So far as the Seller is aware, in relation to Assets in respect of which a Target Group Member is or has been the Operator, no notice in writing has been received about any breach by any Target Group Member of Environmental Laws in relation to those Assets, which has not been rectified or otherwise resolved.

6 Intellectual property

- (a) So far as the Seller is aware, a Target Group Member is the sole legal and beneficial owner of all right, title and interest in and to the Business Intellectual Property free and clear of any Encumbrances or has valid licence to use, the Business Intellectual Property.
- (b) Neither the Seller, nor any Seller Group Member, has received notice from a Third Party that the Business Intellectual Property infringes any rights of the Third Party.
- (c) The Business Intellectual Property comprise all of the material Intellectual Property Rights required to operate, and are sufficient for the operation of, the Target Petroleum Business on Completion in substantially the same manner as conducted in the last 12 months prior to the Effective Time.
- (d) For the purposes of this warranty 6, "Business Intellectual Property" means all Intellectual Property Rights owned by or licensed to a Target Group Member (including Intellectual Property Rights licensed or contemplated to be licensed to a Target Group Member under clause 14.5 or under the ITSA).

7 Properties

7.1 Property

So far as the Seller is aware, no Target Group Member has received a written notice that it must not, or does not have the right to, access real property in a manner that any Target Group Member (or its personnel) has accessed the real property in the 12 months prior to Completion, other than in relation to suspension of access that is scheduled or due to an emergency, maintenance or similar circumstances.

7.2 Freehold Properties

Each Target Group Member specified in Attachment 4 of the Seller Disclosure Letter as the registered proprietor of a Freehold Property:

- (a) is the sole legal and beneficial owner of that Freehold Property and has good and marketable title to that Freehold Property;
- (b) holds the interest in the Freehold Property free of all Encumbrances except for any Permitted Encumbrances.



7.3 Leasehold Properties

- (a) The Target Group Members have the exclusive occupation and quiet enjoyment of the Leasehold Properties (excluding any Property which the Seller occupies under a licence).
- (b) So far as the Seller is aware, no Target Group Member has received any written notice to vacate or notice to quit from any Third Party pursuant to the property leases for the Leasehold Properties.
- (c) So far as the Seller is aware, no Target Group Member is in breach of, or default under, any of the property leases for the Leasehold Properties.

7.4 No adverse Property notices

So far as the Seller is aware, neither the Seller nor any Target Group Member has received a notice (statutory or otherwise) from any person in respect of any Property:

- (a) in respect of the compulsory acquisition or resumption of all or any part of any Property;
- (b) requiring work to be done or expenditure to be made on or in respect of any Property;
- (c) in respect of any contemplated, pending or threatened condemnation; or
- (d) in respect of any contemplated, pending or threatened change to the planning, zoning or other ordinances,

which may materially adversely affect the use of all or any part of any Property by the Target Group.

8 Information technology

- (a) The information technology and telecommunications assets, systems, networks, communications links, hardware (including peripherals and storage media), databases, software and all related documentation used by a Target Group Member in the conduct of the Target Petroleum Business as at the date of this agreement (**Systems**) comprise all the information technology and telecommunications systems, hardware and software necessary for the conduct of the Target Petroleum Business after Completion as conducted in the last 12 months prior to Completion.
- (b) The Systems used by a Target Group Member:
 - (1) other than in respect of those IT Assets to be transferred to the Seller or an Other Seller Entity described in clause 5.1(d)(1), are owned by a Target Group Member or are licensed, leased or supplied under an enforceable written agreement with a Target Group Member;
 - (2) other than in respect of those IT Assets to be transferred to the Seller or an Other Seller Entity described in clause 5.1(d)(1), the Systems perform their intended function and, in combination with the activities, licences and services to be provided under the ITSA, will operate at Completion in accordance with the level of operations for those Systems which is consistent with the level of operations reasonably expected (as evidenced by the BHP documented expected performance of those Systems) for the Seller and Other Seller Entities during the 6 months prior to the Effective Time;
 - (3) there are procedures and facilities in place in respect of internal and external security of the Systems that are in accordance with documented and approved BHP standards;



- (4) the Target Group Members have in place (or a third party provides) disaster recovery plans or process for the Systems which are consistent with documented and approved BHP standards; and
- (5) all royalties and other payments due under the licences for software comprised in the Systems have been paid and the Seller and Target Group Members are not in breach of any obligations owed under such licences.

9 Litigation and Authorisations

9.1 Litigation

So far as the Seller is aware, no Target Group Member has received any written notice of any investigation, regulatory action, claim or litigation.

9.2 Authorisations

So far as the Seller is aware, the Target Group Members and/or the relevant Operator hold all necessary Authorisations material to carrying on the Target Petroleum Business as it is being carried on at the date of this agreement (**Material Authorisations**).

9.3 Compliance with Authorisations and laws

So far as the Seller is aware:

- (a) all Material Authorisations held by the Target Group are valid and subsisting and have been complied with in all material respects by the relevant Target Group Member;
- (b) no Target Group Member is in receipt of any notice in writing communicating material non-compliance with any applicable laws or Material Authorisations which has not been fully rectified or otherwise resolved; and
- (c) no Material Authorisation is likely to be suspended, cancelled, materially altered or revoked, including as a result of the transactions contemplated by this agreement.

10 Anti-bribery and corruption, sanctions and export controls

10.1 Unlawful payments

- (a) No Target Group Member and no Employee, officer, agent or other person or entity that provides services for is authorised to act for or on behalf of a Target Group Member has, in connection with this agreement or the ownership or operation of the Target Group's business:
 - (1) induced a person to enter into an agreement or arrangement with a Target Group Member in connection with the Target Petroleum Business by means of an unlawful payment, contribution, gift or other inducement;
 - (2) offered, promised, made or authorised the provision of an unlawful payment, contribution, gift or anything of value to a Government Official or any other person to influence official action or secure an improper advantage (including to obtain or retain business or a financial or business advantage (including a future business advantage)), or to encourage the recipient to breach, or reward the recipient for having breached, a duty of good faith or loyalty or the policies of his/her employer; or
 - (3) is otherwise in violation of any Applicable Anti-Bribery and Corruption Laws.



- (b) The Target Group Members have maintained reasonable internal controls over all transactions in connection with the Target Petroleum Business, and have maintained reasonably accurate books and records for each transaction, in compliance with applicable laws including Applicable Anti-Bribery and Corruption Laws.

10.2 Notices and investigations in relation to compliance with Applicable Anti-Bribery and Corruption Laws

- (a) So far as the Seller is aware, no Target Group Member has received any notice, subpoena, demand or other communication (whether oral or written) from a Governmental Agency within the 12 months prior to the date of this agreement alleging that the Target Group Member has:
 - (1) been investigated (or is being investigated) in connection with any Applicable Anti-Bribery and Corruption Laws; or
 - (2) been suspected in any jurisdiction of having engaged in any conduct with respect to matters which would constitute an actual, alleged, possible or potential breach of, or failure to comply with any Applicable Anti-Bribery and Corruption Laws.
- (b) So far as the Seller is aware, no proceeding by or before any Governmental Agency involving any Target Group Member with respect to Applicable Anti-Bribery and Corruption Laws is pending, or to the knowledge of the Seller is threatened and there are no current or pending internal investigations involving any Target Group Member relating to potential non-compliance with Applicable Anti-Bribery and Corruption Laws.

10.3 Compliance program

The Target Group Members have in place a compliance program, which includes policies and procedures in relation to business ethics and conduct (including the reporting, investigating and acting upon of suspected violations of Applicable Anti-Bribery and Corruption Laws) reasonably designed to prevent their directors, officers, employees, contractors, sub-contractors, service providers, agents and intermediaries from undertaking any activity, practice or conduct relating to the business of the Target Group and the Target Group Members that would or is likely to constitute an offence under Applicable Anti-Bribery and Corruption Laws.

10.4 Sanctions and controls

- (a) Neither the Seller nor any Target Group Member:
 - (1) is organised under the laws of, or located or ordinarily resident in, a Sanctioned Country or Territory;
 - (2) is part of nor owned or controlled by the government of a Sanctioned Country or Territory; or
 - (3) is a Sanctioned Party.
- (b) So far as the Seller is aware, neither the Seller nor any Target Group Member nor any Employee, officer, agent or other person or entity while providing services for or acting for or on behalf of a Target Group Member has taken any actions that would cause it to become a Sanctioned Party or otherwise to become sanctioned, restricted, designated or otherwise subject to penalty under Applicable Trade Controls Laws.



11 Divested, non-oil and gas operations and relinquished assets

11.1 Divested entities and assets

No Liability exists in respect of a Claim against any Target Group Member that has been made, and so far as the Seller aware, no circumstances are likely to give rise to a Claim, under any agreement in relation to a material divestment of entities or assets.

11.2 Non-oil and gas operations

No Target Group Member is subject to any Liability in respect of mining operations that are not oil and gas related.

11.3 Relinquished assets

So far as the Seller is aware, no circumstances exist that are likely to give rise to a Claim against the Target Group in respect of any oil & gas operations or petroleum titles that have been relinquished or ceased to be operated and is not reasonably capable of being recommenced.

12 Employees and superannuation funds

12.1 Details of Employees

The Target Disclosure Materials and the Target Group Employee List contain a complete and accurate list and full details as at the date of this agreement of:

- (a) the matters referred to in clause 3.1(a) of Schedule 4;
- (b) the material benefits and incentive arrangements (including bonuses, incentives and equity entitlements) generally applicable to Employees that are employed by the Target Group; and
- (c) all independent contractor agencies who provide employee services key to the operations of the Target Petroleum Business but who are not engaged by a Target Group Member, and in each case a copy of the independent contractor agency' s terms of engagement.

12.2 The Target Group' s workforce

As at the Completion Date:

- (a) each Transferring Employee and Singapore Transferring Employee listed in the Non-Target Group Employee List is required for the operation of the Target Petroleum Business in the manner it has been carried on in the 12 months prior to this agreement;
- (b) each Target Functions Employee listed in the Target Functions Employee List is required for the operation of the Target Petroleum Business in the manner it has been carried on in the 12 months prior to this agreement;
- (c) each Seller Employee listed in the Seller Group Employee List is not required for the operation of the Target Petroleum Business in the manner it has been carried on in the 12 months prior to this agreement;
- (d) the Employees represent the entirety of the individuals that the Seller considers reasonably necessary for the operation of the Target Petroleum Business in the manner it has been carried on in the 12 months prior to this agreement; and



- (e) other than the Transferring Employees and Singapore Transferring Employees, all individuals that the Seller considers reasonably necessary to carry on the Target Petroleum Business in the manner it has been carried on in the 12 month period prior to the date of this agreement are employed exclusively by a Target Group Member.

12.3 Standard form employment agreements

The Target Disclosure Materials contain true and complete copies of all standard form employment contracts (including standard form offer letters) currently used by the Target Group.

12.4 Industrial instruments

The Target Disclosure Materials Fairly Disclose all Industrial Instruments which cover or apply to the Employees in the Target Petroleum Business.

12.5 Enterprise bargaining

So far as the Seller is aware, no Seller Group Member or Target Group Member is currently engaged in bargaining for an Industrial Instrument that would cover or apply to any Employee, or has received any demand from any Employee (or applicable union) to negotiate an Industrial Instrument.

12.6 Compliance

- (a) So far as the Seller is aware, each Target Group Member (and Seller Group Member to the extent they employ an Employee) has in each relevant jurisdiction materially complied with all obligations under employment contracts, industrial, labour and employment-related laws (including all such laws and applicable orders and regulations with respect to minimum wage requirements and hours of work, anti-discrimination, anti-retaliation, anti-harassment, employee leave, recordkeeping, proper classification of employees and contractors, immigration, collective bargaining, arising from being a federal or state government contractor or subcontractor and work health and safety), industrial agreements and awards, and with all codes of conduct and practice relevant to conditions of service.
- (b) So far as the Seller is aware, all Employees and contractors of any Target Group Member, and all former employees and contractors of each Target Group Member, have been paid all wages, bonuses, and other compensation, and been provided all benefits, owed to them by any Target Group Member.
- (c) So far as the Seller is aware, each Target Group Member (and Seller Group Member to the extent they employ an Employee) has in each relevant jurisdiction materially complied with all obligations in respect of the accrual of Employees' leave entitlements in accordance with statutory requirements.

12.7 Benefits in connection with Transaction

- (a) Except for any retention or severance payment or as set out in Schedule 4, no Employee is, or may become, entitled to any bonus, compensation, payment, benefit or other award which is triggered by the execution of or completion of this agreement, and for which the Target Group or Seller Group may become liable.
- (b) Except for any retention or severance payment or as set out in Schedule 4, no Seller Employee is, or may become, entitled to any bonus, compensation, payment, benefit or other award which is triggered by the execution of or completion of this agreement (including as a consequence of any obligation in Schedule 4), and for which a Target Group Member may become liable.



12.8 No Employee disputes

- (a) So far as the Seller is aware, neither the Seller Group or any Target Group Member has received notice of or been involved in any dispute with any union or any Employee or any former employee or independent contractor at any time within the 18 months preceding this agreement in each case which remains outstanding or threatened.
- (b) So far as the Seller is aware, neither the Seller Group or any Target Group Member has been ordered to pay any material damages, compensation or award to any Employee or any former employee or independent contractor during the period of 18 months prior to the date of this agreement.
- (c) So far as the Seller is aware, the Target Disclosure Material contains full details of all disputes and claims that have been made by or in respect of an Employee, Employee or Seller Employee, or former employee or independent contractor against a Target Group Member or Seller Group Member during the period of 18 months prior to the date of this document.

12.9 Workplace health and safety

- (a) So far as the Seller is aware, the Target Disclosure Materials contain full details of all notices, compliance or improvement notices, prosecutions and fines received by a Target Group Member or Seller Group Member (to the extent they employ an Employee) in respect of any breach or alleged breach of workplace health and safety laws or standards within a period of 24 months prior to the date of this agreement.
- (b) So far as the Seller is aware, there is no current or, any threatened investigation notice, audit, charge, citation, compliance or improvement notice or prosecution of any Target Group Member or Seller Group Member under work health and safety laws and so far as the Seller is aware, there are no facts, matters or circumstances which may give rise to any such investigation, notice or proceedings.

12.10 Active or potential workers compensation claims

So far as the Seller is aware, there are no current or potential workers compensation claims relating to Employees other than those Fairly Disclosed in the Target Disclosure Materials or as set out in the Seller Disclosure Letter.

12.11 Immigration law

So far as the Seller is aware, each Employee holds any visa or other work permit required to lawfully work in the jurisdiction where that Employee is located. So far as the Seller is aware, each Target Group Member or Seller Group Member (to the extent they employ an Employee) has complied in all material respects with immigration laws applicable to the Employees.

12.12 Superannuation funds

- (a) So far as the Seller is aware, the Seller Group and the Target Group have provided at least the prescribed minimum level of superannuation support for each Employee so as not to incur a shortfall amount under the *Superannuation Guarantee (Administration) Act 1992* (Cth) and there are no outstanding or unpaid superannuation contributions (whether under an employment contract, an industrial agreement, an applicable law or otherwise) on the part of the Seller Group or the Target Group as at the Completion Date or in respect of any period until the Completion Date. Each Target Group Member and Seller Group Member has materially complied with the terms of all superannuation plans and applicable laws.



- (b) There is no defined benefit plan or multiemployer plans in the Target Group or Seller Group, other than as Fairly Disclosed in the Target Disclosure Materials and as at Completion there are no outstanding or unpaid contributions which are presently due and payable to or in respect of such defined benefit plan or multiemployer plans. As at the Completion Date, no Target Group Member has an obligation (whether under an employment contract, an industrial agreement, an applicable law or otherwise) to contribute any amount, or support in any way, a defined benefit plan in respect of any Employee, whether under the BHP Billiton Superannuation Fund (as part of Plum Super, within the MLC Super Fund) or any other superannuation fund, except as set out in Schedule 4.

12.13 US Employees and Benefits

As of the date of this agreement, Seller represents and warrants:

- (a) No US Employee is represented by a labour union or other representative of employees and no Target Group Member employing any US Employees is a party to, subject to, or bound by a collective bargaining agreement or any other contract with a labour union or representative of Employees.
- (b) There are no, and there have never been any, strikes, lockouts or work stoppages existing or, to Seller' s knowledge, threatened, with respect to any US Employees or other individuals who have provided services with respect to the Target Group Members' business in the United States in the 18 months prior to Completion.
- (c) There have been no union certification or representation petitions or demands with respect to any US Employees, and, to Seller' s knowledge, no union organising campaign or similar effort is pending or threatened with respect to any US Employee or the business conducted by any Target Group Member in the United States in the 18 months prior to Completion.
- (d) The Target Disclosure Materials contains a true, correct and complete list and full details of each Target Group US Plan.
- (e) None of the Target Group Members or any of the ERISA Affiliates of the Target Group Members contribute to, have any obligation to contribute to, or have at any time within six years prior to the Completion Date contributed to or had an obligation to contribute to a US Employee Benefit Plan that is:
 - (1) a multiemployer plan within the meaning of Section 3(37) of ERISA; or
 - (2) except for the US Pension Plan and the Seller Group pension plans described in the Target Disclosure Materials, a plan subject to Title IV of ERISA, Section 302 of ERISA or Section 412 of the Internal Revenue Code.
- (f) No Target Group US Plan is funded through a trust that is intended to be exempt from federal income taxation pursuant to Section 501(c)(9) of the Internal Revenue Code. So far as the Seller is aware, there does not now exist, nor do any circumstances exist that could result in any "controlled group liability" of any Seller Group Member or any ERISA Affiliate of any Seller Group Member (other than with respect to a Target Group US Plan) that would become a liability of Woodside, a Target Group Member or any of their respective affiliates following Completion. For the purposes of this clause, the term "controlled group liability" means any and all Liabilities:
 - (1) under Title IV of ERISA;
 - (2) under Sections 206(g), 302 or 303 of ERISA;

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- (3) under Sections 412, 430, 431, 436 or 4971 of the Internal Revenue Code;
- (4) as a result of the failure to comply with the continuation of coverage requirements of Section 601 et seq. of ERISA and Section 4980B of the Internal Revenue Code; and
- (5) under corresponding or similar provisions of any foreign laws.
- (g) So far as Seller is aware, each Target Group US Plan (and each related trust, insurance contract or fund) complies in form and in operation with the requirements of applicable laws, including ERISA and the Internal Revenue Code.
- (h) So far as Seller is aware, the Target Group Members and Seller Group Members have materially performed all obligations (whether arising by operation of applicable laws or by contract) required to be performed by them in connection with the Target Group US Plans, and so far as the Seller is aware, there have been no defaults or violations by any other party to the Target Group US Plans.
- (i) So far as Seller is aware, each Target Group US Plan has been administered and operated materially in compliance with its governing documents.
- (j) So far as Seller is aware, all reports and disclosures relating to the US Employee Benefit Plans required to be filed with or provided to Governmental Agencies, plan participants or beneficiaries have been filed or provided in accordance with applicable laws in a timely manner.
- (k) So far as Seller is aware, each Target Group US Plan that could be a “nonqualified deferred compensation” arrangement under Section 409A of the Internal Revenue Code complies with Section 409A of the Internal Revenue Code, and no service provider is entitled to a tax gross-up or similar payment for any tax or interest that may be due under Section 409A of the Internal Revenue Code.
- (l) So far as Seller is aware, there are no actions, suits or claims pending (other than routine claims for benefits) or, so far as the Seller is aware, threatened against, or with respect to, any of the US Employee Benefit Plans or their assets.
- (m) So far as Seller is aware, all contributions required to be made to the US Employee Benefit Plans pursuant to their terms and the provisions of ERISA, the Internal Revenue Code or any other applicable laws have been made in a timely manner.
- (n) So far as Seller is aware, no act, omission or transaction has occurred which would result in any Target Group Member, directly or indirectly, being subject to:
 - (1) breach of fiduciary duty liability damages under Section 409 of ERISA;
 - (2) a civil penalty assessed pursuant to Section 502 of ERISA; or
 - (3) a tax imposed pursuant to Chapter 43 of Subtitle D of the Internal Revenue Code.
- (o) There is no matter pending (other than routine qualification determination filings) with respect to any of the US Employee Benefit Plans before the U.S. Internal Revenue Service, the U.S. Department of Labour, the U.S. Pension Benefit Guaranty Corporation or other Governmental Agency.
- (p) Each US Employee Benefit Plan that is intended to be “qualified” within the meaning of Section 401(a) of the Internal Revenue Code has received, or has requested in a timely manner, a favourable determination letter or opinion letter from the U.S. Internal Revenue Service that can be relied upon with respect to such US Employee Benefit Plan’s qualified status under Section 401(a)

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of the Internal Revenue Code and the exempt status of any related trust under Section 501(a) of the Internal Revenue Code, and, so far as Seller is aware, no event has occurred and no condition exists that would reasonably be expected to result in the revocation of such qualified status or exempt status. Other than as described in the Target Disclosure Materials, there has been no termination or partial termination of any such US Employee Benefit Plan within the meaning of Section 411(d)(3) of the Internal Revenue Code.

- (q) With respect to the US Pension Plan and each Seller Group pension plan described in the Target Disclosure Materials:
- (1) no reportable event within the meaning of Section 4043(c) of ERISA (other than an event for which the 30-day notice period has been waived) has occurred;
 - (2) no Target Group Member, Seller Group Member or any ERISA Affiliate of a Target Group Member or Seller Group Member has failed to satisfy all applicable funding and contribution requirements under ERISA and the Internal Revenue Code, and no application for the waiver of a minimum funding standard has been filed;
 - (3) no Target Group Member or Seller Group Member any ERISA Affiliate of a Target Group Member or Seller Group Member has incurred any liability pursuant to Section 4063 or 4064 of ERISA and there has been no cessation of operations with respect to any such plan within the meaning of Section 4062(e) of ERISA;
 - (4) other than as disclosed in the Target Disclosure Materials, no notice of intent to terminate any such plan has been filed, and no amendment of any such plan has been or will be treated as a termination of such plan under Section 4041 of ERISA;
 - (5) the U.S. Pension Benefit Guaranty Corporation has not instituted proceedings to terminate any such plan;
 - (6) there are no grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any such plan;
 - (7) no such plan is in at-risk status (within the meaning of Section 430 of the Internal Revenue Code or Section 303 of ERISA);
 - (8) there has been no imposition or incurrence of any liability under Title IV of ERISA, other than for premiums due to the U.S. Pension Benefit Guaranty Corporation but not delinquent under Section 4007 of ERISA; and
 - (9) no lien has been imposed upon any Target Group Member, Seller Group Member or any ERISA Affiliate of a Target Group Member or Seller Group Member pursuant to Section 430(k) of the Internal Revenue Code or Section 303(k) of ERISA.
- (r) The present value of all accrued benefits under the US Pension Plan (based on those assumptions used to fund the US Pension Plan) did not, as of the last annual valuation date prior to the date on which this representation is made, exceed the value of the assets of the US Pension Plan allocable to such accrued benefits.
- (s) Except to the extent required pursuant to Section 4980B(f) of the Internal Revenue Code and the corresponding provisions of ERISA, no Target Group US Plan (other than the US Retiree Medical Plan) provides retiree medical, retiree life insurance or other post-employment welfare benefits to any person, and no Target Group Member is contractually or otherwise obliged (whether or not in writing) to, and no Target Group Member has ever represented that it will, provide any person with



life insurance or medical benefits upon retirement or termination of employment except pursuant to the US Retiree Medical Plan. The US Retiree Medical Plan may be unilaterally amended or terminated in its entirety without liability except as to benefits accrued and payable thereunder prior to such amendment or termination.

- (t) In connection with the Completion of the Transaction, no payments of money or property, acceleration of benefits, or provisions of other rights have or will be made under this agreement, under any agreement, plan or other program contemplated in this agreement, or under the US Employee Benefit Plans which, either alone or together with any other payments or benefits, would be reasonably likely to result in the imposition of the sanctions imposed under Sections 280G and 4999 of the Internal Revenue Code, whether or not some other subsequent action or event would be required to cause such payment, acceleration or provision to be triggered.
- (u) Except as Fairly Disclosed in the Seller Disclosure Letter, neither the execution nor the delivery of this agreement nor the Completion of the Transaction will, either alone or in conjunction with any other event (whether contingent or otherwise):
 - (1) except as described at clause 12.7 of Schedule 2, increase the amount or value of any benefit or compensation otherwise payable or required to be provided to any Employee;
 - (2) except as otherwise provided in Schedule 4, result in the acceleration of the time of payment, vesting or funding of any such benefit or compensation; or
 - (3) require any Target Group Member to make a larger contribution to, or pay greater compensation, payments or benefits under, any US Employee Benefit Plan than they otherwise would have, whether or not some other subsequent action or event would be required to cause such payment or provision to be triggered.

13 Solvency

13.1 No liquidation

Neither the Seller nor any Target Group Member has:

- (a) gone, or is proposed to go, into liquidation;
- (b) passed a winding-up resolution or commenced steps for winding-up or dissolution; or
- (c) received a deregistration notice under section 601AB of the Corporations Act or applied for deregistration under section 601AA of the Corporations Act (or any equivalent notice in its place of incorporation).

13.2 No winding-up process

No petition or other process for winding-up or dissolution has been presented or threatened in writing against the Seller or any Target Group Member and, so far as the Seller is aware, there are no circumstances justifying such a petition or other process.

13.3 No receiver or manager

No receiver, receiver and manager, judicial manager, liquidator, administrator or like official has been appointed over the whole or a substantial part of the undertaking or property of the Seller or a Target Group Member, and, so far as the Seller is aware, there are no circumstances justifying such an appointment.



13.4 Arrangements with creditors

Neither the Seller nor any Target Group Member has entered into, or taken steps or proposed to enter into, any arrangement, compromise or composition with or assignment for the benefit of its creditors or a class of them.

13.5 No writs

No writ of execution has issued against any Target Group Member or the property of that company and, so far as the Seller is aware, there are no circumstances justifying such a writ.

13.6 Solvency

Each Target Group Member is able to pay its debts as and when they fall due. No Target Group Member is taken under applicable laws to be unable to pay its debts or has stopped or suspended, or threatened to stop or suspend, payment of all or a class of its debts.

14 Insurance

14.1 Disclosure

The document in the Target Data Room with data room reference number 5.6.2 (as updated within the Seller Disclosure Letter) contains a list of all Current Insurance Policies.

14.2 Currency

- (a) Other than as set out in the Seller Disclosure Letter, each of the Current Insurance Policies is, as at the date of this agreement, in full force and effect and all applicable premiums have been paid.
- (b) So far as the Seller is aware, each Seller Group Member has complied in all material respects with its obligations under the Current Insurance Policies.
- (c) So far as the Seller is aware and except as set out in the Seller Disclosure Letter, there is no fact or circumstance which is known or could reasonably be expected to be known to the Seller or the Seller Group Members which might render any of the Insurance Policies void, voidable or unenforceable or otherwise limit, reduce or prejudice recovery under any Insurance Policy.
- (d) As at the date of this agreement, so far as the Seller is aware, no Seller Group Member has failed to disclose any information which has or may render any Insurance Policy void, cancellable or limit cover otherwise available.

14.3 No claims

- (a) Other than those claims set out in the Seller Disclosure Letter, so far as the Seller is aware, there are no outstanding claims made by a Target Group Member or any person on its behalf under any Insurance Policies.
- (b) So far as the Seller is aware, all material claims, and all events, occurrences, facts or circumstances which may result in a material claim that relates to a Target Group Member have been notified to the relevant insurer(s) in accordance with the rights and obligations of the relevant insured(s) under each Insurance Policy and applicable laws.



14.4 Insurance required by law

- (a) So far as the Seller is aware, each Target Group Member has in place as at the date of this agreement all insurances and reinsurances required by law to be effected by it as an insured in all jurisdictions in which the Target Group Members and/or the Target Petroleum Business operates, subject to deductibles.
- (b) Each Target Group Member has had in place for the period 7 years' prior to the date of this agreement all insurance and reinsurances required by law to be effected by it as an insured in all jurisdictions in which the Target Group Members and/or the Target Petroleum Business operates, subject to deductibles.

14.5 Workers compensation

- (a) So far as the Seller is aware, the Seller has not as at the date of this agreement or at any time prior breached or failed to comply with the terms of its Authorisations with respect to workers compensation self-insurance in any jurisdiction in which it self-insures.
- (b) So far as the Seller is aware, the Target Group Members will remain entitled to be indemnified with respect to workers compensation liabilities and common law employers liability claims from the relevant workers compensation insurer (including the Seller) for all claims arising from pre-Completion events, acts, omissions and other risks irrespective of when the claim is made notwithstanding that the Target Group Members will, post Completion, no longer be members of the Seller Group.

14.6 Adequacy

The Insurance Policies:

- (a) were underwritten in accordance with or were consistent with the Seller Group' s usual insurance arrangements;
- (b) save for any self-insurance arrangements, were agreed on an arm' s length basis (including any insurance provided via affiliates or captives); and
- (c) at the time they came into effect:
 - (1) were considered to be reasonable having regard to the risks associated with the operation of the Target Group and the Target Petroleum Business, and the risk appetite of the Seller Group; and
 - (2) complied with the governing law of the Insurance Policy and where different, with the law of the jurisdiction in which the Insurance Policy was placed.

15 Taxes and Duties

15.1 Tax paid

At Completion:

- (a) any Tax or Duty arising under any Tax Law due and payable in respect of any transaction, income or assets of a Target Group Member for all periods up to Completion has been paid by their due date(s); and



- (b) any Australian income tax payable by the Seller' s Head Company for all periods up to Completion has been paid.

15.2 Withholding tax

Any obligation on a Target Group Member under any Tax Law to withhold amounts at source has been complied with.

15.3 Records

Each Target Group Member has maintained proper and adequate records to enable it to comply in all material respects with its obligations to:

- (a) prepare and submit any information, notices, computations, returns and payments required in respect of any Tax Law;
- (b) prepare any accounts necessary for compliance with any Tax Law;
- (c) support any position taken by a Target Group Member; and
- (d) retain necessary records as required by any Tax Law.

15.4 Returns submitted

Each Target Group Member has submitted any necessary information, notices, computations and returns to the relevant Governmental Agency in respect of any Tax or any Duty relating to the Target Group Members by the due date prescribed under the relevant legislation and such submissions are not materially misleading.

15.5 No Tax disputes, proceedings or audits

Except as Fairly Disclosed in the Target Disclosure Materials, no Target Group Member:

- (a) has received any correspondence from any Governmental Agency that its business is the subject of any Tax audit (other than routine audits by a Governmental Agency);
- (b) is party to any action or proceeding for the assessment or collection of Tax; or
- (c) has any dispute with any Governmental Agency in respect of any Tax relating to that Target Group Member.

15.6 No tainting

The share capital account of each Target Group Member is not 'tainted' within the meaning of section 995-1 of the Tax Act.

15.7 Consolidation

- (a) Each Target Group Member will be taken to have been a member of the Seller' s Consolidated Group at all times on and from the first time that the Target Group Member was eligible to be a member.
- (b) No Target Group Member has at any time been a member of a Consolidated Group other than the Seller' s Consolidated Group.
- (c) Immediately prior to Completion, the Tax Sharing Agreement covers all Group Liabilities of the Seller' s Consolidated Group in the manner described in section 721-25 of the Tax Act.

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- (d) The Tax Sharing Agreement and Tax Funding Agreements are valid and subsisting and have been complied with in all material respects by the Target Group Members.
- (e) The payments made before Completion by each Target Group Member to the Seller's Head Company as contemplated by clause 17.3 represent the amount that is necessary to enable that Target Group Member to leave the Seller's Consolidated Group at Completion clear of any Group Liability in respect of which the Group Liability Date is after Completion in accordance with section 721-35 of the Tax Act.

15.8 Compliance

No far as the Seller is aware, each Target Group Member has complied in all material respects with its obligations under applicable Tax Laws (including in relation to GST).

15.9 Duty

- (a) All Duty on Target Group transactions has been paid and no Duty exemption or concession has been sought or self-assessed by the Target Group.
- (b) No Duty exemption or concession on Target Group transactions executed prior to Completion will be revoked or clawed back as a result of the Transaction.

15.10 GST

- (a) Each Target Group Member has properly accounted for and remitted GST to the Australian Tax Office or equivalent Governmental Agency.
- (b) No Target Group Member has entered into a contract that does not allow recovery by the Target Group of an amount of GST from third parties in addition to the GST-exclusive consideration that would otherwise be payable.

15.11 Unrealised Tax gains

Neither Target Group nor the Seller's Head Company has any unrealised Tax gains or similar historic tax attributes that will become realised or payable as a result of the Transaction.

15.12 U.S. taxes

- (a) **(U.S. Tax Classification):** The current U.S. federal income tax classification of each Target Group Member is set out in the Seller Disclosure Letter.
- (b) **(Tax Partnerships):** Except as set out in the Seller Disclosure Letter, no property of any Target Group Member is subject to any tax partnership agreement or is otherwise treated, or required to be treated, as held in an arrangement requiring a partnership income tax return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code.

16 Swaps etc

No Target Group Member has entered into any swap, option, hedge, forward, future contract or similar transaction (whether relating to oil, the price of oil, foreign exchange rates or any other commodity, interest or index), unless in the ordinary course of business in respect of the Target Petroleum Business or Fairly Disclosed in the Target Disclosure Materials.

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17 Target Disclosure Materials

- (a) The Target Disclosure Materials were compiled in good faith and so far as the Seller is aware, are not, when considered as a whole, misleading or deceptive in any material respect, including by omission.
- (b) So far as the Seller is aware, no information was intentionally omitted from the Target Disclosure Materials.

18 Anti-competitive Behaviour

The Seller is not engaged in any Anti-competitive Behaviour in relation to the potential or actual terms and conditions of this agreement, including the Purchase Price.

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Woodside Warranties

1 Title and capacity

At Completion, the Woodside Shares will be:

- (a) duly issued by Woodside;
- (b) fully paid with no money is owing in respect of them;
- (c) free and clear from all Encumbrances;
- (d) rank equally with existing Woodside Shares; and
- (e) able to be sold and transferred free of any competing rights, including pre-emptive rights or rights of first refusal.

1.2 No legal impediment

The execution, delivery and performance by Woodside of this agreement:

- (a) complies with its constitution; and
- (b) does not constitute a breach of any law, order, judgement or determination of a Governmental Agency that is binding on Woodside or its assets or cause or result in a default under any Encumbrance, by which it is bound and that would prevent it from entering into and performing its obligations under this agreement.

1.3 Corporate Authorisations

All necessary authorisations for the execution, delivery and performance by Woodside of this agreement in accordance with its terms have been obtained or will be obtained before Completion, other than the consents and approvals required under clause 2.1.

1.4 Power and capacity

Woodside has full power and capacity to enter into and perform its obligations under this agreement.

1.5 Validity of obligations

Woodside's obligations under this agreement are valid and binding and enforceable against Woodside in accordance with its terms.

1.6 Incorporation

Woodside is validly incorporated, organised and subsisting in accordance with the laws of its place of incorporation.

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1.7 No trust

Woodside enters into and performs this agreement on its own account and not as trustee for or nominee of any other person.

2 Accounts

2.1 Basis of preparation

The Woodside Group Accounts have been prepared:

- (a) in accordance with the Accounting Standards;
- (b) in accordance with applicable laws; and
- (c) in the manner described in the notes to them.

2.2 Fair presentation

The Woodside Group Accounts fairly present, in all material respects, in conformity with IFRS and interpretations as issued by the International Accounting Standards Board (except as may be indicated in the notes thereto), the financial position of the Woodside Group as at the Effective Time, and the results of its operations and its cash flows for the year ended on the Effective Time.

2.3 Position since Effective Time

Since the Effective Time:

- (a) each Woodside Group Member has conducted the business of the Woodside Group in all material respects in the ordinary and usual course of the Woodside Group business, other than for the transactions contemplated by this agreement and the Transaction Agreements; and
- (b) so far as Woodside is aware, there has been no breach by Woodside of clause 5.5.

3 Woodside Group Assets

3.1 Ownership

All Woodside Group Assets are legally and beneficially owned by the Woodside Group Member, free and clear of all Encumbrances (other than Permitted Encumbrances), or otherwise (in the case of the Woodside Group Assets which are not legally and beneficially owned by a Woodside Group Member as described in Attachment 1 of the Woodside Disclosure Letter one or more Woodside Group Members has a right to the Woodside Group Assets.

3.2 Woodside Petroleum Titles

- (a) So far as Woodside is aware, the details of the Woodside Petroleum Titles in Attachment 1 of the Woodside Disclosure Letter are complete and accurate in all material respects.
- (b) So far as Woodside is aware:
 - (1) the Woodside Petroleum Titles are in full force and effect;



- (2) the Woodside Group' s interest in the Woodside Petroleum Titles are legally and beneficially owned by the Woodside Group Member free and clear of all Encumbrances (other than Permitted Encumbrances);
- (3) the relevant Woodside Group Member holding each Woodside Petroleum Title has not received any written notice that:
 - (A) there has been a material breach of the terms and conditions of the relevant Woodside Petroleum Title;
 - (B) there are outstanding payments due in respect of rents, royalties, bonuses, Taxes, or other payments in respect of the Woodside Petroleum Titles under the Petroleum Legislation which governs each Woodside Petroleum Title or any product sharing or similar arrangements with a Governmental Agency, in each case in relation to the Governmental Agency granting a right for the exploration, appraisal, development or production of petroleum; or
 - (C) any person intends or has the right to revoke or terminate any Woodside Petroleum Title or require the relinquishment of any area covered by a Woodside Petroleum Title that has not been rectified or otherwise resolved.

3.3 Material contracts

So far as Woodside is aware:

- (a) all cash calls due and payable by a Woodside Group Member under a Woodside Joint Operating Agreement have been or will be paid;
- (b) no Woodside Group Member has given notice of any withdrawal or intention to withdraw, and has not received written notice from any party to a Woodside Joint Operating Agreement of that party' s withdrawal or intention to withdraw, from a Woodside Joint Operating Agreement, in each case that has not been completed or subsequently withdrawn;
- (c) no Woodside Group Member has given a sole risk or non-consent notice, and has not received any written sole risk or non-consent notice, pursuant to a Woodside Joint Operating Agreement in each case that has not been completed or subsequently withdrawn, and there are no material sole risk penalties owed to or by any Woodside Group Member;
- (d) no Woodside Group Member has received written notice that it is in default or material breach, or would be in default or material breach but for the requirements of notice or lapse of time, under a Woodside Joint Operating Agreement or Other Material Contract and, as at the date of this agreement, no other party to a Woodside Joint Operating Agreement or Other Material Contract is in default or material breach, or would be in default or material breach but for the requirements of notice or lapse of time;
- (e) no Operator has given written notice of resignation and no written notice of removal has been received by the Operator under the relevant Woodside Joint Operating Agreement, that in each case has not been completed or subsequently withdrawn; and
- (f) as at the date of this agreement, no Woodside Group Member has received, or given, any written notice of termination of any Woodside Joint Operating Agreement or Other Material Contract.



3.4 Projects

Other than as disclosed in Attachment 1 of the Woodside Disclosure Letter, the respective interests of the Woodside Group Members in the Woodside Projects are held free from any farm-in, royalties, production payments, net profit interests, easements, restrictive covenants, caveats and/or other security interests other than to the extent Fairly Disclosed in the Woodside Disclosure Materials or obligations in respect of:

- (a) the terms and conditions of the relevant Woodside Petroleum Titles and dealings registered against such Woodside Petroleum Titles;
- (b) present or future obligations arising under legislation, regulations or by -laws, orders of Governmental Agencies or the terms of Authorisations;
- (c) the joint venture agreement or similar relating to that Woodside Project; and
- (d) undetermined or inchoate liens incurred or created in favour of suppliers and contractors to the Woodside Project in the ordinary course of business.

3.5 Environmental

So far as Woodside is aware, in relation to Woodside Group Assets in respect of which a Woodside Group Member is or has been the Operator, no notice in writing has been received about any breach by any Woodside Group Member of Environmental Laws in relation to those Woodside Group Assets, which has not been rectified or otherwise resolved.

4 Litigation and Authorisations

4.1 Litigation

So far as Woodside is aware, no Woodside Group Member has received any written notice of any investigation, regulatory action, claim or litigation.

4.2 Authorisations

So far as Woodside is aware, the Woodside Group Members and/or the relevant Operator hold all necessary Authorisations material to carrying on the business of the Woodside Group as it is being carried on at the date of this agreement (**Woodside Material Authorisations**).

4.3 Compliance with Authorisations and laws

So far as Woodside is aware:

- (a) all Woodside Material Authorisations held by the Woodside Group are valid and subsisting and have been complied with in all material respects by the relevant Woodside Group Member;
- (b) no Woodside Group Member is in receipt of any notice in writing communicating material non-compliance with any applicable laws or Woodside Material Authorisations which has not been fully rectified or otherwise resolved; and
- (c) no Woodside Material Authorisation is likely to be suspended, cancelled, materially altered or revoked, including as a result of the transactions contemplated by this agreement.



5 Solvency

5.1 No liquidation

Neither Woodside nor any Woodside Group Member has:

- (a) gone, or is proposed to go, into liquidation;
- (b) passed a winding-up resolution or commenced steps for winding-up or dissolution; or
- (c) received a deregistration notice under section 601AB of the Corporations Act or applied for deregistration under section 601AA of the Corporations Act (or any equivalent notice in its place of incorporation).

5.2 No winding-up process

No petition or other process for winding-up or dissolution has been presented or threatened in writing against Woodside or any Woodside Group Member and, so far as Woodside is aware, there are no circumstances justifying such a petition or other process.

5.3 No receiver or manager

No receiver, receiver and manager, judicial manager, liquidator, administrator or like official has been appointed over the whole or a substantial part of the undertaking or property of Woodside or a Woodside Group Member, and, so far as Woodside is aware, there are no circumstances justifying such an appointment.

5.4 Arrangements with creditors

Neither Woodside nor any Woodside Group Member has entered into, or taken steps or proposed to enter into, any arrangement, compromise or composition with or assignment for the benefit of its creditors or a class of them.

5.5 No writs

No writ of execution has issued against any Woodside Group Member or the property of that company and, so far as Woodside is aware, there are no circumstances justifying such a writ.

5.6 Solvency

Each Woodside Group Member is able to pay its debts as and when they fall due. No Woodside Group Member is taken under applicable laws to be unable to pay its debts or has stopped or suspended, or threatened to stop or suspend, payment of all or a class of its debts.

6 Taxes and Duties

6.1 No Tax disputes, proceedings or audits

Except as Fairly Disclosed in the Woodside Disclosure Materials, no Woodside Group Member:

- (a) has received any correspondence from any Governmental Agency that its business is the subject of any Tax audit (other than routine audits by a Governmental Agency);

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- (b) is party to any action or proceeding for the assessment or collection of Tax; or
- (c) has any dispute with any Governmental Agency in respect of any Tax relating to that Woodside Group Member.

6.2 Compliance

So far as Woodside is aware, each Woodside Group Member has complied in all material respects with its obligations under applicable Tax Laws (including in relation to GST).

6.3 No demerger group election

Woodside has not, and will not make, a choice under section 125-65(5) of the Tax Act that the Seller or any Seller Group Member will not be a member of a demerger group that includes Woodside.

7 Anti-bribery and corruption, sanctions and export controls

7.1 Unlawful payments

- (a) No Woodside Group Member and no Woodside Employee, officer, agent or other person or entity that provides services for or is authorised to act for or on behalf of a Woodside Group Member has in connection with this agreement or the ownership or operation of the Woodside Group's business:
 - (1) induced a person to enter into an agreement or arrangement with a Woodside Group Member in connection with the business of the Woodside Group by means of an unlawful payment, contribution, gift or other inducement;
 - (2) offered, promised, made, or authorised the provision of an unlawful payment, contribution, gift or anything of value to a Government Official or any other person to influence official action or secure an improper advantage (including to obtain or retain business or a financial or business advantage (including a future business advantage)), or to encourage the recipient to breach, or reward the recipient for having breached, a duty of good faith or loyalty or the policies of his/her employer; or
 - (3) is otherwise in violation of any Applicable Anti-Bribery and-Corruption Laws.
- (b) The Woodside Group Members have maintained reasonable internal controls over all transactions in connection with the Woodside Group business and have maintained reasonably accurate books and records for each transaction, in compliance with applicable laws including Applicable Anti-Bribery and Corruption Laws.

7.2 Notices and investigations in relation to compliance with Applicable Anti-Bribery and Corruption Laws

- (a) So far as Woodside is aware, no Woodside Group Member has received any notice, subpoena, demand or other communication (whether oral or written) from a Governmental Agency within the 12 months prior to the date of this agreement alleging that the Woodside Group Member has:
 - (1) been investigated (or is being investigated) in connection with any Applicable Anti-Bribery and Corruption Laws; or



- (2) been suspected in any jurisdiction of having engaged in any conduct with respect to matters which would constitute an actual, alleged, possible or potential breach of, or failure to comply with any Applicable Anti-Bribery and Corruption Laws.
- (b) So far as Woodside is aware, no proceeding by or before any Governmental Agency involving any Woodside Group Member with respect to Applicable Anti-Bribery and Corruption Laws is pending, or to the knowledge of Woodside is threatened and there are no current or pending internal investigations involving any Woodside Group Member relating to potential non-compliance with Applicable Anti-Bribery and Corruption Laws.

7.3 Compliance program

The Woodside Group Members have in place a compliance program, which includes policies and procedures in relation to business ethics and conduct (including the reporting, investigating and acting upon of suspected violations of Applicable Anti-Bribery and Corruption Laws) reasonably designed to prevent their directors, officers, employees, contractors, sub-contractors, service providers, agents and intermediaries from undertaking any activity, practice or conduct relating to the business of the Woodside Group and the Woodside Group Members that would or is likely to constitute an offence under Applicable Anti-Bribery and Corruption Laws.

7.4 Sanctions and controls

- (a) Neither Woodside nor any Woodside Group Member:
 - (1) is organised under the laws of, or located or ordinarily resident in, a Sanctioned Country or Territory;
 - (2) is part of nor owned or controlled by the government of a Sanctioned Country or Territory; or
 - (3) is a Sanctioned Party.
- (b) So far as Woodside is aware, neither Woodside nor any Woodside Group Member nor any Employee, officer, agent or other person or entity while providing services for or acting for or on behalf of a Woodside Group Member has taken any actions that would cause it to become a Sanctioned Party or otherwise to become sanctioned, restricted, designated or otherwise subject to penalty under Applicable Trade Controls Laws.

8 Woodside Disclosure Materials

- (a) The Woodside Disclosure Materials were compiled in good faith and so far as Woodside is aware, are not, when considered as a whole, misleading or deceptive in any material respect, including by omission.
- (b) So far as Woodside is aware, no information was intentionally omitted from the Woodside Disclosure Materials.

9 Continuous disclosure

Woodside is in all material respects in compliance with its obligations under section 674 of the Corporations Act and ASX Listing Rule 3.1, and other than as Fairly Disclosed to the Seller, is not withholding from disclosure of any information in reliance on ASX Listing Rule 3.1.A.

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10 Liquidation of Target

Woodside has no plan or intention to liquidate the Target or dispose of the Sale Shares immediately following Completion.

11 Anti-competitive Behaviour

Woodside is not engaged in any Anti-competitive Behaviour in relation to the potential or actual terms and conditions of this agreement, including the Purchase Price.

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Employee arrangements

1 Definitions used in this Schedule

The meanings of the terms used in this Schedule 4 are set out below.

| Term | Meaning |
|--|---|
| Acquired Shares | Seller Shares that participants may purchase (up to a maximum value) under Shareplus. |
| Employee | any: 1 employee of a Target Group Member who remains employed by a Target Group Member immediately before Completion; 2 Transferring Employee; and 3 Singapore Transferring Employee, but in all cases excluding any Seller Employee. |
| Employee Entitlement | any wages, salary, bonuses, allowances and other benefits or entitlements accruing and payable to an Employee pursuant to their employment including under any applicable employment contract, industrial instrument or at law and including superannuation entitlements. |
| Excluded Retiree Medical Plan Participant | a current or former employee (or current or former employee's beneficiary) entitled to benefits under the Copper or Coal division (which includes the Minerals division) of the BHP (USA) Inc. Health Plan for Salaried Retirees. |
| Excluded Supplemental Plan Participant | a current or former employee (or current or former employee's beneficiary) of a Coal, Copper or other employer affiliate of the Seller (other than a Target Group Member) entitled to benefits under the BHP USA Supplemental Plan. |
| Industrial Instrument | any enterprise agreement (as defined in the <i>Fair Work Act 2009</i> (Cth)), and any industry-wide collective agreement, any other collective bargaining agreement, agreement or understanding with any trade union, works council or similar employee representative of Employees, and any other instrument that would have a similar effect to the preceding classes of instruments under the laws of any jurisdiction in which the Target Group operates. |
| Interim Non-Target Group Employee List | the list referred to in clause 3.1(a)(2) of this Schedule 4. |
| Interim Target Functions Employee List | the list referred to in clause 3.1(a)(3) of this Schedule 4. |
| MAP award | an award under the Seller's Management Award Plan (MAP), being a plan governed by the rules of the BHP Billiton Limited Executive Incentive Plan (Executive Incentive |

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| <u>Term</u> | <u>Meaning</u> |
|--|--|
| | Plan). Under the MAP, participants are granted an award of conditional rights to the Seller' s Shares subject to satisfaction of a service condition. |
| Matching Shares | the Seller Shares to which Shareplus participants become entitled upon satisfaction of certain conditions determined by the Seller' s Directors (including retaining some or all of the Acquired Shares for a specified qualification period). |
| Non-Target Group Employee List | the list referred to in clause 3.1(b)(1) of this Schedule 4. |
| Personnel Files | any employment related records of Employees required to be created and kept by any law, including records relating to past employee members of the Target Group US Plans. |
| Restricted Employee | any employee of Broken Hill Proprietary (USA) Inc. as at the date of this agreement who becomes an employee of the Seller Group on or before Completion. |
| SFT | A successor fund transfer (in accordance with the <i>Superannuation Industry (Supervision) Regulations 1994 (Cth)</i>). |
| Seller Employee | any employee of a Target Group Member as at the date of this agreement, who is not wholly or predominantly assigned or seconded to the provision of services to the Target Petroleum Business. |
| Seller' s Fund | The BHP Billiton Superannuation Fund (a sub-Plan in the Plum Division of the MLC Super Fund). |
| Seller Group Employee List | the list referred to in clause 3.1(b)(3) of this Schedule 4. |
| Seller Shares | a share in the capital of the Seller. |
| Senior Executive | any Employee employed in a position that is Grade 14 or higher. |
| Shareplus | the Seller Group' s Global Employee Share Plan last amended and approved on 7 August 2018, through which employees contribute funds after tax to purchase Acquired Shares and, upon satisfaction of certain conditions, may become entitled to Matching Shares. |
| Singapore Transferring Employee | any employee of the Seller Group based in Singapore (as at the date of this agreement) who is wholly or predominantly assigned to the provision of services to the Target Petroleum Business but who is not employed by a Target Group Member (excluding the Restructure Entities) as at the date of this agreement. |
| Target Functions Employees | any global support functions employee of any Seller Group Member or Target Group Member who is wholly or predominately assigned or seconded to the provision of services to the Target Petroleum Business as at the date of this agreement. |
| Target Functions Employee List | the list referred to in clause 3.1(b)(2) of this Schedule 4. |
| Target Group Employee List | the list referred to in clause 3.1(a)(1) of this Schedule 4. |

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| <u>Term</u> | <u>Meaning</u> |
|--------------------------------|---|
| Transferring Employee | any employee of the Seller Group (as at the date of this agreement) who is wholly or predominantly assigned or seconded to the provision of services to the Target Petroleum Business, including any employee who is wholly or predominately assigned to the provision of global support functions services to the Target Petroleum Business, but who is not employed by a Target Group Member (excluding the Restructure Entities) as at the date of this agreement, excluding any Singapore Transferring Employee and any Restricted Employee. |
| UK Data Protection Laws | <ol style="list-style-type: none">1 the General Data Protection Regulation (EU) 2016/679 of the European Parliament, in such form as incorporated into the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 and any regulations thereunder;2 the Data Protection Act 2018; and3 any other laws, regulations and secondary legislation enacted from time to time in the UK relating to data protection, the use of information relating to individuals the information rights of individuals and/or the processing of personal data. |
| US Employees | any Employee whose employment involves providing services in the United States of America. |
| Woodside' s HR Lead | Vice President People & Global Capability and General Manager, Global Remuneration and Benefits (or their delegates to the extent required under the Protocol). |

2 Conduct of the Target Petroleum Business - Employment matters

- (a) In addition to the requirements of clause 5.4 of the agreement, in the period between the date of this agreement and the earlier of Completion and termination of this agreement, the Seller must not (and must procure and ensure that the relevant Target Group Member, and where necessary Seller Group Member, does not) without the written approval of Woodside' s HR Lead (such approval not to be unreasonably withheld or delayed):
- (1) commence bargaining with any Employee or any of their bargaining representatives, in respect of an Industrial Instrument that would apply to or cover any Employee;
 - (2) recognise any labour union as the representative of any US Employee unless required by applicable law or otherwise enter into any Industrial Instrument applicable to any US Employee;
 - (3) apply to vary or terminate any Industrial Instrument that covers any Employee;
 - (4) amend the terms of any Employee' s employment contract and any non-contractual policy, procedure, guideline or process that provides a benefit or entitlement to the Employees, otherwise than in the ordinary course of business and in accordance with the usual commercial and operational practice of the Target Group;
 - (5) other than as required by this Schedule 4, enter into or terminate without cause any Senior Executive employment contract or make any material amendments to an existing Senior Executive employment contract;

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- (6) restructure the workforce of the Target Petroleum Business, other than as required to give effect to this Schedule 4 or this agreement;
 - (7) amend or terminate any Target Group US Plan other than as required by applicable law or to give effect to this Schedule 4 or this agreement;
 - (8) permit any Target Group Member to adopt or enter into any new employee benefit plan with respect to US Employees;
 - (9) fund any Target Group US Plan (through a “rabbi trust” or otherwise) other than as required by applicable law and the terms of such Target Group US Plan;
 - (10) make a representation to any person that the Target Group will do any of the things in items (1) to (9) above in the period following Completion.
- (b) For the avoidance of doubt, the covenants in clause 2(a) above remain subject to permitted acts in clause 5.7 of the agreement.
- (c) In the period between the date of this agreement and the earlier of Completion and termination of this agreement, the Seller must (and must procure that the relevant Target Group Member, and where necessary Seller Group Member, must) unless waived in writing by Woodside’ s HR Lead:
- (1) inform Woodside’ s HR Lead of any single Claim commenced in the period between the date of this agreement and Completion exceeding or reasonably likely to exceed US\$250,000, or when the aggregate quantum of all Claims commenced in the period between the date of this agreement and Completion exceed or are reasonably likely to exceed US\$1 million:
 - (A) by or on behalf of any Employee;
 - (B) by a Governmental Agency in respect of the Target Group’ s acts or omission in connection with any Employee (including any work, health and safety related Claim); and
 - (C) in respect of any Target Group US Plan (other than routine claims for benefits), or the labour, employment or benefits practices (including practices with respect to wage payment) of any Target Group Member.
- (d) Notwithstanding anything in this Schedule 4, any Woodside Group Member may continue with any of its organisational transformation activities in the period between the date of this agreement and Completion.

3 Employees and Seller Employees

3.1 Identification of Employees and Seller Employees

- (a) On the date of this agreement, the Seller will provide Woodside in the Target Data Room:
- (1) a complete and accurate list (as at the date of the list) of the employees of any Target Group Member wholly or predominantly assigned or seconded to the provision of services to the Target Petroleum Business and who ultimately report through to the President of BHP Petroleum, including those employees who are technical or operational employees (but excluding the Transferring Employees and Singapore Transferring Employees) (**Target Group Employee List**);

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- (2) a list of the Transferring Employees and Singapore Transferring Employees, excluding the Target Function Employees (**Interim Non-Target Group Employee List**); and
 - (3) a list of the Target Functions Employees (**Interim Target Functions Employee List**),
in each case identifiable by the Seller (having exercised reasonable endeavours) as at the date of this agreement, and which are identified by employee number, location of employment, employing entity, job title, and remuneration.
- (b) Within 30 days of the date of this agreement, the Seller will provide Woodside with:
- (1) a complete and accurate list of the Transferring Employees and Singapore Transferring Employees, excluding the Target Function Employees, as at the date of the list, identified by employee number, location of employment, employing entity, job title, and remuneration (**Non-Target Group Employee List**);
 - (2) a complete and accurate list of the Target Functions Employees, as at the date of the list, identified by employee number, location of employment, employing entity, job title, and remuneration (**Target Functions Employee List**);
 - (3) a complete and accurate list of the Seller Employees, as at the date of the list, identified by employee number, location of employment, employing entity and job title (**Seller Group Employee List**); and
 - (4) a reconciliation list identifying the changes that have occurred to the composition of the Transferring Employees, Singapore Transferring Employees and Target Functions Employees in the 30 day period since the date of the agreement.
- (c) The Seller must use best endeavours to ensure the Target Group Employee List, Target Functions Employee List and the Non-Target Group Employee List provided to Woodside contain a list of those employees the Seller considers reasonably necessary to ensure the continued management and operation of the business of the Target Group in accordance with the usual commercial, managerial and operational practice of the Target Group on Completion.
- (d) The Parties acknowledge that the individuals that comprise the Target Group Employee List, Target Functions Employee List, and the Non-Target Group Employee List may change prior to Completion, and:
- (1) 90 days prior to Completion, the Seller must provide to Woodside' s HR Lead a finalised list of the Singapore Transferring Employees; and
 - (2) 14 days prior to Completion, the Seller must provide to Woodside' s HR Lead:
 - (A) the finalised Target Group Employee List;
 - (B) the finalised Non-Target Group Employee List (excluding the Singapore Transferring Employees);
 - (C) the finalised Seller Group Employee List;
 - (D) the finalised Target Functions Employee List; and
 - (E) a list of the Restricted Employees.

- (e) Subject to clause 3.1(f), the Seller undertakes that between the date of this agreement and Completion:
 - (1) no more than [***] employees listed in the Target Group Employee List will change for reason of the Seller implementing talent moves or to satisfy reorganisation requirements within the Seller Group; and
 - (2) no more than [***] employees listed in the Target Functions Employee List will change for reason of the Seller implementing talent moves or to satisfy reorganisation requirements within the Seller Group, provided that, of such employees, no more than:
 - (A) [***] employees employed in a grade [***] position or higher are impacted;
 - (B) [***] of employees employed in a grade [***] position (excluding employees designated to the Portfolio, Strategy and Development function within the Seller Group) are impacted;
 - (C) [***] of employees designated to the Portfolio, Strategy and Development and External Affairs functions within the Seller Group and
 - (D) [***] of employees employed in the same function (excluding employees designated to the Portfolio, Strategy and Development and External Affairs functions within the Seller Group) are impacted.
- (f) The undertaking in clause 3.1(e) does not apply to any change to the employees listed in the Target Group Employee List or Target Functions Employee List as a result of:
 - (1) an employee responding to a genuine role advertisement or to a recruitment agency for a role with the Seller Group; or
 - (2) the termination (other than for reason of a talent move or to satisfy reorganisation requirements within the Seller Group) or resignation of an employee; or
 - (3) the matters raised in clause 4.3.
- (g) Woodside must restrict access to the Target Group Employee List, Non-Target Group Employee List, Seller Group Employee List and Target Functions Employee List to delegates of Woodside's HR Lead that have access to folder 15 of the Target Data Room and only those persons who are reasonably required to access the information for the purposes of complying with this agreement and who do not have day-to-day responsibility for making decisions on, or negotiating arrangements in relation to recruitment or compensation with respect to employees of the Woodside petroleum business.
- (h) Woodside undertakes that it will not deal with the Target Group Employee List, Non-Target Group Employee List, Seller Group Employee List and Target Functions Employee List in a way that could contravene the *Competition and Consumer Act 2010* (Cth) or the Protocols, or might reasonably be expected to put a Seller Group Member or Target Group Member in breach of any duty of confidence or any duty or obligation under the *Privacy Act 1988* (Cth), UK Data Protection Laws and any other laws in any other jurisdiction to which the Seller Group and Target Group are subject affecting competition, antitrust, privacy, personal information or the collection, handling, storage, processing, use or disclosure of data or information.

3.2 Target Petroleum Business organisation design

- (a) The Parties acknowledge that certain Employees may cease employment with the relevant Target Group Member and Seller Group Member between the date of this agreement and Completion.



- (b) The Seller will:
 - (1) use reasonable endeavours to promptly notify Woodside if it becomes aware that the matters mentioned in clause 3.2(a) will or may have a material adverse impact on the performance of the business of the Target Group; and
 - (2) provide Woodside with a list, on the last day of each calendar month between the date of this agreement and Completion, of any Employees (identified by role) who have ceased employment with a Target Group Member or Seller Group Member in that month and whether the Employee ceased employment for reason of termination or resignation. For the avoidance of doubt, the Seller's performance of clause 3.1(b)(4) will satisfy the obligation in this clause in respect of the Transferring Employees, Singapore Transferring Employees and Target Functions Employees for the particular calendar month in which the performance of clause 3.1(b)(4) falls.

4 Restructure of the Target Petroleum Business' workforce

4.1 Seller's obligations at or before Completion

- (a) The Seller must use best endeavours to seek that on or before Completion:
 - (1) each Transferring Employee becomes employed by a Target Group Member; and
 - (2) no Seller Employee is employed by a Target Group Member.
- (b) The Seller will notify Woodside, on the last day of each calendar month between January 2022 and Completion, which Transferring Employees have been transferred, or have accepted an offer to transfer effective on or before Completion, to a Target Group Member as at that time.
- (c) The Seller will notify Woodside, 14 days prior to Completion, which Seller Employees are no longer employed by a Target Group Member in accordance with clause 4.1(a)(2) as at that time.
- (d) Subject to clause 4.1(e), the Seller must indemnify Woodside and each Target Group Member from any Liability or Claims, whether existing at the date of this agreement or arising in the future, in connection with or arising from:
 - (1) the Seller's performance of the obligation in clause 4.1(a) which gives rise to an unlawful discrimination, general protections, breach of contract, or other Claim;
 - (2) the employment (including termination of employment and any associated termination costs) of any Seller Employee;
 - (3) the employment of any Employee that is based on any event occurring before Completion.
- (e) Any indemnity claim under clause 4.1(d) above must be made by Woodside (or relevant Target Group or Woodside Group Member) within 18 months of the date of Completion.

4.2 Woodside's obligations at or before Completion

- (a) Woodside must use best endeavours to seek that each Singapore Transferring Employee becomes employed by a Woodside Group Member as at Completion pursuant to offers of employment in accordance with clause 4.2(b).



- (b) Woodside must ensure that offers of employment are made by a Woodside Group Member to any Singapore Transferring Employees as soon as possible after the date of this agreement (but no later than 28 days prior to Completion):
 - (1) for a position that is at least comparable or substantially similar to the existing position of the Singapore Transferring Employee;
 - (2) on terms and conditions of employment (including remuneration, allowances, employee benefits and incentives) that are substantially similar to the existing terms and conditions of employment of the Singapore Transferring Employee; and
 - (3) that states, and ensures that any contract arising from acceptance of the offer provides, that:
 - (A) the Singapore Transferring Employee's service with Seller Group will be recognised for all purposes;
 - (B) the offer is conditional on Completion; and
 - (C) employment commences on Completion.
- (c) Woodside will notify the Seller 14 days prior to Completion, of which Singapore Transferring Employees have accepted the offers of employment issued in accordance with clause 4.2(b) as at that time.
- (d) To the extent a Singapore Transferring Employee does not accept an offer of employment issued in accordance with clause 4.2(b), the Seller will be responsible for all costs related to the ongoing employment and termination of any Singapore Transferring Employee's employment by the Seller Group.

4.3 Target Group employees prior to Completion

- (a) To the extent that the selection process has concluded pre-Completion, Woodside will notify the Seller as soon as reasonably practicable before Completion, of the employees of the Target Group that Woodside does not intend to assign to any roles in the Target Group following implementation of the redesign of the post-Completion Woodside Group.
- (b) The Seller may offer any employee notified under clause 4.3(a) employment with the Seller Group, conditional upon Completion, at any time prior to Completion and upon acceptance of the offer, the employee will become a Seller Employee for the purposes of this agreement. The Seller will notify Woodside as soon as reasonably practicable after the employee accepts the offer.
- (c) The Seller undertakes that any employee who accepts the offer of employment under clause 4.3(b) will continue to be assigned to the provision of services to the Target Petroleum Business up to Completion.

4.4 Woodside's obligation after Completion

- (a) Subject to clause 4.4(c) below, Woodside will be solely responsible for all wages, salary, allowances, remuneration and other benefits due to the Employees in respect of, and arising from, Employment with a Target Group Member or Buyer Group Member on and from Completion.

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- (b) Subject to clause 4.4(c) below, Woodside must indemnify the Seller and each Seller Group Member from any Liability or Claims on and from Completion, in connection with or arising from:
 - (1) Employee Entitlements due to or accrued by an Employee on or after Completion (including, for the avoidance of doubt, any Employee Entitlements attributable to service by the Employee with the relevant Target Group Member or Seller Group Member and any predecessor of the Target Group Member or relevant Seller Group Member up to the Completion Date);
 - (2) any Claim by an Employee that is based on any event occurring on or after Completion; and
 - (3) Woodside' s failure to comply with clause 7.2 (except to the extent such failure to comply with clause 7.2 is as a result of any decision, conduct, act or omission of the trustee of the Seller' s Fund or Buyer' s Fund) or clause 4.4(d).
- (c) Any indemnity claim under clause 4.4(b) above must be made by the Seller (or relevant Seller Group Member) within 18 months of the date of Completion.
- (d) Woodside will, for a period of 6 months after Completion maintain terms and conditions of employment for Employees which are no less favourable (when considered on an overall basis) than the Employees' terms and conditions of employment immediately prior to Completion.
- (e) In the event that an Employee is made redundant by Woodside during the period specified in clause 4.4(d), Woodside will comply with any redundancy policy of the Seller Group that applied to Employees immediately prior to the Completion Date.
- (f) Clauses 4.4(d) and 4.4(e) do not apply where Woodside agrees with an individual Employee to vary that Employee' s terms and conditions.
- (g) Clauses 4.4(a) to 4.4(f) only apply to the extent a Transferring Employee is an employee of the Target Group, or a Singapore Transferring Employee is employed by the Woodside Group Member, on the Completion Date. The Seller will remain responsible for any Transferring Employee or Singapore Transferring Employee who remains employed by a Seller Group Member following Completion.
- (h) Woodside will assume the obligation and liability for providing Consolidated Omnibus Budget Reconciliation Act (**COBRA**) continuation coverage to all former employees and other qualified beneficiaries in Seller Group who are entitled to receive COBRA continuation coverage under a Target Group US Plan.
- (i) Woodside undertakes to the Seller that no Woodside Group Member will, from the date of this agreement until 12 months after the Completion Date, entice away or endeavour to entice away, employ or engage or endeavour to employ or engage, any Restricted Employee that is employed in a role that is graded 14 or above by the Seller' s human resource system (**Grade 14 Restricted Employee**), other than:
 - (1) with the prior written consent of the Seller;
 - (2) as a result of a Grade 14 Restricted Employee seeking employment or engagement at their own initiative; or
 - (3) as a result of a Grade 14 Restricted Employee responding to a genuine public advertisement or to a recruitment agency which was not targeted at any Grade 14 Restricted Employee.

5 Incentive arrangements (Equity)

5.1 Treatment of Employees' incentive entitlements

- (a) Prior to Completion, the Seller:
- (1) in respect of the Shareplus plan, must:
 - (A) determine that any Employee who participates in the Shareplus plan is a 'Good Leaver' (within the meaning of the Shareplus plan);
 - (B) accelerate an Employee's Shareplus incentive plan entitlements by releasing Acquired Shares and allocating Matching Shares prior to Completion;
 - (C) be responsible for the costs incurred in accelerating the Shareplus incentive plan entitlements, and
 - (2) in respect of the MAP, must:
 - (A) accelerate the vesting of an Employee's unvested MAP award prior to Completion where the original vesting date for the award under the terms of grant is on or around August 2022, and be responsible for all costs incurred by or associated with this accelerated vesting; and
 - (B) lapse all other unvested MAP awards held by an Employee which are not accelerated in accordance with this clause prior to Completion,
- however the Seller is not obliged to comply with clause 5.1(a)(1) or clause 5.1(a)(2) if:
- (C) an employee resigns from the Seller Group (unless the employee is a Singapore Transferring Employee and resigns for the purpose of transferring to the Woodside Group pursuant to this agreement); or
 - (D) has their employment terminated for cause,
- prior to Completion, in which case the Seller may treat the employee's Acquired Shares, Matching Shares and MAP awards in accordance with the original terms of grant.
- (b) Woodside must offer to replace each Employee's unvested MAP awards, lapsed in accordance with clause 5.1(a)(2)(B) above, with rights to Woodside Shares (**Replacement Rights**) on or shortly after Completion. Each grant of Replacement Rights must:
- (1) be made under Woodside's equity incentive plan;
 - (2) have an equivalent value to the MAP awards being replaced, with:
 - (A) the value of the MAP awards being replaced being determined by reference to the volume weighted average price of BHP Shares traded on ASX over a 5-trading day period up to and including the date that is 10 Business Days prior to Completion (**MAP Replacement Value**); and
 - (B) the value of the Replacement Rights (taking the form of rights to Woodside Shares) being determined by reference to the volume weighted average price of Woodside Shares traded on ASX over a 5-trading day period up to and including the date that is 10 Business Days prior to Completion.



- (3) have no performance conditions attached other than a time-based service condition; and
- (4) vest at the same time intervals as the MAP awards being replaced,
and Woodside will account for all costs associated with making the Replacement Rights Offer.
- (c) Woodside may fulfil its obligations under clause 5.1(b) with respect to some or all of the US Employees by using American Depositary Receipts in lieu of Woodside Shares, and the preceding provisions of this clause 5.1 shall be subject to reasonable adjustment to reflect any such use of American Depositary Receipts in lieu of Woodside shares.
- (d) Subject to clause 5.1(a), the Seller must ensure that:
 - (1) No Employee's incentive plan entitlement accelerates, vests, forfeits or lapses as a result of, or is otherwise affected by the transactions contemplated in this agreement;
 - (2) The Employee's incentive plan entitlements remains able to be vested or exercisable:
 - (A) subject to any performance conditions that attach to the relevant incentive plan; and
 - (B) in accordance with the vesting schedule which was specified to the Employee when they were granted the entitlement.

An Employee's incentive plan entitlement includes the right to participate in an incentive plan, and if an Employee's incentive entitlement vests, becomes exercisable, forfeits or lapses during the period between the date of this agreement and the date of Completion or termination of this agreement in accordance with the original terms of the grant (without the exercise of discretion by the Seller), the Seller does not breach this clause 5.1(d).

6 US Employee Benefits

6.1 Seller's obligations at or before Completion

- (a) The Seller must use best endeavours to seek that on or before Completion:
 - (1) sponsorship of each Target Group US Plan is transferred to a Target Group Member, if not already sponsored by a Target Group Member;
 - (2) no Seller Group Member is eligible to participate as a participating employer in any Target Group US Plan after Completion;
 - (3) no Seller Employee or employee of a Seller Group Member is eligible to actively participate in a Target Group US Plan after Completion;
 - (4) the benefits, obligations and liabilities under the BHP (USA) Inc. Health Plan for Salaried Retirees associated with the Excluded Retiree Medical Plan Participants are transferred out of the BHP (USA) Inc. Health Plan for Salaried Retirees and assumed by (or remain with) the Seller or another Seller Group Member (other than a Target Group Member);
 - (5) the benefits, obligations and liabilities under the BHP USA Supplemental Plan associated with the Excluded Supplemental Plan Participants are transferred out of the BHP USA Supplemental Plan and assumed by (or remain with) the Seller or another Seller Group Member (other than a Target Group Member);



- (6) if prior to Completion, any Target Group Member does sponsor, maintain, participate in, or contribute to any US Employee Benefit Plan that is not listed as a Target Group US Plan on Exhibit A to this Schedule 4, then each such plan and the benefits, obligations and liabilities associated with each such plan shall be transferred to, and assumed by, the Seller or another Seller Group Member (other than a Target Group Member); and
 - (7) the actions specified in the “Actions” column in Exhibit A to this Schedule 4 are complete.
- (b) The Seller must indemnify Woodside and each Target Group Member from any Liability or Claims, whether existing at the date of this agreement or arising in the future, in connection with or arising from the Seller’s breach or other failure to comply with clause 6.1(a).

7 Superannuation

7.1 Superannuation contributions

The Target Group will be solely responsible for making all superannuation contributions required to be made to comply with any industrial arrangements or employment contracts and as required by law to avoid the imposition of the superannuation guarantee charge (or any equivalent in a jurisdiction other than Australia) in respect of the Employees, or which are otherwise due to the Employees, in each case in respect of the Employees’ service with the Target Group from the Completion Date. For the avoidance of doubt, this includes superannuation contributions arising under clause 7.2 below. This clause 7.1 shall not apply to the Target Group US Plans.

7.2 Defined benefit superannuation arrangements

- (a) Subject to clause 7.2(c), Woodside acknowledges that the Target Group will not be permitted to participate in the Seller’s Fund following Completion and that Woodside will be required to procure that the Target Group provides alternative superannuation arrangements (**Alternative Superannuation Arrangements**) for any Employee who participates in the Seller’s Fund as a defined benefit member as at Completion.
- (b) Unless the Seller otherwise agrees, the Alternative Superannuation Arrangements must be provided on substantially the same terms as the applicable terms in the Seller’s Fund as at Completion and on terms required for a SFT of the benefits of each Employee from the Seller’s Fund to the regulated superannuation fund (**Target’s Fund**) to which the affected Employee will be admitted as a member in order for the Target Group to provide the Alternative Superannuation Arrangements.
- (c) The Seller agrees to allow Woodside and the Target Group a period of up to 120 days following Completion (or such longer period as may be agreed between the parties, each party to act reasonably for this purpose) to put in place the Alternative Superannuation Arrangements and for the SFT of the benefits of each Employee from the Seller’s Fund to the Target’s Fund to be effected. For this purpose, before or as soon as reasonably practical after Completion, Woodside must procure that the Target Group enters into a deed of temporary participation in such form as is acceptable to the Seller (acting reasonably) and the trustee of the Seller’s Fund. The deed of temporary participation will regulate the terms on which Target Group will participate in, and contribute to, the Seller’s Fund during the period from Completion up to the implementation of the SFT.
- (d) Woodside must work with the Seller, the trustee of the Seller’s Fund and the trustee of the Target’s Fund to arrange for a SFT of the benefits of each Employee from the Seller’s Fund to the Target’s Fund as soon as practicable following Completion.



- (e) The Seller and Woodside acknowledge that, for an SFT to be effected, the respective trustees of the Seller' s Fund and the Target' s Fund will need to agree that the Target' s Fund confers on each Employee equivalent rights to the rights the Employee had under the Seller' s Fund in respect of benefits.
- (f) The Seller and Woodside further acknowledge that, for an SFT to be effected, the respective trustees of the Seller' s Fund and the Target' s Fund will need to be satisfied that the SFT is in the best financial interests of the beneficiaries of the regulated superannuation fund of which it is trustee.
- (g) Woodside agrees to use best endeavours to work with the trustee of the Target' s Fund to ensure that the benefit design of the Target' s Fund will qualify the Target' s Fund as a successor fund of the Seller' s Fund for the purpose of the SFT contemplated by this clause 7.2 in accordance with the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- (h) The Seller agrees to use best endeavours to procure that the trustee of the Seller' s Fund, in effecting an SFT, transfers from the Seller' s Fund to the Target' s Fund an amount determined in accordance with the Seller' s Fund trust deed and on the advice of the actuary appointed by the trustee of the Seller' s Fund. Such amount is to be no less than the sum of the amounts representing, for each affected Employee, the portion of the assets of the Seller' s Fund which the trustee after obtaining the advice of the actuary of the Seller' s Fund determines to be held in respect of the affected Employee (**Transfer Amount**). For this purpose, the Seller agrees to consult with Woodside in relation to determination of the Transfer Amount.
- (i) The Seller must provide, and must use best endeavours to ensure that the trustee of the Seller' s Fund provides, to Woodside any information reasonably required for the purposes of enabling Woodside to comply with this clause 7.2.

8 Employee information

- (a) The Seller must use best endeavours to ensure that all Personnel Files not already in the possession of a Target Group Member is transferred to Woodside on Completion in each relevant jurisdiction where Employees are employed, either:
 - (1) in the 'SuccessFactors' format, or any other digital format approved by Woodside' s HR Lead; or
 - (2) in hard copy format where the relevant information is not in digital form.
- (b) If, despite the Seller having used its best endeavours in accordance with clause 8(a) above, the Seller is unable to transfer some or all of the information referred to in that clause, the Seller will:
 - (1) preserve all information that is unable to be transferred; and
 - (2) provide Woodside with access to the information for inspection, at the Seller' s expense (provided such costs are reasonably incurred).
- (c) Woodside must use best endeavours to preserve all employee-related information in connection with any Seller Employee' s employment with a Target Group Member prior to Completion, and will provide the Seller with access to that information for inspection at Woodside' s expense.
- (d) Woodside undertakes that it will perform its obligations under this clause 8 in compliance with the *Privacy Act 1988* (Cth), UK Data Protection Laws and any other applicable laws in any other

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jurisdiction to which Woodside, Seller Group and/or Target Group are subject affecting privacy, personal information or the collection, handling, storage, processing, use or disclosure of data or information.

9 Employees on international assignment

9.1 International assignments

- (a) The Seller will use best endeavours to ensure that any formal secondment arrangement between the Seller Group and Target Group is brought to an end on or before Completion.
- (b) Any offer of employment made by the Target Group to Transferring Employees previously engaged on a secondment or 'international assignment' must not offer or replicate any previous home country benefits of the Transferring Employee that are unable to be replicated or offered by the Target Group.

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Exhibit A to Schedule 4 - Target Group US Plans

| Plan Type | Plan Name | Sponsor | Actions |
|---|--|------------------------------------|--|
| Pension (DB), Funded (tax-qualified) | BHP USA Retirement Income Plan | BHP Holdings (International) Inc. | |
| Pension (DC), Funded (tax-qualified) | BHP USA Retirement Savings Plan | BHP Holdings (International) Inc. | <i>Benefits of Seller Employees and all employees of Seller Group Members to be split off and transferred to a plan that is (1) qualified under Section 401(a) of the US Internal Revenue Code and (2) maintained by a Seller Group Member (other than a Target Group Member). Such transfer shall comply with Section 414(l) of the US Internal Revenue Code and the regulations thereunder, and any assets transferred shall be entirely in cash, except that any outstanding loans associated with Seller Employees and all employees of Seller Group Members shall be transferred in-kind.</i> |
| Pension (DC/DB), Unfunded (non-qualified) | BHP USA Supplemental Plan | BHP Holdings (International) Inc. | <i>Seller Employee benefits and liabilities, and benefits and liabilities for Excluded Supplemental Plan Participants to be split off and to be assumed by or remain with (as applicable) the Seller or another Seller Group Member (other than a Target Group Member).</i> |
| Employee Healthcare, Unfunded | BHP (USA) Inc. Health Plan for Employees | Broken Hill Proprietary (USA) Inc. | <i>Seller Employees and all employees of Seller Group Members to be removed and to be ineligible to incur new claims under this plan from Completion.</i> <i>Future benefits responsibility for the Seller Employees and all employees of Seller Group Members to be assumed by or remain with (as applicable) the Seller or another Seller Group Member (other than a Target Group Member).</i> <i>Except as provided above, Woodside to assume COBRA continuation coverage liability for M&A qualified beneficiaries under this plan at Completion.</i> |

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| Plan Type | Plan Name | Sponsor | Actions |
|---|---|--|---|
| Post-employment Healthcare, Unfunded | BHP (USA) Inc. Health Plan for Salaried Retirees | Broken Hill Proprietary (USA) Inc. | <p><i>Excluded Retiree Medical Plan Participants to be removed and to be ineligible to incur new claims under this plan from Completion.</i></p> <p><i>Future benefits responsibility for Excluded Retiree Medical Plan Participants, and the related benefits liabilities, to be split off and to be assumed by or remain with (as applicable) the Seller or another Seller Group Member (other than a Target Group Member).</i></p> <p><i>Except as provided above, Woodside to assume COBRA continuation coverage liability for M&A qualified beneficiaries under this plan at Completion.</i></p> |
| Cafeteria Plan (flexible spending accounts) | BHP (USA) Inc. Cafeteria Plan | Broken Hill Proprietary (USA) Inc. | <i>Seller Employees and all employees of Seller Group Members to be removed and have no further eligibility under this plan from Completion.</i> |
| Life & Disability | BHP (USA) Inc. Income Protection Plan | Broken Hill Proprietary (USA) Inc. | <i>Seller Employees and all employees of Seller Group Members to be removed and to be ineligible to incur new claims under this plan from Completion.</i> |
| Adoption Assistance | BHP (USA) Inc. Adoption Assistance Plan | Broken Hill Proprietary (USA) Inc. | <i>Seller Employees and all employees of Seller Group Members to be removed and have no further eligibility under this plan from Completion.</i> |
| Severance | BHP Billiton Petroleum (Americas) Inc. Severance Pay Plan | BHP Billiton Petroleum (Americas) Inc. | <i>Seller Employees and all employees of Seller Group Members to be removed and have no further eligibility for benefits to be initiated under this plan from Completion.</i> |

CompletionSteps

1 Pre- Completion actions

1.1 Notifications

- (a) At least 15 Business Days before Completion Woodside must notify the Seller of:
 - (1) any directors, secretaries and public officers of the Target Group Members whom it wishes to resign from Completion;
 - (2) any persons it wishes to be appointed as a director, secretary or public officer of a Target Group Member from Completion and deliver to the Seller a written consent to act and notification of interests signed by each such person;
 - (3) the address, if any, to which the registered office of each Target Group Member is to be changed following Completion; and
 - (4) any changes to the existing mandates for the operation of bank accounts of each Target Group Member.
- (b) Not less than 5 Business Days before Completion, Woodside may issue a written notice to the Seller directing the Seller to transfer the Sale Shares to a Woodside Group Member (other than Woodside) (**Woodside Nominee**).

1.2 Board resolutions

- (a) On or before Completion the Seller must ensure that a meeting of the directors of the Company is convened and approves the registration of Woodside (or, if applicable, the Woodside Nominee) as the holder of the Sale Shares in its register of shareholders, the issue of new share certificates for the Sale Shares in the name of Woodside (or, if applicable, the Woodside Nominee) and the cancellation of any existing share certificates in the name of the Seller, subject only to receipt of the executed share transfers referred to in clause 2.1(a) of this Schedule 5 and to payment of any Duty on the transfer of Sale Shares.
- (b) On or before Completion the Seller must ensure that a meeting of the directors of each Target Group Member is convened and approves (subject to Completion occurring):
 - (1) the resignations of existing directors, secretaries and public officers notified under clause 1.1(a)(1) of this Schedule 5;
 - (2) the appointment of each person notified under clause 1.1(a)(2) of this Schedule 5 as a director, secretary or public officer (as applicable) of the relevant Target Group Member(s) (provided that a written consent to act and notification of interest signed by that person has been delivered to the Seller);
 - (3) any change of the registered office of the Target Group Member to the address notified under clause 1.1(a)(3) of this Schedule 5; and
 - (4) if Woodside has approved new mandates for the operation of bank accounts by each Target Group Member, the revocation of all existing mandates and the replacement of those mandates with the mandates approved by Woodside.

2 Completion and Distribution

2.1 Seller's obligations at Completion

(a) At Completion, the Seller must give Woodside the following documents:

| | <u>Description</u> | <u>Items to be provided</u> |
|---|---|--|
| 1 | share certificates | share certificates for the Sale Shares and any other documents necessary to establish Woodside's (or, if applicable, the Woodside Nominee's) title to the Sale Shares and share certificates for each Target Group Member (or a statement made in accordance with 1070D(5) of the Corporations Act) or, in respect of Target Group Members not incorporated in Australia, such other evidence as may be required by Woodside (acting reasonably) to establish the ownership of the shares of that Target Group Member. |
| 2 | share transfers | completed share transfers of the Sale Shares to Woodside (or, if applicable, the Woodside Nominee), executed by or on behalf of the Seller. |
| 3 | powers of attorney | a copy of the powers of attorney executed by the Seller authorising its attorney to execute any of the documents listed in this clause 2.1 of this Schedule 5 on behalf of the Seller. |
| 4 | board resolutions | evidence that the board resolutions referred to in clause 1.2 of this Schedule 5 have been passed. |
| 5 | officer resignations | signed resignations of each director, secretary and public officer of each Target Group Member notified to the Seller under clause 1.1 of this Schedule 5. |
| 6 | Exit Payment | receipt for the payment of the Exit Payment. |
| 7 | Discharge of Encumbrances over Sale Shares | releases and discharges in respect of all Encumbrances over any of the Sale Shares, including (where relevant) an undertaking to remove all registrations in relation to such Encumbrances from the PPS Register within 10 Business Days of Completion, duly executed by the relevant holders of those Encumbrances and in a form acceptable to Woodside (acting reasonably). |

(b) At Completion the Seller must:

- (1) if required under clauses 3.6(e) and 3.6(f), pay Woodside (or as otherwise directed by Woodside) the Net Amount;
- (2) if required under clause 3.7(c)(1), procure that the new Woodside Shares issued as Share Consideration are distributed to the BHP Shareholders in satisfaction of the dividend and/or return of capital declared pursuant to 3.7(b).

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- (c) The Seller agrees to make all payments under clause 2.1(b) of this Schedule 5 in Immediately Available Funds without counterclaim or set-off.
- (d) Subject to Woodside complying with its obligations under clause 2.2 of this Schedule 5, at Completion (and only if requested by Woodside), the Seller must make available to Woodside:

| | <u>Description</u> | <u>Items to be provided</u> |
|---|---------------------------------|---|
| 1 | corporate documents | the certificate of incorporation, ASIC corporate key for each Target Group Member incorporated in Australia (and any equivalent in any relevant overseas jurisdiction), common seal, duplicate seal, all prescribed registers, all statutory, minute and other Business Records of each Target Group Member and all unused share certificate forms. |
| 2 | books and ledgers | all ledgers, journals and books of account of each Target Group Member. |
| 3 | title documents | all documents of title in the possession of a Target Group Member relating to the ownership of a Target Group Member's assets. |
| 4 | PPS Register information | all secured party group numbers, access codes, dealing numbers and token codes for all security interests held by a Target Group Member as at Completion (and any equivalent in any relevant overseas jurisdiction). |

2.2 Woodside's obligations at Completion

At Completion:

- (a) if Woodside owes the Locked Box Payment to the Seller pursuant to clause 3.6(c)(2)(B), Woodside must pay the Seller (or as otherwise directed by the Seller) the Woodside Dividend Payment in accordance with clause 3.6(c)(1) and the Locked Box Payment in accordance with clause 3.6(c)(2)(B) in Immediately Available Funds without counterclaim or set-off;
- (b) if the Seller owes the Locked Box Payment to Woodside pursuant to clause 3.6(c)(2)(A) if required under clause 3.6(e)(2), Woodside must pay the Seller (or as otherwise directed by the Seller) the Net Amount in Immediately Available Funds without counterclaim or further set off;
- (c) Woodside must issue the Share Consideration:
 - (1) if required under clause 3.7(c)(2), to the BHP Shareholders in satisfaction of the dividend and/or return of capital (if applicable) declared by BHP in favour of the BHP Shareholders; or otherwise
 - (2) to the Seller; and
- (d) Woodside must execute and deliver (or, if applicable, Woodside must procure that the Woodside Nominee executes and delivers) the share transfers of the Sale Shares.



3 Post Completion actions

- (a) Immediately following Completion Woodside must procure that the Target' s members' register is updated for the transfer of the Sale Shares to Woodside (or, if applicable, the Woodside Nominee).
- (b) As soon as reasonably practicable following Completion, Woodside must procure that:
 - (1) notification of each Target Group Member' s new public officer is lodged with the Commissioner of Taxation; and
 - (2) any relevant ASIC forms are lodged to reflect the actions taken under this Schedule 5.

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Locked Box Payment

1 Part 1 - Calculation of Locked Box Payment

1.1 Principles and procedures

- (a) The Locked Box Payment must be calculated in accordance with, in order of precedence:
 - (1) the specific accounting principles, policies, procedures, methodologies, categorisations and estimation techniques as described in section 1.2 of this Schedule 6 (**Specific Accounting Principles**);
 - (2) where an item is not covered by the Specific Accounting Principles, in a manner consistent with the principles, policies, procedures, methodologies, categorisations and estimation techniques used to prepare the Locked Box Accounts, but taking into account that not all line items in the Locked Box Accounts will be included in calculating the Locked Box Payment; and
 - (3) where an item is not covered by the accounting principles, policies, procedures, methodologies, categorisations and estimation techniques referred to in sections 1.1(a)(1) or 1.1(a)(2) of this Schedule 6, in accordance with the Accounting Standards as at the Effective Time.
- (b) The following specific principle will apply in calculating the Locked Box Payment:
 - (1) in determining the amount in section 1.2(a) of this Schedule 6 and the amount in clause 6.1(c) (if any), the amounts Target Group Members are charged by Other Seller Entities for services or support provided by Other Seller Entities in the ordinary course of business will be included as costs for the purposes of determining operating profits of the Target Group, but only to the extent that the charged amounts are consistent with the basis on which amounts have been charged for the services or support during the course of the financial year ending 30 June 2021 (with Woodside having the ability to request reasonable information and supporting documentation, to the extent available, to support the amounts claimed by the Seller as such charged amounts).

1.2 Calculation of Locked Box Payment

The Parties agree the Locked Box Payment will be an amount equal to the following calculation:

- (a) Pre-Tax Net Cash Flow generated by the Target Group between Effective Time and Completion (excluding the amounts described in paragraph 2.1(d)(1) of the Detailed Matters Letter); less
- (b) Permitted Taxes; less
- (c) all Capital Expenditure paid by the Target Group between Effective Time and Completion, excluding any amounts due under section 1.2(i) of this Schedule 6 (excluding the amounts described in paragraph 2.1(d)(2) of the Detailed Matters Letter); plus
- (d) any cash consideration received from any disposal of Target Group fixed assets (including shares in Target Group Members) prior to Completion, except for:

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- (1) the consideration under the Ongoing Divestment Asset SPA net of any related taxes, transaction costs, fees and charges;
 - (2) any consideration under the Restructure;
 - (3) amounts already provided for pursuant to section 1.2(a) of this Schedule 6; and
 - (4) the Put Option Amounts; plus
- (e) any amount received by the Target Group from a Woodside Group Member on account of the payment due on a final investment decision being taken in respect of Scarborough pursuant to the Sale and Purchase Agreement between BHP Billiton Petroleum (North West Shelf) Pty Ltd and Woodside dated 2 September 2016; less
- (f) any payments arising from any acquisition of any assets by the Target Group prior to Completion (other than to the extent due to the operation of clause 3.6(f)(2)); less
- (g) any cash that is held in bank accounts beneficially controlled by the Target Group as at Completion; plus
- (h) any Taxes costs, fees and charges incurred by the Target Group as a result of the Restructure and/or the Unification to the extent they are included in sections 1.2(a) to 1.2(f) of this Schedule 6 and reduce the cash to be received by Woodside or remain outstanding at, and that will result in a cash outflow being paid by the Target Group after, Completion. To the extent the liability comes into existence after Completion and results in a cash outflow being paid by the Target Group, this will be covered by the indemnity in clause 9.5 (and for the avoidance of doubt, no adjustment is made under this sub-paragraph for any use of any Tax Losses or Tax Attributes, as part of the Restructure); plus
- (i) any Algerian Taxes or Algerian Duty incurred or payable by the Target Group that arises as a result of entering into this agreement or Completion but only if that Algerian Tax or Algerian Duty is included in the above paragraphs in this section 1.2 of this Schedule 6 and reduces the cash to be received by Woodside or remains outstanding at, and that will result in a cash outflow being paid by the Target Group after, Completion; plus
- (j) any amounts required for equalisation of Scarborough-related capital expenditure that has been solely funded by Woodside and is a liability as at the Effective Time, which is agreed to be US\$35.7 million to the extent it remains as a liability as at Completion; plus
- (k) an amount equal to the Tax effected amount of costs and expenses to be paid to advisers in respect of advising on the Transaction payable by any Target Group Member that remain outstanding as liabilities as at Completion (exclusive of any recoverable GST or equivalent value added tax); plus
- (l) if the Balance Sheet Negative Impact is greater than the Balance Sheet Positive Impact, the amount by which the Net Balance Sheet Impact is greater than US\$50m; less
- (m) if the Balance Sheet Positive Impact is greater than the Balance Sheet Negative Impact, the amount by which the Net Balance Sheet Impact is greater than US\$50m.

2 Part 2 - Determining Amended Locked Box Payment

2.1 Preparation of the draft Locked Box Payment Statement

- (a) The Seller must procure that no later than 90 Business Days after the Completion Date a draft Locked Box Payment Statement is prepared in accordance with Part 2 of this Schedule 6 and

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delivered to Woodside (together with supporting working papers the Seller considers to be reasonable acting in good faith), the Seller acting in good faith in the preparation of any such Locked Box Payment Statement.

- (b) The draft Locked Box Payment Statement must set out the Seller's calculation of the Locked Box Payment and the Adjustment Amount, including setting out the constituent amounts of the calculations.

2.2 Review by Woodside

Woodside must complete its examination and review of the draft Locked Box Payment Statement within 60 Business Days after receipt of it (**Review Period**) and deliver to the Seller the report contemplated by section 2.3 of this Schedule 6 by the end of the Review Period.

2.3 Report by Woodside

- (a) Woodside must deliver to the Seller, by no later than the end of the Review Period, a report (**Woodside's Report**) stating whether or not Woodside agrees with the draft Locked Box Payment Statement and the Adjustment Amount.
- (b) If Woodside does not agree with the Adjustment Amount in the draft Locked Box Payment Statement Woodside must also set out in Woodside's Report:
 - (1) the matters in respect of which it disagrees with the draft Locked Box Payment Statement and the different amounts it proposes to be included in the Locked Box Payment Statement (**Disputed Matters**);
 - (2) the grounds on which Woodside disagrees with the draft Locked Box Payment Statement; and
 - (3) Woodside's opinion as to the Adjustment Amount.
- (c) In preparing Woodside's Report, Woodside must comply with the following:
 - (1) to the extent balances have been audited in the Locked Box Accounts, these balances must not be challenged or disputed or be the subject of any Disputed Matters (except in the case of manifest error); and
 - (2) items or balances disputed or the subject of disagreement by an amount less than \$1 million must not be challenged or disputed and the balance in the draft Locked Box Payment Statement will be adopted in the interests of agreeing the Adjustment Amount efficiently.

2.4 Agreement or failure by Woodside to report

If Woodside:

- (a) states in Woodside's Report that it agrees with the Adjustment Amount in the draft Locked Box Payment Statement; or
- (b) does not deliver Woodside's Report as required under section 2.3 of this Schedule 6,

then the draft Locked Box Payment Statement delivered under section 2.1 of this Schedule 6 will be deemed to be the final Locked Box Payment Statement and will be conclusive, final and binding on the parties.



2.5 Disagreement or failure to provide report

- (a) If Woodside delivers a Woodside's Report as required under section 2.3 of this Schedule 6 stating that it does not agree with the Adjustment Amount in the draft Locked Box Payment Statement then Woodside and the Seller must enter into good faith negotiations and use all reasonable endeavours to agree the Disputed Matters.
- (b) If Woodside and the Seller cannot agree the Disputed Matters within 10 Business Days after delivery of Woodside's Report (or such longer period as Woodside and the Seller agree) then the unresolved Disputed Matters (**Unresolved Disputed Matters**) must be referred for resolution to an independent accountant with at least ten years' experience from a chartered accounting firm of international repute agreed by Woodside and the Seller within a further 10 Business Days. If they cannot agree on who the independent accountant will be, Woodside and the Seller must promptly request the Resolution Institute to nominate a suitable accountant with at least ten years' experience from a chartered accounting firm of international repute to determine the Unresolved Disputed Matters. If a person is nominated by the Resolution Institute, Woodside and the Seller agree to do all things reasonably necessary to effect that nomination as soon as reasonably practicable. The person agreed or nominated under this section 2.5(b) of this Schedule 6 will be the **'Expert'** for the purposes of this Schedule 6.
- (c) If either Party fails to cooperate (an **Uncooperative Party**) with the other Party to request the Resolution Institute to nominate a suitable accountant to determine the Unresolved Disputed Matters in accordance with section 2.5(b) of this Schedule 6 within 10 Business Days of Woodside and the Seller failing to agree on who the independent person referred to in section 2.5(b) of this Schedule 6 will be, then the other Party is hereby irrevocably appointed as attorney for the Uncooperative Party to:
 - (1) request the Resolution Institute to nominate a suitable accountant to determine the Unresolved Disputed Matters; and
 - (2) instruct the Expert in accordance with section 2.5(d) of this Schedule 6,(provided they do so both as principal and as attorney for the Uncooperative Party and that the terms of the request and the instructions do not require any prejudicially different treatment of the Seller and Woodside).
- (d) The Seller and Woodside must instruct the Expert to decide within the shortest practicable time the Unresolved Disputed Matters only and the impact on the Locked Box Payment Statement and the Adjustment Amount by applying the principles set out or referred to in this Schedule 6 in accordance with this Schedule 6 and to deliver to the Seller and Woodside a report (**Expert's Report**), that contains a copy of the amended Locked Box Payment Statement (if any) and that states, on the basis of the Expert's decision, its opinion as to:
 - (1) the Unresolved Disputed Matters including the reasons for the Expert's decision;
 - (2) the impact on the Adjustment Amount and the Locked Box Payment Statement; and
 - (3) the allocation of the Expert's costs in accordance with section 2.7 of this Schedule 6.
- (e) Woodside and the Seller must each provide and must ensure that Woodside's accountants and the Seller's accountants respectively provide, as soon as practicable, all information and assistance the Expert reasonably requests for the purpose of the Expert's Report.



- (f) Except to the extent Woodside and the Seller agree otherwise, the Expert will determine their own procedures, but:
 - (1) apart from procedural matters and as otherwise set out in this agreement, they will determine only:
 - (A) whether any of the arguments for an alteration to the draft Locked Box Payment Statement put forward in respect of Unresolved Disputed Matters is correct in whole or in part; and
 - (B) if so, what alterations (if any) should be made to the draft Locked Box Payment Statement and the Adjustment Amount;
 - (2) they must apply Part 1 of this Schedule 6;
 - (1) the procedure of the Expert will:
 - (A) give Woodside and the Seller a reasonable opportunity to make oral submissions and submissions in writing; and
 - (B) require that each of Woodside and the Seller's representative supplies the other with a copy of any representations in writing at the same time as they are made;
 - (3) the Expert will review the documents submitted by the Seller and Woodside and have the opportunity to ask specific written questions of, or request specific historical documents from, either party to clarify its understanding of the submissions;
 - (4) in relation to questions asked of one party, the other party must be given the opportunity to provide a written response to the written response submitted by the first party to the Expert;
 - (5) copies of any submission, response or document submitted to or by the Expert by or to a party as contemplated in this section 2.5 of this Schedule 6 will be submitted by the party or the Expert to the other party simultaneously or as soon as received, as the case may be; and
 - (6) if any non-written communication with the Expert is proposed, the relevant party must:
 - (A) give the other party not less than 2 Business Days' notice of the proposed communication; and
 - (B) provide the other party and its representatives and advisers with the opportunity to be present at any meetings or be part of any discussions, as the case may be.

2.6 Conclusiveness of Expert's report

- (a) The Expert will act as an expert, not as an arbitrator, in determining the dispute.
- (b) The Expert's determination in relation to the Unresolved Disputed Matters and the Adjustment Amount and the allocation of its costs must be made as soon as possible.
- (c) The Expert's determination of any value must be in the range for such items disputed by the parties. To the extent the Expert's Report assigns a value outside this range, the value of such items as proposed in the process under this Schedule 6 by either the Seller or Woodside that is closer to the Expert's Report shall be used.
- (d) The Expert's decision is final, conclusive and binding (except in the case of manifest error).

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2.7 Costs

The cost of the Expert (if appointed) must be shared equally and paid by Woodside (as to 50%) and the Seller (and not the Target Group) (as to 50%), unless the Expert determines otherwise.

2.8 Access to information

(a) The Seller must:

- (1) permit representatives of Woodside' s accountants to have access to and take extracts from the books, correspondence, accounts or other Business Records relating to the Target Group Members for the period before Completion in the Seller possession or control as Woodside' s accountants reasonably request in relation to the preparation of, and agreement to, the draft and final (as applicable) Locked Box Payment Statement; and
- (2) provide or ensure the provision of all information and assistance that may reasonably be requested by Woodside' s accountants in relation to the preparation of, and agreement to, the draft and final (as applicable) Locked Box Payment Statement.

(b) Woodside must, and must ensure that the Target Group Members:

- (1) permit representatives of the Seller and the Seller' s accountants to have access to and take extracts from the books, correspondence, accounts or other records relating to the Target Group Members in Woodside' s or Target Group Members' possession or control as the Seller and the Seller' s accountants reasonably request in relation to the review of, and agreement to, the draft and final (as applicable) Locked Box Payment Statement; and
- (2) provide or ensure the provision of all information and assistance that may reasonably be requested by the Seller and the Seller' s accountants in relation to the review of, and agreement to, the draft and final (as applicable) Locked Box Payment Statement.

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Cost allocations

The Parties agree that the following categories of costs incurred in connection with the Transactions will be allocated in accordance with the following principles. If the application of these principles produces any inconsistency with express and specific cost allocations (rather than principles) in the ITSA, the ITSA shall take precedence.

- (a) **(Personnel costs):**
- (1) All costs related to the Target Group's personnel (including bonuses, retention and redundancy costs) prior to Completion are to be borne by the Target Group (and not the Seller or the Other Seller Entities).
 - (2) All costs related to personnel employed by Other Seller Entities that provide support services to the Target Group will be charged in accordance with section 1.1(b)(1) of Schedule 6 until Completion and in accordance with the terms of the ITSA after Completion.
- (b) **(Separation costs):** All costs associated with separating the Target Group from the Seller Group systems, processes and arrangements (excluding personnel costs incurred by the Target Group) are to be borne by the Seller. These costs are not to be recharged by the Seller to the Target Group. For the avoidance of doubt, the costs of activities to be undertaken pursuant to Schedule 5 of the ITSA will be allocated between the Parties as specified in the ITSA.
- (c) **(Integration costs):** All costs associated with preparing for and implementing the integration of the Target Group into the Woodside Group (and its systems, processes and arrangements) will be borne by the Woodside Group or Target Group. The Locked Box Payment is to be reduced to the extent of any amount related to integration services provided by or integration costs incurred by Other Seller Entities in accordance with the Integration Plan, which the Seller has paid or is liable for and has not been reimbursed by the Woodside Group or Target Group at Completion. The integration costs referred to in this section (c) will only be incurred to the extent the activities have been approved in the Integration Plan and the costs provided for in the Integration Budget.
- (d) **(Change of control costs):** All out-of-pocket amounts payable to third parties that arise as a result of the change of control that occurs on Completion (except to the Seller's professional advisers engaged for the purposes of negotiating and implementing the Transaction) must be borne by the Woodside Group or Target Group (without recourse to the Seller). For amounts payable under the seismic licences, the parties will each use their reasonable endeavours to mitigate the costs arising in connection with the licences.
- The Locked Box Payment is to be reduced to the extent of any amount on account of change of control costs which the Seller has paid or is liable for (or is otherwise to the Seller's account) and has not been reimbursed by the Woodside Group or Target Group at Completion.
- (e) **(Seller's adviser costs):** All costs and expenses to be paid to advisers in respect of advising the Seller Group on the Transaction (other than to the extent they are integration costs or change of control costs, as characterised above), must be borne by the Seller.
- (f) **(Restructure costs):** Any direct costs incurred as a result of, or to give effect to, the Restructure must be borne by the Seller. For the avoidance of doubt, this does not include the use of any Tax Losses or Tax Attributes as part of the Restructure.

Permitted Tax

1 Agreed principles and definitions

1.1 Agreed principles

- (a) The Permitted Tax regime is underpinned by the following principles as outlined in this clause 1.1. The parties agree that in the event that the treatment of a particular item is not covered by clause 2 to 6 of this Schedule, or is considered by one party to give rise to an outcome that is inconsistent with these principles, the parties will promptly consult in good faith to agree the outcome.
- (b) The Permitted Tax mechanism ensures that the Buyer's Locked Box Payment is adjusted (either upwards or downwards) to reflect the Target Group's share of Taxes that are paid, or are payable, in respect of the period between Effective Time and Completion (the **Permitted Tax period**).
- (c) As the Buyer is entitled to the Pre-Tax Net Cash Flow generated by the Target Group between the Effective Time and Completion and other amounts as determined under clause 1.2 of Schedule 6 (as adjusted for certain items), the Buyer should bear the economic cost of paying any Tax associated with amounts included in that cash flow - being an income tax or similar tax such as the PPRT.
- (d) Conversely, for a Tax that relates to an amount that the Buyer does not become entitled to as a Locked Box Payment, the Seller should bear the economic cost of paying any income tax (or similar taxes) associated with that amount.
- (e) Where a Tax has already been taken into account in determining the Pre-Tax Cash Net Flow as an expense, such as payroll tax or sales tax (an **Expense Tax**), no adjustment is made to the Locked Box Payment.
- (f) The concept of a Permitted Tax is not intended to alter the basis upon which the Tax is calculated according to Tax Law. Rather, the mechanism provides an appropriate allocation mechanism to determine whether the Buyer or the Seller bears the economic liability to pay the Tax.
- (g) Determining the quantum of Tax, for the purpose of then determining Permitted Tax, will be done in a manner which is materially consistent with the past practice of the Seller, except as required by a Tax Law or, after the Effective Time, a change in interpretation of a Governmental Agency.
- (h) There are two types of Permitted Taxes:
 - (1) **Consolidated Tax:** A Consolidated Tax ensures that where the Seller or one or more Other Seller Entities is, or will be, liable for a Tax that relates to activities undertaken by a Target Group Member in the Permitted Tax period due to a tax consolidation regime the Seller is compensated for that liability.

This will apply in respect of the Seller's Consolidated Group only.

The mechanism for calculating Consolidated Tax is set out in section 5, and is a notional tax calculation to determine the Target Group's share of Taxes that are required to be paid by the Seller Group.
 - (2) **Target Entity only Taxes:** These are Taxes which are liable to be paid by a Target Group Member (whether under a tax consolidation regime or otherwise where all members of the

consolidation or grouping regime are Target Group Members) and not by an Other Seller Entity under a tax consolidation or tax grouping regime.

A Target Group Member that is a member of the Seller' s Consolidated Group can also have a Target Entity only Tax (ie PRRT).

US Group IV will be subject to the Target Entity only Taxes regime and not the Consolidated Group regime.

- (i) Determining whether the Buyer or the Seller will bear the economic cost of a Tax will be determined as follows:
- (1) The economic cost of a Consolidated Tax will be determined through the notional taxable income calculation (see sections 3 and 5 below).
 - (2) For a Target Entity only Tax (see section 4.1) that relates to:
 - (A) a period commencing after the Effective Time (ie a Permitted Tax period), that Tax will be wholly for the account of the Buyer (a **Buyer Target Entity only Tax**);
 - (B) a period that ends on or before the Effective Time, that Tax will be wholly for the account of the Seller (a **Seller Target Entity only Tax**); and
 - (C) a period that commenced prior to the Effective Time, but ends after the Effective Time (a **Straddle Permitted Tax period**), the Target Entity only Tax will be allocated on a pro-rata basis by reference to the number of days in the relevant period.
- (j) The Permitted Tax mechanism will apply to Tax Losses and Tax Attributes that were in existence as at the Effective Time as follows:
- (1) In quantifying Permitted Tax, a Target Group Member can utilise any Tax Loss or Tax Attribute that would otherwise remain with the Target Group after Completion. For example, if a Tax Loss would be able to be utilised by a Target Group Member after Completion (and not by the Seller Group) then that Tax Loss can be utilised by the Target Group Member to reduce or eliminate the Permitted Tax.
 - (2) If a Tax Loss or Tax Attribute would otherwise remain with the Seller Group after Completion, then the Target Group Member cannot utilise that Tax Loss or Tax Attribute. For example, if a Tax Loss would be able to be utilised by the Seller' s Consolidated Group (and not a Target Group Member) after Completion, then it cannot be utilised by a Target Group Member in determining the Permitted Tax.
 - (3) For Consolidated Taxes:
 - (A) the Buyer can utilise a Tax Loss or Tax Attribute that arises in, and as a result of activities of, a Target Group Member in the Permitted Tax period to reduce or eliminate its Permitted Tax; and
 - (B) the Seller will compensate the Buyer for any overall notional tax loss that arises in the Permitted Tax period that remains with the Seller Group after Completion (see section 6 of this Schedule).
 - (4) The Permitted Tax mechanism does not compensate the Buyer for any loss of Tax Losses or Tax Attributes associated with the Restructure or Unification. Therefore, any cash settlement payments from an Other Seller Entity to a Target Group Member within US Group IV for the



use of Tax Losses or Tax Attributes associated with the Restructure or the Unification pursuant to an applicable tax sharing agreement shall result in an increase in the amount of Permitted Taxes via the Locked Box Tax Adjustment.

- (k) For a Target Entity only Tax, if a Buyer utilises a Tax Attribute that:
 - (1) arises after the Effective Time in respect of which the Seller or one or more Other Seller Entities is bearing the economic cost of the thing that gives rise to the Tax Attribute; and
 - (2) otherwise reduces the quantum of the Permitted Tax,

then the Buyer shall compensate the Seller for use of that Tax Attribute (**Locked Box Tax adjustments**) (see section 6). This concept will also apply such that if the Seller benefits from a Tax Attribute that the Buyer is bearing the economic cost of, the Seller will compensate the Buyer for that Tax Attribute (except if the use of that Tax Attribute is associated with the Restructure).

- (l) Permitted Tax will not apply to government production entitlements paid in kind (i.e. Trinidad PSC payments) or any Tax that is indemnified by the government where any gross-up associated with those payments in kind are not included in the quantification of the Pre-Tax Net Cash Flow.

1.2 Definitions

In addition to the definitions in clause 1.1, the following definitions apply to this Schedule:

| | |
|--------------------------------------|---|
| Buyer Target Entity only Tax | A Target Entity only Tax that is for the account of the Buyer, pursuant to clause 4.1(f) of this Schedule. |
| Expense Taxes | Taxes that are treated as expense in the profit before tax calculation, including royalties, excise, payroll tax, fringe benefits tax, property taxes. |
| Locked Box Tax adjustments | The amount calculated under clause 6 of this Schedule. |
| Permitted Tax period | the period from Effective Time to Completion. |
| Seller Target Entity only Tax | A Target Entity only Tax that is for the account of the Seller, pursuant to clause 4.1(d) of this Schedule. |
| Straddle Permitted Tax period | A period that commenced prior to the Effective Time, but ends after the Effective Time. |
| Target Entity only Tax | A Target Entity only Tax is one which is liable to be paid by a Target Group Member and not by a non-Target Group Member under a tax consolidation or tax grouping regime. |
| Target Entity only Return | Tax returns, forms or statements of the relevant Target Group Member as lodged with a Governmental Agency in respect of the payment of a Target Entity only Tax or prepared to quantify the amount of the Target Entity only Tax. |



2 Calculating Permitted Tax

- (a) The quantum of Permitted Tax will reduce the cash payment required to be paid by the Seller to the Buyer (or increase the amount required to be paid by the Buyer to the Seller) under clause 1.2(b) of Schedule 6.
- (b) The quantum of the Permitted Tax is the sum of the following items (expressed in US dollars):
 - (1) the Buyer Target Entity only Taxes; plus
 - (2) the Buyer' s share of Consolidated Taxes (which can be a positive or a negative amount); less
 - (3) the Seller Target Entity only Taxes that are notified to the Buyer in the Completion Notice or the Locked Box Payment Statement; plus
 - (4) the Locked Box Tax adjustment (which can be a positive or negative amount).
- (c) Any payment of a clear exit under the Tax Sharing Agreement is not a Permitted Tax.
- (d) The Seller will have the sole conduct and control of the preparation of the Permitted Tax calculation:
 - (1) the Seller' s good faith estimate of the Permitted Tax will be included in the Completion Notice referred to in clause 3.6 which will be provided 7 Business Days prior to Completion which will include workings as to how the Permitted Tax has been calculated; and
 - (2) the Seller' s final determination of the Permitted Tax will be included in the Locked Box Final Statement to be provided 90 Business Days after Completion pursuant to clause 2 of Schedule 6 together with any supporting working papers the Seller considers to be reasonable acting in good faith.

3 Determining notional taxable income

- (a) The Seller will prepare a notional taxable income calculation for each Target Group Member in respect of the Permitted Tax period as required.
- (b) Where the Permitted Tax period straddles the end of the period for which a Target Group Member is required to determine a Tax liability, then notional taxable income calculations will be determined as follows:
 - (1) A notional taxable income calculation will be calculated from the Effective Time to the end of the relevant period (**period 1**).
 - (2) A separate notional taxable income calculation will then be calculated from immediately after the end of period 1 to Completion, or the end of the next relevant period.
- (c) The notional taxable income calculation will be determined using the following principles:
 - (1) Start with the accounting "profit before tax" amount that is used in the determining the Pre-Tax Net Cash Flow (**PBT accounting number**).

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- (2) Consistent with the Seller Group' s past practice in undertaking its tax calculations, adjustments will be made to the PBT accounting number, including:

| <u>Item</u> | <u>Detail</u> |
|---|--|
| Depreciation, depletion and amortization (DDA) | Accounting DD&A is reversed and the applicable tax DD&A amounts are deducted. For the avoidance of doubt, this captures all fixed asset related items including intangible drilling costs. |
| Employee entitlement related adjustments | Accounting accruals for employee entitlements are reversed and deducted in accordance with the applicable Tax Laws. |
| Restoration and rehabilitation (R&R) costs | Accounting accruals for R&R liabilities are reversed and deducted in accordance with the applicable Tax Laws. |
| Other provisions and book accruals | Accounting accruals or provisions are reversed and deducted in accordance with Tax Laws. |
| Foreign tax inclusions | Adjust PBT accounting number to include any foreign income tax inclusions not otherwise included in PBT accounting number. |
| Disallowed deduction | Adjust PBT accounting number to exclude any book expenses that are disallowed under a Tax Law. |
| Partnership income | Adjust PBT accounting number to reflect any timing differences associated with any tax partnerships within the Target Group Entities. |
| Other adjustments | Other book-to- tax adjustments may be included to the extent that they are identified in the ordinary course and consistent with past practice of BHP. |

- (3) An adjustment will also be made in relation to the following items in determining notional taxable income:
- (A) Interest received, paid or accrued is excluded on the basis that these amounts are also excluded in calculating the Pre-Tax Net Cash.



- (B) Costs associated with separation and the Seller's advisors costs that are allocated to the Seller under Schedule 7 are excluded.
- (C) Any cash consideration received from any disposal of Target Group fixed assets that is for the account of the Buyer under clause 1.2(d) of Schedule 6 is included.
- (D) Any Pre-Tax Net Cash Flows relating to the Ongoing Divestment Asset generated between Effective Time and Completion are excluded.
- (E) Any other adjustments that are considered necessary and appropriate to reflect the Permitted Tax principles referred to in clause 1.1 of this Schedule.

4 Target Entity only Taxes

4.1 Quantifying Target Entity only Taxes

- (a) The Target Entity only Taxes will be based on the Tax returns, forms, statements or calculations of the relevant Target Group Member as lodged with a Governmental Agency or prepared to quantify the amount of the Target Entity only Tax (being a **Target Entity only Return**).
- (b) The Seller will have the sole conduct and control of the preparation and filing of all Target Entity only Returns that are lodged prior to Completion, which, having regard to the Seller's obligations in clause 5.4(f), will be prepared in a manner which is materially consistent with the past practice of the Seller, except as required by a Tax Law or, after the Effective Time, there is a change in interpretation of a Governmental Agency.
- (c) A Seller Target Entity only Tax includes:
 - (1) a Target Entity only Tax that relates to a period that ends on or before the Effective Time as determined under clause 4.1(d) of this Schedule; and
 - (2) the Seller's share of a Target Entity only Tax that relates to a Straddle Permitted Tax Period as determined under clause 4.1(g) of this Schedule.
- (d) A Seller Target Entity only Tax will be accounted for as follows in quantifying Permitted Tax:
 - (1) Where a Seller Target Entity only Tax is paid by a Target Group Member prior to Completion, it is not included in the Permitted Tax calculation. This is because the Buyer is entitled to the Pre-Tax Net Cash Flow generated by a Target Group Member.
 - (2) A Seller Target Entity only Tax that become payable within 6 months of Completion and is notified by the Seller to the Buyer in the Completion Notice or the Locked Box Payment Statement is included in the Permitted Tax calculation as a reduction (see 2(b)(3) of this Schedule).
 - (3) Any further Seller Target Entity only Tax that is not covered by clause 4.1(d)(2) of this Schedule is covered by the Tax Indemnity and is not included in the Permitted Tax calculation.
- (e) A Buyer Target Entity only Tax includes:
 - (1) a Target Entity only Tax that relates to a Permitted Tax period as determined under clause 4.1(f) of this Schedule; and
 - (2) the Buyer's share of a Target Entity only Tax that relates to a Straddle Permitted Tax Period as determined under clause 4.1(g) of this Schedule.

- (f) A Buyer Target Entity only Tax will be accounted for as follows in quantifying Permitted Tax:
 - (1) Where the Buyer Target Entity only Tax is paid prior to Completion pursuant to a Target Entity only Return, then it will be a Permitted Tax.
 - (2) If a Target Entity only Return relates to both a Target Entity and an Other Seller Entity, the Tax paid will only be Buyer Target Entity only Tax to the extent that it relates to a Target Entity (and the balance will be a Seller Target Entity only Tax).
 - (3) No adjustment is made to the quantum of a Buyer Entity only Tax where, after Completion, a Tax Demand arises in respect of a Target Entity only Return.
 - (4) Where the Buyer Target Entity only Tax is not paid as at Completion, it is not included in the Permitted Tax calculation.
- (g) In respect of a Straddle Permitted Tax period, the Target Entity only Tax will be allocated as follows for each Target Entity only Tax paid pursuant to a Target Entity only Return in that period:
 - (1) For the Seller, the amount of the relevant Tax multiplied by a fraction the numerator of which is the number of calendar days in the Straddle Permitted Tax period prior to the Effective Time and the denominator of which is the number of calendar days in the entire Straddle Permitted Tax Period.
 - (2) For the Buyer, the amount of the relevant Tax multiplied by a fraction the numerator of which is the number of calendar days in the Straddle Permitted Tax period on and from the Effective Time and the denominator of which is the number of calendar days in the entire Straddle Permitted Tax period.
- (h) In addition:
 - (1) where a Target Group Member incurs closing-down expenditure (as defined in section 39 of the *Petroleum Resource Rent Tax Assessment Act 1987* (Cth)) after the Effective Time (being an amount included in the Pre Tax Net Cash Flow amount), any closing-down refund will be for the account of the Buyer, net of any associated income tax liability; and
 - (2) a Consolidated Tax is not a Target Entity only Tax.

4.2 Woodside review rights

- (a) The review rights and dispute mechanism in relation to a Target Entity only Return will be governed by this clause 4.2 and not by clause 2.5 of Schedule 6.
- (b) For each Target Entity only Return that has been, or is required to be, lodged prior to Completion (a **Pre-Completion Target Entity only Return**):
 - (1) The Seller must deliver each Pre-Completion Target Entity only Return to the Buyer as soon as it is available after having been lodged with a Governmental Agency for the Buyer's review and comment. If the Buyer objects to any items set forth in the Pre-Completion Target Entity only Return it must notify the Seller of the objection as soon as it is aware of the objection.
 - (2) The Seller will file each Pre-Completion Target Entity only Return by the due date for filing. The Seller must procure that an amended return, which reflects the resolution or the disputed items (either as resolved by agreement or by the expert), is filed immediately after the disputed items are resolved (the **amended Target Entity only return**).



- (c) If the Buyer notifies the Seller of an objection to a Pre Completion Target Entity only Return the parties must attempt in good faith to resolve the dispute. If the parties cannot resolve any such dispute within 10 Business Days of the objection being notified, then:
 - (1) the parties must appoint an expert agreed to by the parties, or, if they cannot agree on an expert within a further 5 Business Days, the parties must request the President of the Tax Institute (in respect of an Australian Tax) or a nationally recognised independent accounting firm in respect of a non-Australian Tax to appoint an expert, to determine the proper amounts for the items remaining in dispute;
 - (2) the expert' s determination is, in the absence of manifest error, final and binding on the parties and a party must not commence court proceedings or arbitration in relation to the dispute; and
 - (3) the expert' s costs and expenses in connection with the dispute resolution proceedings will be borne by the parties in a manner determined by the expert (and either party may request that determination) and in the absence of such a determination will be borne by the Seller and the Buyer equally
- (d) Where an amended Target Entity only return is lodged that would result in a refund or reduction in Tax, the Buyer Target Entity only Tax as determined under clause 4.1(f)(1) of this Schedule will only be reduced if the Target Group Member receives the refund in Immediately Available Funds prior to Completion.
- (e) The provisions of clause 17.4, and not this clause 4.2 of this Schedule will apply to a Target Entity only Return that has not been lodged by the Completion Date. For the avoidance of doubt, an Expense Tax is not covered by this clause 4.2.

5 Consolidated Tax

5.1 Quantifying a Consolidated Tax

- (a) This section applies in respect of the Seller Consolidated Group.
- (b) Where a Target Group Member is a member of the Seller Consolidated Group:
 - (1) The Seller Group is responsible for paying all Consolidated Taxes up to Completion, including prior to the Effective Time.
 - (2) The Buyer is required to make a payment on account of any type of Tax that is, or will be, payable by the Seller Group in respect of the Seller' s Consolidated Group in respect of, or as a result of, the activities undertaken by a Target Group Member.
- (c) The quantum of the Consolidated Tax will be determined as follows for the Seller Consolidated Group:
 - (1) a notional taxable income calculation will be prepared for each of the Target Group Members that are a member of the Seller Consolidated Group, based on the additional assumptions outlined below in paragraph 5.1(e) of this Schedule, which can be a positive amount or a negative amount;
 - (2) the total notional tax income for each relevant Target Group Member undertaken under clause of this Schedule will be added together (the **notional Target Group taxable income**), such that a Target Group Member' s negative Target Entity notional taxable income will reduce the total notional Target Group taxable income;



- (3) where the notional Target Group taxable income is a positive amount, it will be multiplied by the applicable statutory tax rate that applies to the Seller Consolidated Group, and then adjusted for any Tax Attribute that the Target Group is entitled to use in accordance with 1.1(j)(3) of this Schedule and will be the Consolidated Tax that is taken into account in quantifying the Permitted Tax;
 - (4) where the notional Target Group taxable income is a negative amount, it will be multiplied by the applicable statutory tax rate that applies to the relevant Seller Consolidated Group and the result will increase the Locked Box Payment where the Tax Loss or Tax Attribute will remain with the Seller Consolidated Group post Completion; and
 - (5) there will be a calculation for each relevant tax period that applies to the Seller Consolidated Group. For example, if Completion occurs on 1 August then there will be two tax calculations in relation to the Seller's Consolidated Group Target Group Members to determine the Permitted Tax: Effective Time to 30 June 2022, and 1 July 2022 to 1 August 2022.
- (d) The Seller will have the sole conduct and control of the preparation of the calculation of the Consolidated Tax, which, having regard to the Seller's obligations in clause 5.4(f), will be prepared in a manner which is materially consistent with the past practice of the Seller, except as required by a Tax Law or interpretation of a Governmental Agency.
- (e) The notional taxable income for the purpose of calculating the Consolidated Tax will be determined based on the following additional assumptions:
- (1) the entity is a stand-alone entity and not a member of a Seller Consolidated Group;
 - (2) where income, deductions or tax offsets are to be forecast for the pre-Completion calculations, those forecasts must be applied on a systematic and rational basis;
 - (3) dividends and other distributions paid by a member of the Seller Consolidated Group to another member of that group are not to be included in the notional assessable income of the recipient/not to be treated as an allowable deduction of the payer;
 - (4) the Target Group Member is not entitled to the benefit of any Tax Loss or Tax Attribute of a Seller Consolidated Group as at the Effective Time, unless the Tax Loss or Tax Attribute will remain with a Target Group Member post Completion;
 - (5) where income, including amounts attributed under controlled foreign company rules or partnership arrangements, deductions or tax offsets are referable to all or part of a tax period, that income or those deductions or tax offsets are to be apportioned on a reasonable time basis to the period during which the entity was a member of the Seller Consolidated Group;
 - (6) provisions such as the value shifting provisions and the commercial debt forgiveness provisions do not apply in respect of transactions between members of the Seller Consolidated Group;
 - (7) all elections and choices made for tax purposes by the Seller Consolidated Group are, to the extent they are relevant to a Target Group Member, regarded as having been made by the Target Group Member. The Buyer must consent to any new elections made between Effective Time and Completion that affect any Target Group Member (such consent not to be unreasonably withheld) applying for the purpose of undertaking the notional tax calculations only;



- (8) any income or gain derived or deduction or loss incurred as a result of transaction that occurs wholly between members of the Seller Tax Group will be taken into account, but only if that income or expense is not excluded from the Pre-Tax Net Cash Flow (such as interest income or expenses) or adjusted in the Locked Box Payment (such as income from the disposal of fixed assets), unless the Seller and the Buyer determines that a particular amount of income, gain, deduction or loss from such a transaction should not be taken into account;
- (9) the tax basis, and depreciation effective life where relevant, for each asset held by a Target Group Member is the same as that for the Seller Consolidated Group;
- (10) the character and timing of the derivation of income and incurrence of deductions for a Target Group Member is the same as for the Seller Consolidated Group;
- (11) provisions of a Tax Law that apply on a group basis (for example, the thin capitalisation provisions) are to be applied on a systematic and rational basis taking into account that the member is part of the Seller Consolidated Group;
- (12) any income, gain, deduction or loss that arises due to the Restructure is disregarded in determining the notional taxable income;
- (13) an amount received under a tax funding agreement (or any similar arrangement) is disregarded; and
- (14) any other adjustments are necessary and appropriate to reflect the Permitted Tax principles referred to in clause 1 of this Schedule.

5.2 Woodside review rights

- (a) The Seller will provide the Buyer with:
 - (1) a draft calculation of the Consolidated Tax calculation at the time the Completion Notice is provided to the Buyer; and
 - (2) a final calculation when the Locked Box Payment Statement is provided to the Buyer.
- (b) If the Buyer objects to any items set forth in the Consolidated Tax Return calculation, then the dispute mechanism in clause 2.5 of Schedule 6 will apply, with the following modifications:
 - (1) the Expert will be an Australian income tax expert from a chartered accounting firm of international repute;
 - (2) the Expert will accept any position adopted by the Seller that is materially consistent with the past practice of the Seller; and
 - (3) no tax return or information associated with the Seller Consolidated Group in respect of an entity that is not a Target Group Member will be provided to the Buyer.

6 Locked Box Tax adjustments

- (a) The Seller will have the sole conduct and control of the preparation of the Locked Box Tax adjustment, which will be provided in draft and in final to the Buyer in accordance with clause 2(d) of this Schedule.



- (b) The Locked Box Tax adjustments will be determined as follows:
- (1) The Buyer Target Entity only Taxes are re-calculated on the basis of the following adjustments (**notional Target Entity only Taxes**):
 - (A) Interest received, paid or accrued is excluded in calculating the notional Target Entity only Taxes (as income or expenses, as appropriate). This is on the basis that these amounts are also excluded in calculating the Pre-Tax Net Cash.
 - (B) Costs associated with separation and the Seller's adviser costs that are allocated to the Seller under Schedule 7 (that have otherwise been taken into account in quantifying a Target Entity only Tax) are excluded as an expense in calculating the notional Target Entity only Taxes.
 - (C) Any Pre-Tax Net Cash Flows (that have otherwise been taken into account in quantifying a Target Entity only Tax) relating to the Ongoing Divestment Asset generated between Effective Time and Completion are excluded in calculating the notional Target Entity only Taxes.
 - (D) Adjustments as required to give effect to the principle that the Permitted Tax mechanism does not compensate the Buyer Group for any loss of Tax Losses or Tax Attributes associated with the Restructure or Unification.
 - (E) Any cash consideration received from any disposal of Target Group fixed assets that is for the account of the Buyer under clause 1.2(d) of Schedule 6 is included in calculating the notional Target Entity only Taxes.
 - (F) Any Tax Loss or Tax Attribute that was in existence as at the Effective Time that would otherwise remain with the Seller or one or more Seller Entities and is used by the Buyer to reduce the Permitted Tax is excluded in calculating the notional Target Entity only Taxes.
 - (G) Any Tax Loss or Tax Attribute that is generated by an entity on or after the Effective Time that is not a Target Group Member is excluded in calculating the notional Target Entity only Taxes.
 - (H) Any other adjustments that the Seller considers are necessary and appropriate to reflect the Permitted Tax principles referred to in clause 1 of this Schedule.
 - (2) By way of example, if an interest expense is to be excluded as a result of clause 6(b)(1)(A) of this Schedule, then that expense is then excluded as a possible deduction in quantifying the notional Target Entity only Taxes.
 - (3) Any Tax that has been, or will be prior to Completion, paid by a Seller Group Member in respect of an amount received by the Target Group from a Woodside Group Member, on account of the payment due on a final investment decision being taken in respect of Scarborough pursuant to the Sale and Purchase Agreement between BHP Billiton Petroleum (North West Shelf) Pty Ltd and the Buyer dated 2 September 2016, will be added to the notional Target Entity only Taxes for the purpose of calculating the Locked Box Tax adjustment.
 - (4) If the notional Target Entity only Taxes is greater than the Buyer Target Entity only Taxes, then the difference will be a positive Locked Box Tax adjustment that increases the Permitted Tax.

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HERBERT
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FREEHILLS

- (5) If the notional Target Entity only Taxes is less than the Buyer Target Entity only Taxes, then the difference will be a negative Locked Box Tax adjustment that reduces the Permitted Tax.
- (6) If the notional Target Entity only Taxes is the same as the Buyer Target Entity only Taxes, then Locked Box Tax adjustment is nil and no adjustment is made to the Permitted Tax.
- (c) If the Buyer objects to any items set forth in the Locked Box Tax adjustment calculation, then the dispute mechanism in clause 2.5 of Schedule 6 will apply, with the following modifications:
 - (1) the Expert will be a tax expert from a chartered accounting firm of international repute;
 - (2) the Expert will accept any position adopted by the Seller that is materially consistent with the past practice of the Seller; and
 - (3) no tax return or information associated with the Seller Consolidated Group in respect of an entity that is not a Target Group Member will be provided to the Buyer.

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Schedule 9

Timetable

| <u>Event</u> | <u>Date</u> |
|---|--------------------|
| Woodside publishes Woodside EM and NoM for Woodside Shareholder vote in respect of the Transaction. | 21 March 2022 |
| Woodside Shareholder vote in respect of the Transaction. | 21 April 2022 |
| Completion of the Transaction. | 29 April 2022 |

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Signing page

Executed as an agreement

Seller

Signed by
BHP Group Limited
by

sign here „ /s/ Stefanie Wilkinson
Company Secretary

print name Stefanie Wilkinson

sign here „ /s/ Mike Henry
Director

print name Mike Henry

Woodside

Signed by
Woodside Petroleum Ltd
by

sign here „ /s/ Warren Martin Baillie
Company Secretary

print name Warren Martin Baillie

sign here „ /s/ Marguerite Eileen O' Neill
Director

print name Marguerite Eileen O' Neill

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To: The Directors and Rebecca McNicol
Woodside Petroleum Ltd
'Mia Yellagonga', 11 Mount Street
Perth, WA 6000 rebecca.mcnicol@woodside.com.au

7 April 2022

By Email

Dear the Directors and Rebecca

Agreement with respect to certain matters under SSA

We refer to the share sale agreement (SSA) dated 22 November 2021 between BHP Group Limited (**Seller**) and Woodside Petroleum Ltd (**Woodside**). Unless otherwise defined in this letter agreement, any capitalised terms used in this letter agreement shall have the meaning given to them under the SSA.

1 Completion Date

In accordance with clause 7.1, the Parties:

- (a) have consulted and determined that Completion can occur on a day that is not the last Business Day of a month; and
- (b) agree that, notwithstanding clause 7.1(a)(3), but subject to:
 - (1) all Conditions (other than the Intervention Condition (as defined below)) being satisfied or waived (including pursuant to paragraph 2.2(b) below) by the Unconditional Time (as defined below); and
 - (2) the Condition in clause 2.1(r) (No Injunction or Order) (**Intervention Condition**) being waived (pursuant to paragraph 2.2(c)) by 5.00pm (Melbourne time) on 31 May 2022,

Completion shall take place at 8:00am on 1 June 2022 (unless otherwise agreed by the Parties).

To avoid doubt, paragraph (b) above is without prejudice to the chapeau of clause 7.1(a) such that Completion remains subject to clauses 2.1, 7.2 and 22 (as those clauses may be affected by the remaining provisions of this letter agreement).

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Further the Parties agree that the Timetable in the SSA is to be updated such that the current agreed indicative timetable is as follows:

| <u>Event</u> | <u>Date</u> |
|---|--------------|
| Woodside publishes Woodside EM and NoM for Woodside Shareholder vote in respect of the Transaction. | 8 April 2022 |
| Woodside Shareholder vote in respect of the Transaction. | 19 May 2022 |
| Completion of the Transaction. | 1 June 2022 |

2 Conditions

2.1 FIRB

In accordance with clause 2.3(d), the Parties have consulted in good faith and the Seller has determined that the FIRB Approval described in clause 2.1(a) is not required in respect of the implementation of the Transaction, and as a result the Seller has withdrawn the application submitted to FIRB.

In accordance with clause 2.4(a)(1), the Seller hereby confirms the waiver of the Condition in clause 2.1(a).

2.2 Conditions satisfied or waived

(a) The Parties acknowledge and agree that, as at the date of this letter agreement, all Conditions have been satisfied or waived other than:

- (1) the Condition in clause 2.1(c) (NOPTA Approval);
- (2) the Condition in clause 2.1(d) (Woodside Shareholder Approval);
- (3) the Condition in clause 2.1(e) (ASIC, ASX, SARB and JSE);
- (4) the Condition in clause 2.1(h) (Official Quotation);
- (5) the Condition in clause 2.1(i) (Woodside Independent Expert' s Report);
- (6) the Condition in clause 2.1(j) (Restructure);
- (7) the Condition in clause 2.1(k) (US Registration Statements); and
- (8) the Intervention Condition.

(b) The Parties agree that:

- (1) provided all of the conditions of any relief, waiver, confirmation, exemption, consent or approval granted by any of ASIC, ASX, SARB and JSE to enable the Transaction to be implemented have been satisfied (to the extent they can be reasonably satisfied before the Unconditional Time), and those regulators have not raised a requirement for any further relief, waiver, confirmation, exemption, consent or approval to enable the Transaction to be implemented, by the Unconditional Time (defined below), the Condition in clause 2.1(e) (ASIC, ASX, SARB and JSE);

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- (2) provided ASX has not indicated to Woodside prior to the Unconditional Time (defined below) that it will not grant permission for the official quotation of the new Woodside Share to be issued as Share Consideration, the Condition in clause 2.1(h) (Official Quotation); and
- (3) provided that no stop order suspending the effectiveness of any US Registration Statement has been issued, and no proceedings for that purpose have been commenced or threatened by the SEC, subject to each US Registration Statement having been declared effective by the SEC in accordance with the provisions of the US Securities Act and the US Exchange Act, as applicable, the Condition in clause 2.1(k) (US Registration Statement),

shall be deemed to be satisfied with effect from 5.00pm (Melbourne time) on 19 May 2022 or, if later, the time of the close of the Woodside Annual General Meeting to be held on that date (**Unconditional Time**), unless either Party has provided written notice to the other Party prior to that time of an event or occurrence that results in the Condition not being satisfied or prevents the Condition being satisfied.

- (c) The Parties agree that the Intervention Condition shall be deemed to be waived with effect from 5.00pm (Melbourne time) on 31 May 2022, unless either Party has provided written notice to the other Party prior to that time of an event or occurrence that has triggered the Intervention Condition

3 Distribution matters

- (a) In accordance with clause 3.5(a), the Seller provides confirmatory written notice to Woodside that the Seller directs Woodside to issue the Share Consideration to the Seller (rather than directly to the BHP Shareholders).
- (b) For the purposes of clause 3.7(g), it has been determined that the rounding treatment described in clause 3.7(g)(2) would be adopted (and recommended to the Board that this rounding treatment be applied by rounding in respect of (i) shares held by BHP shareholders on the BHP Register; (ii) BHP depository holders based on their BHP depository holdings; (ii) in respect of BHP shareholders registered on the South African branch share register based on their registered holding; and (iii) BHP employee participants in the BHP Shareplus employee program based on their shares held by the trustee or nominee for the individual participant) and the proceeds returned to the Seller. Prior to Woodside Shareholder Approval, BHP may request, and Woodside must consider in good faith approving, amendments to these arrangements if they cause challenges.
- (c) For the purposes of clause 3.7(j), it has been determined that an “opt in” voluntary share sale facility would be offered to eligible Selling Shareholders, and that the BHP Shareholders entitled to participate in the voluntary share sale facility (should they elect to do so) will be BHP Shareholders:
 - (1) who are registered on the BHP Australian principal share register and hold 1,000 BHP shares or less or on the BHP depository interest register and hold 1,000 BHP depository interests or less;
 - (2) whose registered address in the BHP Australian principal share register or BHP Depository Interest register is in any of Australia, Canada, Chile, France, Germany, Ireland, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Norway, Spain, Sweden, Switzerland, United Arab Emirates and the United Kingdom; and
 - (3) who are not, and are not acting for the account or benefit of persons, in the United States,

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on the Distribution Record Date. Prior to Woodside Shareholder Approval, BHP may request, and Woodside must consider in good faith approving, amendments to these arrangements if they cause challenges.

- (d) The Parties agree that clause 3.7(k) is amended such that:
- (1) rather than the Sale Agent being required to sell all Woodside Shares transferred to the Sale Agent (**Shares Being Sold**) on market, the Sale Agent may sell some or all of the Shares Being Sold to sophisticated and professional investors via a bookbuild, provided that the Seller will use reasonable endeavours to respond to Woodside's reasonable requests for information regarding the parameters and status of the bookbuild, but in each case only to the extent that the circumstances reasonably permit (but for the avoidance of doubt, nothing in this paragraph 3(d)(1) requires or contemplates the Seller and Woodside reaching any contract, arrangement or understanding in relation to any aspect of the bookbuild); and
 - (2) the period in which the Sale Agent must pay the Sale Proceeds Amount to each Ineligible Foreign Shareholders and Selling Shareholder shall be as is required under the terms of any applicable ASIC relief instrument.
- (e) For the purposes of the definition of "Ineligible Foreign Shareholder" in clause 1.1 of the SSA, the Seller has determined that any (i) BHP Shareholder on the BHP Register; (ii) BHP depository interest holder on the register of BHP depository interests; and (iii) participant in BHP's employee share plans on the BHP employee share trust registers (maintained by BHP), (together the **Relevant Registers**) at the Distribution Record Date who is not an Eligible BHP Shareholder will be an Ineligible Foreign Shareholder. For this purpose, an Eligible BHP Shareholder is a BHP Shareholder whose address is shown in the Relevant Register as being in one of the following jurisdictions:
- (1) Australia, Canada, Chile, France, Germany, Ireland, Italy, Japan, Jersey, Luxembourg, Malaysia, New Zealand, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, the United Kingdom and the United States; and
 - (2) any other jurisdiction in respect of which the Seller determines (acting reasonably and following consultation with Woodside) that it is not prohibited or unduly onerous or impractical to transfer or distribute new Woodside Shares to the BHP Shareholders in those jurisdictions,

in addition to all BHP Shareholders (including shareholders holding shares on the BHP South African branch share register) with a registered address in one of the jurisdictions above or in South Africa who validly elect (in accordance with the Seller's instructions) to receive the Woodside Shares under the Distribution. Prior to Woodside Shareholder Approval, BHP may request, and Woodside must consider in good faith approving, amendments to these arrangements if they cause challenges.

4 Critical Separation Activities

The Parties agree that the reference to "10 March 2022" in clause 7.2(b) is deleted and replaced with a reference to "31 March 2022".

5 Company name changes post Completion

Notwithstanding clause 14.4, following Completion the Seller shall have and make no Claim against Woodside pursuant to clauses 14.4 and 14.5 in respect of solely a failure to change the

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company name of a Target Group Member (that is incorporated outside Australia) contained on the list produced pursuant to paragraph 5(a), provided that:

- (a) at least 1 month prior to the deadline in clause 14.4(a)(2), Woodside has provided a written notice setting out a list of the relevant Target Group Members for which the name has not yet been changed, the reason why the name has not been changed, actions to be taken to effect the name change and the expected time by which the name will be changed; and
- (b) Woodside has used and continues to use reasonable endeavours and complies with any reasonable direction (which may require Woodside to incur reasonable costs) given by BHP to effect such change of company name.

6 Provisions not to affect validity, rights, obligations

- (a) No provision of this letter agreement affects the validity or enforceability of the SSA.
- (b) Nothing in this letter agreement:
 - (1) prejudices or adversely affects any right, power, authority, discretion or remedy which arose under or in connection with the SSA before the date of this letter agreement; or
 - (2) discharges, releases or otherwise affects any liability or obligation which arose under or in connection with the SSA before the date of this letter agreement.

7 General

- (a) All references in this letter to clauses and Schedules are references to the numbered clauses and Schedules in the SSA.
- (b) Clause 1 (Definitions and Interpretation), clause 11 (Qualifications and imitations on Claims), clause 18 (Public Announcements), clause 19 (Confidentiality), clause 25 (Notices), clause 21.3 (Other claims) and clause 26 (General) apply to this letter as if set out in full, *mutatis mutandis*.
- (c) With respect to the subject matter of this letter, the terms of this letter take precedence to the extent of any inconsistency with the SSA.

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Executed as an agreement

Seller

Signed by
BHP Group Limited
by

sign here u /s/ Stefanie Wilkinson
Company Secretary

sign here u /s/ Mike Henry
Director

print name Stefanie Wilkinson

print name Mike Henry

Woodside

Signed by
Woodside Petroleum Ltd
By

sign here u /s/ Warren Baillie
Company Secretary

sign here u /s/ Marguerite O' Neill
Director

print name Warren Baillie
April 7, 2022

print name Marguerite O' Neill
April 7, 2022

**PROSPECTUS FOR UP TO 914,768,948 WOODSIDE SHARES, INCLUDING WOODSIDE SHARES UNDERLYING NEW WOODSIDE
ADSS OF WOODSIDE PETROLEUM LTD.**

PART II.

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

Australian law. Australian law provides that a company or a related body corporate of the company may provide for indemnification of a person as an officer or auditor of the company, except to the extent of any of the following liabilities incurred as an officer or auditor of the company:

a liability owed to the company or a related body corporate of the company;

a liability for a pecuniary penalty order made under Section 1317G or a compensation order under Section 961M, 1317H, 1317HA, 1317HB, 1317HC or 1317HE of the Corporations Act; or

a liability that is owed to someone other than the company or a related body corporate of the company and did not arise out of conduct in good faith.

Australian law provides that a company or related body corporate of the company must not indemnify a person against legal costs incurred in defending an action for a liability incurred as an officer or auditor of the company if the costs are incurred:

in defending or resisting proceedings in which the officer or director is found to have a liability for which they cannot be indemnified as set out above;

in defending or resisting criminal proceedings in which the person is found guilty;

in defending or resisting proceedings brought by ASIC or a liquidator for a court order if the grounds for making the order are found by the court to have been established (except costs incurred in responding to actions taken by the ASIC or a liquidator as part of an investigation before commencing proceedings for the court order); or

in connection with proceedings for relief to the officer or a director under the Corporations Act, in which the court denies the relief.

Woodside Constitution. To the extent permitted by and subject to the Corporations Act, the Woodside Constitution provides that Woodside must, to the extent the person is not otherwise indemnified, indemnify every officer and employee of Woodside and its wholly owned subsidiaries, and may indemnify its auditor, against a liability incurred as a Woodside officer, employee or auditor to a person (other than Woodside or a related body corporate) including a liability incurred as a result of appointment or nomination by Woodside or a subsidiary as a trustee or as an officer of another corporation or body (including a statutory authority), unless the liability arises out of conduct involving a lack of good faith.

The Woodside Constitution provides, subject to the Corporations Act, that Woodside may enter into, and pay premiums on, an insurance policy in respect of any person where it is in the interests of the Company to do so. Woodside has paid premiums for a “directors and officers” insurance policy, which insures Directors, company secretaries and employees against certain liabilities (including legal costs) they may incur in carrying out their duties for Woodside.

SEC Position. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or controlling persons of Woodside pursuant to the foregoing provisions, or otherwise, Woodside has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by Woodside of expenses incurred or paid by a director, officer or controlling person of Woodside in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, Woodside will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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Item 21. Exhibits and Financial Statement Schedules.

| Exhibit Number | Description |
|-----------------------|---|
| 2.1# | <u>Share Sale Agreement, dated 22 November 2021, by and between Woodside Petroleum Ltd. and BHP Group Ltd (attached as Annex A to the prospectus forming a part of this registration statement).</u> |
| 2.2#† | <u>Integration and Transition Services Agreement, dated 22 November 2021, by and between Woodside Petroleum Ltd. and BHP Group Ltd.</u> |
| 2.3 | <u>Letter Agreement with respect to certain matters under the Share Sale Agreement, dated 7 April 2022, by and between Woodside Petroleum Ltd. and BHP Group Ltd (attached as Annex B to the prospectus forming a part of this registration statement).</u> |
| 3.1 | <u>Constitution of Woodside Petroleum Ltd.</u> |
| 4.1 | <u>Amended and Restated Deposit Agreement, dated as of 11 February 2015, by and among Woodside Petroleum Ltd., Citibank, N.A., as Depository, and the Holders and Beneficial Owners of ADSs issued thereunder.</u> |
| 4.2 | <u>Form of Second Amended and Restated Deposit Agreement by and among Woodside Petroleum Ltd., Citibank, N.A., as Depository, and the Holders and Beneficial Owners of ADSs issued thereunder.</u> |
| 4.3 | <u>Form of American Depositary Receipt (included in Exhibit 4.2).</u> |
| 5.1 | <u>Opinion of King & Wood Mallesons regarding the legality of securities being registered.</u> |
| 10.1 | <u>Indenture, dated as of 3 November 2003, by and among Woodside Finance Limited, Woodside Petroleum Ltd., Woodside Energy Ltd. and the Bank of New York.</u> |
| 15.1 | <u>Letter of Acknowledgement of Ernst & Young concerning unaudited interim financial information of BHP Petroleum International Pty Ltd.</u> |
| 16.1 | <u>Letter of Ernst & Young, dated 29 March 2022, regarding change in the Independent Registered Public Accounting Firm.</u> |
| 21.1 | <u>List of subsidiaries of Woodside.</u> |
| 23.1 | <u>Consent of Ernst & Young with respect to Woodside Petroleum Ltd.</u> |
| 23.2 | <u>Consent of Ernst & Young with respect to BHP Petroleum International Pty Ltd.</u> |
| 23.3 | <u>Consent of King & Wood Mallesons (included as part of Exhibit 5.1 hereto).</u> |
| 23.4 | <u>Consent of KPMG Financial Advisory Services (Australia) Pty Ltd.</u> |
| 23.5 | <u>Consent of Gaffney Cline & Associates Limited.</u> |
| 23.6 | <u>Consent of Netherland, Sewell & Associates, Inc.</u> |
| 24.1 | <u>Powers of Attorney (included on the signature page of this registration statement).</u> |
| 99.1 | <u>Reserve Report of Netherland, Sewell & Associates, Inc. as to reserves of Woodside Petroleum Ltd as of 31 December 2021.</u> |
| 99.2 | <u>Reserve Report of Netherland, Sewell & Associates, Inc. as to reserves of Woodside Petroleum Ltd as of 31 December 2020.</u> |
| 99.3 | <u>Reserve Report of Netherland, Sewell & Associates, Inc. as to reserves of Woodside Petroleum Ltd as of 31 December 2019.</u> |
| 99.4 | <u>Report of KPMG Financial Advisory Services (Australia) Pty Ltd., dated as of 8 April 2022, as to the fairness of the merger to Woodside shareholders.</u> |
| 107 | <u>Filing fee table.</u> |

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- # Information in this exhibit identified by brackets is confidential and has been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is not material and is the type of information that the Company customarily treats as private or confidential. An unredacted copy of this exhibit will be furnished to the SEC on a supplemental basis upon request.
- † Schedules to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby agrees to furnish a copy of any omitted schedules to the SEC upon request.

Item 22. Undertakings

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) To file a post-effective amendment to the registration statement to include any financial statements required by Item 8.A of Form 20-F at the start of any delayed offering or throughout a continuous offering. *Provided, however*, that financial statements and information otherwise required by Section 10(a)(3) of the Securities Act need not be furnished, *provided* that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph (a)(4) and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements.

(5) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

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(6) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
- (iii) the portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
- (iv) any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b)

(1) The undersigned registrant hereby undertakes as follows: that prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of this form.

(2) The registrant undertakes that every prospectus (i) that is filed pursuant to paragraph (1) immediately preceding or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes: (i) to respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means, and (ii) to arrange or provide for a facility in the United States for the purpose of responding to such requests. The undertaking in subparagraph (i) above includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

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(e) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Perth, State of Western Australia, Australia on April 13, 2022.

Woodside Petroleum Ltd.

By: /s/ Marguerite O' Neill
Name: Marguerite O' Neill
Title: Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, that the person whose signature appears below hereby constitutes and appoints Marguerite O' Neill and Graham Tiver as the undersigned' s true and lawful attorney-in-fact and agent, with the powers of substitution and revocation, for the undersigned and in the undersigned' s name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and to file the same, with all exhibits thereto and other documents in connection therewith, with the SEC, granting unto such attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite or necessary to be done in order to affect the same as fully, to all intents and purposes, as the undersigned might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents, or any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following person in the capacities and on the dates indicated.

| <u>Name</u> | <u>Title</u> | <u>Date</u> |
|---|---|----------------|
| <u>/s/ Marguerite O' Neill</u> Marguerite O' Neill | Chief Executive Officer (Principal Executive Officer) | April 13, 2022 |
| <u>/s/ Graham Tiver</u> Graham Tiver | Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer) | April 13, 2022 |
| <u>/s/ Richard Goyder, AO</u> Richard Goyder, AO | Non-Executive Director | April 13, 2022 |
| <u>/s/ Larry Archibald</u> Larry Archibald | Non-Executive Director | April 13, 2022 |
| <u>/s/ Frank C. Cooper, AO</u> Frank C. Cooper, AO | Non-Executive Director | April 13, 2022 |
| <u>/s/ Swee Chen Goh</u> Swee Chen Goh | Non-Executive Director | April 13, 2022 |
| <u>/s/ Christopher M. Haynes, OBE</u> Christopher M. Haynes, OBE | Non-Executive Director | April 13, 2022 |

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| Name | Title | Date |
|---|------------------------|----------------|
| <hr/> <i>/s/ Ian Macfarlane</i> Ian Macfarlane | Non-Executive Director | April 13, 2022 |
| <hr/> <i>/s/ Ann Pickard</i> Ann Pickard | Non-Executive Director | April 13, 2022 |
| <hr/> <i>/s/ Sarah Ryan</i> Sarah Ryan | Non-Executive Director | April 13, 2022 |
| <hr/> <i>/s/ Gene T. Tilbrook</i> Gene T. Tilbrook | Non-Executive Director | April 13, 2022 |
| <hr/> <i>/s/ Ben Wyatt</i> Ben Wyatt | Non-Executive Director | April 13, 2022 |

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AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

Pursuant to the requirements of the Securities Act of 1933, as amended, Woodside Petroleum Ltd. has duly caused this registration statement to be signed by the following duly authorized representative in the United States on April 13, 2022.

By: /s/ Thomas Feutrill
Name: Thomas Feutrill
Title: Director

Certain information has been excluded from the exhibit because it is not material and would likely cause competitive harm to the company if publicly disclosed. [*] indicates the redacted confidential portions of this exhibit.**

Integration and Transition Services Agreement

Dated 22 November 2021

BHP Group Limited

Woodside Petroleum Ltd

Integration and Transition Services

Agreement

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Integration and Transition Services Agreement

Details

Parties

| | | |
|-----------------|---------|--|
| BHP | Name | BHP Group Limited |
| | ACN | 004 028 077 |
| | Address | Level 18, 171 Collins Street, Melbourne, Victoria, 3000 |
| Woodside | Name | Woodside Petroleum Ltd |
| | ACN | 004 898 962 |
| | Address | 'Mia Yellagonga' , 11 Mount Street, Perth, Western Australia, 6000 |

- Recitals**
- A On 17 August 2021, the Parties entered into the MCD whereby each Party committed to pursue the Transaction**
- B** On the Execution Date, the Parties have also entered into the Sale Agreement as contemplated by the MCD to implement the Transaction.
- C** The Parties enter into this Integration and Transition Services Agreement as contemplated by the MCD to set out the terms upon which:
- (a) each Party will undertake activities in preparation for, and in order to support, the integration of the Target Group and Target Petroleum Business into the Woodside Group on and from Completion; and
 - (b) the Transition Services will be provided to the Woodside Group for an agreed period on and from Completion.

1 Definitions and interpretation**1.1 Definitions**

The meanings of the terms used in this agreement are set out below.

Affected Obligations has the meaning given in clause 19.2.

Agreed Costs means the costs specified in Schedule 6.

Applicable Anti-Bribery and Corruption Laws means the *Criminal Code Act 1995* (Cth), the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth), the *UK Bribery Act 2010*, the *U.S. Foreign Corrupt Practices Act of 1977*, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (which entered into force on 15 February 1999) and the Convention's commentaries, and other such Conventions including the United Nations against Corruption (which entered into force on 14 December 2005), or any other applicable legislation or regulation relating to anti-bribery or anti-corruption (governmental or commercial).

Applicable Trade Controls Laws means any sanctions, export control, or import laws, or other regulations, orders, directives, designations, licenses, or decisions relating to the trade of goods, technology, software and services which are imposed, administered or enforced from time to time by Australia, the United States, the United Kingdom, the EU, EU Member States, Switzerland, the United Nations or United Nations Security Council and also includes U.S. anti-boycott laws and regulations.

BHP Charging Methodology means the principles in accordance with which the Parties must agree the Transition Service Fees, as set out in Schedule 7.

BHP Data means all data, information and other materials (whether or not Confidential Information) relating to BHP or any BHP Group Member, and its and their operations, facilities, customers, Personnel, assets, services, products, sales and transactions, in whatever form such information may exist from time to time, except to the limited extent such data, information or material relates solely and exclusively to a Target Group Member or to the Target Petroleum Business.

BHP Group means BHP and BHP Group Plc and any of their Related Bodies Corporate (which prior to Completion, includes the Target Group), and **BHP Group Member** means any member of the BHP Group.

BHP Systems means the Systems used by the BHP Group in connection with the provision of any of the Transition Services and System Services or performance of the Integration Activities.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Australia.

Carry-over Plan has the meaning given in clause 11(h).

Carry-over Separation Activities means any Separation Activities (other than Systems Separation Activities) that are not completed on or prior to Completion.

Carry-over Transition Services has the meaning given in clause 11(h)(ii).

Competition and Consumer Act means the *Competition and Consumer Act 2010* (Cth).

Completion has the meaning given in the Sale Agreement.

Completion Date has the meaning given in the Sale Agreement.

Confidential Information has the meaning given in clause 24(a).

Confidentiality Deed means the confidentiality deed between the Target and Woodside dated 28 April 2021, as amended and/or restated from time to time.

Consequential Loss means loss or damage which does not fairly and reasonably arise naturally from the relevant breach, including:

- (a) loss of profit;
- (b) loss of expected savings;
- (c) opportunity costs;
- (d) loss of business (including loss or reduction of goodwill);
- (e) damage to reputation; and
- (f) loss or corruption of data.

Corporations Act means the *Corporations Act 2001* (Cth).

COVID-19 means the coronavirus disease identified by the World Health Organisation on 11 February 2020 as COVID-19 and declared a pandemic by the World Health Organisation on 11 March 2020.

Data Privacy Laws means:

- (a) the *Privacy Act 1988* (Cth), including the Australian Privacy Principles contained in that Act; and
- (b) any other applicable Laws relating to the collection, use, disclosure, storage or granting of access rights to Personal Information.

Defaulting Party has the meaning given in clause 3.2(a).

Delay has the meaning given in clause 9.1(b).

Entity includes a natural person, a body corporate, a partnership, a trust and the trustee of a trust.

Execution Date means the date of this agreement.

Force Majeure Event has the meaning given in clause 19.1.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian that has duly authorised authority in the jurisdictions in which the Target Group operates or from which Transition Services are provided.

Group Member means a BHP Group Member or a Woodside Group Member (as applicable).

Initial Transition Service Term means for each Transition Service, the period commencing on the Completion Date and continuing for the term set out for that Transition Service in the Transition Service Schedule, such period not to exceed 3 months.

Integration Activities are those activities described in the Integration Plan, as may be further mutually developed and refined in accordance with this agreement, to be undertaken from the Execution Date until Completion, with costs to be allocated in accordance with the 'integration cost' allocation in paragraph (c) of Schedule 7 of the Sale Agreement, to integrate the Target Group and Target Petroleum Business into the Woodside Group. For the avoidance of doubt, Integration Activities:

- (a) exclude Separation Activities, Systems Services and Transition Services; and
- (b) only involve planning and scoping activities, and must always be limited to the extent permitted by the Protocols.

Integration Budget means the budget for Integration Activities set out in Schedule 2, as may be updated by the Parties from time to time in accordance with clause 20.1 of this agreement.

Integration Management Office means the office described in clause 7.2(a).

Integration Objectives means the objectives described in clause 6.

Integration Plan means the current working plan set out in Schedule 1, as will be developed and agreed between the Parties pursuant to clause 8(b) and as may be updated by the Parties from time to time in accordance with clause 20.1 of this agreement.

Integration Steering Committee means the committee described in clause 7.1.

Intellectual Property Rights means all intellectual property rights and interests throughout the world, whether registered or unregistered including:

- (a) trade marks, designs, patents, inventions, semi-conductor, circuit and other eligible layouts, copyright and analogous rights, trade secrets, know how, processes, concepts, and all other intellectual property rights as defined in Article 2 of the Convention establishing the World Intellectual Property Organization of 14 July 1967, as amended from time to time; and
- (b) any application or right to apply for registration of any of the rights referred to in paragraph (a).

Law means all present and future laws, regulations, codes, ordinances, local laws, by-laws, orders, judgments, licences, rules, permits and requirements of all Government Agencies applicable in any jurisdiction in which activities contemplated by this agreement take place.

Linked Transition Service means a Transition Service which is dependent on the continued provision of another Transition Service, as identified in each applicable Transition Service Schedule.

Longstop Date means the date that is 12 months after Completion.

Maintenance means any maintenance of any of the BHP Systems deemed necessary by the BHP Group in its sole discretion (acting reasonably), including any maintenance:

- (a) in response to an emergency; or
- (b) which is being carried out for one or more members of the BHP Group (including the Other BHP Entities) that are receiving services that are the same as or similar to the Transition Services or that are delivered using the BHP Systems used to deliver the Transition Services.

Material Condition means:

- (a) a Party' s obligations with respect to Confidential Information;
- (b) a Party' s obligations with respect to Intellectual Property Rights; and
- (c) Woodside' s obligation to pay properly due and payable Transition Service Fees that are not the subject of a bona fide dispute in accordance with clause 21.1(c).

MCD means the Merger Commitment Deed between BHP Group Limited (ACN 004 028 077) and Woodside Petroleum Ltd (ACN 004 898 962) dated 17 August 2021.

New Transition Services means any services, tasks, activities or functions (including those that are incidental to the Transition Services) which were not provided by BHP or any other BHP Group Member (as relevant) in respect of the Target Petroleum Business in the 12 month period immediately preceding the Execution Date.

Omitted Transition Services means any services, tasks, activities or functions which were provided by BHP or any other BHP Group Member in respect of the Target Petroleum Business in the 12 month period immediately preceding the Execution Date and those services, tasks, activities or functions were performed in the ordinary course of operating the Target Petroleum Business (rather than responding to one-off events) and which are requested by Woodside under clause 14.4(a) not less than 30 days prior to the Completion Date.

Other BHP Entities means BHP Group Members that are not Target Group Members.

Party means each of BHP and Woodside.

Personal Information means information or an opinion about an identified individual or an individual who is reasonably identifiable.

Personnel of a person means:

- (a) the officers, employees, contractors, and agents of that person; and
- (b) any of that person' s Related Bodies Corporate, subcontractors or service providers,

but in the case of:

- (c) Woodside, excludes BHP, the personnel of BHP and BHP' s Related Bodies Corporate; and

(d) BHP, excludes Woodside, the personnel of Woodside and Woodside's Related Bodies Corporate.

PPSA has the meaning given in the Sale Agreement.

Prevented Party has the meaning given in clause 19.2.

Protocols means the Information Disclosure Protocols agreed between the Target and Woodside dated 8 July 2021 and other protocols with respect to the sharing and management of information as may be agreed by the Parties.

Related Bodies Corporate means has the meaning set out in section 50 of the Corporations Act, except that the term "body corporate" in that term includes any Entity (other than a natural person) and the term "subsidiary" where used in that section has the meaning given to it in the Corporations Act, but so that:

- (a) an Entity will also be taken to be a subsidiary of another Entity if it is controlled by that Entity pursuant to section 50AA of the Corporations Act, but disregarding for this purpose section 50AA(4);
- (b) a trust may be a subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (c) an entity may be a subsidiary of a trust if it would have been a subsidiary if both that entity and the trust were a corporation, and in respect of BHP, each of:
 - (d) BHP Group Plc and its Related Bodies Corporate (determined by operation of the remainder of this definition of "Related Bodies Corporate") will be Related Bodies Corporate of each of BHP and its Related Bodies Corporate (determined by operation of the remainder of this definition of "Related Bodies Corporate"); and
 - (e) BHP and its Related Bodies Corporate (determined by operation of the remainder of this definition of "Related Bodies Corporate") will be Related Bodies Corporate of each of BHP Group Plc and its Related Bodies Corporate (determined by operation of the remainder of this definition of "Related Bodies Corporate").

Resource means any Personnel, sites, facilities, Systems, software, source code materials, hardware, telecommunications, equipment, management systems, tools, methodologies, contracts, procedures and other resources necessary to perform any of the Transition Services.

Sale Agreement means the share sale agreement in respect of the Transaction entered into on the Execution Date.

Separation Activities means the activities that are necessary to separate the Target Group from the BHP Group Systems and BHP management systems prior to integration of the Target Group into the Woodside Group, and includes the Systems Separation Activities but excludes the Systems Services.

Service Failure has the meaning given in clause 14.7(a).

Service Standards means a standard reasonably equivalent and consistent with the standard to which BHP, or the relevant Third Party Supplier, supplied a service which was equivalent to the relevant Transition Service to the Target Petroleum Business on average during the 12 month period prior to the Execution Date.

Substitute Supplier means a provider of a service that operates independently of the BHP Group that is a substitute for a Transition Service.

Synergy Opportunities has the meaning given in clause 12.

System and Data Access Protocols means the protocols set out in Schedule 8.

Systems means the information technology systems and services used, accessed or supplied by a Party or any of its Related Bodies Corporate or its or their Personnel in connection with the provision or receipt of the Transition Services or the Systems Services or the performance of the Integration Activities under this agreement.

Systems Separation Activities has the meaning given in Schedule 5.

Systems Services has the meaning given in Schedule 5.

Target means BHP Petroleum International Pty Ltd (ACN 006 923 897).

Target Group has the meaning given in the Sale Agreement, and **Target Group Member** means any member of the Target Group.

Target Petroleum Business has the meaning given in the Sale Agreement.

Taxes means all taxes, levies, charges, contributions and imposts (and any interest or penalties thereon) levied or assess by any Government Agency.

Term has the meaning given in clause 3.1(a).

Third Party means a person other than Woodside, BHP and their respective Related Bodies Corporate.

Third Party Agreement means an agreement or arrangement under which a Third Party provides any Resources or services which relate to or are used in the course of providing any Transition Services.

Third Party Supplier means a Third Party that is party to a Third Party Agreement.

Transaction has the meaning given in the Sale Agreement.

Transition Service means a service to be provided by the BHP Group to the Woodside Group on a transitional basis on and from Completion, as set out in a Transition Service Schedule and includes any New Transition Services, Omitted Transition Services or Carry-over Transition Services.

Transition Service Fee means the amount payable for a Transition Service as agreed by the Parties under clause 14.9(a) or clause 11(I)(ii) and included in the applicable Transition Service Schedule, as may be varied in accordance with clause 14.9(c) or clause 20 of this agreement (as applicable).

Transition Service Schedule means the template in Schedule 3 as developed and agreed in accordance with clause 14.1(c) for each Transition Service.

Transition Service Term means in respect of each Transition Service, the period commencing on the Completion Date (or such later date as may be specified in the applicable Transition Service Schedule) and continuing for the period specified for that Transition Service in the Transition Service Schedule (unless terminated earlier or extended in accordance with the terms of this agreement).

Woodside Data means all information, data and other materials (whether or not Confidential Information) relating solely and exclusively to Woodside or any Woodside Group Member (including in relation to the Woodside Group's interest in any joint ventures in which they are participants) whether in electronic or physical form which are received by BHP or a BHP Group Member, created by or on behalf of BHP (including by any other BHP Group Member) for Woodside, or otherwise held, stored, acquired, accessed or processed by BHP or any other BHP Group Member on behalf of Woodside, in each case, directly in the course of the performance of BHP's obligations under this agreement.

Woodside Group means Woodside and all of its Related Bodies Corporate (which following Completion includes the Target Group), and **Woodside Group Member** means any member of the Woodside Group.

Woodside Systems means the Systems (excluding BHP Systems and the Ringfenced System, and including the Initial-State Clone) used by Woodside Group in connection with the performance of the Integration Activities and the receipt and use of the Transition Services and Systems Services.

1.2 Interpretation

In this agreement:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this agreement;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning;
- (e) an expression importing a person includes any company, partnership, joint venture, association, corporation, limited liability company or other body corporate and any Government Agency, as well as an individual;
- (f) a reference to a clause, schedule or attachment, is a reference to a clause of or schedule or attachment to this agreement, and this agreement includes any schedule and attachment;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (h) a reference to a document (including this agreement) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to a party to a document includes that party's successors and permitted assignees;
- (j) a reference to an agreement other than this agreement includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (k) no provision of this agreement will be construed adversely to a party because that party was responsible for the preparation of this agreement or that provision;

-
- (l) a reference to a body (including an institute, association or authority), other than a party to this agreement, whether statutory or not:
 - (i) which ceases to exist; or
 - (ii) whose powers or functions are transferred to another body,
is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
 - (m) a reference to 'A\$' or 'Australian dollar' is to the lawful currency of Australia and a reference to 'US\$', 'US dollar', is to the lawful currency of the United States of America;
 - (n) a reference to any time, unless otherwise indicated, is to the time in Melbourne, Australia;
 - (o) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
 - (p) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
 - (q) if an act prescribed under this agreement to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and
 - (r) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1, has the same meaning when used in this agreement.

1.3 Interpretation of inclusive expressions

Specifying anything in this agreement after the words 'include' or 'for example' or similar expressions does not limit what else is included.

1.4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

2 Group Members

- (a) Subject to the terms of this agreement:
 - (i) BHP must, to the extent that any of its obligations are performed by a BHP Group Member, procure that each relevant BHP Group Member complies with BHP's relevant obligations under this agreement; and
 - (ii) Woodside must, to the extent that any of its obligations are performed by a Woodside Group Member, procure that each relevant Woodside Group Member complies with Woodside's obligations under this agreement.
- (b) Each of BHP and Woodside respectively agrees that:
 - (i) each of their respective Group Members from time to time has the benefit of all clauses of this agreement which are expressed to be, or by their nature are, for the benefit of the Group Member or a director or officer of the Group Member (as the case may be) and each of BHP and Woodside respectively may enforce those clauses for the benefit of each of its respective Group Members;

-
- (ii) none of their respective Group Members (other than the relevant Party to this agreement) may bring any claim, action or proceeding against any Group Member of the other Party in relation to this agreement and they each must procure that their respective Group Members comply with this clause 2(b)(ii); and
 - (iii) each of BHP and Woodside (**Indemnifying Party**) indemnifies the other for any liabilities incurred by any of the other Party's Group Members due to a breach of clause 2(b)(ii) by the Indemnifying Party.

3 Term and termination

3.1 Term

- (a) This agreement commences on the Execution Date and continues, subject always to clause 3.1(b), in force until the earlier of the following events:
 - (i) the last Transition Service Term expires;
 - (ii) the completion of the Systems Separation Activities, Systems Services and the Parties' respective obligations under the Separation & Migration Plan; or
 - (iii) termination of this agreement,
(the **Term**).
- (b) The parties acknowledge and agree that the Term cannot in any circumstance continue beyond the Longstop Date.

3.2 Early termination

This agreement, and the Parties' obligations under it, will terminate:

- (a) where, after Completion, a Party is in default of a Material Condition (**Defaulting Party**) if:
 - (i) the non-defaulting Party has first given written notice to the Defaulting Party setting out the details of the default and specifying a reasonable cure period (which must be at least 10 Business Days) within which the Defaulting Party must remedy, or to the extent that the default is not capable of being remedied, carry out reasonable activities to prevent the recurrence of, the default of the relevant Material Condition; and stating an intention to terminate this agreement should the circumstances in clause 3.2(a)(ii) apply; and
 - (ii) within the cure period specified in the notice provided under clause 3.2(a)(i) or such other time period as agreed by the Parties, the Defaulting Party has failed to remedy, or to the extent that the default is not capable of being remedied, carry out reasonable activities to prevent the recurrence of, the relevant default; or

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- (b) on the date of termination of the Sale Agreement (including where the Conditions (as that term is defined in the Sale Agreement) failed to be satisfied or, where permitted, waived).

3.3 Effect of termination

If this agreement is terminated under clause 3.2 and otherwise on expiry of this agreement:

- (a) each Party will be released from its obligations under this agreement, except that this clause 3.3, and clauses 1, 2, 15.2, 18, 21, 22, 24, 23, 25, 26, 27, 29 and 30 will survive termination or expiry and remain in force;
- (b) each Party will retain the rights it has or may have against the other Party in respect of any past breach of this agreement; and
- (c) in all other respects, all future obligations of the Parties under this agreement will immediately terminate and be of no further force and effect.

3.4 Right to terminate

Subject to clause 3.2(a), where a Party has a right to terminate this agreement, that right for all purposes will be validly exercised if the Party delivers a notice in writing to the other Party stating that it terminates this agreement and the provision under which it is terminating the agreement.

4 Compliance / relationships

- (a) Other than the obligations on a Party to perform the Integration Activities, Separation Activities, Systems Services and Transition Services, nothing in this agreement requires any Party to act at the direction of the other or imposes any obligation on any Party to conduct their respective businesses in accordance with any direction or representation made by the other.
- (b) The Parties acknowledge that their obligations under this agreement shall be subject to the Confidentiality Deed, the Protocols and all Laws (including competition laws) or requirements of any Government Agency that apply (in the case of Laws) or have duly authorised authority (in the case of a Government Agency) in the jurisdictions in which the Target Group operates or from which Transition Services are provided.
- (c) Nothing in this agreement constitutes the relationship of a partnership or joint venture between the Parties.

5 Digital Solution

The Parties must comply with their obligations under Schedule 5.

6 Objectives

- (a) The Parties acknowledge and agree that the Integration Activities, Transition Services and Separation Activities (including the planning, refinement and coordination of the Integration Plan, Integration Budget and Integration Activities and agreeing and documenting the final Transition Services and Separation Activities) will be undertaken with the shared intention, subject always to strict compliance with the Protocols and all Laws, including competition laws, to facilitate the achievement of the following objectives:
- (i) in respect of each of the BHP Group and Woodside Group, seek to ensure uninterrupted operations and developments and minimise disruptions;
 - (ii) maximise certainty as to operating methodologies in the Woodside Group following Completion to ensure no compromise to safety, environment or asset performance;
 - (iii) seek to provide clarity for BHP and Woodside Personnel on terms, roles and reporting lines;
 - (iv) seek to identify Synergy Opportunities for Woodside to improve efficiency and reduce costs of the Woodside Group following Completion;
 - (v) seek to identify best practices for the Woodside Group to consider and adopt following Completion drawing from experiences of both the BHP Group and the Woodside Group;
 - (vi) minimise the need for Transition Services after Completion;
 - (vii) maximise independence of the Target Group from the BHP Group as at Completion in order to enable Woodside as far as practicable to realise an integrated Woodside Group on and from Completion;
 - (viii) seek to enable Woodside Group to be in a position, following Completion, to maximise the returns from its existing and developing assets; and
 - (ix) identify governance and reporting arrangements that will support the Woodside Board decision making following Completion.
- (b) The objectives set out in clause 6(a) do not expand the scope of the Parties' obligations under this agreement or alter the meaning of the express terms of this agreement. However, if any term of this agreement is ambiguous (including in determining whether a Party is acting in good faith) then the objectives set out in clause 6(a) will be used as the primary reference for determining the intention of the Parties.

7 Governance

7.1 Integration Steering Committee

- (a) The Parties must establish an Integration Steering Committee to operate for the period commencing on the Execution Date and concluding on the Completion Date that will be comprised of:
- (i) for Woodside, the Chief Executive Officer, Woodside; and
 - (ii) for BHP, the President of Petroleum, BHP,
- or their respective authorised delegates.

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- (b) The Integration Steering Committee must meet at least fortnightly or at such other interval as agreed between the Parties.
 - (c) The Integration Steering Committee has overall responsibility for:
 - (i) oversight of Integration Activities and approval of changes to the Integration Plan;
 - (ii) approving or rejecting recommendations made by the Integration Management Office;
 - (iii) approving any Changes to the Integration Budget;
 - (iv) determining disputes escalated to the Integration Steering Committee by the Integration Management Office pursuant to clause 7.2(c); and
 - (v) considering and determining any other key material decisions and recommendations which are referred to the Integration Steering Committee by the Integration Management Office pursuant to clause 7.2(e).
 - (d) The Integration Steering Committee must use its reasonable endeavours to make decisions by unanimous agreement, and may escalate matters to the Chairpersons of BHP and Woodside for unanimous agreement between the Chairpersons where necessary. If the Integration Steering Committee (including following escalation to the Chairpersons, where applicable) is not able to reach a unanimous decision in respect of:
 - (i) subject always to clause 7.1(e), an Integration Activity only, where the decision relates to the structure, activities, governance or operation of the Woodside Group after Completion then that decision may be made by the Chief Executive Officer, Woodside; and
 - (ii) any other matters under or relating to this agreement (including, for the avoidance of doubt, matters relating to or that may impact upon the Transition Services, Systems Services or Separation Activities), then the Integration Steering Committee must escalate that decision in accordance with the dispute resolution process set out in clause 23.
 - (e) For the avoidance of doubt, it is agreed that where a decision is made by the Chief Executive Officer, Woodside, pursuant to clause 7.1(d)(i) that has a potential consequential impact on Separation Activities, Systems Services, Transition Services or the ordinary operation of the Other BHP Entities' businesses, then that decision of itself will not be binding on the BHP Group and will have no impact on BHP' s rights or obligations in respect of those activities, services or operations, and BHP is relieved from the obligation to perform its relevant obligations under this agreement in respect of those activities, services or operations to the extent that they are so impacted.

7.2 Integration Management Office

- (a) The Parties must establish an Integration Management Office to operate for the period commencing on the Execution Date and concluding on the Completion Date, comprised of the following roles (in Houston or Perth), with each Party identifying a person nominated in each role:
 - (i) Integration Director;

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- (ii) Integration Manager; and
 - (iii) Integration Coordinator.
- (b) Subject to clause 7.2(e), the Integration Management Office (lead by the Integration Directors) will, from the Execution Date until Completion, have day-to-day responsibility for matters associated with:
- (i) the planning, coordination, development and maturation and of the Integration Plan, Integration Budget and Integration Activities; and
 - (ii) the planning, development and maturation of the scope of Transition Services in accordance with clause 14.1(c).
- (c) The Integration Management Office must use its reasonable endeavours to make decisions by way of unanimous agreement between the Integration Directors. If the Integration Directors are not able to reach a unanimous decision in respect of a matter, then the Integration Management Office must escalate that decision for resolution by the Integration Steering Committee.
- (d) The Parties must, through the Integration Management Office, implement and manage all administrative processes (including but not limited to the Protocols) required for the efficient and effective performance of the Integration Plan, Integration Budget and Integration Activities and as may be required to comply with legal or other regulatory obligations or otherwise as agreed by the Parties.
- (e) The Integration Management Office will make recommendations to the Integration Steering Committee with respect to key material decisions relating to the Integration Plan, Integration Budget and Integration Activities and as otherwise required by this agreement or directed by the Integration Steering Committee.
- (f) The Integration Management Office will meet twice weekly (or as otherwise agreed by the Integration Directors). The position of chair will rotate weekly, and the Integration Director that is not the chair in any week will be the deputy chair in that week.
- (g) On the Execution Date, the Integration Directors must identify and make available, including for attendance at Integration Management Office meetings as required, representatives from their respective organisations to assist the Integration Management Office with planning and performing Integration Activities in agreed key business areas and for identified and agreed workstreams (**Business and Workstream Representatives**). A representative will be identified from each of BHP and Woodside (in their discretion for their own representatives) for each business area and workstream. Additional representatives may be added by the Parties as required from time to time.
- (h) [***].

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- (i) The Integration Management Office must report monthly to the Integration Steering Committee or as otherwise required by the Integration Steering Committee on all matters relating to the Integration Plan, Integration Budget, Integration Activities and the planning and development of Transition Services, including but not limited to:
 - (i) any updates and amendments to the Integration Plan and Integration Budget;
 - (ii) progress of the Integration Activities;
 - (iii) costs incurred as against the Integration Budget; and
 - (iv) any Changes being considered or which have been agreed by the Integration Management Office under clause 20.1.

8 Integration Plan

- (a) On and from the Execution Date until the Completion Date the Parties must:
 - (i) perform or procure the performance of their respective obligations under the Integration Plan in accordance with the terms of this agreement and the Integration Plan; and
 - (ii) use their respective reasonable endeavours to meet the timetable set out in the Integration Plan and meet all milestones in the Integration Plan.
- (b) The Parties acknowledge and agree that the current working version of the Integration Plan included in Schedule 1 as at the Execution Date will continue to be further developed, refined and matured by the Integration Management Office on and from the Execution Date until the Completion Date to articulate all Integration Activities to be undertaken during the following three phases:
 - (i) from the Execution Date to the Completion Date (limited to planning and scoping activities);
 - (ii) on the Completion Date; and
 - (iii) following the Completion Date (noting that, in this period, Integration Activities are to be undertaken solely by Woodside).
- (c) The Parties acknowledge and agree that BHP has no responsibilities or obligations to, and will not undertake any Integration Activities on and from Completion, and that prior to Completion the Target Group and Target Petroleum Business will continue to operate separately from, make separate independent business decisions from, and compete with the Woodside Group.
- (d) The Parties must, through the Integration Management Office, regularly review progress against the Integration Plan prior to Completion.

9 Delays

9.1 Notification of Delays

- (a) Each Party must use its reasonable endeavours to anticipate and avoid delays or failures in the performance of their respective obligations relating to the Integration Activities and the Transition Services, and, in the case of BHP, to the Separation Activities and Systems Services.

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- (b) If BHP or Woodside (**Delaying Party**) becomes aware of an actual or impending delay or failure in successfully achieving any of its obligations in respect of the Integration Activities or the Transition Services, (a **Delay**), it must promptly (and in any event within 10 Business Days of becoming aware of the Delay), give the other party (**Other Party**) a written notice that specifies:
 - (i) the nature of the Delay;
 - (ii) the cause of the Delay (including any Excusing Events);
 - (iii) the likely impact of the Delay on the Delaying Party' s compliance with the timing and other relevant aspects of this agreement; and
 - (iv) any extension of time requested.
 - (c) The Parties must use their reasonable endeavours to mitigate and minimise the effects of any Delays and Excusing Events.
 - (d) If reasonably required by the Other Party, the Delaying Party must as soon as reasonably practicable:
 - (i) develop a draft action plan to overcome or mitigate the cause and effect of that Delay; and
 - (ii) submit the draft action plan to the Other Party for approval.
 - (e) If a Delaying Party is required to develop an action plan in accordance with clause 9.1(d), the Delaying Party must ensure that the action plan specifies (in reasonable detail):
 - (i) the actions that will be implemented by the Delaying Party to overcome or mitigate the cause and effect of the Delay;
 - (ii) a timeline for the implementation of the action plan; and
 - (iii) any other content reasonably requested by the Other Party.
 - (f) The Delaying Party must:
 - (i) update the draft action plan to address any amendments reasonably requested by the Other Party at any time; and
 - (ii) implement the action plan once the Other Party has approved that plan in writing.

9.2 Excusing Events

A Delaying Party will not be in breach of this agreement, and is not liable for a Delay, to the extent that the Delay was, or will be, directly caused or contributed to by:

- (a) any act or omission of the Other Party (or the Other Party' s Group Members) including:

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- (i) any failure by the Other Party to comply with its obligations under this agreement (including failures to provide inputs, dependencies or meet the Integration Plan timetable); or
 - (ii) a Delay of the Other Party;
- (b) any act or omission of any Third Party engaged by the Other Party (or any of the Other Party' s Group Members); or
- (c) a Force Majeure Event,
- (each an **Excusing Event**).

9.3 Extensions of time under the Integration Plan due to Delays

- (a) Where a Delay occurs, the Other Party must consider in good faith any extensions to the Integration Plan timetable or other actions which are reasonably requested by the Delaying Party.
- (b) Any extensions to the Integration Plan timetable as a result of a Delay must be agreed in writing between BHP and Woodside. A party will not unreasonably withhold consent to a reasonable extension to the extent that the Delay was, or will be, directly caused or contributed to by an Excusing Event which materially affects the Delaying Party' s ability to deliver to the Integration Plan timetable.
- (c) Where an extension is agreed pursuant to this clause 9.3, BHP and Woodside must promptly update the Integration Plan (if applicable) to reflect the changes to the timetable as a result of the Delay.

9.4 BHP Delays

- (a) If:
 - (i) a Delay notified under clause 9.1(b) is caused by BHP; and
 - (ii) the particular Delay causes:
 - (A) the commencement of a Transition Service to be delayed by; or
 - (B) a requirement for a Transition Service to continue to be provided for longer than the applicable Transition Service Term contemplated under this agreement, for,
at least 30 days (and provided that such impact must in each case be reasonably capable of substantiation by Woodside); and
 - (iii) there are no:
 - (A) subsisting breaches of Woodside' s obligations under this agreement;
 - (B) Changes to the Integration Activities or Transition Services implemented or requested by Woodside;
 - (C) waivers or approvals provided by Woodside; or
 - (D) Excusing Events,which contributed to the Delay,

then, subject always to clause 3.1(b), where such Delay is unable to otherwise be mitigated or resolved by the Parties (as agreed by the Parties, acting reasonably) such that there is no requirement for an extension to the relevant Transition Service Term, then as Woodside's sole and exclusive remedy for that Delay Woodside is entitled to an extension of the Transition Service Term for any Transition Service affected by that Delay equal to the period of the Delay, on the same terms applicable to that Transition Service as at the time of the Delay (and for the avoidance of doubt Woodside will remain entitled to further exercise its right to extend an Initial Transition Service Term pursuant to clause 14.2(a)).

- (b) If:
- (i) a Delay results in an extension of a Transition Service Term pursuant to and in accordance with clause 9.4(a); and
 - (ii) Woodside has, as at the date on which that applicable Delay is notified, already engaged a Substitute Supplier to provide a substitute service that is intended to replace the Transition Service which is now to be extended pursuant to clause 9.4(a); and
 - (iii) Woodside has used all reasonable measures to avoid, mitigate and minimise any amounts payable by Woodside to the applicable Substitute Supplier in connection with the relevant substitute service, including to defer the commencement of the relevant service provided by the Substitute Supplier for the period that the applicable Transition Service Term is extended due to this Delay;
- then, subject to clause 9.4(d),
- (iv) BHP will pay the sum of the amounts that Woodside is required to pay to the applicable Substitute Supplier in connection with the relevant substitute service, up to a maximum cap of the amount equal to the Transition Service Fees payable by Woodside to BHP during the period that this applicable Transition Service is extended due to that Delay only.
- (c) Woodside acknowledges and agrees that this clause 9.4 sets out Woodside's sole and exclusive remedy in respect of Delays that are subject to clause 9.4(a).
- (d) Woodside acknowledges and agrees that to the extent that Excusing Events cause or contribute to a Delay that is subject to clause 9.4(a), any liability of BHP under clause 9.4(b) will be proportionately reduced.

9.5 Woodside Delays

- (a) If:
- (i) a Delay notified under clause 9.1(b) is caused by Woodside; and
 - (ii) the particular Delay causes the commencement of a Transition Service to be delayed by at least 30 days (and provided that such impact must in each case be reasonably capable of substantiation by BHP); and
 - (iii) there are no:

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- (A) subsisting breaches of BHP' s obligations under this agreement;
 - (B) Changes to the Integration Activities or Transition Services implemented or requested by BHP;
 - (C) waivers or approvals provided by BHP; or
 - (D) Excusing Events,
- which contributed to the Delay,

then, provided always that no Transition Service Term will be extended in respect of a Delay under this clause 9.5(a), as BHP' s sole and exclusive remedy for that Delay Woodside will pay the sum of all charges, costs or expenses that BHP Group suffers or incurs as a result of that Delay, provided that such amount must not exceed the amount that would be payable by Woodside for the affected Transition Services during the period of the Delay.

9.6 Critical Separation Activities

Nothing in this clause 9, will affect the operation of clause 7.2 of the Sale Agreement or Schedule 5 of this agreement.

10 Integration Budget

- (a) On and from the Execution Date until Completion, in executing the Integration Plan in accordance with clause 8(a), the Parties will use their reasonable endeavours to comply with the Integration Budget, provided that if a Party considers that it will not be able to comply with the Integration Budget then it must comply with clause 10(f).
- (b) During the period from the Execution Date until Completion, each of BHP and Woodside must provide a monthly report to the Integration Management Office, in a form approved by the Integration Steering Committee, showing:
 - (i) all internal costs directly and exclusively related to Integration Activities for each Party, including timewriting to the extent that the relevant Party undertakes timewriting in relation to activities forming part of the Integration Activities as at the Execution Date;
 - (ii) costs in respect of Third Parties, including consultants, to the extent directly incurred in supporting Integration Activities;
 - (iii) amounts that Party has incurred that form part of the Agreed Costs; and
 - (iv) a forecast of costs associated with Integration Activities from the date of the report to Completion.
- (c) Any Third Party supporting Integration Activities and whose costs will form part of the Agreed Costs will be engaged only with the consent of both Woodside and BHP.
- (d) If:

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- (i) any Agreed Costs are actually incurred by a Party on and from the Execution Date; and
 - (ii) Completion does not occur by the date on which it is scheduled to occur pursuant to the Sale Agreement (as such date may be varied by the Parties),

then the Parties agree to share those costs in the agreed proportions set out in Schedule 6.

- (e) Each Party must use reasonable endeavours to minimise and mitigate the costs of Integration Activities.
- (f) If a Party reasonably anticipates that it will incur costs for Integration Activities in excess of the Integration Budget, it must promptly seek the approval of the Integration Steering Committee, but must continue performing its obligations under the Integration Plan until such time as its costs exceed the Integration Budget by 10%, at which point, if the approval of the Integration Steering Committee has not been obtained to such excess costs, the Party must reduce and minimise its costs to meet the Integration Budget or, to the extent that is not possible, cease performance of the Integration Activities. The Integration Steering Committee may require a Party to explain the basis for the increased costs and/or take reasonable actions to reduce its costs of Integration Activities.

11 Separation Activities

- (a) Subject always to the provisions of Schedule 5, which govern the Systems Separation Activities, BHP will be responsible for the performance of all Separation Activities, and the costs of such Separation Activities will be borne by BHP unless otherwise agreed in writing between the Parties.
- (b) Subject always to the provisions of Schedule 5, which govern the Systems Separation Activities, BHP must:
 - (i) use its reasonable endeavours to complete all Separation Activities prior to Completion; and
 - (ii) following Completion, complete any Carry-over Separation Activities (if any).
- (c) The Integration Plan must not include Separation Activities or Systems Services and the Integration Budget must not include any costs associated with Separation Activities or Systems Services.
- (d) The Separation Activities and Systems Services must not include any Integration Activities or any costs associated with the Integration Activities.
- (e) Transition Services must not include any Integration Activities (or any costs associated with Integration Activities) or Separation Activities or Systems Services (or costs associated with Separation Activities or Systems Services).
- (f) From 10 January 2022, BHP must provide a regular (not less than monthly and more frequently if reasonably required by the Integration Steering Committee) report to the Integration Management Office on the progress of the Separation Activities.

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- (g) If the Integration Management Office reasonably considers that any Separation Activity is unlikely to be completed by the Completion Date, then the Integration Management Office must meet to discuss the status of that Separation Activity, the impact of any failure to complete it on time and the proposed timeline for the relevant Separation Activity to be completed.
 - (h) Where the Parties agree it is required (acting reasonably), then the Integration Management Office must develop and mutually agree a plan (**Carry-over Plan**) in respect of a Separation Activity identified pursuant to clause 11(g). A Carry-over Plan must identify:
 - (i) any necessary changes to the method of carrying out the relevant Separation Activity as a Carry-over Separation Activity following Completion; and
 - (ii) any necessary changes to the Transition Services already identified as at that date and any necessary additional Transition Services (**Carry-over Transition Services**) (if any) which are required directly as a result of the relevant Separation Activity becoming a Carry-over Separation Activity.
 - (i) The Integration Management Office must provide a draft Carry-over Plan developed and agreed pursuant to clause 11(h) to the Integration Steering Committee as soon as reasonably practicable before the Completion Date, and the Integration Steering Committee must use their reasonable endeavours to finalise and agree any Carry-over Plan, including through escalation to the Chairpersons of BHP and Woodside where necessary, as soon as reasonably practicable thereafter (and no later than 15 Business Days prior to Completion). For the avoidance of doubt, the Parties acknowledge and agree that clause 7.1(d)(i) does not apply to an Integration Steering Committee decision on a Carry-over Plan.
 - (j) Should any Carry-over Transition Services be identified in a Carry-over Plan agreed pursuant to clause 11(i), the Integration Management Office and, to the extent any matters are escalated, the Integration Steering Committee, must develop, agree and document Transition Service Schedules for those Carry-over Transition Services in accordance with the template set out in Schedule 3.
 - (k) Should any necessary changes to already identified Transition Services be identified in a Carry-over Plan agreed pursuant to clause 11(i), the Integration Management Office and, to the extent any matters are escalated, the Integration Steering Committee must agree any necessary amendments to the Transition Service Schedules for those Transition Services.
 - (l) Once the Carry-over Plan is finalised and agreed pursuant to clause 11(i), BHP must perform:
 - (i) the Carry-over Separation Activities at its own cost, except to the extent that the non-Completion of the Separation Activities by Completion was, or will be, directly caused or contributed to by any act or omission of the Woodside Group, including any failure by Woodside to comply with its obligations under this agreement (including failures to provide inputs, dependencies or meet the Integration Plan timetable), in which case the applicable Carry-over Separation Activities will be at Woodside's cost and expense to that extent; and

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- (ii) the Carry-over Transition Services, with any relevant Transition Service Fees agreed between the Parties in the relevant Transition Service Schedules,

in accordance with the Carry-over Plan and the relevant Transition Service Schedules (as applicable).

12 Synergy Opportunities

- (a) Subject to clause 16 and the implementation of measures reasonably required to ensure compliance with applicable competition laws, the Parties agree that prior to Completion, the Integration Management Office will use reasonable endeavours to plan for and scope opportunities to improve efficiency and reduce costs of the Woodside Group following Completion (**Synergy Opportunities**), including through:
 - (i) removal of duplicated activities and services;
 - (ii) economies of scale of combined activities;
 - (iii) portfolio focus and design;
 - (iv) organisational design; and
 - (v) organisational structure.
- (b) The Parties acknowledge and agree that clause 12(a) does not create a binding legal obligation on the Parties and the Parties exclude all liability to one another should any of the objectives in clause 12(a) not be achieved.

13 Access to People

- (a) Each Party must provide to the other reasonable access to people necessary to implement the Integration Plan and undertake the Integration Activities (including people of the Woodside Group and BHP Group, as applicable), subject always to compliance with all applicable Laws including competition laws.
- (b) Each Party will ensure that their representatives participating in Integration Activities, as Business and Work Stream Representatives or in the Integration Management Office, follow the Protocols and any other administrative processes and procedures established by the Integration Management Office or otherwise agreed by the Parties.
- (c) The Parties, through the Integration Management Office, must jointly develop and implement one or more communications plans covering the below matters:
 - (i) communications by each of Woodside and BHP within their respective organisations (including Personnel communications) in respect of the Transaction, the Integration Plan and Transition Services; and
 - (ii) communications with Third Parties and stakeholders as part of Integration Activities and Transition Services.

14 Transition Services

14.1 Performance of Transition Services

- (a) In consideration for the Transition Service Fee, BHP must supply or must procure the supply of each Transition Service on and from the Completion Date for the relevant Transition Service Term to the Woodside Group or such members of the Woodside Group as Woodside may direct in accordance with the terms of this agreement, but only in respect of and for the purposes of the operation of the Target Petroleum Business in the transition period following Completion, and not for the benefit of any other operations, business or assets of the Woodside Group.
- (b) The Parties agree that:
 - (i) the Transition Services which have been identified as at the Execution Date are set out in Schedule 4; and
 - (ii) New Transition Services and Omitted Transition Services may be identified in accordance with clause 14.4.
- (c) After the Execution Date (and as far as practicable, before 31 December 2021, but in any event, before Completion), the Integration Management Office and, to the extent any matters are escalated, the Integration Steering Committee must:
 - (i) develop, agree and document the Transition Service Schedules for the Transition Services set out in Schedule 4 in accordance with the template set out in Schedule 3; and
 - (ii) identify any New Transition Services and Omitted Transition Services (if any) and develop, agree and document any additional Transition Service Schedules necessary for any such New Transition Services and Omitted Transition Services in accordance with clause 14.4.

14.2 Extension of Transition Service Term

- (a) Woodside may elect to extend an Initial Transition Service Term for a Transition Service by up to 3 months from the end of the Initial Transition Service Term for that Transition Service by giving BHP notice in writing at least 30 days prior to the end of the relevant Initial Transition Service Term.
- (b) In addition to Woodside's right to elect an extension to a Transition Service Term pursuant to clause 14.2(a) or any change to a Transition Service Term agreed under a Carry-over Plan, if Woodside reasonably considers there is a material risk that the exit from, or transition of a Transition Service to the Woodside Group or an alternate service provider, will not occur by the expiry of the Transition Service Term (as already extended pursuant to clause 14.2(a)) for a Transition Service, then:
 - (i) Woodside may, by delivery of notice in writing to BHP not later than 15 Business Days before expiration of the relevant Transition Service Term, request to extend the applicable Transition Service Term for a further period of 1 month on up to 3 occasions (for a potential total maximum further extension of the Transition Service Term by 3 months);

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- (ii) any such further extension requested by Woodside pursuant to clause 14.2(b)(i) is subject to the agreement of BHP in its sole discretion and, in accordance with clause 15.1, BHP obtaining any Third Party Approvals required for such extension; and
 - (iii) BHP may vary the Transition Service Fees that will be payable by Woodside during the further extension period requested by Woodside pursuant to clause 14.2(b)(i) in its sole discretion.
- (c) If Woodside elects or requests an extension of the relevant Transition Service Term for a Transition Service that is dependent on any Linked Transition Service(s) pursuant to clauses 14.2(a) or 14.2(b) (as applicable), then any such extension will also be dependent on the extension of such Linked Transition Service(s).
- (d) In all cases, any extension of a Transition Service Term for a Transition Service for any reason must:
- (i) apply to the whole of a Transition Service (that is, a Transition Service Term cannot be extended in respect of only part of a Transition Service), unless the parties mutually agree that it is practicable to extend a discrete part of a Transition Service with a view to minimising Transition Services after Completion; and
 - (ii) not extend the overall Transition Service Term for that Transition Service beyond the Longstop Date.

14.3 Location of Transition Services

- (a) Each Transition Service will only be supplied to the same jurisdiction that the service which was equivalent to the relevant Transition Service was supplied in connection with the Target Petroleum Business prior to Completion.
- (b) Each Transition Service will only be supplied to:
 - (i) the same location that the service which was equivalent to the relevant Transition Service was supplied in connection with the Target Petroleum Business prior to Completion; or
 - (ii) a location at which the Woodside Group operated its business as at the Execution Date, unless otherwise specified in the relevant Transition Service Schedule.

14.4 Additional Transition Services

- (a) If, at any time after the Execution Date, any services, tasks, activities or functions in addition to the Transition Services are identified by Woodside, including as a consequence of Integration Activities, then, at the written request of Woodside:
 - (i) in respect of the above which can be characterised as Omitted Transition Services, and which are reasonably necessary in addition to the provision of the then existing Transition Services:
 - (A) BHP must provide those Omitted Transition Services; and
 - (B) the Transition Service Fees will be agreed for those Omitted Transition Services, with such amount to be calculated on a basis that is consistent with how the other Transition Service Fees have been calculated; and

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- (ii) in respect of the above which can be characterised as New Transition Services, provided that such request must be made by Woodside before the date that is 6 months after the Completion Date:
 - (A) BHP may elect to agree to provide those New Transition Services; and
 - (B) the Transition Service Fees for those New Transition Services will be agreed between the Parties (before BHP has an obligation to provide them), with such amount to be calculated on a basis that is consistent with how the other Transition Service Fees have been calculated.
 - (b) If an Omitted Transition Service or New Transition Service is to be provided pursuant to clause 14.4(a)(i) or clause 14.4(a)(ii), the Parties must develop and agree the relevant Transition Service Schedule for that Omitted Transition Service or New Transition Service (as applicable).
 - (c) Omitted Transition Services and New Transition Services which have been agreed and added in a Transition Services Schedule in accordance with this clause 14.4 will then be considered “Transition Services” for the purposes of this agreement.

14.5 Standards of Transition Services

- (a) In respect of those Transition Services which are supplied by BHP (or another BHP Group Member), the Transition Services must be performed:
 - (i) in accordance with all applicable Laws; and
 - (ii) subject to clause 14.6, in accordance with the Service Standards, and subject to any reasonable changes to the Transition Services in accordance with this agreement.
- (b) In respect of those Transition Services which are supplied in whole or in part by a Third Party Supplier, BHP must use reasonable endeavours to procure that the Third Party Supplier provides the Transition Services:
 - (i) in accordance with all applicable Laws; and
 - (ii) subject to clause 14.6, in accordance with the Service Standards, and subject to any reasonable changes to the Transition Services in accordance with this agreement.
- (c) BHP must ensure that the standards of performance specified in clauses 14.5(a) and 14.5(b) are provided or procured by BHP (as applicable) to a standard which is not less than the standard provided by BHP to, or procured by BHP for, the Other BHP Entities.

14.6 Ability to perform Transition Services

Woodside acknowledges and agrees that:

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- (a) BHP and all other BHP Group Members are not in the business of:
 - (i) providing services in the nature of the Transition Services to independent third parties on a commercial arm's length basis; or
 - (ii) making management or business decisions for independent third parties;
 - (b) BHP is providing or procuring the provision of the Transition Services on a temporary basis only to support the transition of the Target Petroleum Business following Completion;
 - (c) other than as specified in an applicable Transition Service Schedule, the Transition Services are similar to those services which the Target Group received in connection with the Target Petroleum Business prior to the Completion Date;
 - (d) BHP will not be liable for any failure to provide a Transition Service in accordance with this agreement to the extent that the failure was caused or contributed to by the acts or omissions of any Woodside Group Member (or any Personnel of a Woodside Group Member), such acts or omissions including:
 - (i) a failure by any Woodside Group Member (or any Personnel of a Woodside Group Member) to provide any information or assistance in accordance with the requirements of this agreement;
 - (ii) a failure of Woodside to comply with clause 14.10; or
 - (iii) the supply by any Woodside Group Member (or any Personnel of a Woodside Group Member) of inaccurate or incomplete information or data; and
 - (e) BHP is part of a global business with affiliated companies, employees, and service providers around the world, and accordingly, access to and storage, processing and use of Woodside's data and information for the purpose of providing the Transition Services may occur in any country where BHP or any of its employees, affiliated companies or service providers are located.

14.7 Breach of Service Standards

- (a) If any of the Transition Services fail to meet the Service Standards (**Service Failure**), BHP must:
 - (i) take reasonable steps, at BHP's cost, to remedy the Service Failure and restore the Transition Services so that they are performed in accordance with the Service Standards;
 - (ii) take reasonable steps to minimise the impact of the Service Failure on the Woodside Group and prevent it from re-occurring; and
 - (iii) advise Woodside of the steps being taken under this clause 14.7(a).
- (b) To the extent that a Service Failure is caused by an act or omission of any Woodside Group Member (or any Personnel of a Woodside Group Member), Woodside must reimburse BHP for the costs and expenses incurred by BHP in taking the steps referred to in clause 14.7(a).

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- (c) Woodside acknowledges and agrees that the remedies set out in this clause 14.7 are Woodside's only remedies for breach of the Service Standards in performance of any Transition Service.

14.8 Manner of provision of the Transition Services

- (a) Subject to BHP's obligations under this clause 14 and clause 17 (including its obligation to comply with the Service Standards and clause 14.5(c)), BHP may:
- (i) provide the Transition Services in the manner which it thinks fit from time to time, or upgrade, modify, substitute, replace or change the nature or method (in whole or in part) of providing the Transition Services (including in relation to its Resources and the entity providing the Transition Services); and
 - (ii) determine the allocation of its Resources and Personnel as between BHP Group requirements and Woodside Group requirements, provided it continues to meet the Service Standards and its obligation under clause 14.5(c).
- (b) Where BHP upgrades, modifies, substitutes, replaces or changes any services provided to the BHP Group, including by modifying the technology used or Third Parties engaged to provide services to the BHP Group, BHP may upgrade, modify, substitute, replace or change the equivalent category of Transition Services provided to the Woodside Group in a generally consistent manner.
- (c) BHP may from time to time temporarily suspend any of the Transition Services or any access to, or use by the Woodside Group of, the Transition Services for the purposes of conducting Maintenance. In such circumstances, BHP will only suspend the performance of a Transition Service to the extent necessary, taking into consideration the Service Standards and the nature and extent of the Maintenance.
- (d) In respect of Maintenance which will cause a suspension of the Transition Services or cause the standard of those Transition Services to fall temporarily below the Service Standard, BHP must:
- (i) to the extent possible, provide reasonable prior written notice to the Woodside Group of that Maintenance (having regard to historical practice and the notice BHP gives the Other BHP Entities and with a target of providing at least 72 hours' notice where practicable); and
 - (ii) notify the Woodside Group as soon as reasonably practicable after becoming aware of the need for Maintenance if BHP is unable to provide advance notice pursuant to clause 14.8(d)(i) due to an emergency.

14.9 Transition Service Fees

- (a) The Transition Service Fee for each Transition Service to be included in each Transition Service Schedule must be agreed by BHP and Woodside based on the BHP Charging Methodology.
- (b) The Parties acknowledge and agree that any Transition Service Fee shown in Schedule 4 for a Transition Service identified as at the Execution Date:

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- (i) is based on the maturity of development of the scope of Transition Services identified by the Parties as at the Execution Date, the historical cost of BHP Group Members providing services equivalent to the relevant Transition Service within the BHP Group, and each Party's knowledge of its business activities and experience of previous similar transactions; and
 - (ii) does not represent the final Transition Service Fee and each Transition Service Schedule will be further developed and agreed by the Parties pursuant to clause 14.1(c).
- (c) BHP may request an increase to a Transition Service Fee for a Transition Service at any time during a Transition Service Term by notice in writing to Woodside, which increase may be agreed to by Woodside in writing (such agreement not to be unreasonably withheld). Without limitation to Woodside's discretion above, Woodside has no obligation to consent to any increase in excess of 10% of the Transition Service Fee unless BHP can demonstrate to the reasonable satisfaction of Woodside that a significant change in the scope of the Transition Services is required and could not have been reasonably anticipated by the Parties at the time that the Transition Service Fee was agreed.
 - (d) If the Parties are unable to agree an increase to a Transition Service Fee under clause 14.9(c) within 5 Business Days of the notice from BHP requesting the increase, then the matter must be referred to the dispute resolution process in clause 23.

14.10 Woodside obligations

In addition to any of Woodside's inputs and obligations set out in a Transition Service Schedule:

- (a) Woodside must, subject to compliance with Laws including applicable competition laws, provide all information and assistance reasonably necessary to enable BHP, any BHP Group Members, any subcontractors or any Third Party Suppliers, to perform the Transition Services;
- (b) BHP, BHP Group Members, subcontractors and Third Party Suppliers are not obliged to perform the Transition Services, and will not be liable for any failure to provide the Transition Services or any additional costs incurred or otherwise required in order to provide the Transition Services, to the extent that Woodside fails to provide or delays in providing any such information or assistance; and
- (c) for the Transition Service Term, Woodside must give BHP, any BHP Group Members, any subcontractors or any Third Party Suppliers, access to the premises and equipment as is reasonably required by BHP, BHP Group Members, subcontractors or Third Party Suppliers to supply the Transition Services to Woodside.

14.11 Suspension or cessation of Transition Services

- (a) BHP may suspend, and is not obliged to provide, or procure the supply of, the Transition Services to the extent that:
 - (i) it is unable to do so because the BHP Group does not have the assets or rights to enable it to do so lawfully (provided that the relief granted to BHP in this clause 14.11(a)(i) will not apply to the extent that the BHP Group does not have the relevant assets or rights due to an intentional act by a BHP Group Member);

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- (ii) it is unable to do so because provision of a Transition Service, or a significant part of the Transition Service, is dependent on the continued provision of a Linked Transition Service that has been terminated or cannot be provided due to circumstances arising as a result of a Force Majeure Event as set out in clause 19;
 - (iii) it is unable to do so without being in breach of an applicable Law or a direction or instruction given by a Government Agency; or
 - (iv) BHP reasonably considers that the continued provision of the Transition Services by the BHP Group or a Third Party Supplier will have a material adverse impact on the BHP Group (provided that the relief granted to BHP in this clause 14.11(a)(iv) will not apply to the extent that the material adverse impact is due to an intentional act or omission by a BHP Group Member or is due to an event or circumstance that was or could reasonably have been in contemplation as at the Execution Date).
- (b) BHP will notify Woodside as soon as possible after it becomes aware that it is unable or will become unable to continue to provide a Transition Service (whether temporarily or permanently).
 - (c) BHP must use its reasonable endeavours without additional charge to resume the supply of the Transition Services as soon as practicable after the advent of a circumstance described in clauses 14.11(a).
 - (d) BHP will keep Woodside informed of the process and timing for resumption of the suspended Transition Services and notify Woodside as soon as possible after it becomes aware that it is able or will become able to resume provision of a Transition Service that has been suspended pursuant to clause 14.11(a).

14.12 Requirement for reverse transition services

- (a) If BHP considers, acting reasonably, that it will require transitional services to be provided by the Woodside Group to the BHP Group following Completion where, as a result of the Transaction, the BHP Group is no longer itself able to undertake certain required services, tasks, activities or functions that it previously undertook in the 12 month period immediately preceding the Execution Date, then BHP may issue a written notice to Woodside setting out details of the relevant transitional services that the BHP Group requires Woodside to provide.
- (b) Within 45 days following notification under clause 14.12(a), the Parties must develop and agree a separate, binding agreement that will govern the provision of those transitional services to the BHP Group on the same basis, including as to costs, as the Transition Services under this agreement are provided and which will contain correlating terms to those terms in this agreement that are applicable to the Transition Services, adapted as necessary to apply to the relevant transitional services that BHP requires and as may be amended by agreement between the Parties.

15 Third Parties

15.1 Third Party Approvals

- (a) To the extent that a Third Party Supplier's agreement, consent or approval is required to permit:

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- (i) a BHP Group Member to perform or provide any of the Transition Services or perform any of the Integration Activities; or
 - (ii) a Woodside Group Member to receive, use or take the benefit of any Transition Services or any of the Integration Activities,
- (a **Third Party Approval**), then BHP and Woodside must use their respective reasonable endeavours to obtain all required Third Party Approvals (in a form acceptable to BHP) as soon as reasonably possible following the Execution Date and, other than in respect of any Carry-over Transition Services, in any event not less than 10 days prior to Completion.
- (b) If, despite both Parties complying with clause 15.1(a), BHP is nonetheless unable to perform a Transition Service or any of the Integration Activities (either in full or in part), or a Woodside Group Member is unable to receive, use or take the benefit of any of them, due to BHP being unable to obtain the relevant Third Party Approval on terms acceptable to BHP, or because a Third Party Approval ceases to be in force or effect, then BHP:
 - (i) must promptly notify Woodside of this fact;
 - (ii) will not be required to perform or provide any affected Transition Service or Integration Activities to the extent the inability to obtain the relevant Third Party Approval prevents it from doing so, and BHP is excused from, and excludes all liability, relating to such Transition Service or Integration Activity; and
 - (iii) must use its reasonable endeavours to provide or procure a form of workaround or an equivalent Transition Service on an alternative basis, where it is commercially and technically viable and practicable to do so.
 - (c) Any costs incurred by any BHP Group Member in obtaining or renewing the Third Party Approvals in accordance with this clause 15 will be borne by Woodside, including any agreed costs or monetary compensation which is required by a Third Party Supplier as a condition of it providing the relevant Third Party Approval.
 - (d) Woodside and BHP must each comply with, and ensure that their respective Personnel comply with, the terms of any Third Party Approval.

15.2 Indemnity in respect of Third Party Suppliers

- (a) Woodside indemnifies each BHP Group Member and their respective Personnel (each an **indemnified party**) against and in respect of any loss which an indemnified party incurs or sustains in relation to a claim arising out of or in connection with the breach of a Third Party Agreement to the extent that the breach was caused by or contributed to by any negligent act or omission by, or any breach of this agreement by, a Woodside Group Member (or any Personnel of a Woodside Group Member).
- (b) BHP holds the benefit of the indemnity in this clause 15.2 on trust for itself and each indemnified party.

16 Competition law compliance

- (a) The Parties acknowledge the requirement to comply at all times with all applicable competition laws and regulations, including but not limited to the Competition and Consumer Act in relation to the performance of their respective obligations in accordance with this agreement.
- (b) For the purposes of clause 16(a), it is acknowledged that parties who are or may be competitors for the purposes of applicable competition laws and regulations, including but not limited to the Competition and Consumer Act, must not:
 - (i) enter into, or give effect to, any form of prohibited contract, arrangement or understanding; or
 - (ii) disclose or otherwise exchange any competitively sensitive information.
- (c) If any Transition Service to be provided by BHP to Woodside or any Integration Activities will or may:
 - (i) require a Party to receive or access any competitively sensitive information of the other Party; or
 - (ii) with the exception of this agreement involve the Parties reaching any contract, arrangement or understanding with the other, before the Transition Services or Integration Activities can be provided, BHP and Woodside must implement such measures as are necessary to ensure the Transition Services or Integration Activities, as applicable, are provided in strict compliance with applicable competition laws and regulations, including but not limited to the Competition and Consumer Act.
- (d) Without limiting the generality of clause 16(c), the measures contemplated by that clause to be agreed by the Parties may include:
 - (i) the establishment of appropriate information security or other ring-fencing arrangements; and
 - (ii) a requirement for certain matters to be subject to legal review prior to any contract, arrangement or understanding being entered into.

17 Sub-contracting

- (a) BHP may, in its discretion and without the prior written consent of Woodside, subcontract the supply of all or part of any of the Transition Services to any of the Other BHP Entities.
- (b) BHP may, in its discretion and with the prior written consent of Woodside (such consent not to be unreasonably withheld), subcontract the supply of all or part of any of the Transition Services to any Third Party, provided that:
 - (i) BHP is not required to obtain Woodside' s prior written consent to any subcontracting arrangements, including for the supply of all or part of any Transition Service, which arrangements were in existence as at the Execution Date; and

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- (ii) Woodside acknowledges and agrees that a requirement to obtain consent pursuant to this clause 17(b) only applies to subcontracts which are entered into solely and exclusively for the purposes of this agreement.
 - (c) If BHP subcontracts the supply of all or any part of the Transition Services to Other BHP Entities or Third Parties under clause 17(a) or 17(b), BHP:
 - (i) must keep Woodside informed of any changes to the relevant subcontracting arrangements if such changes are reasonably likely to have an adverse effect on the Woodside Group;
 - (ii) must ensure that the Other BHP Entities or Third Parties (as applicable) comply with the terms of this agreement to the extent it relates to the Transition Services (or relevant part) which are sub-contracted;
 - (iii) will not be relieved from the performance of its obligations under this agreement; and
 - (iv) subject to clause 22, will be liable for the performance of its obligations by the relevant Other BHP Entities or Third Parties (as applicable) as if those obligations were performed by BHP.

18 Intellectual Property Rights

- (a) Nothing in this agreement assigns any Intellectual Property Rights to any person.
- (b) Woodside grants, or must procure the grant of a worldwide, non-exclusive, non-transferable, royalty-free licence to BHP (or any BHP Group Member) for the Term:
 - (i) to use, reproduce, modify, adapt, maintain and create derivative works from any material (including Intellectual Property Rights therein) which is made available by Woodside or otherwise received or held by BHP and which BHP, and any of the BHP Group Members or any of either of their respective Personnel are required to access or use in the performance of the Integration Activities or in order to supply the Transition Services; and
 - (ii) to sub-licence to any BHP Group Member and Third Party sub-contractors or service or delivery partners to perform the Transition Services or the Integration Activities, or which supplies any Resources which relate to or are used in the course of providing any Transition Services or performing Integration Activities, the rights in clause 18(b)(i),
to the extent necessary to supply, and for the sole purposes of supplying, the Transition Services and performing the Integration Activities.
- (c) BHP grants, or must procure the grant, of a worldwide, non-exclusive, non-transferable, royalty-free licence to Woodside Group for the Term:
 - (i) to use, reproduce, modify, adapt, maintain and create derivative works from any material including BHP policies and procedures and Intellectual Property Rights therein which is made available by BHP and which the Woodside Group or any of their Personnel are required to access or use in the performance of the Integration Activities or the receipt and use of the Transition Services; and

(ii) to sub-licence to the Woodside Group Members and their Personnel the use of the material described in clause 18(c)(i).

- (d) Except to the extent that the Parties otherwise agree, if any new Intellectual Property Rights are developed by or on behalf of BHP solely and directly in the course of providing the Transition Services or undertaking the Integration Activities, then, the Parties agree that as between BHP and Woodside, such rights will be owned by Woodside, and accordingly, BHP assigns to Woodside any such Intellectual Property Rights owned by BHP, and Woodside will licence such Intellectual Property Rights back to BHP on the terms of the licence in clause 18(b).

19 Force majeure

19.1 Definition of Force Majeure Event

Force Majeure Event means any event or circumstance which:

- (a) is beyond the reasonable control of a Party; and
- (b) could not have been avoided by a Party taking steps which a prudent, experienced and competent person in the position of that Party would have taken.

Subject to satisfying the requirements in clause 19.1(a) and clause 19.1(b), Force Majeure Event includes:

- (c) COVID-19, a pandemic, epidemic or public health emergency;
- (d) act of God, landslides, earthquakes, fire, flood, storm, lightning, explosion, and natural disaster;
- (e) nationwide strikes or industrial disputes; and
- (f) riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power.

19.2 Suspension of obligations

If BHP or Woodside (**Prevented Party**) is prevented, by reason of a Force Majeure Event, from carrying out any of its obligations, in whole or in part, under this agreement (other than an obligation to pay or to cause payment of money), including pursuant to clause 14.11(a)(ii) (**Affected Obligations**), then:

- (a) the Prevented Party is excused from performing the Affected Obligations to the extent it is prevented from doing so by that Force Majeure Event;
- (b) the Prevented Party must give the other Party prompt notice, setting out full particulars of the Force Majeure Event (in sufficient detail to permit verification) and, insofar as is reasonably known, the Affected Obligations and the extent to which the performance of those obligations will be affected; and

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- (c) the Prevented Party must use reasonable endeavours to remove or mitigate, and overcome the effect of such Force Majeure Event on the performance of its obligations under this agreement (however, nothing in this clause 19.2(c) requires the Prevented Party to settle strikes, lock outs or other labour disputes).

19.3 Fees and costs

No Party will be liable to the other Party for any additional costs or expenses incurred in connection with circumstances arising as a result of Force Majeure Events (except in respect of the payment of any Transition Service Fees as provided for under clause 14.9).

20 Changes

20.1 Pre-Completion Changes

- (a) Without limiting clause 14.8, prior to Completion either Party may propose a change to:
- (i) a Transition Service Schedule (not being in relation to a New Transition Service or Omitted Transition Service, which are dealt with under clause 14.4 or pursuant to a Carry-over Plan under clause 11(g));
 - (ii) the Separation Activities (other than Systems Separation Activities which are dealt with under Schedule 5);
 - (iii) the Integration Plan; and
 - (iv) the Integration Budget (including the Agreed Costs),
(a **Change**).
- (b) The Parties agree that the need for any Carry-over Separation Activities or Carry-over Transition Services will be dealt with under clause 11 and is not a Change for the purposes of this clause 20.1.
- (c) A Party proposing a Change under clause 20.1(a) must notify the other Party through their respective Integration Directors in writing, setting out:
- (i) the nature of the Change;
 - (ii) the terms on which the Change would be provided; and
 - (iii) any other information relevant to the Change.
- (d) Following receipt of notice under clause 20.1(c) the Integration Management Office must promptly meet to discuss in good faith the requested Change.
- (e) Through the Integration Management Office, the Parties will seek to agree on any costs associated with implementing the proposed Change. Without limitation, Woodside will be responsible for all costs and expenses incurred by BHP relating to:
- (i) any Change requested by Woodside;
 - (ii) any Change to the location from which the Transition Services are received by Woodside; and

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- (iii) any Change which increases the volume of Transition Services.
 - (f) If the Parties, through the Integration Management Office and, to the extent any matters are escalated, the Integration Steering Committee, agree to the terms of a requested Change (including in respect of timing, and any costs of implementing or associated with such Change), then the agreed terms for such Change must be set out in writing in a variation to the applicable Transition Service Schedule, updated in the Integration Plan or Integration Budget (as applicable) and executed by each Party.
 - (g) The Change will take effect on signing of the varied Transition Service Schedule, Integration Plan or Integration Budget (as applicable) or such other date as may be specified in such document, and will be incorporated into this agreement.
 - (h) If the Parties do not agree to the terms of a requested Change in accordance with the process set out above, then either Party may give a Notice of Dispute under clause 23(a) but, for clarity, there will be no change to the rights and obligations of the Parties under this agreement.

20.2 After Completion Changes

- (a) After Completion, either Party may propose a Change to a Transition Service (not being in relation to a New Transition Service or Omitted Transition Service, which are dealt with under clause 14.4, or a Change in Transition Service Fee which is dealt with under clause 14.9(c)).
- (b) The Parties agree that the need for any Carry-over Separation Activities or Carry-over Transition Services will be dealt with under clause 11 and is not a Change for the purposes of this clause 20.2.
- (c) A Party proposing a Change under clause 20.2(a) must notify the other Party in writing setting out:
 - (i) the nature of the Change;
 - (ii) the terms on which the Change would be provided; and
 - (iii) any other information relevant to the Change.
- (d) Following receipt of a notice under clause 20.2(c) the Parties must promptly meet to discuss in good faith the requested Change.
- (e) The Parties will seek to agree on any costs associated with implementing the proposed Change. Without limitation, Woodside will be responsible for all costs and expenses incurred by BHP relating to:
 - (i) any Change requested by Woodside;
 - (ii) any Change to the location from where the Transition Services are received by Woodside; and
 - (iii) any Change which increases the volume of Transition Services.
- (f) If the Parties agree to the terms of a requested Change (including in respect of timing, any costs of implementing such Change and any change to the amounts payable by Woodside to BHP), then the agreed terms for such Change must be set out in writing in a variation to the applicable Transition Service Schedule executed by each Party.

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- (g) The Change will take effect on signing of the varied Transition Service or such other date as may be specified in such document, and will be incorporated into this agreement.
 - (h) If the Parties do not agree to the terms of a requested Change in accordance with the process set out above, then either Party may give a Notice of Dispute under clause 23(a) but, for clarity, there will be no change to the rights and obligations of the Parties under this agreement.

21 Invoicing

21.1 Invoices and payment of Transition Service Fees

- (a) Within 20 days from the end of each month during which Transition Services have been performed, the BHP Group will provide an invoice to Woodside for the applicable month, and such invoice may be issued by any BHP Group Member.
- (b) Each invoice will set out the following for the relevant month:
 - (i) the total aggregate Transition Service Fees payable by Woodside for the Transition Services performed during that month; and
 - (ii) a list of the Transition Services performed during that month and a breakdown of the Transition Service Fees applicable to each of those Transition Services by function only (and not by Transition Service).
- (c) Subject to clause 21.3, Woodside must pay the amount of each invoice within 21 days after the end of the month in which the invoice is received.

21.2 Invoicing and payment of Agreed Costs

- (a) Within 20 days from the date that any Agreed Costs become payable in accordance with clause 10(d), the Party that incurred the relevant Agreed Costs must provide an invoice to the other Party for that Party' s share of Agreed Costs as determined in accordance with Schedule 6.
- (b) Each invoice issued under clause 21.2(a) will set out the total Agreed Costs incurred by the invoicing Party and the other Party' s share of those Agreed Costs as determined in accordance with Schedule 6.
- (c) Subject to clause 21.3, a Party must pay the amount of each invoice within 21 days after the end of the month in which the invoice is received by that Party.

21.3 Disputed Tax Invoices

- (a) If part of any invoice is the subject of a bona fide dispute, Woodside must promptly notify BHP of the disputed portion stating reasons in support of its view and, notwithstanding the dispute, must pay the non-disputed portion to BHP by the relevant due date.
- (b) Woodside must pay the disputed portion to BHP to the extent agreed or determined to be payable within 20 days of the agreement or determination under clause 23.

22 General liability under ITSA

22.1 Allocation of liability for Personnel prior to Completion

Prior to Completion:

- (a) no BHP Group or Target Group Personnel shall be under the direction or supervision of Woodside;
- (b) no Woodside Group Personnel shall be under the direction or supervision of BHP; and
- (c) subject to clause 22.2 and 22.3, each Party will be liable for the acts or omissions of their own Personnel.

22.2 Allocation of liability for death or injury of Personnel on BHP property

BHP Group will be responsible for all loss in connection with death or injury of all Personnel undertaking Integration Activities on property at which the Target Petroleum Business is being conducted or performing Transition Services on property occupied by the BHP Group, except to the extent the loss is caused or contributed to by the negligence of a Woodside Group Member, for which the Woodside Group will be liable.

22.3 Allocation of liability for death or injury of Personnel on Woodside property

Woodside Group will be responsible for all loss in connection with death or injury of all Personnel undertaking Integration Activities or receiving Transition Services on property occupied by the Woodside Group, except to the extent the loss is caused or contributed to by the negligence of the BHP Group, for which BHP Group will be liable.

22.4 BHP liability

- (a) Subject to clause 22.4(b), clause 22.4(c) and clause 22.6 the aggregate liability of BHP and each other BHP Group Member, taken together, for all claims, loss or damage of any kind sustained or incurred by Woodside and any Woodside Group Member, whether arising in contract, tort (including negligence), under any statute or otherwise, arising out of or in connection with:
 - (i) the Systems Separation Activities, Systems Services and the Separation & Migration Plan, is limited in the aggregate to an amount equal to 100% of the Systems Separation Costs to be borne by Woodside Group in accordance with section 1.4 of Schedule 5 of this agreement; and
 - (ii) this agreement, other than in respect of the items specified in clause 22.4(a)(i), is limited in the aggregate to an amount equal to 100% of the Transition Service Fees paid by Woodside Group in respect of all Transition Services.
- (b) BHP and each other BHP Group Member will not be liable for any claim, loss or damage of any kind sustained or incurred by Woodside and any Woodside Group Member arising out of or in connection with this agreement, whether arising in contract, tort (including negligence), under any statute or otherwise, to the extent caused or contributed to by:

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- (i) an act or omission of the Woodside Group (including in relation to the implementation of the Integration Plan following Completion);
 - (ii) BHP Group or its Personnel complying with the written instructions of the Woodside Group or its Personnel; or
 - (iii) the negligence or wrongful act or omission of the Woodside Group.
- (c) Where the Woodside Group incurs loss or damage of any kind which is caused or contributed to by the act or omission of a Third Party Supplier including in relation to the performance of all or part of the Transition Services (a **Third Party Failure**) then:
- (i) BHP will be and remain liable for that loss in the specific circumstances as contemplated by and in accordance with clause 17(c)(iv);
 - (ii) BHP must take all reasonable steps and actions, which may include pursuing a claim against the relevant Third Party Supplier, promptly and diligently to assist the Woodside Group to remediate its loss or damage;
 - (iii) if BHP pursues a claim against the relevant Third Party Supplier, then BHP must:
 - (A) promptly notify Woodside with details of the action being taken;
 - (B) keep Woodside informed of its pursuit of the claim;
 - (C) ensure that the Woodside Group is not treated less favourably than Other BHP Group Members in respect of that Third Party Failure; and
 - (D) either:
 - (aa) if only the relevant Woodside Group Member suffers loss or damage in connection with a Third Party Failure, pay to Woodside any amount that BHP or any other BHP Group Member receives or recovers from the Third Party Supplier in respect of that Third Party Failure; or
 - (ab) if both one or more BHP Group Members and one or more Woodside Group Members suffer loss or damage in connection with a Third Party Failure, pay to Woodside a proportionate share of any amount that the relevant BHP Group Member receives or recovers from the Third Party Supplier in respect of that Third Party Failure minus any costs or expenses incurred by the relevant BHP Group Member in pursuing the claim against the Third Party Supplier, based on the relative proportion of the loss or damage suffered by the Woodside Group Members and the BHP Group Members, less BHP' s reasonable enforcement costs and expenses, and, in each case such amount to be Woodside and any Woodside Group Member' s sole financial remedy in respect of the Third Party Failure; and

-
- (iv) if BHP does not pursue a claim against the Third Party Supplier in respect of the Third Party Failure or withdraws from a claim against the Third Party Supplier for whatever reason, then BHP' s liability to the Woodside Group is not limited as set out in clause 22.4(c)(iii)(D), and is instead limited to the amount that BHP could have potentially recovered from the Third Party Supplier as limited by any applicable limitations of liability under the relevant Third Party Agreement in respect of that Third Party Failure, provided that, if both one or more BHP Group Members and one or more Woodside Group Members suffer loss or damage in connection with the Third Party Failure, then BHP will only be required to pay to Woodside a proportionate share of any such amount determined by reference to applicable limitations of liability under the relevant Third Party Agreement, based on the relative proportion of the loss or damage suffered by the Woodside Group Members and the BHP Group Members.
 - (v) Nothing in this clause 22 requires BHP or any other BHP Group Member to commence legal proceedings against a Third Party.

22.5 Consequential Loss

Subject to clause 22.6, no BHP Group Member or Woodside Group Member is liable to the other in relation to any Consequential Loss arising from or in connection with this agreement.

22.6 Exceptions to liability cap and exclusion

The limitation of liability in clause 22.4 and the exclusion of liability in clause 22.5 do not apply to the liability of each Party and their respective Group Members:

- (a) out of which by Law it cannot contract;
- (b) for fraud or deliberate breach; or
- (c) for death or personal injury.

22.7 Mitigation of loss

Each Party must take, or cause to be taken, all reasonable measures to minimise the losses it incurs or suffers in respect of which it may have recourse to another Party under this agreement, including those which are the subject of any indemnity under this agreement.

23 Dispute Resolution

- (a) Subject to clause 23(d), a Party to this agreement claiming that a dispute has arisen under or in connection with this agreement must give written notice to the other Party to this agreement specifying the nature of the dispute and requiring that the matter is escalated for good faith discussions between the Parties respective CEOs and/or Chairperson for resolution.

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- (b) Subject to clause 23(d), the respective CEOs or Chairpersons of the Parties must meet to seek to resolve a dispute notified pursuant to clause 23(a) within 7 days of the notice.
 - (c) If the CEOs or Chairpersons cannot resolve a dispute notified pursuant to clause 23(a) within 7 days of the notice, then either Party may commence court proceedings relating to the dispute or take whatever steps necessary (if any) to protect its interest in any court proceedings which may already have commenced.
 - (d) The Parties acknowledge and agree that in respect of a decision referred to dispute resolution pursuant to clause 7.1(d)(ii), clause 23(c) will be deemed to apply.
 - (e) Nothing in this clause 23 will limit the ability or right of a Party to seek urgent interlocutory relief.
 - (f) Each Party irrevocably submits to the exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts of appeal from them in respect of any proceedings arising out of or in connection with this agreement. Each Party irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.

24 Confidentiality

- (a) Subject to clause 24(b), each Party (**recipient**) must keep secret and confidential, and must not divulge or disclose any information (in any form) relating to the other Party or its business (or any of the other Party's Related Bodies Corporate or their businesses) which is disclosed (whether before or after the date of this agreement) to the recipient by the other Party, its representatives or advisers (the **provider**) under or in connection with this agreement or the Sale Agreement or the terms of the Transaction (**Confidential Information**), other than to the extent that:
 - (i) the information is in the public domain as at the date of this agreement (or subsequently becomes in the public domain other than by breach of this agreement or of any other obligation of confidentiality binding on the recipient);
 - (ii) the recipient is required to disclose the information by applicable laws or regulations in Australia or elsewhere (other than under section 275 of the PPSA to the extent that disclosure is not required under that section if it would breach a duty of confidence) or the rules of any recognised stock exchange on which its securities (or the securities of any of its Related Bodies Corporate) are listed or proposed to be listed, or to a Government Agency, provided that the recipient has, to the extent reasonably practicable having regard to the required timing of the disclosure, consulted with the provider of the information as to the form, manner and content of the disclosure;
 - (iii) the disclosure is made by the recipient to its (or any of its Related Bodies Corporate) directors, officers, employees, financiers or lawyers, accountants, auditors, investment bankers, consultants or other professional advisers, insurance brokers, insurers and reinsurers (including any captive insurer) to the extent reasonably necessary to enable the recipient to properly perform its obligations under this agreement or the Sale Agreement or to conduct their business generally, in which case the recipient must ensure that such persons keep the information secret and confidential and do not divulge or disclose the information to any other person;

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- (iv) the disclosure is necessary to comply with any obligations under this agreement, provided that the relevant Third Party or Government Agency is made aware of the confidential nature of the information and is instructed to keep the information secret and confidential and does not divulge or disclose the information to any other person;
 - (v) the disclosure is required for use in legal proceedings regarding this agreement or the Transaction;
 - (vi) such disclosure is expressly permitted pursuant to the Sale Agreement; or
 - (vii) the Party to whom the information relates has consented in writing before the disclosure.
- (b) To avoid doubt, on and from Completion:
- (i) clause 24(a) shall not operate upon Woodside (as recipient) in respect of Confidential Information of the Target Group and/or relating to the Target Petroleum Business other than in respect of the terms of this agreement; and
 - (ii) clause 24(a) shall operate, and be deemed to operate, upon BHP (as recipient) in respect of Confidential Information of the Target Group and/or relating to the Target Petroleum Business to the extent the Confidential Information relates exclusively to the Target Group and/or Target Petroleum Business as if such information has been disclosed to BHP.
- (c) Each recipient must ensure that those of its directors, officers, employees, agents, representatives and Related Bodies Corporate to whom Confidential Information is disclosed comply in all respects with the recipient's obligations under this clause 24.
- (d) From Completion, Woodside may disclose and use (for any purpose) the Confidential Information relating to the Target Petroleum Business except to the extent that such information relates to an Other BHP Entity or its business.
- (e) From Completion, BHP must not, and must procure that the Other BHP Entities do not, disclose to any Third Party any information that relates to the Target Petroleum Business or any Target Group Member that is confidential to any Target Group Member or any Third Party (including Woodside, including as a result of the Confidentiality Deed) to whom a Target Group Member owes an obligation of confidence (but excluding information which is in the public domain other than through a breach of this agreement) to any person, other than to the extent the disclosure is made in reliance on the exceptions in clauses 24(a)(i) to 24(a)(vii).
- (f) Without prejudice to the Parties rights and obligations elsewhere in this agreement:

-
- (i) BHP must procure that, promptly after the date of this agreement and in any event promptly on reasonable request by Woodside, the Target consents under and for the purposes of the Confidentiality Deed (in such written form as Woodside may reasonably request) to the use and disclosure of all information as is necessarily or conveniently used or disclosed by Woodside for the purpose of discharging its obligations, or exercising its rights, under this agreement or the Sale Agreement or otherwise in connection with the advancement and implementation of the Transaction; and
 - (ii) Woodside must procure that, promptly after the date of this agreement and in any event promptly on reasonable request by BHP, the Target consents under and for the purposes of the Confidentiality Deed (in such written form as the Seller may reasonably request) to the use and disclosure of all information as is necessarily or conveniently used or disclosed by BHP for the purpose of discharging its obligations, or exercising its rights, under this agreement or the Sale Agreement or otherwise in connection with the advancement and implementation of the Transaction.

25 Privacy

25.1 Privacy Compliance

- (a) In respect of all Personal Information collected, received or supplied under this agreement, the Parties must comply with Data Privacy Laws and the Protocols;
- (b) Each Party must take reasonable steps to ensure that any Personal Information provided by the other party and held in connection with this agreement is protected against:
 - (i) misuse and loss; and
 - (ii) unauthorised access, modification and disclosure.
- (c) Woodside must ensure that, and warrants that, in respect of any Personal Information held by, provided to, collected by or used by BHP in connection with this agreement, all necessary notifications and all necessary consents and approvals required under applicable Data Privacy Laws for BHP to hold, receive, collect, use and disclose the Personal Information for the purposes of performing BHP' s obligations, and exercising BHP' s rights, under this agreement have been given or obtained, as applicable.

25.2 Data Incidents

- (a) Each Party acknowledges that co-operation and support may be necessary to ensure that both Parties can comply with their legal obligations relating to mandatory data breach notifications under relevant legislation. To that extent, each party agrees to provide co-operation and support as described in this clause 25.2.
- (b) If a Party (**PI Holder**) becomes aware of any grounds to believe or suspect that a non-trivial breach of this clause 25.2 has occurred or there has been an accidental, unlawful or unauthorised destruction of, loss of, alteration of, access to, or disclosure of, or any breach of security relating to Personal Information, which may materially impact the other party or give rise to obligations to notify a Government Agency (**Data Incident**), acquired from or on behalf of the other Party, or otherwise in the possession or control of the PI Holder or any of its Personnel, for the purposes of this agreement, the PI Holder must promptly take all appropriate or necessary remedial action to mitigate any potential loss or interference with the Personal Information, prevent any further harm and protect the Personal Information from further misuse, loss, access or disclosure.

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- (c) If the PI Holder becomes aware that a Data Incident has occurred, the PI Holder must, within 24 hours on becoming aware of the Data Incident, inform the other Party and provide any information regarding the Data Incident that it has gathered and is reasonably required by the other Party to meet its legal obligations.
 - (d) Nothing in this clause 25.2 will in any way prevent a Party from taking any action (including making a statement or notification) that it reasonably believes it is necessary to ensure that it complies with its obligations at Law.
 - (e) Each Party must perform its obligations under this clause 25.2 within a time that is reasonable taking into account the context and nature of the Data Incident, its impact and all the surrounding circumstances, including:
 - (i) legislated or other regulatory timeframes relating to notification of a relevant regulator; or
 - (ii) media or public reporting relating to the Data Incident.

26 Taxes

26.1 General obligations

- (a) Except as otherwise expressly provided in this agreement, BHP Group will be solely liable for, and will pay when due and payable, all Taxes which may be imposed upon BHP Group in relation to the performance of this agreement. BHP Group will comply with all applicable taxation law and requirements in the place or places where the work is being performed.
- (b) Subject to clause 30.2(a)(iv), the Transition Service Fee is deemed to include all Taxes payable by the BHP Group.
- (c) BHP will indemnify the Woodside Group in respect of all claims and liabilities as a result of or in connection with any failure by the BHP Group to comply with this clause 26.

26.2 Withholding Tax

If Woodside is required to make withholdings or deductions from payments otherwise due to BHP, then Woodside may do so, and the amount so withheld will be deemed to have been paid to BHP. BHP will have no claim against and releases Woodside from and in respect of any sum of money lawfully withheld pursuant to this clause 26.

27 Data and data access

- (a) BHP acknowledges and agrees that:
 - (i) all Woodside Data is the sole property of Woodside;

-
- (ii) it must not challenge the ownership of or right and title to such Woodside Data of Woodside; and
 - (iii) to the extent that BHP or any BHP Group Member itself creates any Woodside Data under this agreement, then BHP hereby assigns to Woodside all its rights, title and interest (including all its Intellectual Property Rights) in and to such new Woodside Data.
- (b) Woodside acknowledges and agrees that:
- (i) all BHP Data is the sole property of BHP;
 - (ii) it must not challenge BHP' s ownership of, right and title to or interest in such BHP Data; and
 - (iii) to the extent that Woodside or any Woodside Group Member itself creates any BHP Data under this agreement, then Woodside hereby assigns to BHP all its rights, title and interest (including all its Intellectual Property Rights) in and to such new BHP Data.
- (c) The Parties acknowledge and agree that nothing in this agreement limits or excludes (or is intended to limit or exclude) the application of the provisions of clause 15 (Records) of the Sale Agreement.
- (d) The Parties acknowledge and agree:
- (i) the paramount importance of ensuring that BHP Data and Woodside Data respectively, is only used for the purpose for which it was collected, in the manner disclosed to customers or as otherwise permitted by Data Privacy Laws;
 - (ii) the paramount importance of observing the obligations of confidentiality and privacy set out in this agreement particularly if, for any reason, access to BHP Data is given to Woodside or access to Woodside Data is given to BHP;
 - (iii) the paramount importance of ensuring strict compliance with applicable competition laws and regulations, including but not limited to the Competition and Consumer Act particularly if, for any reason, access to BHP Data is given to Woodside or access to Woodside Data is given to BHP;
 - (iv) that BHP' s Personnel may have broad access to data in respect of the Target Petroleum Business in the course of providing the Separation Activities, Systems Services, Integration Activities and Transition Services; and
 - (v) that Woodside' s Personnel may have broad access to BHP Data in respect of the manner in which BHP provides or performs the Integration Activities and the Transition Services in the course of receiving those Transition Services.
- (e) If certain BHP Data and Woodside Data is not able to be partitioned and segregated by Completion, the Parties acknowledge and agree that certain Personnel of Woodside and certain Personnel of BHP will have access to both BHP Data and Woodside Data in certain Systems, subject always to the implementation of measures necessary to ensure strict compliance with applicable competition laws and regulations, including but not limited to the Competition and Consumer Act.

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- (f) In circumstances where clause 27(e) applies each Party must, and must ensure that its Related Bodies Corporate and its and their Personnel:
- (i) comply with the System and Data Access Protocols;
 - (ii) in respect of BHP, not knowingly access or use any Woodside Data, except to the extent required to perform its obligations under or receive the benefit of this agreement or as expressly permitted under the Sale Agreement; and
 - (iii) in respect of Woodside, not knowingly access or use any BHP Data, except to the extent required to perform its obligations under or receive the benefit of this agreement or as expressly permitted under the Sale Agreement.
- (g) To the extent technically and commercially feasible, and using existing security and access controls within the current BHP Systems (if applicable), BHP must use its reasonable endeavours to ensure that all Transition Services provided by BHP are provided in a way which seeks to:
- (i) prevent Woodside from accessing any information it is not entitled to obtain (including the BHP Data); and
 - (ii) prevent BHP from accessing any information it is not entitled to obtain (including the Woodside Data, except to the extent required to allow BHP to perform its obligations under this agreement and the Sale Agreement).
- (h) If BHP has reasonable concerns in relation to:
- (i) the security of one or more of its Systems;
 - (ii) breach of the Data Privacy Laws or any other Laws in respect of data on one or more of its Systems;
 - (iii) compliance by Woodside with applicable competition law and regulations, including but not limited to the Competition and Consumer Act; or
 - (iv) compliance by Woodside or Woodside Group Members with clauses 24, 25, 27, 28 or the System and Data Access Protocols, then BHP may limit or suspend access by Woodside to the applicable System until such concerns are resolved. BHP must:
 - (v) provide written notice of such suspension to Woodside in advance where possible and practicable in the circumstances, and consult with Woodside regarding the suspension as soon as possible;
 - (vi) use its reasonable endeavours to limit the impact of the suspension on Woodside to the extent possible and practicable in the circumstances, taking into account Woodside's reasonable concerns, including by reinstating access to the relevant System upon the relevant concern being resolved; and

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- (vii) without limiting clause 27(h)(v) and clause 27(h)(vi), where the concerns are due to a material Woodside non-compliance of the type referred to in paragraphs (ii) to (iv), provide Woodside with a reasonable opportunity to remedy any non-compliance on its part and, so far as is reasonably practicable, only limit or suspend access if Woodside does not remedy the non-compliance within a reasonable period.
- (i) If Woodside has reasonable concerns in relation to:
- (i) the security of one or more of the Systems;
 - (ii) breach of the Data Privacy Laws or any other Laws in respect of data on one or more of the Systems;
 - (iii) compliance by BHP with applicable competition law and regulations, including but not limited to the Competition and Consumer Act; or
 - (iv) compliance by BHP or BHP Group Members with clauses 24, 25, 27, 28 or the System and Data Access Protocols,
- then Woodside must notify BHP of such concerns and BHP must use all reasonable endeavours to remedy any confirmed breach or non-compliance on its part.
- (j) Woodside must use its reasonable endeavours to ensure that all inputs provided by Woodside are provided in a way which (and any existing security and access controls within Woodside' s current Systems are employed in a manner which):
- (i) prevents Woodside from accessing any information it is not entitled to obtain (including BHP Data, except to the extent required to allow Woodside to perform its obligations under and receive the benefit of this agreement and as expressly permitted under the Sale Agreement); and
 - (ii) prevents BHP from accessing any information it is not entitled to obtain (including Woodside Data, except to the extent required to allow BHP to perform its obligations under this agreement and the Sale Agreement).
- (k) BHP must keep all Woodside Data that it receives or processes in respect of the Transition Services:
- (i) under its control or, where the Transition Services rely on services provided under a Third Party Agreement, the control of the relevant Third Party Supplier with, to the extent possible, a right of BHP to require the return or destruction of the Woodside Data; and
 - (ii) in a form as reasonably determined by BHP.

28 Information Security

28.1 Acknowledgement

Both Parties acknowledge and agree that:

- (a) the security of the BHP Data, the Woodside Data, the BHP Systems and Woodside' s Systems are fundamental to BHP and Woodside respectively; and

-
- (b) a security breach may expose BHP or Woodside or both to substantial financial, reputational and other loss and damage, and may directly affect their:
 - (i) obligations to and relationship with shareholders, customers and employees; and
 - (ii) obligations under the Data Privacy Laws and other applicable Laws.

28.2 Woodside access to BHP Systems

When accessing BHP Systems, Woodside must at all times comply with the System and Data Access Protocols.

28.3 BHP access to Woodside Systems

When accessing Woodside Systems, BHP must at all times comply with the System and Data Access Protocols.

28.4 Protection of Systems accessed by the Parties

- (a) In carrying out the Separation Activities and Carry-over Separation Activities and providing the Systems Services and Transition Services, BHP must, and must procure that the BHP Group Members must, maintain reasonable safeguards against the unauthorised destruction or disclosure, or loss or misuse of Woodside Data in the possession, custody or control of BHP or any BHP Group Member, that are no less rigorous than those safeguards employed by BHP in respect of its own data.
- (b) In carrying out the Integration Activities and receiving the Transition Services, Woodside must, and must procure that the Woodside Group Members must, maintain reasonable safeguards against the unauthorised destruction or disclosure, or loss or misuse of BHP Data in the possession, custody or control of Woodside or any Woodside Group Member, that are no less rigorous than those safeguards employed by Woodside in respect of its own data.
- (c) Each Party (as applicable, an **Accessing Party**) must maintain security procedures and protocols designed to protect the Systems and data of the other Party (the **Affected Party**) that are accessed by the Accessing Party from unauthorised access by third parties, and in particular from disruption by any 'virus', 'back door', 'time bomb', 'Trojan Horse', 'worm' or other software routine or code which is intended or designed to:
 - (i) permit unauthorised access to or use of any of; or
 - (ii) disable, damage or erase, or disrupt or impair the normal operation of, any of the Systems or data of the Affected Party.
- (d) If the Accessing Party becomes aware of a breach or potential breach of security of the Affected Party's Systems or data, then the Accessing Party must immediately notify the Affected Party, and both Parties must work together to identify the cause of such breach or potential breach. Further, to the extent that the breach or potential breach is caused or contributed to by an act or omission of the Accessing Party, the Accessing Party must:

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- (i) do all that is reasonable and within its power to remedy any breach and its consequences;
 - (ii) use its reasonable endeavours to ensure that any potential breach does not become an actual breach;
 - (iii) notify the Affected Party of the breach or potential breach of security in writing as soon as practicable;
 - (iv) upon request, provide the Affected Party with a written report detailing the cause of, and procedure for correcting, the breach and its consequences or potential breach; and
 - (v) take all necessary action to prevent any recurrence of such breach or potential breach.

The Parties agree that this clause 28.4(d) applies where the process in section 3 (Security Breaches) of Schedule 8 (System and Data Access Protocols) is not applicable.

29 Notices

29.1 Form of Notice

A notice or other communication to a Party under this agreement (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending Party; and
- (b) addressed to that Party in accordance with the details nominated in Schedule 9 (or any alternative details nominated to the sending Party by Notice).

29.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee' s time) on a Business Day (business hours period), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice

By hand to the nominated address

By pre-paid post to the nominated address

By email to the nominated email address

When Notice is regarded as given and received

When delivered to the nominated address

At 9.00am (addressee' s time) on the second Business Day after the date of posting

When the email (including any attachment) has been sent to the addressee' s email address (unless the sender receives a delivery failure notification indicating that the email has not been addressed to the addressee).

29.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 29.2).

30 General

30.1 Costs and expenses

Except as otherwise provided in this agreement, each Party must pay its own costs and expenses in connection with the negotiation, preparation and execution of this agreement.

30.2 GST

(a) In this clause:

- (i) GST means the same as in the GST Law;
- (ii) GST Law means the same as in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);
- (iii) words defined in the GST Law have the same meaning in this clause unless specifically defined in this clause; and
- (iv) all charges and amounts payable by one Party to another under this agreement are stated exclusive of GST.

(b) For each taxable supply under or in connection with this agreement:

- (i) the supplier will be entitled to charge the recipient for any GST payable by the supplier in respect of the taxable supply;
- (ii) the recipient must pay to the supplier the amount of the GST at the same time as the relevant charge applicable to the supply becomes payable under the agreement;
- (iii) the supplier must provide a valid tax invoice (or a valid adjustment note) to the recipient in respect of the taxable supply, and will include in the tax invoice (or adjustment note) the particulars required by the GST Law. The recipient is not obliged to pay the GST unless and until the recipient has received a tax invoice (or an adjustment note) for that supply;

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- (iv) if the actual GST liability of the supplier differs from the GST paid by the recipient, the supplier will promptly create an appropriate valid adjustment note, and the recipient will pay to the supplier any amount underpaid, and the supplier will refund to the recipient any amount overpaid; and
 - (v) if any Party is entitled to payment of any costs of expenses by way of reimbursement or indemnity, the payment must exclude any part of that cost or expense which is attributable to GST for which that Party or the Representative Member of any GST Group of which that Party is a Member is entitled to an Input Tax Credit.
- (c) Each invoice issued under this agreement will be in the form of a tax invoice. Each invoice issued under this agreement will show the GST payable on supplies covered by that invoice.

30.3 Governing Law

This agreement is governed by the laws in force in Victoria, Australia.

30.4 Service of process

Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any Party by being delivered to or left for that Party at its address for service of Notices under clause 29.

30.5 No merger

The rights and obligations of the Parties do not merge on Completion. They survive the execution and delivery of any transfer, assignment or other document entered into for the purpose of implementing the Transaction.

30.6 Invalidity and enforceability

- (a) If any provision of this agreement is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 30.6(a) does not apply where enforcement of the provision of this agreement in accordance with clause 30.6(a) would materially affect the nature or effect of the Parties' obligations under this agreement.

30.7 Waiver

No Party to this agreement may rely on the words or conduct (or inaction) of any other Party as a waiver of any right unless the waiver is in writing and signed by the Party granting the waiver. Neither Party is required to do anything in connection with this agreement which would be contrary to any order, decree or declaration issued by any Court or Government Agency, or any other material legal restraint or prohibition, or pre-existing obligation or which is otherwise contrary to law.

The meanings of the terms used in this clause 30.7 are set out below.

| Term | Meaning |
|---------------|---|
| Right | any right arising under or in connection with this agreement and includes the right to rely on this clause. |
| Waiver | includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel. |

30.8 Variation

A variation of any term of this agreement must be in writing and signed by the Parties.

30.9 Assignment of rights

A Party may not assign, novate, declare a trust over or otherwise transfer or deal with any of its rights or obligations under this agreement without the prior written consent of the other Party.

30.10 No Third Party beneficiary

This agreement shall be binding on and inure solely to the benefit of each Party and each of their respective permitted successors and assigns, and nothing in this agreement is intended to or shall confer on any other person any Third Party beneficiary rights.

30.11 Further action to be taken at each Party's own expense

Each Party must, at its own expense, do all things and execute all documents necessary to give full effect to this agreement and the transactions contemplated by it.

30.12 Entire agreement

This agreement states all the express terms agreed by the Parties in respect of its subject matter and supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter, except for the terms agreed in the Sale Agreement and Confidentiality Deed, which continue to remain in force.

30.13 Counterparts

This agreement may be executed in any number of counterparts.

30.14 Relationship of the Parties

- (a) Nothing in this agreement gives a Party authority to bind the other Party in any way.
- (b) Nothing in this agreement imposes any fiduciary duties on a Party in relation to the other Party.

30.15 Exercise of rights

- (a) Unless expressly required by the terms of this agreement, a Party is not required to act reasonably in giving or withholding any consent or approval or exercising any other right, power, authority, discretion or remedy, under or in connection with this agreement.

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- (b) A Party may (without any requirement to act reasonably) impose conditions on the grant by it of any consent or approval, or any waiver of any right, power, authority, discretion or remedy, under or in connection with this agreement. Any conditions must be complied with by the Party relying on the consent, approval or waiver.

30.16 Anti-corruption and trade controls compliance

- (a) In connection with this agreement and its contemplated activities, each Party represents and warrants that it has complied, and covenants that it will comply, with all Applicable Anti-Bribery and Corruption Laws and all Applicable Trade Controls Laws.
- (b) Each Party will promptly respond in reasonable detail to any request by another Party for information relating to the first-mentioned Party's compliance with clause 30.16(a) above.
- (c) Nothing in this agreement is intended to require any Party to take any action, or refrain from taking any action, where doing so would be prohibited or penalised under any Applicable Anti-Bribery and Corruption Laws or any Applicable Trade Controls Laws.

Integration and Transition Services Agreement

EXECUTED as an agreement

DATED: 22 November 2021

EXECUTED by BHP GROUP LIMITED in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by authority of its directors:

/s/ Mike Henry
Signature of director

MIKE HENRY
Name of director (block letters)

)
)
)
) /s/ Stefanie Wilkinson
) Signature of company secretary*
) *delete whichever is not applicable
)
) STEFANIE WILKINSON
) Name of company secretary* (block letters)
) *delete whichever is not applicable
)
)

EXECUTED by WOODSIDE PETROLEUM LTD in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by authority of its directors:

/s/ Marguerite Eileen O' Neill
Signature of director

MARGUERITE EILEEN O' NEILL
Name of director (block letters)

)
)
)
) /s/ Warren Martin Baillie
) Signature of company secretary*
) *delete whichever is not applicable
)
) WARREN MARTIN BAILLIE
) Name of company secretary* (block letters)
) *delete whichever is not applicable
)
)

WOODSIDE PETROLEUM LTD

CONSTITUTION

May 2019

This is the form of Constitution tabled at the Annual General Meeting of Woodside Petroleum Ltd on 2 May 2019, and signed for identification by the Chairman.

/s/ Richard Goyder, AO

Chairman

Constitution of Woodside Petroleum Ltd. ACN 004 898 962

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CONSTITUTION OF WOODSIDE PETROLEUM LTD

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Constitution of Woodside Petroleum Ltd ABN 55 004 898 962

SCHEDULE 1

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Plebiscite to approve proportional takeover bids

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Constitution of Woodside Petroleum Ltd ABN 55 004 898 962

CONSTITUTION
OF
WOODSIDE PETROLEUM LTD
ABN 55 004 898 962

Preliminary

1. (1) The name of the Company is Woodside Petroleum Ltd.
- (2) The Company is a public company limited by shares.
- (3) The replaceable rules in the Act do not apply to the Company. They are replaced by the rules in this Constitution.

Interpretation

2. (1) Definitions and principles of interpretation used in this Constitution are set out in rule 120.
- (2) In interpreting this Constitution, the Listing Rules are paramount. Rule 119 sets out how the provisions of this Constitution are to be interpreted so that they are subject to the Listing Rules.

SHARES

Issue of shares

3. Subject to this Constitution, the Company may:
 - (a) issue, allot or grant options over or rights in respect of, or otherwise dispose of, shares in the Company or other securities of the Company;
and
 - (b) decide:
 - (i) the persons to whom shares or other securities are issued or options or other rights are granted;
 - (ii) the terms on which shares or other securities are issued or options or other rights are granted; and
 - (iii) the rights and restrictions attached to those shares, securities, options or rights,

as determined by the Board from time to time.

Preference shares

4. The Company may issue preference shares including preference shares that are, or at the option of the Company or holder are, liable to be redeemed or convertible into ordinary shares, and (subject to the other provisions of this rule 4) on such other terms including as to ranking as the Directors may determine in the terms of issue.
- (1) Each preference share confers on the holder a right to receive a preferential dividend, in priority to any payment of a dividend on ordinary shares, at the rate and on the basis decided by the Directors under the terms of issue (including the extent to which the dividend must be franked).
 - (2) The preferential dividend may be cumulative only if and to the extent the Directors decide under the terms of issue, and will otherwise be non-cumulative.
 - (3) Each preference share confers on its holder the right in a winding up and on redemption to payment in priority to the ordinary shares of:
 - (a) the amount of any dividend accrued but unpaid on the share at the date of winding up or the date of redemption; and
 - (b) any additional amount specified in the terms of issue.
 - (4) In addition to the preferential dividend and rights on winding up, each preference share may participate with ordinary shares in profits and assets of the Company if and to the extent the Directors decide under the terms of issue.
 - (5) To the extent the Directors may decide under the terms of issue, a preference share may confer a right to participate in a bonus issue or capitalisation of profits in favour of holders of those shares only (or a right to participate in a bonus issue or capitalisation of profits in favour of both holders of those shares and holders of other classes of shares).
 - (6) A preference share does not confer on its holder any right to participate in the profits or assets of the Company except as set out above.
 - (7) Except to the extent the Directors decide otherwise under the terms of issue a preference share does not entitle its holder to vote at any meeting of shareholders except in the following circumstances:
 - (a) on any of the proposals specified in rule 4(9);

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- (b) on a resolution to approve the terms of a buy back agreement;
 - (c) during a period in which a dividend or part of a dividend on the share is in arrears; or
 - (d) during the winding up of the Company; or
 - (e) as required by law.
- (9) A proposal referred to in rule 4(8)(a) is a proposal:
- (a) to reduce the share capital of the Company;
 - (b) that affect rights attached to the share;
 - (c) to wind up the Company; or
 - (d) for the disposal of the whole of the property, business and undertaking of the Company.
- (10) The holder of a preference share who is entitled to vote in respect of that share under rule 4(8) is, on a poll, entitled to the greater of one vote per share or such other number of votes (if any) specified in, or determined in accordance with, the terms of issue for the share.
- (11) In the case of a redeemable preference share, the Company must, at the time and place for redemption specified in, or determined in accordance with, the terms of issue for the share, redeem the share in accordance with its terms of issue.
- (12) A holder of a preference share must not transfer or purport to transfer, and the Directors, to the extent permitted by the Listing Rules, must not register a transfer of, the share if the transfer would contravene any restrictions on the right to transfer the share set out in the terms of issue for the share.

Power to pay commission and brokerage

5. The Company may pay a commission to any person for:
- (a) subscribing or agreeing to subscribe; or
 - (b) procuring or agreeing to procure subscriptions,
- whether absolutely or conditionally, for any shares in the Company. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company or otherwise. The Company may in addition to or instead of commission pay any brokerage permitted by law.
6. Not used.

Directors may participate

7. Subject to the Listing Rules, any Director or any person who is an associate of a Director for the purposes of the Listing Rules may participate in any issue of securities by the Company.

Surrender of shares

8. In its discretion, the Board may accept a surrender of shares by way of compromise of any question as to whether or not those shares have been validly issued or in any other case where the surrender is within the powers of the Company. Any shares surrendered may be sold or re-issued in the same manner as forfeited shares.

Buy-backs

9. Subject to the Act and the Listing Rules, the Company may buy ordinary shares in itself on the terms and at the times determined by the Board.

Joint holders

10. Where two or more persons are registered as the holders of any shares, they are deemed to hold the shares as joint tenants with benefits of survivorship subject to the following provisions:

Number of holders

- (a) The Company is not bound to register more than three persons as the holders of the shares (except in the case of trustees, executors or administrators of a deceased shareholder).

Liability for payments

- (b) The joint holders of the shares are liable severally as well as jointly for all payments which ought to be made in respect of the shares.

Death of joint holder

- (c) On the death of any one of the joint holders, the survivor is the only person recognised by the Company as having any title to the shares but the Board may require evidence of death and the estate of the deceased joint holder is not released from any liability in respect of the shares.

Power to give receipt

- (d) Any one of the joint holders may give a receipt for any dividend, bonus or return of capital payable to the joint holders.

Notices and certificates

- (e) Only the person whose name stands first in the Register as one of the joint holders of the shares is entitled, if the Company determines to issue certificates for shares, to delivery of a certificate relating to the shares or to receive notices from the Company and any notice given to that person is deemed notice to all the joint holders.

Votes of joint holders

- (f) Any one of the joint holders may vote at any meeting of the Company either personally, by Direct Vote or by representative, proxy or attorney, in respect of the shares as if that joint holder was solely entitled to the shares. If more than one of the joint holders are present at any meeting personally or by representative, proxy or attorney, only the joint holder present whose name stands first in the Register in respect of the shares is entitled to vote in respect of the shares and the vote of only that joint holder counts. If more than one of the joint holders sends a Direct Vote to the Company, only the Direct Vote sent by the joint holder whose name stands first in the Register counts.

Non-recognition of equitable or other interests

11. Except as otherwise provided in this Constitution, the Company is entitled to treat the registered holder of any share as the absolute owner of the share and is not, except as ordered by a Court or as required by statute, bound to recognise (even when having notice) any equitable or other claim to or interest in the share on the part of any other person.

FORM OF HOLDING OF SHARES**Certificates**

12. Subject to the Act and the Listing Rules, the Board may determine to issue certificates for shares or other securities of the Company, to cancel any certificates on issue and to replace lost, destroyed or defaced certificates on issue on the basis and in the form which it thinks fit, from time to time.

Computerised share transfer system

13. Without limiting rule 12, if the Company participates, or to enable the Company to participate, in any computerised or electronic share transfer system introduced by or acceptable to ASX, the Board may:
- (a) subject to the Act, the Listing Rules and the ASX Settlement Operating Rules:

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- (i) provide that shares may be held in certificated or uncertificated form and make any provision it thinks fit, including for the issue or cancellation of certificates, to enable shareholders to hold shares in uncertificated form and to convert between certificated and uncertificated holdings;
 - (ii) provide that some or all shareholders are not to be entitled to receive a share certificate in respect of some or all of the shares which the shareholders hold in the Company; and
 - (iii) accept any instrument of transfer, transfer document or other method of transfer in accordance with the requirements of the share transfer system; and
- (b) notwithstanding any other provision in this Constitution, do all things it considers necessary, required or authorised by the Act, the Listing Rules or the ASX Settlement Operating Rules in connection with the share transfer system.

CALLS

Power to make calls

14. (1) Subject to the terms on which any shares may have been issued, the Board may make calls on the shareholders in respect of all money unpaid on their shares. Each shareholder is liable to pay the amount of each call in the manner, at the time and at the place specified by the Board. Calls may be made payable by instalments.
- (2) The Company must give a shareholder on whom a call has been made or from whom an instalment is due, written notice of the call or instalment:
- (a) within the time limits; and
 - (b) in the form,
required by the Listing Rules.

Obligation for calls

15. The Company may make arrangements on the issue of shares for a difference between the holders of those shares in the amount of calls to be paid and the time of payment of the calls.

When a call is made

16. A call is deemed to have been made at the time when the resolution of the Board authorising the call was passed. The call may be revoked or postponed at the discretion of the Board at any time prior to the date on which payment in respect of the call is due.

Interest on the late payment of calls

17. If any sum payable in respect of a call is not paid on or before the date for payment, the shareholder from whom the sum is due is to pay interest on the unpaid amount from the due date to the date of payment at the rate the Board determines. The Board may waive the whole or part of any interest paid or payable under this rule.

Instalments

18. If by the terms of an issue of shares any amount is payable in respect of any shares by instalments, then:
- (a) every instalment is payable as if it was a call duly made by the Board of which due notice had been given; and
 - (b) all rules in this Constitution with respect to:
 - (i) payment of calls and interest;
 - (ii) forfeiture of shares for non-payment of calls; and
 - (iii) liens or charges;apply to the instalment and to the shares on which it is payable.

Payment in advance of calls

19. If the Board thinks fit, it may receive from any shareholder all or any part of the money unpaid on all or any of the shares held by that shareholder, beyond the sums actually called up and then due and payable, either as a loan repayable or as a payment in advance of calls. The Company may pay interest on the money advanced at the rate and on the terms agreed by the Board and the shareholder paying the sum in advance.

Non-receipt of notice of call

20. The non-receipt of a notice of any call by, or the accidental omission to give notice of any call to, any shareholder does not invalidate the call.

Notice requiring payment of sums payable

21. If any shareholder fails to pay any sum payable in respect of any shares, either for issue money, calls or instalments, on or before the day for payment, the Board may, at any time after the day specified for payment, while any part of the sum remains unpaid, serve a notice on the shareholder requiring that shareholder to pay:
- (a) all issue money, calls or instalments payable on the shares but unpaid; and
 - (b) interest accrued and all expenses incurred by the Company because of the non-payment.

Time and place for payment

22. The notice referred to in rule 21 must specify:
- (a) a day, at least 14 days after the date of the notice, on or before which the sum, interest and expenses (if any) are to be paid; and
 - (b) the place where payment is to be made,
- and state that in the event of non-payment at or before the time and at the place specified, the shares in respect of which the sum is payable are liable to be forfeited.

Forfeiture on non-compliance with notice

23. If there is non-compliance with the requirements of any notice given under rule 21, any shares in respect of which notice has been given may, at any time after the day specified in the notice for payment whilst any part of issue money, calls, instalments, interest and expenses (if any) remains unpaid, be forfeited by a resolution of the Board to that effect. The forfeiture is to include all dividends, interest and other money payable by the Company in respect of the relevant shares and not actually paid before the forfeiture.

Notice of forfeiture

24. When any share is forfeited, notice of the resolution of the Board must be given to the shareholder in whose name the share stood immediately prior to the forfeiture, and an entry of the forfeiture and the date of forfeiture must be made in the Register. Failure to give notice or make the entry as required by this rule does not invalidate the forfeiture.

Disposal of forfeited shares

25. Any forfeited share is deemed to be the property of the Company. The Board may sell or otherwise dispose of or deal with any forfeited share in any manner it thinks fit, with or without any money paid on the share by any former holder being credited as paid up.

Annulment of forfeiture

26. The Board may, at any time before any forfeited share is sold or otherwise disposed of, annul the forfeiture of the share on any condition it thinks fit.

Liability despite forfeiture

27. Any shareholder whose shares have been forfeited is, despite the forfeiture, liable to pay and is obliged to pay to the Company immediately all sums of money, interest and expenses owing on or in respect of the forfeited shares at the time of forfeiture, together with expenses and interest from that time until payment at the rate the Board determines. The Board may enforce the payment or waive the whole or part of any sum paid or payable under this rule as it thinks fit.

Company's lien or charge

28. (1) Unless the terms of issue provide otherwise, the Company has a first and paramount lien on each share for:
- (a) all money called or payable at a fixed time in respect of that share (including interest due in relation to the calls, and all costs and expenses incurred by the Company because payment was not made) that is due but unpaid; and
 - (b) amounts paid by the Company for which the Company is indemnified under rule 31.
- (2) The lien extends to all dividends payable in respect of the share and to proceeds of sale of the share.
- (3) If the Company registers a transfer of any shares on which it has a lien or charge without giving the transferee notice of any claim it may have at that time, the shares are freed and discharged from the lien or charge of the Company in respect of that claim.
- (4) The Company may do all things necessary or appropriate under the ASX Settlement Operating Rules and the Listing Rules in order to protect or enforce any lien or charge.

Sale of shares to enforce lien

29. For the purpose of enforcing a lien or charge, the Board may sell the shares which are subject to the lien or charge in any manner it thinks fit but the Company must give notice of such sale to the shareholder in whose name the shares are registered if required to do so by the ASX Settlement Operating Rules.

Title to shares forfeited or sold to enforce lien

- In a sale or a re-issue of forfeited shares or in the sale of shares to enforce a lien or charge, an entry in the Board' s minute book that the shares have been forfeited, sold or re-issued in accordance with this Constitution is sufficient evidence of that fact as against all persons entitled to the shares immediately before the forfeiture, sale or re-issue of the shares. The Company may receive the purchase money or consideration (if any) given for the shares on any sale or re-issue. The only remedy available to anyone claiming to have been adversely affected by the forfeiture, sale or re-issue will be damages against the Company.
30. (1) In a re-issue, a certificate signed by a Director or the Secretary to the effect that the shares have been forfeited and the receipt of the Company for the price of the shares constitutes a good title to them.
- (2) In a sale, the Company may appoint a person to execute, or may otherwise effect, a transfer in favour of the person to whom the shares are sold.
- (3) On the issue of the receipt or the transfer being executed or otherwise effected, the person to whom the shares have been re-issued or sold:
- (a) is to be registered as the holder of the shares, discharged from all calls or other money due in respect of the shares prior to the re-issue or purchase;
 - (b) is not bound to see to the regularity of the proceedings or to the application of the purchase money or consideration; and
 - (c) will take title to the shares without being affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale or re-issue.
- (4) The net proceeds of any sale or re-issue are to be applied:
- (a) first in payment of all costs of or in relation to the enforcement of the lien or charge or the forfeiture (as the case may be) and of the sale or re-issue;

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- (b) next in satisfaction of the amount in respect of which the lien or charge exists that is then payable to the Company (including interest) or the amount in respect of the forfeited shares then payable to the Company (including interest) (as the case may be); and
 - (c) as to the residue (if any), in payment to or at the direction of the person registered as the holder of the shares immediately prior to the sale or re-issue or to the person's personal representative or assigns on the production of any evidence as to title required by the Board.

PAYMENTS BY THE COMPANY

Payments by the Company

31. If any law of any place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any securities held either jointly or solely by any holder or in respect of any transfer of those securities or in respect of any interest, dividends, bonuses or other money due or payable or accruing due or which may become due or payable to the holder by the Company on or in respect of any securities or for or on account or in respect of any holder of securities, whether because of:
- (a) the death of the holder;
 - (b) the non-payment of any income tax or other tax by the holder;
 - (c) the non-payment of any estate, probate, succession, death, stamp or other duty by the holder or a personal representative of that holder or by or out of the holder's estate;
 - (d) any assessment of income tax against the Company in respect of interest or dividends paid or payable to the holder; or
 - (e) any other act or thing,
- the Company in each case:
- (f) is to be fully indemnified from all liability by the holder or the holder's personal representative and by any person who becomes registered as the holder of the securities on the distribution of the deceased holder's estate;
 - (g) has a lien or charge on the securities for all money paid by the Company in respect of the securities under or because of any law;

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- (h) has a lien on all dividends, bonuses and other money payable in respect of the securities registered in the Register as held either jointly or solely by the holder for all money paid or payable by the Company in respect of the securities because of any law, together with interest at a rate the Board may determine from the date of payment to the date of repayment, and may deduct or set off against any dividend, bonus or other money payable any money paid or payable by the Company together with interest;
 - (i) may recover as a debt due from the holder or the holder's personal representative, or any person who becomes registered as the holder of the securities on the distribution of the deceased holder's estate, any money paid by the Company because of any law which exceeds any dividend, bonus or other money then due or payable by the Company to the holder together with interest at a rate the Board may determine from the date of payment to the date of repayment; and
 - (j) except in the case of a transfer under the ASX Settlement Operating Rules, may, if any money is paid or payable by the Company under any law, refuse to register a transfer of any securities by the holder or the holder's personal representative:
 - (i) until the money and interest is set off or deducted; or
 - (ii) if the money and interest exceeds the amount of any dividend, bonus or other money then due or payable by the Company to the holder, until the excess is paid to the Company

but the Company may not refuse to register any transfer under the ASX Settlement Operating Rules except as permitted by the Act, the Listing Rules or the ASX Settlement Operating Rules.

Nothing in this rule prejudices or affects any right or remedy which any law confers on the Company, and, as between the Company and each holder, each holder's personal representative and estate, any right or remedy which the law confers on the Company is enforceable by the Company.

TRANSFER AND TRANSMISSION OF SECURITIES

Transfers

32. (1) Subject to this Constitution, a shareholder may transfer a share by any means permitted by the Act or by law. Except in relation to the registration of a paper-based transfer in registrable form, the Company must not charge any fee on transfer of a share.

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- (2) The Company:
- (a) may do anything permitted by the Act, the Listing Rules or the ASX Settlement Operating Rules that the Board thinks necessary or desirable in connection with the Company taking part in a computerised or electronic system established or recognised by the Act, the Listing Rules or the ASX Settlement Operating Rules for the purpose of facilitating dealings in shares; and
 - (b) must comply with obligations imposed on it by the Listing Rules or the ASX Settlement Operating Rules in relation to transfers of shares.
- (3) The transferor of a share remains the holder of it:
- (a) if the transfer is under the ASX Settlement Operating Rules, until the time those rules specify as the time that the transfer takes effect; and
 - (b) otherwise, until the transfer is registered and the name of the transferee is entered in the Register as the holder of the share.

Board may refuse to register

33. Subject to the Act, the Listing Rules and the ASX Settlement Operating Rules, the Board may refuse to register any transfer of securities:
- (a) if the registration of the transfer would result in a contravention of or failure to observe the provisions of any applicable law, the Listing Rules or the ASX Settlement Operating Rules;
 - (b) on which the Company has a lien;
 - (c) where it is permitted to do so by the Act, the Listing Rules or the ASX Settlement Operating Rules;
 - (d) where it is required to do so in accordance with a law related to stamp duty;
 - (e) where it is required to do so pursuant to a court order; or
 - (f) if permitted or required to do so under this Constitution, including where required in accordance with Schedule 1 of this Constitution.

Notice of refusal of transfer

34. Subject to the Act and the Listing Rules, the decision of the Board relating to the registration of a transfer is absolute. If the Board refuses to register a transfer, the Board must give the lodging party written notice of the refusal and the precise reasons for the refusal within the maximum period permitted by the Listing Rules. Failure to give notice of refusal to register any transfer as may be required under the Act or the Listing Rules does not invalidate the decision of the Board.

Closing Register, entitlement to vote

35. Subject to the Act, the Listing Rules and the ASX Settlement Operating Rules, the Register may be closed at any time the Board thinks fit and the Board may specify a time by reference to which the entitlement of persons to vote at any general meeting of the Company is to be determined.

Instrument of transfer and certificate (if any)

- Every instrument of transfer must be left for registration at the Office or any other place the Board determines. Unless the Board otherwise determines either generally or in a particular case, the instrument of transfer is to be accompanied by the certificate (if any) for the securities to be transferred. In addition, the instrument of transfer is to be accompanied by any other evidence which the Board may require to prove the title of the transferor, the transferor's right to transfer the securities, due execution of the transfer or due compliance with the provisions of any law relating to stamp duty. The preceding requirements of this rule do not apply in respect of a transfer under the ASX Settlement Operating Rules.
36. (1) Each instrument of transfer which is registered may be retained by the Company for any period determined by the Board after which the Company may destroy it. The preceding requirements of this rule do not apply in respect of a transfer under the ASX Settlement Operating Rules.
- (2) Subject to rule 36(1), on each application to register the transfer of any securities or to register any person as the holder in respect of any securities transmitted to that person by operation of law or otherwise, the certificate (if any) specifying the securities in respect of which registration is required must be delivered up to the Company for cancellation and on registration the certificate is deemed to have been cancelled.

Transmission on death

37. Subject to the Act, the Listing Rules and the ASX Settlement Operating Rules, the personal representative of a deceased shareholder (who is not one of several joint holders) is the only person recognised by the Company as having any title to securities registered in the name of the deceased shareholder but the Board may, subject to compliance by the transferee with this Constitution, register any transfer signed by a shareholder prior to the shareholder's death, despite the Company having notice of the shareholder's death.

Transmission by operation of law

38. A person (a *transmittee*) who establishes to the satisfaction of the Board that the right to any securities has devolved on the transmittee by will or by operation of law may be registered as a holder in respect of the securities or may (subject to the provisions in this Constitution relating to transfers) transfer the securities. However, the Board has the same right to refuse to register the transmittee (except for the right conferred by rule 33(f)) as if the transmittee was the transferee named in an ordinary transfer presented for registration.

ALTERATION OF CAPITAL**Power to alter share capital**

39. (1) The Company in general meeting may reduce or alter its share capital in any manner allowed or provided for by the Act and the Listing Rules.
- (2) Where the Company reduces its share capital in accordance with Division 1 of Part 2J.1, it may do so by way of payment of cash, distribution of specific assets (including shares or other securities of another corporation), or in any other manner permitted by law.
- (3) Where the Company reduces its share capital by way of distribution of specific assets, being shares or other securities in another corporation, the shareholders are deemed to have agreed to become shareholders of, or holders of other securities in, that corporation and to have agreed to be bound by the constitution of that corporation. Each shareholder also appoints the Company their attorney to:
- (a) agree to the shareholder becoming a shareholder of, or holder of other securities in, that corporation; and
 - (b) agree to the shareholder being bound by the constitution of that corporation; and

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- (c) execute any transfer of shares or securities, or other document required to give effect to the distribution of shares or other securities to that shareholder.

Board may give effect to alteration of share capital

40. The Board may do anything which is required to give effect to any resolution authorising reduction or alteration of the share capital of the Company. Without limitation the Board may:
- (a) make provision for the issue of fractional certificates or sale of fractions of shares and distribution of net proceeds as it thinks fit; and
 - (b) if the reduction is by distribution of specific assets:
 - (i) fix the value of any asset distributed;
 - (ii) make cash payments to shareholders on the basis of the value fixed so as to adjust the rights of shareholders between themselves; and
 - (iii) vest an asset in trustees.

Variation of class rights

- 40A. (1) The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied:
- (a) with the written consent of the holders of 75% or more of the shares of the class; or
 - (b) by special resolution passed at a separate meeting of the holders of shares of the class.
- (2) The provisions of this Constitution relating to general meetings apply, with necessary changes, to separate class meetings as if they were general meetings.
- (3) The rights conferred on the holders of any class of shares are to be taken as not having been varied by the creation or issue of further shares ranking equally with them.

GENERAL MEETINGS

Calling of general meetings

41. A meeting of shareholders:
- (a) may be convened at any time by the Board or a Director; and

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- (b) must be convened by the Board when required to under the Act.

Notice of general meeting

42. (1) Subject to rule 42(5), at least 28 days' written notice of a meeting of shareholders must be given individually to:
- (a) each shareholder (whether or not the shareholder is entitled to vote at the meeting);
 - (b) each Director (other than an alternate Director); and
 - (c) the Company' s auditor.

The notice of meeting must comply with the Act, the Regulations and the Listing Rules and may be given in any manner permitted under the Act, including by sending the notice to an electronic address nominated by the shareholder or making the notice available to shareholders by other electronic means established by the Company and nominated by the shareholder as a means of receiving notices from the Company.

- (2) If a meeting of shareholders is postponed or adjourned for 1 month or more, the Company must give new notice of the resumed meeting.
- (3) If a share is held jointly, the Company need only give notice of a meeting of shareholders (or of its cancellation or postponement) to the joint holder who is named first in the Register.

General meeting arrangements

- 42A. (1) If the chairman of a general meeting considers that there is not enough room for the shareholders who wish to attend the meeting, he or she may arrange for any person whom he or she considers cannot be seated in the main meeting room to observe or attend the general meeting in a separate room. Even if the shareholders present in the separate room are not able to participate in the conduct of the meeting, the meeting will nevertheless be treated as validly held in the main room.
- (2) If a separate meeting place is linked to the main place of a meeting of shareholders by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:
 - (a) gives the general body of shareholders in the separate meeting place a reasonable opportunity to participate in the proceedings in the main place; and

-
- (b) enables the shareholders in the separate meeting place to vote on a poll, a shareholder present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.
 - (3) If, before or during the meeting, any technical difficulty occurs where one or more of the matters set out in rule 42A(2) is not satisfied, the chairman of the meeting may:
 - (a) adjourn the meeting until the difficulty is remedied; or
 - (b) continue to hold the meeting in the main place (and any other place which is linked under rule 42A(2)) and transact business, and no shareholder may object to the meeting being held or continuing.
 - (4) Nothing in this rule 42A or in rule 48 is to be taken to limit the powers conferred on the chairman of the meeting by law.

Changes to general meeting arrangements

- 42B. (1) Subject to the Act, the Board may postpone, cancel or change the place for a general meeting by written notice given to ASX.
- (2) If:
 - (a) a shareholder has appointed a representative, proxy or attorney, or sent a Direct Vote (a voting instruction) for a meeting to be held on a specified date; and
 - (b) the meeting is postponed under rule 42B(1) to a later date,then:
 - (c) the voting instruction is effective for the postponed meeting; and
 - (d) the later date is substituted for and applies to the exclusion of the original meeting date in the voting instruction, unless the Company receives notice in writing to the contrary not less than 48 hours before the new time for the meeting or (where the voting instruction is a Direct Vote) by any other time specified in regulations made under rule 61A(2)(b).

Business of general meetings

43. Except with the approval of the Board or with the permission of the chairman of the meeting or as permitted by the Act, no person may move at any meeting either:
- (a) in regard to any business of which notice has been given under rule 42, any resolution or any amendment of a resolution; or
 - (b) any other resolution which does not constitute part of business of which notice has been given under rule 42.

The auditor, or a person authorised by the auditor for the purpose of attending and speaking at any general meeting, is entitled to attend and be heard on any part of the business of a meeting which concerns the auditor in its capacity as auditor.

Quorum

44. Unless the Company in general meeting decides otherwise, three shareholders present constitute a quorum for a meeting. No business may be transacted at any meeting except the election of a chairman and the adjournment of the meeting, unless a quorum is present at the commencement of the business.

Adjournment in absence of quorum

45. (1) If within thirty minutes after the time specified for a general meeting a quorum is not present, the meeting:
- (a) if convened by or on a requisition by shareholders, is to be dissolved; and
 - (b) in any other case, is to be adjourned to the day, and at the time and place, the Directors present decide or, if they do not make a decision, to the same day in the next week (or, where that day is not a business day, the business day next following that day) at the same time and place and if, at the adjourned meeting, a quorum is not present within thirty minutes after the time specified for holding the meeting, the meeting is to be dissolved.
- (2) Subject to rule 42(2), where a meeting is adjourned, notice of the adjourned meeting must be given to the ASX, but need not be given to any other person.

Chairman of general meeting

- 46.(1) The Chairman of the Board is entitled to take the chair at every general meeting.
- (2) If at any general meeting:
- (a) the Chairman of the Board is not present at the specified time for holding the meeting; or
 - (b) the Chairman of the Board is present but is unwilling to act as chairman of the meeting,
- the Deputy Chairman of the Board is entitled to take the chair at the meeting.
- (3) If at any general meeting:
- (a) there is no Chairman of the Board or Deputy Chairman of the Board;
 - (b) the Chairman of the Board and Deputy Chairman of the Board are not present at the specified time for holding the meeting; or
 - (c) the Chairman of the Board and the Deputy Chairman of the Board are present but each is unwilling to act as chairman of the meeting,
- the Directors present may choose another Director as chairman of the meeting and if no Director is present or if each of the Directors present is unwilling to act as chairman of the meeting, a shareholder chosen by the shareholders present may take the chair at the meeting.

Acting chairman

47. If during any general meeting the person acting under rule 46 is unwilling to act as chairman for any part of the proceedings, that person may withdraw as chairman during the relevant part of the proceedings and may nominate any person who immediately before the general meeting was a Director or who has been nominated for election as a Director at the meeting to assume the chair of the meeting during the relevant part of the proceedings.

General conduct of meeting

48. (1) The general conduct of each general meeting of the Company and the procedures to be adopted at the meeting are as determined by the chairman.

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- (2) The chairman may at any time the chairman considers it necessary or desirable for the proper and orderly conduct of the meeting:
- (a) impose a reasonable limit on the time that a person may speak on each motion or other item of business and demand the cessation of debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the shareholders present; and
 - (b) adopt any procedures for the casting or recording of votes at the general meeting of the Company, whether on a show of hands or on a poll.
- (3) The chairman may take any action he or she considers appropriate for the safety of persons attending a general meeting and the orderly conduct of the meeting and may refuse admission to, or require to leave and remain out of, the meeting any person:
- (a) in possession of a pictorial-recording or sound-recording device;
 - (b) in possession of a placard or banner;
 - (c) in possession of an article considered by the chairman to be dangerous, offensive or liable to cause disruption;
 - (d) who refuses to comply with searches, restrictions or other security arrangements the chairman considers appropriate;
 - (e) who refuses to produce or permit examination of any article, or the contents of any article, in the person's possession;
 - (f) who behaves or threatens to behave in a dangerous, offensive or disruptive way; or
 - (g) who is not entitled to receive the notice of meeting.
- The chairman may delegate the powers conferred by this rule to any person he or she thinks fit.
- (4) A decision by a chairman on matters of procedure and conduct at the general meeting is final.

Adjournment

49. The chairman may during the course of a meeting:
- (a) adjourn the meeting; or

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- (b) adjourn any business, motion, question or resolution being considered or remaining to be considered by the meeting or any debate or discussion either to a later time at the same meeting or to an adjourned meeting.

If the chairman exercises a right of adjournment under this rule, the chairman has the sole discretion to decide whether to seek the approval of the shareholders present to the adjournment and, unless the chairman exercises that discretion, no vote may be taken by the shareholders present in respect of the adjournment. No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at any adjourned meeting shall be regarded as having been passed on the day on which it was in fact passed. Subject to rule 42(2), where a meeting is adjourned, notice of the adjourned meeting must be given to the ASX, but need not be given to any other person.

Voting on a show of hands

- Each question submitted to a general meeting is to be decided by a show of hands of the shareholders present and entitled to vote, unless a poll is demanded. In the case of an equality of votes, the chairman has, both on a show of hands and a poll, a casting vote in addition to the vote or votes to which the chairman may be entitled as a shareholder or as a proxy, attorney or representative of a shareholder.
50. (1) At any meeting, unless a poll is demanded, a declaration by the chairman that a resolution has been passed or lost, having regard to the majority required, and an entry to that effect in the minutes of the meeting, signed by the chairman of that or the next succeeding meeting, is conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- (2)

When poll may be demanded

51. A poll may be demanded either before or immediately after any question is put to a show of hands either by a shareholder in accordance with the Act (and not otherwise) or by the chairman. No poll may be demanded on the election of a chairman of a meeting or, unless the chairman otherwise determines, the adjournment of a meeting. The chairman must demand a poll if, having regard to the number of votes cast by proxy and Direct Vote, the outcome of the poll will or may be different from the outcome of a show of hands.

Taking a poll

52. If a poll is demanded in accordance with rule 51 it is to be taken in the manner and at the time and place as the chairman directs, and the result of the poll is deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. In the case of any dispute as to the admission or rejection of a vote, the chairman's determination in respect of the dispute made in good faith is final.

Continuation of business

53. A demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. A poll demanded on any question of adjournment is to be taken at the meeting and without adjournment.

Special meetings

54. All the provisions of this Constitution as to general meetings apply to any special meeting of any class or shareholders which may be held under this Constitution or the Act.

VOTES OF SHAREHOLDERS**Voting rights**

55. Subject to restrictions on voting affecting any class of shares and subject to rules 10(f), 56, 58, 61 and 61A:
- (a) on a show of hands:
 - (i) subject to rules 55(a)(ii) and (iii), each shareholder present has one vote;
 - (ii) where a shareholder has appointed more than one person as representative, proxy or attorney for the shareholder, none of the representatives, proxies or attorneys is entitled to vote; and
 - (iii) where a person would otherwise be entitled to vote because of rule 55(a)(i) in more than one capacity, that person is entitled only to one vote; and
 - (b) on a poll, each shareholder present:
 - (i) has one vote for each fully paid share held; and
 - (ii) for each share held, has a vote which carries the same proportionate value as the proportion of the amount paid up or agreed to be considered as paid up on the total issue price of that share at the time the poll is taken bears to the total issue price of the share.

Voting rights of personal representatives, etc

56. Where a person satisfies the Board, at least 48 hours before the scheduled commencement of a general meeting (unless the person has previously satisfied the Board as to the person's right to vote), that the person is:

- (a) a personal representative, as referred to in rule 37; or
- (b) a transmittee as referred to in rule 38,

the person may vote at the general meeting in the same manner as if the person were the registered holder of the securities referred to in rule 37 or 38, as the case requires.

Appointment of proxies

57. (1) A shareholder who is entitled to attend and cast a vote at a meeting of the Company may appoint a person as a proxy to attend and vote for the shareholder in accordance with the Act but not otherwise. A proxy appointed to attend and vote in accordance with the Act may exercise the rights of the shareholder on the basis and subject to the restrictions provided in the Act but not otherwise, but may not cast a vote by Direct Vote.
- (2) A form of appointment of a proxy is valid if it is in accordance with the Act or in any form which the Board may prescribe or accept.
- (3) Any appointment of proxy under rule 57(2) which is incomplete may be completed by the Secretary on the authority of the Board and the Board may authorise completion of the proxy by the insertion of the name of any Director as the person in whose favour the proxy is given.
- (4) Voting instructions given by a shareholder to a Director or employee of the Company who is appointed as proxy are valid only if contained in the form of appointment of the proxy or, in the case of new instructions or variations to earlier instructions, if received at the Office before the meeting or adjourned meeting by a notice in writing signed by the shareholder.

Validity of vote

58. (1) The validity of any resolution is not affected by the failure of any proxy or attorney to vote in accordance with instructions (if any) of the appointing shareholder.
- (2) A vote given in accordance with the terms of an instrument of proxy or power of attorney is valid despite the previous death or unsoundness of mind of the appointing shareholder or revocation of the instrument of proxy or power of attorney or transfer of the shares in respect of which the vote is given, provided no notice in writing of the death, unsoundness of mind, revocation or transfer has been received at the Office before the relevant meeting or adjourned meeting.

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- (3) A proxy is not revoked by the appointing shareholder attending and taking part in the meeting, unless the appointing shareholder actually votes at the meeting on the resolution for which the proxy is proposed to be used.
 - (4) Where the Company receives an instrument recording a Direct Vote or appointing a proxy, attorney or representative in accordance with this Constitution or the Act and within the relevant period prescribed under the Act or as otherwise determined by the Board, the Company is entitled to:
 - (a) clarify with the member any instruction in relation to that instrument by written or verbal communication and make any amendments to the instrument required to reflect any clarification; and
 - (b) where the Company considers that the instrument has not been duly executed, return the instrument to the member and request that the member duly execute the instrument and return it to the Company within the period prescribed under the Act or otherwise determined by the Board and notified to the shareholder.
 - (5) A shareholder is taken to have appointed the Company as its attorney for the purpose of any amendments made to an instrument recording a Direct Vote or appointing a proxy, attorney or representative in accordance with rule 58(4).
 - (6) The chairman may require a person acting as proxy, attorney or representative to establish to the chairman's satisfaction that the person is the person duly appointed to act. If the person fails to satisfy the requirement, the chairman may:
 - (a) exclude the person from attending or voting at the meeting; or
 - (b) permit the person to exercise the powers of a proxy, attorney or representative on the condition that, if required by the Company, he or she produce evidence of the appointment within the time set by the chairman.
 - (7) The chairman may delegate his or her powers under rule 58(6) to any person.

Board to issue proxy forms

59. The Board must issue a proxy form with any notice of general meeting of shareholders or any class of shareholders. Each proxy form must provide for the shareholders to appoint proxies of their choice, but may include the names of any of the Directors or of any other persons who are to be proxies where the shareholder does not specify in the form the name of the person or persons to be appointed as proxies, or where a person whose name is so specified is not present at the meeting. The forms must provide for the proxy to vote either for or against each or any of the resolutions to be proposed, but may also provide for the shareholder to abstain from voting on each resolution.

Attorneys of shareholders

60. (1) Any shareholder may, by duly executed power of attorney, appoint an attorney to act on the shareholder's behalf at all or certain specified meetings of the Company.
- (2) An appointment of an attorney is not effective for a particular meeting of shareholders unless the instrument effecting the appointment is received by the Company at the Office or is sent to and received at a fax number at the Office (or another address including an electronic address specified for the purpose in the relevant notice of meeting):
- (a) at least 48 hours before the time for which the meeting was called; or
 - (b) if the meeting has been adjourned, at least 48 hours before the resumption of the meeting.
- (3) The Board may require evidence of:
- (a) in the case of a proxy form executed by an attorney, the power of attorney or a certified copy of it; or
 - (b) in the case of a power of attorney, the power of attorney or a certified copy of it.

Rights of shareholder indebted to Company in respect of other shares

61. Subject to any restrictions affecting the right of any shareholder or class of shareholders to attend any meeting, a shareholder holding a share in respect of which for the time being no money is due and payable to the Company is entitled to be present at any general meeting and to vote and be reckoned in a quorum even if money is then due and payable to the Company by the shareholder in respect of any other share held by the shareholder. However, on a poll, a shareholder is only entitled to vote in respect of shares held by the shareholder on which, at the time when the poll is taken, no money is due and payable to the Company.

Direct Voting

- 61A. (1) The Board may determine that shareholders who are entitled to vote at any meeting of the Company may cast their votes by sending them to the Company before the meeting by physical means, electronic means or both. A vote cast in accordance with any such determination is referred to in this Constitution as a Direct Vote.
- (2) The Board may make regulations (consistent with the provisions of this rule 61A, the Act and the Regulations) for the casting of Direct Votes, including regulations for:
- (a) how votes are to be cast; and
 - (b) when votes must be received by the Company in order to be effective.
- (3) Direct Votes will not be counted if a resolution is decided on a show of hands.
- (4) Direct Votes will be counted if a resolution is decided on a poll, as follows:
- (a) Subject to rules 61A(5), (6) and (7), votes cast by Direct Vote by a shareholder entitled to vote on the resolution will be counted as if the shareholder had cast the votes in the poll at the meeting.
 - (b) A Direct Vote received by the Company on a resolution which is amended is taken to be a Direct Vote on that resolution as amended, unless the chairman of the meeting determines that this is not appropriate.
 - (c) Receipt of a Direct Vote from a shareholder has the effect of revoking (or, in the case of a standing appointment, suspending) the appointment of a proxy, attorney or representative made by the shareholder under an instrument received by the Company before the Direct Vote was received.
- (5) A Direct Vote:
- (a) may be withdrawn by the shareholder by notice in writing received by the Company before the time set by the Board in accordance with rule 61A(2)(b); and
 - (b) is automatically withdrawn if:

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- (i) the shareholder attends the meeting in person and registers to vote at the meeting (including, in the case of a body corporate, by representative);
 - (ii) the Company receives from the shareholder a further Direct Vote or Direct Votes (in which case the most recent Direct Vote is, subject to this rule 61A, counted in lieu of the prior Direct Vote); or
 - (iii) the Company receives, after the Direct Vote, an instrument under which a representative, proxy or attorney is appointed to act for the shareholder at the meeting in accordance with rule 56, rule 57 or rule 60.
- (6) A Direct Vote withdrawn under rule 61A(5) is not counted.
- (7) A Direct Vote received by the Company is valid even if, before the meeting, the shareholder:
- (a) dies or becomes mentally incapacitated;
 - (b) becomes bankrupt or an insolvent under administration or (in the case of a body corporate) is wound up; or
 - (c) where the Direct Vote is cast on behalf of the shareholder by an attorney, revokes the appointment of the attorney or the authority under which the appointment was made by a third party,
- unless the Company has received written notice of the matter before the commencement or resumption of the meeting.
- (8) If the Board has made a determination under rule 61A(1) to allow voting by Direct Vote at any meeting, the notice of meeting must inform shareholders of their rights to vote by Direct Vote and of any relevant matters specified in regulations made under rule 61A(2).

DIRECTORS

Number of Directors

62. Unless otherwise determined by the Company in general meeting, the number of Directors (not including alternate Directors) must be the number, not being less than three nor more than twelve, which the Board may determine but the Board may not reduce the number below the number of Directors in office at the time of the reduction. All Directors are to be natural persons.

Power to appoint Directors

63. The Board has the power, at any time, to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board but so that the number of Directors does not exceed the maximum number determined under rule 62. Subject to rule 77, any Director appointed under this rule may hold office only until the next annual general meeting of the Company and is then, subject to rule 75(c), eligible for election at that meeting.

Remuneration of Directors

64. As remuneration for services, each Non-Executive Director is to be paid or provided with the amount determined by the Board, which will be payable or provided at the time and in the manner determined by the Board, but the aggregate remuneration paid or provided to all the Non-Executive Directors in any financial year of the Company may not exceed an amount fixed by the Company in general meeting. The expression 'remuneration' in this rule:
- (a) does not include any amount which may be paid by the Company under rules 65, 66, 67 or 118; but
 - (b) does include amounts paid to Non-Executive Directors in recognition of their membership of any standing Committee of the Board, their service as Chairman and any superannuation contributions made by the Company in respect of Non-Executive Directors (or cash payments made to Non-Executive Directors in lieu of those contributions).

Remuneration of Directors for extra services

65. Any Director who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, or who at the request of the Board engages in any journey on the business of the Company, may be paid extra remuneration as determined by the Board.

Travelling and other expenses

66. Every Director is, in addition to any other remuneration provided for in this Constitution, entitled to be paid from Company funds all reasonable travel, accommodation and other expenses incurred by the Director in attending meetings of the Company or of the Board or of any Committees or while engaged on the business of the Company.

Retirement benefits

67. The Company must not pay any retirement benefits to or in respect of any Non-Executive Director upon the death of the Director or other cessation of the Director's appointment, except as determined by the Company in general meeting. Nothing in this rule prevents the Company from making superannuation contributions in respect of Non-Executive Directors or making payments in lieu of these contributions, to the extent permitted by law.

Directors' interests and duties

68. (1) Each Director must comply with the Act in relation to directors' duties.
- (2) Each Director must comply with the Act in relation to disclosure of matters involving material personal interests and voting on matters involving material personal interests.
- (3) Each Director must comply with the Act in relation to being present, and voting, at a Board meeting that considers a matter in which the Director has a material personal interest. Subject to the Act:
- (a) a Director may be counted in a quorum at a Board meeting that considers, and may vote on, any matter in which that Director has an interest;
 - (b) the Company may proceed with any transaction that relates to the interest and the Director may participate in the execution of any relevant document by or on behalf of the Company;
 - (c) the Director may retain benefits under the transaction even though the Director has the interest; and
 - (d) the Company cannot avoid the transaction merely because of the existence of the interest.
- If the interest is required to be disclosed under the Act, rule 68(3)(c) applies only if it is disclosed before the transaction is entered into.
- (4) The Company cannot avoid an agreement with a third party merely because a Director:
- (a) fails to make a disclosure of an interest; or
 - (b) is present at, or counted in the quorum for, a Board meeting that considers or votes on that agreement.

Director may hold other office in the Company

69. A Director may hold any other office or position in the Company (except that of auditor) in conjunction with the office of Director, on terms and at a remuneration (in addition to or instead of remuneration as a Director), as the Board approves not being a commission on or percentage of turnover.

Director may hold any other office

70. A Director may be or become a director of or hold any other office or position in:

- (a) any corporation promoted by the Company, or in which the Company may be interested, whether as a vendor or shareholder or otherwise; or
- (b) any other corporation or organisation.

The Director is not accountable for any benefits received as a shareholder, director or holder of any other office or position in any other corporation or organisation.

Exercise of voting power in other corporations

71. The Board may exercise the voting power conferred by the shares in any corporation held or owned by the Company, as the Board thinks fit (including the exercise of the voting power in favour of any resolution appointing the Directors or any of them directors of that corporation or voting or providing for the payment of remuneration to the directors of that corporation) and a Director of the Company may vote in favour of the exercise of those voting rights despite the fact that the Director is, or may be about to be appointed, a director of that other corporation and may be interested in the exercise of those voting rights.

ALTERNATE DIRECTORS**Director may appoint alternate Director**

72. Subject to this Constitution, each Director may appoint any person approved by a majority of the other Directors (other than an auditor or a partner or employer or employee of an auditor) to act as an alternate Director in the Director's place, whether for a stated period or periods or until the happening of a specified event, whenever by absence or illness or otherwise the Director is unable to attend to duties as a director. The appointment must be in writing and signed by the Director and a copy of the appointment must be given by the appointing Director to the Company by forwarding or delivering it to the Office or by forwarding or delivering it to a meeting of the Board. The appointment takes effect immediately on receipt of the appointment at the Office or at a meeting of the Board and approval by a majority of the other Directors, or at a later time specified in the appointment. The following provisions apply to any alternate Director:

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- (a) The alternate Director may be removed or suspended from office on receipt at the Office of notice by letter, facsimile transmission or other form of visible communication including notice sent to an electronic address from the appointing Director.
 - (b) The alternate Director is entitled to receive notice of meetings of the Board and to attend and vote at the meetings if the appointing Director is not present.
 - (c) The alternate Director is entitled to exercise all the powers (except the power to appoint an alternate Director) and perform all the duties of a Director, in so far as the appointing Director has not exercised or performed them or they have not been curtailed or limited by the instrument or notice appointing him or her.
 - (d) The alternate Director is not, unless the Board otherwise determines, (without prejudice to the right to reimbursement for expenses under rule 66) entitled to receive any remuneration as a Director from the Company, and any remuneration (not including reimbursement for expenses) paid to the alternate Director by the Company is to be deducted from the remuneration of the appointing Director.
 - (e) The office of the alternate Director is vacated on the death of, or vacation of office by, the appointing Director.
 - (f) The alternate Director is not to be taken into account in determining the number of Directors or rotation of Directors.
 - (g) The alternate Director is, while acting as a Director, responsible to the Company for the alternate Director's own acts and defaults and is not deemed to be the agent of the appointing Director.

VACATION OF OFFICE OF DIRECTOR

Vacation of office by Director

73. The office of a Director is vacated:
- (a) on the Director becoming an insolvent under administration, suspending payment generally to creditors or compounding with or assigning the Director's estate for the benefit of creditors;
 - (b) on the Director becoming a person of unsound mind or a person who is a patient under laws relating to mental health or whose estate is administered under laws relating to mental health;
 - (c) on the Director being absent from meetings of the Board during a period of three consecutive calendar months without leave of absence from the Board where the Board has not, within fourteen days of having been served by the Secretary with a notice giving particulars of the absence, resolved that leave of absence be granted;

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- (d) on the Director resigning office by notice in writing to the Company;
 - (e) on the Director being removed from office under the Act;
 - (f) on the Director being prohibited from being a Director under the Act; or
 - (g) on the Director, or on any partner, employer or employee of the Director, accepting or holding the office of auditor of the Company.

Directors who are employees of the Company

74. The office of a Director who is an employee of the Company or any of its subsidiaries becomes vacant on the Director ceasing to be employed but the person concerned is eligible for reappointment or re-election as a Director of the Company in accordance with this Constitution.

ELECTION OF DIRECTORS

75. The following provisions apply to all the Directors:

Retirement of Directors

- (a) A Director (other than a Director who is Managing Director) must retire from office at the third annual general meeting after the Director was elected or most recently re-elected. A Director who is required to retire at an annual general meeting under this rule retains office until the conclusion of the meeting.

Who must retire

- (b) An election of Directors must be held at the annual general meeting each year. If no election of Directors is scheduled to occur at an annual general meeting under rule 63 or 75(a) then one Director must retire from office at the annual general meeting. The Director to retire under this rule 75(b) is the Director longest in office since last being elected. As between Directors who were elected on the same day the Director to retire is (in default of agreement between them) determined by ballot. The length of time a Director has been in office is calculated from the Director' s last election or appointment.

Eligible candidates

- (c) The Company in general meeting cannot validly elect a person as a Director unless:

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- (i) the Board recommends the appointment; or
 - (ii) at least 45 business days (or in the case of a meeting that shareholders have requested Directors to call, 40 business days) before the meeting at which the relevant resolution will be considered, the Company receives both:
 - (A) a nomination of the person by a shareholder (who may be the person); and
 - (B) a consent to act as a Director signed by the person, at the Office.

The Company must notify shareholders of every candidate for election as a Director at least 7 days before the relevant general meeting.

MANAGING DIRECTOR

Managing Director

76. (1) The Board may appoint a person to be a Managing Director either for a specified term (but not for life) or without specifying a term. The terms of appointment must specify:
- (a) the circumstances in which the appointment may be terminated; and
 - (b) the consequences of termination, including any entitlement to payment arising on termination.
- (2) The Board may delegate any of the powers of the Board to the Managing Director:
- (a) on the terms and subject to any restrictions the Board decides; and
 - (b) so as to be concurrent with, or to the exclusion of, the powers of the Board, and may revoke the delegation at any time.
- (3) The appointment of a Managing Director terminates if:
- (a) the Managing Director ceases for any reason to be a Director;
 - (b) the Board removes the Managing Director from the office of Managing Director (which, without affecting the rights of the Managing Director under any contract between the Company and the Managing Director, the Board has power to do); or
 - (c) the contract between the Company and the Managing Director as the chief executive officer of the Company terminates for any other reason, whether or not the appointment was expressed to be for a specified term.

Managing Director not to be subject to retirement

77. A Managing Director is not subject to retirement as a Director under rule 63 or rule 75 while continuing to hold the office of Managing Director and is not to be taken into account in determining the rotation or retirement of Directors, but (subject to any contract between the Managing Director and the Company) is otherwise subject to the same provisions as to resignation and removal as the other Directors of the Company.

PROCEEDINGS AT MEETINGS OF DIRECTORS**Procedures relating to Board meetings**

78. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Until otherwise determined by the Board, three Directors form a quorum. Subject to the Act, an interested Director is to be counted in a quorum despite the interest.

Meetings by telephone or other means of communication

79. The Board may meet either in person, by telephone, by video conferencing facility or by using any other technology consented to by all the Directors. A consent may be a standing one. A Director may only withdraw consent within a reasonable period before the meeting. A meeting conducted by telephone, video conference or other means of communication is deemed to be held at the place agreed on by the Directors attending the meeting if at least one of the Directors present at the meeting was at that place for the duration of the meeting.

Votes at meetings

80. Questions arising at any meeting of the Board are decided by a majority of votes, and, in the case of an equality of votes, the Chairman has (except when only two Directors are present or except when only two Directors are competent to vote on the question then at issue) a second or casting vote.

Convening of meetings

81. The Board may at any time, and the Secretary on the request of any Director must, convene a meeting of the Board.

Chairman

82. The Board may elect a Chairman and a Deputy Chairman of its meetings and determine the period for which each is to hold office. If no Chairman or Deputy Chairman is elected or if at any meeting the Chairman and the Deputy Chairman are not present at the time specified for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

Powers of meetings

83. A meeting of the Board at which a quorum is present is competent to exercise any of the authorities, powers and discretions for the time being vested in or exercisable by the Board.

Delegation of powers to Committees

84. The Board may delegate any of its powers to Committees consisting of one or more Directors or any other person or persons as the Board thinks fit and may at any time revoke such delegation. In the exercise of delegated powers, Committees and their members must conform to:

- (a) the terms of reference or charter of the relevant Committee; and
- (b) any other regulations that may be imposed by the Board.

A delegate of the Board may be authorised to sub-delegate any of the powers for the time being vested in the delegate.

Proceedings of Committees

85. The meetings and proceedings of any Committee are to be governed by the provisions of this Constitution for regulating the meetings and proceedings of the Board so far as they are applicable and are not superseded by any rules or regulations applicable under rule 84.

Validity of acts

86. All acts done at any meeting of the Board or by a Committee or by any person acting as a Director are valid even if the appointment of any of the Directors, the person acting as a Director or the Committee was defective or invalid under this Constitution, the Act or the Listing Rules.

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- (2) If the number of Directors is reduced below the minimum number fixed under this Constitution, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of calling a general meeting of the Company but for no other purpose.
 - (3) All acts done at any meeting of the Board at which a quorum is present but of which notice has not been duly given to every Director will be as valid as if proper notice of such meeting had been duly given and received by all the Directors, provided the Director or Directors who have not received proper notice either:
 - (a) attend the meeting; or
 - (b) having been informed of the agenda for and outcome of the meeting, consent to waive the requirement for notice.

Resolution in writing

87. (1) A resolution in writing signed by all Directors or a resolution in writing of which notice has been given to all Directors and which is signed by a majority of the Directors entitled to vote on the resolution (not being less than the number required for a quorum at a meeting of the Board) is as valid as if it had been passed at a meeting of the Board duly called and constituted and may consist of several documents in the same form each signed by one or more of the Directors.
- (2) For the purposes of rule 87(1):
- (a) the references to Directors include any alternate Director for the time being present in Australia who is appointed by a Director not for the time being present in Australia but do not include any other alternate Director;
 - (b) a facsimile transmission or other document produced by mechanical or electronic means under the name of a Director with the Director's authority is deemed to be a document in writing signed by the Director; and
 - (c) a statement sent by electronic means to an agreed electronic address signifying assent to the resolution and either setting out its terms or otherwise clearly identifying those terms is deemed to be a document in writing signed by the Director and such document will be deemed to have been signed by the Director at the time it is received at the agreed electronic address.

POWERS OF THE BOARD

General powers of the Board

88. The business and affairs of the Company are to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by this Constitution) may exercise all powers and do all things that are:
- (a) within the power of the Company; and
 - (b) are not by this Constitution or by law directed or required to be exercised or done by the Company in general meeting.

Power to borrow and guarantee

89. Without limiting the generality of rule 88, the Board may exercise all the powers of the Company to raise or borrow money, may guarantee the debts or obligations of any person and may enter into any other financing arrangement, in each case in the manner and on the terms it thinks fit.

Power to give security

90. Without limiting the generality of rule 88, the Board may charge any property or business of the Company or any of its uncalled capital and may issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person, in each case in the manner and on the terms it thinks fit.

Power to authorise debenture holders, etc. to make calls

91. Without limiting the generality of rule 88, if any uncalled capital of the Company is included in or charged by any debenture, mortgage or other security, the Board may authorise the person in whose favour the debenture, mortgage or other security is executed or any other person in trust for the person to make calls on the shareholders in respect of that uncalled capital and to sue in the name of the Company or otherwise for the recovery of money becoming due in respect of calls made and to give valid receipts for that money, and the authority subsists during the continuance of the debenture, mortgage or that other security, despite any change in the Directors, and is assignable if expressed to be.

Power to issue bond, debenture or other security

92. Any bond, debenture or other security may be issued with or without the right of or obligation on the holder to exchange the bond, debenture or security in whole or in part for shares in the Company at any time and with any special privileges as to redemption, surrender, drawings, issue of shares, attending and voting at general meetings of the Company, appointment of Directors and with the general rights and on the conditions as the Board thinks fit.

Personal liability of officer

93. Subject to the law, if any Director or any officer of the Company is or may become personally liable for the payment of any sum which is or may become primarily due from the Company, the Board may charge the whole or any part of the assets of the Company by way of indemnity to secure the Director or officer from any loss in respect of the liability.

Seal

94. The Company may have a common seal and a duplicate common seal which are to be used by the Company as authorised or ratified by the Board.

MINUTES**Minutes**

95. (1) The Board is to ensure that minutes are duly recorded in accordance with the Act but otherwise in any manner it thinks fit:
- (a) of the names of the Directors present at each meeting of the Board and of any Committees;
 - (b) of all resolutions and proceedings of general meetings of the Company and of meetings of the Board and any Committees;
 - (c) of resolutions passed by Directors without a meeting; and
 - (d) of all disclosures and declarations made or notices given by any Director of an interest in any contract, office, or property or other matter which may create any conflict of duty or interest.
- (2) A minute recorded and signed in accordance with the Act is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.

DIVIDENDS**Dividends**

96. (1) The Board may pay any interim and final dividends that, in its judgment, the financial position of the Company justifies.

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- (2) Subject to the Act, rules 96(3) and (4) and the terms of issue of shares, the Board may resolve to pay any dividend it thinks appropriate and fix the time for payment.
 - (3) The Company does not incur a debt merely by fixing the amount or time for payment of a dividend. A debt arises only when the time fixed for payment arrives. The decision to pay a dividend may be revoked by the Board at any time before then. No dividend or other money payable on or in respect of a share carries interest as against the Company.
 - (4) A dividend is (subject to the rights of, or any restrictions on, the holders of shares created or raised under any special arrangements as to dividend) payable on each share on the basis of the proportion which the amount paid is of the total amounts paid, agreed to be considered to be paid or payable on the share, and may be paid at a rate per annum in respect of a specified period but no amount paid on a share in advance of calls is to be treated as paid on that share.

Dividend Plans

97. The Board may establish, determine rules for and maintain one or more dividend plans under which shareholders may elect with respect to some or all of their shares (subject to the rules of the relevant plan):
 - (a) to reinvest in whole or in part dividends paid or payable or which may become payable by the Company to the shareholder in cash by subscribing for shares in the capital of the Company;
 - (b) to receive a dividend from the Company by way of the issue of shares paid up from the Company's share premium account;
 - (c) that dividends from the Company not be paid and that instead a payment or distribution other than a dividend be made by the Company;
 - (d) that cash dividends from the Company not be paid and that instead a cash dividend be received from a related corporation nominated by the Board; and
 - (e) to participate in a dividend selection plan, including but not limited to a plan under which shareholders may elect:
 - (i) to receive a dividend from the Company or any related corporation which is less in amount but franked to a greater extent than the ordinary cash dividend paid or payable by the Company or any related corporation; or

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- (ii) to receive a dividend from the Company or any related corporation which is greater in amount but franked to a lesser extent than the ordinary cash dividend paid or payable by the Company or any related corporation.

Designated shares

- Under a dividend plan established in accordance with rule 97, any shareholder may elect for a specified period or for a period to be determined by specified notice (in either case determined by the Directors and prescribed in the rules of the plan) that all or some of the ordinary shares held by that shareholder and designated by the shareholder in accordance with the rules of the plan (the *designated shares*) are to participate in the dividend plan. During that period the designated shares are entitled to participate in the dividend plan subject to the rules of the dividend plan.
- 98. (1) Under a dividend plan established in accordance with rule 97, any shareholder may elect for a specified period or for a period to be determined by specified notice (in either case determined by the Directors and prescribed in the rules of the plan) that all or some of the ordinary shares held by that shareholder and designated by the shareholder in accordance with the rules of the plan (the *designated shares*) are to participate in the dividend plan. During that period the designated shares are entitled to participate in the dividend plan subject to the rules of the dividend plan.
 - (2) If there is any inconsistency between any dividend plan established in accordance with rule 97 or the rules of any dividend plan and this Constitution, this Constitution prevails.
 - (3) The Board is authorised to do all things which it considers to be desirable or necessary for the purpose of implementing every dividend plan established in accordance with rule 97.
 - (4) The Board is authorised to vary the rules of any dividend plan established in accordance with rule 97 at its discretion and to suspend or terminate any dividend plan at its discretion. Any dividend plan may also be suspended, terminated or varied by resolution of a general meeting of the Company.

Share Plans

- 99. The Board may, subject to the Act and the Listing Rules, establish and give effect to,
 - (a) any plan for:
 - (i) the purchase of shares for, or for the benefit of; or
 - (ii) the issue of shares to, or for the benefit of, employees of the Company and its wholly owned subsidiaries; and
 - (b) any plan for the purchase of shares or other securities of the Company or a related body corporate for the benefit of Directors of the Company or any of its related bodies corporate.
- 100. Not used
- 101. Not used

Reserves

102. Before paying any dividend to shareholders, the Board may:

- (a) set aside out of profits of the Company reserves to be applied, in the Board's discretion, for any purpose it decides and use any sum so set aside in the business of the Company or invest it in investments selected by the Board and vary and deal with those investments as it decides; or
- (b) carry forward any amount out of profits which the Board decides not to distribute without transferring that amount to a reserve; or
- (c) do both.

Distribution otherwise than in cash

103. When resolving to pay a dividend the Board may:

- (a) direct payment of the dividend wholly or in part by the distribution of specific assets or documents of title and in particular by the issue or transfer of paid up shares, debentures or debenture stock or options of the Company or any other company; and
- (b) where the Company in general meeting has approved the adoption of a dividend plan, determine and announce that each shareholder entitled to participate in the dividend may elect that the payment of the dividend be satisfied in respect of all, or a number of shares less than all, of the shares held by the shareholder by the issue of paid up shares in accordance with the plan.

Power to capitalise profits

104. The Board may resolve that the whole or any portion of the sum forming part of the undivided profits of the Company or standing to the credit of any reserve or other account, and which is available for distribution, be capitalised and distributed to shareholders:

- (a) in the same proportions in which they would be entitled to receive it if distributed by way of dividend; or
- (b) in accordance with either:
 - (i) the terms of issue of any shares; or
 - (ii) the terms of any plan for the issue of securities for the benefit of officers or employees,

and that all or any part of the sum be applied on their behalf:

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- (c) in paying up the amounts for the time being unpaid on any issued shares held by them; or
 - (d) in paying up in full unissued shares or other securities of the Company to be issued to them accordingly; or
 - (e) partly in one way and partly in the other.

Ancillary powers in relation to dividends and other distributions

105. (1) To give effect to any resolution to reduce the capital of the Company, to satisfy a dividend as set out in rule 103 or to capitalise any amount under rule 104, the Board may:
- (a) settle as it thinks expedient any difficulty that arises in making the distribution or capitalisation and, in particular, make cash payments in cases where shareholders are entitled to fractions of shares or other securities and decide that amounts or fractions of less than a particular value decided by the Board may be disregarded to adjust the rights of all parties;
 - (b) fix the value for distribution of any specific assets;
 - (c) pay cash or issue shares or other securities to any member to adjust the rights of all parties;
 - (d) vest any of those specific assets, cash, shares or other securities in a trustee on trust for the persons entitled to the distribution or capitalised amount that seem expedient to the Board (including appointing any officer of the Company to sign on behalf of each shareholder entitled to participate any document in the Board' s opinion desirable or necessary to vest in the shareholder title to the specific assets, cash, shares or other securities); and
 - (e) authorise any person to make, on behalf of all the shareholders entitled to any specific assets, cash, shares or other securities as a result of the distribution or capitalisation, an agreement with the Company or another person which provides, as appropriate, for the distribution or issue to them of shares or other securities credited as fully paid up or for payment by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares or other securities by applying their respective proportions of the amount resolved to be distributed or capitalised.
- (2) Any agreement made under an authority referred to in rule 105(1)(e) is effective and binds all shareholders concerned.

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- (3) If a distribution, transfer or issue of specific assets, shares or securities to a particular shareholder or shareholders is, in the Board's discretion, considered impracticable or would give rise to parcels of securities which do not constitute a marketable parcel, the Board may make a cash payment to those shareholders or allocate the assets, shares or securities to a trustee to be sold on behalf of, and for the benefit of, those shareholders, instead of making the distribution, transfer or issue to those shareholders.
- (4) If the Company distributes to shareholders (either generally or to specific shareholders):
- (a) securities in the Company or in another body corporate or trust; or
 - (b) other specific assets,
- whether as a dividend or otherwise and whether or not for value, each of those shareholders appoints the Company as his or her agent to do anything needed to give effect to that distribution (including agreeing to become a shareholder of that other body corporate).

Transfer of shares

106. Subject to the Act and the ASX Settlement Operating Rules, a transfer of shares registered after the record date for dividend purposes, but before a dividend is payable, does not pass the right to that dividend.

Retention of dividends

107. The Board may retain the dividends payable on securities referred to in rules 37 and 38 until the personal representative or the transmittee (as the case requires) becomes registered as the holder of the securities or duly transfers them. The Board may:
- (a) retain any dividends if the Company has a lien or charge under rule 28 over the dividends or the shares on which the dividends are payable; and
 - (b) may apply any retained dividends towards satisfaction of the amounts in respect of which the lien or charge exists.

How dividends are payable

108. (1) Payment of any dividend may be made in any way determined by the Board including by applying different methods of payment to different shareholders or groups of shareholders (such as overseas shareholders).

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- (2) Without prejudice to any other method of payment which the Board may adopt, in each case at the risk of the shareholder, payment may be made to the shareholder entitled to the dividend or in the case of joint holders to the shareholder whose name stands first in the Register in respect of the joint holding.

Unclaimed dividends

109. All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed or otherwise disposed of according to law.

NOTICES

Service of notices

110. (1) A notice will be deemed to have been validly given by the Company to any shareholder, or in the case of joint holders to the shareholder whose name stands first in the Register, if given by:
- (a) delivering it to the shareholder personally;
 - (b) leaving it at the shareholder' s registered address;
 - (c) sending it by prepaid post or facsimile transmission addressed to the shareholder' s registered address;
 - (d) sending it to an electronic address nominated by the shareholder for receipt of notices; or
 - (e) any other electronic means (including providing an electronic link to any document or attachment to the electronic address nominated by the shareholder for receipt of notices) approved by the Board and nominated by the shareholder as a means of receiving notices.
- (2) A notice will be deemed to have been validly given by the Company to any Director if:
- (a) sent by mail (electronic or otherwise),
 - (b) delivered personally; or
 - (c) sent by facsimile transmission,
- to the usual place of residence of the Director or any other address given to the Secretary by the Director.

When notice deemed to be served

111. (1) Any notice sent by post is deemed to have been served at the expiration of twenty-four hours after the envelope containing the notice is posted. Any notice served personally or left at an address is deemed to have been served when delivered. Any notice served by facsimile transmission, or by sending it to an electronic address, is deemed to have been served when the transmission is sent or when the notice is sent to the electronic address (as applicable).
- (2) A certificate signed by a Secretary or officer of the Company to the effect that the notice was duly posted under this Constitution is conclusive evidence of that fact.

Shareholder not known at registered address

112. Where a shareholder does not have a registered address or where the Company has a reason in good faith to believe that a shareholder is not known at the shareholder's registered address, a notice is deemed to be given to the shareholder if the notice is exhibited in the Office for a period of 24 hours (and is deemed to be duly served at the commencement of that period) unless and until the shareholder informs the Company of a registered place of address.

Signature to notice

113. The signature to any notice to be given by the Company, if signed, may be written or printed.

Reckoning of period of notice

114. If a given number of days' notice or notice extending over any other period is required to be given the day of service is not to be reckoned in the number of days or other period.

Notice to transferor binds transferee

115. Every person who, by operation of law, transfer or any other means, becomes entitled to be registered as the holder of any shares is bound by every notice which, prior to the person's name and address being entered in the Register in respect of the shares, was duly give to the person from whom title to the shares is derived.

Service on deceased

116. A notice served in accordance with this Constitution is (despite the fact that the shareholder is then dead and whether or not the Company has notice of the shareholder's death) deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by the shareholder, until some other person is registered in the shareholder's place as the holder or joint holder and the service is for all purposes deemed to be sufficient service of the notice or document on the shareholder's personal representative and all persons (if any) jointly interested with the shareholder in the shares.

WINDING UP

Rights on winding up

117. (1) If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the contributories, as the liquidator thinks fit, in specie or kind, any part of the assets of the Company, and may vest any part of the assets of the Company in trustees on any trusts for the benefit of all or any of the contributories as the liquidator thinks fit.
- (2) Any division under rule 117(1) may be otherwise than in accordance with the legal rights of the contributories and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part, but if any division otherwise than in accordance with the legal rights of the contributories is determined, any contributory who would be prejudiced by the division has a right to dissent and ancillary rights as if the determination were a special resolution passed under the Act relating to the sale or transfer of the Company's assets by a liquidator in a voluntary winding up.
- (3) If any shares to be divided in accordance with rule 117(1) involve a liability to calls or otherwise, any person entitled under the division to any of the shares may, by notice in writing within ten business days after the passing of the special resolution, direct the liquidator to sell the person's proportion and pay the person the net proceeds and the liquidator is to act accordingly, if practicable.
- (4) On the sale of the Company's main undertaking or on the liquidation of the Company, no commission or fees will be paid to a Director, the Board or a liquidator unless the commission or fees have been ratified by the shareholders. Prior notification of the amount of such proposed payments will be given to all registered holders of shares at least seven days prior to the meeting at which any such payment is to be considered.

INDEMNITY

Indemnity of officers

118. (1) Subject to and so far as permitted by the Act:
- (a) the Company must, to the extent the person is not otherwise indemnified, indemnify every officer and employee of the Company and its wholly owned subsidiaries and may indemnify its auditor against a Liability incurred as such an officer, employee or auditor to a person (other than the Company or a related body corporate) including a Liability incurred as a result of appointment or nomination by the Company or subsidiary as a trustee or as an officer of another corporation or body (including a statutory authority), unless the Liability arises out of conduct involving a lack of good faith; and
 - (b) the Company may make a payment (whether by way of advance, loan or otherwise) in respect of legal costs incurred by an officer or employee or auditor in defending an action for a Liability incurred as such an officer, employee or auditor or in resisting or responding to actions taken by a government agency or a liquidator.

In this rule, **Liability** means a liability of any kind (whether actual or contingent and whether fixed or unascertained) and includes costs, damages and expenses, including costs and expenses incurred in connection with any investigation or inquiry by a government agency or a liquidator.

- (2) Subject to the Act, the Company may enter into, and pay premiums on, a contract of insurance in respect of any person where it is in the interests of the Company to do so.
- (3) The indemnity in favour of officers and employees under rule 118(1) is a continuing indemnity. It applies in respect of all acts done by a person while an officer or employee of the Company or one of its wholly owned subsidiaries even though the person is not an officer or employee at the time the claim is made.
- (4) Subject to the Act, without limiting a person's rights under this rule 118, the Company may enter into an agreement with a person who is or has been an officer of the Company or any of the Company's subsidiaries, to give effect to the rights of the person under this rule 118 on any terms and conditions that the Board thinks fit.

INTERPRETATION

ASX Listing Rules

119. If the Company is admitted to the official list of ASX, it must comply with the following:

- (a) Notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act must not be done.
- (b) Nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done.
- (c) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (d) If the Listing Rules require this Constitution to contain a provision and it does not contain the provision, this Constitution is deemed to contain that provision.
- (e) If the Listing Rules require this Constitution not to contain a provision but it contains the provision, this Constitution is deemed not to contain that provision.
- (f) If any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency.

Definitions and interpretation

120. (1) In this Constitution unless the context requires otherwise:

Act means the *Corporations Act 2001* (Cth).

ASX means the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691).

ASX Settlement Operating Rules means the operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532) and, to the extent that they are applicable, the operating rules of the ASX and the operating rules of ASX Clear Pty Limited (ABN 48 001 314 503).

Board means the Directors for the time being of the Company or those of them who are present at a meeting at which there is a quorum.

Board Charter means the charter, if any, adopted by the Board from time to time.

business day means a day which is a business day for the purposes of the Listing Rules.

call includes any instalment of a call and any amount due on allotment of any share.

Chairman means the Director appointed under rule 82.

Committee means a Committee to which powers have been delegated by the Board under rule 84.

Company means Woodside Petroleum Ltd (ABN 55 004 898 962).

Direct Vote has the meaning given to it in rule 61A(1).

Director means a person appointed or elected to the office of Director of the Company in accordance with this Constitution and includes any alternate Director duly acting as a Director.

dividend includes bonus.

Listing Rules means the Listing Rules of ASX.

Non-Executive Director means a director of the Company not employed by the Company in an executive capacity.

Office means the registered office of the Company.

person and words importing persons include partnerships, associations and corporations, unincorporated and incorporated by Ordinance, Act of Parliament or registration as well as individuals.

Register means the register of shareholders of the Company and includes a computerised or electronic subregister established and administered under the ASX Settlement Operating Rules.

registered address means the address of a shareholder specified on a transfer or any other address of which the shareholder notifies the Company as a place at which the shareholder is willing to accept service of notices.

Regulations means the *Corporations Regulations 2001* (Cth).

retiring Director means a Director who is required to retire under rule 75(a) or (b) and a Director who ceases to hold office under rule 73.

Secretary means a person appointed as Secretary of the Company and includes any person appointed to perform the duties of Secretary.

securities includes shares, rights to shares, options to acquire shares and other securities with rights of conversion to equity and debentures, debenture stock, notes and other obligations of the Company.

shareholders present means shareholders present at a general meeting of the Company in person or by representative, proxy or attorney.

writing and *written* includes printing, typing, lithography and other modes of reproducing words in a visible form.

- (2) Words and phrases which are given a meaning by the Act have the same meaning in this Constitution. Words in the singular include the plural and vice versa.
- (3) A reference to a Chapter, Part, Division or section is a reference to a Chapter, Part, Division or section of the Act.
- (4) Unless the context requires otherwise, a reference to a rule or a schedule is to a rule or a schedule of this Constitution.
- (5) A schedule is part of this Constitution and a reference in a schedule to a clause is to a clause of that schedule.
- (6) A reference to the Act or any other statute or regulation is to the Act, statute or regulation (and any chapter, part, division or section within them) as modified, substituted, re-enacted, amended or replaced.
- (7) A reference to the Listing Rules or the ASX Settlement Operating Rules is to the Listing Rules or the ASX Settlement Operating Rules (as the case may be) in force in relation to the Company after taking into account any waiver or exemption which is in force either generally or in relation to the Company.
- (8) The headings do not affect the construction of this Constitution.

SCHEDULE 1

Plebiscite to approve proportional takeover bids

Interpretation

1. In this schedule:

Approving Resolution means a resolution to approve the Proportional Takeover Bid passed in accordance with this Schedule 1.

Approving Resolution Deadline means the day that is 14 days before the last day of the bid period and during which the offers under the Proportional Takeover Bid remain open or a later day allowed by the Australian Securities and Investments Commission.

Proportional Takeover Bid means a takeover bid that is made or purports to be made under section 618(1)(b) of the Act in respect of securities included in a class of securities in the Company.

Relevant Class means, in relation to a Proportional Takeover Bid, the class of securities in the Company in respect of which offers are made under the Proportional Takeover Bid.

Transfers not to be registered

2. The Company must refuse to register a transfer of securities giving effect to a takeover contract made under a Proportional Takeover Bid unless an Approving Resolution has been passed or is taken to have been passed in accordance with this Schedule 1.

Approving Resolution

3. Where an offer is made under a Proportional Takeover Bid, the Board must:

- (a) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing a resolution to approve the Proportional Takeover Bid; and
- (b) ensure that the resolution is voted on in accordance with this Schedule 1, before the Approving Resolution Deadline.

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4. The provisions of this Constitution relating to meetings of shareholders apply (with any necessary changes) to a meeting that is held under this Schedule 1, as if that meeting were a general meeting of the Company.
 5. The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution and if they do vote, their votes must not be counted.
 6. Subject to clause 5 of this Schedule 1, a person who held securities of the relevant class at the end of the day on which the first offer under the Proportional Takeover Bid was made is entitled to vote on the Approving Resolution.
 7. An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
 8. If an Approving Resolution has not been voted on in accordance with this Schedule 1 as at the end of the day before the Approving Resolution Deadline, an Approving Resolution will be taken to have been passed in accordance with this Schedule 1 on the Approving Resolution Deadline.

Sunset

9. This Schedule 1 ceases to have effect at the end of 3 years beginning:
 - (a) where they have not been renewed in accordance with the Act, on the date they were adopted by the Company; or
 - (b) where they have been renewed in accordance with the Act, on the date last renewed.

Exhibit (a)

AMENDED AND RESTATED DEPOSIT AGREEMENT

by and among

WOODSIDE PETROLEUM LTD.

AND

CITIBANK, N.A.,
as Depositary,

AND

**THE HOLDERS AND BENEFICIAL OWNERS OF
AMERICAN DEPOSITARY SHARES
ISSUED HEREUNDER**

Dated as of February 11, 2015

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AMENDED AND RESTATED DEPOSIT AGREEMENT

AMENDED AND RESTATED DEPOSIT AGREEMENT, dated as of February 11, 2015, by and among (i) **WOODSIDE PETROLEUM LTD.**, a company organized under the laws of the Commonwealth of Australia, and its successors (the “**Company**”), (ii) **CITIBANK, N.A.**, a national banking association organized under the laws of the United States of America acting in its capacity as depository, and any successor depository hereunder (the “**Depository**”), and (iii) all Holders and Beneficial Owners of American Depositary Shares issued hereunder (all such capitalized terms as hereinafter defined).

WITNESSETH THAT:

WHEREAS, the Company and The Bank of New York (the “**Original Depository**”) previously entered into a Deposit Agreement, dated as of May 26, 1992 (the “**Original Deposit Agreement**”); and

WHEREAS, the Company desires to amend and restate the Original Deposit Agreement and establish with the Depository an ADR facility to provide, *inter alia*, for the deposit of the Shares (as hereinafter defined) and the creation of American Depositary Shares representing the Shares so deposited and for the execution and delivery of American Depositary Receipts (as hereinafter defined) evidencing such American Depositary Shares; and

WHEREAS, the Company desires to establish with the Depository an ADR facility to provide, *inter alia*, for the deposit of the Shares and the creation of American Depositary Shares representing the Shares so deposited and for the execution and delivery of American Depositary Receipts evidencing such American Depositary Shares; and

WHEREAS, the Depository is willing to act as the Depository for such ADR facility upon the terms set forth in the Deposit Agreement (as hereinafter defined); and

WHEREAS, any American Depositary Receipts issued pursuant to the terms of the Deposit Agreement are to be substantially in the form of Exhibit A attached hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in the Deposit Agreement; and

WHEREAS, the Board of Directors of the Company (or an authorized committee thereof) has duly approved the establishment of an ADR facility upon the terms set forth in the Deposit Agreement, the execution and delivery of the Deposit Agreement on behalf of the Company, and the actions of the Company and the transactions contemplated herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

All capitalized terms used, but not otherwise defined, herein shall have the meanings set forth below, unless otherwise clearly indicated:

Section 1.1 “ADS Record Date” shall have the meaning given to such term in [Section 4.9](#).

Section 1.2 “**Affiliate**” shall have the meaning assigned to such term by the Commission (as hereinafter defined) under Regulation C promulgated under the Securities Act (as hereinafter defined), or under any successor regulation thereto.

Section 1.3 “**American Depositary Receipt(s)**”, “**ADR(s)**” and “**Receipt(s)**” shall mean the certificate(s) issued by the Depository to evidence the American Depositary Shares issued under the terms of the Deposit Agreement in the form of Certificated ADS(s) (as hereinafter defined), as such ADRs may be amended from time to time in accordance with the provisions of the Deposit Agreement. An ADR may evidence any number of ADSs and may, in the case of ADSs held through a central depository such as DTC, be in the form of a “**Balance Certificate**.” For the purposes of registration of the ADSs on Form F-6 pursuant to the Securities Act, the form of ADR included as [Exhibit A](#) to the Deposit Agreement constitutes the prospectus for the offer and sale of both Certificated ADSs and Uncertificated ADSs by the legal entity created by the Deposit Agreement. Notwithstanding anything else contained herein or therein, the American depository receipts issued and outstanding under the terms of the Original Deposit Agreement shall, from and after the date hereof, be treated as ADRs issued hereunder and shall, from and after the date hereof, be subject to the terms hereof in all respects.

Section 1.4 “**American Depositary Share(s)**” and “**ADS(s)**” shall mean the rights and interests in the Deposited Property (as hereinafter defined) granted to the Holders and Beneficial Owners pursuant to the terms and conditions of the Deposit Agreement and , if issued as Certificated ADS(s) (as hereinafter defined), the ADR(s) issued to evidence such ADSs. ADS(s) may be issued under the terms of the Deposit Agreement in the form of (a) Certificated ADS(s) (as hereinafter defined), in which case the ADS(s) are evidenced by ADR(s), or (b) Uncertificated ADS(s) (as hereinafter defined), in which case the ADS(s) are not evidenced by ADR(s) but are reflected on the direct registration system maintained by the Depository for such purposes under the terms of [Section 2.13](#). Unless otherwise specified in the Deposit Agreement or in any ADR, or unless the context otherwise requires, any reference to ADS(s) shall include Certificated ADS(s) and Uncertificated ADS(s), individually or collectively, as the context may require. Each ADS shall represent the right to receive, and to exercise the beneficial ownership interests in, one (1) Share that is on deposit with the Depository and/or the Custodian, subject, in each case, to the terms and conditions of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS), until there shall occur a distribution upon Deposited Securities referred to in [Section 4.2](#) or a change in Deposited Securities referred to in [Section 4.11](#) with respect to which additional ADSs are not issued, and thereafter each ADS shall represent the right to receive, and to exercise the beneficial ownership interests in, the applicable Deposited Property on deposit with the Depository and the Custodian determined in accordance with the terms of such Sections, subject, in each case, to the terms and conditions of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS). American depository shares outstanding under the Original Deposit Agreement as of the date hereof shall, from and after the date hereof, for all purposes be treated as American Depositary Shares issued and outstanding hereunder and shall, from and after the date hereof, be subject to the terms and conditions of the Deposit Agreement in all respects, except that any amendment of the Original Deposit Agreement effected under the terms of the Deposit Agreement which prejudices any substantial existing right of “**Owners**” (as defined in the Original Deposit Agreement) or holders shall not become effective as to “**Owners**” and holders of American depository shares until the expiration of thirty (30) days after notice of the amendments effected by the Deposit Agreement shall have been given to the “**Owners**” of American depository shares outstanding under the Original Deposit Agreement as of the date hereof.

Section 1.5 “**Applicant**” shall have the meaning given to such term in Section 5.10.

Section 1.6 “**Australian Dollar**” and “**AUD**” shall refer to the lawful currency of Australia.

Section 1.7 “**Beneficial Owner**” shall mean, as to any ADS, any person or entity having a beneficial interest deriving from the ownership of such ADS. Notwithstanding anything else contained in the Deposit Agreement, any ADR(s) or any other instruments or agreements relating to the ADSs and the corresponding Deposited Property, the Depository, the Custodian and their respective nominees are intended to be, and shall at all times during the term of the Deposit Agreement be, the record holders only of the Deposited Property represented by the ADSs for the benefit of the Holders and Beneficial Owners of the corresponding ADSs. The Depository, on its own behalf and on behalf of the Custodian and their respective nominees, disclaims any beneficial ownership interest in the Deposited Property held on behalf of the Holders and Beneficial Owners of ADSs. The beneficial ownership interests in the Deposited Property are intended to be, and shall at all times during the term of the Deposit Agreement continue to be, vested in the Beneficial Owners of the ADSs representing the Deposited Property. The beneficial ownership interests in the Deposited Property shall, unless otherwise agreed by the Depository, be exercisable by the Beneficial Owners of the ADSs only through the Holders of such ADSs, by the Holders of the ADSs (on behalf of the applicable Beneficial Owners) only through the Depository, and by the Depository (on behalf of the Holders and Beneficial Owners of the corresponding ADSs) directly, or indirectly through the Custodian or their respective nominees, in each case upon the terms of the Deposit Agreement and, if applicable, the terms of the ADR(s) evidencing the ADSs. A Beneficial Owner of ADSs may or may not be the Holder of such ADSs. A Beneficial Owner shall be able to exercise any right or receive any benefit hereunder solely through the person who is the Holder of the ADSs owned by such Beneficial Owner. Unless otherwise identified to the Depository, a Holder shall be deemed to be the Beneficial Owner of all the ADSs registered in his/her/its name. Persons who own beneficial interests in the American depository shares issued under the terms of the Original Deposit Agreement and outstanding as of the date hereof shall, from and after the date hereof, be treated as Beneficial Owners of ADS(s) under the terms hereof.

Section 1.8 “**Certificated ADS(s)**” shall have the meaning set forth in Section 2.13.

Section 1.9 “**CHES**” shall mean the Clearing House Electronic Subregister System, which provides the book-entry settlement system for equity securities in Australia, or any successor system thereto.

Section 1.10 “Commission” shall mean the Securities and Exchange Commission of the United States or any successor governmental agency thereto in the United States.

Section 1.11 “Company” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.12 “Constitution” shall mean the Articles of Association and By-laws of the Company, as each may be amended or replaced from time to time.

Section 1.13 “Custodian” shall mean (i) as of the date hereof, Citicorp Nominees Pty Limited, having its principal office at Level 15, 120 Collins Street, Melbourne VIC 3000, Australia, as the custodian of Deposited Property for the purposes of the Deposit Agreement, (ii) Citibank, N.A., acting as custodian of Deposited Property pursuant to the Deposit Agreement, and (iii) any other entity that may be appointed by the Depository pursuant to the terms of Section 5.5 as successor, substitute or additional custodian hereunder. The term “Custodian” shall mean any Custodian individually or all Custodians collectively, as the context requires.

Section 1.14 “Deliver” and “**Delivery**” shall mean (x) *when used in respect of Shares and other Deposited Securities*, either (i) the physical delivery of the certificate(s) representing such securities, or (ii) the book-entry transfer and recordation of such securities on the books of the Share Registrar (as hereinafter defined) or in the book-entry settlement of CHESSE, and (y) *when used in respect of ADSs*, either (i) the physical delivery of ADR(s) evidencing the ADSs, or (ii) the book-entry transfer and recordation of ADSs on the books of the Depository or any book-entry settlement system in which the ADSs are settlement-eligible.

Section 1.15 “Deposit Agreement” shall mean this Amended and Restated Deposit Agreement and all exhibits hereto, as the same may from time to time be amended and supplemented from time to time in accordance with the terms of the Deposit Agreement.

Section 1.16 “Depository” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.17 “Deposited Property” shall mean the Deposited Securities and any cash and other property held on deposit by the Depository and the Custodian in respect of the ADSs under the terms of the Deposit Agreement, subject, in the case of cash, to the provisions of Section 4.8. All Deposited Property shall be held by Custodian, the Depository and their respective nominees for the benefit of the Holders and Beneficial Owners of the ADSs representing the Deposited Property. The Deposited Property is not intended to, and shall not, constitute proprietary assets of the Depository, the Custodian or their nominees. Beneficial ownership in the Deposited Property is intended to be, and shall at all times during the term of the Deposit Agreement continue to be, vested in the Beneficial Owners of the ADSs representing the Deposited Property. Notwithstanding the foregoing, the collateral delivered in connection with Pre-Release Transactions described in Section 5.10 shall not constitute Deposited Property. Notwithstanding anything else contained herein, the securities, cash and other property delivered to the Custodian and the Depository in respect of American depository shares outstanding as of the date hereof under the Original Deposit Agreement and defined as “Deposited Securities” thereunder shall, for all purposes from and after the date hereof, be considered to be, and treated as, Deposited Property hereunder in all respects.

Section 1.18 “**Deposited Securities**” shall mean the Shares and any other securities held on deposit by the Custodian from time to time in respect of the ADSs under the Deposit Agreement and constituting Deposited Property.

Section 1.19 “**Dollars**” and “**\$**” shall refer to the lawful currency of the United States.

Section 1.20 “**DTC**” shall mean The Depository Trust Company, a national clearinghouse and the central book-entry settlement system for securities traded in the United States and, as such, the custodian for the securities of DTC Participants (as hereinafter defined) maintained in DTC, and any successor thereto.

Section 1.21 “**DTC Participant**” shall mean any financial institution (or any nominee of such institution) having one or more participant accounts with DTC for receiving, holding and delivering the securities and cash held in DTC. A DTC Participant may or may not be a Beneficial Owner. If a DTC Participant is not the Beneficial Owner of the ADSs credited to its account at DTC, or of the ADSs in respect of which the DTC Participant is otherwise acting, such DTC Participant shall be deemed, for all purposes hereunder, to have all requisite authority to act on behalf of the Beneficial Owner(s) of the ADSs credited to its account at DTC or in respect of which the DTC Participant is so acting.

Section 1.22 “**Exchange Act**” shall mean the United States Securities Exchange Act of 1934, as amended from time to time.

Section 1.23 “**Foreign Currency**” shall mean any currency other than Dollars.

Section 1.24 “**Full Entitlement ADR(s)**”, “**Full Entitlement ADS(s)**” and “**Full Entitlement Share(s)**” shall have the respective meanings set forth in [Section 2.12](#).

Section 1.25 “**Holder(s)**” shall mean the person(s) in whose name the ADSs are registered on the books of the Depository (or the Registrar, if any) maintained for such purpose. A Holder may or may not be a Beneficial Owner. If a Holder is not the Beneficial Owner of the ADS(s) registered in its name, such person shall be deemed, for all purposes hereunder, to have all requisite authority to act on behalf of the Beneficial Owners of the ADSs registered in its name. The “Owners” (as defined in the Original Deposit Agreement) of American depository shares issued under the terms of the Original Deposit Agreement and outstanding as of the date hereof shall from and after the date hereof, become Holders under the terms of the Deposit Agreement.

Section 1.26 “**Original Deposit Agreement**” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.27 “**Original Depository**” shall have the meaning given to such term in the preambles to the Deposit Agreement.

Section 1.28 “**Partial Entitlement ADR(s)**”, “**Partial Entitlement ADS(s)**” and “**Partial Entitlement Share(s)**” shall have the respective meanings set forth in [Section 2.12](#).

Section 1.29 “**Pre-Release Transaction**” shall have the meaning set forth in Section 5.10.

Section 1.30 “**Principal Office**” shall mean, when used with respect to the Depositary, the principal office of the Depositary at which at any particular time its depositary receipts business shall be administered, which, at the date of the Deposit Agreement, is located at 388 Greenwich Street, New York, New York 10013, U.S.A.

Section 1.31 “**Registrar**” shall mean the Depositary or any bank or trust company having an office in The City of New York, which shall be appointed by the Depositary to register issuances, transfers and cancellations of ADSs as herein provided, and shall include any co-registrar appointed by the Depositary for such purposes. Registrars (other than the Depositary) may be removed and substitutes appointed by the Depositary in accordance with Section 5.1. Each Registrar (other than the Depositary) appointed pursuant to the Deposit Agreement shall be required to give notice in writing to the Depositary accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

Section 1.32 “**Restricted Securities**” shall mean Shares, Deposited Securities or ADSs which (i) have been acquired directly or indirectly from the Company or any of its Affiliates in a transaction or chain of transactions not involving any public offering and are subject to resale limitations under the Securities Act or the rules issued thereunder, or (ii) are held by an officer or director (or persons performing similar functions) or other Affiliate of the Company, or (iii) are subject to other restrictions on sale or deposit under the laws of the United States, Australia, or under a shareholder agreement or the Constitution of the Company or under the regulations of an applicable securities exchange unless, in each case, such Shares, Deposited Securities or ADSs are being transferred or sold to persons other than an Affiliate of the Company in a transaction (a) covered by an effective resale registration statement, or (b) exempt from the registration requirements of the Securities Act (as hereinafter defined), and the Shares, Deposited Securities or ADSs are not, when held by such person(s), Restricted Securities.

Section 1.33 “**Restricted ADR(s)**”, “**Restricted ADS(s)**” and “**Restricted Shares**” shall have the respective meanings set forth in Section 2.14.

Section 1.34 “**Securities Act**” shall mean the United States Securities Act of 1933, as amended from time to time.

Section 1.35 “**Share Registrar**” shall mean Computershare Investor Services Pty Limited or any other institution organized under the laws of Australia appointed by the Company to carry out the duties of registrar for the Shares, and any successor thereto.

Section 1.36 “**Shares**” shall mean the Company’s ordinary shares, without par value, validly issued and outstanding and fully paid and may, if the Depositary so agrees after consultation with the Company, include evidence of the right to receive Shares; *provided* that in no event shall Shares include evidence of the right to receive Shares with respect to which the full purchase price has not been paid or Shares as to which preemptive rights have theretofore not been validly waived or exercised; *provided further*, however, that, if there shall occur any change in par value, split-up, consolidation, reclassification, exchange, conversion or any other event described in Section 4.11 in respect of the Shares of the Company, the term “**Shares**” shall thereafter, to the maximum extent permitted by law, represent the successor securities resulting from such event.

Section 1.37 “Uncertificated ADS(s)” shall have the meaning set forth in Section 2.13.

Section 1.38 “United States” and “U.S.” shall have the meaning assigned to it in Regulation S as promulgated by the Commission under the Securities Act.

ARTICLE II
APPOINTMENT OF DEPOSITARY; FORM OF RECEIPTS; DEPOSIT OF SHARES;
EXECUTION AND DELIVERY, TRANSFER AND SURRENDER OF RECEIPTS

Section 2.1 Appointment of Depositary. The Company hereby appoints the Depositary as depositary for the Deposited Property and hereby authorizes and directs the Depositary to act in accordance with the terms and conditions set forth in the Deposit Agreement and the applicable ADRs. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement or by continuing to hold, from and after the date hereof any American depositary shares issued and outstanding under the Original Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and the applicable ADR(s), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

Section 2.2 Form and Transferability of ADSs.

(a) **Form.** Certificated ADSs shall be evidenced by definitive ADRs which shall be engraved, printed, lithographed or produced in such other manner as may be agreed upon by the Company and the Depositary. ADRs may be issued under the Deposit Agreement in denominations of any whole number of ADSs. The ADRs shall be substantially in the form set forth in Exhibit A to the Deposit Agreement, with any appropriate insertions, modifications and omissions, in each case as otherwise contemplated in the Deposit Agreement or required by law. ADRs shall be (i) dated, (ii) signed by the manual or facsimile signature of a duly authorized signatory of the Depositary, (iii) countersigned by the manual or facsimile signature of a duly authorized signatory of the Registrar, and (iv) registered in the books maintained by the Registrar for the registration of issuances and transfers of ADSs. No ADR and no Certificated ADS evidenced thereby shall be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company, unless such ADR shall have been so dated, signed, countersigned and registered (other than an American depositary receipt issued and outstanding as of the date hereof under the terms of the Original Deposit Agreement which from and after the date hereof becomes subject to the terms of the Deposit Agreement in all respects). ADRs bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly-authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the delivery of such ADR by the Depositary. The ADRs shall bear a CUSIP number that is different from any CUSIP number that was, is or may be assigned to any depositary receipts previously or subsequently issued pursuant to any other arrangement between the Depositary (or any other depositary) and the Company and which are not ADRs outstanding hereunder.

(b) **Legends.** The ADRs may be endorsed with, or have incorporated in the text thereof, such legends or recitals not inconsistent with the provisions of the Deposit Agreement as may be (i) necessary to enable the Depository and the Company to perform their respective obligations hereunder, (ii) required to comply with any applicable laws or regulations, or with the rules and regulations of any securities exchange or market upon which ADSs may be traded, listed or quoted, or to conform with any usage with respect thereto, (iii) necessary to indicate any special limitations or restrictions to which any particular ADRs or ADSs are subject by reason of the date of issuance of the Deposited Securities or otherwise, or (iv) required by any book-entry system in which the ADSs are held. Holders and Beneficial Owners shall be deemed, for all purposes, to have notice of, and to be bound by, the terms and conditions of the legends set forth, in the case of Holders, on the ADR registered in the name of the applicable Holders or, in the case of Beneficial Owners, on the ADR representing the ADSs owned by such Beneficial Owners.

(c) **Title.** Subject to the limitations contained herein and in the ADR, title to an ADR (and to each Certificated ADS evidenced thereby) shall be transferable upon the same terms as a certificated security under the laws of the State of New York, *provided* that, in the case of Certificated ADSs, such ADR has been properly endorsed or is accompanied by proper instruments of transfer. Notwithstanding any notice to the contrary, the Depository and the Company may deem and treat the Holder of an ADS (that is, the person in whose name an ADS is registered on the books of the Depository) as the absolute owner thereof for all purposes. Neither the Depository nor the Company shall have any obligation nor be subject to any liability under the Deposit Agreement or any ADR to any holder or any Beneficial Owner unless, in the case of a holder of ADSs, such holder is the Holder registered on the books of the Depository or, in the case of a Beneficial Owner, such Beneficial Owner, or the Beneficial Owner's representative, is the Holder registered on the books of the Depository.

(d) **Book-Entry Systems.** The Depository shall make arrangements for the acceptance of the ADSs into DTC. All ADSs held through DTC will be registered in the name of the nominee for DTC (currently "**Cede & Co.**"). As such, the nominee for DTC will be the only "Holder" of all ADSs held through DTC. Unless issued by the Depository as Uncertificated ADSs, the ADSs registered in the name of Cede & Co. will be evidenced by one or more ADR(s) in the form of a "Balance Certificate," which will provide that it represents the aggregate number of ADSs from time to time indicated in the records of the Depository as being issued hereunder and that the aggregate number of ADSs represented thereby may from time to time be increased or decreased by making adjustments on such records of the Depository and of DTC or its nominee as hereinafter provided. Citibank, N.A. (or such other entity as is appointed by DTC or its nominee) may hold the "Balance Certificate" as custodian for DTC. Each Beneficial Owner of ADSs held through DTC must rely upon the procedures of DTC and the DTC Participants to exercise or be entitled to any rights attributable to such ADSs. The DTC Participants shall for all purposes be deemed to have all requisite power and authority to act on behalf of the Beneficial Owners of the ADSs held in the DTC Participants' respective accounts in DTC and the Depository shall for all purposes be authorized to rely upon any instructions and information given to it by DTC Participants. So long as ADSs are held through DTC or unless otherwise required by law, ownership of beneficial interests in the ADSs registered in the name of the nominee for DTC will be shown on, and transfers of such ownership will be effected only through, records maintained by (i) DTC or its nominee (with respect to the interests of DTC Participants), or (ii) DTC Participants or their nominees (with respect to the interests of clients of DTC Participants).

Section 2.3 Deposit of Shares. Subject to the terms and conditions of the Deposit Agreement and applicable law, Shares or evidence of rights to receive Shares (other than Restricted Securities) may be deposited by any person (including the Depository in its individual capacity but subject, however, in the case of the Company or any Affiliate of the Company, to [Section 5.7](#)) at any time, whether or not the transfer books of the Company or the Share Registrar, if any, are closed, by Delivery of the Shares to the Custodian. Every deposit of Shares shall be accompanied by the following: (A) (i) *in the case of Shares represented by certificates issued in registered form*, appropriate instruments of transfer or endorsement, in a form satisfactory to the Custodian, (ii) *in the case of Shares represented by certificates in bearer form*, the requisite coupons and talons pertaining thereto, and (iii) *in the case of Shares delivered by book-entry transfer and recordation*, confirmation of such book-entry transfer and recordation in the books of the Share Registrar or of CHESS, as applicable, to the Custodian or that irrevocable instructions have been given to cause such Shares to be so transferred and recorded, (B) such certifications and payments (including, without limitation, the Depository's fees and related charges) and evidence of such payments (including, without limitation, stamping or otherwise marking such Shares by way of receipt) as may be required by the Depository or the Custodian in accordance with the provisions of the Deposit Agreement and applicable law, (C) if the Depository so requires, a written order directing the Depository to issue and deliver to, or upon the written order of, the person(s) stated in such order the number of ADSs representing the Shares so deposited, (D) evidence reasonably satisfactory to the Depository (which may be an opinion of counsel) that all necessary approvals have been granted by, or there has been compliance with the rules and regulations of, any applicable governmental agency in Australia, and (E) if the Depository so requires, (i) an agreement, assignment or instrument satisfactory to the Depository or the Custodian which provides for the prompt transfer by any person in whose name the Shares are or have been recorded to the Custodian of any distribution, or right to subscribe for additional Shares or to receive other property in respect of any such deposited Shares or, in lieu thereof, such indemnity or other agreement as shall be reasonably satisfactory to the Depository or the Custodian and (ii) if the Shares are registered in the name of the person on whose behalf they are presented for deposit, a proxy or proxies entitling the Custodian to exercise voting rights in respect of the Shares for any and all purposes until the Shares so deposited are registered in the name of the Depository, the Custodian or any nominee.

Without limiting any other provision of the Deposit Agreement, the Depository shall instruct the Custodian not to, and the Depository shall not knowingly, accept for deposit (a) any Restricted Securities (except as contemplated by [Section 2.14](#)) nor (b) any fractional Shares or fractional Deposited Securities nor (c) a number of Shares or Deposited Securities which upon application of the ADS to Shares ratio would give rise to fractional ADSs. No Shares shall be accepted for deposit unless accompanied by evidence, if any is required by the Depository, that is reasonably satisfactory to the Depository or the Custodian that all conditions to such deposit have been satisfied by the person depositing such Shares under the laws and regulations of Australia and any necessary approval has been granted by any applicable governmental body in Australia, if any. The Depository may issue ADSs against evidence of rights to receive Shares from the Company, any agent of the Company or any custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares. Such evidence of rights shall consist of written blanket or specific guarantees of ownership of Shares furnished by the Company or any such custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares.

Without limitation of the foregoing, the Depositary shall not knowingly accept for deposit under the Deposit Agreement (A) any Shares or other securities required to be registered under the provisions of the Securities Act, unless (i) a registration statement is in effect as to such Shares or other securities or (ii) the deposit is made upon terms contemplated in [Section 2.14](#), or (B) any Shares or other securities the deposit of which would violate any provisions of the Constitution of the Company. For purposes of the foregoing sentence, the Depositary shall be entitled to rely upon representations and warranties made or deemed made pursuant to the Deposit Agreement and shall not be required to make any further investigation. The Depositary will comply with written instructions of the Company (received by the Depositary reasonably in advance) not to accept for deposit hereunder any Shares identified in such instructions at such times and under such circumstances as may reasonably be specified in such instructions in order to facilitate the Company's compliance with the securities laws of the United States.

Section 2.4 [Registration and Safekeeping of Deposited Securities](#). The Depositary shall instruct the Custodian upon each Delivery of registered Shares being deposited hereunder with the Custodian (or other Deposited Securities pursuant to [Article IV](#) hereof), together with the other documents above specified, to present such Shares, together with the appropriate instrument(s) of transfer or endorsement, duly stamped, to the Share Registrar for transfer and registration of the Shares (as soon as transfer and registration can be accomplished and at the expense of the person for whom the deposit is made) in the name of the Depositary, the Custodian or a nominee of either. Deposited Securities shall be held by the Depositary, or by a Custodian for the account and to the order of the Depositary or a nominee of the Depositary, in each case, on behalf of the Holders and Beneficial Owners, at such place(s) as the Depositary or the Custodian shall determine. Notwithstanding anything else contained in the Deposit Agreement, any ADR(s), or any other instruments or agreements relating to the ADSs and the corresponding Deposited Property, the registration of the Deposited Securities in the name of the Depositary, the Custodian or any of their respective nominees, shall, to the maximum extent permitted by applicable law, vest in the Depositary, the Custodian or the applicable nominee the record ownership in the applicable Deposited Securities with the beneficial ownership rights and interests in such Deposited Securities being at all times vested with the Beneficial Owners of the ADSs representing the Deposited Securities. Notwithstanding the foregoing, the Depositary, the Custodian and the applicable nominee shall at all times be entitled to exercise the beneficial ownership rights in all Deposited Property, in each case only on behalf of the Holders and Beneficial Owners of the ADSs representing the Deposited Property, upon the terms set forth in the Deposit Agreement and, if applicable, the ADR(s) representing the ADSs. The Depositary, the Custodian and their respective nominees shall for all purposes be deemed to have all requisite power and authority to act in respect of Deposited Property on behalf of the Holders and Beneficial Owners of ADSs representing the Deposited Property, and upon making payments to, or acting upon instructions from, or information provided by, the Depositary, the Custodian or their respective nominees all persons shall be authorized to rely upon such power and authority.

Section 2.5 Issuance of ADSs. The Depositary has made arrangements with the Custodian for the Custodian to confirm to the Depositary upon receipt of a deposit of Shares (i) that a deposit of Shares has been made pursuant to [Section 2.3](#), (ii) that such Deposited Securities have been recorded in the name of the Depositary, the Custodian or a nominee of either on the shareholders' register maintained by or on behalf of the Company by the Share Registrar on the books of CHESS, (iii) that all required documents have been received, and (iv) the person(s) to whom or upon whose order ADSs are deliverable in respect thereof and the number of ADSs to be so delivered. Such notification may be made by letter, cable, telex, SWIFT message or, at the risk and expense of the person making the deposit, by facsimile or other means of electronic transmission. Upon receiving such notice from the Custodian, the Depositary, subject to the terms and conditions of the Deposit Agreement and applicable law, shall issue the ADSs representing the Shares so deposited to or upon the order of the person(s) named in the notice delivered to the Depositary and, if applicable, shall execute and deliver at its Principal Office Receipt(s) registered in the name(s) requested by such person(s) and evidencing the aggregate number of ADSs to which such person(s) are entitled, but, in each case, only upon payment to the Depositary of the charges of the Depositary for accepting a deposit, issuing ADSs (as set forth in [Section 5.9](#) and [Exhibit B](#) hereto) and all taxes and governmental charges and fees payable in connection with such deposit and the transfer of the Shares and the issuance of the ADS(s). The Depositary shall only issue ADSs in whole numbers and deliver, if applicable, ADR(s) evidencing whole numbers of ADSs. Nothing herein shall prohibit any Pre-Release Transaction upon the terms set forth in the Deposit Agreement.

Section 2.6 Transfer, Combination and Split-up of ADRs.

(a) **Transfer.** The Registrar shall, as soon as reasonably practicable, register the transfer of ADRs (and of the ADSs represented thereby) on the books maintained for such purpose and the Depositary shall (x) cancel such ADRs and execute new ADRs evidencing the same aggregate number of ADSs as those evidenced by the ADRs canceled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the person entitled thereto, if each of the following conditions has been satisfied: (i) the ADRs have been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a transfer thereof, (ii) the surrendered ADRs have been properly endorsed or are accompanied by proper instruments of transfer (including signature guarantees in accordance with standard securities industry practice), (iii) the surrendered ADRs have been duly stamped (if required by the laws of the State of New York or of the United States), and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in [Section 5.9](#) and [Exhibit B](#) hereto) have been paid, *subject, however, in each case*, to the terms and conditions of the applicable ADRs, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

(b) **Combination & Split-Up.** The Registrar shall, as soon as reasonably practicable, register the split-up or combination of ADRs (and of the ADSs represented thereby) on the books maintained for such purpose and the Depositary shall (x) cancel such ADRs and execute new ADRs for the number of ADSs requested, but in the aggregate not exceeding the number of ADSs evidenced by the ADRs cancelled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the Holder thereof, if each of the following conditions has been satisfied: (i) the ADRs have been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a split-up or combination thereof, and (ii) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in [Section 5.9](#) and [Exhibit B](#) hereto) have been paid, *subject, however, in each case*, to the terms and conditions of the applicable ADRs, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

(c) **Co-Transfer Agents.** The Depository may appoint one or more co-transfer agents for the purpose of effecting transfers, combinations and split-ups of ADRs at designated transfer offices on behalf of the Depository. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by Holders or persons entitled to such ADRs and will be entitled to protection and indemnity to the same extent as the Depository. Such co-transfer agents may be removed and substitutes appointed by the Depository. Each co-transfer agent appointed under this [Section 2.6](#) (other than the Depository) shall give notice in writing to the Depository and the Company accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

Section 2.7 Surrender of ADSs and Withdrawal of Deposited Securities. The Holder of ADSs shall be entitled to Delivery (at the Custodian's designated office) of the Deposited Securities at the time represented by the ADSs upon satisfaction of each of the following conditions: (i) the Holder (or a duly-authorized attorney of the Holder) has duly Delivered ADSs to the Depository at its Principal Office (and if applicable, the ADRs evidencing such ADSs) for the purpose of withdrawal of the Deposited Securities represented thereby, (ii) if applicable and so required by the Depository, the ADRs Delivered to the Depository for such purpose have been properly endorsed in blank or are accompanied by proper instruments of transfer in blank (including signature guarantees in accordance with standard securities industry practice), (iii) if so required by the Depository, the Holder of the ADSs has executed and delivered to the Depository a written order directing the Depository to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of the person(s) designated in such order, and (iv) all applicable fees and charges of, and expenses incurred by, the Depository and all applicable taxes and governmental charges (as are set forth in [Section 5.9](#) and [Exhibit B](#)) have been paid, *subject, however, in each case*, to the terms and conditions of the ADRs evidencing the surrendered ADSs, of the Deposit Agreement, of the Company's Constitution and of any applicable laws and the rules of CHESSE, and to any provisions of or governing the Deposited Securities, in each case as in effect at the time thereof. Nothing herein shall prohibit any Pre-Release Transaction upon the terms set forth in the Deposit Agreement.

Upon satisfaction of each of the conditions specified above, the Depository (i) shall cancel the ADSs Delivered to it (and, if applicable, the ADR(s) evidencing the ADSs so Delivered), (ii) shall direct the Registrar to record the cancellation of the ADSs so Delivered on the books maintained for such purpose, and (iii) shall direct the Custodian to Deliver, or cause the Delivery of, in each case, without unreasonable delay, the Deposited Securities represented by the ADSs so canceled together with any certificate or other document of title for the Deposited Securities, or evidence of the electronic transfer thereof (if available), as the case may be, to or upon the written order of the person(s) designated in the order delivered to the Depository for such purpose, *subject however, in each case*, to the terms and conditions of the Deposit Agreement, of the ADRs evidencing the ADSs so cancelled, of the Constitution of the Company, of any applicable laws and of the rules of CHESSE, and to the terms and conditions of or governing the Deposited Securities, in each case as in effect at the time thereof.

The Depositary shall not accept for surrender ADSs representing less than one (1) Share. In the case of Delivery to it of ADSs representing a number other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) return to the person surrendering such ADSs the number of ADSs representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Share represented by the ADSs so surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes withheld) to the person surrendering the ADSs.

Notwithstanding anything else contained in any ADR or the Deposit Agreement, the Depositary may make delivery at the Principal Office of the Depositary of Deposited Property consisting of (i) any cash dividends or cash distributions, or (ii) any proceeds from the sale of any non-cash distributions, which are at the time held by the Depositary in respect of the Deposited Securities represented by the ADSs surrendered for cancellation and withdrawal. At the request, risk and expense of any Holder so surrendering ADSs, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any Deposited Property (other than Deposited Securities) held by the Custodian in respect of such ADSs to the Depositary for delivery at the Principal Office of the Depositary. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

Section 2.8 Limitations on Execution and Delivery, Transfer, etc. of ADSs; Suspension of Delivery, Transfer, etc.

(a) **Additional Requirements.** As a condition precedent to the execution and delivery, the registration of issuance, transfer, split-up, combination or surrender, of any ADS, the delivery of any distribution thereon, or the withdrawal of any Deposited Property, the Depositary, the Company or the Custodian may require (i) payment from the depositor of Shares or presenter of ADSs or of an ADR of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 and Exhibit B, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1, and (iii) compliance with (A) any laws or governmental regulations relating to the execution and delivery of ADRs or ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations as the Depositary and the Company may establish consistent with the provisions of the representative ADR, if applicable, the Deposit Agreement and applicable law.

(b) **Additional Limitations.** The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the deposit of particular Shares may be refused, or the registration of transfer of ADSs in particular instances may be refused, or the registration of transfers of ADSs generally may be suspended, during any period when the transfer books of the Company, the Depositary, a Registrar or the Share Registrar are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law or regulation, any government or governmental body or commission or any securities exchange on which the ADSs or Shares are listed, or under any provision of the Deposit Agreement or the representative ADR(s), if applicable, or under any provision of, or governing, the Deposited Securities, or because of a meeting of shareholders of the Company or for any other reason, subject, in all cases, to Section 7.8.

(c) **Regulatory Restrictions.** Notwithstanding any provision of the Deposit Agreement or any ADR(s) to the contrary, Holders are entitled to surrender outstanding ADSs to withdraw the Deposited Securities associated herewith at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the ADSs or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Instruction I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time).

Section 2.9 Lost ADRs, etc. In case any ADR shall be mutilated, destroyed, lost, or stolen, the Depositary shall execute and deliver a new ADR of like tenor at the expense of the Holder (a) *in the case of a mutilated ADR*, in exchange of and substitution for such mutilated ADR upon cancellation thereof, or (b) *in the case of a destroyed, lost or stolen ADR*, in lieu of and in substitution for such destroyed, lost, or stolen ADR, after the Holder thereof (i) has submitted to the Depositary a written request for such exchange and substitution before the Depositary has notice that the ADR has been acquired by a bona fide purchaser, (ii) has provided such security or indemnity (including an indemnity bond) as may be required by the Depositary to save it and any of its agents harmless, and (iii) has satisfied any other reasonable requirements imposed by the Depositary, including, without limitation, evidence satisfactory to the Depositary of such destruction, loss or theft of such ADR, the authenticity thereof and the Holder's ownership thereof.

Section 2.10 Cancellation and Destruction of Surrendered ADRs; Maintenance of Records. All ADRs surrendered to the Depositary shall be canceled by the Depositary. Canceled ADRs shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable against the Depositary or the Company for any purpose. The Depositary is authorized to destroy ADRs so canceled, provided the Depositary maintains a record of all destroyed ADRs. Any ADSs held in book-entry form (*i.e.*, through accounts at DTC) shall be deemed canceled when the Depositary causes the number of ADSs evidenced by the Balance Certificate to be reduced by the number of ADSs surrendered (without the need to physically destroy the Balance Certificate). The Depositary agrees to maintain records of all ADRs surrendered and the Shares withdrawn, substitute ADRs delivered and cancelled or destroyed ADRs as required by the regulations governing the stock transfer industry. Upon reasonable request of the Company, the Depositary shall provide a copy of such records to the Company.

Section 2.11 Escheatment. In the event any unclaimed property relating to the ADSs, for any reason, is in the possession of Depository and has not been claimed by the Holder thereof or cannot be delivered to the Holder thereof through usual channels, the Depository shall, upon expiration of any applicable statutory period relating to abandoned property laws, escheat such unclaimed property to the relevant authorities in accordance with the laws of each of the relevant States of the United States.

Section 2.12 Partial Entitlement ADSs. In the event any Shares are deposited which (i) entitle the holders thereof to receive a per-share distribution or other entitlement in an amount different from the Shares then on deposit or (ii) are not fully fungible (including, without limitation, as to settlement or trading) with the Shares then on deposit (the Shares then on deposit collectively, “**Full Entitlement Shares**” and the Shares with different entitlement, “**Partial Entitlement Shares**”), the Depository shall (i) cause the Custodian to hold Partial Entitlement Shares separate and distinct from Full Entitlement Shares, and (ii) subject to the terms of the Deposit Agreement, issue ADSs representing Partial Entitlement Shares which are separate and distinct from the ADSs representing Full Entitlement Shares, by means of separate CUSIP numbering and legending (if necessary) and, if applicable, by issuing ADRs evidencing such ADSs with applicable notations thereon (“**Partial Entitlement ADSs/ADRs**” and “**Full Entitlement ADSs/ADRs**”, respectively). If and when Partial Entitlement Shares become Full Entitlement Shares, the Depository shall (a) give notice thereof to Holders of Partial Entitlement ADSs and give Holders of Partial Entitlement ADRs the opportunity to exchange such Partial Entitlement ADRs for Full Entitlement ADRs, (b) cause the Custodian to transfer the Partial Entitlement Shares into the account of the Full Entitlement Shares, and (c) take such actions as are necessary to remove the distinctions between (i) the Partial Entitlement ADRs and ADSs, on the one hand, and (ii) the Full Entitlement ADRs and ADSs on the other. Holders and Beneficial Owners of Partial Entitlement ADSs shall only be entitled to the entitlements of Partial Entitlement Shares. Holders and Beneficial Owners of Full Entitlement ADSs shall be entitled only to the entitlements of Full Entitlement Shares. All provisions and conditions of the Deposit Agreement shall apply to Partial Entitlement ADRs and ADSs to the same extent as Full Entitlement ADRs and ADSs, except as contemplated by this Section 2.12. The Depository is authorized to take any and all other actions as may be necessary (including, without limitation, making the necessary notations on ADRs) to give effect to the terms of this Section 2.12. The Company agrees to give timely written notice to the Depository if any Shares issued or to be issued are Partial Entitlement Shares and shall assist the Depository with the establishment of procedures enabling the identification of Partial Entitlement Shares upon Delivery to the Custodian.

Section 2.13 Certificated/Uncertificated ADSs. Notwithstanding any other provision of the Deposit Agreement, the Depositary may, at any time and from time to time, issue ADSs that are not evidenced by ADRs (such ADSs, the “**Uncertificated ADS(s)**” and the ADS(s) evidenced by ADR(s), the “**Certificated ADS(s)**”). When issuing and maintaining Uncertificated ADS(s) under the Deposit Agreement, the Depositary shall at all times be subject to (i) the standards applicable to registrars and transfer agents maintaining direct registration systems for equity securities in New York and issuing uncertificated securities under New York law, and (ii) the terms of New York law applicable to uncertificated equity securities. Uncertificated ADSs shall not be represented by any instruments but shall be evidenced by registration in the books of the Depositary maintained for such purpose. Holders of Uncertificated ADSs, that are not subject to any registered pledges, liens, restrictions or adverse claims of which the Depositary has notice at such time, shall at all times have the right to exchange the Uncertificated ADS(s) for Certificated ADS(s) of the same type and class, subject in each case to applicable laws and any rules and regulations the Depositary may have established in respect of the Uncertificated ADSs. Holders of Certificated ADSs shall, if the Depositary maintains a direct registration system for the ADSs, have the right to exchange the Certificated ADSs for Uncertificated ADSs upon (i) the due surrender of the Certificated ADS(s) to the Depositary for such purpose and (ii) the presentation of a written request to that effect to the Depositary, subject in each case to (a) all liens and restrictions noted on the ADR evidencing the Certificated ADS(s) and all adverse claims of which the Depositary then has notice, (b) the terms of the Deposit Agreement and the rules and regulations that the Depositary may establish for such purposes hereunder, (c) applicable law, and (d) payment of the Depositary fees and expenses applicable to such exchange of Certificated ADS(s) for Uncertificated ADS(s). Uncertificated ADSs shall in all material respects be identical to Certificated ADS(s) of the same type and class, except that (i) no ADR(s) shall be, or shall need to be, issued to evidence Uncertificated ADS(s), (ii) Uncertificated ADS(s) shall, subject to the terms of the Deposit Agreement, be transferable upon the same terms and conditions as uncertificated securities under New York law, (iii) the ownership of Uncertificated ADS(s) shall be recorded on the books of the Depositary maintained for such purpose and evidence of such ownership shall be reflected in periodic statements provided by the Depositary to the Holder(s) in accordance with applicable New York law, (iv) the Depositary may from time to time, upon notice to the Holders of Uncertificated ADSs affected thereby, establish rules and regulations, and amend or supplement existing rules and regulations, as may be deemed reasonably necessary to maintain Uncertificated ADS(s) on behalf of Holders, *provided* that (a) such rules and regulations do not conflict with the terms of the Deposit Agreement and applicable law, and (b) the terms of such rules and regulations are readily available to Holders upon request, (v) the Uncertificated ADS(s) shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company unless such Uncertificated ADS(s) is/are registered on the books of the Depositary maintained for such purpose, (vi) the Depositary may, in connection with any deposit of Shares resulting in the issuance of Uncertificated ADSs and with any transfer, pledge, release and cancellation of Uncertificated ADSs, require the prior receipt of such documentation as the Depositary may deem reasonably appropriate, and (vii) upon termination of the Deposit Agreement, the Depositary shall not require Holders of Uncertificated ADSs to affirmatively instruct the Depositary before remitting proceeds from the sale of the Deposited Property represented by such Holders’ Uncertificated ADSs under the terms of Section 6.2 of the Deposit Agreement. When issuing ADSs under the terms of the Deposit Agreement, including, without limitation, issuances pursuant to Sections 2.5, 4.2, 4.3, 4.4, 4.5 and 4.11, the Depositary may in its discretion determine to issue Uncertificated ADSs rather than Certificated ADSs, unless otherwise specifically instructed by the applicable Holder to issue Certificated ADSs. All provisions and conditions of the Deposit Agreement shall apply to Uncertificated ADSs to the same extent as to Certificated ADSs, except as contemplated by this Section 2.13. The Depositary is authorized and directed to take any and all actions and establish any and all procedures deemed reasonably necessary to give effect to the terms of this Section 2.13. Any references in the Deposit Agreement or any ADR(s) to the terms “American Depositary Share(s)” or “ADS(s)” shall, unless the context otherwise requires, include Certificated ADS(s) and Uncertificated ADS(s). Except as set forth in this Section 2.13 and except as required by applicable law, the Uncertificated ADSs shall be treated as ADSs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Uncertificated ADSs, any conflict arises between (a) the terms of the Deposit Agreement (other than this Section 2.13) and (b) the terms of this Section 2.13, the terms and conditions set forth in this Section 2.13 shall be controlling and shall govern the rights and obligations of the parties to the Deposit Agreement pertaining to the Uncertificated ADSs.

Section 2.14 Restricted ADSs. The Depositary shall, at the request and expense of the Company, establish procedures enabling the deposit hereunder of Shares that are Restricted Securities in order to enable the holder of such Shares to hold its ownership interests in such Restricted Shares in the form of ADSs issued under the terms hereof (such Shares, "**Restricted Shares**"). Upon receipt of a written request from the Company to accept Restricted Shares for deposit hereunder, the Depositary agrees to establish procedures permitting the deposit of such Restricted Shares and the issuance of ADSs representing the right to receive, subject to the terms of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS), such deposited Restricted Shares (such ADSs, the "**Restricted ADSs**," and the ADRs evidencing such Restricted ADSs, the "**Restricted ADRs**"). Notwithstanding anything contained in this Section 2.14, the Depositary and the Company may, to the extent not prohibited by law, agree to issue the Restricted ADSs in uncertificated form ("**Uncertificated Restricted ADSs**") upon such terms and conditions as the Company and the Depositary may deem necessary and appropriate. The Company shall assist the Depositary in the establishment of such procedures and agrees that it shall take all steps necessary and reasonably satisfactory to the Depositary to ensure that the establishment of such procedures does not violate the provisions of the Securities Act or any other applicable laws. The depositors of such Restricted Shares and the Holders of the Restricted ADSs may be required prior to the deposit of such Restricted Shares, the transfer of the Restricted ADRs and Restricted ADSs or the withdrawal of the Restricted Shares represented by Restricted ADSs to provide such written certifications or agreements as the Depositary or the Company may reasonably require. The Company shall provide to the Depositary in writing the legend(s) to be affixed to the Restricted ADRs (if the Restricted ADSs are to be issued as Certificated ADSs), or to be included in the statements issued from time to time to Holders of Uncertificated ADSs (if issued as Uncertificated Restricted ADSs), which legends shall (i) be in a form reasonably satisfactory to the Depositary and (ii) contain the specific circumstances under which the Restricted ADSs, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, may be transferred or the Restricted Shares withdrawn. The Restricted ADSs issued upon the deposit of Restricted Shares shall be separately identified on the books of the Depositary and the Restricted Shares so deposited shall, to the extent required by law, be held separate and distinct from the other Deposited Securities held hereunder. The Restricted Shares and the Restricted ADSs shall not be eligible for Pre-Release Transactions. The Restricted ADSs shall not be eligible for inclusion in any book-entry settlement system, including, without limitation, DTC, and shall not in any way be fungible with the ADSs issued under the terms hereof that are not Restricted ADSs. The Restricted ADSs, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, shall be transferable only by the Holder thereof upon delivery to the Depositary of (i) all documentation otherwise contemplated by the Deposit Agreement and (ii) an opinion of counsel reasonably satisfactory to the Depositary setting forth, *inter alia*, the conditions upon which the Restricted ADSs presented, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, are transferable by the Holder thereof under applicable securities laws and the transfer restrictions contained in the legend applicable to the Restricted ADSs presented for transfer. Except as set forth in this Section 2.14 and except as required by applicable law, the Restricted ADSs and the Restricted ADRs evidencing Restricted ADSs shall be treated as ADSs and ADRs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Restricted ADSs, any conflict arises between (a) the terms of the Deposit Agreement (other than this Section 2.14) and (b) the terms of (i) this Section 2.14 or (ii) the applicable Restricted ADR, the terms and conditions set forth in this Section 2.14 and of the Restricted ADR shall be controlling and shall govern the rights and obligations of the parties to the Deposit Agreement pertaining to the deposited Restricted Shares, the Restricted ADSs and Restricted ADRs.

If the Restricted ADRs, the Restricted ADSs and the Restricted Shares cease to be Restricted Securities, the Depository, upon receipt of (x) an opinion of counsel reasonably satisfactory to the Depository setting forth, *inter alia*, that the Restricted ADRs, the Restricted ADSs and the Restricted Shares are not as of such time Restricted Securities, and (y) instructions from the Company to remove the restrictions applicable to the Restricted ADRs, the Restricted ADSs and the Restricted Shares, shall (i) eliminate the distinctions and separations that may have been established between the applicable Restricted Shares held on deposit under this [Section 2.14](#) and the other Shares held on deposit under the terms of the Deposit Agreement that are not Restricted Shares, (ii) treat the newly unrestricted ADRs and ADSs on the same terms as, and fully fungible with, the other ADRs and ADSs issued and outstanding under the terms of the Deposit Agreement that are not Restricted ADRs or Restricted ADSs, (iii) take all actions necessary to remove any distinctions, limitations and restrictions previously existing under this [Section 2.14](#) between the applicable Restricted ADRs and Restricted ADSs, respectively, on the one hand, and the other ADRs and ADSs that are not Restricted ADRs or Restricted ADSs, respectively, on the other hand, including, without limitation, by making the newly-unrestricted ADSs eligible for Pre-Release Transactions and for inclusion in the applicable book-entry settlement systems.

ARTICLE III CERTAIN OBLIGATIONS OF HOLDERS AND BENEFICIAL OWNERS OF ADSs

Section 3.1 Proofs, Certificates and Other Information. Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depository and the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges, exchange control approval, legal or beneficial ownership of ADSs and Deposited Property, compliance with applicable laws, the terms of the Deposit Agreement or the ADR(s) evidencing the ADSs and the provisions of, or governing, the Deposited Property, to execute such certifications and to make such representations and warranties, and to provide such other information and documentation (or, in the case of Shares in registered form presented for deposit, such information relating to the registration on the books of the Company or of the Share Registrar) as the Depository or the Custodian may deem necessary or proper or as the Company may reasonably require by written request to the Depository consistent with its obligations under the Deposit Agreement and the applicable ADR(s). The Depository and the Registrar, as applicable, may withhold the execution or delivery or registration of transfer of any ADR or ADS or the distribution or sale of any dividend or distribution of rights or of the proceeds thereof or, to the extent not limited by the terms of [Section 7.8](#), the delivery of any Deposited Property until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information provided, in each case to the Depository's, the Registrar's and the Company's satisfaction. The Depository shall provide the Company, in a timely manner, with copies or originals if necessary and appropriate of (i) any such proofs of citizenship or residence, taxpayer status, or exchange control approval or copies of written representations and warranties which it receives from Holders and Beneficial Owners, and (ii) any other information or documents which the Company may reasonably request and which the Depository shall request and receive from any Holder or Beneficial Owner or any person presenting Shares for deposit or ADSs for cancellation, transfer or withdrawal. Nothing herein shall obligate the Depository to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners, or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

Section 3.2 Liability for Taxes and Other Charges. Any tax or other governmental charge payable by the Custodian or by the Depositary with respect to any Deposited Property, ADSs or ADRs shall be payable by the Holders and Beneficial Owners to the Depositary. The Company, the Custodian and/or the Depositary may withhold or deduct from any distributions made in respect of Deposited Property, and may sell for the account of a Holder and/or Beneficial Owner any or all of the Deposited Property and apply such distributions and sale proceeds in payment of, any taxes (including applicable interest and penalties) or charges that are or may be payable by Holders or Beneficial Owners in respect of the ADSs, Deposited Property and ADRs, the Holder and the Beneficial Owner remaining liable for any deficiency. The Custodian may refuse the deposit of Shares and the Depositary may refuse to issue ADSs, to deliver ADRs, register the transfer of ADSs, register the split-up or combination of ADRs and (subject to Section 7.8) the withdrawal of Deposited Property until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depositary, the Company, the Custodian, and any of their agents, officers, employees and Affiliates for, and to hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any tax benefit obtained for such Holder and/or Beneficial Owner.

Section 3.3 Representations and Warranties on Deposit of Shares. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly issued, fully paid, non-assessable and legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been validly waived or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, (v) the Shares presented for deposit are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated in Section 2.14), and (vi) the Shares presented for deposit have not been stripped of any rights or entitlements. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of ADSs in respect thereof and the transfer of such ADSs. If any such representations or warranties are false in any way, the Company and the Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

Section 3.4 Compliance with Information Requests. Notwithstanding any other provision of the Deposit Agreement or any ADR(s), each Holder and Beneficial Owner agrees to comply with requests from the Company pursuant to applicable law, the rules and requirements of the Australian Securities Exchange, and any other stock exchange on which the Shares or ADSs are, or will be, registered, traded or listed or the Constitution of the Company, which are made to provide information, *inter alia*, as to the capacity in which such Holder or Beneficial Owner owns ADSs (and Shares as the case may be) and regarding the identity of any other person(s) interested in such ADSs and the nature of such interest and various other matters, whether or not they are Holders and/or Beneficial Owners at the time of such request. The Depositary agrees to forward, upon the request of the Company and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

Section 3.5 Ownership Restrictions. Notwithstanding any other provision in the Deposit Agreement or any ADR, the Company may restrict transfers of the Shares where such transfer might result in ownership of Shares exceeding limits imposed by applicable law or the Constitution of the Company. The Company may also restrict, in such manner as it deems appropriate, transfers of the ADSs where such transfer may result in the total number of Shares represented by the ADSs owned by a single Holder or Beneficial Owner to exceed any such limits. The Company may, in its sole discretion but subject to applicable law, instruct the Depositary to take action with respect to the ownership interest of any Holder or Beneficial Owner in excess of the limits set forth in the preceding sentence, including, but not limited to, the imposition of restrictions on the transfer of ADSs, the removal or limitation of voting rights or mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADSs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Constitution of the Company. Nothing herein shall be interpreted as obligating the Depositary or the Company to ensure compliance with the ownership restrictions described in this Section 3.5.

Section 3.6 Reporting Obligations and Regulatory Approvals. Applicable laws and regulations may require holders and beneficial owners of Shares, including the Holders and Beneficial Owners of ADSs, to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Holders and Beneficial Owners of ADSs are solely responsible for determining and complying with such reporting requirements and obtaining such approvals. Each Holder and each Beneficial Owner hereby agrees to make such determination, file such reports, and obtain such approvals to the extent and in the form required by applicable laws and regulations as in effect from time to time. Neither the Depository, the Custodian, the Company or any of their respective agents or affiliates shall be required to take any actions whatsoever on behalf of Holders or Beneficial Owners to determine or satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

ARTICLE IV THE DEPOSITED SECURITIES

Section 4.1 Cash Distributions. Whenever the Company intends to make a distribution of a cash dividend or other cash distribution in respect of any Deposited Securities, the Company shall give notice thereof to the Depository, to the extent permissible under applicable laws and regulations, at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable for determining the holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice, the Depository shall establish the ADS Record Date upon the terms described in [Section 4.9](#). Upon receipt of confirmation of the receipt of (x) any cash dividend or other cash distribution on any Deposited Securities, or (y) proceeds from the sale of any Deposited Property held in respect of the ADSs under the terms hereof, the Depository will (i) if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depository (pursuant to [Section 4.8](#)), be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms described in [Section 4.8](#)), (ii) if applicable and unless previously established, establish the ADS Record Date upon the terms described in [Section 4.9](#), and (iii) make commercially reasonable efforts to distribute promptly the amount thus received (net of (a) the applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes withheld) to the Holders entitled thereto as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date. The Depository shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent, and any balance not so distributed shall be held by the Depository (without liability for interest thereon) and shall be added to and become part of the next sum received by the Depository for distribution to Holders of ADSs outstanding at the time of the next distribution. If the Company, the Custodian or the Depository is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities, or from any cash proceeds from the sales of Deposited Property, an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depository, as the case may be, to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depository upon request and evidence of payment thereof by the Depository or the Custodian shall be forwarded by the Depository to the Company upon request. The Depository will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable Holders and Beneficial Owners of ADSs until the distribution can be effected or the funds that the Depository holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. Notwithstanding anything contained in this [Section 4.1](#) to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this [Section 4.1](#) and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in [Section 4.1](#) where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.2 Distribution in Shares. Whenever the Company intends to make a distribution that consists of a dividend in, or free distribution of, Shares, the Company shall give notice thereof to the Depository, to the extent permissible under applicable laws and regulations, at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice from the Company, the Depository shall establish the ADS Record Date upon the terms described in [Section 4.9](#). Upon receipt of confirmation from the Custodian of the receipt of the Shares so distributed by the Company, the Depository shall either (i) subject to [Section 5.9](#), distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes), or (ii) if additional ADSs are not so distributed, take all actions necessary so that each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional integral number of Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes). In lieu of delivering fractional ADSs, the Depository shall sell the number of Shares or ADSs, as the case may be, represented by the aggregate of such fractions and distribute the net proceeds upon the terms described in [Section 4.1](#). In the event that the Depository determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depository is obligated to withhold, or, if the Company in the fulfillment of its obligation under [Section 5.7](#), has furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be distributed to Holders (and no such registration statement has been declared effective), the Depository may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depository deems necessary and practicable, and the Depository shall distribute the net proceeds of any such sale (after deduction of (a) taxes and (b) fees and charges of, and expenses incurred by, the Depository) to Holders entitled thereto upon the terms described in [Section 4.1](#). The Depository shall hold and/or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement. Notwithstanding anything contained in this [Section 4.2](#) to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this [Section 4.2](#) and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in [Section 4.2](#) where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.3 Elective Distributions in Cash or Shares. Whenever the Company intends to make a distribution payable at the election of the holders of Deposited Securities in cash or in additional Shares, the Company shall give notice thereof to the Depository, to the extent permissible under applicable laws and regulations, at least sixty (60) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time) specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such elective distribution and whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depository shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution be made available to Holders, (ii) the Depository shall have determined, upon consultation with the Company, that such distribution is reasonably practicable and (iii) the Depository shall have received reasonably satisfactory documentation within the terms of Section 5.7. If the above conditions are not satisfied, the Depository shall establish an ADS Record Date on the terms described in Section 4.9 and, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in Australia in respect of the Shares for which no election is made, either (X) cash upon the terms described in Section 4.1 or (Y) additional ADSs representing such additional Shares upon the terms described in Section 4.2. If the above conditions are satisfied, the Depository shall establish an ADS Record Date on the terms described in Section 4.9 and establish procedures to enable Holders to elect the receipt of the proposed distribution in cash or in additional ADSs. The Company shall assist the Depository in establishing such procedures to the extent necessary. If a Holder elects to receive the proposed distribution (X) in cash, the distribution shall be made upon the terms described in Section 4.1, or (Y) in ADSs, the distribution shall be made upon the terms described in Section 4.2. Nothing herein shall obligate the Depository to make available to Holders a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares. Notwithstanding anything contained in this Section 4.3 to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.3 and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in Section 4.3 where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.4 Distribution of Rights to Purchase Additional ADSs.

(a) **Distribution to ADS Holders.** Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depository, to the extent permissible by applicable law or regulation, at least sixty (60) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution and whether or not it wishes such rights to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depository shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depository shall have received reasonably satisfactory documentation within the terms of Section 5.7, and (iii) the Depository shall have determined that such distribution of rights is reasonably practicable. In the event any of the conditions set forth above are not satisfied or if the Company requests that the rights not be made available to Holders of ADSs, the Depository shall proceed with the sale of the rights as contemplated in Section 4.4(b) below. In the event all conditions set forth above are satisfied, the Depository shall establish an ADS Record Date (upon the terms described in Section 4.9) and establish procedures to (x) distribute rights to purchase additional ADSs (by means of warrants or otherwise), (y) to enable the Holders to exercise such rights (upon payment of the subscription price and of the applicable (a) fees and charges of, and expenses incurred by, the Depository and (b) taxes), and (z) to deliver ADSs upon the valid exercise of such rights. The Company shall assist the Depository to the extent necessary in establishing such procedures. Nothing herein shall obligate the Depository to make available to the Holders a method to exercise rights to subscribe for Shares (rather than ADSs).

(b) **Sale of Rights.** If (i) the Company does not timely request the Depositary to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depositary fails to receive satisfactory documentation within the terms of [Section 5.7](#) or determines, upon consultation with the Company, it is not reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depositary shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity, at such place and upon such terms (including public or private sale) as it may deem practicable. The Company shall assist the Depositary to the extent necessary to determine such legality and practicability. The Depositary shall, upon such sale, convert and distribute proceeds of such sale (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) upon the terms set forth in [Section 4.1](#).

(c) **Lapse of Rights.** If the Depositary is unable to make any rights available to Holders upon the terms described in [Section 4.4\(a\)](#) or to arrange for the sale of the rights upon the terms described in [Section 4.4\(b\)](#), the Depositary shall allow such rights to lapse.

Neither the Depositary nor the Company shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise. The Depositary shall not be responsible for the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything to the contrary in this [Section 4.4](#), if registration (under the Securities Act or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act (or other applicable law) covering such offering is in effect or (ii) unless the Company furnishes the Depositary with opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case reasonably satisfactory to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws.

In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of Deposited Property (including rights) an amount on account of taxes or other governmental charges, the amount distributed to the Holders of ADSs shall be reduced accordingly. In the event that the Depositary determines that any distribution of Deposited Property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such Deposited Property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive or exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights.

Section 4.5 Distributions Other Than Cash, Shares or Rights to Purchase Shares.

(a) Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give timely notice thereof to the Depositary and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution be made to Holders of ADSs, the Depositary shall consult with the Company, and the Company shall assist the Depositary, to determine whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such distribution unless (i) the Company shall have requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received reasonably satisfactory documentation within the terms of Section 5.7, and (iii) the Depositary shall have determined, upon consultation with the Company, that such distribution is reasonably practicable.

(b) Upon receipt of reasonably satisfactory documentation and the request of the Company to distribute property to Holders of ADSs and after making the requisite determinations set forth in (a) above, the Depositary shall distribute the property so received to the Holders of record, as of the ADS Record Date, in proportion to the number of ADSs held by them respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any taxes withheld. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

(c) If (i) the Company does not request the Depositary to make such distribution to Holders or requests not to make such distribution to Holders, (ii) the Depositary does not receive reasonably satisfactory documentation within the terms of Section 5.7, or (iii) the Depositary determines that all or a portion of such distribution is not reasonably practicable, the Depositary shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem practicable and shall (i) cause the proceeds of such sale, if any, to be converted into Dollars and (ii) distribute the proceeds of such conversion received by the Depositary (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) to the Holders as of the ADS Record Date upon the terms of Section 4.1. If the Depositary is unable to sell such property, the Depositary may dispose of such property for the account of the Holders in any way it deems reasonably practicable under the circumstances.

(d) Neither the Depositary nor the Company shall be responsible for (i) any failure to determine whether it is lawful or practicable to make the property described in this Section 4.5 available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with the sale or disposal of such property.

Section 4.6 Distributions with Respect to Deposited Securities in Bearer Form. Subject to the terms of this Article IV, distributions in respect of Deposited Securities that are held by the Depository in bearer form shall be made to the Depository for the account of the respective Holders of ADS(s) with respect to which any such distribution is made upon due presentation by the Depository or the Custodian to the Company of any relevant coupons, talons, or certificates. The Company shall promptly notify the Depository of such distributions. The Depository or the Custodian shall promptly present such coupons, talons or certificates, as the case may be, in connection with any such distribution.

Section 4.7 Redemption. If the Company intends to exercise any right of redemption in respect of any of the Deposited Securities, the Company shall give notice thereof to the Depository at least sixty (60) days prior to the intended date of redemption which notice shall set forth the particulars of the proposed redemption. Upon timely receipt of (i) such notice and (ii) satisfactory documentation given by the Company to the Depository within the terms of Section 5.7, and only if the Depository shall have determined that such proposed redemption is practicable, the Depository shall provide to each Holder a notice setting forth the intended exercise by the Company of the redemption rights and any other particulars set forth in the Company's notice to the Depository. The Depository shall instruct the Custodian to present to the Company the Deposited Securities in respect of which redemption rights are being exercised against payment of the applicable redemption price. Upon receipt of confirmation from the Custodian that the redemption has taken place and that funds representing the redemption price have been received, the Depository shall convert, transfer, and distribute the proceeds (net of applicable (a) fees and charges of, and the expenses incurred by, the Depository, and (b) taxes), retire ADSs and cancel ADRs, if applicable, upon delivery of such ADSs by Holders thereof and the terms set forth in Sections 4.1 and 6.2. If less than all outstanding Deposited Securities are redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as may be determined by the Depository. The redemption price per ADS shall be the dollar equivalent of the per share amount received by the Depository (adjusted to reflect the ADS(s)-to-Share(s) ratio) upon the redemption of the Deposited Securities represented by ADSs (subject to the terms of Section 4.8 and the applicable fees and charges of, and expenses incurred by, the Depository, and taxes) multiplied by the number of Deposited Securities represented by each ADS redeemed. Notwithstanding anything contained in this Section 4.7 to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.7 and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in Section 4.7 where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.8 Conversion of Foreign Currency. Whenever the Depository or the Custodian shall receive Foreign Currency, by way of dividends or other distributions or the net proceeds from the sale of Deposited Property, which in the judgment of the Depository can at such time be converted on a practicable basis, by sale or in any other manner that it may determine in accordance with applicable law, into Dollars transferable to the United States and distributable to the Holders entitled thereto, the Depository shall convert or cause to be converted, by sale or in any other manner that it may determine, such Foreign Currency into Dollars, and shall distribute such Dollars (net of any applicable fees, any reasonable and customary expenses incurred in such conversion and any expenses incurred on behalf of the Holders in complying with currency exchange control or other governmental requirements) in accordance with the terms of the applicable sections of the Deposit Agreement. If the Depository shall have distributed warrants or other instruments that entitle the holders thereof to such Dollars, the Depository shall distribute such Dollars to the holders of such warrants and/or instruments upon surrender thereof for cancellation, in either case without liability for interest thereon. Such distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Holders on account of any application of exchange restrictions or otherwise.

If such conversion or distribution generally or with regard to a particular Holder can be effected only with the approval or license of any government or agency thereof, the Depositary shall inform the Company, and the Depositary shall have authority to file such application for approval or license, if any, as it may deem desirable. In no event, however, shall the Depositary be obligated to make such a filing.

If at any time the Depositary shall determine that in its judgment the conversion of any Foreign Currency and the transfer and distribution of proceeds of such conversion received by the Depositary is not practicable or lawful, or if any approval or license of any governmental authority or agency thereof that is required for such conversion, transfer and distribution is denied or, in the opinion of the Depositary, not obtainable at a reasonable cost or within a reasonable period, the Depositary may, in its discretion, (i) make such conversion and distribution in Dollars to the Holders for whom such conversion, transfer and distribution is lawful and practicable, (ii) distribute the Foreign Currency (or an appropriate document evidencing the right to receive such Foreign Currency) to Holders for whom this is lawful and practicable, or (iii) hold (or cause the Custodian to hold) such Foreign Currency (without liability for interest thereon) for the respective accounts of the Holders entitled to receive the same.

Section 4.9 Fixing of ADS Record Date. Whenever the Depositary shall receive notice of the fixing of a record date by the Company for the determination of holders of Deposited Securities entitled to receive any distribution (whether in cash, Shares, rights, or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each ADS, or whenever the Depositary shall receive notice of any meeting of, or solicitation of consents or proxies of, holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient in connection with the giving of any notice, solicitation of any consent or any other matter, the Depositary shall fix a record date (the “**ADS Record Date**”) for the determination of the Holders of ADS(s) who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS. The Depositary shall make commercially reasonable efforts to establish the ADS Record Date as closely as possible to the applicable record date for the Deposited Securities (if any) set by the Company in Australia. Subject to applicable law and the provisions of Sections 4.1 through 4.8 and to the other terms and conditions of the Deposit Agreement, only the Holders of ADSs at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

Section 4.10 Voting of Deposited Securities.

(a) **ADS Voting Instructions.** As soon as practicable after receipt of notice of (i) any meeting at which the holders of Deposited Securities are entitled to vote, or (ii) solicitation of consents or proxies from holders of Deposited Securities, the Depository shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy in accordance with Section 4.9 hereof. The Depository shall, if requested in writing by the Company in a timely manner (which request must be received by the Depository at least 30 days prior to such meeting) and provided no U.S. legal prohibitions exist, distribute to Holders of record as of the ADS Record Date a notice which shall contain: (a) such information as is contained in such notice of meeting, (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of this Deposit Agreement, the Constitution of the Company and the provisions of, or governing, the Deposited Securities (which provisions, if any, shall have been summarized in pertinent part by the Company), to instruct the Depository as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder' s ADSs, and (c) a brief statement addressing the manner in which such instructions may be given (including an indication that instructions may be deemed to have been given to the Depository to give a discretionary proxy to a person designated by the Company in accordance with (b) below if no instructions are received by the Depository prior to the deadline set for such purposes, or if the Depository timely receives voting instructions from a Holder that fail to specify the manner in which the Depository is to vote). Voting instructions may be given only in respect of a number of ADSs representing an integral number of Deposited Securities. In the event the notice of meeting and request of the Company is not received by the Depository at least 30 days prior to the meeting, the Depository shall not have any obligation to notify the Holders and shall not under any circumstances vote the Deposited Securities or cause the Deposited Securities to be voted.

Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depository may, to the extent not prohibited by law, regulations or applicable stock exchange requirements, in lieu of distributions of the materials provided to the Depository in connection with any meeting of, or solicitation of consents or proxies from, holders of Deposited Securities, distribute to the Holders a notice that provides Holders with a means to retrieve such materials or receive such materials upon request (*i.e.*, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

Upon the timely receipt from a Holder of ADSs as of the ADS Record Date of voting instructions in the manner specified by the Depository, the Depository shall endeavor, insofar as practicable and permitted under applicable law, the provisions of this Deposit Agreement, and the provisions of the Constitution of the Company and the provisions of, or governing, the Deposited Securities, to vote, or cause the Custodian to vote, the Deposited Securities (in person or by proxy) represented by such Holder' s ADSs in accordance with such voting instructions.

(b) **Discretionary Proxy to Management.** The Depositary agrees not to, and shall take reasonable steps to ensure that the Custodian and each of its nominees, if any, do not, vote the Deposited Securities represented by ADSs other than in accordance with the instructions of Holders as of the ADS Record Date or as provided below. The Depositary shall not exercise any voting discretion over the Deposited Securities. If the Depositary does not receive instructions from a Holder as of the ADS Record Date on or before the date established by the Depositary for such purpose, or if the Depositary timely receives voting instructions from a Holder that fail to specify the manner in which the Depositary is to vote, such Holder shall be deemed, and the Depositary shall deem such Holder, to have instructed the Depositary to give a discretionary proxy to a person designated by the Company to vote the Deposited Securities; *provided, however*, that no such discretionary proxy shall be given by the Depositary with respect to any matter to be voted upon as to which the Company informs the Depositary that (i) the Company does not wish such proxy to be given, (ii) substantial opposition exists, or (iii) the rights of holders of Deposited Securities may be materially adversely affected.

(c) **Legal Prohibitions.** Notwithstanding anything contained in this Deposit Agreement or any ADR to the contrary, the Depositary shall not have any obligation to take any action with respect to any meeting, or solicitation of consents or proxies, of holders of Deposited Securities if the taking of such action would violate U.S. laws. The Company agrees to take any and all actions reasonably necessary to enable Holders and Beneficial Owners to exercise the voting rights accruing to the Deposited Securities and to deliver to the Depositary, if requested by the Depositary, an opinion of U.S. counsel addressing any actions to be taken.

There can be no assurance that Holders generally or any Holder in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

Section 4.11 Changes Affecting Deposited Securities. Upon any change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, consolidation or sale of assets affecting the Company or to which it is a party, any property which shall be received by the Depositary or the Custodian in exchange for, or in conversion of, or replacement of, or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Property under the Deposit Agreement, and the ADSs shall, subject to the provisions of the Deposit Agreement, any ADR(s) evidencing such ADSs and applicable law, represent the right to receive such additional or replacement Deposited Property. In giving effect to such change, split-up, cancellation, consolidation or other reclassification of Deposited Securities, recapitalization, reorganization, merger, consolidation or sale of assets, the Depositary may, with the Company' s approval, and shall, if the Company shall so request, subject to the terms of the Deposit Agreement and receipt of an opinion of counsel to the Company reasonably satisfactory to the Depositary that such actions are not in violation of any applicable laws or regulations, (i) issue and deliver additional ADSs as in the case of a stock dividend on the Shares, (ii) amend the Deposit Agreement and the applicable ADRs, (iii) amend the applicable Registration Statement(s) on Form F-6 as filed with the Commission in respect of the ADSs, (iv) call for the surrender of outstanding ADRs to be exchanged for new ADRs, and (v) take such other actions as are appropriate to reflect the transaction with respect to the ADSs. The Company agrees to, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of ADRs. Notwithstanding the foregoing, in the event that any Deposited Property so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company' s approval, and shall, if the Company requests, subject to receipt of an opinion of Company' s counsel reasonably satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such Deposited Property at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) for the account of the Holders otherwise entitled to such Deposited Property upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1. Neither the Company nor the Depositary shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such Deposited Property available to Holders in general or to any Holder in particular, or (ii) any foreign exchange exposure or loss incurred in connection with such sale. The Depositary shall not have any liability to the purchaser of such Deposited Property.

Section 4.12 Available Information. The Company publishes the information contemplated in Rule 12g3-2(b)(2)(i) under the Exchange Act on its internet website or through an electronic information delivery system generally available to the public in the Company's primary trading market. As of the date hereof the Company's internet website is www.woodside.com.au. The information so published by the Company may not be in English, except that the Company is required, in order to maintain its exemption from the Exchange Act reporting obligations pursuant to Rule 12g3-2(b), to translate such information into English to the extent contemplated in the instructions to Rule 12g3-2(b). The information so published by the Company cannot be retrieved from the Commission's internet website, and cannot be inspected or copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington, D.C. 20549.

Section 4.13 Reports. The Depositary shall make available for inspection by Holders at its Principal Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Property and (b) made generally available to the holders of such Deposited Property by the Company. The Depositary shall also provide or make available to Holders copies of such reports when furnished by the Company pursuant to [Section 5.6](#).

Section 4.14 List of Holders. Promptly upon written request by the Company, the Depositary shall furnish to it a list, as of a recent date, of the names, addresses and holdings of ADSs of all Holders.

Section 4.15 Taxation. The Depositary will, and will instruct the Custodian to, forward to the Company or its agents such information from its records as the Company may reasonably request to enable the Company or its agents to file the necessary tax reports with governmental authorities or agencies. The Depositary, the Custodian or the Company and its agents may file such reports as are necessary to reduce or eliminate applicable taxes on dividends and on other distributions in respect of Deposited Property under applicable tax treaties or laws for the Holders and Beneficial Owners. In accordance with instructions from the Company and to the extent practicable, the Depositary or the Custodian will take reasonable administrative actions to obtain tax refunds, reduced withholding of tax at source on dividends and other benefits under applicable tax treaties or laws with respect to dividends and other distributions on the Deposited Property. As a condition to receiving such benefits, Holders and Beneficial Owners of ADSs may be required from time to time, and in a timely manner, to file such proof of taxpayer status, residence and beneficial ownership (as applicable), to execute such certificates and to make such representations and warranties, or to provide any other information or documents, as the Depositary or the Custodian may deem necessary or proper to fulfill the Depositary's or the Custodian's obligations under applicable law. The Depositary and the Company shall have no obligation or liability to any person if any Holder or Beneficial Owner fails to provide such information or if such information does not reach the relevant tax authorities in time for any Holder or Beneficial Owner to obtain the benefits of any tax treatment. The Holders and Beneficial Owners shall indemnify the Depositary, the Company, the Custodian and any of their respective directors, employees, agents and Affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained.

If the Company (or any of its agents) withholds from any distribution any amount on account of taxes or governmental charges, or pays any other tax in respect of such distribution (*i.e.*, stamp duty tax, capital gains or other similar tax), the Company shall (and shall cause such agent to) remit promptly to the Depository information about such taxes or governmental charges withheld or paid, and, if so requested, the tax receipt (or other proof of payment to the applicable governmental authority) therefor, in each case, in a form satisfactory to the Depository, or as required by the applicable law. The Depository shall, to the extent required by U.S. law, report to Holders any taxes withheld by it or the Custodian, and, if such information is provided to it by the Company, any taxes withheld by the Company. The Depository and the Custodian shall not be required to provide the Holders with any evidence of the remittance by the Company (or its agents) of any taxes withheld, or of the payment of taxes by the Company, except to the extent the evidence is provided by the Company to the Depository or the Custodian, as applicable. Neither the Depository nor the Custodian shall be liable for the failure by any Holder or Beneficial Owner to obtain the benefits of credits on the basis of non-U.S. tax paid against such Holder's or Beneficial Owner's income tax liability.

The Depository is under no obligation to provide the Holders and Beneficial Owners with any information about the tax status of the Company. The Depository shall not incur any liability for any tax consequences that may be incurred by Holders and Beneficial Owners on account of their ownership of the ADSs, including without limitation, tax consequences resulting from the Company (or any of its subsidiaries) being treated as a "**Passive Foreign Investment Company**" (in each case as defined in the U.S. Internal Revenue Code and the regulations issued thereunder) or otherwise.

ARTICLE V THE DEPOSITARY, THE CUSTODIAN AND THE COMPANY

Section 5.1 Maintenance of Office and Transfer Books by the Registrar. Until termination of the Deposit Agreement in accordance with its terms, the Registrar shall maintain in the City of New York, an office and facilities for the issuance and delivery of ADSs, the acceptance for surrender of ADS(s) for the purpose of withdrawal of Deposited Securities, the registration of issuances, cancellations, transfers, combinations and split-ups of ADS(s) and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up, in each case in accordance with the provisions of the Deposit Agreement.

The Registrar shall keep books for the registration of ADSs which at all reasonable times shall be open for inspection by the Company and by the Holders of such ADSs, *provided* that such inspection shall not be, to the Registrar's knowledge, for the purpose of communicating with Holders of such ADSs in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the ADSs. Upon the reasonable request and at the expense of the Company, the Company shall have the right to examine and copy the transfer and registration records of the Depository.

The Registrar may close the transfer books with respect to the ADSs, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to [Section 7.8](#).

If any ADSs are listed on one or more stock exchanges or automated quotation systems in the United States, the Depositary shall act as Registrar or appoint, following prior written notice to, and consultation with, the Company to the extent such prior notice and consultation is reasonably practicable, a Registrar or one or more co-registrars for registration of issuances, cancellations, transfers, combinations and split-ups of ADSs and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up, in accordance with any requirements of such exchanges or systems. Such Registrar or co-registrars may be removed and a substitute or substitutes appointed by the Depositary, following prior written notice to, and consultation with, the Company to the extent such prior notice and consultation is reasonably practicable. Immediately upon any such change, the Depositary shall give notice thereof in writing to all Holders of ADSs and to the Company.

Section 5.2 Exoneration. Neither the Depositary nor the Company shall be obligated to do or perform any act which is inconsistent with the provisions of the Deposit Agreement or incur any liability (i) if the Depositary or the Company shall be prevented or forbidden from, or delayed in, doing or performing any act or thing required by the terms of the Deposit Agreement, by reason of any provision of any present or future law or regulation of the United States, Australia or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of the possible criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Constitution of the Company or any provision of or governing any Deposited Securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, acts of terrorism, revolutions, rebellions, explosions and computer failure), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Constitution of the Company or provisions of or governing Deposited Securities, (iii) for any action or inaction in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADSs, or (v) for any consequential or punitive damages for any breach of the terms of the Deposit Agreement.

The Depository, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement.

Section 5.3 Standard of Care. The Company and the Depository assume no obligation and shall not be subject to any liability under the Deposit Agreement or any ADRs to any Holder(s) or Beneficial Owner(s), except that the Company and the Depository agree to perform their respective obligations specifically set forth in the Deposit Agreement or the applicable ADRs without negligence or bad faith.

Without limitation of the foregoing, neither the Depository, nor the Company, nor any of their respective directors, officers, controlling persons, employees or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Property or in respect of the ADSs, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depository).

Neither the Depository and its agents nor the Company and its directors, officers, controlling persons, employees or agents shall be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, *provided* that any such action or omission is in good faith and in accordance with the terms of the Deposit Agreement. The Depository shall not incur any liability for any failure to determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Property, for the validity or worth of the Deposited Property or for any tax consequences that may result from the ownership of ADSs, Shares or Deposited Securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement, for the failure or timeliness of any notice from the Company, or for any action of or failure to act by, or any information provided or not provided by, DTC or any DTC Participant.

The Depository shall not be liable for any acts or omissions made by a successor depository whether in connection with a previous act or omission of the Depository or in connection with any matter arising wholly after the removal or resignation of the Depository, *provided* that in connection with the issue out of which such potential liability arises the Depository performed its obligations without negligence or bad faith while it acted as Depository.

The Depositary shall not be liable for any acts or omissions made by a predecessor depositary whether in connection with an act or omission of the Depositary or in connection with any matter arising wholly prior to the appointment of the Depositary or after the removal or resignation of the Depositary, *provided* that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

Section 5.4 Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary hereunder by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2), or (ii) the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2), or (ii) upon the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the City of New York. Every successor depositary shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor (other than as contemplated in Sections 5.8 and 5.9). The predecessor depositary, upon payment of all sums due it and on the written request of the Company shall, (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9), (ii) duly assign, transfer and deliver all of the Depositary's right, title and interest to the Deposited Property to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding ADSs and such other information relating to ADSs and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly provide notice of its appointment to such Holders.

Any entity into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

Section 5.5 The Custodian. The Depositary has initially appointed Citicorp Nominees Pty Limited as Custodian for the purpose of the Deposit Agreement. The Custodian or its successors in acting hereunder shall be subject at all times and in all respects to the direction of the Depositary for the Deposited Property for which the Custodian acts as custodian and shall be responsible solely to it. If any Custodian resigns or is discharged from its duties hereunder with respect to any Deposited Property and no other Custodian has previously been appointed hereunder, the Depositary shall promptly appoint a substitute custodian following prior written notice to, and consultation with, the Company to the extent such prior notice and consultation is reasonably practicable. The Depositary shall require such resigning or discharged Custodian to Deliver, or cause the Delivery of, the Deposited Property held by it, together with all such records maintained by it as Custodian with respect to such Deposited Property as the Depositary may request, to the Custodian designated by the Depositary. Whenever the Depositary determines, in its discretion, that it is appropriate to do so, it may appoint an additional custodian with respect to any Deposited Property, or discharge the Custodian with respect to any Deposited Property and appoint a substitute custodian, which shall thereafter be Custodian hereunder with respect to the Deposited Property. Immediately upon any such change, the Depositary shall give notice thereof in writing to all Holders of ADSs, each other Custodian and the Company.

Citibank, N.A. may at any time act as Custodian of the Deposited Property pursuant to the Deposit Agreement, in which case any reference to Custodian shall mean Citibank, N.A. solely in its capacity as Custodian pursuant to the Deposit Agreement. Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depositary shall not be obligated to give notice to the Company, any Holders of ADSs or any other Custodian of its acting as Custodian pursuant to the Deposit Agreement.

Upon the appointment of any successor depositary, any Custodian then acting hereunder shall, unless otherwise instructed by the Depositary, continue to be the Custodian of the Deposited Property without any further act or writing, and shall be subject to the direction of the successor depositary. The successor depositary so appointed shall, nevertheless, on the written request of any Custodian, execute and deliver to such Custodian all such instruments as may be proper to give to such Custodian full and complete power and authority to act on the direction of such successor depositary.

Section 5.6 Notices and Reports. On or before the first date on which the Company gives notice, by publication or otherwise, of any meeting of holders of Shares or other Deposited Securities, or of any adjourned meeting of such holders, or of the taking of any action by such holders other than at a meeting, or of the taking of any action in respect of any cash or other distributions or the offering of any rights in respect of Deposited Securities, the Company shall transmit to the Depositary and the Custodian a copy of the notice thereof in the English language but otherwise in the form given or to be given to holders of Shares or other Deposited Securities. The Company shall also furnish to the Custodian and the Depositary a summary, in English, of any applicable provisions or proposed provisions of the Constitution of the Company that may be relevant or pertain to such notice of meeting or be the subject of a vote thereat.

The Company will also transmit to the Depositary English-language versions of the other notices, reports and communications which are made generally available by the Company to holders of its Shares or other Deposited Securities. The Depositary shall arrange, at the request of the Company and at the Company's expense, to provide copies thereof to all Holders or make such notices, reports and other communications available to all Holders on a basis similar to that for holders of Shares or other Deposited Securities or on such other basis as the Company may advise the Depositary or as may be required by any applicable law, regulation or stock exchange requirement. The Company has delivered to the Depositary and the Custodian a copy of the Company's Constitution, and promptly upon any amendment thereto or change therein, the Company shall deliver to the Depositary and the Custodian a copy of such amendment thereto or change therein. The Depositary may rely upon such copy for all purposes of the Deposit Agreement.

The Depository will, at the expense of the Company, make available a copy of any such notices, reports or communications issued by the Company and delivered to the Depository for inspection by the Holders of the ADSs at the Depository's Principal Office, at the office of the Custodian and at any other designated transfer office.

Section 5.7 Issuance of Additional Shares, ADSs etc. The Company agrees that in the event it or any of its Affiliates proposes (i) an issuance, sale or distribution of additional Shares, (ii) an offering of rights to subscribe for Shares or other Deposited Securities, (iii) an issuance or assumption of securities convertible into or exchangeable for Shares, (iv) an issuance of rights to subscribe for securities convertible into or exchangeable for Shares, (v) an elective dividend of cash or Shares, (vi) a redemption of Deposited Securities, (vii) a meeting of holders of Deposited Securities, or solicitation of consents or proxies, relating to any reclassification of securities, merger or consolidation or transfer of assets, (viii) any assumption, reclassification, recapitalization, reorganization, merger, consolidation or sale of assets which affects the Deposited Securities, or (ix) a distribution of securities other than Shares, it will obtain U.S. legal advice and take all steps necessary to ensure that the proposed transaction does not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act and the securities laws of the states of the U.S.). In support of the foregoing, the Company will, if required in the reasonable judgment of the Depository, furnish to the Depository (a) a written opinion of U.S. counsel (reasonably satisfactory to the Depository) stating whether such transaction (1) requires a registration statement under the Securities Act to be in effect or (2) is exempt from the registration requirements of the Securities Act and (b) an opinion of Australian counsel stating that (1) making the transaction available to Holders and Beneficial Owners does not violate the laws or regulations of Australia and (2) all requisite regulatory consents and approvals have been obtained in Australia; *provided, that* no such opinion shall be required where any such issuance, sale, offering or distribution is to be made solely in connection with an issuance of Shares pursuant to (i) a bonus or share split, (ii) compensation of the Company's directors, executives, officers or employees, or (iii) any Company employee benefit program, share purchase program or share option plan, so long as in respect of any Shares so issued, sold, offered or distributed under (ii) or (iii) above, the Depository receives documentation reasonably satisfactory to it that (w) a registration statement under the Securities Act, if applicable, is in effect or that no such registration statement is required in respect of such Shares, (x) the Commission has issued no stop orders in respect of any such registration statement and (y) all such Shares at the time of delivery to the relevant employee, director or officer are duly authorized, validly issued, fully paid, non-assessable, free of any voting restrictions, free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and free of any pre-emptive rights, all requisite permissions, consents, approvals, authorizations and others (if any) have been obtained and all requisite filings (if any) have been made in Australia in respect of such Shares, and the Shares rank *pari passu* in all respects with the Shares at such time deposited with the Custodian under this Deposit Agreement and (z) the Shares being deposited are not, and the ADSs issuable on deposit will not be, Restricted Securities (except as contemplated in [Section 2.14](#)). If the filing of a registration statement is required, the Depository shall not have any obligation to proceed with the transaction unless it shall have received evidence reasonably satisfactory to it that such registration statement has been declared effective. If, being advised by counsel, the Company determines that a transaction is required to be registered under the Securities Act, the Company will either (i) register such transaction to the extent necessary, (ii) alter the terms of the transaction to avoid the registration requirements of the Securities Act or (iii) direct the Depository to take specific measures, in each case as contemplated in the Deposit Agreement, to prevent such transaction from violating the registration requirements of the Securities Act. The Company agrees with the Depository that neither the Company nor any of its Affiliates will at any time (i) deposit any Shares or other Deposited Securities, either upon original issuance or upon a sale of Shares or other Deposited Securities previously issued and reacquired by the Company or by any such Affiliate, or (ii) issue additional Shares, rights to subscribe for such Shares, securities convertible into or exchangeable for Shares or rights to subscribe for such securities or distribute securities other than Shares, unless such transaction and the securities issuable in such transaction do not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act and the securities laws of the states of the U.S.).

Notwithstanding anything else contained in the Deposit Agreement, nothing in the Deposit Agreement shall be deemed to obligate the Company to file any registration statement in respect of any proposed transaction.

Section 5.8 Indemnification. The Depositary agrees to indemnify the Company and its directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct loss, liability, tax, charge or expense of any kind whatsoever (including, but not limited to, the reasonable fees and expenses of counsel) which may arise out of acts performed or omitted by the Depositary under the terms hereof due to the negligence or bad faith of the Depositary.

The Company agrees to indemnify the Depositary, the Custodian and any of their respective directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct loss, liability, tax, charge or expense of any kind whatsoever (including, but not limited to, the reasonable fees and expenses of counsel) that may arise (a) out of, or in connection with, any offer, issuance, sale, resale, transfer, deposit or withdrawal of ADRs, ADSs, the Shares, or other Deposited Securities, as the case may be, (b) out of, or as a result of, any offering documents in respect thereof or (c) out of acts performed or omitted, including, but not limited to, any delivery by the Depositary on behalf of the Company of information regarding the Company in connection with the Deposit Agreement, the ADRs, the ADSs, the Shares, or any Deposited Property, in any such case (i) by the Depositary, the Custodian or any of their respective directors, officers, employees, agents and Affiliates, except to the extent such loss, liability, tax, charge or expense is due to the negligence or bad faith of any of them, or (ii) by the Company or any of its directors, officers, employees, agents and Affiliates, except, in each case, to the extent any such loss, liability, tax, charge or expense arises out of information relating to the Depositary or any Custodian, as applicable, furnished to the Company by the Depositary in writing and not materially changed or altered by the Company.

The obligations set forth in this Section shall survive the termination of the Deposit Agreement and the succession or substitution of any party hereto.

Any person seeking indemnification hereunder (an “**indemnified person**”) shall notify the person from whom it is seeking indemnification (the “**indemnifying person**”) of the commencement of any indemnifiable action or claim promptly after such indemnified person becomes aware of such commencement (*provided* that the failure to make such notification shall not affect such indemnified person’s rights to seek indemnification except to the extent the indemnifying person is materially prejudiced by such failure) and shall consult in good faith with the indemnifying person as to the conduct of the defense of such action or claim that may give rise to an indemnity hereunder, which defense shall be reasonable in the circumstances. No indemnified person shall compromise or settle any action or claim that may give rise to an indemnity hereunder without the consent of the indemnifying person, which consent shall not be unreasonably withheld.

Section 5.9 ADS Fees and Charges. The Company, the Holders, the Beneficial Owners, and persons depositing Shares for issuance of ADSs or surrendering ADSs for cancellation and withdrawal of Deposited Securities shall be required to pay the ADS fees and charges identified as payable by them respectively in the Fee Schedule attached hereto as Exhibit B. All ADS fees and charges so payable may be deducted from distributions or must be remitted to the Depository, or its designee, and may, at any time and from time to time, be changed by agreement between the Depository and the Company, but, in the case of ADS fees and charges payable by Holders and Beneficial Owners, only in the manner contemplated in Section 6.1. The Depository shall provide, without charge, a copy of its latest fee schedule to anyone upon request.

ADS fees and charges payable upon (i) deposit of Shares against issuance of ADSs and (ii) surrender of ADSs for cancellation and withdrawal of Deposited Property will be payable by the person to whom the ADSs so issued are delivered by the Depository (in the case of ADS issuances) and by the person who delivers the ADSs for cancellation to the Depository (in the case of ADS cancellations). In the case of ADSs issued by the Depository into DTC or presented to the Depository via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC Participant(s) receiving the ADSs from the Depository or the DTC Participant(s) surrendering the ADSs to the Depository for cancellation, as the case may be, on behalf of the Beneficial Owner(s) and will be charged by the DTC Participant(s) to the account(s) of the applicable Beneficial Owner(s) in accordance with the procedures and practices of the DTC participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by Holders as of the applicable ADS Record Date established by the Depository. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable Holders as of the ADS Record Date established by the Depository will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to Holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC Participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC Participants in turn charge the amount of such ADS fees and charges to the Beneficial Owners for whom they hold ADSs.

The Depositary may reimburse the Company for certain expenses incurred by the Company in respect of the ADR program established pursuant to the Deposit Agreement, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as the Company and the Depositary agree from time to time. The Company shall pay to the Depositary such fees and charges, and reimburse the Depositary for such out-of-pocket expenses, as the Depositary and the Company may agree from time to time. Responsibility for payment of such fees, charges and reimbursements may from time to time be changed by agreement between the Company and the Depositary. Unless otherwise agreed, the Depositary shall present its statement for such fees, charges and reimbursements to the Company once every three months. The charges and expenses of the Custodian are for the sole account of the Depositary.

The obligations of Holders and Beneficial Owners to pay ADS fees and charges shall survive the termination of the Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in [Section 5.4](#), the right to collect ADS fees and charges shall extend for those ADS fees and charges incurred prior to the effectiveness of such resignation or removal.

Section 5.10 Pre-Release Transactions. Subject to the further terms and provisions of this [Section 5.10](#), the Depositary, its Affiliates and their agents, on their own behalf, may own and deal in any class of securities of the Company and its Affiliates and in ADSs. In its capacity as Depositary, the Depositary shall not lend Shares or ADSs and shall not permit the Custodian to lend Shares in its capacity as Custodian; *provided, however*, that the Depositary may (i) issue ADSs prior to the receipt of Shares pursuant to [Section 2.3](#) and (ii) deliver Shares prior to the receipt of ADSs for withdrawal of Deposited Securities pursuant to [Section 2.7](#), including ADSs which were issued under (i) above but for which Shares may not have been received (each such transaction a “**Pre-Release Transaction**”). The Depositary may receive ADSs in lieu of Shares under (i) above and receive Shares in lieu of ADSs under (ii) above. Each such Pre-Release Transaction will be (a) subject to a written agreement whereby the person or entity (the “**Applicant**”) to whom ADSs or Shares are to be delivered (w) represents that at the time of the Pre-Release Transaction the Applicant or its customer owns the Shares or ADSs that are to be delivered by the Applicant under such Pre-Release Transaction, (x) agrees to indicate the Depositary as owner of such Shares or ADSs in its records and to hold such Shares or ADSs in trust for the Depositary until such Shares or ADSs are delivered to the Depositary or the Custodian, (y) unconditionally guarantees to deliver to the Depositary or the Custodian, as applicable, such Shares or ADSs, and (z) agrees to any additional restrictions or requirements that the Depositary deems appropriate, (b) at all times fully collateralized with cash, U.S. government securities or such other collateral as the Depositary deems appropriate, (c) terminable by the Depositary on not more than five (5) business days’ notice and (d) subject to such further indemnities and credit regulations as the Depositary deems appropriate. The Depositary will normally limit the number of ADSs and Shares involved in such Pre-Release Transactions at any one time to thirty percent (30%) of the ADSs outstanding (without giving effect to ADSs outstanding under (i) above), *provided, however*, that the Depositary reserves the right to change or disregard such limit from time to time as it deems appropriate.

The Depositary may also set limits with respect to the number of ADSs and Shares involved in Pre-Release Transactions with any one person on a case-by-case basis as it deems appropriate. The Depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided pursuant to (b) above, but not the earnings thereon, shall be held for the benefit of the Holders (other than the Applicant).

Section 5.11 Restricted Securities Owners. The Company agrees to advise in writing each of the persons or entities who, to the knowledge of the Company, holds Restricted Securities that such Restricted Securities are ineligible for deposit hereunder (except under the circumstances contemplated in Section 2.14) and, to the extent practicable, shall require each of such persons to represent in writing that such person will not deposit Restricted Securities hereunder (except under the circumstances contemplated in Section 2.14).

ARTICLE VI AMENDMENT AND TERMINATION

Section 6.1 Amendment/Supplement. Subject to the terms and conditions of this Section 6.1 and applicable law, the ADRs outstanding at any time, the provisions of the Deposit Agreement and the form of ADR attached hereto and to be issued under the terms hereof may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depository in any respect which they may deem necessary or desirable without the prior written consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding ADSs until the expiration of thirty (30) days after notice of such amendment or supplement shall have been given to the Holders of outstanding ADSs. Notice of any amendment to the Deposit Agreement or any ADR shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, *provided, however*, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (*i.e.*, upon retrieval from the Commission's, the Depository's or the Company's website or upon request from the Depository). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depository) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act or (b) the ADSs to be settled solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADSs, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement and the ADR, if applicable, as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such ADS and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require an amendment of, or supplement to, the Deposit Agreement to ensure compliance therewith, the Company and the Depository may amend or supplement the Deposit Agreement and any ADRs at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement and any ADRs in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

Section 6.2 Termination. The Depositary shall, at any time at the written direction of the Company, terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. If ninety (90) days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and, in either case, a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 of the Deposit Agreement, the Depositary may terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. The date so fixed for termination of the Deposit Agreement in any termination notice so distributed by the Depositary to the Holders of ADSs is referred to as the “**Termination Date**”. Until the Termination Date, the Depositary shall continue to perform all of its obligations under the Deposit Agreement, and the Holders and Beneficial Owners will be entitled to all of their rights under the Deposit Agreement.

If any ADSs shall remain outstanding after the Termination Date, the Registrar and the Depositary shall not, after the Termination Date, have any obligation to perform any further acts under the Deposit Agreement, except that the Depositary shall, subject, in each case, to the terms and conditions of the Deposit Agreement, continue to (i) collect dividends and other distributions pertaining to Deposited Securities, (ii) sell Deposited Property received in respect of Deposited Securities, (iii) deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any other Deposited Property, in exchange for ADSs surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (iv) take such actions as may be required under applicable law in connection with its role as Depositary under the Deposit Agreement.

At any time after the Termination Date, the Depositary may sell the Deposited Property then held under the Deposit Agreement and shall after such sale hold un-invested the net proceeds of such sale, together with any other cash then held by it under the Deposit Agreement, in an un-segregated account and without liability for interest, for the pro-rata benefit of the Holders whose ADSs have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under the Deposit Agreement except (i) to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), (ii) as may be required at law in connection with the termination of the Deposit Agreement and (iii) for its obligations under Sections 5.8 and 7.6 of the Deposit Agreement. After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement, except for its obligations to the Depositary under Sections 5.8, 5.9 and 7.6 of the Deposit Agreement. The obligations under the terms of the Deposit Agreement of Holders and Beneficial Owners of ADSs outstanding as of the Termination Date shall survive the Termination Date and shall be discharged only when the applicable ADSs are presented by their Holders to the Depositary for cancellation under the terms of the Deposit Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.1 Counterparts. The Deposit Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of such counterparts together shall constitute one and the same agreement. Copies of the Deposit Agreement shall be maintained with the Depository and shall be open to inspection by any Holder during business hours.

Section 7.2 No Third-Party Beneficiaries. The Deposit Agreement is for the exclusive benefit of the parties hereto (and their successors) and shall not be deemed to give any legal or equitable right, remedy or claim whatsoever to any other person, except to the extent specifically set forth in the Deposit Agreement. Nothing in the Deposit Agreement shall be deemed to give rise to a partnership or joint venture among the parties nor establish a fiduciary or similar relationship among the parties. The parties hereto acknowledge and agree that (i) the Depository and its Affiliates may at any time have multiple banking relationships with the Company and its Affiliates, (ii) the Depository and its Affiliates may be engaged at any time in transactions in which parties adverse to the Company or the Holders or Beneficial Owners may have interests and (iii) nothing contained in the Deposit Agreement shall (a) preclude the Depository or any of its Affiliates from engaging in such transactions or establishing or maintaining such relationships, and (b) obligate the Depository or any of its Affiliates to disclose such transactions or relationships or to account for any profit made or payment received in such transactions or relationships.

Section 7.3 Severability. In case any one or more of the provisions contained in the Deposit Agreement or in the ADRs should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

Section 7.4 Holders and Beneficial Owners as Parties; Binding Effect. The Holders and Beneficial Owners from time to time of ADSs issued hereunder shall be parties to the Deposit Agreement and shall be bound by all of the terms and conditions hereof and of any ADR evidencing their ADSs by acceptance thereof or any beneficial interest therein.

Section 7.5 Notices. Any and all notices to be given to the Company shall be deemed to have been duly given if personally delivered or sent by mail, air courier or facsimile transmission, confirmed by letter personally delivered or sent by mail or air courier, addressed to Woodside Petroleum Ltd., 240 St Georges Terrace, Perth WA 6000, Australia, Attention: General Counsel and Company Secretary, or to any other address which the Company may specify in writing to the Depository.

Any and all notices to be given to the Depository shall be deemed to have been duly given if personally delivered or sent by mail, air courier or facsimile transmission, confirmed by letter personally delivered or sent by mail or air courier, addressed to Citibank, N.A., 388 Greenwich Street, New York, New York 10013, U.S.A., Attention: Depository Receipts Department, or to any other address which the Depository may specify in writing to the Company.

Any and all notices to be given to any Holder shall be deemed to have been duly given if (a) personally delivered or sent by mail or facsimile transmission, confirmed by letter, addressed to such Holder at the address of such Holder as it appears on the books of the Depositary or, if such Holder shall have filed with the Depositary a request that notices intended for such Holder be mailed to some other address, at the address specified in such request, or (b) if a Holder shall have designated such means of notification as an acceptable means of notification under the terms of the Deposit Agreement, by means of electronic messaging addressed for delivery to the e-mail address designated by the Holder for such purpose. Notice to Holders shall be deemed to be notice to Beneficial Owners for all purposes of the Deposit Agreement. Failure to notify a Holder or any defect in the notification to a Holder shall not affect the sufficiency of notification to other Holders or to the Beneficial Owners of ADSs held by such other Holders.

Delivery of a notice sent by mail, air courier or cable, telex or facsimile transmission shall be deemed to be effective at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a cable, telex or facsimile transmission) is deposited, postage prepaid, in a post-office letter box or delivered to an air courier service, without regard for the actual receipt or time of actual receipt thereof by a Holder. The Depositary or the Company may, however, act upon any cable, telex or facsimile transmission received by it from any Holder, the Custodian, the Depositary, or the Company, notwithstanding that such cable, telex or facsimile transmission shall not be subsequently confirmed by letter.

Delivery of a notice by means of electronic messaging shall be deemed to be effective at the time of the initiation of the transmission by the sender (as shown on the sender's records), notwithstanding that the intended recipient retrieves the message at a later date, fails to retrieve such message, or fails to receive such notice on account of its failure to maintain the designated e-mail address, its failure to designate a substitute e-mail address or for any other reason.

Section 7.6 Governing Law and Jurisdiction. The Deposit Agreement and the ADRs shall be interpreted in accordance with, and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, the laws of the State of New York. Notwithstanding anything contained in the Deposit Agreement, any ADR or any present or future provisions of the laws of the State of New York, the rights of holders of Shares and of any other Deposited Securities and the obligations and duties of the Company in respect of the holders of Shares and other Deposited Securities, as such, shall be governed by the laws of Australia (or, if applicable, such other laws as may govern the Deposited Securities).

Except as set forth in the following paragraph of this Section 7.6, the Company and the Depositary agree that the federal or state courts in the City of New York shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute between them that may arise out of or in connection with the Deposit Agreement and, for such purposes, each irrevocably submits to the non-exclusive jurisdiction of such courts. The Company hereby irrevocably designates, appoints and empowers CT Corporation (the "**Agent**") now at 111 Eighth Avenue, 13th Floor, New York, New York 10011, as its authorized agent to receive and accept for and on its behalf, and on behalf of its properties, assets and revenues, service by mail of any and all legal process, summons, notices and documents that may be served in any suit, action or proceeding brought against the Company in any federal or state court as described in the preceding sentence or in the next paragraph of this Section 7.6. If for any reason the Agent shall cease to be available to act as such, the Company agrees to designate a new agent in New York on the terms and for the purposes of this Section 7.6 reasonably satisfactory to the Depositary. The Company further hereby irrevocably consents and agrees to the service of any and all legal process, summons, notices and documents in any suit, action or proceeding against the Company, by service by mail of a copy thereof upon the Agent (whether or not the appointment of such Agent shall for any reason prove to be ineffective or such Agent shall fail to accept or acknowledge such service), with a copy mailed to the Company by registered or certified air mail, postage prepaid, to its address provided in Section 7.5. The Company agrees that the failure of the Agent to give any notice of such service to it shall not impair or affect in any way the validity of such service or any judgment rendered in any action or proceeding based thereon.

Notwithstanding the foregoing, the Depository and the Company unconditionally agree that in the event that a Holder or Beneficial Owner brings a suit, action or proceeding against (a) the Company, (b) the Depository in its capacity as Depository under the Deposit Agreement or (c) against both the Company and the Depository, in any such case, in any state or federal court of the United States, and the Depository or the Company have any claim, for indemnification or otherwise, against each other arising out of the subject matter of such suit, action or proceeding, then the Company and the Depository may pursue such claim against each other in the state or federal court in the United States in which such suit, action, or proceeding is pending and, for such purposes, the Company and the Depository irrevocably submit to the non-exclusive jurisdiction of such courts. The Company agrees that service of process upon the Agent in the manner set forth in the preceding paragraph shall be effective service upon it for any suit, action or proceeding brought against it as described in this paragraph.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any actions, suits or proceedings brought in any court as provided in this [Section 7.6](#), and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, and agrees not to plead or claim, any right of immunity from legal action, suit or proceeding, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, from execution of judgment, or from any other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, and consents to such relief and enforcement against it, its assets and its revenues in any jurisdiction, in each case with respect to any matter arising out of, or in connection with, the Deposit Agreement, any ADR or the Deposited Property.

No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement. The provisions of this [Section 7.6](#) shall survive any termination of the Deposit Agreement, in whole or in part.

Section 7.7 Assignment. Subject to the provisions of [Section 5.4](#), the Deposit Agreement may not be assigned by either the Company or the Depository.

Section 7.8 Compliance with U.S. Securities Laws. Notwithstanding anything in the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depository except as would be permitted by Instruction I.A.(1) of the General Instructions to Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

Section 7.9 Australian Law References. Any summary of Australian laws and regulations and of the terms of the Company's Constitution set forth in the Deposit Agreement have been provided by the Company solely for the convenience of Holders, Beneficial Owners and the Depositary. While such summaries are believed by the Company to be accurate as of the date of the Deposit Agreement, (i) they are summaries and as such may not include all aspects of the materials summarized applicable to a Holder or Beneficial Owner, and (ii) these laws and regulations and the Company's Constitution may change after the date of the Deposit Agreement. Neither the Depositary nor the Company has any obligation under the terms of the Deposit Agreement to update any such summaries.

Section 7.10 Titles and References.

(a) **Deposit Agreement.** All references in the Deposit Agreement to exhibits, articles, sections, subsections, and other subdivisions refer to the exhibits, articles, sections, subsections and other subdivisions of the Deposit Agreement unless expressly provided otherwise. The words "the Deposit Agreement", "herein", "hereof", "hereby", "hereunder", and words of similar import refer to the Deposit Agreement as a whole as in effect at the relevant time between the Company, the Depositary and the Holders and Beneficial Owners of ADSs and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa unless the context otherwise requires. Titles to sections of the Deposit Agreement are included for convenience only and shall be disregarded in construing the language contained in the Deposit Agreement. References to "applicable laws and regulations" shall refer to laws and regulations applicable to ADRs, ADSs or Deposited Property as in effect at the relevant time of determination, unless otherwise required by law or regulation.

(b) **ADRs.** All references in any ADR(s) to paragraphs, exhibits, articles, sections, subsections, and other subdivisions refer to the paragraphs, exhibits, articles, sections, subsections and other subdivisions of the ADR(s) in question unless expressly provided otherwise. The words "the Receipt", "the ADR", "herein", "hereof", "hereby", "hereunder", and words of similar import used in any ADR refer to the ADR as a whole and as in effect at the relevant time, and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender in any ADR shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa unless the context otherwise requires. Titles to paragraphs of any ADR are included for convenience only and shall be disregarded in construing the language contained in the ADR. References to "applicable laws and regulations" shall refer to laws and regulations applicable to ADRs, ADSs or Deposited Property as in effect at the relevant time of determination, unless otherwise required by law or regulation.

Section 7.11 Amendment and Restatement. The Depositary shall arrange to have new ADRs printed that reflect the form of ADR attached to the Deposit Agreement. All ADRs issued hereunder after the date hereof, whether upon the deposit of Shares or other Deposited Securities or upon the transfer, combination or split-up of existing ADRs, shall be substantially in the form of the specimen ADR attached as Exhibit A hereto. However, American depositary receipts issued prior to the date hereof under the terms of the Original Deposit Agreement and outstanding as of the date hereof, which do not reflect the form of ADR attached hereto as Exhibit A, do not need to be called in for exchange and may remain outstanding until such time as the Holders thereof choose to surrender them for any reason under the Deposit Agreement. The Depositary is authorized and directed to take any and all actions deemed necessary to effect the foregoing.

The Company hereby instructs the Depository to (i) promptly send notice of the execution of the Deposit Agreement to all holders of American depositary shares outstanding under the Original Deposit Agreement as of the date hereof and (ii) inform holders of American depositary shares issued as “certificated American depositary shares” and outstanding under the Original Deposit Agreement as of the date hereof that they have the opportunity, but are not required, to exchange their American depositary receipts for one or more ADR(s) issued pursuant to the Deposit Agreement.

Owners and holders of American depositary shares issued pursuant to the Original Deposit Agreement and outstanding as of the date hereof, shall, from and after the date hereof, be deemed Holders and Beneficial Owners of ADSs issued pursuant and be subject to all of the terms and conditions of the Deposit Agreement in all respects, *provided, however*, that any term of the Deposit Agreement that prejudices any substantial existing right of holders or beneficial owners of American depositary shares issued under the Original Deposit Agreement shall not become effective as to Holders and Beneficial Owners until thirty (30) days after notice of the amendments effectuated by the Deposit Agreement shall have been given to holders of ADSs outstanding as of the date hereof.

[signature page follows]

IN WITNESS WHEREOF, WOODSIDE PETROLEUM LTD. and CITIBANK, N.A. have duly executed the Deposit Agreement as of the day and year first above set forth and all Holders and Beneficial Owners shall become parties hereto upon acceptance by them of ADSs issued in accordance with the terms hereof, or upon acquisition of any beneficial interest therein.

WOODSIDE PETROLEUM LTD.

By: /s/ Lawrence Tremaine
Name: Lawrence Tremaine
Title: CFO & EVP Finance & Commercial

CITIBANK, N.A.

By: /s/ Kieth Galfo
Name: Kieth Galfo
Title: Vice President
:

EXHIBIT A
[FORM OF ADR]

Number _____

CUSIP NUMBER: _____

American Depositary Shares (each
American Depositary Share
representing the right to receive
one (1) fully paid ordinary share)

AMERICAN DEPOSITARY RECEIPT
FOR
AMERICAN DEPOSITARY SHARES
representing
DEPOSITED ORDINARY SHARES
of
WOODSIDE PETROLEUM LTD.
(Incorporated under the laws of the Commonwealth of Australia)

CITIBANK, N.A., a national banking association organized and existing under the laws of the United States of America, as depositary (the "**Depositary**"), hereby certifies that _____ is the owner of _____ American Depositary Shares (hereinafter "**ADS**") representing deposited ordinary shares, including evidence of rights to receive such ordinary shares (the "**Shares**"), of _____, a corporation incorporated under the laws of the Commonwealth of Australia (the "**Company**"). As of the date of the Deposit Agreement (as hereinafter defined), each ADS represents the right to receive one (1) Share deposited under the Deposit Agreement with the Custodian, which at the date of execution of the Deposit Agreement is Citicorp Nominees Pty Limited (the "**Custodian**"). The ADS(s)-to-Share(s) ratio is subject to amendment as provided in Articles IV and VI of the Deposit Agreement. The Depositary's Principal Office is located at 388 Greenwich Street, New York, New York 10013, U.S.A.

(1) The Deposit Agreement. This American Depositary Receipt is one of an issue of American Depositary Receipts ("**ADRs**"), all issued and to be issued upon the terms and conditions set forth in the Amended and Restated Deposit Agreement, dated as of February 11, 2015 (as amended and supplemented from time to time, the "**Deposit Agreement**"), by and among the Company, the Depositary, and all Holders and Beneficial Owners from time to time of ADSs issued thereunder. The Deposit Agreement sets forth the rights and obligations of Holders and Beneficial Owners of ADSs and the rights and duties of the Depositary in respect of the Shares deposited thereunder and any and all Deposited Property from time to time received and held in deposit in respect of the ADSs. Copies of the Deposit Agreement are on file at the Principal Office of the Depositary and with the Custodian. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement, or by continuing to hold, from and after the date hereof any American depositary shares issued and outstanding under the Original Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and the applicable ADR(s), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may reasonably deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

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The statements made on the face and reverse of this ADR are summaries of certain provisions of the Deposit Agreement and the Constitution of the Company (as in effect on the date of the signing of the Deposit Agreement) and are qualified by and subject to the detailed provisions of the Deposit Agreement and the Constitution of the Company, to which reference is hereby made. All capitalized terms not defined herein shall have the meanings ascribed thereto in the Deposit Agreement. The Depository makes no representation or warranty as to the validity or worth of the Deposited Property. The Depository has made arrangements for the acceptance of the ADSs into DTC. Each Beneficial Owner of ADSs held through DTC must rely on the procedures of DTC and the DTC Participants to exercise and be entitled to any rights attributable to such ADSs. The Depository may issue Uncertificated ADSs subject, however, to the terms and conditions of Section 2.13 of the Deposit Agreement.

(2) Surrender of ADSs and Withdrawal of Deposited Securities. The Holder of this ADR (and of the ADSs evidenced hereby) shall be entitled to Delivery (at the Custodian's designated office) of the Deposited Securities at the time represented by the ADSs evidenced hereby upon satisfaction of each of the following conditions: (i) the Holder (or a duly-authorized attorney of the Holder) has duly Delivered the ADSs to the Depository at its Principal Office (and, if applicable, this ADR evidencing such ADSs) for the purpose of withdrawal of the Deposited Securities represented thereby, (ii) if applicable and so required by the Depository, this ADR Delivered to the Depository for such purpose has been properly endorsed in blank or is accompanied by proper instruments of transfer in blank (including signature guarantees in accordance with standard securities industry practice), (iii) if so required by the Depository, the Holder of the ADSs has executed and delivered to the Depository a written order directing the Depository to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of the person(s) designated in such order, and (iv) all applicable fees and charges of, and expenses incurred by, the Depository and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR evidencing the surrendered ADSs, of the Deposit Agreement, of the Company's Constitution and of any applicable laws and the rules of CHESSE, and to any provisions of or governing the Deposited Securities, in each case as in effect at the time thereof. Nothing herein shall prohibit any Pre-Release Transaction upon the terms set forth in the Deposit Agreement.

Upon satisfaction of each of the conditions specified above, the Depository (i) shall cancel the ADSs Delivered to it (and, if applicable, this ADR evidencing the ADSs so Delivered), (ii) shall direct the Registrar to record the cancellation of the ADSs so Delivered on the books maintained for such purpose, and (iii) shall direct the Custodian to Deliver, or cause the Delivery of, in each case, without unreasonable delay, the Deposited Securities represented by the ADSs so cancelled together with any certificate or other document of title for the Deposited Securities, or evidence of the electronic transfer thereof (if available), as the case may be, to or upon the written order of the person(s) designated in the order delivered to the Depository for such purpose, *subject however, in each case,* to the terms and conditions of the Deposit Agreement, of this ADR evidencing the ADS so cancelled, of the Constitution of the Company, of any applicable laws and of the rules of CHESSE, and to the terms and conditions of or governing the Deposited Securities, in each case as in effect at the time thereof.

The Depositary shall not accept for surrender ADSs representing less than one (1) Share. In the case of Delivery to it of ADSs representing a number other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) return to the person surrendering such ADSs the number of ADSs representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Share represented by the ADSs so surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes withheld) to the person surrendering the ADSs. Notwithstanding anything else contained in this ADR or the Deposit Agreement, the Depositary may make delivery at the Principal Office of the Depositary of Deposited Property consisting of (i) any cash dividends or cash distributions, or (ii) any proceeds from the sale of any non-cash distributions, which are at the time held by the Depositary in respect of the Deposited Securities represented by the ADSs surrendered for cancellation and withdrawal. At the request, risk and expense of any Holder so surrendering ADSs represented by this ADR, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any Deposited Property (other than Deposited Securities) held by the Custodian in respect of such ADSs to the Depositary for delivery at the Principal Office of the Depositary. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

(3) Transfer, Combination and Split-up of ADRs. The Registrar shall, as soon as reasonably practicable, register the transfer of this ADR (and of the ADSs represented hereby) on the books maintained for such purpose and the Depositary shall (x) cancel this ADR and execute new ADRs evidencing the same aggregate number of ADSs as those evidenced by this ADR cancelled by the Depositary, (y) cause the Registrar to countersign such new ADRs, and (z) Deliver such new ADRs to or upon the order of the person entitled thereto, if each of the following conditions has been satisfied: (i) this ADR has been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a transfer thereof, (ii) this surrendered ADR has been properly endorsed or is accompanied by proper instruments of transfer (including signature guarantees in accordance with standard securities industry practice), (iii) this surrendered ADR has been duly stamped (if required by the laws of the State of New York or of the United States), and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

The Registrar shall, as soon as reasonably practicable, register the split-up or combination of this ADR (and of the ADSs represented hereby) on the books maintained for such purpose and the Depositary shall (x) cancel this ADR and execute new ADRs for the number of ADSs requested, but in the aggregate not exceeding the number of ADSs evidenced by this ADR cancelled by the Depositary, (y) cause the Registrar to countersign such new ADRs, and (z) Deliver such new ADRs to or upon the order of the Holder thereof, if each of the following conditions has been satisfied: (i) this ADR has been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a split-up or combination hereof, and (ii) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

The Depositary may appoint one or more co-transfer agents for the purpose of effecting transfers, combinations and split-ups of ADRs at designated transfer offices on behalf of the Depositary. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by Holders or persons entitled to such ADRs and will be entitled to protection and indemnity to the same extent as the Depositary. Such co-transfer agents may be removed and substitutes appointed by the Depositary. Each co-transfer agent appointed under Section 2.6 of the Deposit Agreement (other than the Depositary) shall give notice in writing to the Depositary and the Company accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

(4) Pre-Conditions to Registration, Transfer, Etc. As a condition precedent to the execution and delivery, the registration of issuance, transfer, split-up, combination or surrender, of any ADS, the delivery of any distribution thereon, or the withdrawal of any Deposited Property, the Depositary, the Company or the Custodian may require (i) payment from the depositor of Shares or presenter of ADSs or of this ADR of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 and Exhibit B to the Deposit Agreement and in this ADR, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1 of the Deposit Agreement, and (iii) compliance with (A) any laws or governmental regulations relating to the execution and delivery of this ADR or ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations as the Depositary and the Company may establish consistent with the provisions of this ADR, if applicable, the Deposit Agreement and applicable law.

The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the deposit of particular Shares may be refused, or the registration of transfers of ADSs in particular instances may be refused, or the registration of transfer of ADSs generally may be suspended, during any period when the transfer books of the Company, the Depositary, a Registrar or the Share Registrar are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law or regulation, any government or governmental body or commission or any securities exchange on which the ADSs or Shares are listed, or under any provision of the Deposit Agreement or this ADR, or under any provision of, or governing, the Deposited Securities, or because of a meeting of shareholders of the Company or for any other reason, subject, in all cases to paragraph (25) of this ADR and Section 7.8 of the Deposit Agreement. Notwithstanding any provision of the Deposit Agreement or this ADR to the contrary, Holders are entitled to surrender outstanding ADSs to withdraw the Deposited Securities associated therewith at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the ADSs or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Instruction I.A.(1) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time).

(5) Compliance With Information Requests. Notwithstanding any other provision of the Deposit Agreement or this ADR, each Holder and Beneficial Owner of the ADSs represented hereby agrees to comply with requests from the Company pursuant to applicable law, the rules and requirements of the Australian Securities Exchange, and any other stock exchange on which the Shares or ADSs are, or will be, registered, traded or listed, or the Constitution of the Company, which are made to provide information, *inter alia*, as to the capacity in which such Holder or Beneficial Owner owns ADSs (and Shares, as the case may be) and regarding the identity of any other person(s) interested in such ADSs and the nature of such interest and various other matters, whether or not they are Holders and/or Beneficial Owners at the time of such request. The Depositary agrees to forward, upon the request of the Company and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

(6) Ownership Restrictions. Notwithstanding any provision of this ADR or of the Deposit Agreement, the Company may restrict transfers of the Shares where such transfer might result in ownership of Shares exceeding limits imposed by applicable law or the Constitution of the Company. The Company may also restrict, in such manner as it deems appropriate, transfers of the ADSs where such transfer may result in the total number of Shares represented by the ADSs owned by a single Holder or Beneficial Owner to exceed any such limits. The Company may, in its sole discretion but subject to applicable law, instruct the Depositary to take action with respect to the ownership interest of any Holder or Beneficial Owner in excess of the limits set forth in the preceding sentence, including but not limited to, the imposition of restrictions on the transfer of ADSs, the removal or limitation of voting rights or mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADSs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Constitution of the Company. Nothing herein or in the Deposit Agreement shall be interpreted as obligating the Depositary or the Company to ensure compliance with the ownership restrictions described herein or in Section 3.5 of the Deposit Agreement.

(7) Reporting Obligations and Regulatory Approvals. Applicable laws and regulations may require holders and beneficial owners of Shares, including the Holders and Beneficial Owners of ADSs, to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Holders and Beneficial Owners of ADSs are solely responsible for determining and complying with such reporting requirements, and for obtaining such approvals. Each Holder and each Beneficial Owner hereby agrees to make such determination, file such reports, and obtain such approvals to the extent and in the form required by applicable laws and regulations as in effect from time to time. Neither the Depositary, the Custodian, the Company or any of their respective agents or affiliates shall be required to take any actions whatsoever on behalf of Holders or Beneficial Owners to determine and satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

(8) Liability for Taxes and Other Charges. Any tax or other governmental charge payable by the Custodian or by the Depository with respect to any Deposited Property, ADSs or this ADR shall be payable by the Holders and Beneficial Owners to the Depository. The Company, the Custodian and/or the Depository may withhold or deduct from any distributions made in respect of Deposited Property, and may sell for the account of a Holder and/or Beneficial Owner any or all of the Deposited Property and apply such distributions and sale proceeds in payment of, any taxes (including applicable interest and penalties) or charges that are or may be payable by Holders or Beneficial Owners in respect of the ADSs, Deposited Property and this ADR, the Holder and the Beneficial Owner hereof remaining liable for any deficiency. The Custodian may refuse the deposit of Shares and the Depository may refuse to issue ADSs, to deliver ADRs, register the transfer of ADSs, register the split-up or combination of ADRs and (subject to paragraph (25) of this ADR and Section 7.8 of the Deposit Agreement) the withdrawal of Deposited Property until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depository, the Company, the Custodian, and any of their agents, officers, employees and Affiliates for, and hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any tax benefit obtained for such Holder and/or Beneficial Owner.

(9) Representations and Warranties of Depositors. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly issued, fully paid, non-assessable and legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been validly waived or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, (v) the Shares presented for deposit are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated in Section 2.14 of the Deposit Agreement), and (vi) the Shares presented for deposit have not been stripped of any rights or entitlements. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of ADSs in respect thereof and the transfer of such ADSs. If any such representations or warranties are false in any way, the Company and the Depository shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

(10) Proofs, Certificates and Other Information. Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depository and the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges, exchange control approval, legal or beneficial ownership of ADSs and Deposited Property, compliance with applicable laws, the terms of the Deposit Agreement or this ADR evidencing the ADSs and the provisions of, or governing, the Deposited Property, to execute such certifications and to make such representations and warranties, and to provide such other information and documentation (or, in the case of Shares in registered form presented for deposit, such information relating to the registration on the books of the Company or of the Shares Registrar) as the Depository or the Custodian may deem necessary or proper or as the Company may reasonably require by written request to the Depository consistent with its obligations under the Deposit Agreement and the applicable ADR(s). The Depository and the Registrar, as applicable, may withhold the execution or delivery or registration of transfer of any ADR or ADS or the distribution or sale of any dividend or sale or distribution of rights or of the proceeds thereof or, to the extent not limited by paragraph (25) of this ADR and the terms of Section 7.8 of the Deposit Agreement, the delivery of any Deposited Property until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information provided, in each case to the Depository's, the Registrar's and the Company's satisfaction. The Depository shall provide the Company, in a timely manner, with copies or originals if necessary and appropriate of (i) any such proofs of citizenship or residence, taxpayer status, or exchange control approval or copies of written representations and warranties which it receives from Holders and Beneficial Owners, and (ii) any other information or documents which the Company may reasonably request and which the Depository shall request and receive from any Holder or Beneficial Owner or any person presenting Shares for deposit or ADSs for cancellation, transfer or withdrawal. Nothing herein shall obligate the Depository to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners, or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

(11) ADS Fees and Charges. The following ADS fees are payable under the terms of the Deposit Agreement:

(i) ADS Issuance Fee: by any person depositing Shares or to whom ADSs are issued upon the deposit of Shares (excluding issuances as a result of distributions described in paragraph (iv) below), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) so issued under the terms of the Deposit Agreement;

(ii) ADS Cancellation Fee: by any person surrendering ADSs for cancellation and withdrawal of Deposited Property or by any person to whom Deposited Property is delivered, a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) surrendered;

(iii) Cash Distribution Fee: by any Holder of ADSs, a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held for the distribution of cash dividends or other cash distributions (*i.e.*, sale of rights and other entitlements);

(iv) Stock Distribution /Rights Exercise Fee: by any Holder of ADS(s), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held for (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional ADSs;

(v) Other Distribution Fee: by any Holder of ADS(s), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held for the distribution of securities other than ADSs or rights to purchase additional ADSs (*i.e.*, spin-off shares); and

(vi) Depository Services Fee: by any Holder of ADS(s), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held on the applicable Record Date(s) established by the Depository.

The Company, Holders, Beneficial Owners, persons depositing Shares and persons surrendering ADSs for cancellation and for the purpose of withdrawing Deposited Securities shall be responsible for the following ADS charges under the terms of the Deposit Agreement:

- (a) taxes (including applicable interest and penalties) and other governmental charges;
- (b) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities on the share register and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depository or any nominees upon the making of deposits and withdrawals, respectively;
- (c) such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the person depositing Shares or withdrawing Deposited Securities or of the Holders and Beneficial Owners of ADSs;
- (d) the expenses and charges incurred by the Depository in the conversion of foreign currency;
- (e) such fees and expenses as are incurred by the Depository in connection with compliance with exchange control regulations and other regulatory requirements applicable to Shares, Deposited Securities, ADSs and ADRs; and
- (f) the fees and expenses incurred by the Depository, the Custodian, or any nominee in connection with the servicing or delivery of Deposited Property.

All ADS fees and charges may, at any time and from time to time, be changed by agreement between the Depository and Company but, in the case of ADS fees and charges payable by Holders or Beneficial Owners, only in the manner contemplated by paragraph (23) of this ADR and as contemplated in Section 6.1 of the Deposit Agreement. The Depository will provide, without charge, a copy of its latest fee schedule to anyone upon request.

ADS fees and charges payable upon (i) deposit of Shares against issuance of ADSs and (ii) surrender of ADSs for cancellation and withdrawal of Deposited Property will be payable by the person to whom the ADSs so issued are delivered by the Depository (in the case of ADS issuances) and by the person who delivers the ADSs for cancellation to the Depository (in the case of ADS cancellations). In the case of ADSs issued by the Depository into DTC or presented to the Depository via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC Participant(s) receiving the ADSs from the Depository or the DTC Participant(s) surrendering the ADSs to the Depository for cancellation, as the case may be, on behalf of the Beneficial Owner(s) and will be charged by the DTC Participant(s) to the account(s) of the applicable Beneficial Owner(s) in accordance with the procedures and practices of the DTC participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by Holders as of the applicable ADS Record Date established by the Depository. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable Holders as of the ADS Record Date established by the Depository will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to Holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC and may be charged to the DTC Participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC Participants in turn charge the amount of such ADS fees and charges to the Beneficial Owners for whom they hold ADSs.

The Depositary may reimburse the Company for certain expenses incurred by the Company in respect of the ADR program established pursuant to the Deposit Agreement, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as the Company and the Depositary agree from time to time. The Company shall pay to the Depositary such fees and charges, and reimburse the Depositary for such out-of-pocket expenses, as the Depositary and the Company may agree from time to time. Responsibility for payment of such fees, charges and reimbursements may from time to time be changed by agreement between the Company and the Depositary. Unless otherwise agreed, the Depositary shall present its statement for such fees, charges and reimbursements to the Company once every three months. The charges and expenses of the Custodian are for the sole account of the Depositary.

The obligations of Holders and Beneficial Owners to pay the ADS fees and charges shall survive the termination of the Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in Section 5.4 of the Deposit Agreement, the right to collect ADS fees and charges shall extend for those ADS fees and charges incurred prior to the effectiveness of such resignation or removal.

(12) Title to ADRs. Subject to the limitations contained in the Deposit Agreement, and in this ADR, it is a condition of this ADR, and every successive Holder of this ADR by accepting or holding the same consents and agrees, that title to this ADR (and to each ADS evidenced hereby) shall be transferable upon the same terms as a certificated security under the laws of the State of New York, *provided* that, in the case of Certificated ADSs, this ADR has been properly endorsed or is accompanied by proper instruments of transfer. Notwithstanding any notice to the contrary, the Depositary and the Company may deem and treat the Holder of this ADR (that is, the person in whose name this ADR is registered on the books of the Depositary) as the absolute owner thereof for all purposes. Neither the Depositary nor the Company shall have any obligation nor be subject to any liability under the Deposit Agreement or this ADR to any holder of this ADR or any Beneficial Owner unless, in the case of a holder of ADSs, such holder is the Holder of this ADR registered on the books of the Depositary or, in the case of a Beneficial Owner, such Beneficial Owner, or the Beneficial Owner's representative, is the Holder registered on the books of the Depositary.

(13) Validity of ADR. The Holder(s) of this ADR (and the ADSs represented hereby) shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company unless this ADR has been (i) dated, (ii) signed by the manual or facsimile signature of a duly-authorized signatory of the Depositary, (iii) countersigned by the manual or facsimile signature of a duly-authorized signatory of the Registrar, and (iv) registered in the books maintained by the Registrar for the registration of issuances and transfers of ADRs. An ADR bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the delivery of such ADR by the Depositary.

(14) Available Information; Reports; Inspection of Transfer Books. The Company publishes the information contemplated in Rule 12g3-2(b)(2)(i) under the Exchange Act on its internet website or through an electronic information delivery system generally available to the public in the Company' s primary trading market. As of the date hereof the Company' s internet website is www.woodside.com. The information so published by the Company may not be in English, except that the Company is required, in order to maintain its exemption from the Exchange Act reporting obligations pursuant to Rule 12g3-2(b), to translate such information into English to the extent contemplated in the instructions to Rule 12g3-2(b). The information so published by the Company cannot be retrieved from the Commission' s internet website, and cannot be inspected or copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington, D.C. 20549.

The Depositary shall make available for inspection by Holders at its Principal Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Property and (b) made generally available to the holders of such Deposited Property by the Company. The Depositary shall also provide or make available to Holders copies of such reports when furnished by the Company pursuant to Section 5.6 of the Deposit Agreement.

The Registrar shall keep books for the registration of ADSs which at all reasonable times shall be open for inspection by the Company and by the Holders of such ADSs, *provided* that such inspection shall not be, to the Registrar' s knowledge, for the purpose of communicating with Holders of such ADSs in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the ADSs. Upon the reasonable request and at the expense of the Company, the Company shall have the right to examine and copy the transfer and registration records of the Company.

The Registrar may close the transfer books with respect to the ADSs, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to paragraph (25) and Section 7.8 of the Deposit Agreement.

Dated:
CITIBANK, N.A.
Transfer Agent and Registrar

CITIBANK, N.A.
as Depositary

By: _____
Authorized Signatory

By: _____
Authorized Signatory

The address of the Principal Office of the Depositary is 388 Greenwich Street, New York, New York 10013, U.S.A.

[FORM OF REVERSE OF ADR]
SUMMARY OF CERTAIN ADDITIONAL PROVISIONS
OF THE DEPOSIT AGREEMENT

(15) Dividends and Distributions in Cash, Shares, etc. Whenever the Company intends to make a distribution of a cash dividend or other cash distribution in respect of any Deposited Securities, the Company shall give notice thereof to the Depository, to the extent permissible under applicable laws and regulations, at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable for determining the holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice, the Depository shall establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement. Upon receipt of confirmation of the receipt of (x) any cash dividend or other cash distribution on any Deposited Securities, or (y) proceeds from the sale of any Deposited Property held in respect of the ADSs under the terms hereof, the Depository will (i) if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depository (pursuant to Section 4.8 of the Deposit Agreement), be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms described in Section 4.8 of the Deposit Agreement), (ii) if applicable and unless previously established, establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement, and (iii) make commercially reasonable efforts to distribute promptly the amount thus received (net of (a) the applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes withheld) to the Holders entitled thereto as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date. The Depository shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent, and any balance not so distributed shall be held by the Depository (without liability for interest thereon) and shall be added to and become part of the next sum received by the Depository for distribution to Holders of ADSs outstanding at the time of the next distribution. If the Company, the Custodian or the Depository is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities, or from any cash proceeds from the sales of Deposited Property, an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depository, as the case may be, to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depository upon request and evidence of payment thereof by the Depository or the Custodian shall be forwarded by the Depository to the Company upon request. The Depository will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable Holders and Beneficial Owners of ADSs until the distribution can be effected or the funds that the Depository holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. Notwithstanding anything contained in Section 4.1 of the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.1 of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in Section 4.1 of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Whenever the Company intends to make a distribution that consists of a dividend in, or free distribution of, Shares, the Company shall give notice thereof to the Depository, to the extent permissible under applicable laws and regulations, at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice from the Company, the Depository shall establish the ADS Record Date upon the terms described in [Section 4.9](#) of the Deposit Agreement. Upon receipt of confirmation from the Custodian of the receipt of the Shares so distributed by the Company, the Depository shall either (i) subject to [Section 5.9](#) of the Deposit Agreement, distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes), or (ii) if additional ADSs are not so distributed, take all actions necessary so that each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional integral number of Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes). In lieu of delivering fractional ADSs, the Depository shall sell the number of Shares or ADSs, as the case may be, represented by the aggregate of such fractions and distribute the net proceeds upon the terms described in [Section 4.1](#) of the Deposit Agreement. In the event that the Depository determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depository is obligated to withhold, or, if the Company in the fulfillment of its obligation under [Section 5.7](#) of the Deposit Agreement, has furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be distributed to Holders (and no such registration statement has been declared effective), the Depository may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depository deems necessary and practicable, and the Depository shall distribute the net proceeds of any such sale (after deduction of (a) taxes and (b) fees and charges of, and expenses incurred by, the Depository) to Holders entitled thereto upon the terms described in [Section 4.1](#) of the Deposit Agreement. The Depository shall hold and/or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement. Notwithstanding anything contained in [Section 4.2](#) of the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in [Section 4.2](#) of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in [Section 4.2](#) of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Whenever the Company intends to make a distribution payable at the election of the holders of Deposited Securities in cash or in additional Shares, the Company shall give notice thereof to the Depository, to the extent permissible under applicable laws and regulations, at least sixty (60) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time) specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such elective distribution and whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depository shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution be made available to Holders, (ii) the Depository shall have determined, upon consultation with the Company, that such distribution is reasonably practicable and (iii) the Depository shall have received reasonably satisfactory documentation within the terms of [Section 5.7](#) of the Deposit Agreement. If the above conditions are not satisfied, the Depository shall establish an ADS Record Date on the terms described in [Section 4.9](#) of the Deposit Agreement and, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in Australia in respect of the Shares for which no election is made, either (X) cash upon the terms described in [Section 4.1](#) of the Deposit Agreement or (Y) additional ADSs representing such additional Shares upon the terms described in [Section 4.2](#) of the Deposit Agreement. If the above conditions are satisfied, the Depository shall establish an ADS Record Date on the terms described in [Section 4.9](#) of the Deposit Agreement and establish procedures to enable Holders to elect the receipt of the proposed distribution in cash or in additional ADSs. The Company shall assist the Depository in establishing such procedures to the extent necessary. If a Holder elects to receive the proposed distribution (X) in cash, the distribution shall be made upon the terms described in [Section 4.1](#) of the Deposit Agreement, or (Y) in ADSs, the distribution shall be made upon the terms described in [Section 4.2](#) of the Deposit Agreement. Nothing herein shall obligate the Depository to make available to Holders a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares. Notwithstanding anything contained in [Section 4.3](#) of the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in [Section 4.3](#) of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in [Section 4.3](#) of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depository, to the extent permissible by applicable law or regulation, at least sixty (60) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution and whether or not it wishes such rights to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depository shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depository shall have received reasonably satisfactory documentation within the terms of [Section 5.7](#) of the Deposit Agreement, and (iii) the Depository shall have determined that such distribution of rights is reasonably practicable. In the event any of the conditions set forth above are not satisfied or if the Company requests that the rights not be made available to Holders of ADSs, the Depository shall proceed with the sale of the rights as contemplated in [Section 4.4\(b\)](#) of the Deposit Agreement. In the event all conditions set forth above are satisfied, the Depository shall establish an ADS Record Date (upon the terms described in [Section 4.9](#) of the Deposit Agreement) and establish procedures to (x) distribute rights to purchase additional ADSs (by means of warrants or otherwise), (y) to enable the Holders to exercise such rights (upon payment of the subscription price and of the applicable (a) fees and charges of, and expenses incurred by, the Depository and (b) taxes), and (z) to deliver ADSs upon the valid exercise of such rights. The Company shall assist the Depository to the extent necessary in establishing such procedures. Nothing herein shall obligate the Depository to make available to the Holders a method to exercise rights to subscribe for Shares (rather than ADSs).

If (i) the Company does not timely request the Depository to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depository fails to receive satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement or determines, upon consultation with the Company, it is not reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depository shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity, at such place and upon such terms (including public or private sale) as it may deem practicable. The Company shall assist the Depository to the extent necessary to determine such legality and practicability. The Depository shall, upon such sale, convert and distribute proceeds of such sale (net of applicable (a) fees and charges of, and expenses incurred by, the Depository and (b) taxes) upon the terms set forth in Section 4.1 of the Deposit Agreement.

If the Depository is unable to make any rights available to Holders upon the terms described in Section 4.4(a) of the Deposit Agreement or to arrange for the sale of the rights upon the terms described in Section 4.4(b) of the Deposit Agreement, the Depository shall allow such rights to lapse.

Neither the Depository nor the Company shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise. The Depository shall not be responsible for the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything to the contrary in Section 4.4 of the Deposit Agreement, if registration (under the Securities Act or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depository will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act (or other applicable law) covering such offering is in effect or (ii) unless the Company furnishes the Depository with opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case reasonably satisfactory to the Depository, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws.

In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of Deposited Property (including rights) an amount on account of taxes or other governmental charges, the amount distributed to the Holders of ADSs shall be reduced accordingly. In the event that the Depositary determines that any distribution of Deposited Property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such Deposited Property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive or exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights.

Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give timely notice thereof to the Depositary and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution be made to Holders of ADSs, the Depositary shall consult with the Company, and the Company shall assist the Depositary, to determine whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such distribution unless (i) the Company shall have requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received reasonably satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, and (iii) the Depositary shall have determined, upon consultation with the Company, that such distribution is reasonably practicable.

Upon receipt of reasonably satisfactory documentation and the request of the Company to distribute property to Holders of ADSs and after making the requisite determinations set forth in (a) above, the Depositary shall distribute the property so received to the Holders of record, as of the ADS Record Date, in proportion to the number of ADSs held by them respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any taxes withheld. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

If (i) the Company does not request the Depository to make such distribution to Holders or requests not to make such distribution to Holders, (ii) the Depository does not receive reasonably satisfactory documentation within the terms of [Section 5.7](#) of the Deposit Agreement, or (iii) the Depository determines that all or a portion of such distribution is not reasonably practicable, the Depository shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem practicable and shall (i) cause the proceeds of such sale, if any, to be converted into Dollars and (ii) distribute the proceeds of such conversion received by the Depository (net of applicable (a) fees and charges of, and expenses incurred by, the Depository and (b) taxes) to the Holders as of the ADS Record Date upon the terms of [Section 4.1](#) of the Deposit Agreement. If the Depository is unable to sell such property, the Depository may dispose of such property for the account of the Holders in any way it deems reasonably practicable under the circumstances.

Neither the Depository nor the Company shall be responsible for (i) any failure to determine whether it is lawful or practicable to make the property described in [Section 4.5](#) of the Deposit Agreement available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with the sale or disposal of such property.

(16) Redemption. If the Company intends to exercise any right of redemption in respect of any of the Deposited Securities, the Company shall give notice thereof to the Depository at least sixty (60) days prior to the intended date of redemption which notice shall set forth the particulars of the proposed redemption. Upon timely receipt of (i) such notice and (ii) satisfactory documentation given by the Company to the Depository within the terms of [Section 5.7](#) of the Deposit Agreement, and only if the Depository shall have determined that such proposed redemption is practicable, the Depository shall provide to each Holder a notice setting forth the intended exercise by the Company of the redemption rights and any other particulars set forth in the Company's notice to the Depository. The Depository shall instruct the Custodian to present to the Company the Deposited Securities in respect of which redemption rights are being exercised against payment of the applicable redemption price. Upon receipt of confirmation from the Custodian that the redemption has taken place and that funds representing the redemption price have been received, the Depository shall convert, transfer, and distribute the proceeds (net of applicable (a) fees and charges of, and the expenses incurred by, the Depository, and (b) taxes), retire ADSs and cancel ADRs, if applicable, upon delivery of such ADSs by Holders thereof and the terms set forth in [Sections 4.1](#) and [6.2](#) of the Deposit Agreement. If less than all outstanding Deposited Securities are redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as may be determined by the Depository. The redemption price per ADS shall be the dollar equivalent of the per share amount received by the Depository (adjusted to reflect the ADS(s)-to-Share(s) ratio) upon the redemption of the Deposited Securities represented by ADSs (subject to the terms of [Section 4.8](#) of the Deposit Agreement and the applicable fees and charges of, and expenses incurred by, the Depository, and taxes) multiplied by the number of Deposited Securities represented by each ADS redeemed. Notwithstanding anything contained in [Section 4.7](#) of the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in [Section 4.7](#) of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in [Section 4.7](#) of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

(17) Fixing of ADS Record Date. Whenever the Depositary shall receive notice of the fixing of a record date by the Company for the determination of holders of Deposited Securities entitled to receive any distribution (whether in cash, Shares, rights or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each ADS, or whenever the Depositary shall receive notice of any meeting of, or solicitation of consents or proxies of, holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient in connection with the giving of any notice, solicitation of any consent or any other matter, the Depositary shall fix the record date (the “**ADS Record Date**”) for the determination of the Holders of ADS(s) who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS. The Depositary shall make commercially reasonable efforts to establish the ADS Record Date as closely as possible to the applicable record date for the Deposited Securities (if any) set by the Company in Australia. Subject to applicable law, the terms and provisions of this ADR and Sections 4.1 through 4.8 of the Deposit Agreement, only the Holders of ADSs at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

(18) Voting of Deposited Securities. (a) ADS Voting Instructions. As soon as practicable after receipt of notice of (i) any meeting at which the holders of Deposited Securities are entitled to vote, or (ii) solicitation of consents or proxies from holders of Deposited Securities, the Depositary shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy in accordance with Section 4.9 of the Deposit Agreement. The Depositary shall, if requested in writing by the Company in a timely manner (which request must be received by the Depositary at least 30 days prior to such meeting) and provided no U.S. legal prohibitions exist, distribute to Holders of record as of the ADS Record Date a notice which shall contain: (a) such information as is contained in such notice of meeting, (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of the Deposit Agreement, the Constitution of the Company and the provisions of, or governing, the Deposited Securities (which provisions, if any, shall have been summarized in pertinent part by the Company), to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder’s ADSs, and (c) a brief statement addressing the manner in which such instructions may be given (including an indication that instructions may be deemed to have been given to the Depositary to give a discretionary proxy to a person designated by the Company in accordance with (b) below if no instructions are received by the Depositary prior to the deadline set for such purposes, or if the Depositary timely receives voting instructions from a Holder that fail to specify the manner in which the Depositary is to vote). Voting instructions may be given only in respect of a number of ADSs representing an integral number of Deposited Securities. In the event the notice of meeting and request of the Company is not received by the Depositary at least 30 days prior to the meeting, the Depositary shall not have any obligation to notify the Holders and shall not under any circumstances vote the Deposited Securities or cause the Deposited Securities to be voted.

Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depositary may, to the extent not prohibited by law, regulations or applicable stock exchange requirements, in lieu of distributions of the materials provided to the Depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of Deposited Securities, distribute to the Holders a notice that provides Holders with a means to retrieve such materials or receive such materials upon request (*i.e.*, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

Upon the timely receipt from a Holder of ADSs as of the ADS Record Date of voting instructions in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of the Deposit Agreement, and the provisions of the Constitution of the Company and the provisions of, or governing, the Deposited Securities, to vote, or cause the Custodian to vote, the Deposited Securities (in person or by proxy) represented by such Holder's ADSs in accordance with such voting instructions.

(b) Discretionary Proxy to Management. The Depositary agrees not to, and shall take reasonable steps to ensure that the Custodian and each of its nominees, if any, do not, vote the Deposited Securities represented by ADSs other than in accordance with the instructions of Holders as of the ADS Record Date or as provided below. The Depositary shall not exercise any voting discretion over the Deposited Securities. If the Depositary does not receive instructions from a Holder as of the ADS Record Date on or before the date established by the Depositary for such purpose, or if the Depositary timely receives voting instructions from a Holder that fail to specify the manner in which the Depositary is to vote, such Holder shall be deemed, and the Depositary shall deem such Holder, to have instructed the Depositary to give a discretionary proxy to a person designated by the Company to vote the Deposited Securities; *provided, however*, that no such discretionary proxy shall be given by the Depositary with respect to any matter to be voted upon as to which the Company informs the Depositary that (i) the Company does not wish such proxy to be given, (ii) substantial opposition exists, or (iii) the rights of holders of Deposited Securities may be materially adversely affected.

(c) Legal Prohibitions. Notwithstanding anything contained in the Deposit Agreement or any ADR to the contrary, the Depositary shall not have any obligation to take any action with respect to any meeting, or solicitation of consents or proxies, of holders of Deposited Securities if the taking of such action would violate U.S. laws. The Company agrees to take any and all actions reasonably necessary to enable Holders and Beneficial Owners to exercise the voting rights accruing to the Deposited Securities and to deliver to the Depositary, if requested by the Depositary, an opinion of U.S. counsel addressing any actions to be taken.

There can be no assurance that Holders generally or any Holder in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

(19) Changes Affecting Deposited Securities. Upon any change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, consolidation or sale of assets affecting the Company or to which it is a party, any property which shall be received by the Depositary or the Custodian in exchange for, or in conversion of, or replacement of, or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Property under the Deposit Agreement, and this ADR shall, subject to the provisions of the Deposit Agreement, any ADR(s) evidencing such ADSs and applicable law, represent the right to receive such additional or replacement Deposited Property. In giving effect to such change, split-up, cancellation, consolidation or other reclassification of Deposited Securities, recapitalization, reorganization, merger, consolidation or sale of assets, the Depositary may, with the Company's approval, and shall, if the Company shall so request, subject to the terms of the Deposit Agreement and receipt of an opinion of counsel to the Company reasonably satisfactory to the Depositary that such actions are not in violation of any applicable laws or regulations, (i) issue and deliver additional ADSs as in the case of a stock dividend on the Shares, (ii) amend the Deposit Agreement and the applicable ADRs, (iii) amend the applicable Registration Statement(s) on Form F-6 as filed with the Commission in respect of the ADSs, (iv) call for the surrender of outstanding ADRs to be exchanged for new ADRs, and (v) take such other actions as are appropriate to reflect the transaction with respect to the ADSs. The Company agrees to, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of ADRs. Notwithstanding the foregoing, in the event that any Deposited Property so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company's approval, and shall, if the Company requests, subject to receipt of an opinion of Company's counsel reasonably satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such Deposited Property at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) for the account of the Holders otherwise entitled to such Deposited Property upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1 of the Deposit Agreement. Neither the Company nor the Depositary shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such Deposited Property available to Holders in general or to any Holder in particular, or (ii) any foreign exchange exposure or loss incurred in connection with such sale. The Depositary shall not have any liability to the purchaser of such Deposited Property.

(20) Exoneration. Neither the Depositary nor the Company shall be obligated to do or perform any act which is inconsistent with the provisions of the Deposit Agreement or incur any liability (i) if the Depositary or the Company shall be prevented or forbidden from, or delayed in, doing or performing any act or thing required by the terms of the Deposit Agreement and this ADR, by reason of any provision of any present or future law or regulation of the United States, Australia or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of the possible criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Constitution of the Company or any provision of or governing any Deposited Securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, acts of terrorism, revolutions, rebellions, explosions and computer failure), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Constitution of the Company or provisions of or governing Deposited Securities, (iii) for any action or inaction in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADSs, or (v) for any consequential or punitive damages for any breach of the terms of the Deposit Agreement. The Depositary, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement or this ADR.

(21) Standard of Care. The Company and the Depositary assume no obligation and shall not be subject to any liability under the Deposit Agreement or this ADR to any Holder(s) or Beneficial Owner(s), except that the Company and the Depositary agree to perform their respective obligations specifically set forth in the Deposit Agreement or this ADR without negligence or bad faith. Without limitation of the foregoing, neither the Depositary, nor the Company, nor any of their respective directors, officers, controlling persons, employees or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Property or in respect of the ADSs, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depositary).

Neither the Depositary and its agents nor the Company and its directors, officers, controlling persons, employees or agents shall be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, *provided* that any such action or omission is in good faith and in accordance with the terms of the Deposit Agreement. The Depositary shall not incur any liability for any failure to determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Property, for the validity or worth of the Deposited Property or for any tax consequences that may result from the ownership of ADSs, Shares or Deposited Securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement, for the failure or timeliness of any notice from the Company, or for any action of or failure to act by, or any information provided or not provided by, DTC or any DTC Participant.

The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, *provided* that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

The Depository shall not be liable for any acts or omissions made by a predecessor depository whether in connection with an act or omission of the Depository or in connection with any matter arising wholly prior to the appointment of the Depository or after the removal or resignation of the Depository, *provided* that in connection with the issue out of which such potential liability arises the Depository performed its obligations without negligence or bad faith while it acted as Depository.

(22) Resignation and Removal of the Depository; Appointment of Successor Depository. The Depository may at any time resign as Depository under the Deposit Agreement by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depository shall be entitled to take the actions contemplated in Section 6.2 of the Deposit Agreement), or (ii) the appointment by the Company of a successor depository and its acceptance of such appointment as provided in the Deposit Agreement. The Depository may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depository (whereupon the Depository shall be entitled to take the actions contemplated in Section 6.2 of the Deposit Agreement), or (ii) upon the appointment of a successor depository and its acceptance of such appointment as provided in the Deposit Agreement. In case at any time the Depository acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depository, which shall be a bank or trust company having an office in the City of New York. Every successor depository shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depository, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor (other than as contemplated in Sections 5.8 and 5.9 of the Deposit Agreement). The predecessor depository, upon payment of all sums due it and on the written request of the Company shall, (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9 of the Deposit Agreement), (ii) duly assign, transfer and deliver all of the Depository's right, title and interest to the Deposited Property to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding ADSs and such other information relating to ADSs and Holders thereof as the successor may reasonably request. Any such successor depository shall promptly provide notice of its appointment to such Holders. Any entity into or with which the Depository may be merged or consolidated shall be the successor of the Depository without the execution or filing of any document or any further act.

(23) Amendment/Supplement. Subject to the terms and conditions of this paragraph (23), and Section 6.1 of the Deposit Agreement and applicable law, this ADR and any provisions of the Deposit Agreement may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depository in any respect which they may deem necessary or desirable without the prior written consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding ADSs until the expiration of thirty (30) days after notice of such amendment or supplement shall have been given to the Holders of outstanding ADSs. Notice of any amendment to the Deposit Agreement or any ADR shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, *provided, however*, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (*i.e.*, upon retrieval from the Commission's, the Depository's or the Company's website or upon request from the Depository). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depository) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act, or (b) the ADSs to be settled solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADSs, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement and this ADR, if applicable, as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such ADS and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require an amendment of, or supplement to, the Deposit Agreement to ensure compliance therewith, the Company and the Depository may amend or supplement the Deposit Agreement and this ADR at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement and this ADR in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

(24) Termination. The Depositary shall, at any time at the written direction of the Company, terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. If ninety (90) days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and, in either case, a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 of the Deposit Agreement, the Depositary may terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. The date so fixed for termination of the Deposit Agreement in any termination notice so distributed by the Depositary to the Holders of ADSs is referred to as the “**Termination Date.**” Until the Termination Date, the Depositary shall continue to perform all of its obligations under the Deposit Agreement, and the Holders and Beneficial Owners will be entitled to all of their rights under the Deposit Agreement. If any ADSs shall remain outstanding after the Termination Date, the Registrar and the Depositary shall not, after the Termination Date, have any obligation to perform any further acts under the Deposit Agreement, except that the Depositary shall, subject, in each case, in accordance with the terms and conditions of the Deposit Agreement, continue to (i) collect dividends and other distributions pertaining to Deposited Securities, (ii) sell Deposited Property received in respect of Deposited Securities, (iii) deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any other Deposited Property, in exchange for ADSs surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (iv) take such actions as may be required under applicable law in connection with its role as Depositary under the Deposit Agreement. At any time after the Termination Date, the Depositary may sell the Deposited Property then held under the Deposit Agreement and shall after such sale hold un-invested the net proceeds of such sale, together with any other cash then held by it under the Deposit Agreement, in an un-segregated account and without liability for interest, for the pro-rata benefit of the Holders whose ADSs have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under the Deposit Agreement except (i) to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), (ii) as may be required at law in connection with the termination of the Deposit Agreement, and (iii) for its obligations under Sections 5.8 and 7.6 of the Deposit Agreement. After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement, except for its obligations to the Depositary under Sections 5.8, 5.9 and 7.6 of the Deposit Agreement. The obligations under the terms of the Deposit Agreement of Holders and Beneficial Owners of ADSs outstanding as of the Termination Date shall survive the Termination Date and shall be discharged only when the applicable ADSs are presented by their Holders to the Depositary for cancellation under the terms of the Deposit Agreement.

(25) Compliance with U.S. Securities Laws. Notwithstanding any provisions in this ADR or the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depositary except as would be permitted by Instruction I.A.(1) of the General Instructions to the Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

(26) Certain Rights of the Depositary: Limitations. Subject to the further terms and provisions of this paragraph (26) and Section 5.10 of the Deposit Agreement, the Depositary, its Affiliates and their agents, on their own behalf, may own and deal in any class of securities of the Company and its Affiliates and in ADSs. In its capacity as Depositary, the Depositary shall not lend Shares or ADSs and shall not permit the Custodian to lend Shares in its capacity as Custodian; *provided, however*, that the Depositary may (i) issue ADSs prior to the receipt of Shares pursuant to Section 2.3 of the Deposit Agreement and (ii) deliver Shares prior to the receipt of ADSs for withdrawal of Deposited Securities pursuant to Section 2.7 of the Deposit Agreement, including ADSs which were issued under (i) above but for which Shares may not have been received (each such transaction a “**Pre-Release Transaction**”). The Depositary may receive ADSs in lieu of Shares under (i) above and receive Shares in lieu of ADSs under (ii) above. Each such Pre-Release Transaction will be (a) subject to a written agreement whereby the person or entity (the “**Applicant**”) to whom ADSs or Shares are to be delivered (w) represents that at the time of the Pre-Release Transaction the Applicant or its customer owns the Shares or ADSs that are to be delivered by the Applicant under such Pre-Release Transaction, (x) agrees to indicate the Depositary as owner of such Shares or ADSs in its records and to hold such Shares or ADSs in trust for the Depositary until such Shares or ADSs are delivered to the Depositary or the Custodian, (y) unconditionally guarantees to deliver to the Depositary or the Custodian, as applicable, such Shares or ADSs and (z) agrees to any additional restrictions or requirements that the Depositary deems appropriate, (b) at all times fully collateralized with cash, U.S. government securities or such other collateral as the Depositary deems appropriate, (c) terminable by the Depositary on not more than five (5) business days’ notice and (d) subject to such further indemnities and credit regulations as the Depositary deems appropriate. The Depositary will normally limit the number of ADSs and Shares involved in such Pre-Release Transactions at any one time to thirty percent (30%) of the ADSs outstanding (without giving effect to ADSs outstanding under (i) above), *provided, however*, that the Depositary reserves the right to change or disregard such limit from time to time as it deems appropriate. The Depositary may also set limits with respect to the number of ADSs and Shares involved in Pre-Release Transactions with any one person on a case by case basis as it deems appropriate. The Depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided pursuant to (b) above, but not earnings thereon, shall be held for the benefit of the Holders (other than the Applicant).

(ASSIGNMENT AND TRANSFER SIGNATURE LINES)

FOR VALUE RECEIVED, the undersigned Holder hereby sell(s), assign(s) and transfer(s) unto _____ whose taxpayer identification number is _____ and whose address including postal zip code is _____, the within ADS and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney-in-fact to transfer said ADS on the books of the Depository with full power of substitution in the premises.

Dated: _____

Name: _____

By:

Title:

NOTICE: The signature of the Holder to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

If the endorsement be executed by an attorney, executor, administrator, trustee or guardian, the person executing the endorsement must give his/her full title in such capacity and proper evidence of authority to act in such capacity, if not on file with the Depository, must be forwarded with this ADR.

SIGNATURE GUARANTEED

All endorsements or assignments of ADRs must be guaranteed by a member of a Medallion Signature Program approved by the Securities Transfer Association, Inc.

Legends

[The ADRs issued in respect of Partial Entitlement American Depositary Shares shall bear the following legend on the face of the ADR: "This ADR evidences ADSs representing 'partial entitlement' ordinary shares of the Company and as such do not entitle the holders thereof to the same per-share entitlement as other ordinary shares of the Company (which are 'full entitlement' ordinary shares of the Company) issued and outstanding at such time. The ADSs represented by this ADR shall entitle holders to distributions and entitlements identical to other ADSs when the ordinary shares of the Company represented by such ADSs become 'full entitlement' ordinary shares of the Company.

EXHIBIT B
FEE SCHEDULE DEPOSITARY FEES AND RELATED CHARGES

All capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Deposit Agreement.

I. ADS Fees

The following ADS fees are payable under the terms of the Deposit Agreement:

| Service | Rate | By Whom Paid |
|---|---|---|
| (1) Issuance of ADSs upon deposit of Shares (excluding issuances as a result of distributions described in paragraph (4) below). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) issued. | Person depositing Shares or person receiving ADSs. |
| (2) Delivery of Deposited Property against surrender of ADSs. | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) surrendered. | Person surrendering ADSs for the purpose of withdrawal of Deposited Property or person to whom Deposited Property is delivered. |
| (3) Distribution of cash dividends or other cash distributions (<i>i.e.</i> , sale of rights and other entitlements). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held. | Person to whom distribution is made. |
| (4) Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional ADSs. | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held. | Person to whom distribution is made. |
| (5) Distribution of securities other than ADSs or rights to purchase additional ADSs (<i>i.e.</i> , spin-off shares). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held. | Person to whom distribution is made. |
| (6) ADS Services. | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held on the applicable record date(s) established by the Depositary. | Person holding ADSs on the applicable record date(s) established by the Depositary. |

II. Charges

The Company, Holders, Beneficial Owners, persons depositing Shares and persons surrendering ADSs for cancellation and for the purpose of withdrawing Deposited Securities shall be responsible for the following ADS charges under the terms of the Deposit Agreement:

- (i) taxes (including applicable interest and penalties) and other governmental charges;
- (ii) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities on the share register and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depository or any nominees upon the making of deposits and withdrawals, respectively;
- (iii) such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the person depositing Shares or withdrawing Deposited Securities or of the Holders and Beneficial Owners of ADSs;
- (iv) the expenses and charges incurred by the Depository in the conversion of foreign currency;
- (v) such fees and expenses as are incurred by the Depository in connection with compliance with exchange control regulations and other regulatory requirements applicable to Shares, Deposited Securities, ADSs and ADRs; and
- (vi) the fees and expenses incurred by the Depository, the Custodian, or any nominee in connection with the servicing or delivery of Deposited Property.

SECOND AMENDED AND RESTATED DEPOSIT AGREEMENT

by and among

WOODSIDE PETROLEUM LTD.,

AND

CITIBANK, N.A.,
as Depositary,

AND

**THE HOLDERS AND BENEFICIAL OWNERS OF
AMERICAN DEPOSITARY SHARES
ISSUED HEREUNDER**

Dated as of [DATE]

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SECOND AMENDED AND RESTATED DEPOSIT AGREEMENT

SECOND AMENDED AND RESTATED DEPOSIT AGREEMENT, dated as of [DATE], by and among (i) **WOODSIDE PETROLEUM LTD.**, a company organized under the laws of the Commonwealth of Australia, and its successors (the “**Company**”), (ii) **CITIBANK, N.A.**, a national banking association organized under the laws of the United States of America (“**Citibank**”) acting in its capacity as depository, and any successor depository hereunder (Citibank in such capacity and any successor depository hereunder, the “**Depository**”), and (iii) all Holders and Beneficial Owners of American Depositary Shares issued hereunder (all such capitalized terms as hereinafter defined).

WITNESSETH THAT:

WHEREAS, the Company and The Bank of New York (the “**Original Depository**”) previously entered into a Deposit Agreement, dated as of May 26, 1992 (the “**Original Deposit Agreement**”); and

WHEREAS, the Company and the Depository previously entered into an Amended and Restated Deposit Agreement, dated as of February 11, 2015 (the “**First A&R Deposit Agreement**”); and

WHEREAS, the Company desires to amend and restate the First A&R Deposit Agreement to maintain and upgrade with the Depository its ADR facility to provide, *inter alia*, for the deposit of the Shares (as hereinafter defined) and the creation of American Depositary Shares representing the Shares so deposited and for the execution and delivery of American Depositary Receipts (as hereinafter defined) evidencing such American Depositary Shares; and

WHEREAS, the Depository is willing to act as the Depository for such ADR facility upon the terms set forth in the Deposit Agreement (as hereinafter defined); and

WHEREAS, any American Depositary Receipts issued pursuant to the terms of the Deposit Agreement are to be substantially in the form of Exhibit A attached hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in the Deposit Agreement; and

WHEREAS, the Board of Directors of the Company (or an authorized committee thereof) has duly approved the establishment of an ADR facility upon the terms set forth in the Deposit Agreement, the execution and delivery of the Deposit Agreement on behalf of the Company, and the actions of the Company and the transactions contemplated herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

All capitalized terms used, but not otherwise defined, herein shall have the meanings set forth below, unless otherwise clearly indicated:

Section 1.1 “**ADS Record Date**” shall have the meaning given to such term in [Section 4.9](#).

Section 1.2 “**Affiliate**” shall have the meaning assigned to such term by the Commission (as hereinafter defined) under Regulation C promulgated under the Securities Act (as hereinafter defined), or under any successor regulation thereto.

Section 1.3 “**American Depositary Receipt(s)**”, “**ADR(s)**” and “**Receipt(s)**” shall mean the certificate(s) issued by the Depository to evidence the American Depositary Shares issued under the terms of the Deposit Agreement in the form of Certificated ADS(s) (as hereinafter defined), as such ADRs may be amended from time to time in accordance with the provisions of the Deposit Agreement. An ADR may evidence any number of ADSs and may, in the case of ADSs held through a central depository such as DTC, be in the form of a “**Balance Certificate**.” For the purposes of registration of the ADSs on Form F-6 pursuant to the Securities Act, the form of ADR included as [Exhibit A](#) to the Deposit Agreement constitutes the prospectus for the offer and sale of both Certificated ADSs and Uncertificated ADSs by the legal entity created by the Deposit Agreement. Notwithstanding anything else contained herein or therein, the American depository receipts issued and outstanding under the terms of the First A&R Deposit Agreement shall, from and after the date hereof, be treated as ADRs issued hereunder and shall, from and after the date hereof, be subject to the terms hereof in all respects.

Section 1.4 “**American Depositary Share(s)**” and “**ADS(s)**” shall mean the rights and interests in the Deposited Property (as hereinafter defined) granted to the Holders and Beneficial Owners pursuant to the terms and conditions of the Deposit Agreement and, if issued as Certificated ADS(s) (as hereinafter defined), the ADR(s) issued to evidence such ADSs. ADS(s) may be issued under the terms of the Deposit Agreement in the form of (a) Certificated ADS(s) (as hereinafter defined), in which case the ADS(s) are evidenced by ADR(s), or (b) Uncertificated ADS(s) (as hereinafter defined), in which case the ADS(s) are not evidenced by ADR(s) but are reflected on the direct registration system maintained by the Depository for such purposes under the terms of [Section 2.13](#). Unless otherwise specified in the Deposit Agreement or in any ADR, or unless the context otherwise requires, any reference to ADS(s) shall include Certificated ADS(s) and Uncertificated ADS(s), individually or collectively, as the context may require. Each ADS shall represent the right to receive, and to exercise the beneficial ownership interests in, the number of Shares specified in the form of ADR attached hereto as [Exhibit A](#) (as amended from time to time) that are on deposit with the Depository or the Custodian, subject, in each case, to the terms and conditions of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS), until there shall occur a distribution upon Deposited Securities referred to in [Section 4.2](#) or a change in Deposited Securities referred to in [Section 4.11](#) with respect to which additional ADSs are not issued, and thereafter each ADS shall represent the right to receive, and to exercise the beneficial ownership interests in, the applicable Deposited Property on deposit with the Depository and the Custodian determined in accordance with the terms of such Sections, subject, in each case, to the terms and conditions of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS). In addition, the ADS(s)-to-Share(s) ratio is subject to amendment as provided in Articles IV and VI of the Deposit Agreement (which may give rise to Depository fees). American depository shares outstanding under the First A&R Deposit Agreement as of the date hereof shall, from and after the date hereof, for all purposes be treated as American Depositary Shares issued and outstanding hereunder and shall, from and after the date hereof, be subject to the terms and conditions of the Deposit Agreement in all respects, except that any amendment of the First A&R Deposit Agreement effected under the terms of the Deposit Agreement which prejudices any substantial existing right of “**Holders**” or “**Beneficial Owners**” (each as defined in the First A&R Deposit Agreement) shall not become effective as to “**Holders**” or “**Beneficial Owners**” of American depository shares until the expiration of thirty (30) days after notice of the amendments effected by the Deposit Agreement shall have been given to the “**Holders**” of American depository shares outstanding under the First A&R Deposit Agreement as of the date hereof.

Section 1.5 “**Australian Dollar**” and “**AUD**” shall refer to the lawful currency of Australia.

Section 1.6 “**Beneficial Owner**” shall mean, as to any ADS, any person or entity having a beneficial interest deriving from the ownership of such ADS. Notwithstanding anything else contained in the Deposit Agreement, any ADR(s) or any other instruments or agreements relating to the ADSs and the corresponding Deposited Property, the Depository, the Custodian and their respective nominees are intended to be, and shall at all times during the term of the Deposit Agreement be, the record holders only of the Deposited Property represented by the ADSs for the benefit of the Holders and Beneficial Owners of the corresponding ADSs. The Depository, on its own behalf and on behalf of the Custodian and their respective nominees, disclaims any beneficial ownership interest in the Deposited Property held on behalf of the Holders and Beneficial Owners of ADSs. The beneficial ownership interests in the Deposited Property are intended to be, and shall at all times during the term of the Deposit Agreement continue to be, vested in the Beneficial Owners of the ADSs representing the Deposited Property. The beneficial ownership interests in the Deposited Property shall, unless otherwise agreed by the Depository, be exercisable by the Beneficial Owners of the ADSs only through the Holders of such ADSs, by the Holders of the ADSs (on behalf of the applicable Beneficial Owners) only through the Depository, and by the Depository (on behalf of the Holders and Beneficial Owners of the corresponding ADSs) directly, or indirectly through the Custodian or their respective nominees, in each case upon the terms of the Deposit Agreement and, if applicable, the terms of the ADR(s) evidencing the ADSs. A Beneficial Owner of ADSs may or may not be the Holder of such ADSs. A Beneficial Owner shall be able to exercise any right or receive any benefit hereunder solely through the person who is the Holder of the ADSs owned by such Beneficial Owner. Unless otherwise identified to the Depository, a Holder shall be deemed to be the Beneficial Owner of all the ADSs registered in his/her/its name. The manner in which a Beneficial Owner holds ADSs (e.g., in a brokerage account vs. as registered holder) may affect the rights and obligations of, the manner in which, and the extent to which, services are made available to, Beneficial Owners pursuant to the terms of the Deposit Agreement. Persons who own beneficial interests in the American depository shares issued under the terms of the First A&R Deposit Agreement and outstanding as of the date hereof shall, from and after the date hereof, be treated as Beneficial Owners of ADS(s) under the terms hereof.

Section 1.7 “**Certificated ADS(s)**” shall have the meaning set forth in Section 2.13.

Section 1.8 “**CHES**” shall mean the Clearing House Electronic Subregister System, which provides the book-entry settlement system for equity securities in Australia, or any successor system thereto.

Section 1.9 “**Citibank**” shall mean Citibank, N.A., a national banking association organized under the laws of the United States of America, and its successors.

Section 1.10 “**Commission**” shall mean the Securities and Exchange Commission of the United States or any successor governmental agency thereto in the United States.

Section 1.11 “**Company**” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.12 “**Constitution**” shall mean the Articles of Association and By-laws of the Company, as each may be amended or replaced from time to time.

Section 1.13 “**Custodian**” shall mean (i) as of the date hereof, Citicorp Nominees Pty Limited, having its principal office at Level 15, 120 Collins Street, Melbourne VIC 3000, Australia, as the custodian of Deposited Property for the purposes of the Deposit Agreement, (ii) Citibank, N.A., acting as custodian of Deposited Property pursuant to the Deposit Agreement, and (iii) any other entity that may be appointed by the Depository pursuant to the terms of Section 5.5 as successor, substitute or additional custodian hereunder. The term “**Custodian**” shall mean any Custodian individually or all Custodians collectively, as the context requires.

Section 1.14 “**Deliver**” and “**Delivery**” shall mean (x) *when used in respect of Shares and other Deposited Securities*, either (i) the physical delivery of the certificate(s) representing such securities, or (ii) the book-entry transfer and recordation of such securities on the books of the Share Registrar (as hereinafter defined) or in the book-entry settlement of CHES, and (y) *when used in respect of ADSs*, either (i) the physical delivery of ADR(s) evidencing the ADSs, or (ii) the book-entry transfer and recordation of ADSs on the books of the Depository or any book-entry settlement system in which the ADSs are settlement-eligible.

Section 1.15 “**Deposit Agreement**” shall mean this Second Amended and Restated Deposit Agreement and all exhibits hereto, as the same may from time to time be amended and supplemented from time to time in accordance with the terms of the Deposit Agreement.

Section 1.16 “**Depository**” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.17 “**Deposited Property**” shall mean the Deposited Securities and any cash and other property held on deposit by the Depository and the Custodian in respect of the ADSs under the terms of the Deposit Agreement, subject, in the case of cash, to the provisions of Section 4.8. All Deposited Property shall be held by the Custodian, the Depository and their respective nominees for the benefit of the Holders and Beneficial Owners of the ADSs representing the Deposited Property. The Deposited Property is not intended to, and shall not, constitute proprietary assets of the Depository, the Custodian or their nominees. Beneficial ownership in the Deposited Property is intended to be, and shall at all times during the term of the Deposit Agreement continue to be, vested in the Beneficial Owners of the ADSs representing the Deposited Property. Notwithstanding anything else contained herein, the securities, cash and other property delivered to the Custodian and the Depository in respect of American depositary shares outstanding as of the date hereof under the First A&R Deposit Agreement and defined as “Deposited Securities” thereunder shall, for all purposes from and after the date hereof, be considered to be, and treated as, Deposited Property hereunder in all respects.

Section 1.18 “**Deposited Securities**” shall mean the Shares and any other securities held on deposit by the Custodian from time to time in respect of the ADSs under the Deposit Agreement and constituting Deposited Property.

Section 1.19 “**Dollars**” and “**\$**” shall refer to the lawful currency of the United States.

Section 1.20 “**DTC**” shall mean The Depository Trust Company, a national clearinghouse and the central book-entry settlement system for securities traded in the United States and, as such, the custodian for the securities of DTC Participants (as hereinafter defined) maintained in DTC, and any successor thereto.

Section 1.21 “**DTC Participant**” shall mean any financial institution (or any nominee of such institution) having one or more participant accounts with DTC for receiving, holding and delivering the securities and cash held in DTC. A DTC Participant may or may not be a Beneficial Owner. If a DTC Participant is not the Beneficial Owner of the ADSs credited to its account at DTC, or of the ADSs in respect of which the DTC Participant is otherwise acting, such DTC Participant shall be deemed, for all purposes hereunder, to have all requisite authority to act on behalf of the Beneficial Owner(s) of the ADSs credited to its account at DTC or in respect of which the DTC Participant is so acting. A DTC Participant, upon acceptance in any one of its DTC accounts of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement, or by continuing to hold in any one of its DTC accounts, from and after the date hereof, any American depositary shares issued and outstanding under the First A&R Deposit Agreement, shall (notwithstanding any explicit or implicit disclosure that it may be acting on behalf of another party) be deemed for all purposes to be a party to, and bound by, the terms of the Deposit Agreement and the applicable ADR(s) to the same extent as, and as if the DTC Participant were, the Holder of such ADSs.

Section 1.22 “**Exchange Act**” shall mean the United States Securities Exchange Act of 1934, as amended from time to time.

Section 1.23 “**First A&R Deposit Agreement**” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.24 “**Foreign Currency**” shall mean any currency other than Dollars.

Section 1.25 “**Full Entitlement ADR(s)**”, “**Full Entitlement ADS(s)**” and “**Full Entitlement Share(s)**” shall have the respective meanings set forth in [Section 2.12](#).

Section 1.26 “**Holder(s)**” shall mean the person(s) in whose name the ADSs are registered on the books of the Depository (or the Registrar, if any) maintained for such purpose. A Holder may or may not be a Beneficial Owner. If a Holder is not the Beneficial Owner of the ADS(s) registered in its name, such person shall be deemed, for all purposes hereunder, to have all requisite authority to act on behalf of the Beneficial Owners of the ADSs registered in its name. The manner in which a Holder holds ADSs (e.g., in certificated vs. uncertificated form) may affect the rights and obligations of, and the manner in which, and the extent to which, the services are made available to, Holders pursuant to the terms of the Deposit Agreement. The “Holders” (as defined in the First A&R Deposit Agreement) of American depository shares issued under the terms of the First A&R Deposit Agreement and outstanding as of the date hereof shall from and after the date hereof, become Holders under the terms of the Deposit Agreement.

Section 1.27 “**Original Deposit Agreement**” shall have the meaning given to such term in the preamble to the Deposit Agreement.

Section 1.28 “**Original Depository**” shall have the meaning given to such term in the preambles to the Deposit Agreement.

Section 1.29 “**Partial Entitlement ADR(s)**”, “**Partial Entitlement ADS(s)**” and “**Partial Entitlement Share(s)**” shall have the respective meanings set forth in [Section 2.12](#).

Section 1.30 “**Principal Office**” shall mean, when used with respect to the Depository, the principal office of the Depository at which at any particular time its depository receipts business shall be administered, which, at the date of the Deposit Agreement, is located at 388 Greenwich Street, New York, New York 10013, U.S.A.

Section 1.31 “**Registrar**” shall mean the Depository or any bank or trust company having an office in The City of New York, which shall be appointed by the Depository to register issuances, transfers and cancellations of ADSs as herein provided, and shall include any co-registrar appointed by the Depository for such purposes. Registrars (other than the Depository) may be removed and substitutes appointed by the Depository in accordance with [Section 5.1](#). Each Registrar (other than the Depository) appointed pursuant to the Deposit Agreement shall be required to give notice in writing to the Depository accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

Section 1.32 “**Restricted Securities**” shall mean Shares, Deposited Securities or ADSs which (i) have been acquired directly or indirectly from the Company or any of its Affiliates in a transaction or chain of transactions not involving any public offering and are subject to resale limitations under the Securities Act or the rules issued thereunder, or (ii) are held by an executive officer or director (or persons performing similar functions) or other Affiliate of the Company, or (iii) are subject to other restrictions on sale or deposit under the laws of the United States, Australia, or under a shareholder agreement or the Constitution of the Company or under the regulations of an applicable securities exchange unless, in each case, such Shares, Deposited Securities or ADSs are being transferred or sold to persons other than an Affiliate of the Company in a transaction (a) covered by an effective resale registration statement, or (b) exempt from the registration requirements of the Securities Act (as hereinafter defined), and the Shares, Deposited Securities or ADSs are not, when held by such person(s), Restricted Securities.

Section 1.33 “**Restricted ADR(s)**”, “**Restricted ADS(s)**” and “**Restricted Shares**” shall have the respective meanings set forth in [Section 2.14](#).

Section 1.34 “**Securities Act**” shall mean the United States Securities Act of 1933, as amended from time to time.

Section 1.35 “**Share Registrar**” shall mean Computershare Investor Services Pty Limited or any other institution organized under the laws of Australia appointed by the Company from time to time to carry out the duties of registrar for the Shares, and any successor thereto.

Section 1.36 “**Shares**” shall mean the Company’s ordinary shares, without par value, validly issued and outstanding and fully paid and may, if the Depositary so agrees after consultation with the Company, include evidence of the right to receive Shares; *provided* that in no event shall Shares include evidence of the right to receive Shares with respect to which the full purchase price has not been paid or Shares as to which preemptive rights have theretofore not been validly waived or exercised; *provided further*, however, that, if there shall occur any change in par value, split-up, consolidation, reclassification, exchange, conversion or any other event described in [Section 4.11](#) in respect of the Shares of the Company, the term “Shares” shall thereafter, to the maximum extent permitted by law, represent the successor securities resulting from such event.

Section 1.37 “**Uncertificated ADS(s)**” shall have the meaning set forth in [Section 2.13](#).

Section 1.38 “**United States**” and “**U.S.**” shall have the meaning assigned to it in Regulation S as promulgated by the Commission under the Securities Act.

Section 1.39 “**Uncertificated Restricted ADS(s)**” shall have the meaning set forth in [Section 2.14](#).

ARTICLE II APPOINTMENT OF DEPOSITARY; FORM OF RECEIPTS; DEPOSIT OF SHARES; EXECUTION AND DELIVERY, TRANSFER AND SURRENDER OF RECEIPTS

Section 2.1 **Appointment of Depositary.** The Company hereby appoints the Depositary as depositary for the Deposited Property and hereby authorizes and directs the Depositary to act in accordance with the terms and conditions set forth in the Deposit Agreement and the applicable ADRs. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement or by continuing to hold, from and after the date hereof any American depositary shares issued and outstanding under the First A&R Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and the applicable ADR(s) (subject to [Section 7.11](#)), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

Section 2.2 **Form and Transferability of ADSs.**

(a) **Form.** Certificated ADSs shall be evidenced by definitive ADRs which shall be engraved, printed, lithographed or produced in such other manner as may be agreed upon by the Company and the Depositary. ADRs may be issued under the Deposit Agreement in denominations of any whole number of ADSs. The ADRs shall be substantially in the form set forth in Exhibit A to the Deposit Agreement, with any appropriate insertions, modifications and omissions, in each case as otherwise contemplated in the Deposit Agreement or required by law. ADRs shall be (i) dated, (ii) signed by the manual or facsimile signature of a duly authorized signatory of the Depositary, (iii) countersigned by the manual or facsimile signature of a duly authorized signatory of the Registrar, and (iv) registered in the books maintained by the Registrar for the registration of issuances and transfers of ADSs. No ADR and no Certificated ADS evidenced thereby shall be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company, unless such ADR shall have been so dated, signed, countersigned and registered (other than an American depositary receipt issued and outstanding as of the date hereof under the terms of the First A&R Deposit Agreement which from and after the date hereof becomes subject to the terms of the Deposit Agreement in all respects). ADRs bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly-authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the Delivery of such ADR by the Depositary. The ADRs shall bear a CUSIP number that is different from any CUSIP number that was, is or may be assigned to any depositary receipts previously or subsequently issued pursuant to any other arrangement between the Depositary (or any other depositary) and the Company and which are not ADRs outstanding hereunder.

(b) **Legends.** The ADRs may be endorsed with, or have incorporated in the text thereof, such legends or recitals not inconsistent with the provisions of the Deposit Agreement as may be (i) necessary to enable the Depositary and the Company to perform their respective obligations hereunder, (ii) required to comply with any applicable laws or regulations, or with the rules and regulations of any securities exchange or market upon which ADSs may be traded, listed or quoted, or to conform with any usage with respect thereto, (iii) necessary to indicate any special limitations or restrictions to which any particular ADRs or ADSs are subject by reason of the date of issuance of the Deposited Securities or otherwise, or (iv) required by any book-entry system in which the ADSs are held. Holders and Beneficial Owners shall be deemed, for all purposes, to have notice of, and to be bound by, the terms and conditions of the legends set forth, in the case of Holders, on the ADR registered in the name of the applicable Holders or, in the case of Beneficial Owners, on the ADR representing the ADSs owned by such Beneficial Owners.

(c) **Title.** Subject to the limitations contained herein and in the ADR, title to an ADR (and to each Certificated ADS evidenced thereby) shall be transferable upon the same terms as a certificated security under the laws of the State of New York, *provided* that, in the case of Certificated ADSs, such ADR has been properly endorsed or is accompanied by proper instruments of transfer. Notwithstanding any notice to the contrary, the Depositary and the Company may deem and treat the Holder of an ADS (that is, the person in whose name an ADS is registered on the books of the Depositary) as the absolute owner thereof for all purposes. Neither the Depositary nor the Company shall have any obligation nor be subject to any liability under the Deposit Agreement or any ADR to any holder or any Beneficial Owner unless, in the case of a holder of ADSs, such holder is the Holder registered on the books of the Depositary or, in the case of a Beneficial Owner, such Beneficial Owner, or the Beneficial Owner's representative, is the Holder registered on the books of the Depositary.

(d) **Book-Entry Systems.** The Depository shall make arrangements for the acceptance of the ADSs into DTC. All ADSs held through DTC will be registered in the name of the nominee for DTC (currently "**Cede & Co.**"). As such, the nominee for DTC will be the only "Holder" of all ADSs held through DTC. Unless issued by the Depository as Uncertificated ADSs, the ADSs registered in the name of Cede & Co. will be evidenced by one or more ADR(s) in the form of a "Balance Certificate," which will provide that it represents the aggregate number of ADSs from time to time indicated in the records of the Depository as being issued hereunder and that the aggregate number of ADSs represented thereby may from time to time be increased or decreased by making adjustments on such records of the Depository and of DTC or its nominee as hereinafter provided. Citibank, N.A. (or such other entity as is appointed by DTC or its nominee) may hold the "Balance Certificate" as custodian for DTC. Each Beneficial Owner of ADSs held through DTC must rely upon the procedures of DTC and the DTC Participants to exercise or be entitled to any rights attributable to such ADSs. The DTC Participants shall for all purposes be deemed to have all requisite power and authority to act on behalf of the Beneficial Owners of the ADSs held in the DTC Participants' respective accounts in DTC and the Depository shall for all purposes be authorized to rely upon any instructions and information given to it by DTC Participants. So long as ADSs are held through DTC or unless otherwise required by law, ownership of beneficial interests in the ADSs registered in the name of the nominee for DTC will be shown on, and transfers of such ownership will be effected only through, records maintained by (i) DTC or its nominee (with respect to the interests of DTC Participants), or (ii) DTC Participants or their nominees (with respect to the interests of clients of DTC Participants). Any distributions made, and any notices given, by the Depository to DTC under the terms of the Deposit Agreement shall (unless otherwise specified by the Depository) satisfy the Depository's obligations under the Deposit Agreement to make such distributions, and give such notices, in respect of the ADSs held in DTC (including, for avoidance of doubt, to the DTC Participants holding the ADSs in their DTC accounts and to the Beneficial Owners of such ADSs).

Section 2.3 Deposit of Shares. Subject to the terms and conditions of the Deposit Agreement and applicable law, Shares or evidence of rights to receive Shares (other than Restricted Securities) may be deposited by any person (including the Depository in its individual capacity but subject, however, in the case of the Company or any Affiliate of the Company, to [Section 5.7](#)) at any time, whether or not the transfer books of the Company or the Share Registrar, if any, are closed, by Delivery of the Shares to the Custodian. Every deposit of Shares shall be accompanied by the following: (A) (i) *in the case of Shares represented by certificates issued in registered form*, appropriate instruments of transfer or endorsement, in a form satisfactory to the Custodian, (ii) *in the case of Shares represented by certificates in bearer form*, the requisite coupons and talons pertaining thereto, and (iii) *in the case of Shares delivered by book-entry transfer and recordation*, confirmation of such book-entry transfer and recordation in the books of the Share Registrar or of CHESS, as applicable, to the Custodian or that irrevocable instructions have been given to cause such Shares to be so transferred and recorded, (B) such certifications and payments (including, without limitation, the Depository's fees and related charges) and evidence of such payments (including, without limitation, stamping or otherwise marking such Shares by way of receipt) as may be required by the Depository or the Custodian in accordance with the provisions of the Deposit Agreement and applicable law, (C) if the Depository so requires, a written order directing the Depository to issue and deliver to, or upon the written order of, the person(s) stated in such order the number of ADSs representing the Shares so deposited, (D) evidence reasonably satisfactory to the Depository (which may be an opinion of counsel) that all necessary approvals have been granted by, or there has been compliance with the rules and regulations of, any applicable governmental agency in Australia, and (E) if the Depository so requires, (i) an agreement, assignment or instrument satisfactory to the Depository or the Custodian which provides for the prompt transfer by any person in whose name the Shares are or have been recorded to the Custodian of any distribution, or right to subscribe for additional Shares or to receive other property in respect of any such deposited Shares or, in lieu thereof, such indemnity or other agreement as shall be reasonably satisfactory to the Depository or the Custodian and (ii) if the Shares are registered in the name of the person on whose behalf they are presented for deposit, a proxy or proxies entitling the Custodian to exercise voting rights in respect of the Shares for any and all purposes until the Shares so deposited are registered in the name of the Depository, the Custodian or any nominee.

Without limiting any other provision of the Deposit Agreement, the Depositary shall instruct the Custodian not to, and the Depositary shall not knowingly, accept for deposit (a) any Restricted Securities except as contemplated by [Section 2.14](#) nor (b) any fractional Shares or fractional Deposited Securities nor (c) a number of Shares or Deposited Securities which upon application of the ADS to Shares ratio would give rise to fractional ADSs. No Shares shall be accepted for deposit unless accompanied by evidence, if any is required by the Depositary, that is reasonably satisfactory to the Depositary or the Custodian that all conditions to such deposit have been satisfied by the person depositing such Shares under the laws and regulations of Australia and any necessary approval has been granted by any applicable governmental body in Australia, if any. The Depositary may issue ADSs against evidence of rights to receive Shares from the Company, any agent of the Company or any custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares. Such evidence of rights shall consist of written blanket or specific guarantees of ownership of Shares furnished by the Company or any such custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares.

Without limitation of the foregoing, the Depositary shall not knowingly accept for deposit under the Deposit Agreement (A) any Shares or other securities required to be registered under the provisions of the Securities Act, unless (i) a registration statement is in effect as to such Shares or other securities or (ii) the deposit is made upon terms contemplated in [Section 2.14](#), or (B) any Shares or other securities the deposit of which would violate any provisions of the Constitution of the Company. For purposes of the foregoing sentence, the Depositary shall be entitled to rely upon representations and warranties made or deemed made pursuant to the Deposit Agreement and shall not be required to make any further investigation. The Depositary will comply with written instructions of the Company (received by the Depositary reasonably in advance) not to accept for deposit hereunder any Shares identified in such instructions at such times and under such circumstances as may reasonably be specified in such instructions in order to facilitate the Company's compliance with the securities laws of the United States.

Section 2.4 Registration and Safekeeping of Deposited Securities. The Depository shall instruct the Custodian upon each Delivery of registered Shares being deposited hereunder with the Custodian (or other Deposited Securities pursuant to Article IV hereof), together with the other documents above specified, to present such Shares, together with the appropriate instrument(s) of transfer or endorsement, duly stamped, to the Share Registrar for transfer and registration of the Shares (as soon as transfer and registration can be accomplished and at the expense of the person for whom the deposit is made) in the name of the Depository, the Custodian or a nominee of either. Deposited Securities shall be held by the Depository, or by a Custodian for the account and to the order of the Depository or a nominee of the Depository, in each case, on behalf of the Holders and Beneficial Owners, at such place(s) as the Depository or the Custodian shall determine. Notwithstanding anything else contained in the Deposit Agreement, any ADR(s), or any other instruments or agreements relating to the ADSs and the corresponding Deposited Property, the registration of the Deposited Securities in the name of the Depository, the Custodian or any of their respective nominees, shall, to the maximum extent permitted by applicable law, vest in the Depository, the Custodian or the applicable nominee the record ownership in the applicable Deposited Securities with the beneficial ownership rights and interests in such Deposited Securities being at all times vested with the Beneficial Owners of the ADSs representing the Deposited Securities. Notwithstanding the foregoing, the Depository, the Custodian and the applicable nominee shall at all times be entitled to exercise the beneficial ownership rights in all Deposited Property, in each case only on behalf of the Holders and Beneficial Owners of the ADSs representing the Deposited Property, upon the terms set forth in the Deposit Agreement and, if applicable, the ADR(s) representing the ADSs. The Depository, the Custodian and their respective nominees shall for all purposes be deemed to have all requisite power and authority to act in respect of Deposited Property on behalf of the Holders and Beneficial Owners of ADSs representing the Deposited Property, and upon making payments to, or acting upon instructions from, or information provided by, the Depository, the Custodian or their respective nominees all persons shall be authorized to rely upon such power and authority.

Section 2.5 Issuance of ADSs. The Depository has made arrangements with the Custodian for the Custodian to confirm to the Depository upon receipt of a deposit of Shares (i) that a deposit of Shares has been made pursuant to Section 2.3, (ii) that such Deposited Securities have been recorded in the name of the Depository, the Custodian or a nominee of either on the shareholders' register maintained by or on behalf of the Company by the Share Registrar or on the books of CHES, (iii) that all required documents have been received, and (iv) the person(s) to whom or upon whose order ADSs are deliverable in respect thereof and the number of ADSs to be so delivered. Such notification may be made by letter, cable, telex, SWIFT message or, at the risk and expense of the person making the deposit, by facsimile or other means of electronic transmission. Upon receiving such notice from the Custodian, the Depository, subject to the terms and conditions of the Deposit Agreement and applicable law, shall issue the ADSs representing the Shares so deposited to or upon the order of the person(s) named in the notice delivered to the Depository and, if applicable, shall execute and deliver at its Principal Office Receipt(s) registered in the name(s) requested by such person(s) and evidencing the aggregate number of ADSs to which such person(s) is/are entitled, but, in each case, only upon payment to the Depository of the charges of the Depository for accepting a deposit of Shares, issuing ADSs (as set forth in Section 5.9 and Exhibit B hereto) and all taxes and governmental charges and fees payable in connection with such deposit and the transfer of the Shares and the issuance of the ADS(s). The Depository shall only issue ADSs in whole numbers and deliver, if applicable, ADR(s) evidencing whole numbers of ADSs.

Section 2.6 Transfer, Combination and Split-up of ADRs.

(a) **Transfer.** The Registrar shall, as soon as reasonably practicable, register the transfer of ADRs (and of the ADSs represented thereby) on the books maintained for such purpose and the Depositary shall (x) cancel such ADRs and execute new ADRs evidencing the same aggregate number of ADSs as those evidenced by the ADRs canceled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the person entitled thereto, if each of the following conditions has been satisfied: (i) the ADRs have been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a transfer thereof, (ii) the surrendered ADRs have been properly endorsed or are accompanied by proper instruments of transfer (including signature guarantees in accordance with standard securities industry practice), (iii) the surrendered ADRs have been duly stamped (if required by the laws of the State of New York or of the United States), and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 and Exhibit B hereto) have been paid, *subject, however, in each case*, to the terms and conditions of the applicable ADRs, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

(b) **Combination & Split-Up.** The Registrar shall, as soon as reasonably practicable, register the split-up or combination of ADRs (and of the ADSs represented thereby) on the books maintained for such purpose and the Depositary shall (x) cancel such ADRs and execute new ADRs for the number of ADSs requested, but in the aggregate not exceeding the number of ADSs evidenced by the ADRs cancelled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the Holder thereof, if each of the following conditions has been satisfied: (i) the ADRs have been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a split-up or combination thereof, and (ii) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 and Exhibit B hereto) have been paid, *subject, however, in each case*, to the terms and conditions of the applicable ADRs, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

(c) **Co-Transfer Agents.** The Depositary may appoint one or more co-transfer agents for the purpose of effecting transfers, combinations and split-ups of ADRs at designated transfer offices on behalf of the Depositary. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by Holders or persons entitled to such ADRs and will be entitled to protection and indemnity to the same extent as the Depositary. Such co-transfer agents may be removed and substitutes appointed by the Depositary. Each co-transfer agent appointed under this Section 2.6 (other than the Depositary) shall give notice in writing to the Depositary and the Company accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

Section 2.7 Surrender of ADSs and Withdrawal of Deposited Securities. The Holder of ADSs shall be entitled to Delivery (at the Custodian's designated office) of the Deposited Securities at the time represented by the ADSs upon satisfaction of each of the following conditions: (i) the Holder (or a duly-authorized attorney of the Holder) has duly Delivered ADSs to the Depository at its Principal Office (and if applicable, the ADRs evidencing such ADSs) for the purpose of withdrawal of the Deposited Securities represented thereby, (ii) if applicable and so required by the Depository, the ADRs Delivered to the Depository for such purpose have been properly endorsed in blank or are accompanied by proper instruments of transfer in blank (including signature guarantees in accordance with standard securities industry practice), (iii) if so required by the Depository, the Holder of the ADSs has executed and delivered to the Depository a written order directing the Depository to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of the person(s) designated in such order, and (iv) all applicable fees and charges of, and expenses incurred by, the Depository and all applicable taxes and governmental charges (as are set forth in [Section 5.9](#) and [Exhibit B](#)) have been paid, *subject, however, in each case,* to the terms and conditions of the ADRs evidencing the surrendered ADSs, of the Deposit Agreement, of the Company's Constitution and of any applicable laws and the rules of CHESSE, and to any provisions of or governing the Deposited Securities, in each case as in effect at the time thereof.

Upon satisfaction of each of the conditions specified above, the Depository (i) shall cancel the ADSs Delivered to it (and, if applicable, the ADR(s) evidencing the ADSs so Delivered), (ii) shall direct the Registrar to record the cancellation of the ADSs so Delivered on the books maintained for such purpose, and (iii) shall direct the Custodian to Deliver, or cause the Delivery of, in each case, without unreasonable delay, the Deposited Securities represented by the ADSs so canceled together with any certificate or other document of title for the Deposited Securities, or evidence of the electronic transfer thereof (if available), as the case may be, to or upon the written order of the person(s) designated in the order delivered to the Depository for such purpose, *subject however, in each case,* to the terms and conditions of the Deposit Agreement, of the ADRs evidencing the ADSs so cancelled, of the Constitution of the Company, of any applicable laws and of the rules of CHESSE, and to the terms and conditions of or governing the Deposited Securities, in each case as in effect at the time thereof.

The Depository shall not accept for surrender ADSs representing less than one (1) Share. In the case of Delivery to it of ADSs representing a number other than a whole number of Shares, the Depository shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depository, either (i) return to the person surrendering such ADSs the number of ADSs representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Share represented by the ADSs so surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depository and (b) taxes withheld) to the person surrendering the ADSs.

Notwithstanding anything else contained in any ADR or the Deposit Agreement, the Depository may make delivery at the Principal Office of the Depository of Deposited Property consisting of (i) any cash dividends or cash distributions, or (ii) any proceeds from the sale of any non-cash distributions, which are at the time held by the Depository in respect of the Deposited Securities represented by the ADSs surrendered for cancellation and withdrawal. At the request, risk and expense of any Holder so surrendering ADSs, and for the account of such Holder, the Depository shall direct the Custodian to forward (to the extent permitted by law) any Deposited Property (other than Deposited Securities) held by the Custodian in respect of such ADSs to the Depository for delivery at the Principal Office of the Depository. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

Section 2.8 Limitations on Execution and Delivery, Transfer, etc. of ADSs; Suspension of Delivery, Transfer, etc.

(a) **Additional Requirements.** As a condition precedent to the execution and Delivery, the registration of issuance, transfer, split-up, combination or surrender, of any ADS, the delivery of any distribution thereon, or the withdrawal of any Deposited Property, the Depositary or the Custodian may require (i) payment from the depositor of Shares or presenter of ADSs or of an ADR of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 and Exhibit B, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1, and (iii) compliance with (A) any laws or governmental regulations relating to the execution and delivery of ADRs or ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations as the Depositary and the Company may establish consistent with the provisions of the representative ADR, if applicable, the Deposit Agreement and applicable law.

(b) **Additional Limitations.** The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the deposit of particular Shares may be refused, or the registration of transfer of ADSs in particular instances may be refused, or the registration of transfers of ADSs generally may be suspended, during any period when the transfer books of the Company, the Depositary, a Registrar or the Share Registrar are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law or regulation, any government or governmental body or commission or any securities exchange on which the ADSs or Shares are listed, or under any provision of the Deposit Agreement or the representative ADR(s), if applicable, or under any provision of, or governing, the Deposited Securities, or because of a meeting of shareholders of the Company or for any other reason, subject, in all cases, to Section 7.8(a).

(c) **Regulatory Restrictions.** Notwithstanding any provision of the Deposit Agreement or any ADR(s) to the contrary, Holders are entitled to surrender outstanding ADSs to withdraw the Deposited Securities associated herewith at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the ADSs or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Instruction I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time).

Section 2.9 Lost ADRs, etc. In case any ADR shall be mutilated, destroyed, lost, or stolen, the Depositary shall execute and deliver a new ADR of like tenor at the expense of the Holder (a) *in the case of a mutilated ADR*, in exchange of and substitution for such mutilated ADR upon cancellation thereof, or (b) *in the case of a destroyed, lost or stolen ADR*, in lieu of and in substitution for such destroyed, lost, or stolen ADR, after the Holder thereof (i) has submitted to the Depositary a written request for such exchange and substitution before the Depositary has notice that the ADR has been acquired by a bona fide purchaser, (ii) has provided such security or indemnity (including an indemnity bond) as may be required by the Depositary to save it and any of its agents harmless, and (iii) has satisfied any other reasonable requirements imposed by the Depositary, including, without limitation, evidence satisfactory to the Depositary of such destruction, loss or theft of such ADR, the authenticity thereof and the Holder's ownership thereof.

Section 2.10 Cancellation and Destruction of Surrendered ADRs; Maintenance of Records. All ADRs surrendered to the Depository shall be canceled by the Depository. Canceled ADRs shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable against the Depository or the Company for any purpose. The Depository is authorized to destroy ADRs so canceled, provided the Depository maintains a record of all destroyed ADRs. Any ADSs held in book-entry form (*i.e.*, through accounts at DTC) shall be deemed canceled when the Depository causes the number of ADSs evidenced by the Balance Certificate to be reduced by the number of ADSs surrendered (without the need to physically destroy the Balance Certificate). The Depository agrees to maintain records of all ADRs surrendered and the Shares withdrawn, substitute ADRs delivered and cancelled or destroyed ADRs as required by the regulations governing the stock transfer industry. Upon reasonable request of the Company, the Depository shall provide a copy of such records to the Company.

Section 2.11 Escheatment. In the event any unclaimed property relating to the ADSs, for any reason, is in the possession of Depository and has not been claimed by the Holder thereof or cannot be delivered to the Holder thereof through usual channels, the Depository shall, upon expiration of any applicable statutory period relating to abandoned property laws, escheat such unclaimed property to the relevant authorities in accordance with the laws of each of the relevant States of the United States.

Section 2.12 Partial Entitlement ADSs. In the event any Shares are deposited which (i) entitle the holders thereof to receive a per-share distribution or other entitlement in an amount different from the Shares then on deposit or (ii) are not fully fungible (including, without limitation, as to settlement or trading) with the Shares then on deposit (the Shares then on deposit collectively, “**Full Entitlement Shares**” and the Shares with different entitlement, “**Partial Entitlement Shares**”), the Depository shall (i) cause the Custodian to hold Partial Entitlement Shares separate and distinct from Full Entitlement Shares, and (ii) subject to the terms of the Deposit Agreement, issue ADSs representing Partial Entitlement Shares which are separate and distinct from the ADSs representing Full Entitlement Shares, by means of separate CUSIP numbering and legending (if necessary) and, if applicable, by issuing ADRs evidencing such ADSs with applicable notations thereon (“**Partial Entitlement ADSs/ADRs**” and “**Full Entitlement ADSs/ADRs**”, respectively). If and when Partial Entitlement Shares become Full Entitlement Shares, the Depository shall (a) give notice thereof to Holders of Partial Entitlement ADSs and give Holders of Partial Entitlement ADRs the opportunity to exchange such Partial Entitlement ADRs for Full Entitlement ADRs, (b) cause the Custodian to transfer the Partial Entitlement Shares into the account of the Full Entitlement Shares, and (c) take such actions as are necessary to remove the distinctions between (i) the Partial Entitlement ADRs and ADSs, on the one hand, and (ii) the Full Entitlement ADRs and ADSs on the other. Holders and Beneficial Owners of Partial Entitlement ADSs shall only be entitled to the entitlements of Partial Entitlement Shares. Holders and Beneficial Owners of Full Entitlement ADSs shall be entitled only to the entitlements of Full Entitlement Shares. All provisions and conditions of the Deposit Agreement shall apply to Partial Entitlement ADRs and ADSs to the same extent as Full Entitlement ADRs and ADSs, except as contemplated by this Section 2.12. The Depository is authorized to take any and all other actions as may be necessary (including, without limitation, making the necessary notations on ADRs) to give effect to the terms of this Section 2.12. The Company agrees to give timely written notice to the Depository if any Shares issued or to be issued are Partial Entitlement Shares and shall assist the Depository with the establishment of procedures enabling the identification of Partial Entitlement Shares upon Delivery to the Custodian.

Section 2.13 Certificated/Uncertificated ADSs. Notwithstanding any other provision of the Deposit Agreement, the Depository may, at any time and from time to time, issue ADSs that are not evidenced by ADRs (such ADSs, the “**Uncertificated ADS(s)**” and the ADS(s) evidenced by ADR(s), the “**Certificated ADS(s)**”). When issuing and maintaining Uncertificated ADS(s) under the Deposit Agreement, the Depository shall at all times be subject to (i) the standards applicable to registrars and transfer agents maintaining direct registration systems for equity securities in New York and issuing uncertificated securities under New York law, and (ii) the terms of New York law applicable to uncertificated equity securities. Uncertificated ADSs shall not be represented by any instruments but shall be evidenced by registration in the books of the Depository maintained for such purpose. Holders of Uncertificated ADSs, that are not subject to any registered pledges, liens, restrictions or adverse claims of which the Depository has notice at such time, shall at all times have the right to exchange the Uncertificated ADS(s) for Certificated ADS(s) of the same type and class, subject in each case to (x) applicable laws and any rules and regulations the Depository may have established in respect of the Uncertificated ADSs, and (y) the continued availability of Certificated ADSs in the U.S., Holders of Certificated ADSs shall, if the Depository maintains a direct registration system for the ADSs, have the right to exchange the Certificated ADSs for Uncertificated ADSs upon (i) the due surrender of the Certificated ADS(s) to the Depository for such purpose and (ii) the presentation of a written request to that effect to the Depository, subject in each case to (a) all liens and restrictions noted on the ADR evidencing the Certificated ADS(s) and all adverse claims of which the Depository then has notice, (b) the terms of the Deposit Agreement and the rules and regulations that the Depository may establish for such purposes hereunder, (c) applicable law, and (d) payment of the Depository fees and expenses applicable to such exchange of Certificated ADS(s) for Uncertificated ADS(s). Uncertificated ADSs shall in all material respects be identical to Certificated ADS(s) of the same type and class, except that (i) no ADR(s) shall be, or shall need to be, issued to evidence Uncertificated ADS(s), (ii) Uncertificated ADS(s) shall, subject to the terms of the Deposit Agreement, be transferable upon the same terms and conditions as uncertificated securities under New York law, (iii) the ownership of Uncertificated ADS(s) shall be recorded on the books of the Depository maintained for such purpose and evidence of such ownership shall be reflected in periodic statements provided by the Depository to the Holder(s) in accordance with applicable New York law, (iv) the Depository may from time to time, upon notice to the Holders of Uncertificated ADSs affected thereby, establish rules and regulations, and amend or supplement existing rules and regulations, as may be deemed reasonably necessary to maintain Uncertificated ADS(s) on behalf of Holders, *provided that* (a) such rules and regulations do not conflict with the terms of the Deposit Agreement and applicable law, and (b) the terms of such rules and regulations are readily available to Holders upon request, (v) the Uncertificated ADS(s) shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depository or the Company unless such Uncertificated ADS(s) is/are registered on the books of the Depository maintained for such purpose, (vi) the Depository may, in connection with any deposit of Shares resulting in the issuance of Uncertificated ADSs and with any transfer, pledge, release and cancellation of Uncertificated ADSs, require the prior receipt of such documentation as the Depository may deem reasonably appropriate, and (vii) upon termination of the Deposit Agreement, the Depository shall not require Holders of Uncertificated ADSs to affirmatively instruct the Depository before remitting proceeds from the sale of the Deposited Property represented by such Holders’ Uncertificated ADSs under the terms of Section 6.2 of the Deposit Agreement. When issuing ADSs under the terms of the Deposit Agreement, including, without limitation, issuances pursuant to Sections 2.5, 4.2, 4.3, 4.4, 4.5 and 4.11, the Depository may in its discretion determine to issue Uncertificated ADSs rather than Certificated ADSs, unless otherwise specifically instructed by the applicable Holder to issue Certificated ADSs. All provisions and conditions of the Deposit Agreement shall apply to Uncertificated ADSs to the same extent as to Certificated ADSs, except as contemplated by this Section 2.13. The Depository is authorized and directed to take any and all actions and establish any and all procedures deemed reasonably necessary to give effect to the terms of this Section 2.13. Any references in the Deposit Agreement or any ADR(s) to the terms “American Depositary Share(s)” or “ADS(s)” shall, unless the context otherwise requires, include Certificated ADS(s) and Uncertificated ADS(s). Except as set forth in this Section 2.13 and except as required by applicable law, the Uncertificated ADSs shall be treated as ADSs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Uncertificated ADSs, any conflict arises between (a) the terms of the Deposit Agreement (other than this Section 2.13) and (b) the terms of this Section 2.13, the terms and conditions set forth in this Section 2.13 shall be controlling and shall govern the rights and obligations of the parties to the Deposit Agreement pertaining to the Uncertificated ADSs.

Section 2.14 Restricted ADSs. The Depository shall, at the request and expense of the Company, establish procedures enabling the deposit hereunder of Shares that are Restricted Securities in order to enable the holder of such Shares to hold its ownership interests in such Restricted Securities in the form of ADSs issued under the terms hereof (such Shares, "**Restricted Shares**"). Upon receipt of a written request from the Company to accept Restricted Shares for deposit hereunder, the Depository agrees to establish procedures permitting the deposit of such Restricted Shares and the issuance of ADSs representing the right to receive, subject to the terms of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS), such deposited Restricted Shares (such ADSs, the "**Restricted ADSs**," and the ADRs evidencing such Restricted ADSs, the "**Restricted ADRs**"). Notwithstanding anything contained in this Section 2.14, the Depository and the Company may, to the extent not prohibited by law, agree to issue the Restricted ADSs in uncertificated form ("**Uncertificated Restricted ADSs**") upon such terms and conditions as the Company and the Depository may deem necessary and appropriate. The Company shall assist the Depository in the establishment of such procedures and agrees that it shall take all steps necessary and reasonably satisfactory to the Depository to ensure that the establishment of such procedures does not violate the provisions of the Securities Act or any other applicable laws. The depositors of such Restricted Shares and the Holders of the Restricted ADSs may be required prior to the deposit of such Restricted Shares, the transfer of the Restricted ADRs and the Restricted ADSs evidenced thereby, or the withdrawal of the Restricted Shares represented by Restricted ADSs to provide such written certifications or agreements as the Depository or the Company may require. The Company shall provide to the Depository in writing the legend(s) to be affixed to the Restricted ADRs (if the Restricted ADSs are to be issued as Certificated ADSs), or to be included in the statements issued from time to time to Holders of Uncertificated ADSs (if issued as Uncertificated Restricted ADSs), which legends shall (i) be in a form reasonably satisfactory to the Depository and (ii) contain the specific circumstances under which the Restricted ADSs, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, may be transferred or the Restricted Shares withdrawn. The Restricted ADSs issued upon the deposit of Restricted Shares shall be separately identified on the books of the Depository and the Restricted Shares so deposited shall, to the extent required by law, be held separate and distinct from the other Deposited Securities held hereunder. The Restricted ADSs shall not be eligible for inclusion in any book-entry settlement system, including, without limitation, DTC (unless (x) otherwise agreed by the Company and the Depository, (y) the inclusion of Restricted ADSs is acceptable to the applicable clearing system, and (z) the terms of such inclusion are generally accepted by the Commission for Restricted Securities of that type), and shall not in any way be fungible with the ADSs issued under the terms hereof that are not Restricted ADSs. The Restricted ADSs, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs shall be transferable only by the Holder thereof upon delivery to the Depository of (i) all documentation otherwise contemplated by the Deposit Agreement and (ii) an opinion of counsel satisfactory to the Depository setting forth, *inter alia*, the conditions upon which the Restricted ADSs presented, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs are transferable by the Holder thereof under applicable securities laws and the transfer restrictions contained in the legend applicable to the Restricted ADSs presented for transfer. Except as set forth in this Section 2.14 and except as required by applicable law, the Restricted ADSs and the Restricted ADRs evidencing Restricted ADSs shall be treated as ADRs and ADSs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Restricted ADSs, any conflict arises between (a) the terms of the Deposit Agreement (other than this Section 2.14) and (b) the terms of (i) this Section 2.14 or (ii) the applicable Restricted ADR, the terms and conditions set forth in this Section 2.14 and of the Restricted ADR shall be controlling and shall govern the rights and obligations of the parties to the Deposit Agreement pertaining to the deposited Restricted Shares, the Restricted ADSs and Restricted ADRs.

If the Restricted ADRs, the Restricted ADSs and the Restricted Shares cease to be Restricted Securities, the Depositary, upon receipt of (x) an opinion of counsel satisfactory to the Depositary setting forth, *inter alia*, that the Restricted ADRs, the Restricted ADSs and the Restricted Shares are not as of such time Restricted Securities, and (y) instructions from the Company to remove the restrictions applicable to the Restricted ADRs, the Restricted ADSs and the Restricted Shares, shall (i) eliminate the distinctions and separations that may have been established between the applicable Restricted Shares held on deposit under this Section 2.14 and the other Shares held on deposit under the terms of the Deposit Agreement that are not Restricted Shares, (ii) treat the newly unrestricted ADRs and ADSs on the same terms as, and fully fungible with, the other ADRs and ADSs issued and outstanding under the terms of the Deposit Agreement that are not Restricted ADRs or Restricted ADSs, (iii) take all actions necessary to remove any distinctions, limitations and restrictions previously existing under this Section 2.14 between the applicable Restricted ADRs and Restricted ADSs, respectively, on the one hand, and the other ADRs and ADSs that are not Restricted ADRs or Restricted ADSs, respectively, on the other hand, including, without limitation, by making the newly-unrestricted ADSs eligible for inclusion in the applicable book-entry settlement systems.

ARTICLE III
CERTAIN OBLIGATIONS OF HOLDERS AND BENEFICIAL OWNERS OF ADSs

Section 3.1 Proofs, Certificates and Other Information. Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depository and the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges, exchange control approval, legal or beneficial ownership of ADSs and Deposited Property, compliance with applicable laws, the terms of the Deposit Agreement or the ADR(s) evidencing the ADSs and the provisions of, or governing, the Deposited Property, to execute such certifications and to make such representations and warranties, and to provide such other information and documentation (or, in the case of Shares in registered form presented for deposit, such information relating to the registration on the books of the Company or of the Share Registrar) as the Depository or the Custodian may deem necessary or proper or as the Company may reasonably require by written request to the Depository consistent with its obligations under the Deposit Agreement and the applicable ADR(s). The Depository and the Registrar, as applicable, may, and at the reasonable request of the Company shall, to the extent lawful and practicable, withhold the execution or delivery or registration of transfer of any ADR or ADS or the distribution or sale of any dividend or distribution of rights or of the proceeds thereof or, to the extent not limited by the terms of Section 7.8(a), the delivery of any Deposited Property until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information provided, in each case to the Depository's, the Registrar's and the Company's satisfaction. The Depository shall provide the Company, in a timely manner, with copies or originals if necessary and appropriate of (i) any such proofs of citizenship or residence, taxpayer status, or exchange control approval or copies of written representations and warranties which it receives from Holders and Beneficial Owners, and (ii) any other information or documents which the Company may reasonably request and which the Depository shall request and receive from any Holder or Beneficial Owner or any person presenting Shares for deposit or ADSs for cancellation, transfer or withdrawal. Nothing herein shall obligate the Depository to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners, or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

Section 3.2 Liability for Taxes and Other Charges. Any tax or other governmental charge payable by the Custodian or by the Depository with respect to any Deposited Property, ADSs or ADRs shall be payable by the Holders and Beneficial Owners to the Depository. The Company, the Custodian and/or the Depository may withhold or deduct from any distributions made in respect of Deposited Property held on behalf of such Holder and/or Beneficial Owner, and may sell for the account of a Holder and/or Beneficial Owner any or all of such Deposited Property and apply such distributions and sale proceeds in payment of, any taxes (including applicable interest and penalties) or charges that are or may be payable by Holders or Beneficial Owners in respect of the ADSs, Deposited Property and ADRs, the Holder and the Beneficial Owner remaining liable for any deficiency. The Custodian may refuse the deposit of Shares and the Depository may refuse to issue ADSs, to deliver ADRs, register the transfer of ADSs, register the split-up or combination of ADRs and (subject to Section 7.8) the withdrawal of Deposited Property until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depository, the Company, the Custodian, and any of their agents, officers, employees and Affiliates for, and to hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from (i) any ADSs held by such Holder and/or owned by such Beneficial Owner, (ii) the Deposited Property represented by the ADSs, and (iii) any transaction entered into by such Holder and/or Beneficial Owner in respect of the ADSs and/or the Deposited Property represented thereby. Notwithstanding anything to the contrary contained in the Deposit Agreement or any ADR, the obligations of Holders and Beneficial Owners under this Section 3.2 shall survive any transfer of ADSs, any cancellation of ADSs and withdrawal of Deposited Securities, and the termination of the Deposit Agreement.

Section 3.3 Representations and Warranties on Deposit of Shares. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly issued, fully paid, non-assessable and legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been validly waived or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, (v) the Shares presented for deposit are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated in Section 2.14), and (vi) the Shares presented for deposit have not been stripped of any rights or entitlements. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of ADSs in respect thereof and the transfer of such ADSs. If any such representations or warranties are false in any way, the Company and the Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

Section 3.4 Compliance with Information Requests. Notwithstanding any other provision of the Deposit Agreement or any ADR(s), each Holder and Beneficial Owner agrees to comply with requests from the Company pursuant to applicable law, the rules and requirements of the Australian Securities Exchange, the New York Stock Exchange, and any other stock exchange on which the Shares or ADSs are, or will be, registered, traded or listed or the Constitution of the Company, which are made to provide information, *inter alia*, as to the capacity in which such Holder or Beneficial Owner owns ADSs (and Shares as the case may be) and regarding the identity of any other person(s) interested in such ADSs and the nature of such interest and various other matters, whether or not they are Holders and/or Beneficial Owners at the time of such request. The Depositary agrees to forward, upon the request of the Company and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

Section 3.5 Ownership Restrictions. Notwithstanding any other provision in the Deposit Agreement or any ADR(s) to the contrary, the Company may restrict transfers of the Shares where such transfer might result in ownership of Shares exceeding limits imposed by applicable law or any applicable rules and regulations of any securities exchange or market or the Constitution of the Company. The Company may also restrict, in such manner as it deems appropriate, transfers of the ADSs where such transfer may result in the total number of Shares represented by the ADSs owned by a single Holder or Beneficial Owner to exceed any such limits. The Company may, in its sole discretion but subject to applicable law, instruct the Depositary to take action with respect to the ownership interest of any Holder or Beneficial Owner in excess of the limits set forth in the preceding sentence, including, but not limited to, the imposition of restrictions on the transfer of ADSs, the removal or limitation of voting rights or mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADSs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Constitution of the Company. Nothing herein shall be interpreted as obligating the Depositary or the Company to ensure compliance with the ownership restrictions described in this Section 3.5.

Section 3.6 Reporting Obligations and Regulatory Approvals. Applicable laws and regulations may require holders and beneficial owners of Shares, including the Holders and Beneficial Owners of ADSs, to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Holders and Beneficial Owners of ADSs are solely responsible for determining and complying with such reporting requirements and obtaining such approvals. Each Holder and each Beneficial Owner hereby agrees to make such determination, file such reports, and obtain such approvals to the extent and in the form required by applicable laws and regulations as in effect from time to time. Neither the Depository, the Custodian, the Company or any of their respective agents or affiliates shall be required to take any actions whatsoever on behalf of Holders or Beneficial Owners to determine or satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

ARTICLE IV THE DEPOSITED SECURITIES

Section 4.1 Cash Distributions. Whenever the Company intends to make a distribution of a cash dividend or other cash distribution in respect of any Deposited Securities, the Company shall give notice thereof to the Depository at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable for determining the holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice, the Depository shall establish the ADS Record Date upon the terms described in [Section 4.9](#). Upon confirmation of the receipt of (x) any cash dividend or other cash distribution in respect of any Deposited Property (whether from the Company or otherwise), or (y) proceeds from the sale of any Deposited Property held in respect of the ADSs under the terms hereof, the Depository will (i) if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depository (pursuant to [Section 4.8](#)), be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms and conditions described in [Section 4.8](#)), (ii) if applicable and unless previously established, establish the ADS Record Date upon the terms described in [Section 4.9](#), and (iii) make commercially reasonable efforts to distribute promptly the amount thus received (net of (a) the applicable fees and charges set forth in the Fee Schedule attached hereto as [Exhibit B](#), and (b) taxes withheld) to the Holders entitled thereto as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date. The Depository shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent, and any balance not so distributed shall be held by the Depository (without liability for interest thereon) and shall be added to and become part of the next sum received by the Depository for distribution to Holders of ADSs outstanding at the time of the next distribution. If the Company, the Custodian or the Depository is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities, or from any cash proceeds from the sales of Deposited Property, an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depository, as the case may be, to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depository upon request and evidence of payment thereof by the Depository or the Custodian shall be forwarded by the Depository to the Company upon request. The Depository will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable Holders and Beneficial Owners of ADSs until the distribution can be effected or the funds that the Depository holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for in this [Section 4.1](#), the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this [Section 4.1](#) and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in this [Section 4.1](#) where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.2 Distribution in Shares. Whenever the Company intends to make a distribution that consists of a dividend in, or free distribution of, Shares, the Company shall give notice thereof to the Depository at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice from the Company, the Depository shall establish the ADS Record Date upon the terms described in Section 4.9. Upon receipt of confirmation from the Custodian of the receipt of the Shares so distributed by the Company, the Depository shall either (i) subject to Section 5.9, distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depository, as set forth in the Fee Schedule attached hereto as Exhibit B, and (b) applicable taxes), or (ii) if additional ADSs are not so distributed, take all actions necessary so that each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional integral number of Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depository, as set forth in the Fee Schedule attached hereto as Exhibit B, and (b) applicable taxes). In lieu of delivering fractional ADSs, the Depository shall sell the number of Shares or ADSs, as the case may be, represented by the aggregate of such fractions and distribute the net proceeds upon the terms described in Section 4.1. In the event that the Depository determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depository is obligated to withhold, or, if the Company in the fulfillment of its obligation under Section 5.7, has furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be distributed to Holders (and no such registration statement has been declared effective), the Depository may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depository deems necessary and practicable, and the Depository shall distribute the net proceeds of any such sale (after deduction of (a) taxes and (b) fees and charges of, and expenses incurred by, the Depository) to Holders entitled thereto upon the terms described in Section 4.1. The Depository shall hold or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for in this Section 4.2, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.2 and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in this Section 4.2 where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.3 Elective Distributions in Cash or Shares. Whenever the Company intends to make a distribution payable at the election of the holders of Deposited Securities in cash or in additional Shares, the Company shall give notice thereof to the Depository at least forty-five (45) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time) specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such elective distribution and whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depository shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution be made available to Holders, (ii) the Depository shall have determined, upon consultation with the Company, that such distribution is reasonably practicable and (iii) the Depository shall have received reasonably satisfactory documentation within the terms of [Section 5.7](#). If the above conditions are not satisfied or if the Company requests such elective distribution not to be made to the Holders of ADSs, the Depository shall establish an ADS Record Date on the terms described in [Section 4.9](#) and, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in Australia in respect of the Shares for which no election is made, either (X) cash upon the terms described in [Section 4.1](#) or (Y) additional ADSs representing such additional Shares upon the terms described in [Section 4.2](#). If the above conditions are satisfied, the Depository shall establish an ADS Record Date on the terms described in [Section 4.9](#) and establish procedures to enable Holders to elect the receipt of the proposed distribution in cash or in additional ADSs. The Company shall assist the Depository in establishing such procedures to the extent necessary. If a Holder elects to receive the proposed distribution (X) in cash, the distribution shall be made upon the terms described in [Section 4.1](#), or (Y) in ADSs, the distribution shall be made upon the terms described in [Section 4.2](#). Nothing herein shall obligate the Depository to make available to Holders a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for in this [Section 4.3](#), the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this [Section 4.3](#) and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in this [Section 4.3](#) where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.4 Distribution of Rights to Purchase Additional ADSs.

(a) **Distribution to ADS Holders.** Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depository at least forty-five (45) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution and whether or not it wishes such rights to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depository shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depository shall have received reasonably satisfactory documentation within the terms of Section 5.7, and (iii) the Depository shall have determined that such distribution of rights is reasonably practicable. In the event any of the conditions set forth above are not satisfied or if the Company requests that the rights not be made available to Holders of ADSs, the Depository shall proceed with the sale of the rights as contemplated in Section 4.4(b) below. In the event all conditions set forth above are satisfied, the Depository shall establish the ADS Record Date (upon the terms described in Section 4.9) and establish procedures to (x) distribute rights to purchase additional ADSs (by means of warrants or otherwise), (y) enable the Holders to exercise such rights (upon payment of the subscription price and of the applicable (a) fees and charges of, and expenses incurred by, the Depository and (b) taxes), and (z) deliver ADSs upon the valid exercise of such rights. The Company shall assist the Depository to the extent necessary in establishing such procedures. Nothing herein shall obligate the Depository to make available to the Holders a method to exercise rights to subscribe for Shares (rather than ADSs).

(b) **Sale of Rights.** If (i) the Company does not timely request the Depository to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depository fails to receive satisfactory documentation within the terms of Section 5.7 or determines, upon consultation with the Company, it is not reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depository shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity, at such place and upon such terms (including public or private sale) as it may deem practicable. The Company shall assist the Depository to the extent necessary to determine such legality and practicability. The Depository shall, upon such sale, convert and distribute proceeds of such sale (net of applicable (a) fees and charges of, and expenses incurred by, the Depository and (b) taxes) upon the terms set forth in Section 4.1.

(c) **Lapse of Rights.** If the Depositary is unable to make any rights available to Holders upon the terms described in Section 4.4(a) or to arrange for the sale of the rights upon the terms described in Section 4.4(b), the Depositary shall allow such rights to lapse.

Neither the Depositary nor the Company shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise. The Depositary shall not be responsible for the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything to the contrary in this Section 4.4, if registration (under the Securities Act or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act (or other applicable law) covering such offering is in effect or (ii) unless the Company furnishes the Depositary with opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case reasonably satisfactory to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws.

In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of Deposited Property (including rights) an amount on account of taxes or other governmental charges, the amount distributed to the Holders of ADSs shall be reduced accordingly. In the event that the Depositary determines that any distribution of Deposited Property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such Deposited Property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive or exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights.

Section 4.5 Distributions Other Than Cash, Shares or Rights to Purchase Shares.

(a) Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give timely notice thereof to the Depositary and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution be made to Holders of ADSs, the Depositary shall consult with the Company, and the Company shall assist the Depositary, to determine whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such distribution unless (i) the Company shall have requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received reasonably satisfactory documentation within the terms of Section 5.7, and (iii) the Depositary shall have determined, upon consultation with the Company, that such distribution is reasonably practicable.

(b) Upon receipt of reasonably satisfactory documentation and the request of the Company to distribute property to Holders of ADSs and after making the requisite determinations set forth in (a) above, the Depositary shall distribute the property so received to the Holders of record, as of the ADS Record Date, in proportion to the number of ADSs held by them respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any taxes withheld. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

(c) If (i) the Company does not request the Depositary to make such distribution to Holders or requests the Depositary not to make such distribution to Holders, (ii) the Depositary does not receive reasonably satisfactory documentation within the terms of [Section 5.7](#), or (iii) the Depositary determines that all or a portion of such distribution is not reasonably practicable, the Depositary shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem practicable and shall (i) cause the proceeds of such sale, if any, to be converted into Dollars and (ii) distribute the proceeds of such conversion received by the Depositary (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) to the Holders as of the ADS Record Date upon the terms of [Section 4.1](#). If the Depositary is unable to sell such property, the Depositary may dispose of such property for the account of the Holders in any way it deems reasonably practicable under the circumstances.

(d) Neither the Depositary nor the Company shall be liable for (i) any failure to accurately determine whether it is lawful or practicable to make the property described in this [Section 4.5](#) available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with the sale or disposal of such property.

Section 4.6 Distributions with Respect to Deposited Securities in Bearer Form. Subject to the terms of this [Article IV](#), distributions in respect of Deposited Securities that are held by the Depositary or the Custodian in bearer form shall be made to the Depositary for the account of the respective Holders of ADS(s) with respect to which any such distribution is made upon due presentation by the Depositary or the Custodian to the Company of any relevant coupons, talons, or certificates. The Company shall promptly notify the Depositary of such distributions. The Depositary or the Custodian shall promptly present such coupons, talons or certificates, as the case may be, in connection with any such distribution.

Section 4.7 Redemption. If the Company intends to exercise any right of redemption in respect of any of the Deposited Securities the Company shall give notice thereof to the Depository at least forty-five (45) days prior to the intended date of redemption (or such shorter period as the Depository and the Company may mutually agree to from time to time), which notice shall set forth the particulars of the proposed redemption. Upon timely receipt of (i) such notice and (ii) satisfactory documentation given by the Company to the Depository within the terms of [Section 5.7](#), and only if, after consultation between the Company and the Depository, the Depository shall have determined that such proposed redemption is practicable, the Depository shall provide to each Holder a notice setting forth the intended exercise by the Company of the redemption rights and any other particulars set forth in the Company' s notice to the Depository. The Depository shall instruct the Custodian to present to the Company the Deposited Securities in respect of which redemption rights are being exercised against payment of the applicable redemption price. Upon receipt of confirmation from the Custodian that the redemption has taken place and that funds representing the redemption price have been received, the Depository shall convert, transfer, and distribute the proceeds (net of applicable (a) fees and charges of, and the expenses incurred by, the Depository, as set forth in the Fee Schedule attached hereto as Exhibit B, and (b) applicable taxes), retire ADSs and cancel ADRs, if applicable, upon delivery of such ADSs by Holders thereof and the terms set forth in [Section 4.1](#) and [6.2](#). If less than all outstanding Deposited Securities are redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as may be determined by the Depository. The redemption price per ADS shall be the dollar equivalent of the per share amount received by the Depository (adjusted to reflect the ADS(s)-to-Share(s) ratio) upon the redemption of the Deposited Securities represented by ADSs (subject to the terms of [Section 4.8](#) and the applicable fees and charges of, and expenses incurred by, the Depository, and taxes) multiplied by the number of Deposited Securities represented by each ADS redeemed. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed redemption provided for in this [Section 4.7](#), the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in this [Section 4.7](#) and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository' s failure to perform the actions contemplated in this [Section 4.7](#) where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.8 Conversion of Foreign Currency. Whenever the Depository or the Custodian shall receive Foreign Currency, by way of dividends or other distributions or the net proceeds from the sale of Deposited Property, which in the judgment of the Depository can at such time be converted on a practicable basis, by sale or in any other manner that it may determine in accordance with applicable law, into Dollars transferable to the United States and distributable to the Holders entitled thereto, the Depository shall convert or cause to be converted, by sale or in any other manner that it may reasonably determine, such Foreign Currency into Dollars, and shall distribute such Dollars (net of the fees and charges set forth in the Fee Schedule attached hereto as [Exhibit B](#), and applicable taxes withheld) in accordance with the terms of the applicable sections of the Deposit Agreement. The Depository and/or its agent (which may be a division, branch or Affiliate of the Depository) may act as principal for any conversion of Foreign Currency. If the Depository shall have distributed warrants or other instruments that entitle the holders thereof to such Dollars, the Depository shall distribute such Dollars to the holders of such warrants and/or instruments upon surrender thereof for cancellation, in either case without liability for interest thereon. Such distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Holders on account of any application of exchange restrictions or otherwise.

If such conversion or distribution generally or with regard to a particular Holder can be effected only with the approval or license of any government or agency thereof, the Depository shall inform the Company, and the Depository shall have authority to file such application for approval or license, if any, as it may deem desirable. In no event, however, shall the Depository be obligated to make such a filing.

If at any time the Depository shall determine that in its judgment the conversion of any Foreign Currency and the transfer and distribution of proceeds of such conversion received by the Depository is not practicable or lawful, or if any approval or license of any governmental authority or agency thereof that is required for such conversion, transfer and distribution is denied or, in the opinion of the Depository, not obtainable at a reasonable cost or within a reasonable period, the Depository may, in its discretion, (i) make such conversion and distribution in Dollars to the Holders for whom such conversion, transfer and distribution is lawful and practicable, (ii) distribute the Foreign Currency (or an appropriate document evidencing the right to receive such Foreign Currency) to Holders for whom this is lawful and practicable, or (iii) hold (or cause the Custodian to hold) such Foreign Currency (without liability for interest thereon) for the respective accounts of the Holders entitled to receive the same.

Section 4.9 Fixing of ADS Record Date. Whenever the Depository shall receive notice of the fixing of a record date by the Company for the determination of holders of Deposited Securities entitled to receive any distribution (whether in cash, Shares, rights, or other distribution), or whenever for any reason the Depository causes a change in the number of Shares that are represented by each ADS, or whenever the Depository shall receive notice of any meeting of, or solicitation of consents or proxies of, holders of Shares or other Deposited Securities, or whenever the Depository shall find it necessary or convenient in connection with the giving of any notice, solicitation of any consent or any other matter, the Depository shall fix a record date (the “**ADS Record Date**”) for the determination of the Holders of ADS(s) who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS. The Depository shall make commercially reasonable efforts to establish the ADS Record Date as closely as practicable to the applicable record date for the Deposited Securities (if any) set by the Company in Australia and shall not announce the establishment of any ADS Record Date prior to the relevant corporate action having been made public by the Company (if such corporate action affects the Deposited Securities). If the ADSs are listed on any securities exchange, such record date shall be fixed in compliance with any applicable rules of such securities exchange. Subject to applicable law and the provisions of Sections 4.1 through 4.8 and to the other terms and conditions of the Deposit Agreement, only the Holders of ADSs at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

Section 4.10 Voting of Deposited Securities. As soon as practicable after receipt of notice of (i) any meeting at which the holders of Deposited Securities are entitled to vote, or (ii) solicitation of consents or proxies from holders of Deposited Securities, the Depository shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy in accordance with Section 4.9 hereof. The Depository shall, if requested by the Company in writing in a timely manner (the Depository having no obligation to take any further action if the request shall not have been received by the Depository at least thirty (30) days prior to the date of such vote or meeting), at the Company’s expense and provided no U.S. legal prohibitions exist, distribute to Holders as of the ADS Record Date: (a) such notice of meeting or solicitation of consent or proxy, (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of the Deposit Agreement, the Constitution of the Company and the provisions of or governing the Deposited Securities (which provisions, if any, shall be summarized in pertinent part by the Company), to instruct the Depository as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder’s ADSs, and (c) a brief statement as to the manner in which such voting instructions may be given. Voting instructions may be given only in respect of a number of ADSs representing an integral number of Deposited Securities.

Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depositary may, to the extent not prohibited by law, regulations or applicable stock exchange requirements, in lieu of distributions of the materials provided to the Depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of Deposited Securities, distribute to the Holders a notice that provides Holders with a means to retrieve such materials or receive such materials upon request (*i.e.*, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

Upon the timely receipt from a Holder of ADSs as of the ADS Record Date of voting instructions in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of this Deposit Agreement, and the provisions of the Constitution of the Company and the provisions of, or governing, the Deposited Securities, to vote, or cause the Custodian to vote, the Deposited Securities (in person or by proxy) represented by such Holder' s ADSs in accordance with such voting instructions.

The Depositary has been advised by the Company that under the Constitution of the Company as in effect on the date of the Deposit Agreement, voting at any meeting of shareholders of the Company is by show of hands unless a poll is demanded in accordance with the Constitution. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the Constitution, the Depositary will refrain from voting and the voting instructions received by the Depositary from Holders shall lapse. The Depositary will have no obligation to demand voting on a poll basis with respect to any resolution and shall have no liability to any Holder or Beneficial Owner for not having demanded voting on a poll basis.

The Depositary agrees not to, and shall take reasonable steps to ensure that the Custodian and each of its nominees, if any, do not, vote the Deposited Securities represented by ADSs other than in accordance with the instructions of Holders as of the ADS Record Date. If the Depositary does not receive voting instructions from a Holder as of the ADS Record Date on or before the date established by the Depositary for such purpose, or if the Depositary timely receives voting instructions from a Holder that fail to specify the manner in which the Depositary is to vote, the Shares represented by such Holder' s ADSs will not be voted. Neither the Depositary nor the Custodian shall under any circumstances exercise any discretion as to voting and neither the Depositary nor the Custodian shall vote, attempt to exercise the right to vote, or in any way make use of, for purposes of establishing a quorum or otherwise, the Deposited Securities represented by ADSs, except pursuant to and in accordance with the voting instructions timely received from Holders or as otherwise contemplated herein. Notwithstanding anything else contained herein, the Depositary shall, if so requested in writing by the Company, represent all Deposited Securities (whether or not voting instructions have been received in respect of such Deposited Securities from Holders as of the ADS Record Date) for the sole purpose of establishing quorum at a meeting of shareholders.

Notwithstanding anything contained in this Deposit Agreement or any ADR to the contrary, the Depositary shall not have any obligation to take any action with respect to any meeting, or solicitation of consents or proxies, of holders of Deposited Securities if the taking of such action would violate U.S. or Australian laws. The Company agrees to take any and all actions reasonably necessary and as permitted by the laws of Australia to enable Holders and Beneficial Owners to exercise the voting rights accruing to the Deposited Securities and to deliver to the Depositary, if requested by the Depositary, an opinion of U.S. or Australian counsel, or both, addressing any actions to be taken.

There can be no assurance that Holders generally or any Holder in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

Section 4.11 Changes Affecting Deposited Securities. Upon any change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, consolidation or sale of assets affecting the Company or to which it is a party, any property which shall be received by the Depositary or the Custodian in exchange for, or in conversion of, or replacement of, or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Property under the Deposit Agreement, and the ADSs shall, subject to the provisions of the Deposit Agreement, any ADR(s) evidencing such ADSs and applicable law, represent the right to receive such additional or replacement Deposited Property. In giving effect to such change, split-up, cancellation, consolidation or other reclassification of Deposited Securities, recapitalization, reorganization, merger, consolidation or sale of assets, the Depositary may, with the Company's approval, and shall, if the Company shall so request, subject to the terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary, as set forth in the Fee Schedule attached hereto as Exhibit B, and (b) applicable taxes) and receipt of an opinion of counsel to the Company reasonably satisfactory to the Depositary that such actions are not in violation of any applicable laws or regulations, (i) issue and deliver additional ADSs as in the case of a stock dividend on the Shares, (ii) amend the Deposit Agreement and the applicable ADRs, (iii) amend the applicable Registration Statement(s) on Form F-6 as filed with the Commission in respect of the ADSs, (iv) call for the surrender of outstanding ADRs to be exchanged for new ADRs, and (v) take such other actions as are appropriate to reflect the transaction with respect to the ADSs. The Company agrees to, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of ADRs. Notwithstanding the foregoing, in the event that any Deposited Property so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company's approval, and shall, if the Company requests, subject to receipt of an opinion of Company's counsel reasonably satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such Deposited Property at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) for the account of the Holders otherwise entitled to such Deposited Property upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1. Neither the Company nor the Depositary shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such Deposited Property available to Holders in general or to any Holder in particular, or (ii) any foreign exchange exposure or loss incurred in connection with such sale. The Depositary shall not have any liability to the purchaser of such Deposited Property.

Section 4.12 Available Information. The Company is subject to the periodic reporting requirements of the Exchange Act and, accordingly, is required to file or furnish certain reports with the Commission. These reports can be retrieved from the Commission's website (www.sec.gov) and can be inspected and copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington D.C. 20549.

Section 4.13 Reports. The Depositary shall make available for inspection by Holders at its Principal Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Property and (b) made generally available to the holders of such Deposited Property by the Company. The Depositary shall also provide or make available to Holders copies of such reports when furnished by the Company pursuant to [Section 5.6](#).

Section 4.14 List of Holders. Promptly upon written request by the Company, the Depositary shall furnish to it a list, as of a recent date, of the names, addresses and holdings of ADSs of all Holders and, to the extent available and at the Company's expense, of Beneficial Owners.

Section 4.15 Taxation. The Depositary will, and will instruct the Custodian to, forward to the Company or its agents such information from its records as the Company may reasonably request to enable the Company or its agents to file the necessary tax reports with governmental authorities or agencies. The Depositary, the Custodian or the Company and its agents may file such reports as are necessary to reduce or eliminate applicable taxes on dividends and on other distributions in respect of Deposited Property under applicable tax treaties or laws for the Holders and Beneficial Owners. In accordance with instructions from the Company and to the extent practicable, the Depositary or the Custodian will take reasonable administrative actions to obtain tax refunds, reduced withholding of tax at source on dividends and other benefits under applicable tax treaties or laws with respect to dividends and other distributions on the Deposited Property. As a condition to receiving such benefits, Holders and Beneficial Owners of ADSs may be required from time to time, and in a timely manner, to file such proof of taxpayer status, residence and beneficial ownership (as applicable), to execute such certificates and to make such representations and warranties, or to provide any other information or documents, as the Depositary or the Custodian may deem necessary or proper to fulfill the Depositary's or the Custodian's obligations under applicable law. The Depositary and the Company shall have no obligation or liability to any person if any Holder or Beneficial Owner fails to provide such information or if such information does not reach the relevant tax authorities in time for any Holder or Beneficial Owner to obtain the benefits of any tax treatment. The Holders and Beneficial Owners shall indemnify the Depositary, the Company, the Custodian and any of their respective directors, employees, agents and Affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained.

If the Company (or any of its agents) withholds from any distribution any amount on account of taxes or governmental charges, or pays any other tax in respect of such distribution (*i.e.*, stamp duty tax, capital gains or other similar tax), the Company shall (and shall cause such agent to) remit promptly to the Depositary information about such taxes or governmental charges withheld or paid, and, if so requested, the tax receipt (or other proof of payment to the applicable governmental authority) therefor, in each case, in a form reasonably satisfactory to the Depositary, or as required by the applicable law. The Depositary shall, to the extent required by U.S. law, report to Holders any taxes withheld by it or the Custodian, and, if such information is provided to it by the Company, any taxes withheld by the Company. The Depositary and the Custodian shall not be required to provide the Holders with any evidence of the remittance by the Company (or its agents) of any taxes withheld, or of the payment of taxes by the Company, except to the extent the evidence is provided by the Company to the Depositary or the Custodian, as applicable. Neither the Depositary nor the Custodian shall be liable for the failure by any Holder or Beneficial Owner to obtain the benefits of credits on the basis of non-U.S. tax paid against such Holder's or Beneficial Owner's income tax liability. Notwithstanding any other provision of this Deposit Agreement, before making any distribution or other payment on any Deposited Securities, the Company or any of its agents shall make such deductions (if any) which, by the laws of Australia, the Company or any of its agents is required to make in respect of any income, capital gains or other taxes and the Company or its agent may also deduct the amount of any tax or governmental charges payable by the Company or any of its agents or for which the Company or any of its agents might be made liable in respect of such distribution or other payment or any document signed in connection therewith. In making such deductions, the Company and any of its agents shall have no obligation to any Holder or Beneficial Owner to apply a rate under any treaty or other arrangement between Australia and the country within which such Holder or Beneficial Owner is resident unless such Holder or Beneficial Owner has timely provided to the Company or any of its agents proof of taxpayer status, residence, beneficial ownership or other information or documents (as applicable) as the Company may deem necessary for this purpose.

The Depositary is under no obligation to provide the Holders and Beneficial Owners with any information about the tax status of the Company. The Depositary shall not incur any liability for any tax consequences that may be incurred by Holders and Beneficial Owners on account of their ownership of the ADSs, including without limitation, tax consequences resulting from the Company (or any of its subsidiaries) being treated as a "**Passive Foreign Investment Company**" (in each case as defined in the U.S. Internal Revenue Code of 1986, as amended, and the regulations issued thereunder) or otherwise.

ARTICLE V
THE DEPOSITARY, THE CUSTODIAN AND THE COMPANY

Section 5.1 Maintenance of Office and Transfer Books by the Registrar. Until termination of the Deposit Agreement in accordance with its terms, the Registrar shall maintain in the City of New York, an office and facilities for the issuance and delivery of ADSs, the acceptance for surrender of ADS(s) for the purpose of withdrawal of Deposited Securities, the registration of issuances, cancellations, transfers, combinations and split-ups of ADS(s) and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up, in each case in accordance with the provisions of the Deposit Agreement.

The Registrar shall keep books for the registration of ADSs which at all reasonable times shall be open for inspection by the Company and by the Holders of such ADSs, *provided* that such inspection shall not be, to the Registrar's knowledge, for the purpose of communicating with Holders of such ADSs in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the ADSs. Upon the reasonable request and at the expense of the Company, the Company shall have the right to examine and copy the transfer and registration records of the Depositary.

The Registrar may close the transfer books with respect to the ADSs, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to Section 7.8.

If any ADSs are listed on one or more stock exchanges or automated quotation systems in the United States, the Depositary shall act as Registrar or appoint, following prior written notice to, and consultation with, the Company to the extent such prior notice and consultation is reasonably practicable, a Registrar or one or more co-registrars for registration of issuances, cancellations, transfers, combinations and split-ups of ADSs and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up, in accordance with any requirements of such exchanges or systems. Such Registrar or co-registrars may be removed and a substitute or substitutes appointed by the Depositary, following prior written notice to, and consultation with, the Company to the extent such prior notice and consultation is reasonably practicable.

Section 5.2 Exoneration. Notwithstanding anything to the contrary contained in the Deposit Agreement or any ADR, neither the Depositary nor the Company shall be obligated to do or perform any act or thing which is inconsistent with the provisions of the Deposit Agreement or incur any liability (to the extent not limited by Section 7.8(b)) (i) if the Depositary, the Custodian, the Company or their respective agents shall be prevented or forbidden from, hindered or delayed in, doing or performing any act or thing required or contemplated by the terms of the Deposit Agreement, by reason of any provision of any present or future law or regulation of the United States, Australia, or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of potential criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Constitution of the Company or any provision of or governing any Deposited Securities, or by reason of any act of God or other event or circumstance beyond its control (including, without limitation, fire, flood, earthquake, tornado, hurricane, tsunami, explosion, or other natural disaster, nationalization, expropriation, currency restriction, work stoppage, strikes, civil unrest, act of war (whether declared or not) or terrorism, revolution, rebellion, embargo, computer failure, failure of public infrastructure (including communication or utility failure), failure of common carriers, nuclear, cyber or biochemical incident, any pandemic, epidemic or other prevalent disease or illness with an actual or probable threat to human life, any quarantine order or travel restriction imposed by a governmental authority or other competent public health authority, or the failure or unavailability of the United States Federal Reserve Bank (or other central banking system) or DTC (or other clearing system)), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Constitution of the Company or provisions of or governing Deposited Securities, (iii) for any action or inaction in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADSs, (v) for any action or inaction of any clearing or settlement system (and any participant thereof) for the Deposited Property or the ADSs, or (vi) for any consequential or punitive damages (including lost profits) for any breach of the terms of the Deposit Agreement.

The Depository, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

Section 5.3 Standard of Care. The Company and the Depository assume no obligation and shall not be subject to any liability under the Deposit Agreement or any ADRs to any Holder(s) or Beneficial Owner(s), except that the Company and the Depository agree to perform their respective obligations specifically set forth in the Deposit Agreement or the applicable ADRs without negligence or bad faith.

Without limitation of the foregoing, neither the Depository, nor the Company, nor any of their respective directors, officers, controlling persons, employees or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Property or in respect of the ADSs, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depository).

Neither the Depository and its agents nor the Company and its directors, officers, controlling persons, employees or agents shall be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, *provided* that any such action or omission is in good faith and in accordance with the terms of the Deposit Agreement. The Depository shall not incur any liability for any failure to determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Property, for the validity or worth of the Deposited Property, for the value of any Deposited Property or any distribution thereof, for any interest on Deposited Property, for any tax consequences that may result from the ownership of ADSs, Shares or other Deposited Property, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement, for the failure or timeliness of any notice from the Company, or for any action of or failure to act by, or any information provided or not provided by, DTC or any DTC Participant.

The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, *provided* that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

The Depositary shall not be liable for any acts or omissions made by a predecessor depositary whether in connection with an act or omission of the Depositary or in connection with any matter arising wholly prior to the appointment of the Depositary or after the removal or resignation of the Depositary, *provided* that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

Section 5.4 Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary hereunder by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2), or (ii) the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2), or (ii) upon the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its commercially reasonable efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the City of New York. Every successor depositary shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor (other than as contemplated in Sections 5.8 and 5.9). The predecessor depositary, upon payment of all sums due it and on the written request of the Company shall, (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9), (ii) duly assign, transfer and deliver all of the Depositary's right, title and interest to the Deposited Property to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding ADSs and such other information relating to ADSs and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly provide notice of its appointment to such Holders.

Any entity into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

Section 5.5 The Custodian. The Depositary has appointed Citicorp Nominees Pty Limited as Custodian for the purpose of the Deposit Agreement. The Custodian or its successors in acting hereunder shall be authorized to act as custodian in Australia and shall be subject at all times and in all respects to the direction of the Depositary for the Deposited Property for which the Custodian acts as custodian and shall be responsible solely to it. If any Custodian resigns or is discharged from its duties hereunder with respect to any Deposited Property and no other Custodian has previously been appointed hereunder, the Depositary shall promptly appoint a substitute custodian following prior written notice to, and consultation with, the Company to the extent such prior notice and consultation is reasonably practicable. The Depositary shall require such resigning or discharged Custodian to Deliver, or cause the Delivery of, the Deposited Property held by it, together with all such records maintained by it as Custodian with respect to such Deposited Property as the Depositary may request, to the Custodian designated by the Depositary. Whenever the Depositary determines, in its discretion, that it is appropriate to do so, it may appoint an additional custodian with respect to any Deposited Property, or discharge the Custodian with respect to any Deposited Property and appoint a substitute custodian, which shall thereafter be Custodian hereunder with respect to the Deposited Property. Immediately upon any such change, the Depositary shall give notice thereof in writing to all Holders of ADSs, each other Custodian and the Company.

Citibank may at any time act as Custodian of the Deposited Property pursuant to the Deposit Agreement, in which case any reference to Custodian shall mean Citibank solely in its capacity as Custodian pursuant to the Deposit Agreement. Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depositary shall not be obligated to give notice to the Company, any Holders of ADSs or any other Custodian of its acting as Custodian pursuant to the Deposit Agreement.

Upon the appointment of any successor depositary, any Custodian then acting hereunder shall, unless otherwise instructed by the Depositary, continue to be the Custodian of the Deposited Property without any further act or writing, and shall be subject to the direction of the successor depositary. The successor depositary so appointed shall, nevertheless, on the written request of any Custodian, execute and deliver to such Custodian all such instruments as may be proper to give to such Custodian full and complete power and authority to act on the direction of such successor depositary.

Section 5.6 Notices and Reports. On or before the first date on which the Company gives notice, by publication or otherwise, of any meeting of holders of Shares or other Deposited Securities, or of any adjourned meeting of such holders, or of the taking of any action by such holders other than at a meeting, or of the taking of any action in respect of any cash or other distributions or the offering of any rights in respect of Deposited Securities, the Company shall transmit to the Depositary and the Custodian a copy of the notice thereof in the English language but otherwise in the form given or to be given to holders of Shares or other Deposited Securities. The Company shall also furnish to the Custodian and the Depositary a summary, in English, of any applicable provisions or proposed provisions of the Constitution of the Company that may be relevant or pertain to such notice of meeting or be the subject of a vote thereat.

The Company will also transmit to the Depository English-language versions of the other notices, reports and communications which are made generally available by the Company to holders of its Shares or other Deposited Securities. The Depository shall arrange, at the request of the Company and at the Company's expense, to provide copies thereof to all Holders or make such notices, reports and other communications available to all Holders on a basis similar to that for holders of Shares or other Deposited Securities or on such other basis as the Company may advise the Depository or as may be required by any applicable law, regulation or stock exchange requirement. The Company has delivered to the Depository and the Custodian a copy of the Company's Constitution, and promptly upon any amendment thereto or change therein, the Company shall deliver to the Depository and the Custodian a copy of such amendment thereto or change therein. The Depository may rely upon such copy for all purposes of the Deposit Agreement.

The Depository will, at the expense of the Company, make available a copy of any such notices, reports or communications issued by the Company and delivered to the Depository for inspection by the Holders of the ADSs at the Depository's Principal Office, at the office of the Custodian and at any other designated transfer office.

Section 5.7 Issuance of Additional Shares, ADSs etc. The Company agrees that in the event it or any of its Affiliates proposes (i) an issuance, sale or distribution of additional Shares, (ii) an offering of rights to subscribe for Shares or other Deposited Securities, (iii) an issuance or assumption of securities convertible into or exchangeable for Shares, (iv) an issuance of rights to subscribe for securities convertible into or exchangeable for Shares, (v) an elective dividend of cash or Shares, (vi) a redemption of Deposited Securities, (vii) a meeting of holders of Deposited Securities, or solicitation of consents or proxies, relating to any reclassification of securities, merger or consolidation or transfer of assets, (viii) any assumption, reclassification, recapitalization, reorganization, merger, consolidation or sale of assets which affects the Deposited Securities, or (ix) a distribution of securities other than Shares, it will obtain U.S. legal advice and take all steps necessary to ensure that the application of the proposed transaction to Holders and Beneficial Owners does not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act and the securities laws of the states of the U.S.). In support of the foregoing, the Company will, if required in the reasonable judgment of the Depository, furnish to the Depository (a) a written opinion of U.S. counsel (reasonably satisfactory to the Depository) stating whether such transaction (1) requires a registration statement under the Securities Act to be in effect or (2) is exempt from the registration requirements of the Securities Act and (b) an opinion of Australian counsel stating that (1) making the transaction available to Holders and Beneficial Owners does not violate the laws or regulations of Australia and (2) all requisite regulatory consents and approvals have been obtained in Australia; *provided, that* no such opinion shall be required where any such issuance, sale, offering or distribution is to be made solely in connection with an issuance of Shares pursuant to (i) a bonus or share split, (ii) compensation of the Company's directors, executives, officers or employees, or (iii) any Company employee benefit program, share purchase program or share option plan, so long as in respect of any Shares so issued, sold, offered or distributed under (ii) or (iii) above, the Depository receives documentation reasonably satisfactory to it that (w) a registration statement under the Securities Act, if applicable, is in effect or that no such registration statement is required in respect of such Shares, (x) the Commission has issued no stop orders in respect of any such registration statement and (y) all such Shares at the time of delivery to the relevant employee, director or officer are duly authorized, validly issued, fully paid, non-assessable, free of any voting restrictions, free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and free of any pre-emptive rights, all requisite permissions, consents, approvals, authorizations and others (if any) have been obtained and all requisite filings (if any) have been made in Australia in respect of such Shares, and the Shares rank *pari passu* in all respects with the Shares at such time deposited with the Custodian under this Deposit Agreement and (z) the Shares being deposited are not, and the ADSs issuable on deposit will not be, Restricted Securities (except as contemplated in [Section 2.14](#)). If the filing of a registration statement is required, the Depository shall not have any obligation to proceed with the transaction unless it shall have received evidence reasonably satisfactory to it that such registration statement has been declared effective. If, being advised by counsel, the Company determines that a transaction is required to be registered under the Securities Act, the Company will either (i) register such transaction to the extent necessary, (ii) alter the terms of the transaction to avoid the registration requirements of the Securities Act or (iii) direct the Depository to take specific measures, in each case as contemplated in the Deposit Agreement, to prevent such transaction from violating the registration requirements of the Securities Act. The Company agrees with the Depository that neither the Company nor any of its Affiliates will at any time (i) deposit any Shares or other Deposited Securities, either upon original issuance or upon a sale of Shares or other Deposited Securities previously issued and reacquired by the Company or by any such Affiliate, or (ii) issue additional Shares, rights to subscribe for such Shares, securities convertible into or exchangeable for Shares or rights to subscribe for such securities or distribute securities other than Shares, unless such transaction and the securities issuable in such transaction do not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act and the securities laws of the states of the U.S.).

Notwithstanding anything else contained in the Deposit Agreement, nothing in the Deposit Agreement shall be deemed to obligate the Company to file any registration statement in respect of any proposed transaction.

Section 5.8 Indemnification. The Depositary agrees to indemnify the Company and its directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct loss, liability, tax, charge or expense of any kind whatsoever (including, but not limited to, the reasonable fees and expenses of counsel) which may arise out of acts performed or omitted by the Depositary under the terms hereof due to the negligence or bad faith of the Depositary.

The Company agrees to indemnify the Depositary, the Custodian and any of their respective directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct loss, liability, tax, charge or expense of any kind whatsoever (including, but not limited to, the reasonable fees and expenses of counsel) that may arise (a) out of, or in connection with, any offer, issuance, sale, resale, transfer, deposit or withdrawal of ADRs, ADSs, the Shares, or other Deposited Securities, as the case may be, (b) out of, or as a result of, any offering documents in respect thereof or (c) out of acts performed or omitted, including, but not limited to, any delivery by the Depositary on behalf of the Company of information regarding the Company in connection with the Deposit Agreement, the ADRs, the ADSs, the Shares, or any Deposited Property, in any such case (i) by the Depositary, the Custodian or any of their respective directors, officers, employees, agents and Affiliates, except to the extent such loss, liability, tax, charge or expense is due to the negligence or bad faith of any of them, or (ii) by the Company or any of its directors, officers, employees, agents and Affiliates, except, in each case, to the extent any such loss, liability, tax, charge or expense arises out of information relating to the Depositary in writing and not materially changed or altered by the Company.

The obligations set forth in this Section shall survive the termination of the Deposit Agreement and the succession or substitution of any party hereto.

Any person seeking indemnification hereunder (an “**indemnified person**”) shall notify the person from whom it is seeking indemnification (the “**indemnifying person**”) of the commencement of any indemnifiable action or claim promptly after such indemnified person becomes aware of such commencement (*provided* that the failure to make such notification shall not affect such indemnified person’s rights to seek indemnification except to the extent the indemnifying person is materially prejudiced by such failure) and shall consult in good faith with the indemnifying person as to the conduct of the defense of such action or claim that may give rise to an indemnity hereunder, which defense shall be reasonable in the circumstances. No indemnified person shall compromise or settle any action or claim that may give rise to an indemnity hereunder without the consent of the indemnifying person, which consent shall not be unreasonably withheld.

Section 5.9 ADS Fees and Charges. The Company, the Holders, the Beneficial Owners, persons depositing Shares or withdrawing Deposited Securities in connection with the issuance and cancellation of ADSs, and persons receiving ADSs upon issuance or whose ADSs are being cancelled shall be required to pay the Depository’s fees and related charges identified as payable by them respectively in the Fee Schedule attached hereto as Exhibit B. All ADS fees and charges so payable may be deducted from distributions or must be remitted to the Depository, or its designee, and may, at any time and from time to time, be changed by agreement between the Depository and the Company, but, in the case of ADS fees and charges payable by Holders and Beneficial Owners, any such change (excluding any changes to the waiver by the Depository of fees and charges contemplated herein) may be made only in the manner contemplated in Section 6.1. The Depository shall provide, without charge, a copy of its latest ADS fee schedule to anyone upon request.

ADS fees and charges for (i) the issuance of ADSs and (ii) the cancellation of ADSs will be payable by the person for whom the ADSs are so issued by the Depository (in the case of ADS issuances) and by the person for whom ADSs are being cancelled (in the case of ADS cancellations). In the case of ADSs issued by the Depository into DTC or presented to the Depository via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC Participant(s) receiving the ADSs from the Depository or the DTC Participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the Beneficial Owner(s) and will be charged by the DTC Participant(s) to the account(s) of the applicable Beneficial Owner(s) in accordance with the procedures and practices of the DTC Participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by Holders as of the applicable ADS Record Date established by the Depository. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable Holders as of the ADS Record Date established by the Depository will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to Holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC Participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC Participants in turn charge the amount of such ADS fees and charges to the Beneficial Owners for whom they hold ADSs. In the case of (i) registration of ADS transfers, the ADS transfer fee will be payable by the ADS Holder whose ADSs are being transferred or by the person to whom the ADSs are transferred, and (ii) conversion of ADSs of one series for ADSs of another series, the ADS conversion fee will be payable by the Holder whose ADSs are converted or by the person to whom the converted ADSs are delivered.

The Depositary may reimburse the Company for certain expenses incurred by the Company in respect of the ADR program established pursuant to the Deposit Agreement, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as the Company and the Depositary agree from time to time. The Company shall pay to the Depositary such fees and charges, and reimburse the Depositary for such out-of-pocket expenses, as the Depositary and the Company may agree from time to time. Responsibility for payment of such fees, charges and reimbursements may from time to time be changed by agreement between the Company and the Depositary. Unless otherwise agreed, the Depositary shall present its statement for such fees, charges and reimbursements to the Company once every three months. The charges and expenses of the Custodian are for the sole account of the Depositary.

The obligations of Holders and Beneficial Owners to pay ADS fees and charges shall survive the termination of the Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in [Section 5.4](#), the right to collect ADS fees and charges shall extend for those ADS fees and charges incurred prior to the effectiveness of such resignation or removal.

Section 5.10 Restricted Securities Owners. The Company agrees to advise in writing each of the persons or entities who, to the knowledge of the Company, holds Restricted Securities that such Restricted Securities are ineligible for deposit hereunder (except under the circumstances contemplated in [Section 2.14](#)) and, to the extent practicable, shall require each of such persons to represent in writing that such person will not deposit Restricted Securities hereunder (except under the circumstances contemplated in [Section 2.14](#)).

ARTICLE VI AMENDMENT AND TERMINATION

Section 6.1 Amendment/Supplement. Subject to the terms and conditions of this [Section 6.1](#) and applicable law, the ADRs outstanding at any time, the provisions of the Deposit Agreement and the form of ADR attached hereto and to be issued under the terms hereof may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depositary in any respect which they may deem necessary or desirable without the prior written consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding ADSs until the expiration of thirty (30) days after notice of such amendment or supplement shall have been given to the Holders of outstanding ADSs. Notice of any amendment to the Deposit Agreement or any ADR shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, *provided, however*, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (*i.e.*, upon retrieval from the Commission's, the Depositary's or the Company's website or upon request from the Depositary). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depositary) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act or (b) the ADSs to be settled solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial existing rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADSs, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement and the ADR, if applicable, as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such ADS and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require an amendment of, or supplement to, the Deposit Agreement to ensure compliance therewith, the Company and the Depositary may amend or supplement the Deposit Agreement and any ADRs at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement and any ADRs in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

Section 6.2 Termination. The Depositary shall, at any time at the written direction of the Company, terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. If ninety (90) days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and, in either case, a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 of the Deposit Agreement, the Depositary may terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. The date so fixed for termination of the Deposit Agreement in any termination notice so distributed by the Depositary to the Holders of ADSs is referred to as the “**Termination Date**”. Until the Termination Date, the Depositary shall continue to perform all of its obligations under the Deposit Agreement, and the Holders and Beneficial Owners will be entitled to all of their rights under the Deposit Agreement.

If any ADSs shall remain outstanding after the Termination Date, the Registrar and the Depositary shall not, after the Termination Date, have any obligation to perform any further acts under the Deposit Agreement, except that the Depositary shall, subject, in each case, to the terms and conditions of the Deposit Agreement, continue to (i) collect dividends and other distributions pertaining to Deposited Securities, (ii) sell Deposited Property received in respect of Deposited Securities, (iii) deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any other Deposited Property, in exchange for ADSs surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (iv) take such actions as may be required under applicable law in connection with its role as Depositary under the Deposit Agreement.

At any time after the Termination Date, the Depositary may sell the Deposited Property then held under the Deposit Agreement and shall after such sale hold un-invested the net proceeds of such sale, together with any other cash then held by it under the Deposit Agreement, in an un-segregated account and without liability for interest, for the pro- rata benefit of the Holders whose ADSs have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under the Deposit Agreement except (i) to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), (ii) as may be required at law in connection with the termination of the Deposit Agreement and (iii) for its obligations under Sections 5.8 and 7.6 of the Deposit Agreement. After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement, except for its obligations to the Depositary under Sections 5.8, 5.9 and 7.6 of the Deposit Agreement. The obligations under the terms of the Deposit Agreement of Holders and Beneficial Owners of ADSs outstanding as of the Termination Date shall survive the Termination Date and shall be discharged only when the applicable ADSs are presented by their Holders to the Depositary for cancellation under the terms of the Deposit Agreement (except as specifically provided in the Deposit Agreement).

Notwithstanding anything contained in the Deposit Agreement or any ADR, in connection with the termination of the Deposit Agreement, the Depositary may, independently and without the need for any action by the Company, make available to Holders of ADSs a means to withdraw the Deposited Securities represented by their ADSs and to direct the deposit of such Deposited Securities into an unsponsored American depositary shares program established by the Depositary, upon such terms and conditions as the Depositary may deem reasonably appropriate, subject however, in each case, to satisfaction of the applicable registration requirements by the unsponsored American depositary shares program under the Securities Act, and to receipt by the Depositary of payment of the applicable fees and charges of, and reimbursement of the applicable expenses incurred by, the Depositary.

**ARTICLE VII
MISCELLANEOUS**

Section 7.1 Counterparts. The Deposit Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of such counterparts together shall constitute one and the same agreement. Copies of the Deposit Agreement shall be maintained with the Depository and shall be open to inspection by any Holder during business hours.

Section 7.2 No Third-Party Beneficiaries. The Deposit Agreement is for the exclusive benefit of the parties hereto (and their successors) and shall not be deemed to give any legal or equitable right, remedy or claim whatsoever to any other person, except to the extent specifically set forth in the Deposit Agreement. Nothing in the Deposit Agreement shall be deemed to give rise to a partnership or joint venture among the parties nor establish a fiduciary or similar relationship among the parties. The parties hereto acknowledge and agree that (i) Citibank and its Affiliates may at any time have multiple banking relationships with the Company, the Holders, the Beneficial Owners, and their respective Affiliates, (ii) Citibank and its Affiliates may own and deal in any class of securities of the Company and its Affiliates and in ADSs, and may be engaged at any time in transactions in which parties adverse to the Company, the Holders, the Beneficial Owners or their respective Affiliates may have interests, (iii) the Depository and its Affiliates may from time to time have in their possession non-public information about the Company, the Holders, the Beneficial Owners, and their respective Affiliates, (iv) nothing contained in the Deposit Agreement shall (a) preclude Citibank or any of its Affiliates from engaging in such transactions or establishing or maintaining such relationships, or (b) obligate Citibank or any of its Affiliates to disclose such information, transactions or relationships, or to account for any profit made or payment received in such transactions or relationships, (v) the Depository shall not be deemed to have knowledge of any information any other division of Citibank or any of its Affiliates may have about the Company, the Holders, the Beneficial Owners, or any of their respective Affiliates, and (vi) the Company, the Depository, the Custodian and their respective agents and controlling persons may be subject to the laws and regulations of jurisdictions other than the U.S. and Australia, and the authority of courts and regulatory authorities of such other jurisdictions, and, consequently, the requirements and the limitations of such other laws and regulations, and the decisions and orders of such other courts and regulatory authorities, may affect the rights and obligations of the parties to the Deposit Agreement.

Section 7.3 Severability. In case any one or more of the provisions contained in the Deposit Agreement or in the ADRs should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

Section 7.4 Holders and Beneficial Owners as Parties; Binding Effect. The Holders and Beneficial Owners from time to time of ADSs issued hereunder shall be parties to the Deposit Agreement and shall be bound by all of the terms and conditions hereof and of any ADR evidencing their ADSs by acceptance thereof or any beneficial interest therein.

Section 7.5 Notices. Any and all notices to be given to the Company shall be deemed to have been duly given if personally delivered or sent by mail, air courier or facsimile transmission, confirmed by letter personally delivered or sent by mail or air courier, addressed to Woodside Petroleum Ltd., 240 St Georges Terrace, Perth WA 6000, Australia, Attention: General Counsel and Company Secretary, or to any other address which the Company may specify in writing to the Depository.

Any and all notices to be given to the Depository shall be deemed to have been duly given if personally delivered or sent by mail, air courier or facsimile transmission, confirmed by letter personally delivered or sent by mail or air courier, addressed to Citibank, N.A., 388 Greenwich Street, New York, New York 10013, U.S.A., Attention: Depository Receipts Department, or to any other address which the Depository may specify in writing to the Company.

Any and all notices to be given to any Holder shall be deemed to have been duly given if (a) personally delivered or sent by mail or facsimile transmission, confirmed by letter, addressed to such Holder at the address of such Holder as it appears on the books of the Depository or, if such Holder shall have filed with the Depository a request that notices intended for such Holder be mailed to some other address, at the address specified in such request, or (b) if a Holder shall have designated such means of notification as an acceptable means of notification under the terms of the Deposit Agreement, by means of electronic messaging addressed for delivery to the e-mail address designated by the Holder for such purpose. Notice to Holders shall be deemed to be notice to Beneficial Owners for all purposes of the Deposit Agreement. Failure to notify a Holder or any defect in the notification to a Holder shall not affect the sufficiency of notification to other Holders or to the Beneficial Owners of ADSs held by such other Holders. Any notices given to DTC under the terms of the Deposit Agreement shall (unless otherwise specified by the Depository) constitute notice to the DTC Participants who hold as the ADSs in their DTC accounts and to the Beneficial Owners of such ADSs.

Delivery of a notice sent by mail, air courier or cable, telex or facsimile transmission shall be deemed to be effective at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a cable, telex or facsimile transmission) is deposited, postage prepaid, in a post-office letter box or delivered to an air courier service, without regard for the actual receipt or time of actual receipt thereof by a Holder. The Depository or the Company may, however, act upon any cable, telex or facsimile transmission received by it from any Holder, the Custodian, the Depository, or the Company, notwithstanding that such cable, telex or facsimile transmission shall not be subsequently confirmed by letter.

Delivery of a notice by means of electronic messaging shall be deemed to be effective at the time of the initiation of the transmission by the sender (as shown on the sender's records), notwithstanding that the intended recipient retrieves the message at a later date, fails to retrieve such message, or fails to receive such notice on account of its failure to maintain the designated e-mail address, its failure to designate a substitute e-mail address or for any other reason.

Section 7.6 Governing Law and Jurisdiction. The Deposit Agreement, the ADRs, and the ADSs shall be interpreted in accordance with, and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, the laws of the State of New York applicable to contracts made and to be wholly performed in that State. Notwithstanding anything contained in the Deposit Agreement, any ADR or any present or future provisions of the laws of the State of New York, the rights of holders of Shares and of any other Deposited Securities and the obligations and duties of the Company in respect of the holders of Shares and other Deposited Securities, as such, shall be governed by the laws of Australia (or, if applicable, such other laws as may govern the Deposited Securities).

Except as set forth in the following paragraph of this Section 7.6, the Company and the Depositary agree that the federal or state courts in the City of New York shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute between them that may arise out of or in connection with the Deposit Agreement and, for such purposes, each irrevocably submits to the non-exclusive jurisdiction of such courts. The Company hereby irrevocably designates, appoints and empowers CT Corporation (the “**Agent**”) now at 111 Eighth Avenue, 13th Floor, New York, New York 10011, as its authorized agent to receive and accept for and on its behalf, and on behalf of its properties, assets and revenues, service by mail of any and all legal process, summons, notices and documents that may be served in any suit, action or proceeding brought against the Company in any federal or state court as described in the preceding sentence or in the next paragraph of this Section 7.6. If for any reason the Agent shall cease to be available to act as such, the Company agrees to designate a new agent in New York on the terms and for the purposes of this Section 7.6 reasonably satisfactory to the Depositary. The Company further hereby irrevocably consents and agrees to the service of any and all legal process, summons, notices and documents in any suit, action or proceeding against the Company, by service by mail of a copy thereof upon the Agent (whether or not the appointment of such Agent shall for any reason prove to be ineffective or such Agent shall fail to accept or acknowledge such service), with a copy mailed to the Company by registered or certified air mail, postage prepaid, to its address provided in Section 7.5. The Company agrees that the failure of the Agent to give any notice of such service to it shall not impair or affect in any way the validity of such service or any judgment rendered in any action or proceeding based thereon.

Notwithstanding the foregoing, the Depositary and the Company unconditionally agree that in the event of any suit, action or proceeding against (a) the Company, (b) the Depositary in its capacity as Depositary under the Deposit Agreement or (c) against both the Company and the Depositary, in any such case, in any state or federal court of the United States, and the Depositary or the Company have any claim, for indemnification or otherwise, against each other arising out of the subject matter of such suit, action or proceeding, then the Company and the Depositary may pursue such claim against each other in the state or federal court in the United States in which such suit, action, or proceeding is pending and, for such purposes, the Company and the Depositary irrevocably submit to the non-exclusive jurisdiction of such courts. The Company agrees that service of process upon the Agent in the manner set forth in the preceding paragraph shall be effective service upon it for any suit, action or proceeding brought against it as described in this paragraph.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any actions, suits or proceedings brought in any court as provided in this Section 7.6, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, and agrees not to plead or claim, any right of immunity from legal action, suit or proceeding, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, from execution of judgment, or from any other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, and consents to such relief and enforcement against it, its assets and its revenues in any jurisdiction, in each case with respect to any matter arising out of, or in connection with, the Deposit Agreement, any ADR or the Deposited Property.

EACH OF THE PARTIES TO THE DEPOSIT AGREEMENT (INCLUDING, WITHOUT LIMITATION, EACH HOLDER AND BENEFICIAL OWNER) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING AGAINST THE COMPANY OR THE DEPOSITARY ARISING OUT OF, OR RELATING TO, THE DEPOSIT AGREEMENT, ANY ADS, ANY ADR AND ANY TRANSACTIONS CONTEMPLATED THEREIN (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR OTHERWISE).

The provisions of this Section 7.6 shall survive any termination of the Deposit Agreement, in whole or in part.

Section 7.7 Assignment. Subject to the provisions of Section 5.4, the Deposit Agreement may not be assigned by either the Company or the Depositary.

Section 7.8 Compliance with, and No Disclaimer under, U.S. Securities Laws.

(a) Notwithstanding anything in the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depositary except as would be permitted by Instruction I.A.(1) of the General Instructions to Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

(b) Each of the parties to the Deposit Agreement (including, without limitation, each Holder and Beneficial Owner) acknowledges and agrees that no provision of the Deposit Agreement or any ADR shall, or shall be deemed to, disclaim any liability under the Securities Act or the Exchange Act, in each case to the extent established under applicable U.S. laws.

Section 7.9 Australian Law References. Any summary of Australian laws and regulations and of the terms of the Company's Constitution set forth in the Deposit Agreement have been provided by the Company solely for the convenience of Holders, Beneficial Owners and the Depositary. While such summaries are believed by the Company to be accurate as of the date of the Deposit Agreement, (i) they are summaries and as such may not include all aspects of the materials summarized applicable to a Holder or Beneficial Owner, and (ii) these laws and regulations and the Company's Constitution may change after the date of the Deposit Agreement. Neither the Depositary nor the Company has any obligation under the terms of the Deposit Agreement to update any such summaries.

Section 7.10 Titles and References.

(a) **Deposit Agreement.** All references in the Deposit Agreement to exhibits, articles, sections, subsections, and other subdivisions refer to the exhibits, articles, sections, subsections and other subdivisions of the Deposit Agreement unless expressly provided otherwise. The words "the Deposit Agreement", "herein", "hereof", "hereby", "hereunder", and words of similar import refer to the Deposit Agreement as a whole as in effect at the relevant time between the Company, the Depositary and the Holders and Beneficial Owners of ADSs and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa unless the context otherwise requires. Titles to sections of the Deposit Agreement are included for convenience only and shall be disregarded in construing the language contained in the Deposit Agreement. References to "applicable laws and regulations" shall refer to laws and regulations applicable to the Company, the Depositary, the Custodian, their agents and controlling persons, ADRs, ADSs or Deposited Property as in effect at the relevant time of determination, unless otherwise required by law or regulation.

(b) **ADRs.** All references in any ADR(s) to paragraphs, exhibits, articles, sections, subsections, and other subdivisions refer to the paragraphs, exhibits, articles, sections, subsections and other subdivisions of the ADR(s) in question unless expressly provided otherwise. The words “the Receipt”, “the ADR”, “herein”, “hereof”, “hereby”, “hereunder”, and words of similar import used in any ADR refer to the ADR as a whole and as in effect at the relevant time, and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender in any ADR shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa unless the context otherwise requires. Titles to paragraphs of any ADR are included for convenience only and shall be disregarded in construing the language contained in the ADR. References to “applicable laws and regulations” shall refer to laws and regulations applicable to the Company, the Depositary, the Custodian, their agents and controlling persons, the ADRs, the ADSs and the Deposited Property as in effect at the relevant time of determination, unless otherwise required by law or regulation.

Section 7.11 Amendment and Restatement. The Depositary shall arrange to have new ADRs printed that reflect the form of ADR attached to the Deposit Agreement. All ADRs issued hereunder after the date hereof, whether upon the deposit of Shares or other Deposited Securities or upon the transfer, combination or split-up of existing ADRs, shall be substantially in the form of the specimen ADR attached as Exhibit A hereto. However, American depositary receipts issued prior to the date hereof under the terms of the First A&R Deposit Agreement and outstanding as of the date hereof, which do not reflect the form of ADR attached hereto as Exhibit A, do not need to be called in for exchange and may remain outstanding until such time as the Holders thereof choose to surrender them for any reason under the Deposit Agreement. The Depositary is authorized and directed to take any and all actions deemed necessary to effect the foregoing.

The Company hereby instructs the Depositary to (i) promptly send notice of the execution of the Deposit Agreement to all holders of American depositary shares outstanding under the First A&R Deposit Agreement as of the date hereof and (ii) inform holders of American depositary shares issued as “certificated American depositary shares” and outstanding under the First A&R Deposit Agreement as of the date hereof that they have the opportunity, but are not required, to exchange their American depositary receipts for one or more ADR(s) issued pursuant to the Deposit Agreement.

Holders and Beneficial Owners of American depositary shares issued pursuant to the First A&R Deposit Agreement and outstanding as of the date hereof, shall, from and after the date hereof, be deemed Holders and Beneficial Owners of ADSs issued pursuant and be subject to all of the terms and conditions of the Deposit Agreement in all respects, *provided, however*, that any term of the Deposit Agreement that prejudices any substantial existing right of holders or beneficial owners of American depositary shares issued under the First A&R Deposit Agreement shall not become effective as to Holders and Beneficial Owners until thirty (30) days after notice of the amendments effectuated by the Deposit Agreement shall have been given to holders of ADSs outstanding as of the date hereof.

[signature page follows]

IN WITNESS WHEREOF, WOODSIDE PETROLEUM LTD. and CITIBANK, N.A. have duly executed the Deposit Agreement as of the day and year first above set forth and all Holders and Beneficial Owners shall become parties hereto upon acceptance by them of ADSs issued in accordance with the terms hereof, or upon acquisition of any beneficial interest therein.

WOODSIDE PETROLEUM LTD.

By: _____
Name:
Title:

CITIBANK, N.A.

By: _____
Name:
Title:

EXHIBIT A

[FORM OF ADR]

Number _____

CUSIP NUMBER: _____

American Depositary Shares (each
American Depositary Share
representing the right to receive
one (1) fully paid ordinary share)

AMERICAN DEPOSITARY RECEIPT
for
AMERICAN DEPOSITARY SHARES
representing
DEPOSITED ORDINARY SHARES
of
WOODSIDE PETROLEUM LTD.
(Incorporated under the laws of the Commonwealth of Australia)

CITIBANK, N.A., a national banking association organized and existing under the laws of the United States of America, as depositary (the "**Depositary**"), hereby certifies that _____ is the owner of _____ American Depositary Shares (hereinafter "**ADS**") representing deposited ordinary shares, including evidence of rights to receive such ordinary shares (the "**Shares**"), of _____, a company organized under the laws of the Commonwealth of Australia (the "**Company**"). As of the date of the Deposit Agreement (as hereinafter defined), each ADS represents the right to receive one (1) Share deposited under the Deposit Agreement with the Custodian, which at the date of execution of the Deposit Agreement is Citicorp Nominees Pty Limited (the "**Custodian**"). The ADS(s)-to-Share(s) ratio is subject to amendment as provided in Articles IV and VI of the Deposit Agreement. The Depositary's Principal Office is located at 388 Greenwich Street, New York, New York 10013, U.S.A.

(1) The Deposit Agreement. This American Depositary Receipt is one of an issue of American Depositary Receipts ("**ADRs**"), all issued and to be issued upon the terms and conditions set forth in the Second Amended and Restated Deposit Agreement, dated as of [] (as amended and supplemented from time to time, the "**Deposit Agreement**"), by and among the Company, the Depositary, and all Holders and Beneficial Owners of ADSs issued thereunder. The Deposit Agreement sets forth the rights and obligations of Holders and Beneficial Owners from time to time of ADSs and the rights and duties of the Depositary in respect of the Shares deposited thereunder and any and all Deposited Property from time to time received and held in deposit in respect of the ADSs. Copies of the Deposit Agreement are on file at the Principal Office of the Depositary and with the Custodian. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement, or by continuing to hold, from and after the date hereof any American depositary shares issued and outstanding under the First A&R Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and the applicable ADR(s), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may reasonably deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

The statements made on the face and reverse of this ADR are summaries of certain provisions of the Deposit Agreement and the Constitution of the Company (as in effect on the date of the signing of the Deposit Agreement) and are qualified by and subject to the detailed provisions of the Deposit Agreement and the Constitution of the Company, to which reference is hereby made. All capitalized terms not defined herein shall have the meanings ascribed thereto in the Deposit Agreement. The Depository makes no representation or warranty as to the validity or worth of the Deposited Property. The Depository has made arrangements for the acceptance of the ADSs into DTC. Each Beneficial Owner of ADSs held through DTC must rely on the procedures of DTC and the DTC Participants to exercise and be entitled to any rights attributable to such ADSs. The Depository may issue Uncertificated ADSs subject, however, to the terms and conditions of Section 2.13 of the Deposit Agreement.

(2) Surrender of ADSs and Withdrawal of Deposited Securities. The Holder of this ADR (and of the ADSs evidenced hereby) shall be entitled to Delivery (at the Custodian's designated office) of the Deposited Securities at the time represented by the ADSs evidenced hereby upon satisfaction of each of the following conditions: (i) the Holder (or a duly-authorized attorney of the Holder) has duly Delivered the ADSs to the Depository at its Principal Office (and, if applicable, this ADR evidencing such ADSs) for the purpose of withdrawal of the Deposited Securities represented thereby, (ii) if applicable and so required by the Depository, this ADR Delivered to the Depository for such purpose has been properly endorsed in blank or is accompanied by proper instruments of transfer in blank (including signature guarantees in accordance with standard securities industry practice), (iii) if so required by the Depository, the Holder of the ADSs has executed and delivered to the Depository a written order directing the Depository to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of the person(s) designated in such order, and (iv) all applicable fees and charges of, and expenses incurred by, the Depository and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR evidencing the surrendered ADSs, of the Deposit Agreement, of the Company's Constitution and of any applicable laws and the rules of CHES, and to any provisions of or governing the Deposited Securities, in each case as in effect at the time thereof.

Upon satisfaction of each of the conditions specified above, the Depository (i) shall cancel the ADSs Delivered to it (and, if applicable, the ADR(s) evidencing the ADSs so Delivered), (ii) shall direct the Registrar to record the cancellation of the ADSs so Delivered on the books maintained for such purpose, and (iii) shall direct the Custodian to Deliver, or cause the Delivery of, in each case, without unreasonable delay, the Deposited Securities represented by the ADSs so cancelled together with any certificate or other document of title for the Deposited Securities, or evidence of the electronic transfer thereof (if available), as the case may be, to or upon the written order of the person(s) designated in the order delivered to the Depository for such purpose, *subject however, in each case,* to the terms and conditions of the Deposit Agreement, of this ADR evidencing the ADS so cancelled, of the Constitution of the Company, of any applicable laws and of the rules of CHES, and to the terms and conditions of or governing the Deposited Securities, in each case as in effect at the time thereof.

The Depositary shall not accept for surrender ADSs representing less than one (1) Share. In the case of Delivery to it of ADSs representing a number other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) return to the person surrendering such ADSs the number of ADSs representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Share represented by the ADSs so surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes withheld) to the person surrendering the ADSs. Notwithstanding anything else contained in this ADR or the Deposit Agreement, the Depositary may make delivery at the Principal Office of the Depositary of Deposited Property consisting of (i) any cash dividends or cash distributions, or (ii) any proceeds from the sale of any non-cash distributions, which are at the time held by the Depositary in respect of the Deposited Securities represented by the ADSs surrendered for cancellation and withdrawal. At the request, risk and expense of any Holder so surrendering ADSs represented by this ADR, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any Deposited Property (other than Deposited Securities) held by the Custodian in respect of such ADSs to the Depositary for delivery at the Principal Office of the Depositary. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

(3) Transfer, Combination and Split-up of ADRs. The Registrar shall, as soon as reasonably practicable, register the transfer of this ADR (and of the ADSs represented hereby) on the books maintained for such purpose and the Depositary shall (x) cancel this ADR and execute new ADRs evidencing the same aggregate number of ADSs as those evidenced by this ADR cancelled by the Depositary, (y) cause the Registrar to countersign such new ADRs, and (z) Deliver such new ADRs to or upon the order of the person entitled thereto, if each of the following conditions has been satisfied: (i) this ADR has been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a transfer thereof, (ii) this surrendered ADR has been properly endorsed or is accompanied by proper instruments of transfer (including signature guarantees in accordance with standard securities industry practice), (iii) this surrendered ADR has been duly stamped (if required by the laws of the State of New York or of the United States), and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

The Registrar shall, as soon as reasonably practicable, register the split-up or combination of this ADR (and of the ADSs represented hereby) on the books maintained for such purpose and the Depositary shall (x) cancel this ADR and execute new ADRs for the number of ADSs requested, but in the aggregate not exceeding the number of ADSs evidenced by this ADR cancelled by the Depositary, (y) cause the Registrar to countersign such new ADRs, and (z) Deliver such new ADRs to or upon the order of the Holder thereof, if each of the following conditions has been satisfied: (i) this ADR has been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a split-up or combination hereof, and (ii) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

The Depositary may appoint one or more co-transfer agents for the purpose of effecting transfers, combinations and split-ups of ADRs at designated transfer offices on behalf of the Depositary. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by Holders or persons entitled to such ADRs and will be entitled to protection and indemnity to the same extent as the Depositary. Such co-transfer agents may be removed and substitutes appointed by the Depositary. Each co-transfer agent appointed under Section 2.6 of the Deposit Agreement (other than the Depositary) shall give notice in writing to the Depositary and the Company accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

(4) Pre-Conditions to Registration, Transfer, Etc. As a condition precedent to the execution and Delivery, the registration of issuance, transfer, split-up, combination or surrender, of any ADS, the delivery of any distribution thereon, or the withdrawal of any Deposited Property, the Depositary or the Custodian may require (i) payment from the depositor of Shares or presenter of ADSs or of this ADR of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 of, and Exhibit B to the Deposit Agreement and in this ADR, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1 of the Deposit Agreement, and (iii) compliance with (A) any laws or governmental regulations relating to the execution and Delivery of this ADR or ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations as the Depositary and the Company may establish consistent with the provisions of this ADR, if applicable, the Deposit Agreement and applicable law.

The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the deposit of particular Shares may be refused, or the registration of transfers of ADSs in particular instances may be refused, or the registration of transfer of ADSs generally may be suspended, during any period when the transfer books of the Company, the Depositary, a Registrar or the Share Registrar are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law or regulation, any government or governmental body or commission or any securities exchange on which the ADSs or Shares are listed, or under any provision of the Deposit Agreement or this ADR, or under any provision of, or governing, the Deposited Securities, or because of a meeting of shareholders of the Company or for any other reason, subject, in all cases to paragraph (25) of this ADR and Section 7.8(a) of the Deposit Agreement. Notwithstanding any provision of the Deposit Agreement or this ADR to the contrary, Holders are entitled to surrender outstanding ADSs to withdraw the Deposited Securities associated therewith at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the ADSs or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Instruction I.A.(1) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time).

(5) Compliance With Information Requests. Notwithstanding any other provision of the Deposit Agreement or this ADR, each Holder and Beneficial Owner of the ADSs represented hereby agrees to comply with requests from the Company pursuant to applicable law, the rules and requirements of the Australian Securities Exchange, the New York Stock Exchange and any other stock exchange on which the Shares or ADSs are, or will be, registered, traded or listed, or the Constitution of the Company, which are made to provide information, *inter alia*, as to the capacity in which such Holder or Beneficial Owner owns ADSs (and Shares, as the case may be) and regarding the identity of any other person(s) interested in such ADSs and the nature of such interest and various other matters, whether or not they are Holders or Beneficial Owners at the time of such request. The Depository agrees to forward, upon the request of the Company and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depository.

(6) Ownership Restrictions. Notwithstanding any other provision in the Deposit Agreement or any ADR(s) to the contrary, the Company may restrict transfers of the Shares where such transfer might result in ownership of Shares exceeding limits imposed by applicable law or any applicable rules and regulations of any securities exchange or market or the Constitution of the Company. The Company may also restrict, in such manner as it deems appropriate, transfers of the ADSs where such transfer may result in the total number of Shares represented by the ADSs owned by a single Holder or Beneficial Owner to exceed any such limits. The Company may, in its sole discretion but subject to applicable law, instruct the Depository to take action with respect to the ownership interest of any Holder or Beneficial Owner in excess of the limits set forth in the preceding sentence, including but not limited to, the imposition of restrictions on the transfer of ADSs, the removal or limitation of voting rights or mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADSs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Constitution of the Company. Nothing herein or in the Deposit Agreement shall be interpreted as obligating the Depository or the Company to ensure compliance with the ownership restrictions described herein or in Section 3.5 of the Deposit Agreement.

(7) Reporting Obligations and Regulatory Approvals. Applicable laws and regulations may require holders and beneficial owners of Shares, including the Holders and Beneficial Owners of ADSs, to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Holders and Beneficial Owners of ADSs are solely responsible for determining and complying with such reporting requirements, and for obtaining such approvals. Each Holder and each Beneficial Owner hereby agrees to make such determination, file such reports, and obtain such approvals to the extent and in the form required by applicable laws and regulations as in effect from time to time. Neither the Depository, the Custodian, the Company or any of their respective agents or affiliates shall be required to take any actions whatsoever on behalf of Holders or Beneficial Owners to determine or satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

(8) Liability for Taxes and Other Charges. Any tax or other governmental charge payable by the Custodian or by the Depositary with respect to any Deposited Property, ADSs or this ADR shall be payable by the Holders and Beneficial Owners to the Depositary. The Company, the Custodian and/or the Depositary may withhold or deduct from any distributions made in respect of Deposited Property held on behalf of such Holder and/or Beneficial Owner, and may sell for the account of a Holder or Beneficial Owner any or all of the Deposited Property and apply such distributions and sale proceeds in payment of, any taxes (including applicable interest and penalties) or charges that are or may be payable by Holders or Beneficial Owners in respect of the ADSs, Deposited Property and this ADR, the Holder and the Beneficial Owner hereof remaining liable for any deficiency. The Custodian may refuse the deposit of Shares and the Depositary may refuse to issue ADSs, to deliver ADRs, register the transfer of ADSs, register the split-up or combination of ADRs and (subject to paragraph (25) of this ADR and Section 7.8 of the Deposit Agreement) the withdrawal of Deposited Property until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depositary, the Company, the Custodian, and any of their agents, officers, employees and Affiliates for, and hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from (i) any ADSs held by such Holder and/or owned by such Beneficial Owner, (ii) the Deposited Property represented by the ADSs, and (iii) any transaction entered into by such Holder and/or Beneficial Owner in respect of the ADSs and/or the Deposited Property represented thereby. Notwithstanding anything to the contrary contained in the Deposit Agreement or any ADR, the obligations of Holders and Beneficial Owners under Section 3.2 of the Deposit Agreement shall survive any transfer of ADSs, any cancellation of ADSs and withdrawal of Deposited Securities, and the termination of the Deposit Agreement.

(9) Representations and Warranties of Depositors. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly issued, fully paid, non-assessable and legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been validly waived or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, (v) the Shares presented for deposit are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated in Section 2.14 of the Deposit Agreement), and (vi) the Shares presented for deposit have not been stripped of any rights or entitlements. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of ADSs in respect thereof and the transfer of such ADSs. If any such representations or warranties are false in any way, the Company and the Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

(10) Proofs, Certificates and Other Information. Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depositary and the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges, exchange control approval, legal or beneficial ownership of ADSs and Deposited Property, compliance with applicable laws, the terms of the Deposit Agreement or this ADR evidencing the ADSs and the provisions of, or governing, the Deposited Property, to execute such certifications and to make such representations and warranties, and to provide such other information and documentation (or, in the case of Shares in registered form presented for deposit, such information relating to the registration on the books of the Company or of the Shares Registrar) as the Depositary or the Custodian may deem necessary or proper or as the Company may reasonably require by written request to the Depositary consistent with its obligations under the Deposit Agreement and the applicable ADR(s). The Depositary and the Registrar, as applicable, may, and at the reasonable request of the Company shall, to the extent lawful and practicable, withhold the execution or delivery or registration of transfer of any ADR or ADS or the distribution or sale of any dividend or sale or distribution of rights or of the proceeds thereof or, to the extent not limited by paragraph (25) of this ADR and the terms of Section 7.8(a) of the Deposit Agreement, the delivery of any Deposited Property until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information provided, in each case to the Depositary's, the Registrar's and the Company's satisfaction. The Depositary shall provide the Company, in a timely manner, with copies or originals if necessary and appropriate of (i) any such proofs of citizenship or residence, taxpayer status, or exchange control approval or copies of written representations and warranties which it receives from Holders and Beneficial Owners, and (ii) any other information or documents which the Company may reasonably request and which the Depositary shall request and receive from any Holder or Beneficial Owner or any person presenting Shares for deposit or ADSs for cancellation, transfer or withdrawal. Nothing herein shall obligate the Depositary to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners, or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

(11) ADS Fees and Charges. The following ADS fees are payable under the terms of the Deposit Agreement:

(i) **ADS Issuance Fee:** by any person for whom ADSs are issued (*e.g.*, an issuance upon a deposit of Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason), excluding issuances as a result of distributions described in paragraph (iv) below, a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) issued under the terms of the Deposit Agreement;

(ii) **ADS Cancellation Fee:** by any person for whom ADSs are being cancelled (*e.g.*, a cancellation of ADSs for Delivery of deposited shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) cancelled;

(iii) **Cash Distribution Fee:** by any Holder of ADSs, a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held for the distribution of cash dividends or other cash distributions (*e.g.*, upon a sale of rights and other entitlements);

(iv) **Stock Distribution /Rights Exercise Fee:** by any Holder of ADS(s), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held for the distribution of ADSs pursuant to (a) stock dividends or other free stock distributions, or (b) an exercise of rights to purchase additional ADSs;

(v) Other Distribution Fee: by any Holder of ADS(s), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held for the distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., spin-off shares);

(vi) Depository Services Fee: by any Holder of ADS(s), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) held on the applicable record date(s) established by the Depository;

(vii) Registration of ADS Transfer Fee: by any Holder of ADS(s) being transferred or by any person to whom ADSs are transferred (e.g., upon a registration of the transfer of registered ownership of ADSs, upon a transfer of ADSs into DTC and *vice versa*, or for any other reason), a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) transferred; and

(viii) ADS Conversion Fee: by any Holder of ADS(s) being converted or by any person to whom the converted ADSs are delivered, a fee not in excess of U.S. \$5.00 per 100 ADSs (or fraction thereof) converted from one ADS series to another ADS series (e.g., upon conversion of Partial Entitlement ADSs for Full Entitlement ADSs, or upon conversion of Restricted ADSs into freely transferrable ADSs, and *vice versa*).

Holders, Beneficial Owners, persons depositing Shares or withdrawing Deposited Securities (which in certain circumstances may include the Company) in connection with ADS issuances and cancellations, and persons for whom ADSs are issued or cancelled shall be responsible for the following ADS charges under the terms of the Deposit Agreement:

(a) taxes (including applicable interest and penalties) and other governmental charges;

(b) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities on the share register and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depository or any nominees upon the making of deposits and withdrawals, respectively;

(c) such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the person depositing Shares or withdrawing Deposited Securities or of the Holders and Beneficial Owners of ADSs;

(d) in connection with the conversion of Foreign Currency, the fees, expenses, spreads, taxes and other charges of the Depository and/or conversion service providers (which may be a division, branch or Affiliate of the Depository). Such fees, expenses, spreads, taxes and other charges shall be deducted from the Foreign Currency;

(e) any reasonable and customary out-of-pocket expenses incurred in such conversion and/or on behalf of the Holders and Beneficial Owners in complying with currency exchange control or other governmental requirements;

(f) the fees, charges, costs and expenses incurred by the Depository, the Custodian, or any nominee in connection with the ADR program; and

(g) the amounts payable to the Depository by any party to the Deposit Agreement pursuant to any ancillary agreement to the Deposit Agreement in respect of the ADR program, the ADSs and the ADRs.

All ADS fees and charges may, at any time and from time to time, be changed by agreement between the Depository and Company but, in the case of ADS fees and charges payable by Holders or Beneficial Owners, only in the manner contemplated by paragraph (23) of this ADR and as contemplated in Section 6.1 of the Deposit Agreement. The Depository will provide, without charge, a copy of its latest ADS fee schedule to anyone upon request.

ADS fees and charges for (i) the issuance of ADSs and (ii) the cancellation of ADSs will be payable by the person for whom the ADSs are so issued by the Depository (in the case of ADS issuances) and by the person for whom ADSs are being cancelled (in the case of ADS cancellations) and by the person who delivers the ADSs for cancellation to the Depository (in the case of ADS cancellations). In the case of ADSs issued by the Depository into DTC or presented to the Depository via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC Participant(s) receiving the ADSs from the Depository or the DTC Participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the Beneficial Owner(s) and will be charged by the DTC Participant(s) to the account(s) of the applicable Beneficial Owner(s) in accordance with the procedures and practices of the DTC participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by Holders as of the applicable ADS Record Date established by the Depository. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable Holders as of the ADS Record Date established by the Depository will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to Holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC and may be charged to the DTC Participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC Participants in turn charge the amount of such ADS fees and charges to the Beneficial Owners for whom they hold ADSs. In the case of (i) registration of ADS transfers, the ADS transfer fee will be payable by the ADS Holder whose ADSs are being transferred or by the person to whom the ADSs are transferred, and (ii) conversion of ADSs of one series for ADSs of another series, the ADS conversion fee will be payable by the Holder whose ADSs are converted or by the person to whom the converted ADSs are delivered.

The Depository may reimburse the Company for certain expenses incurred by the Company in respect of the ADR program established pursuant to the Deposit Agreement, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as the Company and the Depository agree from time to time. The Company shall pay to the Depository such fees and charges, and reimburse the Depository for such out-of-pocket expenses, as the Depository and the Company may agree from time to time. Responsibility for payment of such fees, charges and reimbursements may from time to time be changed by agreement between the Company and the Depository. Unless otherwise agreed, the Depository shall present its statement for such fees, charges and reimbursements to the Company once every three months. The charges and expenses of the Custodian are for the sole account of the Depository.

The obligations of Holders and Beneficial Owners to pay the ADS fees and charges shall survive the termination of the Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in Section 5.4 of the Deposit Agreement, the right to collect ADS fees and charges shall extend for those ADS fees and charges incurred prior to the effectiveness of such resignation or removal.

(12) Title to ADRs. Subject to the limitations contained in the Deposit Agreement, and in this ADR, it is a condition of this ADR, and every successive Holder of this ADR by accepting or holding the same consents and agrees, that title to this ADR (and to each ADS evidenced hereby) shall be transferable upon the same terms as a certificated security under the laws of the State of New York, *provided* that, in the case of Certificated ADSs, this ADR has been properly endorsed or is accompanied by proper instruments of transfer. Notwithstanding any notice to the contrary, the Depositary and the Company may deem and treat the Holder of this ADR (that is, the person in whose name this ADR is registered on the books of the Depositary) as the absolute owner thereof for all purposes. Neither the Depositary nor the Company shall have any obligation nor be subject to any liability under the Deposit Agreement or this ADR to any holder of this ADR or any Beneficial Owner unless, in the case of a holder of ADSs, such holder is the Holder of this ADR registered on the books of the Depositary or, in the case of a Beneficial Owner, such Beneficial Owner, or the Beneficial Owner's representative, is the Holder registered on the books of the Depositary.

(13) Validity of ADR. The Holder(s) of this ADR (and the ADSs represented hereby) shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company unless this ADR has been (i) dated, (ii) signed by the manual or facsimile signature of a duly-authorized signatory of the Depositary, (iii) countersigned by the manual or facsimile signature of a duly-authorized signatory of the Registrar, and (iv) registered in the books maintained by the Registrar for the registration of issuances and transfers of ADRs. An ADR bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the delivery of such ADR by the Depositary.

(14) Available Information; Reports; Inspection of Transfer Books. The Company is subject to the periodic reporting requirements of the Exchange Act and, accordingly, is required to file or furnish certain reports with the Commission. These reports can be retrieved from the Commission's website (www.sec.gov) and can be inspected and copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington D.C. 20549.

The Depositary shall make available for inspection by Holders at its Principal Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Property and (b) made generally available to the holders of such Deposited Property by the Company. The Depositary shall also provide or make available to Holders copies of such reports when furnished by the Company pursuant to Section 5.6 of the Deposit Agreement.

The Registrar shall keep books for the registration of ADSs which at all reasonable times shall be open for inspection by the Company and by the Holders of such ADSs, *provided* that such inspection shall not be, to the Registrar's knowledge, for the purpose of communicating with Holders of such ADSs in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the ADSs.

The Registrar may close the transfer books with respect to the ADSs, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to paragraph (25) and Section 7.8 of the Deposit Agreement.

Dated:
CITIBANK, N.A.
Transfer Agent and Registrar
By: _____
Authorized Signatory

CITIBANK, N.A.
as Depositary
By: _____
Authorized Signatory

The address of the Principal Office of the Depositary is 388 Greenwich Street, New York, New York 10013, U.S.A.

SUMMARY OF CERTAIN ADDITIONAL PROVISIONS
OF THE DEPOSIT AGREEMENT

(15) Dividends and Distributions in Cash, Shares, etc. Whenever the Company intends to make a distribution of a cash dividend or other cash distribution in respect of any Deposited Securities, the Company shall give notice thereof to the Depositary at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depositary and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable for determining the holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice, the Depositary shall establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement. Upon confirmation of the receipt of (x) any cash dividend or other cash distribution in respect of any Deposited Property (whether from the Company or otherwise), or (y) proceeds from the sale of any Deposited Property held in respect of the ADSs under the terms hereof, the Depositary will (i) if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depositary (pursuant to Section 4.8 of the Deposit Agreement), be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms and conditions described in Section 4.8 of the Deposit Agreement), (ii) if applicable and unless previously established, establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement, and (iii) make commercially reasonable efforts to distribute promptly the amount thus received (net of (a) the applicable fees and charges set forth in the Fee Schedule attached to the Deposit Agreement as Exhibit B and (b) taxes withheld) to the Holders entitled thereto as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date. The Depositary shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent, and any balance not so distributed shall be held by the Depositary (without liability for interest thereon) and shall be added to and become part of the next sum received by the Depositary for distribution to Holders of ADSs outstanding at the time of the next distribution. If the Company, the Custodian or the Depositary is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities, or from any cash proceeds from the sales of Deposited Property, an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depositary, as the case may be, to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depositary upon request and evidence of payment thereof by the Depositary or the Custodian shall be forwarded by the Depositary to the Company upon request. The Depositary will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable Holders and Beneficial Owners of ADSs until the distribution can be effected or the funds that the Depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. Notwithstanding anything contained in Section 4.1 of the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for above, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.1 of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in Section 4.1 of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Whenever the Company intends to make a distribution that consists of a dividend in, or free distribution of, Shares, the Company shall give notice thereof to the Depository at least twenty (20) days prior to the proposed distribution (or such shorter period as the Depository and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice from the Company, the Depository shall establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement. Upon receipt of confirmation from the Custodian of the receipt of the Shares so distributed by the Company, the Depository shall either (i) subject to Section 5.9 of the Deposit Agreement, distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depository, as set forth in the Fee Schedule attached to the Deposit Agreement as Exhibit B, and (b) applicable taxes), or (ii) if additional ADSs are not so distributed, take all actions necessary so that each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional integral number of Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depository, as set forth in the Fee Schedule attached to the Deposit Agreement as Exhibit B and (b) applicable taxes). In lieu of delivering fractional ADSs, the Depository shall sell the number of Shares or ADSs, as the case may be, represented by the aggregate of such fractions and distribute the net proceeds upon the terms described in Section 4.1 of the Deposit Agreement. In the event that the Depository determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depository is obligated to withhold, or, if the Company in the fulfillment of its obligation under Section 5.7 of the Deposit Agreement, has furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be distributed to Holders (and no such registration statement has been declared effective), the Depository may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depository deems necessary and practicable, and the Depository shall distribute the net proceeds of any such sale (after deduction of (a) taxes and (b) fees and charges of, and expenses incurred by, the Depository) to Holders entitled thereto upon the terms described in Section 4.1 of the Deposit Agreement. The Depository shall hold or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement. Notwithstanding anything contained in Section 4.2 of the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.2 of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in Section 4.2 of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Whenever the Company intends to make a distribution payable at the election of the holders of Deposited Securities in cash or in additional Shares, the Company shall give notice thereof to the Depository at least forty-five (45) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depository and the Company may mutually agree to from time to time) specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such elective distribution and whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depository shall consult with the Company to determine, and the Company shall assist the Depository in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depository shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution be made available to Holders, (ii) the Depository shall have determined, upon consultation with the Company, that such distribution is reasonably practicable and (iii) the Depository shall have received reasonably satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement. If the above conditions are not satisfied, or if the Company requests such elective distribution not be made to the Holders of ADSs, the Depository shall establish an ADS Record Date on the terms described in Section 4.9 of the Deposit Agreement and, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in Australia in respect of the Shares for which no election is made, either (X) cash upon the terms described in Section 4.1 of the Deposit Agreement or (Y) additional ADSs representing such additional Shares upon the terms described in Section 4.2 of the Deposit Agreement. If the above conditions are satisfied, the Depository shall establish an ADS Record Date on the terms described in Section 4.9 of the Deposit Agreement and establish procedures to enable Holders to elect the receipt of the proposed distribution in cash or in additional ADSs. The Company shall assist the Depository in establishing such procedures to the extent necessary. If a Holder elects to receive the proposed distribution (X) in cash, the distribution shall be made upon the terms described in Section 4.1 of the Deposit Agreement, or (Y) in ADSs, the distribution shall be made upon the terms described in Section 4.2 of the Deposit Agreement. Nothing herein shall obligate the Depository to make available to Holders a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares. Notwithstanding anything contained in Section 4.3 of the Deposit Agreement to the contrary, in the event the Company fails to give the Depository timely notice of the proposed distribution provided for above, the Depository agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.3 of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depository shall have no liability for the Depository's failure to perform the actions contemplated in Section 4.3 of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depositary at least forty-five (45) days prior to the proposed distribution (or such shorter period as may be prescribed by law or regulation or as the Depositary and the Company may mutually agree to from time to time), specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution and whether or not it wishes such rights to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall assist the Depositary in its determination, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depositary shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depositary shall have received reasonably satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, and (iii) the Depositary shall have determined that such distribution of rights is reasonably practicable. In the event any of the conditions set forth above are not satisfied or if the Company requests that the rights not be made available to Holders of ADSs, the Depositary shall proceed with the sale of the rights as contemplated in Section 4.4(b) of the Deposit Agreement. In the event all conditions set forth above are satisfied, the Depositary shall establish the ADS Record Date (upon the terms described in Section 4.9 of the Deposit Agreement) and establish procedures to (x) distribute rights to purchase additional ADSs (by means of warrants or otherwise), (y) enable the Holders to exercise such rights (upon payment of the subscription price and of the applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes), and (z) deliver ADSs upon the valid exercise of such rights. The Company shall assist the Depositary to the extent necessary in establishing such procedures. Nothing herein shall obligate the Depositary to make available to the Holders a method to exercise rights to subscribe for Shares (rather than ADSs).

If (i) the Company does not timely request the Depositary to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depositary fails to receive satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement or determines, upon consultation with the Company, it is not reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depositary shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity, at such place and upon such terms (including public or private sale) as it may deem practicable. The Company shall assist the Depositary to the extent necessary to determine such legality and practicability. The Depositary shall, upon such sale, convert and distribute proceeds of such sale (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) upon the terms set forth in Section 4.1 of the Deposit Agreement.

If the Depositary is unable to make any rights available to Holders upon the terms described in Section 4.4(a) of the Deposit Agreement or to arrange for the sale of the rights upon the terms described in Section 4.4(b) of the Deposit Agreement, the Depositary shall allow such rights to lapse.

Neither the Depositary nor the Company shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise. The Depositary shall not be responsible for the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything to the contrary in Section 4.4 of the Deposit Agreement, if registration (under the Securities Act or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act (or other applicable law) covering such offering is in effect or (ii) unless the Company furnishes the Depositary with opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case reasonably satisfactory to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws.

In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of Deposited Property (including rights) an amount on account of taxes or other governmental charges, the amount distributed to the Holders of ADSs shall be reduced accordingly. In the event that the Depositary determines that any distribution of Deposited Property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such Deposited Property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive or exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights.

Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give timely notice thereof to the Depositary and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution be made to Holders of ADSs, the Depositary shall consult with the Company, and the Company shall assist the Depositary, to determine whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such distribution unless (i) the Company shall have requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received reasonably satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, and (iii) the Depositary shall have determined, upon consultation with the Company, that such distribution is reasonably practicable.

Upon receipt of reasonably satisfactory documentation and the request of the Company to distribute property to Holders of ADSs and after making the requisite determinations set forth in (a) above, the Depositary shall distribute the property so received to the Holders of record, as of the ADS Record Date, in proportion to the number of ADSs held by them respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any taxes withheld. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

If (i) the Company does not request the Depositary to make such distribution to Holders or requests the Depositary not to make such distribution to Holders, (ii) the Depositary does not receive reasonably satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, or (iii) the Depositary determines that all or a portion of such distribution is not reasonably practicable, the Depositary shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem practicable and shall (i) cause the proceeds of such sale, if any, to be converted into Dollars and (ii) distribute the proceeds of such conversion received by the Depositary (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) to the Holders as of the ADS Record Date upon the terms of Section 4.1 of the Deposit Agreement. If the Depositary is unable to sell such property, the Depositary may dispose of such property for the account of the Holders in any way it deems reasonably practicable under the circumstances.

Neither the Depositary nor the Company shall be liable for (i) any failure to accurately determine whether it is lawful or practicable to make the property described in Section 4.5 of the Deposit Agreement available to Holders in general or any Holders in particular, nor (ii) any foreign exchange exposure or loss incurred in connection with the sale or disposal of such property.

(16) Redemption. If the Company intends to exercise any right of redemption in respect of any of the Deposited Securities, the Company shall give notice thereof to the Depositary at least forty-five (45) days prior to the intended date of redemption (or such shorter period as the Depositary and the Company may mutually agree to from time to time), which notice shall set forth the particulars of the proposed redemption. Upon timely receipt of (i) such notice and (ii) satisfactory documentation given by the Company to the Depositary within the terms of Section 5.7 of the Deposit Agreement, and only if, after consultation between the Company and the Depositary, the Depositary shall have determined that such proposed redemption is practicable, the Depositary shall provide to each Holder a notice setting forth the intended exercise by the Company of the redemption rights and any other particulars set forth in the Company's notice to the Depositary. The Depositary shall instruct the Custodian to present to the Company the Deposited Securities in respect of which redemption rights are being exercised against payment of the applicable redemption price. Upon receipt of confirmation from the Custodian that the redemption has taken place and that funds representing the redemption price have been received, the Depositary shall convert, transfer, and distribute the proceeds (net of applicable (a) fees and charges of, and the expenses incurred by, the Depositary, as set forth in the Fee Schedule attached to the Deposit Agreement as Exhibit B, and (b) applicable taxes), retire ADSs and cancel ADRs, if applicable, upon delivery of such ADSs by Holders thereof and the terms set forth in Section 4.1 and 6.2 of the Deposit Agreement. If less than all outstanding Deposited Securities are redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as may be determined by the Depositary. The redemption price per ADS shall be the dollar equivalent of the per share amount received by the Depositary (adjusted to reflect the ADS(s)-to-Share(s) ratio) upon the redemption of the Deposited Securities represented by ADSs (subject to the terms of Section 4.8 of the Deposit Agreement and the applicable fees and charges of, and expenses incurred by, the Depositary, and taxes) multiplied by the number of Deposited Securities represented by each ADS redeemed. Notwithstanding anything contained in Section 4.7 of the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed redemption provided for above, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.7 of the Deposit Agreement and the Company, Holders and Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in Section 4.7 of the Deposit Agreement where such notice has not been timely given, other than its failure to use commercially reasonable efforts, as provided herein.

(17) Fixing of ADS Record Date. Whenever the Depositary shall receive notice of the fixing of a record date by the Company for the determination of holders of Deposited Securities entitled to receive any distribution (whether in cash, Shares, rights or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each ADS, or whenever the Depositary shall receive notice of any meeting of, or solicitation of consents or proxies of, holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient in connection with the giving of any notice, solicitation of any consent or any other matter, the Depositary shall fix the record date (the “**ADS Record Date**”) for the determination of the Holders of ADS(s) who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS. The Depositary shall make commercially reasonable efforts to establish the ADS Record Date as closely as practicable to the applicable record date for the Deposited Securities (if any) set by the Company in Australia and shall not announce the establishment of any ADS Record Date prior to the relevant corporate action having been made public by the Company (if such corporate action affects the Deposited Securities). If the ADSs are listed on any securities exchange, such record date shall be fixed in compliance with any applicable rules of such securities exchange. Subject to applicable law, the terms and provisions of this ADR and Sections 4.1 through 4.8 of the Deposit Agreement, only the Holders of ADSs at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

(18) Voting of Deposited Securities. As soon as practicable after receipt of notice of (i) any meeting at which the holders of Deposited Securities are entitled to vote, or (ii) solicitation of consents or proxies from holders of Deposited Securities, the Depositary shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy in accordance with Section 4.9 of the Deposit Agreement. The Depositary shall, if requested by the Company in writing in a timely manner (the Depositary having no obligation to take any further action if the request shall not have been received by the Depositary at least thirty (30) days prior to the date of such vote or meeting), at the Company’s expense and provided no U.S. legal prohibitions exist, distribute to Holders as of the ADS Record Date: (a) such notice of meeting or solicitation of consent or proxy, (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of the Deposit Agreement, the Constitution of the Company and the provisions of or governing the Deposited Securities (which provisions, if any, shall be summarized in pertinent part by the Company), to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder’s ADSs, and (c) a brief statement as to the manner in which such voting instructions may be given. Voting instructions may be given only in respect of a number of ADSs representing an integral number of Deposited Securities.

Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depositary may, to the extent not prohibited by law, regulations or applicable stock exchange requirements, in lieu of distributions of the materials provided to the Depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of Deposited Securities, distribute to the Holders a notice that provides Holders with a means to retrieve such materials or receive such materials upon request (*i.e.*, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

Upon the timely receipt from a Holder of ADSs as of the ADS Record Date of voting instructions in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of the Deposit Agreement, and the provisions of the Constitution of the Company and the provisions of, or governing, the Deposited Securities, to vote, or cause the Custodian to vote, the Deposited Securities (in person or by proxy) represented by such Holder' s ADSs in accordance with such voting instructions.

The Depositary has been advised by the Company that under the Constitution of the Company as in effect on the date of the Deposit Agreement, voting at any meeting of shareholders of the Company is by show of hands unless a poll is demanded in accordance with the Constitution. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the Constitution, the Depositary will refrain from voting and the voting instructions received by the Depositary from Holders shall lapse. The Depositary will have no obligation to demand voting on a poll basis with respect to any resolution and shall have no liability to any Holder or Beneficial Owner for not having demanded voting on a poll basis.

The Depositary agrees not to, and shall take reasonable steps to ensure that the Custodian and each of its nominees, if any, do not, vote the Deposited Securities represented by ADSs other than in accordance with the instructions of Holders as of the ADS Record Date. If the Depositary does not receive voting instructions from a Holder as of the ADS Record Date on or before the date established by the Depositary for such purpose, or if the Depositary timely receives voting instructions from a Holder that fail to specify the manner in which the Depositary is to vote, the Shares represented by such Holder' s ADSs will not be voted. Neither the Depositary nor the Custodian shall under any circumstances exercise any discretion as to voting and neither the Depositary nor the Custodian shall vote, attempt to exercise the right to vote, or in any way make use of, for purposes of establishing a quorum or otherwise, the Deposited Securities represented by ADSs, except pursuant to and in accordance with the voting instructions timely received from Holders or as otherwise contemplated herein. Notwithstanding anything else contained herein, the Depositary shall, if so requested in writing by the Company, represent all Deposited Securities (whether or not voting instructions have been received in respect of such Deposited Securities from Holders as of the ADS Record Date) for the sole purpose of establishing quorum at a meeting of shareholders.

Notwithstanding anything contained in the Deposit Agreement or any ADR to the contrary, the Depositary shall not have any obligation to take any action with respect to any meeting, or solicitation of consents or proxies, of holders of Deposited Securities if the taking of such action would violate U.S. or Australian laws. The Company agrees to take any and all actions reasonably necessary and as permitted by the laws of Australia to enable Holders and Beneficial Owners to exercise the voting rights accruing to the Deposited Securities and to deliver to the Depositary, if requested by the Depositary, an opinion of U.S. or Australian counsel, or both, addressing any actions to be taken.

There can be no assurance that Holders generally or any Holder in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

(19) Changes Affecting Deposited Securities. Upon any change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, consolidation or sale of assets affecting the Company or to which it is a party, any property which shall be received by the Depositary or the Custodian in exchange for, or in conversion of, or replacement of, or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Property under the Deposit Agreement, and this ADR shall, subject to the provisions of the Deposit Agreement, any ADR(s) evidencing such ADSs and applicable law, represent the right to receive such additional or replacement Deposited Property. In giving effect to such change, split-up, cancellation, consolidation or other reclassification of Deposited Securities, recapitalization, reorganization, merger, consolidation or sale of assets, the Depositary may, with the Company's approval, and shall, if the Company shall so request, subject to the terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary, as set forth in the Fee Schedule attached to the Deposit Agreement as Exhibit B, and (b) applicable taxes) and receipt of an opinion of counsel to the Company reasonably satisfactory to the Depositary that such actions are not in violation of any applicable laws or regulations, (i) issue and deliver additional ADSs as in the case of a stock dividend on the Shares, (ii) amend the Deposit Agreement and the applicable ADRs, (iii) amend the applicable Registration Statement(s) on Form F-6 as filed with the Commission in respect of the ADSs, (iv) call for the surrender of outstanding ADRs to be exchanged for new ADRs, and (v) take such other actions as are appropriate to reflect the transaction with respect to the ADSs. The Company agrees to, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of ADRs. Notwithstanding the foregoing, in the event that any Deposited Property so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company's approval, and shall, if the Company requests, subject to receipt of an opinion of Company's counsel reasonably satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such Deposited Property at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) for the account of the Holders otherwise entitled to such Deposited Property upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1 of the Deposit Agreement. Neither the Company nor the Depositary shall be responsible for (i) any failure to determine that it may be lawful or practicable to make such Deposited Property available to Holders in general or to any Holder in particular, or (ii) any foreign exchange exposure or loss incurred in connection with such sale. The Depositary shall not have any liability to the purchaser of such Deposited Property.

(20) Exoneration. Notwithstanding anything to the contrary contained in the Deposit Agreement or any ADR, neither the Depository nor the Company shall be obligated to do or perform any act or thing which is inconsistent with the provisions of the Deposit Agreement or incur any liability (to the extent not limited by Section 7.8(b) of the Deposit Agreement) (i) if the Depository, the Custodian, the Company or their respective agents shall be prevented or forbidden from, hindered or delayed in, doing or performing any act or thing required or contemplated by the terms of the Deposit Agreement, by reason of any provision of any present or future law or regulation of the United States, Australia, or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of potential criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Constitution of the Company or any provision of or governing any Deposited Securities, or by reason of any act of God or other event or circumstance beyond its control (including, without limitation, fire, flood, earthquake, tornado, hurricane, tsunami, explosion, or other natural disaster, nationalization, expropriation, currency restriction, work stoppage, strikes, civil unrest, act of war (whether declared or not) or terrorism, revolution, rebellion, embargo, computer failure, failure of public infrastructure (including communication or utility failure), failure of common carriers, nuclear, cyber or biochemical incident, any pandemic, epidemic or other prevalent disease or illness with an actual or probable threat to human life, any quarantine order or travel restriction imposed by a governmental authority or other competent public health authority, or the failure or unavailability of the United States Federal Reserve Bank (or other central banking system) or DTC (or other clearing system)), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Constitution of the Company or provisions of or governing Deposited Securities, (iii) for any action or inaction in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADSs, (v) for any action or inaction of any clearing or settlement system (and any participant thereof) for the Deposited Property or the ADSs, or (vi) for any consequential or punitive damages (including lost profits) for any breach of the terms of the Deposit Agreement.

The Depository, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(21) Standard of Care. The Company and the Depository assume no obligation and shall not be subject to any liability under the Deposit Agreement or this ADR to any Holder(s) or Beneficial Owner(s), except that the Company and the Depository agree to perform their respective obligations specifically set forth in the Deposit Agreement or this ADR without negligence or bad faith. Without limitation of the foregoing, neither the Depository, nor the Company, nor any of their respective directors, officers, controlling persons, employees or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Property or in respect of the ADSs, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depository).

Neither the Depositary and its agents nor the Company and its directors, officers, controlling persons, employees or agents shall be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, *provided* that any such action or omission is in good faith and in accordance with the terms of the Deposit Agreement. The Depositary shall not incur any liability for any failure to determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Property, for the validity or worth of the Deposited Property, for the value of any Deposited Property or any distribution thereof, for any interest on Deposited Property, or for any tax consequences that may result from the ownership of ADSs, Shares or other Deposited Property, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement, for the failure or timeliness of any notice from the Company, or for any action of or failure to act by, or any information provided or not provided by, DTC or any DTC Participant.

The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, *provided* that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

The Depositary shall not be liable for any acts or omissions made by a predecessor depositary whether in connection with an act or omission of the Depositary or in connection with any matter arising wholly prior to the appointment of the Depositary or after the removal or resignation of the Depositary, *provided* that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

(22) Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary under the Deposit Agreement by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2 of the Deposit Agreement), or (ii) the appointment by the Company of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement. The Depositary may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2 of the Deposit Agreement), or (ii) upon the appointment of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement. In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its commercially reasonable efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the City of New York. Every successor depositary shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor (other than as contemplated in Sections 5.8 and 5.9 of the Deposit Agreement). The predecessor depositary, upon payment of all sums due it and on the written request of the Company shall, (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9 of the Deposit Agreement), (ii) duly assign, transfer and deliver all of the Depositary's right, title and interest to the Deposited Property to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding ADSs and such other information relating to ADSs and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly provide notice of its appointment to such Holders. Any entity into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

(23) Amendment/Supplement. Subject to the terms and conditions of this paragraph (23), and Section 6.1 of the Deposit Agreement and applicable law, this ADR and any provisions of the Deposit Agreement may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depository in any respect which they may deem necessary or desirable without the prior written consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding ADSs until the expiration of thirty (30) days after notice of such amendment or supplement shall have been given to the Holders of outstanding ADSs. Notice of any amendment to the Deposit Agreement or any ADR shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, *provided, however*, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (*i.e.*, upon retrieval from the Commission's, the Depository's or the Company's website or upon request from the Depository). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depository) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act, or (b) the ADSs to be settled solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial existing rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADSs, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement and this ADR, if applicable, as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such ADS and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require an amendment of, or supplement to, the Deposit Agreement to ensure compliance therewith, the Company and the Depository may amend or supplement the Deposit Agreement and this ADR at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement and this ADR in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

(24) Termination. The Depositary shall, at any time at the written direction of the Company, terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. If ninety (90) days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and, in either case, a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 of the Deposit Agreement, the Depositary may terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. The date so fixed for termination of the Deposit Agreement in any termination notice so distributed by the Depositary to the Holders of ADSs is referred to as the “**Termination Date.**” Until the Termination Date, the Depositary shall continue to perform all of its obligations under the Deposit Agreement, and the Holders and Beneficial Owners will be entitled to all of their rights under the Deposit Agreement. If any ADSs shall remain outstanding after the Termination Date, the Registrar and the Depositary shall not, after the Termination Date, have any obligation to perform any further acts under the Deposit Agreement, except that the Depositary shall, subject, in each case, in accordance with the terms and conditions of the Deposit Agreement, continue to (i) collect dividends and other distributions pertaining to Deposited Securities, (ii) sell Deposited Property received in respect of Deposited Securities, (iii) deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any other Deposited Property, in exchange for ADSs surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (iv) take such actions as may be required under applicable law in connection with its role as Depositary under the Deposit Agreement. At any time after the Termination Date, the Depositary may sell the Deposited Property then held under the Deposit Agreement and shall after such sale hold un-invested the net proceeds of such sale, together with any other cash then held by it under the Deposit Agreement, in an un-segregated account and without liability for interest, for the pro-rata benefit of the Holders whose ADSs have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under the Deposit Agreement except (i) to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), (ii) as may be required at law in connection with the termination of the Deposit Agreement, and (iii) for its obligations under Sections 5.8 and 7.6 of the Deposit Agreement. After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement, except for its obligations to the Depositary under Section 5.8, 5.9, and 7.6 of the Deposit Agreement. The obligations under the terms of the Deposit Agreement of Holders and Beneficial Owners of ADSs outstanding as of the Termination Date shall survive the Termination Date and shall be discharged only when the applicable ADSs are presented by their Holders to the Depositary for cancellation under the terms of the Deposit Agreement (except as specifically provided in the Deposit Agreement).

Notwithstanding anything contained in the Deposit Agreement or any ADR, in connection with the termination of the Deposit Agreement, the Depository may, independently and without the need for any action by the Company, make available to Holders of ADSs a means to withdraw the Deposited Securities represented by their ADSs and to direct the deposit of such Deposited Securities into an unsponsored American depository shares program established by the Depository, upon such terms and conditions as the Depository may deem reasonably appropriate, subject however, in each case, to satisfaction of the applicable registration requirements by the unsponsored American depository shares program under the Securities Act, and to receipt by the Depository of payment of the applicable fees and charges of, and reimbursement of the applicable expenses incurred by, the Depository.

(25) Compliance with U.S. Securities Laws. Notwithstanding any provisions in this ADR or the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depository except as would be permitted by Instruction I.A.(1) of the General Instructions to the Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

Each of the parties to the Deposit Agreement (including, without limitation, each Holder and Beneficial Owner) acknowledges and agrees that no provision of the Deposit Agreement or any ADR shall, or shall be deemed to, disclaim any liability under the Securities Act or the Exchange Act, in each case to the extent established under applicable U.S. laws.

(26) No Third-Party Beneficiaries. The Deposit Agreement is for the exclusive benefit of the parties hereto (and their successors) and shall not be deemed to give any legal or equitable right, remedy or claim whatsoever to any other person, except to the extent specifically set forth in the Deposit Agreement. Nothing in the Deposit Agreement shall be deemed to give rise to a partnership or joint venture among the parties nor establish a fiduciary or similar relationship among the parties. The parties hereto acknowledge and agree that (i) Citibank and its Affiliates may at any time have multiple banking relationships with the Company, the Holders, the Beneficial Owners, and their respective Affiliates, (ii) Citibank and its Affiliates may own and deal in any class of securities of the Company and its Affiliates and in ADSs, and may be engaged at any time in transactions in which parties adverse to the Company, the Holders, the Beneficial Owners or their respective Affiliates may have interests, (iii) the Depository and its Affiliates may from time to time have in their possession non-public information about the Company, the Holders, the Beneficial Owners, and their respective Affiliates, (iv) nothing contained in the Deposit Agreement shall (a) preclude Citibank or any of its Affiliates from engaging in such transactions or establishing or maintaining such relationships, or (b) obligate Citibank or any of its Affiliates to disclose such information, transactions or relationships, or to account for any profit made or payment received in such transactions or relationships, (v) the Depository shall not be deemed to have knowledge of any information any other division of Citibank or any of its Affiliates may have about the Company, the Holders, the Beneficial Owners, or any of their respective Affiliates, and (vi) the Company, the Depository, the Custodian and their respective agents and controlling persons may be subject to the laws and regulations of jurisdictions other than the U.S. and Australia, and the authority of courts and regulatory authorities of such other jurisdictions, and, consequently, the requirements and the limitations of such other laws and regulations, and the decisions and orders of such other courts and regulatory authorities, may affect the rights and obligations of the parties to the Deposit Agreement.

(27) Governing Law and Jurisdiction. The Deposit Agreement, the ADRs, and the ADSs shall be interpreted in accordance with, and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, the laws of the State of New York applicable to contracts made and to be wholly performed in that State. Notwithstanding anything contained in the Deposit Agreement, any ADR or any present or future provisions of the laws of the State of New York, the rights of holders of Shares and of any other Deposited Securities and the obligations and duties of the Company in respect of the holders of Shares and other Deposited Securities, as such, shall be governed by the laws of Australia (or, if applicable, such other laws as may govern the Deposited Securities).

EACH OF THE PARTIES TO THE DEPOSIT AGREEMENT (INCLUDING, WITHOUT LIMITATION, EACH HOLDER AND BENEFICIAL OWNER) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY ARISING OUT OF, OR RELATING TO, THE DEPOSIT AGREEMENT, ANY ADR AND ANY TRANSACTIONS CONTEMPLATED THEREIN (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR OTHERWISE).

(ASSIGNMENT AND TRANSFER SIGNATURE LINES)

FOR VALUE RECEIVED, the undersigned Holder hereby sell(s), assign(s) and transfer(s) unto _____ whose taxpayer identification number is _____ and whose address including postal zip code is _____, the within ADS and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney-in-fact to transfer said ADS on the books of the Depository with full power of substitution in the premises.

Dated: _____

Name: _____

By:

Title:

NOTICE: The signature of the Holder to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

If the endorsement be executed by an attorney, executor, administrator, trustee or guardian, the person executing the endorsement must give his/her full title in such capacity and proper evidence of authority to act in such capacity, if not on file with the Depository, must be forwarded with this ADR.

SIGNATURE GUARANTEED

All endorsements or assignments of ADRs must be guaranteed by a member of a Medallion Signature Program approved by the Securities Transfer Association, Inc.

Legends

[The ADRs issued in respect of Partial Entitlement American Depositary Shares shall bear the following legend on the face of the ADR: "This ADR evidences ADSs representing 'partial entitlement' ordinary shares of the Company and as such do not entitle the holders thereof to the same per-share entitlement as other ordinary shares of the Company (which are 'full entitlement' ordinary shares of the Company) issued and outstanding at such time. The ADSs represented by this ADR shall entitle holders to distributions and entitlements identical to other ADSs when the ordinary shares of the Company represented by such ADSs become 'full entitlement' ordinary shares of the Company."]

EXHIBIT B

FEE SCHEDULE

ADS FEES AND RELATED CHARGES

All capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Deposit Agreement. Except as otherwise specified herein, any reference to ADSs herein includes Partial Entitlement ADSs, Full Entitlement ADSs, Certificated ADSs, Uncertificated ADSs, and Restricted ADSs.

I. ADS Fees

The following ADS fees are payable under the terms of the Deposit Agreement:

| Service | Rate | By Whom Paid |
|--|---|---|
| (1) Issuance of ADSs (<i>e.g.</i> , an issuance upon a deposit of Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason), excluding issuances as a result of distributions described in paragraph (4) below. | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) issued. | Person for whom ADSs are issued. |
| (2) Cancellation of ADSs (<i>e.g.</i> , a cancellation of ADSs for Delivery of deposited Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) cancelled. | Person for whom ADSs are being cancelled. |
| (3) Distribution of cash dividends or other cash distributions (<i>e.g.</i> , upon a sale of rights and other entitlements). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held. | Person to whom the distribution is made. |

| | | |
|---|---|---|
| (4) Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) an exercise of rights to purchase additional ADSs. | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held. | Person to whom the distribution is made. |
| (5) Distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., spin-off shares). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held. | Person to whom the distribution is made. |
| (6) ADS Services. | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) held on the applicable record date(s) established by the Depositary. | Person holding ADSs on the applicable record date(s) established by the Depositary. |
| (7) Registration of ADS Transfers (e.g., upon a registration of the transfer of registered ownership of ADSs, upon a transfer of ADSs into DTC and <i>vice versa</i> , or for any other reason). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) transferred. | Person for whom or to whom ADSs are transferred. |
| (8) Conversion of ADSs of one series for ADSs of another series (e.g., upon conversion of Partial Entitlement ADSs for Full Entitlement ADSs, or upon conversion of Restricted ADSs into freely transferable ADSs, and <i>vice versa</i>). | Up to U.S. \$5.00 per 100 ADSs (or fraction thereof) converted. | Person for whom ADSs are converted or to whom the converted ADSs are delivered. |

II. **Charges**

Holders, Beneficial Owners, persons depositing Shares or withdrawing Deposited Securities (which in certain circumstances may include the Company) in connection with ADS issuances and cancellations, and persons for whom ADSs are issued or cancelled shall be responsible for the following ADS charges under the terms of the Deposit Agreement:

- (a) taxes (including applicable interest and penalties) and other governmental charges;
- (b) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities on the share register and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depositary or any nominees upon the making of deposits and withdrawals, respectively;
- (c) such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the person depositing Shares or withdrawing Deposited Property or of the Holders and Beneficial Owners of ADSs;
- (d) in connection with the conversion of Foreign Currency, the fees, expenses, spreads, taxes and other charges of the Depositary and/or conversion service providers (which may be a division, branch or Affiliate of the Depositary). Such fees, expenses, spreads, taxes, and other charges shall be deducted from the Foreign Currency;
- (e) any reasonable and customary out-of-pocket expenses incurred in such conversion and/or on behalf of the Holders and Beneficial Owners in complying with currency exchange control or other governmental requirements;
- (f) the fees, charges, costs and expenses incurred by the Depositary, the Custodian, or any nominee in connection with the ADR program; and
- (g) the amounts payable to the Depositary by any party to the Deposit Agreement pursuant to any ancillary agreement to the Deposit Agreement in respect of the ADR program, the ADSs and the ADRs.

The above fees and charges may at any time and from time to time be changed by agreement between the Company and the Depositary.

13 April 2022

To Woodside Petroleum Ltd.
Mia Yellagonga, 11 Mount Street
Perth, Western Australia 6000
Australia

Woodside Petroleum Ltd. (the “Company”) - Registration Statement on Form F-4

We have acted as Australian counsel for Woodside Petroleum Ltd. (ACN 004 898 962), a corporation incorporated under the laws of Australia (the “Company”), in connection with the registration statement on Form F-4 (File No. 333-) filed by the Company with the United States Securities and Exchange Commission (the “SEC”) on 13 April 2022 (the “Registration Statement”), under the United States Securities Act of 1933 (the “Securities Act”) with respect to the issuance of 914,768,948 fully paid ordinary shares of the Company (the “Shares”), which includes the Shares underlying the American Depositary Shares (the “ADS Shares” and, together with the Shares, the “Securities”), to be issued by the Company in connection with the merger (“Merger”) pursuant to the Share Sale Agreement dated 22 November 2021 between the Company and BHP Group Ltd (“Share Sale Agreement”).

1 Documents

We have (i) reviewed the Registration Statement and an executed copy of the Share Sale Agreement, and (ii) reviewed, examined and relied upon the originals, or electronic or physical certified copies of, (a) records of the Company, including the constitution of the Company (“Constitution”), (b) resolutions of the directors of the Company authorizing the issuance of the Securities, (c) certificates of the officers of the Company and (d) public documents and any other documents as we have deemed relevant and necessary as the basis of the opinion set forth below (collectively, the “Documents”).

2 Assumptions

In examining the Documents and for the purposes of this opinion, we have assumed:

- (i) the genuineness of all signatures;
- (ii) the authenticity of all Documents submitted to us as originals;
- (iii) the conformity to original documents of all Documents submitted to us as copies, whether physical or electronic, and the authenticity of the originals of those copies and, where a Document has been examined by us in draft or specimen form, it will be or has been executed in the form of that draft or specimen;
- (iv) that all Documents submitted to us are true and complete; and
- (v) each natural person signing any Document reviewed by us had the legal capacity to do so and to perform his or her obligations thereunder.

3 Opinion

Based upon the assumptions under paragraph 2 of this letter and subject to the qualifications under paragraph 4 of this letter, we are of the opinion that the Securities have been duly authorised, and when issued in connection with the Merger in accordance with the terms of the Share Sale Agreement, will be validly issued, fully paid and non-assessable.

For the purpose of this opinion, the term “non-assessable”, when used to describe the liability of a person as the registered holder of shares has no clear meaning under the laws of Australia, so we have assumed those words to mean that, under the *Corporations Act 2001* (Cth), the Constitution, and any resolution taken under the Constitution approving the issue of the Securities, no holder of the Securities is liable, by reason solely of being a holder of Securities, for additional payments or calls for further funds by the Company or any other person.

4 Qualifications

This opinion is subject to the following qualifications:

- (i) this opinion is limited to the laws of Australia and we do not express any opinion as to the effect of any other laws;
- (ii) this opinion is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated; and
- (iii) this opinion letter has been delivered on the date hereof based on the laws of Australia in effect on this date, and we undertake no, and disclaim any, duty to advise you regarding any changes in, or to otherwise communicate with you with respect to, the matters and opinion set forth herein.

5 Consent

We hereby consent to the filing of our opinion as an exhibit to the Registration Statement and further consent to the reference to our name under the caption “Legal Matters” in the Registration Statement. In giving this consent, we do not hereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the SEC.

Yours faithfully

/s/ King & Wood Mallesons

King & Wood Mallesons

WOODSIDE FINANCE LIMITED
ABN 97 007 285 314

Issuer

AND

WOODSIDE PETROLEUM LTD.
ABN 55 004 898 962

AND

WOODSIDE ENERGY LTD.
ABN 63 005 482 986

Guarantors

TO

THE BANK OF NEW YORK

Trustee

Indenture

Dated as of November 3, 2003

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INDENTURE, dated as of November 3, 2003, among WOODSIDE FINANCE LIMITED (ABN 97 007 285 314), a corporation duly organized and existing under the laws of the Commonwealth of Australia (the "Company"), as Issuer, having its principal office at 1 Adelaide Terrace, Perth, Western Australia, Commonwealth of Australia 6000, WOODSIDE PETROLEUM LTD. (ABN 55 004 898 962) ("WPL" and along with its consolidated Subsidiaries "Woodside"), a corporation duly organized and existing under the laws of the Commonwealth of Australia, having its principal office at 1 Adelaide Terrace, Perth, Western Australia, Commonwealth of Australia 6000 and WOODSIDE ENERGY LTD. (ABN 63 005 482 986) ("Woodside Energy" and, together with WPL, the "Guarantors"), a corporation duly organized and existing under the laws of the Commonwealth of Australia, having its principal office at 1 Adelaide Terrace, Perth, Western Australia, Commonwealth of Australia 6000, as Guarantors and THE BANK OF NEW YORK, a New York banking corporation, as Trustee hereunder (the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (the "Securities"), to be issued in one or more series as in this Indenture provided.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

RECITALS OF THE GUARANTORS

The Guarantors have duly authorized the execution and delivery of this Indenture to provide for the Guarantee of the Securities provided for herein.

All things necessary to make this Indenture a valid agreement of the Guarantors, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101. *Definitions.*

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in Australia, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted at the date of such computation;

(4) unless the context otherwise requires, any reference to an “Article” or a “Section” refers to an Article or a Section, as the case may be, of this Indenture;

(5) the masculine gender includes the feminine and the neuter;

(6) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision; and

(7) a reference to any law or to a provision of a law includes any amendments thereto and any successor statutes.

“Act”, when used with respect to any Holder, has the meaning specified in Section 104.

“Additional Amounts” has the meaning specified in Section 1007.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Agent Member” with respect to any Global Security means a member of or participant in the Depository for such Global Security.

“Agent Member Transferee” has the meaning specified in Section 305(d)(i).

“Agent Member Transferor” has the meaning specified in Section 305(d)(i).

“Applicable Procedures” means, with respect to any transfer or exchange of a beneficial interest in a Global Security, the rules and procedures of the Depository for such Global Security, Euroclear and Clearstream to the extent the same are applicable to such transfer or exchange.

“Australia” means the Commonwealth of Australia.

“Australian GAAP” means, with respect to any computation required or permitted under this Indenture, such accounting principles and practices as are generally accepted in Australia at the date of such computation.

“Authenticating Agent” means any Person authorized by the Trustee pursuant to Section 613 to act on behalf of the Trustee to authenticate Securities of one or more series.

“Authorized Officer” means any person (whether designated by name or the persons for the time being holding a designated office) appointed by or pursuant to a Board Resolution for the purpose, or a particular purpose, of this Indenture, provided that written notice of such appointment shall have been given to the Trustee.

A Person shall be deemed the “beneficial owner” of, and shall be deemed to “beneficially own”, any Securities which such Person or any of its Affiliates would be deemed to “beneficially own” within the meaning of Rule 13d-3 under the Exchange Act if the references to “within 60 days” in Rule 13d-3(d)(1)(i) were omitted.

“Board of Directors” means either the board of directors of the Company, or the Guarantors, as the case may be, or any committee of either board duly authorized to act for it in respect hereof.

“Board Resolution” when used with reference to the Company or the Guarantors means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company or the Guarantors, as applicable, to have been duly adopted by the Board of Directors (or by a committee of the Board of Directors) and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Business Day”, when used with respect to any Place of Payment, means, with respect to any series of Securities, unless otherwise specified in a Board Resolution or an Officer’s Certificate with respect to a particular series of Securities, each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment or the city in which the Corporate Trust Office is located are authorized or obligated by law or executive order to close.

“Clearstream” means Clearstream Banking S.A.

“Closing Date”, when used with respect to Securities of any series (or of any identifiable tranche of any series), means the last date of original issuance of any Securities of such series (or tranche).

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Commission” means the Securities and Exchange Commission, from time to time constituted, created under the Exchange Act.

“Company” means the Person named as the “Company” in the first paragraph of this instrument until a Successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Company” shall mean such Successor Person.

“Company Request” or “Company Order” means a written request or order signed in the name of the Company or the Guarantors by any of either of their Directors and/or Authorized Officers, and delivered to the Trustee.

“Corporate Trust Office” means the principal office of the Trustee in the Borough of Manhattan, The City of New York, in the State of New York at which at any particular time its corporate trust business shall be administered which at the time hereof is located at 101 Barclay Street, Floor 21 West, New York, N.Y. 10286, Attention: Global Finance Unit.

“corporation” means a corporation, association, company, joint-stock company or business trust.

“Covenant Defeasance” has the meaning specified in Section 1303.

“default” has the meaning specified in Section 602.

“Defaulted Interest” has the meaning specified in Section 307.

“Defeasance” has the meaning specified in Section 1302.

“Defeasible Series” has the meaning specified in Section 1301.

“Depository” means, with respect to Securities of any series issuable in whole or in part in the form of one or more Global Securities, a clearing agency registered under the Exchange Act that is designated to act as Depository for such Securities as contemplated by Section 301.

“Director” means any member of the Board of Directors.

“Euroclear” means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

“Event of Default” has the meaning specified in Section 501.

“Exchange Act” means the Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time.

“Expiration Date” has the meaning specified in Section 104.

“Global Exchanged Amount” has the meaning specified in Section 305(g)(ii).

“Global Security” means a Security held by or on behalf of a Depository and in which beneficial interests are evidenced on the records of such Depository or its Agent Members.

“Guarantee” means the guarantee by the Guarantors of any Security of any series authenticated and delivered pursuant to this Indenture either (i) if specified, as contemplated by Section 301, to be applicable to Securities of such series and not endorsed on such Securities pursuant to Article Fourteen hereof, or (ii) in all other cases, endorsed on such Security.

“Guarantors” means the Persons named as the “Guarantors” in the first paragraph of this instrument until Successor Persons shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Guarantors” shall mean such Successor Persons. For the purposes of this Indenture, the term “Guarantors” shall be deemed to refer to the Guarantors both collectively and individually where so required.

“Holder” means a Person in whose name a Security is registered in the Security Register.

“Indebtedness for Money Borrowed” has the meaning specified in Section 1008.

“Indenture” means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof. The term “Indenture” shall also include the terms of particular series of Securities established as contemplated by Section 301.

“interest”, when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

“Interest Payment Date”, when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

“Investment Company Act” means the Investment Company Act of 1940 and any statute successor thereto, in each case as amended from time to time.

“Joint Venture” means a business venture jointly conducted by more than one party, whether in the form of partnership, corporation, joint venture or unincorporated organization.

“Maturity”, when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as provided therein or established as contemplated by Section 301, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

“Notice of Default” means a written notice of the kind specified in Section 501(4) or 501(5).

“Officer’s Certificate” means a certificate signed by any Director or Authorized Officer or Secretary of the Company or the Guarantors, as the case may be, and delivered to the Trustee.

“Opinion of Counsel” means a written opinion of counsel, who may be counsel for the Company or the Guarantors, or other counsel acceptable to the Trustee.

“Original Issue Discount Security” means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

“Outstanding”, when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, *except*:

- (1) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (2) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company or the Guarantors) in trust or set aside and segregated in trust by the Company or the Guarantors (if the Company or the Guarantors shall act as their own Paying Agent) for the Holders of such Securities; *provided* that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;
- (3) Securities as to which Defeasance has been effected pursuant to Section 1302; and
- (4) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given, made or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder as of any date, (A) the principal amount of an Original Issue Discount Security which shall be deemed to be Outstanding shall be the amount of the principal thereof which would be due and payable as of such date upon acceleration of the Maturity thereof to such date pursuant to Section 502, (B) if the principal amount of a Security payable at Maturity is to be determined by reference to an index or indices, the principal amount of such Security that shall be deemed to be Outstanding shall be the face amount thereof, (C) if, as of such date, the principal amount payable at the Stated Maturity of a Security is not determinable, the principal amount of such Security which shall be deemed to be Outstanding shall be the amount as established as contemplated by Section 301, (D) the principal amount of a Security denominated in one or more foreign currencies or currency units which shall be deemed to be Outstanding shall be the U.S. dollar equivalent, determined as of such date in the manner established as contemplated by Section 301, of the principal amount of such Security (or, in the case of a Security described in Clause (A), (B) or (C) above, of the amount determined as provided in such Clause), and (E) Securities owned by the Company or the Guarantors or any other obligor upon the Securities or any Affiliate of the Company or the Guarantors or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Securities and that the pledgee is not the Company or the Guarantors or any other obligor upon the Securities or any Affiliate of the Company or the Guarantors or of such other obligor.

“Owner Transferee” has the meaning specified in Section 305(d)(i).

“Owner Transferor” has the meaning specified in Section 305(d)(i).

“Paying Agent” means any Person authorized by the Company to pay the principal of or any premium or interest on any Securities on behalf of the Company.

“Person” means any individual, corporation, partnership, joint venture, joint-stock company, limited liability company, limited liability partnership, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Place of Payment”, when used with respect to the Securities of any series, means the place or places where the principal of and any premium and interest on the Securities of that series are payable established as contemplated by Section 301.

“Predecessor Security” of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

“Property” has the meaning specified in Section 1008.

“Qualified Institutional Buyer” means a “qualified institutional buyer” as defined in Rule 144A.

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption established as contemplated by Section 301.

“Redemption Price”, when used with respect to any Security to be redeemed, means the price at which it is to be redeemed established as contemplated by Section 301.

“Regular Record Date” for the interest payable on any Interest Payment Date on any Security of any series means the date for that purpose established as contemplated by Section 301.

“Regulation S” means Regulation S promulgated under the Securities Act, or any successor provision thereto.

“Regulation S Global Security” has the meaning specified in Section 201.

“Regulation S Global Transferred Amount” has the meaning specified in Section 305(d)(ii).

“Responsible Officer”, when used with respect to the Trustee, means any officer of the Trustee with responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject.

“Restricted Global Security” has the meaning specified in Section 201.

“Restricted Global Transferred Amount” has the meaning specified in Section 305(d)(i).

“Restricted Period” has the meaning specified in Section 201.

“Restricted Securities” has the meaning specified in Section 201.

“Restricted Subsidiary” has the meaning specified in Section 1008.

“Restrictive Legends” has the meaning specified in Section 305(b).

“Rule 144” means Rule 144 promulgated under the Securities Act and any successor provision thereto.

“Rule 144A” means Rule 144A promulgated under the Securities Act and any successor provision thereto.

“Rule 144A Information” has the meaning specified in Section 1011.

“Securities” has the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture.

“Securities Act” means the Securities Act of 1933 and any statute successor thereto, in each case as amended from time to time.

“Security Register” and “Security Registrar” have the respective meanings specified in Section 305.

“Special Record Date” for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 307.

“Stated Maturity”, when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable, established as contemplated by Section 301.

“Subsidiary” of any Person means a corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by such Person or by one or more other Subsidiaries of such Person, or by such Person and one or more other Subsidiaries of such Person. For the purposes of this definition, “voting stock” means stock which ordinarily has voting power for the election of directors, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

“Succession Date” has the meaning specified in Section 1108.

“Successor Additional Amounts” shall have the meaning set forth in Section 801(3).

“Successor Guarantors” and “Successor Persons” shall have the respective meanings set forth in Section 801(3).

“Transfer Restrictions” has the meaning specified in Section 305(b).

“Trust Indenture Act” means the Trust Indenture Act of 1939, as amended, as in force at the date as of which this instrument was executed; *provided, however*, that in the event the Trust Indenture Act of 1939 is amended after such date, “Trust Indenture Act” means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended.

“Trustee” means the Person named as the “Trustee” in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” shall mean or include each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, “Trustee” as used herein shall be deemed to mean the Person acting as Trustee with respect to the Securities of any series and shall mean the Trustee with respect to Securities of that series.

“Unrestricted Global Security” has the meaning specified in Section 201.

“Unrestricted Global Transferred Amount” has the meaning specified in Section 305(d)(iv).

“U.S. Government Obligation” has the meaning specified in Section 1304.

Section 102. *Compliance Certificates and Opinions.*

Upon any application or request by the Company or the Guarantors to the Trustee to take any action under any provision of this Indenture, the Company or the Guarantors shall furnish to the Trustee such certificates and opinions as may be required hereunder or under the Trust Indenture Act (as if the provisions of the Trust Indenture Act applied to this Indenture). Each such certificate or opinion shall be given in the form of an Officer’s Certificate, if to be given by an officer of the Company or the Guarantors, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of the Trust Indenture Act (as if the provisions of the Trust Indenture Act applied to this Indenture) and any other requirements set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (except for certificates provided for in Section 1004) shall include,

- (1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 103. *Form of Documents Delivered to Trustee.*

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company or the Guarantors may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company or the Guarantors stating that the information with respect to such factual matters is in the possession of the Company or the Guarantors, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 104. *Acts of Holders; Record Dates.*

Any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company and the Guarantors. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Sections 601 and 603) conclusive in favor of the Trustee, the Company and the Guarantors, if made in the manner provided in this Section.

The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

The ownership of Securities shall be proved by the Security Register.

Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company or the Guarantors in reliance thereon, whether or not notation of such action is made upon such Security.

The Company or the Guarantors may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series, *provided* that the Company or the Guarantors may not set a record date for, and the provisions of this paragraph shall not apply with respect to, the giving or making of any notice, declaration, request or direction referred to in the next paragraph. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date; *provided* that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Company or the Guarantors from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Company or the Guarantors, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 106.

The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of (i) any Notice of Default, (ii) any declaration of acceleration referred to in Section 502, (iii) any request to institute proceedings referred to in Section 507(2) or (iv) any direction referred to in Section 512, in each case with respect to Securities of such series. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; *provided* that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), *provided, however*, nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken based on such record date previously set. Promptly after any record date is set pursuant to this paragraph, the Trustee, at the Company's or Guarantors' expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Company or the Guarantors in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 106.

With respect to any record date set pursuant to this Section, the party hereto which sets such record date may designate any day as the "Expiration Date" and from time to time may change the Expiration Date to any earlier or later day; *provided* that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other parties hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 106, on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date set pursuant to this Section, the party hereto which set such record date shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

Without limiting the foregoing, a Holder entitled hereunder to take any action hereunder with regard to any particular Security may do so with regard to all or any part of the principal amount of such Security or by one or more duly appointed agents each of which may do so pursuant to such appointment with regard to all or any part of such principal amount of such Security.

Section 105. *Notices, Etc., to Trustee, Company and Guarantors.*

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture shall be made in English and is to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company or the Guarantors shall be sufficient for every purpose hereunder if mailed first class, postage prepaid to, or otherwise made, given, furnished or filed in writing to or with the Trustee at its address at its Corporate Trust Office or

(2) the Company or the Guarantors by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company or the Guarantors, as applicable, addressed to such party at the addresses of their respective principal offices specified in the first paragraph of this instrument or at any other address previously furnished in writing to the Trustee.

(3) All notices delivered to the Trustee shall be deemed effective upon the earlier of (a) actual receipt thereof or (b) the receipt of a registered mail receipt in respect of a notice properly addressed under this Section 105.

Section 106. Notice to Holders; Waiver.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 107. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 108. Successors and Assigns.

All covenants and agreements in this Indenture by the Company or the Guarantors shall bind its successors and assigns, whether so expressed or not.

Section 109. Separability Clause.

In case any provision in this Indenture or in the Securities or any Guarantee shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 110. *Benefits of Indenture.*

Nothing in this Indenture or in the Securities or any Guarantee, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 111. *Governing Law.*

This Indenture, the Securities and the Guarantee shall be governed by and construed in accordance with the laws of the State of New York, but without regard to the principles of conflicts of laws thereof; *provided, however*, that all matters governing the authorization and execution of this Indenture and the Securities by the Company shall be governed by and construed in accordance with the laws of the State of Victoria, Commonwealth of Australia; and *provided, further*, that all matters governing the authorization and execution of this Indenture by the Guarantors and any notation of the Guarantee by the Guarantors pursuant to Article Fourteen or any Guarantee endorsed by the Guarantors on the Securities, as applicable, shall be governed by and construed in accordance with the laws of the State of Victoria, Commonwealth of Australia.

Section 112. *Submission to Jurisdiction; Appointment of Agent for Service of Process*

Each of the Company and the Guarantors hereby appoints Corporation Service Company acting through its office at 1177 Avenue of the Americas, 17th Floor, New York, New York 10036-2721 as its authorized agent (the "Authorized Agent") upon which process may be served in any legal action or proceeding against it with respect to its obligations under this Indenture, the Securities of any series or any Guarantee, as the case may be, instituted in any federal or state court in the Borough of Manhattan, The City of New York by the Holder of any Security and agrees that service of process upon such authorized agent, together with written notice of said service to the Company and the Guarantors by the Person serving the same addressed as provided in Section 105, shall be deemed in every respect effective service of process upon the Company or the Guarantors, as the case may be, in any such legal action or proceeding, and each of the Company and the Guarantors hereby irrevocably submits to the non-exclusive jurisdiction of any such court in respect of any such legal action or proceeding and waives any objection it may have to the laying of the venue of any such legal action or proceeding. Such appointment shall be irrevocable until all amounts in respect of the principal of and any premium and interest due and to become due on or in respect of all the Securities issued under this Indenture have been paid by the Company or the Guarantors, as the case may be, to the Trustee pursuant to the terms hereof, the Securities and the Guarantees. Notwithstanding the foregoing, the Company and the Guarantors reserve the right to appoint another Person located or with an office in the Borough of Manhattan, The City of New York, selected in their discretion, as a successor Authorized Agent, and upon acceptance of such appointment by such a successor the appointment of the prior Authorized Agent shall terminate. The Company or the Guarantors, as the case may be, shall give notice to the Trustee and all Holders of the appointment by it of a successor Authorized Agent. If for any reason Corporation Service Company ceases to be able to act as the Authorized Agent or to have an address in the Borough of Manhattan, The City of New York, the Company and the Guarantors will appoint a successor Authorized Agent in accordance with the preceding sentence. Each of the Company and the Guarantors further agree to take any and all action, including the filing of any and all documents and instruments as may be necessary to continue such designation and appointment of such agent in full force and effect until this Indenture has been satisfied and discharged in accordance with Article Four or Article Thirteen hereof. Service of process upon the Authorized Agent addressed to it at the address set forth above, as such address may be changed within the Borough of Manhattan, The City of New York by notice given by the Authorized Agent to the Trustee, together with written notice of such service mailed or delivered to the Company and the Guarantors shall be deemed, in every respect, effective service of process on the Company and the Guarantors, respectively.

Section 113. *WAIVER OF JURY TRIAL.*

EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE SECURITIES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 114. *Force Majeure.*

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of god, and interruptions, loss or malfunctions of utilities, communications or computer (software or hardware) services.

Section 115. *Legal Holidays.*

In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities (other than a provision of any Security established as contemplated by Section 301 which specifically states that such provision shall apply in lieu of this Section)) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity, *provided* that no interest with respect to such payment shall accrue for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

Section 116. *Counterparts.*

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

ARTICLE TWO
SECURITY FORMS

Section 201. *Forms Generally.*

The Securities of each series shall be in substantially the form set forth in this Article or in such other form or forms as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or Depository therefor or as may, consistently herewith, be determined by the officers executing such Securities, all as evidenced by their execution thereof. If the form of Securities of any series is established by action taken pursuant to a Board Resolution, copies of appropriate records of such actions shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 303 for the authentication and delivery of such Securities.

If Article Fourteen is to be applicable to Securities of any series, established as contemplated by Section 301, then Securities of each such series shall bear a notation of the Guarantee in substantially the form set forth in Section 204. For any other series of Securities, the Guarantee shall be endorsed on the Securities and shall be substantially in the form established by or pursuant to Board Resolutions of the Guarantors in accordance with Section 301 or one or more indentures supplemental hereto. Notwithstanding the foregoing, the notation of the Guarantee to be endorsed on the Securities of any series may have such appropriate insertions, omissions, substitutions and other corrections from the forms thereof referred to above as are required or permitted by this Indenture and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the Directors or officers delivering the same, in each case as evidenced by such delivery.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities, as evidenced by their execution of such Securities.

Except as provided pursuant to Section 301, the Trustee's certificate of authentication shall be in substantially the form set forth in Section 206 and Restricted Securities shall bear a legend as set forth in Section 205.

Except as otherwise provided herein or pursuant to Section 301, Securities of any series offered and sold as part of their initial distribution in reliance on Regulation S under the Securities Act shall be issued in the form of one or more Global Securities of such series in definitive, fully registered form without coupons, substantially in the form set forth herein, with such applicable legends as are provided for in Sections 202 and 205. Such Global Securities shall be registered in the name of the Depository for such Global Securities or its nominee and deposited with the Trustee, at its Corporate Trust Office, as custodian for such Depository, duly executed by the Company and authenticated by the Trustee as herein provided, for credit by the Depository to the respective accounts of beneficial owners of such Securities (or to such other accounts as they may direct) at Euroclear or Clearstream. Until such time as the applicable Restricted Period shall have terminated, each such Global Security shall be referred to herein as a "Regulation S Global Security". After such time as the applicable Restricted Period shall have terminated, each such Global Security shall be referred to herein as an "Unrestricted Global Security". The aggregate principal amount of any Regulation S Global Security and any Unrestricted Global Security may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depository for such Global Security, as provided in Section 305. As used herein, the term "Restricted Period", with respect to Global Securities of any series (or of any identifiable tranche of any series) initially offered and sold in reliance on Regulation S, means the period of 40 consecutive days beginning on and including the later of (i) the day that the underwriter(s) or placement agent(s), if any, for the offering of Securities of such series (or tranche) advises the Company and the Trustee in writing is the day on which such Securities of such series were first offered to persons other than distributors (as defined in Regulation S) in reliance on Regulation S and (ii) the Closing Date. Except as otherwise provided pursuant to Section 301 or agreed to by the Company, no Regulation S Global Security or Unrestricted Global Security shall be issued except as provided in this paragraph to evidence Securities offered and sold as part of their initial distribution in reliance on Regulation S.

Except as otherwise provided herein or pursuant to Section 301, Securities of any series offered and sold as part of their initial distribution in transactions exempt from the registration requirements of the Securities Act other than pursuant to Regulation S ("Restricted Securities") to Persons who are "qualified institutional buyers", as defined in Rule 144A under the Securities Act ("QIBs") shall be issued in the form of one or more Global Securities of such series (each a "Restricted Global Security") in definitive, fully registered form without coupons, substantially in the form set forth in Sections 202 and 203, with such applicable legends as are provided for herein. Such Global Securities shall be registered in the name of the Depository for such Global Security or its nominee and deposited with the Trustee, at its Corporate Trust Office, as custodian for such Depository, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of any Restricted Global Security may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depository for such Global Security, as provided in Section 305.

For all purposes of this Indenture, the term "Restricted Securities" shall include all Securities issued upon registration of transfer of, exchange for or in lieu of Restricted Securities except as otherwise provided in Section 305.

Section 202. *Form of Face of Security.*

[INCLUDE IF SECURITY IS A GLOBAL SECURITY – THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS GLOBAL SECURITY MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS GLOBAL SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN THE INDENTURE.]

[INCLUDE IF SECURITY IS A GLOBAL SECURITY AND THE DEPOSITARY IS THE DEPOSITARY TRUST COMPANY –
UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN EXCHANGE FOR THIS CERTIFICATE OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN THE DEPOSITARY TRUST COMPANY OR A NOMINEE THEREOF IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

[INCLUDE IF SECURITY IS A RESTRICTED GLOBAL SECURITY (UNLESS, PURSUANT TO SECTION 305 OF THE INDENTURE, THE COMPANY DETERMINES AND CERTIFIES TO THE TRUSTEE THAT THE LEGEND MAY BE REMOVED) –
NEITHER THIS GLOBAL SECURITY NOR ANY BENEFICIAL INTEREST HEREIN HAS BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). EACH OF THE HOLDER HEREOF AND EACH OWNER OF A BENEFICIAL INTEREST HEREIN, BY HOLDING THIS GLOBAL SECURITY AND ACQUIRING THEIR BENEFICIAL INTERESTS HEREIN, RESPECTIVELY, AGREES FOR THE BENEFIT OF WOODSIDE FINANCE LIMITED (THE “COMPANY”) AND WOODSIDE PETROLEUM LTD. AND WOODSIDE ENERGY LTD (THE “GUARANTORS”) THAT THIS GLOBAL SECURITY AND BENEFICIAL INTERESTS HEREIN MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) BY AN INITIAL PURCHASER (AS DEFINED IN THE INDENTURE PURSUANT TO WHICH THIS SECURITY WAS ISSUED) (1) TO THE COMPANY, (2) SO LONG AS THIS GLOBAL SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER, AS DEFINED IN RULE 144A, ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE OTHER QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR RULE 904 (AS APPLICABLE) OF REGULATION S UNDER THE SECURITIES ACT, OR (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) (RESALES DESCRIBED IN SUBCLAUSES (1) THROUGH (4) OF THIS CLAUSE (A), “SAFE HARBOR RESALES”), OR (B) BY ANY PERSON OTHER THAN AN INITIAL PURCHASER, IN A SAFE HARBOR RESALE OR PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT (PROVIDED THAT AS A CONDITION TO THE REGISTRATION OF TRANSFER OF THIS GLOBAL SECURITY OTHERWISE THAN IN A SAFE HARBOR RESALE THE COMPANY, THE GUARANTORS OR THE TRUSTEE MAY, IN CIRCUMSTANCES THAT ANY OF THEM DEEMS APPROPRIATE, REQUIRE DELIVERY OF ANY DOCUMENTS OR OTHER EVIDENCE THAT IT, IN ITS ABSOLUTE DISCRETION, DEEMS NECESSARY OR APPROPRIATE TO EVIDENCE COMPLIANCE WITH SUCH EXEMPTION AND WITH ANY STATE SECURITIES LAWS THAT MAY BE APPLICABLE), OR (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES. EACH OWNER OF A BENEFICIAL INTEREST IN THIS GLOBAL SECURITY, BY ACQUIRING SUCH BENEFICIAL INTEREST, REPRESENTS AND AGREES FOR THE BENEFIT OF THE COMPANY AND THE GUARANTORS THAT IT WILL NOTIFY ANY PURCHASER OF SUCH BENEFICIAL INTEREST FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. THIS LEGEND WILL BE REMOVED ONLY IN THE CIRCUMSTANCES SPECIFIED IN THE INDENTURE.]

[IF THE SECURITY IS A REGULATION S SECURITY, THEN INSERT - THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON, UNLESS THIS SECURITY IS REGISTERED UNDER THE SECURITIES ACT OR ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THE FOREGOING SHALL NOT APPLY FOLLOWING THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (I) THE DATE ON WHICH THESE SECURITIES WERE FIRST OFFERED AND (II) THE DATE OF ISSUANCE OF THESE SECURITIES.]

WOODSIDE FINANCE LIMITED

[TITLE OF SECURITY]

No. _____

US\$ _____

WOODSIDE FINANCE LIMITED (ABN 97 007 285 314), a corporation duly organized and existing under the laws of the State of Victoria, Commonwealth of Australia (the "Company", which term includes any Successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, **[INCLUDE IF THIS SECURITY IS A GLOBAL SECURITY –** the Initial Principal Amount specified on Schedule A hereto (such Initial Principal Amount, as it may from time to time be adjusted by endorsement on Schedule A hereto, is hereinafter referred to as the "Principal Amount"), or such other principal amount (which, when taken together with the principal amounts of all other Outstanding Securities, shall initially equal \$[_____] in the aggregate, *[if applicable, insert - provided, however;* that the Company may from time to time or at any time, without the consent of the Holders of the Securities, issue additional notes with terms and conditions identical to those of the Securities, which additional notes shall increase the aggregate principal amount of, and shall be consolidated and form a single series with, the Securities) as may be set forth in the records of the Trustee hereinafter referred to in accordance with the Indenture.]] **[INCLUDE IF THIS SECURITY IS NOT A GLOBAL SECURITY –** the principal sum of _____ Dollars (the "Principal Amount") on _____] *[if the Security is to bear interest prior to Maturity, insert - ,* and to pay interest thereon from _____ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi- annually on _____ and _____ in each year, commencing _____, at the rate of ____% per annum, until the Principal Amount hereof is paid or made available for payment *[if applicable, insert - , provided* that any Principal Amount and premium, and any such installment of interest, which is overdue shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment, and such interest shall be payable on demand]. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____ (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture].

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[If the Security is not to bear interest prior to Maturity, insert – The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand. [Any such interest on overdue principal or premium which is not paid on demand shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest on interest shall be legally enforceable), from the date of such demand until the amount so demanded is paid or made available for payment. Interest on any overdue interest shall be payable on demand.]]

Payment of the principal of (and premium, if any) and *[if applicable, insert – any such]* interest on this Security will be made at the office or agency of the Company maintained for that purpose in _____, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts *[if applicable, insert – ; provided, however,* that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register *[if applicable, insert – ;* and provided, further, that notwithstanding the foregoing, payments of any interest on the Securities (other than at Maturity) may be made, in the case of a Holder of at least US\$10,000,000 Principal Amount of Securities, by electronic funds transfer of immediately available funds to a United States dollar account maintained by the payee with a bank.]]

All payments of, or in respect of, principal of and any premium and interest on this Security, shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Australia or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by Australia or any such subdivision or authority to be withheld or deducted. In that event, the Company will pay such Additional Amounts as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to the Holder of this Security of the amounts which would have been payable in respect of this Security had no such withholding or deduction been required, subject to certain exceptions as set forth in Article Ten of the Indenture.

Whenever in this Security there is mentioned, in any context, any payments on this Security such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable and express mention of the payment of Additional Amounts in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

WOODSIDE FINANCE LIMITED

By _____

Section 203. *Form of Reverse of Security.*

This Security is one of a duly authorized issue of securities of the Company (the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of November 3, 2003 (the "Indenture", which term shall have the meaning assigned to it in such instrument), among the Company, the Guarantors and The Bank of New York, as Trustee (the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantors, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof [*if applicable, insert -*, limited in aggregate principal amount to US\$ _____].

This Security is an unsecured obligation of the Company and ranks on a parity with all other unsecured or unsubordinated indebtedness of the Company.

[If applicable, insert – The Securities of this series are subject to redemption upon not less than 30 days’ notice by mail, [if applicable, insert – (1) on _____ in any year commencing with the year _____ and ending with the year _____ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [if applicable, insert – on or after _____, 20__], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [if applicable, insert – on or before ____, __%, and if redeemed] during the 12-month period beginning _____ of the years indicated,

| Year | Redemption Price | Year | Redemption Price |
|------|---------------------|------|---------------------|
|------|---------------------|------|---------------------|

and thereafter at a Redemption Price equal to ____% of the principal amount, together in the case of any such redemption *[if applicable, insert – (whether through operation of the sinking fund or otherwise)]* with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert – The Securities of this series are subject to redemption upon not less than 30 days’ notice by mail, (1) on _____ in any year commencing with the year ____ and ending with the year ____ through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the Principal Amount) set forth in the table below, and (2) at any time [if applicable, insert – on or after _____], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning _____ of the years indicated,

| Year | Redemption Price For Redemption Through Operation of the Sinking Fund | Redemption Price For Redemption Otherwise Than Through Operation of the Sinking Fund |
|------|--|---|
|------|--|---|

and thereafter at a Redemption Price equal to ____% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[*if applicable, insert* – Notwithstanding the foregoing, the Company may not, prior to _____, redeem any Securities of this series as contemplated by [*if applicable, insert* – Clause (2) of] the preceding paragraph as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Company (calculated in accordance with generally accepted financial practice) of less than ____% per annum.]

[*if applicable, insert* – [In addition to its ability to redeem this Security pursuant to the foregoing], this Security may be redeemed by the Company on the terms set forth, and as more fully described, in the Indenture, in certain circumstances where the Company or Guarantors would be required to pay Additional Amounts in respect hereof as a result of a change or amendment of any law, regulation or published tax ruling of Australia or of the applicable jurisdiction of any Successor Person pursuant to Article Eight of the Indenture, or any political subdivision or taxing authority thereof or therein, affecting taxation, or change in the official administration, interpretation or application thereof, in each case occurring after the issue date hereof or which change in such official administration, interpretation or application shall not have been available to the public prior to the issue date hereof, which change shall require the Company or Guarantors to pay Additional Amounts.]

[*if applicable, insert* – The sinking fund for this series provides for the redemption on _____ in each year beginning with the year ____ and ending with the year ____ of [*if applicable, insert* – not less than US\$_____ (“mandatory sinking fund”) and not more than] US\$_____ aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [*if applicable, insert* – mandatory] sinking fund payments may be credited against subsequent [*if applicable, insert* – mandatory] sinking fund payments otherwise required to be made [*if applicable, insert* – , in the inverse order in which they become due].]

[If the Security is subject to redemption of any kind, insert – In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.]

[If applicable, insert – The Indenture contains provisions for defeasance at any time of the entire indebtedness of the series of which this Security is a part or certain restrictive covenants and Events of Default with respect to this Security, in each case upon compliance with certain conditions set forth in the Indenture.]

[If the Security is not an Original Issue Discount Security, insert – If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[If the Security is an Original Issue Discount Security, insert – If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to – insert formula for determining the amount. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal, premium and interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company' s obligations in respect of the payment of the principal of, premium and interest, if any, on the Securities of this series shall terminate.]

In any case where the due date for the payment of the Principal Amount of, or any premium, interest with respect to any Security or the date fixed for redemption of any Security shall not be a Business Day at a Place of Payment, then payment of the Principal Amount, premium, if any, or interest, need not be made on such date at such Place of Payment but may be made on the next succeeding Business Day at such Place of Payment, with the same force and effect as if made on the date for such payment or the date fixed for redemption, and no interest shall accrue for the period after such date.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the Guarantors and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company, the Guarantors and the Trustee with the consent of the Holders of a majority in Principal Amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in Principal Amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company or the Guarantors, or both, with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture (including the Guarantee) or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and the Trustee shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal amount or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal amount of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal amount of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of US\$1,000 and any integral multiple of US\$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company or the Guarantors, as the case may be, may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company, the Guarantors, or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Guarantors, the Trustee nor any such agent shall be affected by notice to the contrary.

This Security and the Guarantee shall be governed by and construed in accordance with the law of the State of New York, but without regard to the principles of conflicts of laws thereof; *provided, however*, that all matters governing the authorization and execution of the Indenture and this Security by the Company shall be governed by and construed in accordance with the laws of the State of Victoria, Commonwealth of Australia; and *provided, further*, that all matters governing the authorization and execution of the Indenture by the Guarantors and [*if applicable, insert* – any notation by the Guarantors of] the Guarantee set forth below or any Guarantee endorsed by the Guarantors on this Security, as applicable, shall be governed by and construed in accordance with the laws of the State of Victoria, Commonwealth of Australia.

All terms used in this Security and [*if applicable, insert* – the notation of] the Guarantee set forth below which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

WOODSIDE PETROLEUM LTD. (ABN 55 004 898 962) a corporation duly organized and existing under the laws of the State of Victoria, Commonwealth of Australia and WOODSIDE ENERGY LTD (ABN 63 005 482 986) a corporation duly organized and existing under the laws of the State of Victoria, Commonwealth of Australia, (the “Guarantors”, which term includes any Successor Persons under the Indenture (the “Indenture”) referred to in the Security on which this notation is endorsed), has unconditionally guaranteed, pursuant to the terms of the Guarantee contained in Article Fourteen of the Indenture, the due and punctual payment of the principal of and any premium and interest on such Security, when and as the same shall become due and payable, whether at the Stated Maturity, by declaration of acceleration, call for redemption or otherwise, in accordance with the terms of such Security and the Indenture.

All payments pursuant to this Guarantee shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Australia or the jurisdiction of organization of the Successor Guarantors or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by Australia or such other jurisdiction or any such subdivision or authority to be withheld or deducted. In that event, the Guarantors will pay such Additional Amounts (as defined in the Indenture) as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to the Holder of the Security on which this notation is endorsed of the amounts which would have been payable in respect of the Guarantee thereof had no such withholding or deduction been required, subject to certain exceptions as set forth in Section 1007 of the Indenture.

Subject to certain limitations in the Indenture, at any time when the Guarantors are not subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor exempt from reporting requirements pursuant to Rule 12g3-2(b) under the Exchange Act, upon the request of a Holder of a Security or of a beneficial owner of an interest in a Global Security, the Guarantors will promptly furnish or cause to be furnished Rule 144A Information (as defined below) to such Holder or beneficial owner, or to a prospective purchaser of a Security or a beneficial interest in a Global Security designated by such Holder or beneficial owner of such interest in order to permit compliance by such Holder or beneficial owner with Rule 144A under the Securities Act of 1933 (the “Securities Act”). “Rule 144A Information” shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto), as such provisions may be amended from time to time.

This Guarantee is an unsecured obligation of the Guarantors and ranks on a parity with all other unsecured or unsubordinated indebtedness of the Guarantors.

The obligations of the Guarantors to the Holders of the Securities and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article Fourteen of the Indenture, and reference is hereby made to such Article and Indenture for the precise terms of the Guarantee.

The Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Security upon which this notation of the Guarantee is endorsed shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized signatories.

WOODSIDE PETROLEUM LTD.

By _____

WOODSIDE ENERGY LTD

By _____

Section 205. *Legends on Restricted Securities.*

Except as otherwise provided pursuant to Section 301, all Securities of any series (or any identifiable tranche of any series) issued pursuant to this Indenture (including Securities issued upon registration of transfer, in exchange for or in lieu of such Securities) shall be “Restricted Securities”, and shall bear the applicable legend(s) setting forth restrictions on transfer provided in Section 202, until the second anniversary of the Closing Date of Securities of such series (or tranche); *provided, however*, the term “Restricted Securities” shall not include (i) Regulation S Global Securities or Unrestricted Global Securities, (ii) Securities as to which such restrictive legend(s) have been removed pursuant to Section 305 and (iii) Securities issued upon registration of transfer of, in exchange for or in lieu of Securities that are not Restricted Securities.

Section 206. *Form of Trustee’s Certificate of Authentication.*

Subject to Section 613, the Trustee’s certificates of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: _____

THE BANK OF NEW YORK,
As Trustee

By _____
Authorized Signatory

ARTICLE THREE

THE SECURITIES

Section 301. *Amount Unlimited; Issuable in Series.*

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued from time to time in one or more series. There shall be established in or pursuant to a Board Resolution of the Company and, subject to Section 303, set forth, or determined in the manner provided, in an Officer's Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

- (1) the title of the Securities of the series (which shall distinguish the Securities of the series from Securities of any other series);
- (2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, or upon partial redemption of, other Securities of the series pursuant to Section 304, 305, 306, 905 or 1107 and except for any Securities which, pursuant to Section 303, are deemed never to have been authenticated and delivered hereunder);
- (3) if applicable, the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;
- (4) the date or dates on which the principal of, and any premium on, any Securities of the series is payable;
- (5) the rate or rates at which any Securities of the series shall bear interest, if any, the date or dates from which any such interest shall accrue, the Interest Payment Dates on which any such interest shall be payable and the Regular Record Date for any such interest payable on any Interest Payment Date;
- (6) the place or places where the principal of and any premium and interest on any Securities of the series shall be payable, any Securities of the series may be surrendered for registration of transfer, Securities of the series may be surrendered for exchange and notices and demands to or upon the Company or the Guarantors in respect of the Securities of the series and this Indenture may be served;
- (7) if applicable, the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series may be redeemed, in whole or in part, at the option of the Company and, if other than by a Board Resolution, the manner in which any election by the Company to redeem the Securities shall be evidenced and any provisions in addition to or in lieu of the provisions of Article Eleven applicable to Securities of the series;

(8) the obligation, if any, of the Company to redeem or purchase any Securities of the series pursuant to any sinking fund or analogous provisions or at the option of the Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation and any provisions in addition to or in lieu of the provisions of Article Twelve applicable to Securities of the series;

(9) if other than denominations of US\$1,000 and any integral multiple of US\$1,000 in excess thereof, the denominations in which any Securities of the series shall be issuable;

(10) if the amount of principal of or any premium or interest on any Securities of the series may be determined with reference to an index or pursuant to a formula, the manner in which such amounts shall be determined;

(11) if other than the currency of the United States of America, the currency, currencies or currency units in which the principal of or any premium or interest on any Securities of the series shall be payable and the manner of determining the equivalent thereof in the currency of the United States of America for any purpose, including for purposes of the definition of "Outstanding" in Section 101;

(12) if the principal of or any premium or interest on any Securities of the series is to be payable, at the election of the Company, the Guarantors or the Holder thereof, in one or more currencies or currency units other than that or those in which such Securities are stated to be payable, the currency, currencies or currency units in which the principal of or any premium or interest on such Securities as to which such election is made shall be payable, the periods within which and the terms and conditions upon which such election is to be made and the amount so payable (or the manner in which such amount shall be determined);

(13) if other than the entire principal amount thereof, the portion of the principal amount of any Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(14) if other than as provided in Section 201, the form or forms of the Securities;

(15) if the Securities will be entitled to the benefits of the Guarantee afforded by Article Fourteen of the Indenture or, if not, the form of the Guarantee to be endorsed on the Securities;

(16) if the principal amount payable at the Stated Maturity of any Securities of the series will not be determinable as of any one or more dates prior to the Stated Maturity, the amount which shall be deemed to be the principal amount of such Securities as of any such date for any purpose thereunder or hereunder, including the principal amount thereof which shall be due and payable upon any Maturity other than the Stated Maturity or which shall be deemed to be Outstanding as of any date prior to the Stated Maturity (or, in any such case, the manner in which such amount deemed to be the principal amount shall be determined);

(17) if applicable, that the Securities of the series, in whole or any specified part, shall be defeasible pursuant to Section 1302 or Section 1303 or both such Sections and, if other than by a Board Resolution, the manner in which any election by the Company to defease such Securities shall be evidenced;

(18) if applicable, that any Securities of the series shall be issuable in whole or in part in the form of one or more Global Securities and, in such case, the respective Depositaries for such Global Securities, the form of any legend or legends which shall be borne by any such Global Security in addition to or in lieu of that set forth in Sections 202 and 205 and any circumstances in addition to or in lieu of those set forth in Section 305 in which any such Global Security may be exchanged in whole or in part for Securities registered, and any transfer of such Global Security in whole or in part may be registered, in the name or names of Persons other than the Depositary for such Global Security or a nominee thereof, and any circumstances in addition or in lieu of those set forth in Section 305 in which transfers of interests in Global Securities may be made and any related certificates in addition to or in lieu of those set forth in Section 312;

(19) any addition to or change in the Events of Default which applies to any Securities of the series and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 502;

(20) any deletion or addition to or change in the covenants set forth in Article Ten that apply to Securities of the series;

(21) any information the Company or the Guarantors shall be obligated to provide to the Trustee, and the Trustee shall be obligated to promptly forward to Holders of Securities of the series, pursuant to Section 703(b);

(22) the form of any legend(s) which shall be borne by any Restricted Securities in addition to or in lieu of that set forth in Section 202, any circumstances in addition to or in lieu of those set forth in Section 305 in which such legend(s) may be removed or modified, and any circumstances in addition to or in lieu of those set forth in Section 305 in which Restricted Securities may be registered for transfer or may be transferred to a person who takes delivery thereof in the form of a beneficial interest in a Global Security and any related certificates in addition to or in lieu of those set forth in Section 312;

(23) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 901(5));

(24) if Additional Amounts, pursuant to Section 1007, will not be payable by the Company or the Guarantors, as the case may be;

(25) any stock exchange on which the Securities of the series will be listed;

(26) if the series of Securities provides for further issuances of such series; and

(27) if the series of Securities provides for different limitations on transfer or exchange from those set forth in Section 305.

The terms of all Securities of any one series shall be substantially identical except as may otherwise be established in or pursuant to Board Resolutions or supplemental indentures referred to above.

To the extent any terms of the Securities of the series are established pursuant to such Board Resolutions or supplemental indentures, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company or the Guarantors and delivered to the Trustee at or prior to the delivery of the Officer's Certificate setting forth the terms of the series.

Section 302. *Denominations.*

The Securities of each series shall be issuable only in registered form without coupons and only in such denominations as shall be specified as contemplated by Section 301. In the absence of any such specified denomination with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of US\$1,000 and any integral multiple of US\$1,000 in excess thereof.

Section 303. *Execution, Authentication, Delivery and Dating.*

The Securities and any Guarantee to be endorsed on the Securities shall be executed on behalf of the Company by any one Director or Authorized Officer and on behalf of the Guarantors by any one Director or Authorized Officer, as the case may be. The signature of any Director or Authorized Officer on the Securities or any Guarantee, as the case may be, may be manual or facsimile. If Article Fourteen is to be applicable to the Securities of any series, established as contemplated by Section 301, then the notation of the Guarantee endorsed on the Securities of such series shall be executed as provided in Section 1402.

Securities or any Guarantee bearing the manual or facsimile signatures of individuals who were at any time the proper Director or Authorized Officer of the Company or the Guarantors, as the case may be, shall bind the Company or the Guarantors, as the case may be, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or Guarantee or did not hold such offices at the date of such Securities or the Guarantee.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company bearing the notation of the Guarantee pursuant to Article Fourteen or having the Guarantee endorsed thereon, as applicable, in each case executed by the Guarantors, to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Sections 601 and 603) shall be fully protected in relying upon, an Opinion of Counsel stating,

(1) if any form of such Securities or Guarantee has been established pursuant to Board Resolutions or indentures supplemental hereto as permitted by Section 201, that such form has been established in conformity with the provisions of this Indenture;

(2) if any terms of such Securities or Guarantee have been established pursuant to Board Resolution or indentures supplemental hereto as permitted by Section 301, that such terms have been established in conformity with the provisions of this Indenture; and

(3) that such Securities and the Guarantee thereof, when such Securities and Guarantees have been authenticated and delivered by the Trustee and issued by the Company and the Guarantors in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company and the Guarantors, respectively, enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles and to such other matters as counsel shall specify therein.

The Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities, the Guarantees and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee or if the Trustee, being advised by counsel, determines that such action may not be lawfully taken.

Notwithstanding the provisions of Section 301 and of the second preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Officer's Certificate otherwise required pursuant to Section 301 or the Company Order and Opinion of Counsel otherwise required pursuant to such second preceding paragraph at or prior to the authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued and reasonably contemplate the original issuance of each Security of such series.

Each Security shall be dated on the date of its authentication.

No Security or Guarantee shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee or the Authenticating Agent by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security or Guarantee has been duly authenticated and delivered hereunder. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 309, for all purposes of this Indenture such Security and any Guarantee shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture (including, if applicable, the Guarantee pursuant to Article Fourteen).

The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute delivery of the Guarantee endorsed or noted thereon on behalf of the Guarantors. The Guarantors by their execution of this Indenture hereby authorize the Company, in the name and on behalf of the Guarantors, to confirm the applicable Guarantee to the Holder of each Security authenticated and delivered hereunder by its execution and delivery of each such Security, with such Guarantee noted or endorsed thereon, authenticated and delivered by the Trustee.

Section 304. *Temporary Securities.*

Pending the preparation of definitive Securities of any series, the Company may execute and the Guarantors may execute, as applicable, the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed on, and upon compliance with Section 303 by the Company the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the directors or officers executing such Securities or Guarantees or notations of the Guarantee pursuant to Article Fourteen, as applicable, may determine, as evidenced by their execution of such Securities or Guarantees or notations, as the case may be.

If temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series, the Company shall execute, and the Guarantors shall execute, as applicable, the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed on, and the Trustee shall authenticate and deliver in exchange therefor, one or more definitive Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series and tenor.

Section 305. *Registration, Registration of Transfer and Exchange.*

(a) *General*

The Company shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe and the transfer restrictions applicable to Restricted Securities herein provided, the Company shall provide for the registration of Securities and of transfers of Securities. The Security Register shall at all times be maintained outside Australia. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of such Securities as herein provided and the Trustee hereby accepts such appointment. There shall be only one Security Registrar for each series of Securities.

Upon surrender for registration of transfer of any Security of any series at the office or agency of the Company in a Place of Payment for that series, the Company shall execute, and the Guarantors shall execute, as applicable, the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed thereon, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount and with the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed thereon. No transfer of a Security to any Person shall be effective under this Indenture or the Securities unless and until such Security has been registered in the name of such Person.

Subject to this Section 305, at the option of the Holder, Securities of any series may be exchanged for other Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount and with the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed thereon, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Guarantors shall execute, as applicable, and the Trustee shall authenticate and deliver, the Securities with the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed thereon which the Holder making the exchange is entitled to receive.

All Securities issued upon any registration of transfer or exchange of Securities and the Guarantee shall be the valid obligations of the Company and the Guarantors, respectively, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange and the Guarantee thereof.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company, the Guarantors or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company or the Guarantors and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing (with the signatures guaranteed in satisfactory form, if reasonably required by the Company, the Guarantors or the Trustee).

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company and the Guarantors, as the case may be, may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 905 or 1107 not involving any transfer.

If the Securities of any series (or of any series and specified tenor) are to be redeemed in part, the Company shall not be required (A) to issue, register the transfer of or exchange any Securities of that series (or of that series and specified tenor, as the case may be) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of any such Securities selected for redemption under Section 1103 and ending at the close of business on the day of such mailing, or (B) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

(b) *Restricted Securities*

Restricted Securities of each series shall be subject to the restrictions on transfer (the “Transfer Restrictions”) provided in the applicable legend(s) (the “Restrictive Legends”) required to be set forth on the face of each Restricted Security pursuant to Section 202 and Section 205 or as otherwise specified as contemplated by Section 301 for the Restricted Securities of such series, and each Holder of a Restricted Security, by its acceptance thereof, agrees to be bound by, and to comply with, the Transfer Restrictions, in each case unless compliance with the Transfer Restrictions shall be waived by the Company or the Guarantors in writing delivered to the Trustee.

Except as otherwise specified as contemplated by Section 301 for the Securities of any series, the Transfer Restrictions shall cease and terminate with respect to any particular Restricted Security upon (i) receipt by the Company or the Guarantors of evidence satisfactory to it (which may include an opinion of independent counsel experienced in matters of United States federal securities law) that, as of the date of determination, such Restricted Security (a) could be transferred by the Holder thereof pursuant to Rule 144(k) promulgated under the Securities Act, (b) has been sold pursuant to an effective registration statement under the Securities Act, or (c) has been transferred in a transaction satisfying all the requirements of Rule 903 or 904 (as applicable) of Regulation S promulgated under the Securities Act and (ii) receipt by the Trustee of an Officer’s Certificate certifying that the Company or the Guarantors have received such evidence and that the Transfer Restrictions have ceased and terminated with respect to such Security. All references in the preceding sentence to any Regulation, Rule or provision thereof shall be deemed also to refer to any successor provisions thereof. In addition, the Company or the Guarantors may terminate the Transfer Restrictions with respect to any particular Restricted Security in such other circumstances as it determines are appropriate for this purpose and shall deliver to the Trustee an Officer’s Certificate certifying that the Transfer Restrictions have ceased and terminated with respect to such Security.

At the request of the Holder and upon the surrender of such Restricted Security to the Trustee or Security Registrar for exchange in accordance with the provisions of this Section 305, any Restricted Security as to which the Transfer Restrictions shall have terminated in accordance with the preceding paragraph shall be exchanged for a new Security with the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed thereon, of like tenor and aggregate principal amount, but without the Restrictive Legends. Any Restricted Security as to which the Restrictive Legends shall have been removed pursuant to this paragraph (and any Securities and Guarantee issued upon registration of transfer of, exchange for or in lieu of such Restricted Security) shall thereupon cease to be “Restricted Securities” for all purposes of this Indenture.

The Company or the Guarantors shall notify the Trustee of the effective date of any registration statement registering any Restricted Securities under the Securities Act and shall ensure that any opinion of counsel received by it in connection with the removal of any Restrictive Legend is also addressed to the Trustee. The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and without negligence on its part in accordance with such notice or any opinion of counsel.

As used in this Section 305(b), the term “transfer” encompasses any sale, pledge, transfer or other disposition of any Securities referred to herein.

(c) *Global Securities*

The provisions of this Section 305(c) shall apply only to Global Securities.

Each Global Security authenticated under this Indenture shall be registered in the name of the Depository designated for such Global Security or a nominee thereof and delivered to such Depository or a nominee thereof or custodian therefor, and each such Global Security shall constitute a single Security for all purposes of this Indenture.

Notwithstanding any other provision in this Indenture, no Global Security may be exchanged in whole or in part for Securities registered, and no transfer of a Global Security in whole or in part may be made or registered, in the name of any Person other than the Depository for such Global Security or a nominee thereof unless (A) such Depository (i) has notified the Company or the Guarantors that it is unwilling or unable to continue to act as Depository for such Global Security or (ii) has ceased to be a clearing agency registered under the Exchange Act, if so required by applicable law or regulation, and no successor Depository for such Securities shall have been appointed within 90 days of such notification or of the Company, or the Guarantors as the case may be, becoming aware of the Depository’s ceasing to be so registered as the case may be, (B) the Company or the Guarantors in either of their sole discretion shall have notified the Depository by Company Order that the Global Securities shall be exchanged for such Securities, (C) the Company or the Guarantors shall have failed to make any payment on the Securities when the same is due and payable or a proceeding for the Winding-Up of the Company or the Guarantors shall have been commenced or (D) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 301.

Subject to the preceding paragraph, any exchange of a Global Security for other Securities may be made in whole or in part, and all Securities issued in exchange for a Global Security or any portion thereof shall be registered in such names as the Depository for such Global Security shall direct.

Every Security authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Security or any portion thereof, whether pursuant to this Section, Section 304, 306, 905 or 1107 or otherwise, shall be authenticated and delivered in the form of, and shall be, a Global Security, unless such Security is registered in the name of a Person other than the Depository for such Global Security or a nominee thereof.

Except for the exchange rights provided in the third paragraph of this Section 305(c) above, owners of beneficial interests in a Global Security held on their behalf by a Depository shall not be entitled to receive physical delivery of Securities in definitive form, shall not be considered the Holders thereof for any purpose under this Indenture and shall have no rights under this Indenture with respect to such Global Security, and such Depository may be treated by the Company, the Trustee and any agent of any of them as the Holder and owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, the Depository for any Global Security may grant proxies and otherwise authorize any person, including the beneficial owners of interests in such Global Security, to take any action which a Holder is entitled to take under this Indenture with respect to such Global Security.

Until the termination of the Restricted Period with respect to Securities of a series, interests in any Regulation S Global Security of such series may be held only through Agent Members acting for and on behalf of Euroclear and Clearstream; *provided, however*, that the Trustee shall have no responsibility to determine compliance with this requirement.

(d) *Transfers Between Global Securities*

(i) *Restricted Global Security to Regulation S Global Security.* If the owner of a beneficial interest (an “Owner Transferor”) in a Restricted Global Security wishes at any time to transfer such beneficial interest to a person (an “Owner Transferee”) who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Security, such transfer may be effected, subject to the Applicable Procedures, only in accordance with the provisions of this Section 305(d)(i). Upon receipt by the Trustee, as Security Registrar, at the Corporate Trust Office of (1) written instructions given in accordance with the Applicable Procedures from the Agent Member whose account is to be debited (an “Agent Member Transferor”) with respect to the Restricted Global Security directing the Trustee, as Security Registrar, to credit or cause to be credited to a specified account of another Agent Member (an “Agent Member Transferee”) (which shall be an account with Euroclear or Clearstream or both) a beneficial interest in a Regulation S Global Security in a principal amount equal to the beneficial interest in the Restricted Global Security to be transferred (the “Restricted Global Transferred Amount”), (2) a written order given in accordance with the Applicable Procedures containing information regarding the account of the Agent Member Transferee to be credited with, and the account of the Agent Member Transferor to be debited for, the Restricted Global Transferred Amount, and (3) a certificate in substantially the form set forth in Section 312(a) given by the Owner Transferor, the Trustee, as Security Registrar, shall instruct the Depositary for such Global Securities to reduce the principal amount of the Restricted Global Security, and to increase the principal amount of the Regulation S Global Security, by the Restricted Global Transferred Amount, and to credit or cause to be credited to the account of the Agent Member Transferee a beneficial interest in the Regulation S Global Security, and to debit or cause to be debited to the account of the Agent Member Transferor a beneficial interest in the Restricted Global Security, in each case having a principal amount equal to the Restricted Global Transferred Amount.

(ii) *Restricted Global Security to Unrestricted Global Security.* If an Owner Transferor wishes at any time to transfer a beneficial interest in a Restricted Global Security to an Owner Transferee who wishes to take delivery thereof in the form of a beneficial interest in an Unrestricted Global Security, such transfer may be effected, subject to the Applicable Procedures, only in accordance with this Section 305(d)(ii). Upon receipt by the Trustee, as Security Registrar, at the Corporate Trust Office of (1) written instructions given in accordance with the Applicable Procedures from the Agent Member Transferor directing the Trustee, as Security Registrar, to credit or cause to be credited to a specified account of an Agent Member Transferee (which may but need not be an account with Euroclear or Clearstream) a beneficial interest in the Unrestricted Global Security in a principal amount equal to the Restricted Global Transferred Amount, (2) a written order given in accordance with the Applicable Procedures containing information regarding the account of the Agent Member Transferee to be credited with, and the account of the Agent Member Transferor to be debited for, the Restricted Global Transferred Amount, and (3) a certificate in substantially the form set forth in Section 312(b) given by the Owner Transferor, the Trustee, as Security Registrar, shall instruct the Depository for such Global Securities to reduce the principal amount of the Restricted Global Security, and to increase the principal amount of the Unrestricted Global Security, by the Restricted Global Transferred Amount, and to credit or cause to be credited to the account of the Agent Member Transferee a beneficial interest in the Unrestricted Global Security, and to debit or cause to be debited to the account of the Agent Member Transferor a beneficial interest in the Restricted Global Security, in each case having a principal amount equal to the Restricted Global Transferred Amount.

(iii) *Regulation S Global Security to Restricted Global Security.* If an Owner Transferor wishes at any time to transfer a beneficial interest in a Regulation S Global Security to an Owner Transferee who wishes to take delivery thereof in the form of a beneficial interest in a Restricted Global Security, such transfer may be effected, subject to the Applicable Procedures, only in accordance with this Section 305(d)(iii). Upon receipt by the Trustee, as Security Registrar, at the Corporate Trust Office of (1) written instructions given in accordance with the Applicable Procedures from the Agent Member Transferor, directing the Trustee, as Security Registrar, to credit or cause to be credited to a specified account of an Agent Member Transferee a beneficial interest in the Restricted Global Security in a principal amount equal to that of the beneficial interest in the Regulation S Global Security to be so transferred (the “Regulation S Global Transferred Amount”), (2) a written order given in accordance with the Applicable Procedures containing information regarding the account of the Agent Member Transferee to be credited with, and the account of the Agent Member Transferor (which must be an account with Euroclear or Clearstream or both) to be debited for, the Regulation S Global Amount, and (3) a certificate in substantially the form set forth in Section 312(c) given by Owner Transferor or Owner Transferee, as the case may be, the Trustee, as Security Registrar, shall instruct the Depository for such Global Securities to reduce the principal amount of the Regulation S Global Security, and increase the principal amount of the Restricted Global Security, by the Regulation S Global Transferred Amount, and to credit or cause to be credited to the account of the Agent Member Transferee a beneficial interest in the Restricted Global Security, and to debit or cause to be debited to the account of the Agent Member Transferor a beneficial interest in the Regulation S Global Security, in each case having a principal amount equal to the Regulation S Global Transferred Amount.

(iv) *Unrestricted Global Security to Restricted Global Security.* If an Owner Transferor wishes at any time to transfer a beneficial interest in an Unrestricted Global Security to an Owner Transferee who wishes to take delivery thereof in the form of a beneficial interest in a Restricted Global Security, such transfer may be effected, subject to the Applicable Procedures, only in accordance with this Section 305(d)(iv). Upon receipt by the Trustee, as Security Registrar, at the Corporate Trust Office of (1) written instructions given in accordance with the Applicable Procedures from the Agent Member Transferor, directing the Trustee, as Security Registrar, to credit or cause to be credited to a specified account of an Agent Member Transferee (which may but need not be an account with Euroclear or Clearstream) a beneficial interest in the Restricted Global Security in principal amount equal to that of the beneficial interest in the Unrestricted Global Security to be so transferred (the “Unrestricted Global Transferred Amount”), (2) a written order given in accordance with the Applicable Procedures containing information regarding the account of the Agent Member Transferee to be credited with, and the account of the Agent Member Transferor to be debited for, the Unrestricted Global Transferred Amount, and (3) a certificate in substantially the form set forth in Section 312(d) given by the Owner Transferee, the Trustee, as Security Registrar, shall instruct the Depository for such Securities to reduce the principal amount of the Unrestricted Global Security, and increase the principal amount of the Restricted Global Security, by the Unrestricted Global Transferred Amount, and to credit or cause to be credited to the account of the Agent Member Transferee a beneficial interest in the Restricted Global Security, and to debit or cause to be debited to the account of the Agent Member Transferor a beneficial interest in the Unrestricted Global Security, in each case having a principal amount equal to the Unrestricted Global Transferred Amount.

Section 306. *Mutilated, Destroyed, Lost and Stolen Securities.*

If any mutilated Security is surrendered to the Trustee, the Company shall execute, and the Guarantors shall execute, as applicable, the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed on, and the Trustee shall authenticate and deliver in exchange therefor, a new Security of the same series and of like tenor and principal amount, having the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed thereon, as applicable, and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company, the Guarantors and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any of their agents harmless, then, in the absence of notice to the Company, the Guarantors or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute, and the Guarantors shall execute, as applicable, the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed on, and the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount, having the notation of the Guarantee endorsed pursuant to Article Fourteen or the Guarantee thereon, as applicable, and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company or the Guarantors in their discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Company or the Guarantors, as the case may be, may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security and the Guarantee thereof shall constitute an original additional contractual obligation of the Company or the Guarantors, as the case may be, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities and Guarantees of that series duly issued hereunder.

Every new Security of any series issued pursuant to this Section in exchange for any mutilated Security or in lieu of any destroyed, lost or stolen Security, and the Guarantee thereof, shall constitute an original contractual obligation of the Company or the Guarantors, as the case may be, whether or not the mutilated, destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities and Guarantees of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 307. Payment of Interest; Interest Rights Preserved.

Except as otherwise established as contemplated by Section 301 with respect to any series of Securities, interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (“Defaulted Interest”) shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company or the Guarantors, at their election in each case, as provided in Clause (1) or (2) below:

(1) The Company or the Guarantors may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company or the Guarantors shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company or the Guarantors shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company and the Guarantors of such Special Record Date and, in the name and at the expense of the Company or the Guarantors, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given to each Holder of Securities of such series in the manner set forth in Section 106, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

(2) The Company or the Guarantors may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company or the Guarantors to the Trustee of the proposed payment pursuant to this Clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 308. *Persons Deemed Owners.*

Prior to due presentment of a Security for registration of transfer, the Company, the Guarantors, the Trustee and any agent of the Company, the Guarantors or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of and any premium and (subject to Section 307) any interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and none of the Company, the Guarantors, the Trustee or any of their respective agents shall be affected by notice to the contrary.

Section 309. *Cancellation.*

All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company or the Guarantors may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company or the Guarantors may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of and certification of such disposal delivered to the Company unless by a Company Order the Company shall direct that cancelled Securities be returned to it.

Section 310. *Computation of Interest.*

Except as otherwise established as contemplated by Section 301 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 311. *CUSIP Numbers.*

The Company in issuing the Securities may use “CUSIP” numbers (if then generally in use), and, if so, the Trustee shall use “CUSIP” numbers in notices of redemption as a convenience to Holders; provided that the Trustee shall assume no responsibility for the accuracy of such numbers and any such redemption shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee of any change in the CUSIP numbers.

Section 312. *Certification Form.*

- (a) Except as otherwise specified as contemplated by Section 301 for Securities of any series, whenever any certification is required to be given pursuant to Section 305(d)(i) of this Indenture in connection with the transfer of a beneficial interest in a Restricted Global Security to a person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Security, such certification shall be provided substantially in the form of Annex A to this Indenture, with only such changes as shall be approved in writing by the Company.
- (b) Except as otherwise specified as contemplated by Section 301 for Securities of any series, whenever any certification is required to be given pursuant to Section 305(d)(ii) of this Indenture in connection with the transfer of a beneficial interest in a Restricted Global Security to a person who wishes to take delivery thereof in the form of a beneficial interest in an Unrestricted Global Security, such certification shall be provided substantially in the form of Annex B to this Indenture, with only such changes as shall be approved in writing by the Company.
- (c) Except as otherwise specified as contemplated by Section 301 for Securities of any series, whenever any certifications are required to be given pursuant to Section 305(d)(iii) of this Indenture in connection with the transfer of a beneficial interest in the Regulation S Global Security to a person who wishes to take delivery thereof in the form of a beneficial interest in the Restricted Global Security, such certifications shall be provided substantially in the form of Annex C to this Indenture, with only such changes as shall be approved in writing by the Company.

(d) Except as otherwise specified as contemplated by Section 301 for Securities of any series, whenever any certification is required to be given pursuant to Section 305(d)(iv) of this Indenture in connection with the transfer of a beneficial interest in an Unrestricted Global Security to a person who wishes to take delivery thereof in the form of a beneficial interest in the Restricted Global Security, such certification shall be provided substantially in the form of Annex D to this Indenture, with only such changes as shall be approved in writing by the Company.

ARTICLE FOUR

SATISFACTION AND DISCHARGE

Section 401. *Satisfaction and Discharge of Indenture.*

This Indenture shall upon Company Request cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Securities herein expressly provided for), and the Trustee, at the expense of the Company, shall execute instruments in form and substance satisfactory to the Trustee, the Company and the Guarantors acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306 and (ii) Securities for whose payment money in the applicable currency has theretofore been deposited in trust or segregated and held in trust by the Company or the Guarantors and thereafter repaid to the Company or the Guarantors, as the case may be, or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company or the Guarantors, in the case of (i), (ii) or (iii) above, have

irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose money in the applicable currency in an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company or the Guarantors have paid or caused to be paid or made provision satisfactory to the Trustee for the payment of all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company and the Guarantors to the Trustee and the lien of the Trustee under Section 607, the obligations of the Company to any Authenticating Agent under Section 613, any obligations of the Trustee under Section 402, the rights and obligations set forth in the last paragraph of Section 1003 and any rights of registration of transfer, exchange or replacement of Securities provided in Sections 304, 305, 306, 905, 1002 or 1107 and any rights to Additional Amounts pursuant to Section 1007 shall survive such satisfaction and discharge.

Section 402. *Application of Trust Money.*

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company or the Guarantors acting as their own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and any interest for whose payment such money has been deposited with the Trustee.

ARTICLE FIVE

REMEDIES

Section 501. *Events of Default.*

"Event of Default", wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) unless such event is either inapplicable to a particular series or it is specifically deleted or modified in or pursuant to the supplemental indenture or Board Resolution creating such series of Securities or in the form of Security for such series:

(1) default in the payment of any interest (including any Additional Amount) upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of or any premium on any Security of that series at its Maturity; or

(3) default in the deposit of any sinking fund payment when and as due for any Security of that series; or

(4) default in the performance, or breach, of any covenant or warranty of the Company or the Guarantors in this Indenture with respect to the Securities of that series (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been established as contemplated by Section 301 solely for the benefit of a series of Securities other than that series), or, as the case may require, the Guarantee, and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company and the Guarantors by the Trustee or to the Company, the Guarantors and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach, requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) a default under any bond, debenture, note or other evidence of Indebtedness for Money Borrowed by the Company or the Guarantors (including a default with respect to Securities of any series other than that series) having an aggregate principal amount outstanding of at least US\$25,000,000 (or the equivalent thereof in any other currency or currency unit), or under any mortgage, indenture or instrument (including this Indenture) under which there may be issued or by which there may be secured or evidenced any Indebtedness for Money Borrowed by the Company or the Guarantors having an aggregate principal amount outstanding of at least US\$25,000,000 (or the equivalent thereof in any other currency or currency unit), whether such indebtedness now exists or shall hereafter be created, which default shall have resulted in such indebtedness (in each such case being, such indebtedness of at least US\$25,000,000 (or the equivalent thereof in any other currency or currency unit) aggregate principal amount outstanding) becoming or being validly declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 30 days after there shall have been given, by registered or certified mail, to the Company and the Guarantors by the Trustee or to the Company, the Guarantors and the Trustee by the Holders of at least 10% in principal amount of the Outstanding Securities of that series a written notice specifying such default and requiring the Company or the Guarantors, as the case may be, to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled, as the case may be, and stating that such notice is a "Notice of Default" hereunder; *provided, however*, that, subject to the provisions of Sections 601 and 602, the Trustee shall not be deemed to have knowledge or notice of such default unless either (A) a Responsible Officer shall have actual knowledge of such default or (B) the Trustee shall have received at the Corporate Trust Office written notice of such default from the Company, from the Guarantors, from any Holder, from the holder of any such indebtedness or from the trustee under any such mortgage, indenture or other instrument; or

(6) an order shall be made or any effective resolution shall be passed for the winding up of the Company or the Guarantors, other than such an order made or a resolution passed for the purposes of a reconstruction, amalgamation or reorganization where the Company or the Guarantors, as the case may be, is solvent; or

(7) the Company or the Guarantors shall become insolvent, shall admit in writing their inability to pay their debts as they fall due or shall stop payment of their debts generally; or

(8) the Company or the Guarantors shall enter into or make any compromise arrangement with their creditors generally including the entering into of some form of moratorium with their creditors generally, other than such a compromise arrangement for the purposes of a reconstruction, amalgamation or reorganization where the Company or the Guarantors, as the case may be, are solvent; or

(9) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Company or the Guarantors or a Restricted Subsidiary in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or there shall be appointed a receiver, administrator, liquidator, custodian, trustee or sequestrator (or similar officer) over the whole or substantially the whole of the assets of the Company or the Guarantors, as the case may be and any such decree, order or appointment is not removed, discharged or withdrawn within 60 days thereafter; or

(10) the Company or the Guarantors or a Restricted Subsidiary shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, other than a case commenced under an applicable law not pertaining to bankruptcy or insolvency for the purposes of a reconstruction, amalgamation or reorganization where the Company or the Guarantors or a Restricted Subsidiary, as the case may be, are solvent, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment of or taking possession by a receiver, administrator liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company or the Guarantors or a Restricted Subsidiary over the whole or substantially the whole of their assets, or make any general assignment for the benefit of creditors; or

(11) a distress, attachment, execution or other legal process in any amount exceeding US\$25,000,000 (or the equivalent thereof in any other currency or currency unit) is issued, levied, enforced or sued upon or against any part of the Property of the Company or the Guarantors or any Restricted Subsidiary of the Guarantors and is not paid out, satisfied, withdrawn or set aside within 60 days of issue, levy or enforcement; or

(12) any other Event of Default established as contemplated by Section 301 with respect to Securities of that series.

If an Event of Default (other than an Event of Default specified in Section 501(9) or Section 501 (10)) with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may declare the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof established as contemplated by Section 301) to be due and payable immediately, by a notice in writing to the Company and the Guarantors (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default specified in Section 501 (9) or Section 501 (10) with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the principal of, Additional Amounts, if any, and any accrued interest on such Securities then Outstanding shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company, the Guarantors and the Trustee, may rescind and annul such declaration and its consequences if:

- (1) the Company or the Guarantors have irrevocably paid or irrevocably deposited with the Trustee a sum sufficient to pay
 - (A) all overdue interest on all Securities of that series,
 - (B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Securities,
 - (C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates established as contemplated by Section 301 therefor, and
 - (D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all amounts due to the Trustee under Section 607;

and

- (2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 503. *Collection of Indebtedness and Suits for Enforcement by Trustee.*

The Company and the Guarantors covenant that if

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof,

the Company and the Guarantors will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates established as contemplated by Section 301 therefor, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due to the Trustee under Section 607.

If the Company and the Guarantors fail to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or the Guarantors or any other obligor upon such Securities or the Guarantee, as the case may be, and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or the Guarantors or any other obligor upon such Securities or the Guarantee, as the case may be, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 504. *Trustee May File Proofs of Claim.*

In case of any judicial proceeding relative to the Company or the Guarantors (or any other obligor upon the Securities), their property or their creditors, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act (as if the Trust Indenture Act applied to this Indenture) in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 607.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; *provided, however*, that the Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' or other similar committee.

Section 505. *Trustee May Enforce Claims Without Possession of Securities.*

All rights of action and claims under this Indenture or the Securities or the Guarantee may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and other amounts due to it under Section 607, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

Section 506. *Application of Money Collected.*

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any premium or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee and any predecessor Trustee under Section 607;

SECOND: To the payment of the amounts then due and unpaid for principal of and any premium and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal and any premium and interest, respectively; and

THIRD: The balance, if any, to the Company or the Person or Persons otherwise entitled thereto.

Section 507. *Limitation on Suits.*

No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

Section 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to Section 307) interest on such Security pursuant to the terms thereof or the Guarantee thereof (and any Additional Amounts) on the respective Stated Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

Section 509. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Guarantors, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 510. *Rights and Remedies Cumulative.*

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 511. *Delay or Omission Not Waiver.*

No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 512. *Control by Holders.*

Subject to Section 603(5), the Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, *provided that*

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Holders not taking part in such direction,

or

(3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction,

provided further that the Trustee shall be under no obligation to determine whether any such direction shall be in such conflict or so unjustly prejudicial.

Nothing in this Indenture shall impair the right of the Trustee in its discretion to take any action deemed proper by the Trustee and which is not inconsistent with such direction by Holders of Securities.

Section 513. *Waiver of Past Defaults.*

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of or any premium or interest on any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 514. *Undertaking for Costs.*

In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, including fees and expenses of Trustee's counsel, and may assess costs against any such party litigant; *provided* that this Section shall not be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company, the Guarantors, the Trustee or any Holder or group of Holders holding in aggregate more than 10% in aggregate principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or any premium or interest on any Outstanding Security of any series on or after the due date expressed in such Security.

Section 515. *Waiver of Usury, Stay or Extension Laws.*

Each of the Company and the Guarantors covenant (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and each of the Company and the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE SIX
THE TRUSTEE

Section 601. *Certain Duties and Responsibilities.*

(a) Except during the continuance of an Event of Default with respect to the Securities of any series,

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(b) In case an Event of Default has occurred and is continuing with respect to Securities of any series, the Trustee shall exercise such of the rights and powers vested in it by this Indenture with respect to the Securities of such series, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, *except* that

(i) this subsection (c) shall not be construed to limit the effect of subsection (a) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Securities of any series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture with respect to the Securities of such series; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 602. *Notice of Defaults.*

Within 90 days after the occurrence of any default hereunder, the Trustee shall transmit to all Holders of the Securities of each series affected thereby, in the manner provided in Section 106, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; *provided, however*, that, except in the case of a default in the payment of the principal of, or any premium or interest (or any Additional Amounts in respect of the foregoing) on, any Security of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders; and *provided, further*, that in the case of any default of the character specified in Section 501(4) no such notice to Holders shall be given until at least 60 days after the occurrence thereof. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

Section 603. *Certain Rights of Trustee.*

Subject to the provisions of Section 601:

(1) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, securities, bond, debenture, note, other evidence of indebtedness or other paper or document (whether in its original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order, and any resolution of the Board of Directors shall be sufficiently evidenced by a Board Resolution;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;

(4) the Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(6) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, securities, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit at the sole cost of the Company, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company or the Guarantors, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation;

(7) the Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(8) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(9) the Trustee shall not be deemed to have or charged with knowledge of any default (as defined in Section 602) or Event of Default with respect to the Securities of any series for which it is acting as Trustee unless (a) a Responsible Officer of the Trustee shall have actual knowledge of such default or Event of Default or (b) written notice of such default or Event of Default shall have been given to the Trustee by the Company, the Guarantors or any other obligor on such Securities or by any Holder of such Securities and such notice refers to the Securities and this Indenture;

(10) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder;

(11) anything in this Indenture to the contrary notwithstanding, in no event shall the Trustee be liable under or in connection with this Indenture for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including but not limited to lost profits, whether or not foreseeable, even if the Trustee has been advised of the possibility thereof and regardless of the form of action in which such damages are sought; and

(12) the Trustee may request that the Company deliver an Officer' s Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer' s Certificate may be signed by any person authorized to sign an Officer' s Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

Section 604. *Not Responsible for Recitals or Issuance of Securities.*

The recitals contained herein and in the Securities, except the Trustee' s certificates of authentication, shall be taken as the statements of the Company or the Guarantors, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or the Guarantees. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company or the Guarantors of the Securities of the proceeds thereof.

Section 605. *May Hold Securities.*

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Trustee, the Company or the Guarantors, in their individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Company and the Guarantors with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

Section 606. *Money Held in Trust.*

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on or investment of any money received by it hereunder except as otherwise agreed in writing with the Company or the Guarantors, as the case may be.

Section 607. *Compensation and Reimbursement.*

The Company agrees

(1) to pay to the Trustee from time to time such reasonable compensation for all services rendered by it hereunder in such amounts as shall have been agreed upon in writing by the Company and the Trustee from time to time (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except to the extent any such expense, disbursement or advance may be attributable to its negligence or bad faith or willful misconduct; and

(3) to indemnify each of the Trustee and any predecessor Trustee for, and to defend and hold it harmless against, any and all loss, liability, claim, damage or expense (including (i) the reasonable compensation and the expenses and disbursements of its agents and counsel and (ii) taxes other than taxes based on the income of the Trustee), arising out of or in connection with the acceptance or administration of the trust or trusts hereunder or the performance of its duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability, claim, damage or expense may be attributable to its negligence or bad faith or willful misconduct;

To ensure the Company's payment obligations under this Section 607, the Trustee shall have a lien prior to the Securities on all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property collected or held in trust for the benefit of the Holders of particular Securities. Such lien and the obligations of the Company under this Section 607 shall survive satisfaction and discharge of this Indenture.

In the event the Company fails to make any such payments, the Guarantors agree to make such payments on its behalf which agreement shall survive the resignation or removal of any Trustee and the satisfaction and discharge of this Indenture.

“Trustee” for purposes of this Section 607 shall include any predecessor Trustee, but the negligence or bad faith or willful misconduct of any Trustee shall not affect the rights or obligations of the Company or the Guarantors or any other Trustee hereunder.

When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 501(9) or (10), the expenses and the compensation for the services are intended to constitute expenses of administration under bankruptcy law.

Section 608. Corporate Trustee Required; Eligibility.

There shall at all times be one (and only one) Trustee hereunder with respect to the Securities of each series, which may be Trustee hereunder for Securities of one or more other series. Each Trustee shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such, has a combined capital and surplus of at least US\$50,000,000 and has its Corporate Trust Office in the Borough of Manhattan, The City of New York, New York. If any such Person publishes reports of condition at least annually, pursuant to law or to the requirements of its supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee with respect to the Securities of any series shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 609. Resignation and Removal; Appointment of Successor.

No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 610.

The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company and the Guarantors. If the instrument of acceptance by a successor Trustee required by Section 610 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition at the expense of the Company any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company and the Guarantors. If the instrument of acceptance by a successor Trustee required by Section 610 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition at the expense of the Company any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

If at any time:

(1) the Trustee shall cease to be eligible under Section 608 and shall fail to resign after written request therefor by the Company or the Guarantors or by any such Holder, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Company or the Guarantors by a Board Resolution may remove the Trustee with respect to all Securities, or (B) subject to Section 514, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company and the Guarantors, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 610. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the Guarantors and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 610, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company and the Guarantors. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company and the Guarantors or the Holders and accepted appointment in the manner required by Section 610, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Company shall give notice, or shall cause the Security Registrar to give notice, of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series to all Holders of Securities of such series in the manner provided in Section 106. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 610. *Acceptance of Appointment by Successor.*

In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and the Guarantors and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company, the Guarantors or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the Guarantors, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company, the Guarantors or any successor Trustee, such retiring Trustee shall, upon payment of its charges, duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

Upon request of any such successor Trustee, the Company and the Guarantors shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the first or second preceding paragraph, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 611. *Merger, Conversion, Consolidation or Succession to Business.*

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 612. *Certain Agreements of the Trustee.*

The Trustee agrees with the Company and the Guarantors that it will not, and it will procure that none of its directors, officers, employees or authorized agents will, take or permit to be taken an executed counterpart of this Indenture or any photocopy of such executed counterpart or any copy thereof into any State or Territory of Australia where the same would be liable for ad valorem stamp duty, except for the purpose of enforcement of the obligations hereunder or the preservation of any rights hereunder or for the purpose of complying with a requirement imposed by order of a competent court or government or other similar authority.

Section 613. *Appointment of Authenticating Agent.*

The Trustee, with the consent of the Company and the Guarantors, may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, registration of transfer or partial redemption thereof and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, except upon original issue or pursuant to Section 306, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than US\$50,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company and the Guarantors. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company and the Guarantors. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and the Guarantors and shall give notice of such appointment in the manner provided in Section 106 to all Holders of Securities of the series with respect to which such Authenticating Agent will serve. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternative certificate of authentication in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: _____

THE BANK OF NEW YORK,
As Trustee

By _____,
As Authenticating Agent

By _____
Authorized Signatory

If all of the Securities of a series may not be originally issued at one time, and if the Trustee does not have an office capable of authenticating Securities upon original issuance located in a Place of Payment where the Company wishes to have Securities of such series authenticated upon original issuance, the Trustee, if so requested by the Company in writing or by facsimile (which writing need not comply with Section 102 and need not be accompanied by an Opinion of Counsel), shall appoint in accordance with this Section an Authenticating Agent having an office in a Place of Payment designated by the Company with respect of such series of Securities.

Section 614. *Appointment of Co-Trustee.*

It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, and in particular in case of the enforcement thereof on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted or take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an individual or institution as a separate or co-trustee. The following provisions of this Section are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and only to the extent that the Trustee by the laws of any jurisdiction is incapable of exercising such powers, rights and remedies and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the Company be required by the separate or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Company; provided, that if an Event of Default shall have occurred and be continuing, if the Company does not execute any such instrument within fifteen (15) days after request therefor, the Trustee shall be empowered as an attorney-in-fact for the Company to execute any such instrument in the Company's name and stead. In case any separate or co-trustee or a successor to either shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate or co-trustee.

Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

- (i) all rights and powers, conferred or imposed upon the Trustee shall be conferred or imposed upon and may be exercised or performed by such separate trustee or co-trustee; and

(ii) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Article.

Any separate trustee or co-trustee may at any time appoint the Trustee as its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

ARTICLE SEVEN

HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY AND GUARANTORS

Section 701. *Company and Guarantors to Furnish Trustee Names and Addresses of Holders.*

The Company and the Guarantors will furnish or cause the Security Registrar to furnish to the Trustee

(1) semi-annually, not later than ten days after each Regular Record Date, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Outstanding Securities of each series as of such Regular Record Date, and

(2) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company, or the Guarantors, as the case may be, of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

provided, however, that if and so long as the Trustee shall be Security Registrar for Securities of a series, no such list need be furnished with respect to such series of Securities.

Section 702. *Preservation of Information; Communications to Holders.*

The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 701 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished.

The rights of Holders of the Securities of any series to communicate with other Holders of Securities of such series with respect to their rights under this Indenture or under the Securities or the Guarantee, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act (as if the provisions of the Trust Indenture Act applied to this Indenture).

Every Holder of Securities, by receiving and holding the same, agrees with the Company, the Guarantors and the Trustee that none of the Company, the Guarantors nor the Trustee nor any agent of any of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to the Trust Indenture Act (as if the provisions of the Trust Indenture Act applied to this Indenture) or other applicable law.

Section 703. *Reports by Company and the Guarantors.*

(a) The Company and the Guarantors shall furnish to the Trustee any information, documents or reports required to be filed with the Commission pursuant to Section 13 or 15(d) of the Exchange Act within 15 days after the same is so required to be filed with the Commission.

(b) With respect to the Securities of any series and for so long as the Securities of such series are Outstanding, the Company and the Guarantors shall furnish to the Trustee as soon as practicable, and the Trustee shall promptly distribute to the Holders of Securities of such series, such information as is specified as contemplated by Section 301 for Securities of such series.

(c) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

ARTICLE EIGHT

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Section 801. *Company or Guarantors May Consolidate, Etc., Only on Certain Terms.*

For so long as any Securities remain Outstanding under this Indenture, none of the Company or any Guarantor shall consolidate with or merge into any other Person that is not a Guarantor or convey, transfer or lease its properties and assets substantially as an entirety to any Person that is not a Guarantor, unless:

(1) in case the Company or the Guarantors, as the case may be, shall consolidate with or merge into another Person or convey, transfer or lease their properties and assets substantially as an entirety to any Person, the Person formed by such consolidation or into which the Company or the Guarantors are merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company, or the Guarantors, as the case may be, substantially as an entirety shall be a corporation, partnership or trust, shall be organized and validly existing under the laws of the applicable jurisdiction and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, (A) in the case of the Company, the due and punctual payment of the principal of and any premium and interest on all the Securities and the performance or observance of every covenant of this Indenture (including any obligation to pay any Additional Amounts) on the part of the Company to be performed or observed or (B) in the case of the Guarantors, the performance or observance of the Guarantee and every covenant of this Indenture (including any obligation to pay any Additional Amounts) on the part of the Guarantors to be performed or observed;

(2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company or the Guarantors as a result of such transaction as having been incurred at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing;

(3) any Person formed by the consolidation with the Company or the Guarantors or into which the Company or the Guarantors, as the case may be, is merged or which acquires by conveyance or transfer, or which leases, the properties and assets of the Company or the Guarantors, as the case may be, substantially as an entirety (each, in the case of the Company, a "Successor", in the case of the Guarantors, "Successor Guarantors", with any "Successor" or "Successor Guarantors" hereinafter sometimes referred to as a "Successor Person") and which is not organized and validly existing under the laws of the United States, any State thereof or the District of Columbia or the Commonwealth of Australia, any State thereof or any territory therein shall expressly agree, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, (A) to indemnify the Holder of each Security against (i) any tax, assessment or governmental charge imposed on such Holder or required to be withheld or deducted from any payment to such Holder as a consequence of such consolidation, merger, conveyance, transfer or lease, and (ii) any costs or expenses of the act of such consolidation, merger, conveyance, transfer or lease, and (B) that all payments pursuant to the Securities or the Guarantee in respect of the principal of and any premium and interest on the Securities, as the case may be, shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the jurisdiction of organization of such Person or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such Person will pay such additional amounts of, or in respect of, principal and any premium and interest ("Successor Additional Amounts") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to each Holder of a Security of the amounts which would have been payable pursuant to the Securities or the Guarantee, as the case may be, had no such withholding or deduction been required, except that no Successor Additional Amounts shall be so payable for or on account of:

(A) any withholding, deduction, tax, duty, assessment or other governmental charge which would not have been imposed but for the fact that such Holder: (i) was a resident, domiciliary or national of, or engaged in business or maintained a permanent establishment or was physically present in, Australia or otherwise had some connection with Australia other than the mere ownership of, or receipt of payment under, such Security or Guarantee; (ii) presented such Security or the Guarantee thereof for payment in Australia, unless such Security or Guarantee thereof could not have been presented for payment elsewhere; or (iii) presented such Security or the Guarantee thereof (where presentation is required) more than thirty (30) days after the date on which the payment in respect of such Security first became due and payable or provided for, whichever is later, except to the extent that the Holder would have been entitled to such Successor Additional Amounts if it had presented such Security or the Guarantee thereof for payment on any day within such period of thirty (30) days;

(B) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge or any withholding or deduction on account of such taxes

(C) any tax, assessment or other governmental charge which is payable otherwise than by withholding or deduction from payments of (or in respect of) principal of, or any premium or interest on, the Securities or the Guarantees thereof;

(D) any withholding, deduction, tax, assessment or other governmental charge that is imposed or withheld by reason of the failure by the Holder of such Security or, in the case of a Global Security, the beneficial owner of such Global Security to comply with a request of the Company or the Guarantors addressed to such Holder or beneficial owner, as the case may be, (i) to provide information concerning the nationality, residence or identity of such Holder or such beneficial owner or (ii) to make any declaration or other similar claim or satisfy any information or reporting requirement, which, in the case of (i) or (ii), is required or imposed by a statute, treaty, regulation or administrative practice of Australia or any political subdivision or taxing authority thereof or therein as a precondition to exemption from all or part of such withholding, deduction, tax, assessment or other governmental charge;

(E) any withholding, deduction, tax, assessment or other governmental charge which is imposed or withheld by reason of such Holder being an associate of the Company or any of the Guarantors for the purposes of Section 128(F)(6) of the Income Tax Assessment Act 1936 of Australia; or

(F) any combination of items (A), (B), (C), (D) and (E);

nor shall Successor Additional Amounts be paid with respect to any payment of, or in respect of, the principal of, or any premium or interest on, any such Security or the Guarantee thereof to any such Holder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such Security or Guarantee would, under the laws of Australia or any political subdivision or taxing authority thereof or therein, be treated as being derived or received for tax purposes by a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Successor Additional Amounts had it been the Holder of the Security; and

(4) the Company or the Guarantors, as the case may be, has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 802. *Successor Substituted.*

Upon any consolidation of the Company or the Guarantors with, or merger of the Company or the Guarantors into, any other Person or any conveyance, transfer or lease of the properties and assets of the Company or the Guarantors substantially as an entirety in accordance with Section 801, the Successor Person formed by such consolidation or into which the Company or the Guarantors are merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company or the Guarantors, as the case may be, under this Indenture with the same effect as if such Successor Person had been named as the Company or the Guarantors, as the case may be, herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities or the Guarantees, as the case may be.

ARTICLE NINE
SUPPLEMENTAL INDENTURES

Section 901. *Supplemental Indentures Without Consent of Holders.*

Without the consent of any Holders, the Company and the Guarantors, when authorized by a Board Resolution of the Company and the Guarantors, as applicable, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

- (1) to evidence the succession of another Person to the Company or the Guarantors and the assumption by any such successor of the covenants of the Company or the Guarantors herein and in the Securities and any Guarantee; or
- (2) to add to the covenants of the Company or the Guarantors or to surrender any right or power herein conferred upon the Company or the Guarantors for the benefit of the Holders of all or any series of Securities (and if such covenants or surrenders are to be for the benefit of less than all series of Securities, stating that such covenants or surrenders are expressly being included solely for the benefit of such series); or
- (3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such additional Events of Default are to be for the benefit of less than all series of Securities, stating that such additional Events of Default are expressly being included solely for the benefit of such series); or

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of Securities in uncertificated form; or

(5) to add to, change or eliminate any of the provisions of this Indenture in respect of one or more series of Securities, *provided* that any such addition, change or elimination (A) shall neither (i) apply to any Security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (ii) modify the rights of the Holder of any such Security with respect to such provision or (B) shall become effective only when there is no such Security Outstanding; or

(6) to secure the Securities or the Guarantee pursuant to the requirements of Section 1008 or otherwise; or

(7) to establish the form or terms of Securities of any series as contemplated by Section 201 or 301; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 610; or

(9) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture, *provided* that such action pursuant to this Clause (9) shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or

(10) to modify the restrictive legends set forth on the face of the form of Security in Sections 202 or as are otherwise set forth pursuant to Section 201 and 301, or modify the form of certificate set forth in Section 311; *provided, however*, that any such modification shall not adversely affect the interest of the Holders of the Securities in any material respect; or

(11) to make any other change that does not adversely affect the interests of the Holders of the Securities in any material respect.

Section 902. *Supplemental Indentures With Consent of Holders.*

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company, the Guarantors and the Trustee, the Company and the Guarantors, when authorized by a Board Resolution of the Company and the Guarantors, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; *provided, however*, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby,

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or change any obligation of the Company or the Guarantors to pay any Additional Amounts or reduce the amount of the principal of an Original Issue Discount Security or any other Security which would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change any Place of Payment where, or the coin or currency in which, any Security or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section, Section 513 or Section 1012, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; *provided, however*, that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to “the Trustee” and concomitant changes in this Section and Section 1012, or the deletion of this proviso, in accordance with the requirements of Sections 611 and 901(8), or

(4) change in any manner adverse to the interests of the Holders of Securities of any series the terms and conditions of the obligations of the Guarantors in respect of the due and punctual payment of the principal thereof and any premium and interest thereon (and any Additional Amounts in respect thereof) or any sinking fund payments provided in respect thereof.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 903. *Execution of Supplemental Indentures.*

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601 and 603) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and that all conditions precedent to such execution and delivery of such supplemental indenture have been satisfied. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 904. *Effect of Supplemental Indentures.*

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby, except to the extent, if any, therein expressly provided otherwise.

Section 905. *Reference in Securities to Supplemental Indentures.*

Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company and the Guarantors shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company and the Guarantors, to any such supplemental indenture may be prepared and executed by the Company, the notation of the Guarantors or the Guarantees endorsed thereon may be prepared and executed by the Guarantors and such Securities may be authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN

COVENANTS

Section 1001. *Payment of Principal, Premium and Interest.*

The Company covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay the principal of and any premium and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture.

Section 1002. *Maintenance of Office or Agency.*

The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Guarantors will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment pursuant to any Guarantee and where notices and demands to or upon the Guarantors in respect of any Guarantee and this Indenture may be served. The Guarantors will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Guarantors shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders and demands may be made or served at the Corporate Trust Office of the Trustee, and the Guarantors hereby appoint the Trustee as its agent to receive all such presentations, surrenders and demands.

The Guarantors may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for such purpose or where such notices or demands may be served and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Guarantors of their obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Guarantors will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 1003. *Money for Securities Payments to Be Held in Trust.*

If the Company or the Guarantors shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of or any premium or interest on any of the Securities of that series, segregate and hold in trust outside Australia for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any premium and interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee in writing of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, on or prior to each due date of the principal of or any premium or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay such amount, such sum to be held in trust for the benefit of the Persons entitled to such principal or any premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee in writing of its action or failure so to act.

The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will (1) hold all sums held by it for the payment of the principal of, premium, if any, or interest on Securities in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided, (2) give the Trustee notice of any default by the Company or the Guarantors (or any other obligor upon the Securities of that series) in the making of any payment of principal, premium, if any, or interest on the Securities or any Guarantee and (3) during the continuance of any default by the Company or the Guarantors (or any other obligor upon the Securities of that series) in the making of any payment in respect of the Securities of that series or any Guarantee, upon the written request of the Trustee, forthwith pay to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Securities of that series or such Guarantee(s).

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company or the Guarantors, in trust for the payment of the principal of or any premium or interest on any Security of any series and remaining unclaimed for two years after such principal, premium, interest or Additional Amounts has become due and payable shall, upon receipt of a Company Request, be paid to the Company or the Guarantors by the Trustee or such Paying Agent, or (if then held by the Company or the Guarantors) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company or the Guarantors for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company or the Guarantors as trustee thereof, shall thereupon cease.

Section 1004. *Statement by Officers as to Default.*

Each of the Company and the Guarantors will deliver to the Trustee, within 120 days after the end of each fiscal year of WPL ending after the date hereof, an Officer' s Certificate of the Company or the Guarantors, as the case may be, prepared in accordance with the provisions of Section 314(a)(4) of the Trust Indenture Act and stating whether or not to the knowledge of the signers thereof it is in compliance with all conditions and covenants under this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and if the Company or Guarantors shall be in default specifying all such defaults and the nature and status thereof of which they may have knowledge.

Section 1005. *Existence.*

Subject to Article Eight, each of the Company and the Guarantors will do or cause to be done all things necessary to preserve and keep in full force and effect its respective corporate existence, rights (charter and statutory) and franchises necessary to conduct its business; *provided, however,* that neither the Company nor the Guarantors shall be required to preserve any such right or franchise if the Board of Directors of the Company or, as the case may be, the relevant Guarantor, shall determine in a Board Resolution that the preservation thereof is no longer desirable in the conduct of its business and that the loss thereof would not have a material adverse effect on the Company' s, or the relevant Guarantor' s, ability to perform its obligations under the Indenture.

Section 1006. *Payment of Taxes and Other Claims.*

Each of the Company and the Guarantors will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon them or upon the income, profits or property of them, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Company or the Guarantors; *provided, however,* that the Company and the Guarantors shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim (A) whose amount, applicability or validity is being contested in good faith, or (B) where the failure to pay or discharge or to cause to be paid or discharged such tax, assessment, charge or claim would (in the opinion of any two executive officers and/or Directors of the Guarantors set forth in an Officer' s Certificate delivered to the Trustee) not (i) result in a material adverse effect on the financial condition of the Guarantors and their subsidiaries, taken as a whole, or (ii) have an adverse effect on the legality, validity or enforceability of the Securities or the Guarantee.

Section 1007. *Additional Amounts*

All payments of, or in respect of, principal of, and any premium and interest on, the Securities, and all payments pursuant to any Guarantee, shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Australia or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are required by Australia or any political subdivision or taxing authority thereof or therein to be withheld or deducted. In that event, the Company or the Guarantors, as applicable, will pay such additional amounts of, or in respect of, the principal of, and any premium and interest on, the Securities ("Additional Amounts") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such) in the payment to the Holder of each Security of the amounts which would have been payable in respect of such Security or the Guarantee had no such withholding or deduction been required, except that no Additional Amounts shall be so payable for or on account of:

(1) any withholding, deduction, tax, duty, assessment or other governmental charge which would not have been imposed but for the fact that such Holder: (A) was a resident, domiciliary or national of, or engaged in business or maintained a permanent establishment or was physically present in, Australia or otherwise had some connection with Australia other than the mere ownership of, or receipt of payment under, such Security or Guarantee; (B) presented such Security or the Guarantee thereof for payment in Australia, unless such Security or Guarantee thereof could not have been presented for payment elsewhere; or (C) presented such Security or the Guarantee thereof (where presentation is required) more than thirty (30) days after the date on which the payment in respect of such Security first became due and payable or provided for, whichever is later, except to the extent that the Holder would have been entitled to such Additional Amounts if it had presented such Security or the Guarantee thereof for payment on any day within such period of thirty (30) days;

(2) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge or any withholding or deduction on account of such taxes;

(3) any tax, assessment or other governmental charge which is payable otherwise than by withholding or deduction from payments of (or in respect of) principal of, or any premium or interest on, the Securities or the Guarantees thereof;

(4) any withholding, deduction, tax, assessment or other governmental charge that is imposed or withheld by reason of the failure by the Holder of such Security or, in the case of a Global Security, the beneficial owner of such Global Security to comply with a request of the Company or the Guarantors addressed to such Holder or beneficial owner, as the case may be, (A) to provide information concerning the nationality, residence or identity of such Holder or such beneficial owner or (B) to make any declaration or other similar claim or satisfy any information or reporting requirement, which, in the case of (A) or (B), is required or imposed by a statute, treaty, regulation or administrative practice of Australia or any political subdivision or taxing authority thereof or therein as a precondition to exemption from all or part of such withholding, deduction, tax, assessment or other governmental charge;

(5) any withholding, deduction, tax, assessment or other governmental charge which is imposed or withheld by reason of such Holder being an associate of the Company or any of the Guarantors for the purposes of Section 128(F)(6) of the Income Tax Assessment Act 1936 of Australia; or

(6) any combination of items (1), (2), (3), (4) and (5);

nor shall Additional Amounts be paid with respect to any payment of, or in respect of, the principal of, or any premium or interest on, any such Security or the Guarantee thereof to any such Holder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such Security or Guarantee would, under the laws of Australia or any political subdivision or taxing authority thereof or therein, be treated as being derived or received for tax purposes by a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had it been the Holder of the Security.

Whenever in this Indenture there is mentioned, in any context, any payment of, or in respect of, the principal of, or any premium or interest on, any Security of any series (or any payments pursuant to the Guarantee thereof), such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this Section to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of this Section, and any express mention of the payment of Additional Amounts in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

At least 10 days prior to each date on which any payment under or with respect to the Securities or the Guarantee thereof is due and payable, if the Company will be obligated to pay Additional Amounts with respect to such payment, the Company will deliver to the Trustee and the principal Paying Agent an Officer's Certificate stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the Trustee and such Paying Agent to pay such Additional Amounts to the Holders on the payment date; *provided, however*, that if 10 days prior to each date on which any such payment is due and payable the amount of such payment has not yet been determined, the Company shall notify the Trustee of such amount promptly after such amount has been determined.

Section 1008. *Limitation on Liens*

So long as any Securities are Outstanding, WPL will not itself, and will not permit any Restricted Subsidiary to, incur, issue, assume or guarantee any Indebtedness for Money Borrowed (all such Indebtedness for Money Borrowed being hereinafter in this Article called "Debt"), secured by a Lien on any Principal Property or on any shares of stock in, or Indebtedness of, any Restricted Subsidiary, without effectively providing that the Securities of any series (together with, if WPL shall so determine, any other indebtedness of WPL or such Restricted Subsidiary which is not subordinate in right of payment to the prior payment in full of the Securities of any series) shall be secured equally and ratably with (or prior to) such secured Debt, so long as such secured Debt shall be so secured. This Section shall not apply to, and there shall be excluded from secured Debt in any computation under this Section, Debt secured by:

(a) any Lien existing at the date of the issuance of the outstanding Securities;

(b) any Lien on Property of, or on any shares of stock in, or Indebtedness of, any corporation existing at the time such corporation becomes a Restricted Subsidiary;

(c) any Lien in favor of the Guarantors or any Restricted Subsidiary;

(d) any Lien on property, shares of stock or Indebtedness existing at the time of acquisition thereof (including acquisition through merger, consolidation or other reorganization) or to secure the payment of all or any part of the purchase price thereof or construction thereon or to secure any Debt incurred prior to, at the time of, or within 180 days after the later of the acquisition, the completion of construction or the commencement of full operation of such property or within 180 days after the acquisition of such shares or Indebtedness for the purpose of financing all or any part of the purchase price thereof or construction thereon, it being understood that if a commitment for such financing is obtained prior to or within such 180-day period, the applicable Lien shall be deemed to be included in this Clause (d) whether or not such Lien is created within such 180-day period;

(e) any Lien in favor of the Commonwealth of Australia, any state or territory thereof, or any department, agency, instrumentality or political subdivision of either, or any municipal or local authority in Australia, or in favor of any other country or any department, agency, instrumentality or political subdivision thereof or any municipal or local authority therein;

(f) any Lien to secure partial, progress, advance or other payments or any Debt incurred for the purpose of financing all or any part of the purchase price or cost of construction, development or repair, alteration or improvement of the property subject to such Lien if the commitment for the financing is obtained not later than one year after the latter of the completion of or the placing into operation (exclusive of test and start-up periods) of such constructed, developed, repaired, altered or improved property;

(g) any Lien over oil, gas or other minerals in place or geothermal resources in place, or on related leasehold or other property interests, which are incurred to finance development, production or acquisition costs (including but not limited to Liens securing advance sale obligations);

(h) any Lien over equipment used or usable for drilling, servicing or operation of oil, gas or other mineral properties or geothermal properties;

(i) any Lien required by any contract or statute in order to permit WPL or any of its Subsidiaries to perform any contract or subcontract made with or at the request of the Commonwealth of Australia, any state or territory thereof, or any department, agency, instrumentality or political subdivision of either, or any municipal or local authority in Australia, or with or at the request of any other country or any department, agency instrumentality or political sub-division thereof or any municipal or local authority therein;

(j) any Lien over or over all or any part of the interest of WPL or any of its Subsidiaries in any Joint Ventures, including the revenues and assets derived by Woodside or any of its Subsidiaries in such Joint Venture, in favor of its co-venturers or the manager or operator of the Joint Venture (such entities, "Joint Venture Parties"), in each as to secure the payment of amounts payable to Joint Venture Parties under or in respect of such Joint Ventures;

(k) any Lien securing taxes or assessments or other applicable governmental charges or levies, including sales taxes, value added taxes and customs and excise taxes and duties that either (a) are not yet delinquent by more than 30 days or (b) are being contested in good faith by appropriate proceedings and as to which appropriate reserves have been established or other provisions have been made in accordance with Australian GAAP; or

(l) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Lien referred to in (a) to (k), inclusive, for amounts not exceeding the principal amount of the borrowed money secured by the Lien so extended, renewed or replaced, provided that such extension, renewal or replacement Lien is limited to all or a part of the same Property or shares or stock of the Restricted Subsidiary that secured the Lien extended, renewed or replaced (plus improvements on such Property).

Notwithstanding the above, WPL and any one or more Restricted Subsidiaries may create, issue, incur, assume, guarantee or in any other manner become directly or indirectly liable for the payment of Debt secured by a Lien that would otherwise be prohibited under this Section 1008 *provided, however*, that the aggregate amount of all such Debt of WPL and its Restricted Subsidiaries or any of them together shall not exceed 10% of Woodside's Consolidated Net Tangible Assets as of the date within 150 days prior to such determination.

The following transactions shall not be deemed to create Debt secured by a Lien:

(a) the sale or other transfer of oil, gas or other minerals in place for a period of time until, or in an amount such that, the transferee will realize therefrom a specified amount of money (however determined) or a specified amount of oil, gas or other minerals, or the sale or other transfer of any other interest in property of the character commonly referred to as an oil, gas or other mineral payment or a production payment; and

(b) the sale or other transfer by WPL or a Restricted Subsidiary of properties to a partnership, joint venture or other entity whereby WPL or such Restricted Subsidiary would retain partial ownership of such properties.

For the purposes of this Section 1008, the following terms shall have the following definitions:

“Consolidated Net Tangible Assets” means the aggregate amount of assets of WPL and its Restricted Subsidiaries (less applicable reserves and other properly deductible items but including investments in non-consolidated Persons) after deducting therefrom (a) all current liabilities (excluding any thereof constituting Funded Debt by reason of being renewable or extendible at the option of the obligor) and (b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles, all as set forth on a consolidated balance sheet of WPL and its consolidated Subsidiaries and computed in accordance with Australian GAAP.

“Defeasance Agreement” means an arrangement pursuant to which money or securities are paid to, or deposited with, a depository in the amount designed to pay or discharge in full any liability in respect of any notes, bonds, debentures or debenture stock.

“Funded Debt” means all Indebtedness for Money Borrowed which is not by its terms subordinated in right of payment to the prior payment in full of the Securities, having a maturity of more than 12 months from the date as of which the amount thereof is to be determined or having a maturity of less than 12 months but by its terms being (i) renewable or extendible beyond 12 months from such date at the option of the obligor or (ii) issued in connection with a commitment by a bank or other financial institution to lend so that such indebtedness is treated as though it had a maturity in excess of 12 months pursuant to Australian GAAP.

“Indebtedness” means any Indebtedness for Money Borrowed or representing the deferred purchase price of property or assets purchased.

“Indebtedness for Money Borrowed” means any indebtedness for money borrowed now or hereafter existing and any liabilities under any bond, note, bill, loan, stock or other security in each case issued for cash or in respect of acceptance credit facilities or as consideration for assets or services, but excluding such liabilities incurred in relation to the acquisition of goods or services in the ordinary course of business of the person incurring such liabilities.

“Lien” means any mortgage, pledge, charge, security interest, encumbrance or lien.

“Principal Property” means any manufacturing plant, processing plant, property interest in oil, gas or other minerals in place or in geothermal resources in place, any pipeline, warehouse, office building or interest in real property which is located in Australia, or offshore Australia and owned by WPL or any Restricted Subsidiary, the gross book value (without deduction of any depreciation or depletion reserves) of which, on the date as of which the determination is being made, exceeds 2% of Woodside’s Consolidated Net Tangible Assets, other than any such plant, property interest, pipeline, warehouse, office building, interest in real property, or any portion of the foregoing, which, in the opinion of the Board of Directors of WPL, is not of material importance to the total business conducted by WPL and its Subsidiaries as an entirety.

“Property” means any asset, revenue or any other property, whether tangible or intangible, real or personal, including, without limitation, any right to receive income.

“Restricted Subsidiary” means a Subsidiary of WPL except a Subsidiary (a) which neither transacts any substantial portion of its business nor regularly maintains any substantial portion of its fixed assets in Australia, onshore or offshore or (b) which is engaged primarily in financing the operations of WPL or its Subsidiaries (including, without limitation, the Company) or both.

Section 1009. *[RESERVED.]*

Section 1010. *[RESERVED.]*

Section 1011. *Delivery of Certain Information.*

At any time when WPL is not subject to Section 13 or 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, upon the request of a Holder of a Security or a beneficial owner of an interest in a Global Security, WPL shall promptly furnish or cause to be furnished “Rule 144A Information” (as defined below) to such Holder or beneficial owner, or to a prospective purchaser of such Security or beneficial interest in a Global Security designated by such Holder or beneficial owner, in order to permit compliance by such Holder or beneficial owner with Rule 144A under the Securities Act in connection with the resale of such Security by such Holder or beneficial owner; *provided, however*, WPL shall not be required to furnish such information in connection with any request made on or after the date which is two years from the later of (i) the date such Security or Global Security (or any predecessor Security) was acquired from the Company or (ii) the date such Security or Global Security (or any predecessor Security) was last acquired from an affiliate of the Company within the meaning of Rule 144 under the Securities Act; and *provided further*, WPL shall not be required to furnish such information at any time to a prospective purchaser located outside the United States who is not a “U.S. person” within the meaning of Regulation S under the Securities Act if such Security or interest, as the case may be, may then be sold to such prospective purchaser in accordance with Rule 904 under the Securities Act (or any successor provision thereto), as the same may be amended from time to time. “Rule 144A Information” shall be such information as is specified pursuant to paragraph (d)(4) of Rule 144A (or any successor provision thereto), as such provisions (or successor provision) may be amended from time to time.

Section 1012. *Resale of Certain Securities.*

Except as otherwise provided pursuant to Section 301 or pursuant to a supplemental indenture entered into pursuant to Article Nine hereof, prior to the date that is two years from the Closing Date with respect to the Securities of any series, neither the Company nor the Guarantors will, nor will it permit any of their “affiliates” (as defined under Rule 144 under the Securities Act) to, resell any Securities of such series (including the Guarantee(s)) which constitute “restricted securities” under Rule 144. The Trustee shall have no responsibility in respect of the Company’ s and the Guarantors’ performance of their agreement in the preceding sentence.

Section 1013. *Waiver of Certain Covenants.*

Except as otherwise established as contemplated by Section 301 for the Securities of any series, the Company and the Guarantors may, with respect to the Securities of such series, omit in any particular instance to comply with any term, provision or condition set forth in any covenant established as contemplated by Section 301(18) or adopted by indenture supplemental hereto under Section 901(2) for the benefit of the Holders of such series, or in any of Sections 1005, 1006, 1008 or 1009, if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the Guarantors and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE ELEVEN

REDEMPTION OF SECURITIES

Section 1101. *Applicability of Article.*

Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise established as contemplated by Section 301 for the Securities of such series) in accordance with this Article.

Section 1102. *Election to Redeem; Notice to Trustee.*

The election of the Company to redeem any Securities shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of less than all the Securities of any series (including any such redemption affecting only a single Security), the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date, of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities established as contemplated by Section 301, the Company shall furnish the Trustee with an Officer’ s Certificate evidencing compliance with such restriction.

Section 1103. *Selection by Trustee of Securities to Be Redeemed.*

If less than all the Securities of any series are to be redeemed (unless all the Securities of such series and of a specified tenor are to be redeemed or unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected not more than 60 days or less than 30 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of a portion of the principal amount of any Security of such series, *provided* that the unredeemed portion of the principal amount of any Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. If less than all the Securities of such series and of a specified tenor are to be redeemed (unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected not more than 60 days or less than 30 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series and specified tenor not previously called for redemption in accordance with the preceding sentence.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption as aforesaid and, in case of any Securities selected for partial redemption as aforesaid, the principal amounts thereof to be redeemed.

The provisions of the two preceding paragraphs shall not apply with respect to any redemption affecting only a single Security, whether such Security is to be redeemed in whole or in part. In the case of any such redemption in part, the unredeemed portion of the principal amount of the Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amounts of such Securities which has been or is to be redeemed.

Section 1104. *Notice of Redemption.*

Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at his address appearing in the Security Register.

All notices of redemption shall state:

- (1) the Redemption Date,
- (2) the Redemption Price and the amount of any accrued and unpaid interest payable on the Redemption Date,

(3) the CUSIP or other identifying number of such Securities to be redeemed,

(4) if less than all the Outstanding Securities of any series consisting of more than a single Security are to be redeemed, the identification (and, in the case of partial redemption of any such Securities, the principal amounts) of the particular Securities to be redeemed and, if less than all the Outstanding Securities of any series consisting of a single Security are to be redeemed, the principal amount of the particular Security to be redeemed,

(5) that on the Redemption Date the Redemption Price (together with any accrued and unpaid interest payable on the Redemption Date) will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,

(6) the place or places where such Securities are to be surrendered for payment of the Redemption Price, and accrued interest, if any, and

(7) that the redemption is for a sinking fund, if such is the case.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company and shall be irrevocable; *provided, however* that the Company shall instruct the Trustee to deliver the notice of redemption at least 45 days prior to the Redemption Date.

Section 1105. Deposit of Redemption Price.

Not later than 10:00a.m. in the place of payment on any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

Section 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price applicable thereto, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; *provided, however*, that installments of interest whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Date according to their terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the terms of the Security established as contemplated by Section 301.

Section 1107. *Securities Redeemed in Part.*

Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, the Guarantors shall execute the notation of the Guarantee pursuant to Article Fourteen or the Guarantee endorsed on, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series and of like tenor, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

Section 1108. *Optional Redemption Due to Changes in Tax Treatment.*

If as the result of any change in or any amendment to the laws, regulations or published tax rulings of Australia, or of any political subdivision or taxing authority thereof or therein, affecting taxation, or any change in the official administration, application or interpretation by any Australian court or tribunal, government or government authority of such laws, regulations or published tax rulings either generally or in relation to any particular Securities (or the Guarantee thereof), which change or amendment becomes effective on or after the original issue date of such Securities or Guarantee or which change in official administration, application or interpretation shall not have been available to the public prior to such issue date, the Company or the Guarantors would be required to pay any Additional Amounts pursuant to Section 1007 of this Indenture or the terms of any Guarantee (1) in respect of interest on the next succeeding Interest Payment Date (assuming, in the case of the Guarantors, a payment in respect of such interest were required to be made by the Guarantors under the Guarantee thereof on such Interest Payment Date), or (2) in respect of the principal of any Original Issue Discount Securities and assuming, in the case of the Guarantors, that a payment in respect of such principal were required to be made by it on such date pursuant to the Guarantee, in either case on which the Guarantors would be unable, for reasons outside their control, to procure payment by the Company, and the obligation to pay Additional Amounts cannot be avoided by the use of reasonable measures available to the Company or the Guarantors, the Company or the Guarantors may, at either of their options, redeem all (but not less than all) the Securities of any series in respect of which such Additional Amounts would be so payable at any time, upon notice as provided in Sections 1102 and 1104, at a Redemption Price equal to 100 percent of the principal amount thereof plus all accrued and unpaid interest to the date fixed for redemption (except that any such Securities that are Outstanding Original Issue Discount Securities may be redeemed at the Redemption Price specified in the terms thereof); *provided, however*, that (a) no such notice of redemption may be given earlier than 60 days prior to the earliest date on which the Guarantors would be obligated to pay such Additional Amounts were a payment in respect of the Securities or the Guarantee thereof then due, and (b) at the time any such redemption notice is given, such obligation to pay such Additional Amounts must remain in effect. If (1) the Company or the Guarantors shall have on any date (the "Succession Date") consolidated with or merged into, or conveyed or transferred or leased their properties and assets substantially as an entirety to, any Successor Person referred to in Section 801(3), and (2) as the result of any change in or any amendment to the laws, regulations or published tax rulings of such jurisdiction of organization, or of any political subdivision or taxing authority thereof or therein, affecting taxation, or any change in the official administration, application or interpretation of such laws, regulations or published tax rulings either generally or in relation to any particular Securities, which change or amendment becomes effective on or after the Succession Date or which change in official administration, application or interpretation shall not have been available to the public prior to such Succession Date, such Successor Person would be required to pay any Successor Additional Amounts pursuant to Section 801(3) hereof or the terms of any Security or the Guarantee thereof (i) in respect of interest on any Securities on the next succeeding Interest Payment Date (assuming, in the case of a Successor Guarantor, that a payment in respect of such interest were required to be made by such Successor Guarantor under the Guarantee on such Interest Payment Date), or (ii) in respect of the principal of any Original Issue Discount Securities on the date of such determination (assuming such principal were required to be paid on such date under the terms of the Securities and, in either case if involving a Successor Guarantor, that a payment in respect of such principal were required to be made by such Successor Guarantor on such date pursuant to the Guarantee), on which, in the case of a Successor Guarantor, such Successor Guarantor would be unable, for reasons outside their control, to procure payment by the Company (or the Successor Person thereof), and the obligation to pay Successor Additional Amounts cannot be avoided by the use of reasonable measures available to the Company or Successor Person, the Company or the Successor Person may, at its option, redeem all (but not less than all) the Securities of any series in respect of which such Successor Additional Amounts would be so payable at any time, upon not less than 30 nor more than 60 days' written notice as provided in Sections 1102 and 1104, at a Redemption Price equal to 100% of the principal amount thereof plus all accrued and unpaid interest to the date fixed for redemption (except that any such Securities that are Outstanding Original Issue Discount Securities may be redeemed at the Redemption Price specified in the terms thereof); *provided, however*, that (1) no such notice of redemption may be given earlier than 60 days prior to the earliest date on which a Person would be obligated to pay such Successor Additional Amounts, and (2) at the time any such redemption notice is given, such obligation to pay such Successor Additional Amounts must remain in effect.

Prior to any redemption of any Securities pursuant to this Section, the Company or a Successor Person shall provide the Trustee with an Opinion of Counsel that the conditions precedent to the right of the Company or a Successor Person to redeem such Securities pursuant to this Section have occurred and a certificate signed by an Authorized Officer stating that the obligation to pay Additional Amounts with respect of such Securities, cannot be avoided by taking measures that the Company or the Guarantors, as the case may be, believes are reasonable. Such Opinion of Counsel shall be based on the laws and application and interpretation thereof in effect on the date of such opinion or to become effective on or before the next succeeding Interest Payment Date.

ARTICLE TWELVE

SINKING FUNDS

Section 1201. *Applicability of Article.*

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of any series except as otherwise established as contemplated by Section 301 for the Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of any Securities is herein referred to as a “mandatory sinking fund payment”, and any payment in excess of such minimum amount provided for by the terms of such Securities is herein referred to as an “optional sinking fund payment”. If provided for by the terms of any Securities, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities as provided for by the terms of such Securities.

Section 1202. *Satisfaction of Sinking Fund Payments with Securities.*

The Company (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to any Securities of such series required to be made pursuant to the terms of such Securities as and to the extent provided for by the terms of such Securities; *provided* that the Securities to be so credited have not been previously so credited. The Securities to be so credited shall be received and credited for such purpose by the Trustee at the Redemption Price, as specified in the Securities so to be redeemed, for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 1203. *Redemption of Securities for Sinking Fund.*

Not less than 60 days prior to each sinking fund payment date for any Securities, the Company will deliver to the Trustee an Officer’s Certificate specifying the amount of the next ensuing sinking fund payment for such Securities pursuant to the terms of such Securities, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities pursuant to Section 1202 and will also deliver to the Trustee any Securities to be so delivered. Not less than 60 days prior to each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN

DEFEASANCE AND COVENANT DEFEASANCE

Section 1301. *Option to Effect Defeasance or Covenant Defeasance.*

Section 1302 and Section 1303 shall apply to the Outstanding Securities of any series (a “Defeasible Series”) to the extent that the terms of such Securities established as contemplated by Section 301(17) provide for such applicability.

Section 1302. *Defeasance and Discharge.*

The Company and the Guarantors shall be deemed to have been discharged from their respective obligations with respect to the Outstanding Securities of any Defeasible Series, as provided in this Section 1302 on and after the date the applicable conditions set forth in Section 1304 are satisfied (hereinafter called “Defeasance”) with respect to such Securities. For this purpose, such Defeasance means that the Company and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities of such series and to have satisfied all their other respective obligations under the Securities of such series and this Indenture insofar as the Securities of such series are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Holders of Securities of such series to receive, solely from the trust fund described in Section 1304 and as more fully set forth in such Section, payments in respect of the principal of and any premium and interest on such Securities of such series when payments are due, (2) the Company’s and the Guarantors’ obligations with respect to the Securities of such series under Sections 304, 305, 306, 1002, 1003 and 1007 (to the extent then unknown), (3) the rights (including without limitation, the rights set forth in Section 607), powers, trusts, duties and immunities of the Trustee hereunder and (4) this Article. Subject to compliance with this Article, the Company or the Guarantors may Defeas any Securities pursuant to this Section notwithstanding the prior Covenant Defeasance of such Securities pursuant to Section 1303.

Section 1303. *Covenant Defeasance.*

On and after the date the applicable conditions set forth in Section 1304 are satisfied (hereinafter called “Covenant Defeasance”) with respect to the Outstanding Securities of any Defeasible Series, pursuant to this Section 1303, (1) the Company and the Guarantors shall be released from their respective obligations under Section 801, 1005, 1006, 1008 and 1009, and any covenants established as contemplated by Section 301(20) or adopted by indenture supplemental hereto under Section 901(2) for the benefit of the Holders of such Securities and (2) the occurrence of any event specified in Sections 501(3) and 501(4) or pursuant to Section 501(11) with respect to any obligations referred to in Clause (1) of this Section 1303 shall be deemed not to be or result in an Event of Default, in each case with respect to the Outstanding Securities of such series as provided in this Section. For this purpose, such Covenant Defeasance means that the Company and the Guarantors may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified Section (to the extent so specified in the case of Section 501(4)), whether directly or indirectly by reason of any reference elsewhere herein to any such Section or Article or by reason of any reference in any such Section or Article to any other provision herein or in any other document, but the remainder of this Indenture and the Securities of such series shall be unaffected thereby.

Section 1304. *Conditions to Defeasance or Covenant Defeasance.*

The following shall be the conditions to the Defeasance pursuant to Section 1302 or the Covenant Defeasance pursuant to Section 1303 of the Outstanding Securities of any Defeasible Series:

- (1) The Company or the Guarantors shall elect by Board Resolution to effect a Defeasance pursuant to Section 1302 or a Covenant Defeasance pursuant to Section 1303 with respect to the Outstanding Securities of any Defeasible Series specified in such Board Resolution.

(2) The Company or the Guarantors, as the case may be, shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee which satisfies the requirements contemplated by Section 608 and agrees to comply with the provisions of this Article applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of the Outstanding Securities of such series, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest (and any Additional Amounts then known) on the Securities of such series and any Additional Amounts then known thereon on the respective Stated Maturities, in accordance with the terms of this Indenture and the Securities of such series. As used herein, "U.S. Government Obligation" means (x) any security which is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the issuer thereof, and (y) any depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any U.S. Government Obligation which is specified in Clause (x) above and held by such bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any U.S. Government Obligation which is so specified and held, *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal or interest evidenced by such depositary receipt.

(3) In the event of a Defeasance pursuant to Section 1302, the Company or the Guarantors shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Company or the Guarantors have received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this instrument, there has been a change in the applicable Federal income tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the beneficial owners of the Outstanding Securities of such series will not recognize gain or loss for Federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to the Outstanding Securities of such series and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(4) In the event of a Covenant Defeasance pursuant to Section 1303, the Company or the Guarantors, as the case may be, shall have delivered to the Trustee an Opinion of Counsel to the effect that the beneficial owners of the Outstanding Securities of such series will not recognize gain or loss for Federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to the Outstanding Securities of such series and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(5) The Company or the Guarantors shall have delivered to the Trustee an Officer's Certificate to the effect that the Securities of such series, if then listed on any securities exchange, will not be delisted as a result of such deposit.

(6) No event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the Outstanding Securities of such series shall have occurred and be continuing at the time of such deposit or, with regard to any such event specified in Sections 501(6) through (10), at any time on or prior to the 90th day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 90th day).

(7) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all Securities are in default within the meaning of such act and that such act applied to this Indenture).

(8) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or the Guarantors is a party or by which it is bound.

(9) Such Defeasance or Covenant Defeasance shall not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act unless such trust shall be registered under such Act or exempt from registration thereunder.

(10) The Company or the Guarantors shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.

Section 1305. Deposited Money and U.S. Government Obligations to Be Held in Trust; Miscellaneous Provisions.

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee or other qualifying trustee (solely for purposes of this Section and Section 1306, the Trustee and any such other trustee are referred to collectively as the "Trustee") pursuant to Section 1304 in respect of any Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any such Paying Agent (including the Company or the Guarantors acting as their own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Company or the Guarantors, as the case may be, shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Trustee or the trust created hereby with respect to the U.S. Government Obligations deposited pursuant to Section 1304 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Company or the Guarantors, as the case may be, from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 1304 with respect to any Securities which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect the Defeasance or Covenant Defeasance, as the case may be, with respect to such Securities.

Section 1306. *Reinstatement.*

If the Trustee or the Paying Agent is unable to apply any money in accordance with this Article with respect to any Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations under this Indenture and such Securities from which the Company and the Guarantors, have been discharged or released pursuant to Section 1302 or 1303 shall be revived and reinstated as though no deposit had occurred pursuant to this Article with respect to such Securities, until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 1305 with respect to such Securities in accordance with this Article; *provided, however*, that if the Company or the Guarantors makes any payment of principal of or any premium or interest on any such Security following such reinstatement of their obligations, the Company or the Guarantors shall be subrogated to the rights (if any) of the Holders of such Securities to receive such payment from the money so held in trust.

ARTICLE FOURTEEN
GUARANTEE OF SECURITIES

Section 1401. *Guarantee.*

This Section 1401 and Section 1402 applies to the Securities of any series to the extent that the form of the Guarantee to be endorsed on such Securities is not otherwise established as contemplated by Section 301.

Each of the Guarantors hereby unconditionally guarantees to the Trustee and to each Holder of a Security of each series authenticated and delivered by the Trustee the due and punctual payment of the principal (including any amount due in respect of original issue discount) of and any premium and interest on such Security and all other amounts payable by the Company under this Indenture, and the due and punctual payment of any sinking fund payments provided for pursuant to the terms of such Security, when and as the same shall become due and payable, whether at the Stated Maturity, by declaration of acceleration, call for redemption or otherwise, in accordance with the terms of such Security and of this Indenture. The Guarantors hereby agree that their obligations hereunder shall be as if it were a principal debtor and not merely a surety, and shall be absolute and unconditional, irrespective of, and shall be unaffected by, any invalidity, irregularity or unenforceability of any Security of any series or this Indenture, any failure to enforce the provisions of any Security of any series or this Indenture, any waiver, modification or indulgence granted to the Company with respect thereto, by the Holder of any Security of any series or the Trustee, or any other circumstances which may otherwise constitute a legal or equitable discharge of a surety or guarantor; *provided, however*, that, notwithstanding the foregoing, no such waiver, modification or indulgence shall, without the consent of the Guarantors, increase the principal amount of a Security or the interest rate thereon or increase any premium payable upon redemption thereof. The Guarantors hereby waive diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Company, any right to require a proceeding first against the Company, the benefit of discussion, protest or notice with respect to any Security or the indebtedness evidenced thereby or with respect of any sinking fund payment required pursuant to the terms of a Security issued under this Indenture and all demands whatsoever, and covenants that this Guarantee will not be discharged with respect to any Security except by payment in full of the principal thereof and any premium and interest thereon or as provided in Article Four, Section 802 or Article Thirteen. The Guarantors further agree that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, the Maturity of the obligations guaranteed hereby may be accelerated as provided in Article Five hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby.

The Guarantors shall be subrogated to all rights of each Holder of Securities against the Company in respect of any amounts paid to such Holder by the Guarantors pursuant to the provisions of this Guarantee; *provided, however*, that the Guarantors shall not be entitled to enforce, or to receive any payments arising out of or based upon, such right of subrogation until the principal of and any premium and interest on all the Securities of the same series and of like tenor shall have been paid in full.

No past, present or future stockholder, officer, director, employee or incorporator of the Guarantors shall have any personal liability under the Guarantee set forth in this Section 1401 by reason of his or their status as such stockholder, officer, director, employee or incorporator.

The Guarantee set forth in this Section 1401 shall not be valid or become obligatory for any purpose with respect to a Security until the certificate of authentication on such Security shall have been signed by or on behalf of the Trustee.

To evidence their guarantee to the Holders specified in Section 1401, the Guarantors hereby agree to execute the notation of the Guarantee in substantially the form set forth in Section 204 to be endorsed on each Security authenticated and delivered by the Trustee. The Guarantors hereby agree that their Guarantee set forth in Section 1401 shall remain in full force and effect notwithstanding any failure to endorse on each Security a notation of such Guarantee. Each such notation of the Guarantee shall be signed on behalf of the Guarantors, by any Authorized Officer, prior to the authentication of the Security on which it is endorsed, and the delivery of such Security by the Trustee, after the due authentication thereof by the Trustee hereunder, shall constitute due delivery of the Guarantee on behalf of the Guarantors. Such signatures upon the notation of the Guarantee may be manual or facsimile signatures of any present, past or future such Authorized Officers and may be imprinted or otherwise reproduced below the notation of the Guarantee, and in case any such Authorized Officer who shall have signed the notation of the Guarantee shall cease to be such Authorized Officer before the Security on which such notation is endorsed shall have been authenticated and delivered by the Trustee or disposed of by the Company, such Security nevertheless may be authenticated and delivered or disposed of as though the person who signed the notation of the Guarantee had not ceased to be such Authorized Officer of the Guarantors.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed in New York, New York as of the day and year first above written.

WOODSIDE FINANCE LIMITED

By /s/ Andrew Mirco

Name: Andrew Mirco

Title: Assistant Treasurer

WOODSIDE PETROLEUM LTD.

By /s/ Andrew Mirco

Name: Andrew Mirco

Title: Assistant Treasurer

WOODSIDE ENERGY LTD.

By /s/ Andrew Mirco

Name: Andrew Mirco

Title: Assistant Treasurer

THE BANK OF NEW YORK

as Trustee

By /s/ Kelvyn EE

Name: Kelvyn EE

Title: Assistant Vice President

**FORM OF TRANSFER CERTIFICATE
FOR TRANSFER FROM RESTRICTED GLOBAL
SECURITY TO REGULATION S GLOBAL SECURITY
(Transfers pursuant to § 305(d)(i)
of the Indenture)**

The Bank of New York
101 Barclay Street
Floor 21 West
New York, N.Y. 10286

Re: []% Notes due [] of Woodside Finance Limited (ABN 97 007 285 314) guaranteed as to payments of principal and interest by Woodside Petroleum Ltd. (ABN 55 004 898 962) and Woodside Energy Ltd. (ABN 63 005 482 986) (the “Securities”)

Reference is hereby made to the Indenture, dated as of November [], 2003 (the “Indenture”), among Woodside Finance Limited (the “Issuer”), Woodside Petroleum Ltd., Woodside Energy Ltd (each, a “Guarantor”) and The Bank of New York, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US\$ _____ principal amount of Securities which are evidenced by one or more Restricted Global Securities (CUSIP No. []) and held with the Depository in the name of [insert name of transferor] (the “Transferor”). The Transferor has requested a transfer of such beneficial interest in the Securities to a person who will take delivery thereof in the form of an equal principal amount of Securities evidenced by one or more Regulation S Global Securities (CUSIP No. []), which amount, immediately after such transfer, is to be held with the Depository through Euroclear or Clearstream or both (Common Code: TBA; ISIN: []).

In connection with such request and in respect of such Securities, the Transferor does hereby certify that such transfer has been effected pursuant to and in accordance with Rule 903 or Rule 904 (as applicable) under the United States Securities Act of 1933, as amended (the “Securities Act”), and accordingly the Transferor does hereby further certify that:

- (1) the offer of the Securities was not made to a person in the United States;
- (2) either:

(A) at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States, or

(B) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither the Transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States;

(3) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable;

(4) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and

(5) upon completion of the transaction, the beneficial interest being transferred as described above is to be held with the Depositary through Euroclear or Clearstream or both.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Guarantors and the underwriters or initial purchasers, if any, of the initial offering of such Securities being transferred. Terms used in this certificate and not otherwise defined in the Indenture have the meanings set forth in Regulation S under the Securities Act.

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated: _____,

cc: Woodside Finance Limited
Woodside Petroleum Ltd.
Woodside Energy Ltd.

**FORM OF TRANSFER CERTIFICATE
FOR TRANSFER FROM RESTRICTED GLOBAL
SECURITY TO UNRESTRICTED GLOBAL SECURITY
(Transfers Pursuant to § 305(d)(ii)
of the Indenture)**

The Bank of New York
101 Barclay Street
Floor 21 West
New York, N.Y. 10286

Re: []% Notes due [] of Woodside Finance Limited (ABN 97 007 285 314) guaranteed as to payments of principal and interest by Woodside Petroleum Ltd. (ABN 55 004 898 962) and Woodside Energy Ltd., (ABN 63 005 482 986) (the "Securities")

Reference is hereby made to the Indenture, dated as of November [], 2003 (the "Indenture"), among Woodside Finance Limited (the "Issuer"), Woodside Petroleum Ltd., Woodside Energy Ltd (each, a "Guarantor") and The Bank of New York, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US\$ _____ principal amount of Securities which are evidenced by one or more Restricted Global Securities (CUSIP No. []) and held with the Depository in the name of [insert name of transferor] (the "Transferor"). The Transferor has requested a transfer of such beneficial interest in the Securities to a person that will take delivery thereof in the form of an equal principal amount of Securities evidenced by one or more Unrestricted Global Securities (CUSIP No. []).

In connection with such request and in respect of such Securities, the Transferor does hereby certify that such transfer has been effected pursuant to and in accordance with either (i) Rule 903 or Rule 904 (as applicable) under the United States Securities Act of 1933, as amended (the "Securities Act"), or (ii) Rule 144 under the Securities Act, and accordingly the Transferor does hereby further certify that:

- (1) if the transfer has been effected pursuant to Rule 903 or Rule 904:
 - (A) the offer of the Securities was not made to a person in the United States;

(B) either:

(i) at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States, or

(ii) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither the Transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States;

(C) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable; and

(D) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; or

(2) if the transfer has been effected pursuant to Rule 144, the Securities have been transferred in a transaction permitted by Rule 144.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Guarantors and the underwriters and initial purchasers, if any, of the Securities being transferred. Terms used in this certificate and not otherwise defined in the Indenture have the meanings set forth in Regulation S under the Securities Act.

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated : _____,

cc: Woodside Finance Limited
Woodside Petroleum Ltd.
Woodside Energy Ltd.

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**FORM OF TRANSFER CERTIFICATES
FOR TRANSFER FROM REGULATION S GLOBAL
SECURITY TO RESTRICTED GLOBAL SECURITY
(Transfers Pursuant to § 305(d)(iii)
of the Indenture)**

[Transferor Certificate]

The Bank of New York
101 Barclay Street
Floor 21 West
New York, N.Y. 10286

Re: []% Notes due [] of Woodside Finance Limited (ABN 97 007 285 314) guaranteed as to payments of principal and interest by Woodside Petroleum Ltd. (ABN 55 004 898 962) and Woodside Energy Ltd., (ABN 63 005 482 986) (the "Securities")

Reference is hereby made to the Indenture, dated as of November [], 2003 (the "Indenture"), among Woodside Finance Limited (the "Issuer"), Woodside Petroleum Ltd., Woodside Energy Ltd (each, a "Guarantor") and The Bank of New York, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US\$ _____ principal amount of Securities which are evidenced by one or more Regulation S Global Securities (CUSIP No. []) and held with the Depository through [Euroclear] [Clearstream] (Common Code TBA) in the name of [insert name of transferor] (the "Transferor"). The Transferor has requested a transfer of such beneficial interest in Securities to a person that will take delivery thereof (the "Transferee") in the form of an equal principal amount of Securities evidenced by one or more Restricted Global Securities (CUSIP No. []).

In connection with such request and in respect of such Securities, the Transferor does hereby certify that such Transferor did not purchase such Securities as part of their initial distribution and the transfer is being effected pursuant to and in accordance with an exemption from the United States Securities Act of 1933, as amended (the "Securities Act") and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

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This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Guarantors and the underwriters and initial purchasers, if any, of the Securities being transferred.

[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____,

cc: Woodside Finance Limited
Woodside Petroleum Ltd.
Woodside Energy Ltd.

C-2

The Bank of New York
101 Barclay Street
Floor 21 West
New York, N.Y. 10286

Re: []% Notes due [] of Woodside Finance Limited (ABN 97 007 285 314) guaranteed as to payments of principal and interest by Woodside Petroleum Ltd. (ABN 55 004 898 962) and Woodside Energy Ltd., (ABN 63 005 482 986) (the "Securities")

Reference is hereby made to the Indenture, dated as of November 3, 2003 (the "Indenture"), among Woodside Finance Limited (the "Issuer"), Woodside Petroleum Ltd., Woodside Energy Ltd (each, a "Guarantor") and The Bank of New York, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US\$ _____ principal amount of Securities which are evidenced by one or more Regulation S Global Securities (CUSIP No. []) and held with the Depository through [Euroclear] [Clearstream] (Common Code TBA) in the name of [insert name of transferor] (the "Transferor"). The Transferor has requested a transfer of such beneficial interest in Securities to [insert name of transferee] (the "Transferee") that will take delivery thereof in the form of an equal principal amount of Securities evidenced by one or more Restricted Global Securities (CUSIP No. []).

In connection with such request and in respect of such Securities, the Transferee does hereby certify that it is purchasing the Securities for its own account, or for one or more accounts with respect to which the Transferee exercises sole investment discretion, and the Transferee and each such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act (a "QIB").

The Transferee hereby agrees that any future resale, pledge or transfer of such Securities may be made only (A) by such initial purchaser (i) to the Issuer, (ii) so long as the Notes remain eligible for resale pursuant to Rule 144A under the Securities Act, to a person who the seller reasonably believes is a qualified institutional buyer acquiring for its own account or for the account of one or more other qualified institutional buyers in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction meeting the requirements of Rule 903 or Rule 904 (as applicable) of Regulation S under the Securities Act, or (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 under the Securities Act (if available), (resales described in (i)-(iv), "Safe Harbor Resales") or (B) by a subsequent purchaser, in a Safe Harbor Resale or pursuant to any other available exemption from the registration requirements under the Securities Act (provided that as a condition to the registration of transfer of any Notes otherwise than in a Safe Harbor Resale, the Issuer, the Guarantors or the Trustee may, in circumstances that any of them deems appropriate, require evidence, in addition to that required pursuant to (4) below, that it, in its absolute discretion, deems necessary or appropriate to evidence compliance with such exemption and with any state securities laws that may be applicable), or (C) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or other jurisdictions. The Transferee will notify any purchaser of Securities from it of the resale restrictions referred to above, if then applicable.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Guarantors and the underwriters and initial purchasers, if any, of the Securities being transferred.

[Insert Name of Transferee]

By: _____
Name:
Title:

Dated: _____,

cc: Woodside Finance Limited
Woodside Petroleum Ltd.
Woodside Energy Ltd.

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**FORM OF TRANSFER CERTIFICATE
FOR TRANSFER FROM UNRESTRICTED GLOBAL
SECURITY TO RESTRICTED GLOBAL SECURITY
(Transfers Pursuant to § 305(d)(iv)
of the Indenture)**

The Bank of New York
101 Barclay Street
Floor 21 West
New York, N.Y. 10286

Re: []% Notes due [] of Woodside Finance Limited (ABN 97 007 285 314) guaranteed as to payments of principal and interest by Woodside Petroleum Ltd. (ABN 55 004 898 962) and Woodside Energy Ltd., (ABN 63 005 482 986) (the "Securities")

Reference is hereby made to the Indenture, dated as of November 3, 2003 (the "Indenture"), among Woodside Finance Limited (the "Issuer"), Woodside Petroleum Ltd., Woodside Energy Ltd (each, a "Guarantor") and The Bank of New York, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US\$_____ principal amount of Securities which are evidenced by one or more Unrestricted Global Securities (CUSIP No. []) held in the name of [insert name of transferor] (the "Transferor"). The Transferor has requested a transfer of such beneficial interest in Securities to [insert name of transferee] (the "Transferee") that will take delivery thereof in the form of an equal principal amount of Securities evidenced by one or more Restricted Global Securities (CUSIP No. []).

In connection with such request and in respect of such Securities, the Transferee hereby agrees that any future resale, pledge or transfer of such Securities may be made only (A) by such initial purchaser (i) to the Issuer, (ii) so long as the Notes remain eligible for resale pursuant to Rule 144A under the Securities Act, to a person who the seller reasonably believes is a qualified institutional buyer acquiring for its own account or for the account of one or more other qualified institutional buyers in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction meeting the requirements of Rule 903 or Rule 904 (as applicable) of Regulation S under the Securities Act, or (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 under the Securities Act (if available), (resales described in (i)-(iv), "Safe Harbor Resales") or (B) by a subsequent purchaser, in a Safe Harbor Resale or pursuant to any other available exemption from the registration requirements under the Securities Act (provided that as a condition to the registration of transfer of any Notes otherwise than in a Safe Harbor Resale, the Issuer, the Guarantors or the Trustee may, in circumstances that any of them deems appropriate, require evidence, in addition to that required pursuant to (4) below, that it, in its absolute discretion, deems necessary or appropriate to evidence compliance with such exemption and with any state securities laws that may be applicable), or (C) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or other jurisdictions. The Transferee will notify any purchaser of Securities from it of the resale restrictions referred to above, if then applicable.

D-1

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Guarantors and the underwriters and initial purchasers, if any, of the Securities being transferred.

[Insert Name of Transferee]

By: _____
Name:
Title:

Dated: _____,

cc: Woodside Finance Limited
Woodside Petroleum Ltd.
Woodside Energy Ltd.

D-2

ACKNOWLEDGMENT OF ERNST & YOUNG

INDEPENDENT AUDITORS

To Shareholders and Board of Directors of BHP Petroleum International Pty Ltd

We are aware of the inclusion in this Registration Statement (Form F-4) of Woodside Petroleum Ltd for the registration of shares, of our report dated March 4, 2022 relating to the unaudited condensed combined financial information of BHP Petroleum Assets for the half year ended December 31, 2021.

/s/ Ernst & Young
Melbourne, Australia
April 11, 2022

March 29, 2022

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Ladies and Gentlemen:

We have read the section entitled "Change in Registrant's Certifying Accountant" in the registration statement on Form F-4, dated March 29, 2022, of Woodside Petroleum Ltd. and are in agreement with the statements contained in the second and fourth paragraphs on page 373 therein. We have no basis to agree or disagree with other statements of the registrant contained therein.

/s/ Ernst & Young

SUBSIDIARIES OF WOODSIDE PETROLEUM LTD.

SUBSIDIARY

Woodside Energy Ltd
Woodside Burrup Pty. Ltd
Burrup Train 1 Pty. Ltd
Burrup Facilities Company Pty Ltd
Woodside Julimar Pty Ltd

JURISDICTION

Australia
Australia
Australia
Australia
Australia



Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated March 8, 2022, in the Registration Statement (Form F-4) and related Prospectus of Woodside Petroleum Ltd for the registration of ordinary shares.

/s/ Ernst & Young

Ernst & Young
Perth, Australia
13 April 2022

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Consent of Independent Auditors

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated December 17, 2021, with respect to the combined financial statements of BHP Petroleum Assets included in the Registration Statement (Form F-4) of Woodside Petroleum Ltd for the registration of ordinary shares.

/s/ Ernst & Young

Melbourne, Australia
April 11, 2022



KPMG Financial Advisory Services (Australia) Pty Ltd

Australian Financial Services Licence No. 246901
Level 8
235 St Georges Terrace
Perth WA 6000

GPO Box A29
Perth WA 6837
Australia

ABN: 43 007 363 215

Telephone: +61 8 9263 7171
Facsimile: +61 8 9263 7129
www.kpmg.com.au

CONSENT OF INDEPENDENT EXPERT

We hereby consent to the references to and the incorporation by reference of our Independent Expert' s Report, dated as of 8 April, 2022, as to whether the merger is in the best interests of the shareholders of Woodside Petroleum Ltd., which is included as Exhibit 99.4 to the Registration Statement on Form F-4 of Woodside Petroleum Ltd. (the "Registration Statement"), and to the references to us and such report in the form and context in which they appear in the prospectus.

/s/ KPMG Financial Advisory Services (Australia) Pty Ltd.
253 St Georges Terrace, Perth, WA 6000

8 April 2022

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Gaffney, Cline & Associates Pty. Ltd.
Level 16, 275 Alfred Street
North Sydney, NSW 2060, Australia

Tel: +61 2 9955 6157

Australian Company Number: 087 730 390

CONSENT OF INDEPENDENT TECHNICAL EXPERT

We hereby consent to the references to and the incorporation by reference of our Independent Technical Specialist Report, which is included as Appendix 15 to that certain Independent Expert Report of KPMG Financial Advisory Services (Australia) Pty Ltd, dated as of 8 April 2022, as to whether the merger is in the best interests of shareholders of Woodside Petroleum Ltd, which is included as Exhibit 99.4 to the Registration Statement on Form F-4 of Woodside Petroleum Ltd. (the "Registration Statement"), and to the references to us and such report in the form and context in which they appear in the prospectus.

Yours Sincerely

Gaffney, Cline & Associates Pty. Ltd.

/s/ Zis Katelis

Zis Katelis
Technical Director

8 April 2022

A large, stylized handwritten signature in orange ink, consisting of several overlapping loops and lines. The signature is positioned above the website address.

www.gaffneycline.com



CONSENT OF INDEPENDENT PETROLEUM ENGINEERS AND GEOLOGISTS

We hereby consent to the reference to Netherland, Sewell & Associates, Inc. under the heading "Experts" in the Woodside Petroleum Ltd. Registration Statement on Form F-4 and to the references to our firm, in the context in which they appear. We hereby further consent to the references to our reports as of 31 December 2021, 2020, and 2019, prepared for Woodside Petroleum Ltd.

NETHERLAND, SEWELL & ASSOCIATES, INC.

By: /s/ C.H. (Scott) Rees III
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

Dallas, Texas
11 April 2022



WORLDWIDE PETROLEUM CONSULTANTS
ENGINEERING GEOLOGY GEOPHYSICS PETROPHYSICS

EXECUTIVE COMMITTEE
ROBERT C. BARG

P. SCOTT FROST
JOHN G. HATTNER
JOSEPH J. SPELLMAN
RICHARD B. TALLEY, JR.

CHAIRMAN & CEO
C.H. (SCOTT) REES III

PRESIDENT & COO
DANNY D. SIMMONS

March 2, 2022

Mr. Fayaz F. Jamal
Woodside Petroleum Ltd.
Mia Yellagonga
Karlak, 11 Mount Street
Perth WA 6000
Australia

Dear Mr. Jamal:

In accordance with your request, we have estimated the proved reserves and future revenue, as of December 31, 2021, to the Woodside Petroleum Ltd. (WPL) interest in certain oil and gas properties located offshore Senegal and offshore Western Australia. We completed our evaluation on or about the date of this letter. It is our understanding that the proved reserves estimated in this report constitute all of the proved reserves owned by WPL as of December 31, 2021. The estimates in this report have been prepared in accordance with the definitions and regulations of the U.S. Securities and Exchange Commission (SEC) and, with the exception of the exclusion of future income taxes, conform to the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas. Definitions are presented immediately following this letter. Monetary values shown in this report are expressed in United States dollars (\$) or thousands of United States dollars (M\$). This report has been prepared for WPL's use in filing with the SEC; in our opinion the assumptions, data, methods, and procedures used in the preparation of this report are appropriate for such purpose.

We estimate the net reserves and future net revenue to the WPL interest in these properties, as of December 31, 2021, to be:

| Category | Net Reserves | | | | Future Net Revenue (M\$) | |
|--------------------|---------------|---------------|----------------------|--------------|--------------------------|-------------------------|
| | Oil (MBBL) | Gas (MMCF) | Condensate (MBBL) | LPG (MLT) | Total | Present Worth at 10% |
| Proved Developed | 23,354.6 | 1,735,250.2 | 26,890.9 | 198.0 | 14,178,200.3 | 11,852,860.2 |
| Proved Undeveloped | 81,167.5 | 5,624,413.5 | 7,238.3 | 22.7 | 33,849,995.7 | 11,088,509.3 |
| Total Proved | 104,522.1 | 7,359,663.7 | 34,129.3 | 220.7 | 48,028,196.0 | 22,941,369.6 |

Totals may not add because of rounding.

The oil volumes shown include crude oil only. Oil and condensate volumes are expressed in thousands of barrels (MBBL); a barrel is equivalent to 42 United States gallons. Gas volumes are expressed in millions of cubic feet (MMCF) at standard temperature and pressure bases. Liquefied petroleum gas (LPG) volumes are expressed in thousands of long tonnes (MLT). Gross gas is inclusive of condensate, liquefied natural gas (LNG), domestic gas, and LPG volumes; net gas is inclusive of LNG and domestic gas volumes and is after deductions for removal of non-hydrocarbons, condensates, and volumes processed and sold as LPG, as well as offshore fuel and flare.

Reserves categorization conveys the relative degree of certainty; reserves subcategorization is based on development and production status. Estimates of proved undeveloped reserves have been included for development beyond 5 years as necessary to sustain inlet gas supply rates for approved and ongoing large-scale LNG projects. As requested, probable and possible reserves that may exist for these properties have not been included. The estimates of reserves and future revenue included herein have not been adjusted for risk. This report does not include any value that could be attributed to interests in undeveloped acreage beyond those tracts for which undeveloped reserves have been estimated.

2100 ROSS AVENUE, SUITE 2200 DALLAS, TEXAS 75201 PH: 214-969-5401 FAX: 214-969-5411
1301 MCKINNEY STREET, SUITE 3200 HOUSTON, TEXAS 77010 PH: 713-654-4950 FAX: 713-654-4951

info@nsai-petro.com
netherlandsewell.com

For the Senegal properties, estimates of net oil reserves are based on a sliding scale royalty system; net reserves do not include royalty volumes. Gross revenue is WPL's share of the gross (100 percent) revenue from the properties prior to any deductions. Future net revenue is after deductions for WPL's share of excise taxes, royalty taxes, capital costs, abandonment costs, and operating expenses but before consideration of any income taxes. The future net revenue has been discounted at an annual rate of 10 percent to determine its present worth, which is shown to indicate the effect of time on the value of money. Future net revenue presented in this report, whether discounted or undiscounted, should not be construed as being the fair market value of the properties.

Prices used in this report for oil, condensate, contracted LNG, uncontracted LNG, and LPG volumes are based on the 12-month unweighted arithmetic average of the first-day-of-the-month price for each month in the period January through December 2021. For oil, condensate, and LPG volumes, the average Brent spot price of \$69.47 per barrel is adjusted by project for quality and market differentials. For LNG volumes, this average Brent spot price is adjusted by project for energy content, market differentials, and deductions for onshore fuel and flare. Prices used in this report for gas volumes committed to domestic market obligations are based on historical gas sales for the 12-month period January through December 2020 and are adjusted for energy content and deductions for onshore fuel and flare. Project-level gas prices have been adjusted to include the value for domestic market obligations, contracted LNG, and uncontracted LNG. All prices are held constant throughout the lives of the properties. The average adjusted product prices weighted by production over the remaining lives of the properties are \$70.30 per barrel of oil, \$9.777 per MCF of gas, \$71.69 per barrel of condensate, and \$675.26 per long tonne (LT) of LPG.

Operating costs used in this report are based on operating expense records of WPL and anticipated operating expenses for areas without current development. These costs include the per-well overhead expenses allowed under joint operating agreements along with estimates of costs to be incurred at and below the district and field levels. Operating costs have been divided into project-level costs, field-level costs, per-well costs, and per-unit-of-production costs. Headquarters general and administrative overhead expenses of WPL are included to the extent that they are covered under joint operating agreements for the operated properties. Operating costs are not escalated for inflation.

Capital costs used in this report were provided by WPL and are based on authorizations for expenditure and actual costs from recent activity. Capital costs are included as required for workovers, new development wells, and production equipment. Based on our understanding of future development plans, a review of the records provided to us, and our knowledge of similar properties, we regard these estimated capital costs to be reasonable. Abandonment costs used in this report are WPL's estimates of the costs to abandon the wells, platforms, and production facilities, net of any salvage value. Capital costs and abandonment costs are not escalated for inflation.

For the purposes of this report, we did not perform any field inspection of the properties, nor did we examine the mechanical operation or condition of the wells and facilities. We have not investigated possible environmental liability related to the properties; therefore, our estimates do not include any costs due to such possible liability.

We have made no investigation of potential volume and value imbalances resulting from overdelivery or underdelivery to the WPL interest. Therefore, our estimates of reserves and future revenue do not include adjustments for the settlement of any such imbalances; our projections are based on WPL receiving its net revenue interest share of estimated future gross production. Additionally, we have made no specific investigation of any firm transportation contracts that may be in place for these properties; our estimates of future revenue include the effects of such contracts only to the extent that the associated fees are accounted for in the historical project-level accounting statements.

The reserves shown in this report are estimates only and should not be construed as exact quantities. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be economically producible; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves. Estimates of reserves may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance. In addition to the primary economic assumptions discussed herein, our estimates are based

on certain assumptions including, but not limited to, that the properties will be developed consistent with current development plans as provided to us by WPL, that the properties will be operated in a prudent manner, that no governmental regulations or controls will be put in place that would impact the ability of the interest owner to recover the reserves, and that our projections of future production will prove consistent with actual performance. If the reserves are recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. Because of governmental policies and uncertainties of supply and demand, the sales rates, prices received for the reserves, and costs incurred in recovering such reserves may vary from assumptions made while preparing this report.

For the purposes of this report, we used technical and economic data including, but not limited to, well logs, geologic maps, seismic data, well test data, production data, historical price and cost information, and property ownership interests. The reserves in this report have been estimated using deterministic methods; these estimates have been prepared in accordance with the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers (SPE Standards). We used standard engineering and geoscience methods, or a combination of methods, including performance analysis, volumetric analysis, analogy, and reservoir modeling, that we considered to be appropriate and necessary to categorize and estimate reserves in accordance with SEC definitions and regulations. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geoscience data; therefore, our conclusions necessarily represent only informed professional judgment.

The data used in our estimates were obtained from WPL, public data sources, and the nonconfidential files of Netherland, Sewell & Associates, Inc. (NSAI) and were accepted as accurate. Supporting work data are on file in our office. We have not examined the contractual rights to the properties or independently confirmed the actual degree or type of interest owned. The technical persons primarily responsible for preparing the estimates presented herein meet the requirements regarding qualifications, independence, objectivity, and confidentiality set forth in the SPE Standards. Joseph M. Wolfe, a Licensed Professional Engineer in the State of Texas, has been practicing consulting petroleum engineering at NSAI since 2013 and has over 5 years of prior industry experience. John G. Hattner, a Licensed Professional Geoscientist in the State of Texas, has been practicing consulting petroleum geoscience at NSAI since 1991 and has over 11 years of prior industry experience. We are independent petroleum engineers, geologists, geophysicists, and petrophysicists; we do not own an interest in these properties nor are we employed on a contingent basis.

Sincerely,

NETHERLAND, SEWELL & ASSOCIATES, INC.
Texas Registered Engineering Firm F-2699

By: /s/ C.H.(Scott) Rees III
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

By: /s/ Joseph M. Wolfe
Joseph M. Wolfe, P.E.
116170
Vice President
Date Signed: March 2, 2022
JMW:JSB



By: /s/ John G.Hattner
John G. Hattner, P.G 559
Senior Vice President
Date Signed: March 2, 2022



DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

The following definitions are set forth in U.S. Securities and Exchange Commission (SEC) Regulation S-X Section 210.4-10(a). Also included is supplemental information from (1) the 2018 Petroleum Resources Management System approved by the Society of Petroleum Engineers, (2) the FASB Accounting Standards Codification Topic 932, Extractive Activities–Oil and Gas, and (3) the SEC’s Compliance and Disclosure Interpretations.

(1) *Acquisition of properties.* Costs incurred to purchase, lease or otherwise acquire a property, including costs of lease bonuses and options to purchase or lease properties, the portion of costs applicable to minerals when land including mineral rights is purchased in fee, brokers’ fees, recording fees, legal costs, and other costs incurred in acquiring properties.

(2) *Analogous reservoir.* Analogous reservoirs, as used in resources assessments, have similar rock and fluid properties, reservoir conditions (depth, temperature, and pressure) and drive mechanisms, but are typically at a more advanced stage of development than the reservoir of interest and thus may provide concepts to assist in the interpretation of more limited data and estimation of recovery. When used to support proved reserves, an “analogous reservoir” refers to a reservoir that shares the following characteristics with the reservoir of interest:

- (i) Same geological formation (but not necessarily in pressure communication with the reservoir of interest);
- (ii) Same environment of deposition;
- (iii) Similar geological structure; and
- (iv) Same drive mechanism.

Instruction to paragraph (a)(2): Reservoir properties must, in the aggregate, be no more favorable in the analog than in the reservoir of interest.

(3) *Bitumen.* Bitumen, sometimes referred to as natural bitumen, is petroleum in a solid or semi-solid state in natural deposits with a viscosity greater than 10,000 centipoise measured at original temperature in the deposit and atmospheric pressure, on a gas free basis. In its natural state it usually contains sulfur, metals, and other non-hydrocarbons.

(4) *Condensate.* Condensate is a mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature.

(5) *Deterministic estimate.* The method of estimating reserves or resources is called deterministic when a single value for each parameter (from the geoscience, engineering, or economic data) in the reserves calculation is used in the reserves estimation procedure.

(6) *Developed oil and gas reserves.* Developed oil and gas reserves are reserves of any category that can be expected to be recovered:

- (i) Through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and
- (ii) Through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Supplemental definitions from the 2018 Petroleum Resources Management System:

Developed Producing Reserves - Expected quantities to be recovered from completion intervals that are open and producing at the effective date of the estimate. Improved recovery Reserves are considered producing only after the improved recovery project is in operation.

Developed Non-Producing Reserves - Shut-in and behind-pipe Reserves. Shut-in Reserves are expected to be recovered from (1) completion intervals that are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells that will require additional completion work or future re-completion before start of production with minor cost to access these reserves. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

(7) *Development costs.* Costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. More specifically, development costs, including depreciation and applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

- (i) Gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines, and power lines, to the extent necessary in developing the proved reserves.
- (ii) Drill and equip development wells, development-type stratigraphic test wells, and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment, and the wellhead assembly.

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (iii) Acquire, construct, and install production facilities such as lease flow lines, separators, treaters, heaters, manifolds, measuring devices, and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems.
 - (iv) Provide improved recovery systems.
- (8) *Development project*. A development project is the means by which petroleum resources are brought to the status of economically producible. As examples, the development of a single reservoir or field, an incremental development in a producing field, or the integrated development of a group of several fields and associated facilities with a common ownership may constitute a development project.
- (9) *Development well*. A well drilled within the proved area of an oil or gas reservoir to the depth of a stratigraphic horizon known to be productive.
- (10) *Economically producible*. The term economically producible, as it relates to a resource, means a resource which generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation. The value of the products that generate revenue shall be determined at the terminal point of oil and gas producing activities as defined in paragraph (a)(16) of this section.
- (11) *Estimated ultimate recovery (EUR)*. Estimated ultimate recovery is the sum of reserves remaining as of a given date and cumulative production as of that date.
- (12) *Exploration costs*. Costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and gas reserves, including costs of drilling exploratory wells and exploratory-type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as prospecting costs) and after acquiring the property. Principal types of exploration costs, which include depreciation and applicable operating costs of support equipment and facilities and other costs of exploration activities, are:
- (i) Costs of topographical, geographical and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews, and others conducting those studies. Collectively, these are sometimes referred to as geological and geophysical or "G&G" costs.
 - (ii) Costs of carrying and retaining undeveloped properties, such as delay rentals, ad valorem taxes on properties, legal costs for title defense, and the maintenance of land and lease records.
 - (iii) Dry hole contributions and bottom hole contributions.
 - (iv) Costs of drilling and equipping exploratory wells.
 - (v) Costs of drilling exploratory-type stratigraphic test wells.
- (13) *Exploratory well*. An exploratory well is a well drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir. Generally, an exploratory well is any well that is not a development well, an extension well, a service well, or a stratigraphic test well as those items are defined in this section.
- (14) *Extension well*. An extension well is a well drilled to extend the limits of a known reservoir.
- (15) *Field*. An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition. There may be two or more reservoirs in a field which are separated vertically by intervening impervious strata, or laterally by local geologic barriers, or by both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms "structural feature" and "stratigraphic condition" are intended to identify localized geological features as opposed to the broader terms of basins, trends, provinces, plays, areas-of-interest, etc.
- (16) *Oil and gas producing activities*.
- (i) Oil and gas producing activities include:
 - (A) The search for crude oil, including condensate and natural gas liquids, or natural gas ("oil and gas") in their natural states and original locations;
 - (B) The acquisition of property rights or properties for the purpose of further exploration or for the purpose of removing the oil or gas from such properties;
 - (C) The construction, drilling, and production activities necessary to retrieve oil and gas from their natural reservoirs, including the acquisition, construction, installation, and maintenance of field gathering and storage systems, such as:
 - (1) Lifting the oil and gas to the surface; and
 - (2) Gathering, treating, and field processing (as in the case of processing gas to extract liquid hydrocarbons); and

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (D) Extraction of saleable hydrocarbons, in the solid, liquid, or gaseous state, from oil sands, shale, coalbeds, or other nonrenewable natural resources which are intended to be upgraded into synthetic oil or gas, and activities undertaken with a view to such extraction.

Instruction 1 to paragraph (a)(16)(i): The oil and gas production function shall be regarded as ending at a “terminal point”, which is the outlet valve on the lease or field storage tank. If unusual physical or operational circumstances exist, it may be appropriate to regard the terminal point for the production function as:

- a. The first point at which oil, gas, or gas liquids, natural or synthetic, are delivered to a main pipeline, a common carrier, a refinery, or a marine terminal; and
- b. In the case of natural resources that are intended to be upgraded into synthetic oil or gas, if those natural resources are delivered to a purchaser prior to upgrading, the first point at which the natural resources are delivered to a main pipeline, a common carrier, a refinery, a marine terminal, or a facility which upgrades such natural resources into synthetic oil or gas.

Instruction 2 to paragraph (a)(16)(i): For purposes of this paragraph (a)(16), the term *saleable hydrocarbons* means hydrocarbons that are saleable in the state in which the hydrocarbons are delivered.

- (ii) Oil and gas producing activities do not include:

- (A) Transporting, refining, or marketing oil and gas;
- (B) Processing of produced oil, gas, or natural resources that can be upgraded into synthetic oil or gas by a registrant that does not have the legal right to produce or a revenue interest in such production;
- (C) Activities relating to the production of natural resources other than oil, gas, or natural resources from which synthetic oil and gas can be extracted; or
- (D) Production of geothermal steam.

(17) *Possible reserves.* Possible reserves are those additional reserves that are less certain to be recovered than probable reserves.

- (i) When deterministic methods are used, the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves. When probabilistic methods are used, there should be at least a 10% probability that the total quantities ultimately recovered will equal or exceed the proved plus probable plus possible reserves estimates.
- (ii) Possible reserves may be assigned to areas of a reservoir adjacent to probable reserves where data control and interpretations of available data are progressively less certain. Frequently, this will be in areas where geoscience and engineering data are unable to define clearly the area and vertical limits of commercial production from the reservoir by a defined project.
- (iii) Possible reserves also include incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than the recovery quantities assumed for probable reserves.
- (iv) The proved plus probable and proved plus probable plus possible reserves estimates must be based on reasonable alternative technical and commercial interpretations within the reservoir or subject project that are clearly documented, including comparisons to results in successful similar projects.
- (v) Possible reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from proved areas by faults with displacement less than formation thickness or other geological discontinuities and that have not been penetrated by a wellbore, and the registrant believes that such adjacent portions are in communication with the known (proved) reservoir. Possible reserves may be assigned to areas that are structurally higher or lower than the proved area if these areas are in communication with the proved reservoir.
- (vi) Pursuant to paragraph (a)(22)(iii) of this section, where direct observation has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves should be assigned in the structurally higher portions of the reservoir above the HKO only if the higher contact can be established with reasonable certainty through reliable technology. Portions of the reservoir that do not meet this reasonable certainty criterion may be assigned as probable and possible oil or gas based on reservoir fluid properties and pressure gradient interpretations.

(18) *Probable reserves.* Probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.

- (i) When deterministic methods are used, it is as likely as not that actual remaining quantities recovered will exceed the sum of estimated proved plus probable reserves. When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the proved plus probable reserves estimates.

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (ii) Probable reserves may be assigned to areas of a reservoir adjacent to proved reserves where data control or interpretations of available data are less certain, even if the interpreted reservoir continuity of structure or productivity does not meet the reasonable certainty criterion. Probable reserves may be assigned to areas that are structurally higher than the proved area if these areas are in communication with the proved reservoir.
- (iii) Probable reserves estimates also include potential incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than assumed for proved reserves.
- (iv) See also guidelines in paragraphs (a)(17)(iv) and (a)(17)(vi) of this section.

(19) *Probabilistic estimate.* The method of estimation of reserves or resources is called probabilistic when the full range of values that could reasonably occur for each unknown parameter (from the geoscience and engineering data) is used to generate a full range of possible outcomes and their associated probabilities of occurrence.

(20) *Production costs.*

- (i) Costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. They become part of the cost of oil and gas produced. Examples of production costs (sometimes called lifting costs) are:
 - (A) Costs of labor to operate the wells and related equipment and facilities.
 - (B) Repairs and maintenance.
 - (C) Materials, supplies, and fuel consumed and supplies utilized in operating the wells and related equipment and facilities.
 - (D) Property taxes and insurance applicable to proved properties and wells and related equipment and facilities.
 - (E) Severance taxes.
- (ii) Some support equipment or facilities may serve two or more oil and gas producing activities and may also serve transportation, refining, and marketing activities. To the extent that the support equipment and facilities are used in oil and gas producing activities, their depreciation and applicable operating costs become exploration, development or production costs, as appropriate. Depreciation, depletion, and amortization of capitalized acquisition, exploration, and development costs are not production costs but also become part of the cost of oil and gas produced along with production (lifting) costs identified above.

(21) *Proved area.* The part of a property to which proved reserves have been specifically attributed.

(22) *Proved oil and gas reserves.* Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

- (i) The area of the reservoir considered as proved includes:
 - (A) The area identified by drilling and limited by fluid contacts, if any, and
 - (B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.
- (ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.
- (iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.
- (iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:
 - (A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

(B) The project has been approved for development by all necessary parties and entities, including governmental entities.

- (v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

(23) *Proved properties.* Properties with proved reserves.

(24) *Reasonable certainty.* If deterministic methods are used, reasonable certainty means a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate. A high degree of confidence exists if the quantity is much more likely to be achieved than not, and, as changes due to increased availability of geoscience (geological, geophysical, and geochemical), engineering, and economic data are made to estimated ultimate recovery (EUR) with time, reasonably certain EUR is much more likely to increase or remain constant than to decrease.

(25) *Reliable technology.* Reliable technology is a grouping of one or more technologies (including computational methods) that has been field tested and has been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

(26) *Reserves.* Reserves are estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project.

Note to paragraph (a)(26): Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).

Excerpted from the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas:

932-235-50-30 A standardized measure of discounted future net cash flows relating to an entity's interests in both of the following shall be disclosed as of the end of the year:

- a. Proved oil and gas reserves (see paragraphs 932-235-50-3 through 50-11B)*
- b. Oil and gas subject to purchase under long-term supply, purchase, or similar agreements and contracts in which the entity participates in the operation of the properties on which the oil or gas is located or otherwise serves as the producer of those reserves (see paragraph 932-235-50-7).*

The standardized measure of discounted future net cash flows relating to those two types of interests in reserves may be combined for reporting purposes.

932-235-50-31 All of the following information shall be disclosed in the aggregate and for each geographic area for which reserve quantities are disclosed in accordance with paragraphs 932-235-50-3 through 50-11B:

- a. Future cash inflows. These shall be computed by applying prices used in estimating the entity's proved oil and gas reserves to the year-end quantities of those reserves. Future price changes shall be considered only to the extent provided by contractual arrangements in existence at year-end.*
- b. Future development and production costs. These costs shall be computed by estimating the expenditures to be incurred in developing and producing the proved oil and gas reserves at the end of the year, based on year-end costs and assuming continuation of existing economic conditions. If estimated development expenditures are significant, they shall be presented separately from estimated production costs.*
- c. Future income tax expenses. These expenses shall be computed by applying the appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, to the future pretax net cash flows relating to the entity's proved oil and gas reserves, less the tax basis of the properties involved. The future income tax expenses shall give effect to tax deductions and tax credits and allowances relating to the entity's proved oil and gas reserves.*
- d. Future net cash flows. These amounts are the result of subtracting future development and production costs and future income tax expenses from future cash inflows.*

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- e. *Discount.* This amount shall be derived from using a discount rate of 10 percent a year to reflect the timing of the future net cash flows relating to proved oil and gas reserves.
- f. *Standardized measure of discounted future net cash flows.* This amount is the future net cash flows less the computed discount.

(27) *Reservoir.* A porous and permeable underground formation containing a natural accumulation of producible oil and/or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

(28) *Resources.* Resources are quantities of oil and gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable, and another portion may be considered to be unrecoverable. Resources include both discovered and undiscovered accumulations.

(29) *Service well.* A well drilled or completed for the purpose of supporting production in an existing field. Specific purposes of service wells include gas injection, water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for in-situ combustion.

(30) *Stratigraphic test well.* A stratigraphic test well is a drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Such wells customarily are drilled without the intent of being completed for hydrocarbon production. The classification also includes tests identified as core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic tests are classified as "exploratory type" if not drilled in a known area or "development type" if drilled in a known area.

(31) *Undeveloped oil and gas reserves.* Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

- (i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.
- (ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances, justify a longer time.

From the SEC's Compliance and Disclosure Interpretations (October 26, 2009):

Although several types of projects – such as constructing offshore platforms and development in urban areas, remote locations or environmentally sensitive locations – by their nature customarily take a longer time to develop and therefore often do justify longer time periods, this determination must always take into consideration all of the facts and circumstances. No particular type of project per se justifies a longer time period, and any extension beyond five years should be the exception, and not the rule.

Factors that a company should consider in determining whether or not circumstances justify recognizing reserves even though development may extend past five years include, but are not limited to, the following:

The company's level of ongoing significant development activities in the area to be developed (for example, drilling only the minimum number of wells necessary to maintain the lease generally would not constitute significant development activities);

The company's historical record at completing development of comparable long-term projects;

The amount of time in which the company has maintained the leases, or booked the reserves, without significant development activities;

The extent to which the company has followed a previously adopted development plan (for example, if a company has changed its development plan several times without taking significant steps to implement any of those plans, recognizing proved undeveloped reserves typically would not be appropriate); and

The extent to which delays in development are caused by external factors related to the physical operating environment (for example, restrictions on development on Federal lands, but not obtaining government permits), rather than by internal factors (for example, shifting resources to develop properties with higher priority).

- (iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in paragraph (a)(2) of this section, or by other evidence using reliable technology establishing reasonable certainty.

(32) *Unproved properties.* Properties with no proved reserves.



WORLDWIDE PETROLEUM CONSULTANTS
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March 1, 2022

Mr. Fayaz F. Jamal
Woodside Petroleum Ltd.
Mia Yellagonga
Karlak, 11 Mount Street
Perth WA 6000
Australia

Dear Mr. Jamal:

In accordance with your request, we have estimated the proved reserves and future revenue, as of December 31, 2020, to the Woodside Petroleum Ltd. (WPL) interest in certain oil and gas properties located offshore Western Australia. We completed our evaluation on or about the date of this letter. It is our understanding that the proved reserves estimated in this report constitute all of the proved reserves owned by WPL as of December 31, 2020. The estimates in this report have been prepared in accordance with the definitions and regulations of the U.S. Securities and Exchange Commission (SEC) and, with the exception of the exclusion of future income taxes, conform to the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas. Definitions are presented immediately following this letter. Monetary values shown in this report are expressed in United States dollars (\$) or thousands of United States dollars (M\$). This report has been prepared for WPL's use in filing with the SEC; in our opinion the assumptions, data, methods, and procedures used in the preparation of this report are appropriate for such purpose.

We estimate the net reserves and future net revenue to the WPL interest in these properties, as of December 31, 2020, to be:

| Category | Net Reserves | | | | Future Net Revenue (M\$) | |
|--------------------|---------------|---------------|----------------------|--------------|--------------------------|-------------------------|
| | Oil (MBBL) | Gas (MMCF) | Condensate (MBBL) | LPG (MLT) | Total | Present Worth at 10% |
| Proved Developed | 20,034.7 | 1,766,272.2 | 31,202.4 | 262.1 | 4,787,289.6 | 4,567,791.8 |
| Proved Undeveloped | 0.0 | 723,082.1 | 9,819.7 | 20.3 | 2,179,819.1 | 1,375,429.8 |
| Total Proved | 20,034.7 | 2,489,354.3 | 41,022.2 | 282.4 | 6,967,108.7 | 5,943,221.6 |

Totals may not add because of rounding.

The oil volumes shown include crude oil only. Oil and condensate volumes are expressed in thousands of barrels (MBBL); a barrel is equivalent to 42 United States gallons. Gas volumes are expressed in millions of cubic feet (MMCF) at standard temperature and pressure bases. Liquefied petroleum gas (LPG) volumes are expressed in thousands of long tonnes (MLT). Gross gas is inclusive of condensate, liquefied natural gas (LNG), domestic gas, and LPG volumes; net gas is inclusive of LNG and domestic gas volumes and is after deductions for removal of non-hydrocarbons, condensates, and volumes processed and sold as LPG, as well as offshore fuel and flare.

Reserves categorization conveys the relative degree of certainty; reserves subcategorization is based on development and production status. Estimates of proved undeveloped reserves have been included for development beyond 5 years as necessary to sustain inlet gas supply rates for approved and ongoing large-scale LNG projects. As requested, probable and possible reserves that may exist for these properties have not been included. The estimates of reserves and future revenue included herein have not been adjusted for risk. This report does not include any value that could be attributed to interests in undeveloped acreage beyond those tracts for which undeveloped reserves have been estimated.

2100 ROSS AVENUE, SUITE 2200 DALLAS, TEXAS 75201 PH: 214-969-5401 FAX: 214-969-5411
1301 MCKINNEY STREET, SUITE 3200 HOUSTON, TEXAS 77010 PH: 713-654-4950 FAX: 713-654-4951

info@nsai-petro.com
netherlandsewell.com

Gross revenue is WPL's share of the gross (100 percent) revenue from the properties prior to any deductions. Future net revenue is after deductions for WPL's share of excise taxes, royalty taxes, capital costs, abandonment costs, and operating expenses but before consideration of any income taxes. The future net revenue has been discounted at an annual rate of 10 percent to determine its present worth, which is shown to indicate the effect of time on the value of money. Future net revenue presented in this report, whether discounted or undiscounted, should not be construed as being the fair market value of the properties.

Prices used in this report for oil, condensate, contracted LNG, uncontracted LNG, and LPG volumes are based on the 12-month unweighted arithmetic average of the first-day-of-the-month price for each month in the period January through December 2020. For oil, condensate, and LPG volumes, the average Brent spot price of \$41.77 per barrel is adjusted by project for quality and market differentials. For LNG volumes, this average Brent spot price is adjusted by project for energy content, market differentials, and deductions for onshore fuel and flare. Prices used in this report for gas volumes committed to domestic market obligations are based on historical gas sales for the 12-month period January through December 2020 and are adjusted for energy content and deductions for onshore fuel and flare. Project-level gas prices have been adjusted to include the value for domestic market obligations, contracted LNG, and uncontracted LNG. All prices are held constant throughout the lives of the properties. The average adjusted product prices weighted by production over the remaining lives of the properties are \$43.24 per barrel of oil, \$4.830 per MCF of gas, \$40.11 per barrel of condensate, and \$338.55 per long tonne (LT) of LPG.

Operating costs used in this report are based on operating expense records of WPL. These costs include the per-well overhead expenses allowed under joint operating agreements along with estimates of costs to be incurred at and below the district and field levels. Operating costs have been divided into project-level costs, field-level costs, per-well costs, and per-unit-of-production costs. Headquarters general and administrative overhead expenses of WPL are included to the extent that they are covered under joint operating agreements for the operated properties. Operating costs are not escalated for inflation.

Capital costs used in this report were provided by WPL and are based on authorizations for expenditure and actual costs from recent activity. Capital costs are included as required for workovers, new development wells, and production equipment. Based on our understanding of future development plans, a review of the records provided to us, and our knowledge of similar properties, we regard these estimated capital costs to be reasonable. Abandonment costs used in this report are WPL's estimates of the costs to abandon the wells, platforms, and production facilities, net of any salvage value. Capital costs and abandonment costs are not escalated for inflation.

For the purposes of this report, we did not perform any field inspection of the properties, nor did we examine the mechanical operation or condition of the wells and facilities. We have not investigated possible environmental liability related to the properties; therefore, our estimates do not include any costs due to such possible liability.

We have made no investigation of potential volume and value imbalances resulting from overdelivery or underdelivery to the WPL interest. Therefore, our estimates of reserves and future revenue do not include adjustments for the settlement of any such imbalances; our projections are based on WPL receiving its net revenue interest share of estimated future gross production. Additionally, we have made no specific investigation of any firm transportation contracts that may be in place for these properties; our estimates of future revenue include the effects of such contracts only to the extent that the associated fees are accounted for in the historical project-level accounting statements.

The reserves shown in this report are estimates only and should not be construed as exact quantities. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be economically producible; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves. Estimates of reserves may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance. In addition to the primary economic assumptions discussed herein, our estimates are based on certain assumptions including, but not limited to, that the properties will be developed consistent with current development plans as provided to us by WPL, that the properties will be operated in a prudent manner, that no

governmental regulations or controls will be put in place that would impact the ability of the interest owner to recover the reserves, and that our projections of future production will prove consistent with actual performance. If the reserves are recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. Because of governmental policies and uncertainties of supply and demand, the sales rates, prices received for the reserves, and costs incurred in recovering such reserves may vary from assumptions made while preparing this report.

For the purposes of this report, we used technical and economic data including, but not limited to, well logs, geologic maps, seismic data, well test data, production data, historical price and cost information, and property ownership interests. The reserves in this report have been estimated using deterministic methods; these estimates have been prepared in accordance with the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers (SPE Standards). We used standard engineering and geoscience methods, or a combination of methods, including performance analysis, volumetric analysis, analogy, and reservoir modeling, that we considered to be appropriate and necessary to categorize and estimate reserves in accordance with SEC definitions and regulations. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geoscience data; therefore, our conclusions necessarily represent only informed professional judgment.

The data used in our estimates were obtained from WPL, public data sources, and the nonconfidential files of Netherland, Sewell & Associates, Inc. (NSAI) and were accepted as accurate. Supporting work data are on file in our office. We have not examined the contractual rights to the properties or independently confirmed the actual degree or type of interest owned. The technical persons primarily responsible for preparing the estimates presented herein meet the requirements regarding qualifications, independence, objectivity, and confidentiality set forth in the SPE Standards. Joseph M. Wolfe, a Licensed Professional Engineer in the State of Texas, has been practicing consulting petroleum engineering at NSAI since 2013 and has over 5 years of prior industry experience. John G. Hattner, a Licensed Professional Geoscientist in the State of Texas, has been practicing consulting petroleum geoscience at NSAI since 1991 and has over 11 years of prior industry experience. We are independent petroleum engineers, geologists, geophysicists, and petrophysicists; we do not own an interest in these properties nor are we employed on a contingent basis.

Sincerely,

NETHERLAND, SEWELL & ASSOCIATES, INC.
Texas Registered Engineering Firm F-2699

By: /s/ C.H. (Scott) Rees III
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

By: /s/ Joseph M. Wolfe
Joseph M. Wolfe, P.E.
116170
Vice President
Date Signed: March 1, 2022
JMW: JSB



By: /s/ John G. Hattner
John G. Hattner, P.G 559
Senior Vice President

Date Signed: March 1, 2022



DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

The following definitions are set forth in U.S. Securities and Exchange Commission (SEC) Regulation S-X Section 210.4-10(a). Also included is supplemental information from (1) the 2018 Petroleum Resources Management System approved by the Society of Petroleum Engineers, (2) the FASB Accounting Standards Codification Topic 932, Extractive Activities–Oil and Gas, and (3) the SEC’s Compliance and Disclosure Interpretations.

(1) *Acquisition of properties.* Costs incurred to purchase, lease or otherwise acquire a property, including costs of lease bonuses and options to purchase or lease properties, the portion of costs applicable to minerals when land including mineral rights is purchased in fee, brokers’ fees, recording fees, legal costs, and other costs incurred in acquiring properties.

(2) *Analogous reservoir.* Analogous reservoirs, as used in resources assessments, have similar rock and fluid properties, reservoir conditions (depth, temperature, and pressure) and drive mechanisms, but are typically at a more advanced stage of development than the reservoir of interest and thus may provide concepts to assist in the interpretation of more limited data and estimation of recovery. When used to support proved reserves, an “analogous reservoir” refers to a reservoir that shares the following characteristics with the reservoir of interest:

- (i) Same geological formation (but not necessarily in pressure communication with the reservoir of interest);
- (ii) Same environment of deposition;
- (iii) Similar geological structure; and
- (iv) Same drive mechanism.

Instruction to paragraph (a)(2): Reservoir properties must, in the aggregate, be no more favorable in the analog than in the reservoir of interest.

(3) *Bitumen.* Bitumen, sometimes referred to as natural bitumen, is petroleum in a solid or semi-solid state in natural deposits with a viscosity greater than 10,000 centipoise measured at original temperature in the deposit and atmospheric pressure, on a gas free basis. In its natural state it usually contains sulfur, metals, and other non-hydrocarbons.

(4) *Condensate.* Condensate is a mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature.

(5) *Deterministic estimate.* The method of estimating reserves or resources is called deterministic when a single value for each parameter (from the geoscience, engineering, or economic data) in the reserves calculation is used in the reserves estimation procedure.

(6) *Developed oil and gas reserves.* Developed oil and gas reserves are reserves of any category that can be expected to be recovered:

- (i) Through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and
- (ii) Through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Supplemental definitions from the 2018 Petroleum Resources Management System:

Developed Producing Reserves - Expected quantities to be recovered from completion intervals that are open and producing at the effective date of the estimate. Improved recovery Reserves are considered producing only after the improved recovery project is in operation.

Developed Non-Producing Reserves - Shut-in and behind-pipe Reserves. Shut-in Reserves are expected to be recovered from (1) completion intervals that are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells that will require additional completion work or future re-completion before start of production with minor cost to access these reserves. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

(7) *Development costs.* Costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. More specifically, development costs, including depreciation and applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

- (i) Gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines, and power lines, to the extent necessary in developing the proved reserves.
- (ii) Drill and equip development wells, development-type stratigraphic test wells, and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment, and the wellhead assembly.

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (iii) Acquire, construct, and install production facilities such as lease flow lines, separators, treaters, heaters, manifolds, measuring devices, and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems.
 - (iv) Provide improved recovery systems.
- (8) *Development project.* A development project is the means by which petroleum resources are brought to the status of economically producible. As examples, the development of a single reservoir or field, an incremental development in a producing field, or the integrated development of a group of several fields and associated facilities with a common ownership may constitute a development project.
- (9) *Development well.* A well drilled within the proved area of an oil or gas reservoir to the depth of a stratigraphic horizon known to be productive.
- (10) *Economically producible.* The term economically producible, as it relates to a resource, means a resource which generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation. The value of the products that generate revenue shall be determined at the terminal point of oil and gas producing activities as defined in paragraph (a)(16) of this section.
- (11) *Estimated ultimate recovery (EUR).* Estimated ultimate recovery is the sum of reserves remaining as of a given date and cumulative production as of that date.
- (12) *Exploration costs.* Costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and gas reserves, including costs of drilling exploratory wells and exploratory-type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as prospecting costs) and after acquiring the property. Principal types of exploration costs, which include depreciation and applicable operating costs of support equipment and facilities and other costs of exploration activities, are:
- (i) Costs of topographical, geographical and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews, and others conducting those studies. Collectively, these are sometimes referred to as geological and geophysical or "G&G" costs.
 - (ii) Costs of carrying and retaining undeveloped properties, such as delay rentals, ad valorem taxes on properties, legal costs for title defense, and the maintenance of land and lease records.
 - (iii) Dry hole contributions and bottom hole contributions.
 - (iv) Costs of drilling and equipping exploratory wells.
 - (v) Costs of drilling exploratory-type stratigraphic test wells.
- (13) *Exploratory well.* An exploratory well is a well drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir. Generally, an exploratory well is any well that is not a development well, an extension well, a service well, or a stratigraphic test well as those items are defined in this section.
- (14) *Extension well.* An extension well is a well drilled to extend the limits of a known reservoir.
- (15) *Field.* An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition. There may be two or more reservoirs in a field which are separated vertically by intervening impervious strata, or laterally by local geologic barriers, or by both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms "structural feature" and "stratigraphic condition" are intended to identify localized geological features as opposed to the broader terms of basins, trends, provinces, plays, areas-of-interest, etc.
- (16) *Oil and gas producing activities.*
- (i) Oil and gas producing activities include:
 - (A) The search for crude oil, including condensate and natural gas liquids, or natural gas ("oil and gas") in their natural states and original locations;
 - (B) The acquisition of property rights or properties for the purpose of further exploration or for the purpose of removing the oil or gas from such properties;
 - (C) The construction, drilling, and production activities necessary to retrieve oil and gas from their natural reservoirs, including the acquisition, construction, installation, and maintenance of field gathering and storage systems, such as:
 - (1) Lifting the oil and gas to the surface; and
 - (2) Gathering, treating, and field processing (as in the case of processing gas to extract liquid hydrocarbons); and

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (D) Extraction of saleable hydrocarbons, in the solid, liquid, or gaseous state, from oil sands, shale, coalbeds, or other nonrenewable natural resources which are intended to be upgraded into synthetic oil or gas, and activities undertaken with a view to such extraction.

Instruction 1 to paragraph (a)(16)(i): The oil and gas production function shall be regarded as ending at a “terminal point”, which is the outlet valve on the lease or field storage tank. If unusual physical or operational circumstances exist, it may be appropriate to regard the terminal point for the production function as:

- a. The first point at which oil, gas, or gas liquids, natural or synthetic, are delivered to a main pipeline, a common carrier, a refinery, or a marine terminal; and
- b. In the case of natural resources that are intended to be upgraded into synthetic oil or gas, if those natural resources are delivered to a purchaser prior to upgrading, the first point at which the natural resources are delivered to a main pipeline, a common carrier, a refinery, a marine terminal, or a facility which upgrades such natural resources into synthetic oil or gas.

Instruction 2 to paragraph (a)(16)(i): For purposes of this paragraph (a)(16), the term *saleable hydrocarbons* means hydrocarbons that are saleable in the state in which the hydrocarbons are delivered.

- (ii) Oil and gas producing activities do not include:

- (A) Transporting, refining, or marketing oil and gas;
- (B) Processing of produced oil, gas, or natural resources that can be upgraded into synthetic oil or gas by a registrant that does not have the legal right to produce or a revenue interest in such production;
- (C) Activities relating to the production of natural resources other than oil, gas, or natural resources from which synthetic oil and gas can be extracted; or
- (D) Production of geothermal steam.

(17) *Possible reserves.* Possible reserves are those additional reserves that are less certain to be recovered than probable reserves.

- (i) When deterministic methods are used, the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves. When probabilistic methods are used, there should be at least a 10% probability that the total quantities ultimately recovered will equal or exceed the proved plus probable plus possible reserves estimates.
- (ii) Possible reserves may be assigned to areas of a reservoir adjacent to probable reserves where data control and interpretations of available data are progressively less certain. Frequently, this will be in areas where geoscience and engineering data are unable to define clearly the area and vertical limits of commercial production from the reservoir by a defined project.
- (iii) Possible reserves also include incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than the recovery quantities assumed for probable reserves.
- (iv) The proved plus probable and proved plus probable plus possible reserves estimates must be based on reasonable alternative technical and commercial interpretations within the reservoir or subject project that are clearly documented, including comparisons to results in successful similar projects.
- (v) Possible reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from proved areas by faults with displacement less than formation thickness or other geological discontinuities and that have not been penetrated by a wellbore, and the registrant believes that such adjacent portions are in communication with the known (proved) reservoir. Possible reserves may be assigned to areas that are structurally higher or lower than the proved area if these areas are in communication with the proved reservoir.
- (vi) Pursuant to paragraph (a)(22)(iii) of this section, where direct observation has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves should be assigned in the structurally higher portions of the reservoir above the HKO only if the higher contact can be established with reasonable certainty through reliable technology. Portions of the reservoir that do not meet this reasonable certainty criterion may be assigned as probable and possible oil or gas based on reservoir fluid properties and pressure gradient interpretations.

(18) *Probable reserves.* Probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.

- (i) When deterministic methods are used, it is as likely as not that actual remaining quantities recovered will exceed the sum of estimated proved plus probable reserves. When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the proved plus probable reserves estimates.

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (ii) Probable reserves may be assigned to areas of a reservoir adjacent to proved reserves where data control or interpretations of available data are less certain, even if the interpreted reservoir continuity of structure or productivity does not meet the reasonable certainty criterion. Probable reserves may be assigned to areas that are structurally higher than the proved area if these areas are in communication with the proved reservoir.
- (iii) Probable reserves estimates also include potential incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than assumed for proved reserves.
- (iv) See also guidelines in paragraphs (a)(17)(iv) and (a)(17)(vi) of this section.

(19) *Probabilistic estimate.* The method of estimation of reserves or resources is called probabilistic when the full range of values that could reasonably occur for each unknown parameter (from the geoscience and engineering data) is used to generate a full range of possible outcomes and their associated probabilities of occurrence.

(20) *Production costs.*

- (i) Costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. They become part of the cost of oil and gas produced. Examples of production costs (sometimes called lifting costs) are:
 - (A) Costs of labor to operate the wells and related equipment and facilities.
 - (B) Repairs and maintenance.
 - (C) Materials, supplies, and fuel consumed and supplies utilized in operating the wells and related equipment and facilities.
 - (D) Property taxes and insurance applicable to proved properties and wells and related equipment and facilities.
 - (E) Severance taxes.
- (ii) Some support equipment or facilities may serve two or more oil and gas producing activities and may also serve transportation, refining, and marketing activities. To the extent that the support equipment and facilities are used in oil and gas producing activities, their depreciation and applicable operating costs become exploration, development or production costs, as appropriate. Depreciation, depletion, and amortization of capitalized acquisition, exploration, and development costs are not production costs but also become part of the cost of oil and gas produced along with production (lifting) costs identified above.

(21) *Proved area.* The part of a property to which proved reserves have been specifically attributed.

(22) *Proved oil and gas reserves.* Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

- (i) The area of the reservoir considered as proved includes:
 - (A) The area identified by drilling and limited by fluid contacts, if any, and
 - (B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.
- (ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.
- (iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.
- (iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:
 - (A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

(B) The project has been approved for development by all necessary parties and entities, including governmental entities.

- (v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

(23) *Proved properties.* Properties with proved reserves.

(24) *Reasonable certainty.* If deterministic methods are used, reasonable certainty means a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate. A high degree of confidence exists if the quantity is much more likely to be achieved than not, and, as changes due to increased availability of geoscience (geological, geophysical, and geochemical), engineering, and economic data are made to estimated ultimate recovery (EUR) with time, reasonably certain EUR is much more likely to increase or remain constant than to decrease.

(25) *Reliable technology.* Reliable technology is a grouping of one or more technologies (including computational methods) that has been field tested and has been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

(26) *Reserves.* Reserves are estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project.

Note to paragraph (a)(26): Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).

Excerpted from the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas:

932-235-50-30 A standardized measure of discounted future net cash flows relating to an entity's interests in both of the following shall be disclosed as of the end of the year:

- a. Proved oil and gas reserves (see paragraphs 932-235-50-3 through 50-11B)*
- b. Oil and gas subject to purchase under long-term supply, purchase, or similar agreements and contracts in which the entity participates in the operation of the properties on which the oil or gas is located or otherwise serves as the producer of those reserves (see paragraph 932-235-50-7).*

The standardized measure of discounted future net cash flows relating to those two types of interests in reserves may be combined for reporting purposes.

932-235-50-31 All of the following information shall be disclosed in the aggregate and for each geographic area for which reserve quantities are disclosed in accordance with paragraphs 932-235-50-3 through 50-11B:

- a. Future cash inflows. These shall be computed by applying prices used in estimating the entity's proved oil and gas reserves to the year-end quantities of those reserves. Future price changes shall be considered only to the extent provided by contractual arrangements in existence at year-end.*
- b. Future development and production costs. These costs shall be computed by estimating the expenditures to be incurred in developing and producing the proved oil and gas reserves at the end of the year, based on year-end costs and assuming continuation of existing economic conditions. If estimated development expenditures are significant, they shall be presented separately from estimated production costs.*
- c. Future income tax expenses. These expenses shall be computed by applying the appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, to the future pretax net cash flows relating to the entity's proved oil and gas reserves, less the tax basis of the properties involved. The future income tax expenses shall give effect to tax deductions and tax credits and allowances relating to the entity's proved oil and gas reserves.*
- d. Future net cash flows. These amounts are the result of subtracting future development and production costs and future income tax expenses from future cash inflows.*

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- e. *Discount.* This amount shall be derived from using a discount rate of 10 percent a year to reflect the timing of the future net cash flows relating to proved oil and gas reserves.
- f. *Standardized measure of discounted future net cash flows.* This amount is the future net cash flows less the computed discount.

(27) *Reservoir.* A porous and permeable underground formation containing a natural accumulation of producible oil and/or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

(28) *Resources.* Resources are quantities of oil and gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable, and another portion may be considered to be unrecoverable. Resources include both discovered and undiscovered accumulations.

(29) *Service well.* A well drilled or completed for the purpose of supporting production in an existing field. Specific purposes of service wells include gas injection, water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for in-situ combustion.

(30) *Stratigraphic test well.* A stratigraphic test well is a drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Such wells customarily are drilled without the intent of being completed for hydrocarbon production. The classification also includes tests identified as core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic tests are classified as "exploratory type" if not drilled in a known area or "development type" if drilled in a known area.

(31) *Undeveloped oil and gas reserves.* Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

- (i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.
- (ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances, justify a longer time.

From the SEC's Compliance and Disclosure Interpretations (October 26, 2009):

Although several types of projects – such as constructing offshore platforms and development in urban areas, remote locations or environmentally sensitive locations – by their nature customarily take a longer time to develop and therefore often do justify longer time periods, this determination must always take into consideration all of the facts and circumstances. No particular type of project per se justifies a longer time period, and any extension beyond five years should be the exception, and not the rule.

Factors that a company should consider in determining whether or not circumstances justify recognizing reserves even though development may extend past five years include, but are not limited to, the following:

The company's level of ongoing significant development activities in the area to be developed (for example, drilling only the minimum number of wells necessary to maintain the lease generally would not constitute significant development activities);

The company's historical record at completing development of comparable long-term projects;

The amount of time in which the company has maintained the leases, or booked the reserves, without significant development activities;

The extent to which the company has followed a previously adopted development plan (for example, if a company has changed its development plan several times without taking significant steps to implement any of those plans, recognizing proved undeveloped reserves typically would not be appropriate); and

The extent to which delays in development are caused by external factors related to the physical operating environment (for example, restrictions on development on Federal lands, but not obtaining government permits), rather than by internal factors (for example, shifting resources to develop properties with higher priority).

- (iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in paragraph (a)(2) of this section, or by other evidence using reliable technology establishing reasonable certainty.

(32) *Unproved properties.* Properties with no proved reserves.



WORLDWIDE PETROLEUM CONSULTANTS
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February 28, 2022

Mr. Fayaz F. Jamal
Woodside Petroleum Ltd.
Mia Yellagonga
Karlak, 11 Mount Street
Perth WA 6000
Australia

Dear Mr. Jamal:

In accordance with your request, we have estimated the proved reserves and future revenue, as of December 31, 2019, to the Woodside Petroleum Ltd. (WPL) interest in certain oil and gas properties located offshore Western Australia. We completed our evaluation on or about the date of this letter. It is our understanding that the proved reserves estimated in this report constitute all of the proved reserves owned by WPL as of December 31, 2019. The estimates in this report have been prepared in accordance with the definitions and regulations of the U.S. Securities and Exchange Commission (SEC) and, with the exception of the exclusion of future income taxes, conform to the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas. Definitions are presented immediately following this letter. Monetary values shown in this report are expressed in United States dollars (\$) or thousands of United States dollars (M\$). This report has been prepared for WPL's use in filing with the SEC; in our opinion the assumptions, data, methods, and procedures used in the preparation of this report are appropriate for such purpose.

We estimate the net reserves and future net revenue to the WPL interest in these properties, as of December 31, 2019, to be:

| Category | Net Reserves | | | | Future Net Revenue (M\$) | |
|--------------------|---------------|---------------|----------------------|--------------|--------------------------|-------------------------|
| | Oil (MBBL) | Gas (MMCF) | Condensate (MBBL) | LPG (MLT) | Total | Present Worth at 10% |
| Proved Developed | 33,763.1 | 2,134,593.9 | 39,932.6 | 351.3 | 13,839,953.3 | 11,711,493.2 |
| Proved Undeveloped | 0.0 | 713,314.4 | 9,677.8 | 22.2 | 3,530,734.5 | 1,853,555.8 |
| Total Proved | 33,763.1 | 2,847,908.2 | 49,610.4 | 373.5 | 17,370,687.9 | 13,565,049.0 |

Totals may not add because of rounding.

The oil volumes shown include crude oil only. Oil and condensate volumes are expressed in thousands of barrels (MBBL); a barrel is equivalent to 42 United States gallons. Gas volumes are expressed in millions of cubic feet (MMCF) at standard temperature and pressure bases. Liquefied petroleum gas (LPG) volumes are expressed in thousands of long tonnes (MLT). Gross gas is inclusive of condensate, liquefied natural gas (LNG), domestic gas, and LPG volumes; net gas is inclusive of LNG and domestic gas volumes and is after deductions for removal of non-hydrocarbons, condensates, and volumes processed and sold as LPG, as well as offshore fuel and flare.

Reserves categorization conveys the relative degree of certainty; reserves subcategorization is based on development and production status. Estimates of proved undeveloped reserves have been included for development beyond 5 years as necessary to sustain inlet gas supply rates for approved and ongoing large-scale LNG projects. As requested, probable and possible reserves that may exist for these properties have not been included. The estimates of reserves and future revenue included herein have not been adjusted for risk. This report does not include any value that could be attributed to interests in undeveloped acreage beyond those tracts for which undeveloped reserves have been estimated.

2100 ROSS AVENUE, SUITE 2200 DALLAS, TEXAS 75201 PH: 214-969-5401 FAX: 214-969-5411
1301 MCKINNEY STREET, SUITE 3200 HOUSTON, TEXAS 77010 PH: 713-654-4950 FAX: 713-654-4951

info@nsai-petro.com
netherlandsewell.com

Gross revenue is WPL's share of the gross (100 percent) revenue from the properties prior to any deductions. Future net revenue is after deductions for WPL's share of excise taxes, royalty taxes, capital costs, abandonment costs, and operating expenses but before consideration of any income taxes. The future net revenue has been discounted at an annual rate of 10 percent to determine its present worth, which is shown to indicate the effect of time on the value of money. Future net revenue presented in this report, whether discounted or undiscounted, should not be construed as being the fair market value of the properties.

Prices used in this report for oil, condensate, contracted LNG, uncontracted LNG, and LPG volumes are based on the 12-month unweighted arithmetic average of the first-day-of-the-month price for each month in the period January through December 2019. For oil, condensate, and LPG volumes, the average Brent spot price of \$63.15 per barrel is adjusted by project for quality and market differentials. For LNG volumes, this average Brent spot price is adjusted by project for energy content, market differentials, and deductions for onshore fuel and flare. Prices used in this report for gas volumes committed to domestic market obligations are based on historical gas sales for the 12-month period January through December 2019 and are adjusted for energy content and deductions for onshore fuel and flare. Project-level gas prices have been adjusted to include the value for domestic market obligations, contracted LNG, and uncontracted LNG. All prices are held constant throughout the lives of the properties. The average adjusted product prices weighted by production over the remaining lives of the properties are \$63.40 per barrel of oil, \$7.556 per MCF of gas, \$59.79 per barrel of condensate, and \$466.87 per long tonne (LT) of LPG.

Operating costs used in this report are based on operating expense records of WPL. These costs include the per-well overhead expenses allowed under joint operating agreements along with estimates of costs to be incurred at and below the district and field levels. Operating costs have been divided into project-level costs, field-level costs, per-well costs, and per-unit-of-production costs. Headquarters general and administrative overhead expenses of WPL are included to the extent that they are covered under joint operating agreements for the operated properties. Operating costs are not escalated for inflation.

Capital costs used in this report were provided by WPL and are based on authorizations for expenditure and actual costs from recent activity. Capital costs are included as required for workovers, new development wells, and production equipment. Based on our understanding of future development plans, a review of the records provided to us, and our knowledge of similar properties, we regard these estimated capital costs to be reasonable. Abandonment costs used in this report are WPL's estimates of the costs to abandon the wells, platforms, and production facilities, net of any salvage value. Capital costs and abandonment costs are not escalated for inflation.

For the purposes of this report, we did not perform any field inspection of the properties, nor did we examine the mechanical operation or condition of the wells and facilities. We have not investigated possible environmental liability related to the properties; therefore, our estimates do not include any costs due to such possible liability.

We have made no investigation of potential volume and value imbalances resulting from overdelivery or underdelivery to the WPL interest. Therefore, our estimates of reserves and future revenue do not include adjustments for the settlement of any such imbalances; our projections are based on WPL receiving its net revenue interest share of estimated future gross production. Additionally, we have made no specific investigation of any firm transportation contracts that may be in place for these properties; our estimates of future revenue include the effects of such contracts only to the extent that the associated fees are accounted for in the historical project-level accounting statements.

The reserves shown in this report are estimates only and should not be construed as exact quantities. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be economically producible; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves. Estimates of reserves may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance. In addition to the primary economic assumptions discussed herein, our estimates are based on certain assumptions including, but not limited to, that the properties will be developed consistent with current development plans as provided to us by WPL, that the properties will be operated in a prudent manner, that no

governmental regulations or controls will be put in place that would impact the ability of the interest owner to recover the reserves, and that our projections of future production will prove consistent with actual performance. If the reserves are recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. Because of governmental policies and uncertainties of supply and demand, the sales rates, prices received for the reserves, and costs incurred in recovering such reserves may vary from assumptions made while preparing this report.

For the purposes of this report, we used technical and economic data including, but not limited to, well logs, geologic maps, seismic data, well test data, production data, historical price and cost information, and property ownership interests. The reserves in this report have been estimated using deterministic methods; these estimates have been prepared in accordance with the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers (SPE Standards). We used standard engineering and geoscience methods, or a combination of methods, including performance analysis, volumetric analysis, analogy, and reservoir modeling, that we considered to be appropriate and necessary to categorize and estimate reserves in accordance with SEC definitions and regulations. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geoscience data; therefore, our conclusions necessarily represent only informed professional judgment.

The data used in our estimates were obtained from WPL, public data sources, and the nonconfidential files of Netherland, Sewell & Associates, Inc. (NSAI) and were accepted as accurate. Supporting work data are on file in our office. We have not examined the contractual rights to the properties or independently confirmed the actual degree or type of interest owned. The technical persons primarily responsible for preparing the estimates presented herein meet the requirements regarding qualifications, independence, objectivity, and confidentiality set forth in the SPE Standards. Joseph M. Wolfe, a Licensed Professional Engineer in the State of Texas, has been practicing consulting petroleum engineering at NSAI since 2013 and has over 5 years of prior industry experience. John G. Hattner, a Licensed Professional Geoscientist in the State of Texas, has been practicing consulting petroleum geoscience at NSAI since 1991 and has over 11 years of prior industry experience. We are independent petroleum engineers, geologists, geophysicists, and petrophysicists; we do not own an interest in these properties nor are we employed on a contingent basis.

Sincerely,

NETHERLAND, SEWELL & ASSOCIATES, INC.
Texas Registered Engineering Firm F-2699

By: /s/ C.H. (Scott) Rees
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

By: /s/ Joseph M. Wolfe
Joseph M. Wolfe, P.E.
116170
Vice President
Date Signed: February 28, 2022
JMW:JSB



By: /s/ John G. Hattner
John G. Hattner, P.G 559
Senior Vice President

Date Signed: February 28, 2022



DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

The following definitions are set forth in U.S. Securities and Exchange Commission (SEC) Regulation S-X Section 210.4-10(a). Also included is supplemental information from (1) the 2018 Petroleum Resources Management System approved by the Society of Petroleum Engineers, (2) the FASB Accounting Standards Codification Topic 932, Extractive Activities–Oil and Gas, and (3) the SEC’s Compliance and Disclosure Interpretations.

(1) *Acquisition of properties.* Costs incurred to purchase, lease or otherwise acquire a property, including costs of lease bonuses and options to purchase or lease properties, the portion of costs applicable to minerals when land including mineral rights is purchased in fee, brokers’ fees, recording fees, legal costs, and other costs incurred in acquiring properties.

(2) *Analogous reservoir.* Analogous reservoirs, as used in resources assessments, have similar rock and fluid properties, reservoir conditions (depth, temperature, and pressure) and drive mechanisms, but are typically at a more advanced stage of development than the reservoir of interest and thus may provide concepts to assist in the interpretation of more limited data and estimation of recovery. When used to support proved reserves, an “analogous reservoir” refers to a reservoir that shares the following characteristics with the reservoir of interest:

- (i) Same geological formation (but not necessarily in pressure communication with the reservoir of interest);
- (ii) Same environment of deposition;
- (iii) Similar geological structure; and
- (iv) Same drive mechanism.

Instruction to paragraph (a)(2): Reservoir properties must, in the aggregate, be no more favorable in the analog than in the reservoir of interest.

(3) *Bitumen.* Bitumen, sometimes referred to as natural bitumen, is petroleum in a solid or semi-solid state in natural deposits with a viscosity greater than 10,000 centipoise measured at original temperature in the deposit and atmospheric pressure, on a gas free basis. In its natural state it usually contains sulfur, metals, and other non-hydrocarbons.

(4) *Condensate.* Condensate is a mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature.

(5) *Deterministic estimate.* The method of estimating reserves or resources is called deterministic when a single value for each parameter (from the geoscience, engineering, or economic data) in the reserves calculation is used in the reserves estimation procedure.

(6) *Developed oil and gas reserves.* Developed oil and gas reserves are reserves of any category that can be expected to be recovered:

- (i) Through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and
- (ii) Through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Supplemental definitions from the 2018 Petroleum Resources Management System:

Developed Producing Reserves - Expected quantities to be recovered from completion intervals that are open and producing at the effective date of the estimate. Improved recovery Reserves are considered producing only after the improved recovery project is in operation.

Developed Non-Producing Reserves - Shut-in and behind-pipe Reserves. Shut-in Reserves are expected to be recovered from (1) completion intervals that are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells that will require additional completion work or future re-completion before start of production with minor cost to access these reserves. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

(7) *Development costs.* Costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. More specifically, development costs, including depreciation and applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

- (i) Gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines, and power lines, to the extent necessary in developing the proved reserves.
- (ii) Drill and equip development wells, development-type stratigraphic test wells, and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment, and the wellhead assembly.

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (iii) Acquire, construct, and install production facilities such as lease flow lines, separators, treaters, heaters, manifolds, measuring devices, and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems.
 - (iv) Provide improved recovery systems.
- (8) *Development project*. A development project is the means by which petroleum resources are brought to the status of economically producible. As examples, the development of a single reservoir or field, an incremental development in a producing field, or the integrated development of a group of several fields and associated facilities with a common ownership may constitute a development project.
- (9) *Development well*. A well drilled within the proved area of an oil or gas reservoir to the depth of a stratigraphic horizon known to be productive.
- (10) *Economically producible*. The term economically producible, as it relates to a resource, means a resource which generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation. The value of the products that generate revenue shall be determined at the terminal point of oil and gas producing activities as defined in paragraph (a)(16) of this section.
- (11) *Estimated ultimate recovery (EUR)*. Estimated ultimate recovery is the sum of reserves remaining as of a given date and cumulative production as of that date.
- (12) *Exploration costs*. Costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and gas reserves, including costs of drilling exploratory wells and exploratory-type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as prospecting costs) and after acquiring the property. Principal types of exploration costs, which include depreciation and applicable operating costs of support equipment and facilities and other costs of exploration activities, are:
- (i) Costs of topographical, geographical and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews, and others conducting those studies. Collectively, these are sometimes referred to as geological and geophysical or “G&G” costs.
 - (ii) Costs of carrying and retaining undeveloped properties, such as delay rentals, ad valorem taxes on properties, legal costs for title defense, and the maintenance of land and lease records.
 - (iii) Dry hole contributions and bottom hole contributions.
 - (iv) Costs of drilling and equipping exploratory wells.
 - (v) Costs of drilling exploratory-type stratigraphic test wells.
- (13) *Exploratory well*. An exploratory well is a well drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir. Generally, an exploratory well is any well that is not a development well, an extension well, a service well, or a stratigraphic test well as those items are defined in this section.
- (14) *Extension well*. An extension well is a well drilled to extend the limits of a known reservoir.
- (15) *Field*. An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition. There may be two or more reservoirs in a field which are separated vertically by intervening impervious strata, or laterally by local geologic barriers, or by both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms “structural feature” and “stratigraphic condition” are intended to identify localized geological features as opposed to the broader terms of basins, trends, provinces, plays, areas-of-interest, etc.
- (16) *Oil and gas producing activities*.
- (i) Oil and gas producing activities include:
 - (A) The search for crude oil, including condensate and natural gas liquids, or natural gas (“oil and gas”) in their natural states and original locations;
 - (B) The acquisition of property rights or properties for the purpose of further exploration or for the purpose of removing the oil or gas from such properties;
 - (C) The construction, drilling, and production activities necessary to retrieve oil and gas from their natural reservoirs, including the acquisition, construction, installation, and maintenance of field gathering and storage systems, such as:
 - (1) Lifting the oil and gas to the surface; and
 - (2) Gathering, treating, and field processing (as in the case of processing gas to extract liquid hydrocarbons); and

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (D) Extraction of saleable hydrocarbons, in the solid, liquid, or gaseous state, from oil sands, shale, coalbeds, or other nonrenewable natural resources which are intended to be upgraded into synthetic oil or gas, and activities undertaken with a view to such extraction.

Instruction 1 to paragraph (a)(16)(i): The oil and gas production function shall be regarded as ending at a “terminal point”, which is the outlet valve on the lease or field storage tank. If unusual physical or operational circumstances exist, it may be appropriate to regard the terminal point for the production function as:

- a. The first point at which oil, gas, or gas liquids, natural or synthetic, are delivered to a main pipeline, a common carrier, a refinery, or a marine terminal; and
- b. In the case of natural resources that are intended to be upgraded into synthetic oil or gas, if those natural resources are delivered to a purchaser prior to upgrading, the first point at which the natural resources are delivered to a main pipeline, a common carrier, a refinery, a marine terminal, or a facility which upgrades such natural resources into synthetic oil or gas.

Instruction 2 to paragraph (a)(16)(i): For purposes of this paragraph (a)(16), the term *saleable hydrocarbons* means hydrocarbons that are saleable in the state in which the hydrocarbons are delivered.

- (ii) Oil and gas producing activities do not include:

- (A) Transporting, refining, or marketing oil and gas;
- (B) Processing of produced oil, gas, or natural resources that can be upgraded into synthetic oil or gas by a registrant that does not have the legal right to produce or a revenue interest in such production;
- (C) Activities relating to the production of natural resources other than oil, gas, or natural resources from which synthetic oil and gas can be extracted; or
- (D) Production of geothermal steam.

(17) *Possible reserves.* Possible reserves are those additional reserves that are less certain to be recovered than probable reserves.

- (i) When deterministic methods are used, the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves. When probabilistic methods are used, there should be at least a 10% probability that the total quantities ultimately recovered will equal or exceed the proved plus probable plus possible reserves estimates.
- (ii) Possible reserves may be assigned to areas of a reservoir adjacent to probable reserves where data control and interpretations of available data are progressively less certain. Frequently, this will be in areas where geoscience and engineering data are unable to define clearly the area and vertical limits of commercial production from the reservoir by a defined project.
- (iii) Possible reserves also include incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than the recovery quantities assumed for probable reserves.
- (iv) The proved plus probable and proved plus probable plus possible reserves estimates must be based on reasonable alternative technical and commercial interpretations within the reservoir or subject project that are clearly documented, including comparisons to results in successful similar projects.
- (v) Possible reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from proved areas by faults with displacement less than formation thickness or other geological discontinuities and that have not been penetrated by a wellbore, and the registrant believes that such adjacent portions are in communication with the known (proved) reservoir. Possible reserves may be assigned to areas that are structurally higher or lower than the proved area if these areas are in communication with the proved reservoir.
- (vi) Pursuant to paragraph (a)(22)(iii) of this section, where direct observation has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves should be assigned in the structurally higher portions of the reservoir above the HKO only if the higher contact can be established with reasonable certainty through reliable technology. Portions of the reservoir that do not meet this reasonable certainty criterion may be assigned as probable and possible oil or gas based on reservoir fluid properties and pressure gradient interpretations.

(18) *Probable reserves.* Probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.

- (i) When deterministic methods are used, it is as likely as not that actual remaining quantities recovered will exceed the sum of estimated proved plus probable reserves. When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the proved plus probable reserves estimates.

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (ii) Probable reserves may be assigned to areas of a reservoir adjacent to proved reserves where data control or interpretations of available data are less certain, even if the interpreted reservoir continuity of structure or productivity does not meet the reasonable certainty criterion. Probable reserves may be assigned to areas that are structurally higher than the proved area if these areas are in communication with the proved reservoir.
- (iii) Probable reserves estimates also include potential incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than assumed for proved reserves.
- (iv) See also guidelines in paragraphs (a)(17)(iv) and (a)(17)(vi) of this section.

(19) *Probabilistic estimate.* The method of estimation of reserves or resources is called probabilistic when the full range of values that could reasonably occur for each unknown parameter (from the geoscience and engineering data) is used to generate a full range of possible outcomes and their associated probabilities of occurrence.

(20) *Production costs.*

- (i) Costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. They become part of the cost of oil and gas produced. Examples of production costs (sometimes called lifting costs) are:
 - (A) Costs of labor to operate the wells and related equipment and facilities.
 - (B) Repairs and maintenance.
 - (C) Materials, supplies, and fuel consumed and supplies utilized in operating the wells and related equipment and facilities.
 - (D) Property taxes and insurance applicable to proved properties and wells and related equipment and facilities.
 - (E) Severance taxes.
- (ii) Some support equipment or facilities may serve two or more oil and gas producing activities and may also serve transportation, refining, and marketing activities. To the extent that the support equipment and facilities are used in oil and gas producing activities, their depreciation and applicable operating costs become exploration, development or production costs, as appropriate. Depreciation, depletion, and amortization of capitalized acquisition, exploration, and development costs are not production costs but also become part of the cost of oil and gas produced along with production (lifting) costs identified above.

(21) *Proved area.* The part of a property to which proved reserves have been specifically attributed.

(22) *Proved oil and gas reserves.* Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

- (i) The area of the reservoir considered as proved includes:
 - (A) The area identified by drilling and limited by fluid contacts, if any, and
 - (B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.
- (ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.
- (iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.
- (iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:
 - (A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and

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Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- (B) The project has been approved for development by all necessary parties and entities, including governmental entities.
- (v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

(23) *Proved properties.* Properties with proved reserves.

(24) *Reasonable certainty.* If deterministic methods are used, reasonable certainty means a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate. A high degree of confidence exists if the quantity is much more likely to be achieved than not, and, as changes due to increased availability of geoscience (geological, geophysical, and geochemical), engineering, and economic data are made to estimated ultimate recovery (EUR) with time, reasonably certain EUR is much more likely to increase or remain constant than to decrease.

(25) *Reliable technology.* Reliable technology is a grouping of one or more technologies (including computational methods) that has been field tested and has been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

(26) *Reserves.* Reserves are estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project.

Note to paragraph (a)(26): Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).

Excerpted from the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas:

932-235-50-30 A standardized measure of discounted future net cash flows relating to an entity's interests in both of the following shall be disclosed as of the end of the year:

- a. Proved oil and gas reserves (see paragraphs 932-235-50-3 through 50-11B)*
- b. Oil and gas subject to purchase under long-term supply, purchase, or similar agreements and contracts in which the entity participates in the operation of the properties on which the oil or gas is located or otherwise serves as the producer of those reserves (see paragraph 932-235-50-7).*

The standardized measure of discounted future net cash flows relating to those two types of interests in reserves may be combined for reporting purposes.

932-235-50-31 All of the following information shall be disclosed in the aggregate and for each geographic area for which reserve quantities are disclosed in accordance with paragraphs 932-235-50-3 through 50-11B:

- a. Future cash inflows. These shall be computed by applying prices used in estimating the entity's proved oil and gas reserves to the year-end quantities of those reserves. Future price changes shall be considered only to the extent provided by contractual arrangements in existence at year-end.*
- b. Future development and production costs. These costs shall be computed by estimating the expenditures to be incurred in developing and producing the proved oil and gas reserves at the end of the year, based on year-end costs and assuming continuation of existing economic conditions. If estimated development expenditures are significant, they shall be presented separately from estimated production costs.*
- c. Future income tax expenses. These expenses shall be computed by applying the appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, to the future pretax net cash flows relating to the entity's proved oil and gas reserves, less the tax basis of the properties involved. The future income tax expenses shall give effect to tax deductions and tax credits and allowances relating to the entity's proved oil and gas reserves.*
- d. Future net cash flows. These amounts are the result of subtracting future development and production costs and future income tax expenses from future cash inflows.*

DEFINITIONS OF OIL AND GAS RESERVES

Adapted from U.S. Securities and Exchange Commission Regulation S-X Section 210.4-10(a)

- e. *Discount.* This amount shall be derived from using a discount rate of 10 percent a year to reflect the timing of the future net cash flows relating to proved oil and gas reserves.
- f. *Standardized measure of discounted future net cash flows.* This amount is the future net cash flows less the computed discount.

(27) *Reservoir.* A porous and permeable underground formation containing a natural accumulation of producible oil and/or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

(28) *Resources.* Resources are quantities of oil and gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable, and another portion may be considered to be unrecoverable. Resources include both discovered and undiscovered accumulations.

(29) *Service well.* A well drilled or completed for the purpose of supporting production in an existing field. Specific purposes of service wells include gas injection, water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for in-situ combustion.

(30) *Stratigraphic test well.* A stratigraphic test well is a drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Such wells customarily are drilled without the intent of being completed for hydrocarbon production. The classification also includes tests identified as core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic tests are classified as "exploratory type" if not drilled in a known area or "development type" if drilled in a known area.

(31) *Undeveloped oil and gas reserves.* Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

- (i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.
- (ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances, justify a longer time.

From the SEC's Compliance and Disclosure Interpretations (October 26, 2009):

Although several types of projects – such as constructing offshore platforms and development in urban areas, remote locations or environmentally sensitive locations – by their nature customarily take a longer time to develop and therefore often do justify longer time periods, this determination must always take into consideration all of the facts and circumstances. No particular type of project per se justifies a longer time period, and any extension beyond five years should be the exception, and not the rule.

Factors that a company should consider in determining whether or not circumstances justify recognizing reserves even though development may extend past five years include, but are not limited to, the following:

The company's level of ongoing significant development activities in the area to be developed (for example, drilling only the minimum number of wells necessary to maintain the lease generally would not constitute significant development activities);
The company's historical record at completing development of comparable long-term projects;
The amount of time in which the company has maintained the leases, or booked the reserves, without significant development activities;
The extent to which the company has followed a previously adopted development plan (for example, if a company has changed its development plan several times without taking significant steps to implement any of those plans, recognizing proved undeveloped reserves typically would not be appropriate); and
The extent to which delays in development are caused by external factors related to the physical operating environment (for example, restrictions on development on Federal lands, but not obtaining government permits), rather than by internal factors (for example, shifting resources to develop properties with higher priority).

- (iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in paragraph (a)(2) of this section, or by other evidence using reliable technology establishing reasonable certainty.

(32) *Unproved properties.* Properties with no proved reserves.



KPMG Corporate Finance
 A division of KPMG Financial Advisory Services
 (Australia) Pty Ltd
 Australian Financial Services Licence No. 246901
 Level 8
 235 St Georges Terrace
 Perth WA 6000

ABN: 43 007 363 215
 Telephone: +61 8 9263 7171
 Facsimile: +61 8 9263 7129
 www.kpmg.com.au

GPO Box A29
 Perth WA 6837
 Australia

The Directors
 Woodside Petroleum Ltd
 Mia Yellagonga
 11 Mount Street
 Perth WA 6000

8 April 2022

Dear Directors

Independent Expert Report and Financial Services Guide

Part One - Independent Expert Report

1 Introduction

On 16 August 2021, Woodside Petroleum Ltd (**Woodside**) announced that it was engaged in discussions with BHP Group Limited (**BHP**) regarding a potential merger involving BHP' s petroleum business (**the Initial Announcement**).

On 17 August 2021, Woodside and BHP jointly announced that they had entered into a merger commitment deed whereby, subject to confirmatory due diligence and the negotiation and execution of full form transaction documents, they would combine their respective oil and gas portfolios by way of an all-stock merger (**the Proposed Transaction**).

On 22 November 2021, Woodside announced that it had entered into a binding share sale agreement (**SSA**) with BHP in relation to the Proposed Transaction.

Under the Proposed Transaction, Woodside will acquire 100% of the issued share capital of BHP Petroleum International Pty Ltd (**BHP Petroleum**)¹ with an effective date of 1 July 2021 (**Effective Date**), in exchange for the issue of 914,768,948 new ordinary shares in Woodside, which will be distributed in-specie as a dividend on a prorated basis to BHP shareholders (**the Merger Consideration**).

Prior to completion, Woodside and BHP Petroleum will carry on their respective businesses in the normal course.

¹ References to BHP Petroleum include relevant BHP Petroleum controlled entities

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On completion:

- BHP will transfer to Woodside 100% of the issued capital of BHP Petroleum on a cash and debt-free basis, based on the balance sheet at the Effective Date, subject to various exclusions including certain legacy assets and liabilities that will remain with BHP
- BHP shareholders will hold approximately 48% of the issued capital in the post-merger Woodside² (**the Merged Group**)³, which will remain listed on the Official List of ASX Limited (**ASX**) and will seek secondary listings on the New York Stock Exchange (**NYSE**) and the London Stock Exchange (**LSE**)
- BHP will make a cash payment to Woodside for the net cash flow generated by BHP Petroleum between the Effective Date and completion⁴
- Woodside will make a cash payment to BHP in relation to cash dividends paid by Woodside between the Effective Date and completion that would have been received by BHP had the Merger Consideration been paid on the Effective Date.

BHP has agreed to certain exclusivity arrangements with Woodside. These arrangements do not restrict BHP from considering superior proposals for BHP Petroleum in prescribed circumstances. Woodside has agreed to similar exclusivity arrangements in connection with any competing proposal for Woodside.

Completion of the Proposed Transaction requires the satisfaction of various conditions precedent and the approval of Woodside shareholders (**Woodside Shareholders**)⁵ under ASX Listing Rule 7.1.

The directors of Woodside (**Directors**) have, subject to the satisfaction of various conditions precedent, including an independent expert concluding, and continuing to conclude, that the Proposed Transaction is in the best interests of Woodside Shareholders, unanimously recommended Woodside Shareholders vote in favour of the Proposed Transaction and as at the date of this report have not withdrawn that support.

The Proposed Transaction is described more fully in section 5 of this report and in sections 3 and 10 of Woodside's Merger Explanatory Memorandum (**Explanatory Memorandum**) to which this report is attached.

² Woodside shares that would otherwise have been issued to "Ineligible Foreign Shareholders", being a BHP shareholder whose address shown in the register of members of BHP is in a jurisdiction where BHP determines (acting reasonably and following consultation with Woodside) that it would be unlawful, unduly impracticable (in each case in respect of either BHP or Woodside) to distribute the new Woodside shares, will be sold by a nominated sales agent and the net proceeds after costs remitted to the relevant BHP shareholder and potentially "Selling Shareholders" where BHP may, at its discretion, offer Selling Shareholders a voluntary sale facility, whereby BHP Shareholders with less than a certain number of BHP Shares may elect for Woodside shares that would otherwise be issued to them to be sold and the sale proceeds remitted to that Selling Shareholder

³ which will comprise the combined oil, natural gas and natural gas liquids asset portfolios of Woodside and BHP Petroleum

⁴ or, if that amount is negative, Woodside will make a cash payment to BHP

⁵ Woodside has obtained relief from the Australian Securities and Investments Commission (**ASIC**) in relation to the operation of section 606 of the Corporations Act (**the Act**) with the result that shareholder approval is not being sought for the purpose of item 7 of s611 of the Act.

Woodside is an Australian integrated supplier of energy, holding a portfolio of operated and non-operated production, development and exploration oil, gas and liquefied natural gas (**LNG**) upstream/midstream projects. Woodside's principal petroleum assets include:

- its 16.67% operating interest in the North West Shelf Project, Western Australia (**NWS Project**), producing LNG, pipeline natural gas, condensate and liquefied petroleum gas (**LPG**)
- its 90% operating interest in the Pluto LNG Project, Western Australia (**Pluto LNG**), producing LNG, pipeline natural gas and condensate
- its 60% and 33.33% respective operating interests in two floating production, storage and offloading (**FPSO**) vessels operating offshore Western Australia (**Australia Oil**), producing oil and gas
- its 13% non-operating interest in the Wheatstone LNG project, Western Australia (**Wheatstone LNG**), producing LNG, pipeline natural gas and condensate, including from the Julimar-Brunello Project in which Woodside holds a 65% interest.

Woodside also has a number of advanced development projects in progress, including amongst others, the separate developments of the Scarborough gas resources located offshore Western Australia, the onshore Pluto Train 2 LNG processing facility and the Sangomar oil and gas field located offshore Senegal. In addition, Woodside holds an interest in a number of other Australian and international longer-term development/exploration assets.

Woodside also carries on marketing, trading and shipping activities and is developing a new energy business which is focused on maturing a portfolio of hydrogen and ammonia opportunities in Australia and internationally.

As at 24 March 2022, Woodside had a market capitalisation of A\$32,668 million⁶.

BHP is the world's largest diversified natural resources company by market capitalisation with over 80,000 employees and contractors, operating in over 90 locations around the world.

BHP Petroleum holds conventional oil and gas assets in the US Gulf of Mexico (**GOM**), Australia, Trinidad and Tobago, Algeria⁷ and Mexico, as well as appraisal and exploration options in Egypt, Trinidad and Tobago, central and western GOM, Eastern Canada and Barbados.

The Directors have requested KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Corporate Finance is a division) (**KPMG Corporate Finance**) prepare an Independent Expert Report (**IER**) to Woodside Shareholders in relation to the Proposed Transaction. The purpose of the IER is to set out whether, in our opinion, the Proposed Transaction is in the best interests of Woodside Shareholders as a whole.

⁶ All amounts are stated in Australian dollars (A\$ or AUD) unless specifically noted otherwise

⁷ BHP Petroleum is currently in the process of divesting its Algerian assets. The treatment of the Algerian assets is discussed in more detail in Section 9.2.8 below.

The specific terms of the resolutions to be approved by Woodside Shareholders in relation to the Proposed Transaction are set out in the Notice of Annual General Meeting and Explanatory Memorandum to which this report is attached (together the **Meeting Documents**).

The sole purpose of this report is an expression of the opinion of KPMG Corporate Finance as to whether the Proposed Transaction is in the best interests of Woodside Shareholders. This report should not be used for any other purposes or by any other party. Our opinion should not be interpreted as representing a recommendation to Woodside Shareholders to either vote for or against the Proposed Transaction, which remains a matter solely for individual Woodside Shareholders to determine.

This report should be considered in conjunction with and not independently of the information set out in the Meeting Documents in their entirety.

KPMG Corporate Finance's Financial Services Guide is contained in Part Two of this report.

2 **Technical Requirements**

There is no statutory requirement for Woodside to commission an IER in the present circumstances. However, it is a condition precedent to the Proposed Transaction that an IER is obtained, and the Directors recommendation of the Proposed Transaction is subject to, amongst other things, an independent expert concluding, and continuing to conclude, that the Proposed Transaction is in the best interests of Woodside Shareholders.

Accordingly, the Directors have engaged KPMG Corporate Finance to prepare an IER setting out whether, in our opinion, the Proposed Transaction is "in the best interests" of Woodside Shareholders taken as a whole.

2.1 **Basis of assessment**

In undertaking our work, we have referred to guidance provided by ASIC in its Regulatory Guides, in particular Regulatory Guide 111 'Content of expert reports' (**RG 111**) which outlines the principles and matters which it expects a person preparing an IER to consider.

Whilst RG 111 focuses principally on reports prepared for change of control transactions, it notes that the principles set out in the guide may be relevant to independent expert reports commissioned for other purposes. It also provides that in deciding on the appropriate form of analysis for a report, an expert should bear in mind that the main purpose of the report is to adequately deal with the concerns that could reasonably be anticipated of those persons affected by the proposed transaction.

Having regard to the purpose of our report, we consider that the principal matter required to be considered by us in assessing whether the Proposed Transaction is "in the best interests" of Woodside Shareholders, is whether the proposed transaction is "fair and reasonable" to Woodside Shareholders. RG111.18 notes in the context of a change of control transaction that:

- 'fair and reasonable' is not regarded as a compound phrase
- an offer is 'fair' if the value of the consideration is equal to or greater than the value of the shares subject to the offer
- an offer is 'reasonable' if it is 'fair'

- an offer might also be ‘reasonable’ if, despite being ‘not fair’, the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

In a change of control transaction, the independent expert report is prepared for the benefit of target company shareholders and the comparison of value is made assuming 100% ownership of the ‘target’ company. In the current circumstances:

- Woodside is the acquiring company and BHP Petroleum is the target
- Woodside Shareholders will, as a block, hold 52% of the Merged Group, and current Woodside Directors are expected to hold the significant majority of Board positions following completion of the Proposed Transaction
- Woodside Shareholders will continue to hold the same number of shares in Woodside both prior to and following completion of the Proposed Transaction⁸
- our report is being prepared for the benefit of Woodside Shareholders not BHP shareholders
- following completion, there will be no individual shareholder holding more than 7% in the Merged Group.

Accordingly, we consider the appropriate test in assessing whether the Proposed Transaction is fair to Woodside Shareholders is whether the value of a share in the Merged Group is greater than or equal to the value of a Woodside share prior to the Proposed Transaction.

In assessing the value of a share in the Merged Group, we have considered those synergies and cost savings reasonably able to be achieved that are expected to be available to Woodside in combining its existing portfolio of oil and gas assets with those held by BHP Petroleum. In addition, in order to ensure a consistent approach in the assessment of value, our analysis of both Woodside and the Merged Group has been undertaken on a 100% basis.

Reasonableness involves an analysis of qualitative and other factors that shareholders might consider prior to accepting an offer, such as, but not limited to:

- the rationale for the Proposed Transaction
- the relative contribution of each party to the Merged Group, including Reserves and Resources and near-term production levels
- the impact of the Proposed Transaction on Woodside’s gearing, near-term earnings per share (EPS), asset backing per share
- the impact on Woodside’s share register and the liquidity of the market in Woodside’s shares
- any conditions associated with the Proposed Transaction

⁸ Excluding the impact of new Woodside shares that might be issued to existing Woodside shareholders who are also shareholders in BHP at the record date

- the consequences of not approving the Proposed Transaction.

3 Opinion

As the Proposed Transaction is not a “control transaction” as defined by ASIC Regulatory Guides, the appropriate test in assessing whether it is fair to Woodside Shareholders is whether the value of a share in the Merged Group is greater than or equal to the value of a Woodside share prior to the Proposed Transaction.

We have assessed the full underlying value of Woodside as a standalone entity to be in the range of US\$16,978 million to US\$19,424 million, which equates to an assessed value per Woodside share of between A\$23.09 and A\$26.42⁹. This compares to our assessed full underlying value for the Merged Group in the range of US\$37,242 million to US\$42,302 million, which equates to an assessed value per Merged Group share of between A\$26.25 and A\$29.81.

We have also considered that based on our assessment of the full underlying value of Woodside and BHP Petroleum as standalone entities¹⁰, the aggregate 52% interest that Woodside Shareholders will hold in the Merged Group is broadly consistent with Woodside’s contribution to the Merged Group.

Based on these measures, the Proposed Transaction is, in our opinion, fair to Woodside Shareholders.

However, in considering this outcome we note that the Proposed Transaction is being undertaken:

- at a time of significant geopolitical unrest. The recent invasion of Ukraine by Russia has resulted in a large number of Russia’s trading partners imposing targeted trade and financial system sanctions on Russia, significantly impeding Russia’s ability to undertake foreign trade, including in respect to oil and gas transactions.

In addition, the United States (US), the United Kingdom (UK) and Australia have all announced bans on imports of Russian oil and gas and it is reported that the European Union (EU) is actively investigating ways in which it can reduce its reliance on Russian sourced oil and gas over the medium and long term.

This has led to significant global uncertainty in relation to both immediate supply shortfalls and longer-term continuity and security of supply chains, which in turn has resulted a sharp and rapid increase in benchmark oil prices

- during a period of continuing uncertainty as to the rate of overall global and regional recovery from the impact of Covid-19 variants
- against a background of increasing focus by the global community on environmental, social and governance issues (ESG), including in relation to climate change and the contribution of fossil fuels to global warming and the transition to clean energy alternatives.

⁹ Based on an AUD:USD exchange rate of approximately 0.747

¹⁰ Before the benefit of cost savings and other synergies expected to be realised as a result of the Proposed Transaction

Whilst the impact of Covid-19 can be expected to be resolved over the short to medium term, the war in Ukraine and the transition to clean energy have a much greater potential to bring about significant long term structural change in global energy markets.

For instance, it is not inconceivable that the UK' s and EU' s efforts to reduce reliance on Russian sourced oil and gas could, over the longer term, result in a redirection of volumes by other market participants away from Woodside' s and BHP Petroleum' s principal markets, allowing the Merged Group to increase sales in these markets. In addition, Russia is a significant supplier of LNG into Asia, and any ongoing reluctance in this market to accept delivery from Russia would potentially add further demand for Australian supply.

In terms of the transition to clean energy, it is generally accepted that over the period to at least 2050, there is likely, based on current policy settings, to be a significant increase in the level of global consumption of energy; however market opinion in relation to the role oil and gas will play in meeting that demand is much more unsettled, with the final outcome expected to be heavily influenced by the speed, extent and success at which the global community transitions to clean energy alternatives, including hydrogen.

In addition, various regulatory and commercial market risks have been amplified in recent times for participants in the fossil fuel sector, including amongst other things, the possibility of executive and legislative change, in relation to tightening of restrictions on emissions, approach to carbon pricing, tax structures and requirements for regulatory approvals. Furthermore, there is evidence that ESG issues are impacting the flow of capital market and debt funding to oil and gas companies.

Each of these issues are evolving market dynamics, which clearly won' t be fully resolved in the short term, however, it is clear that oil and gas companies with strong cash flow generation supported by well-balanced asset portfolios and a robust financial position will be best placed to navigate the energy market transition. In our view, the Proposed Transaction strengthens Woodside' s position in each of these areas.

It is important that Woodside Shareholders recognise oil and gas asset values are inherently subjective. Whilst we consider the production and operational assumptions developed by us in conjunction with Gaffney, Cline & Associates Pty Ltd (**GaffneyCline**)¹¹ in valuing the asset portfolios of Woodside and BHP Petroleum to be reasonable, and the macroeconomic assumptions adopted by us to reflect an appropriate mix of short-term factors and the potential for longer term structural change in the oil and gas industry, estimates of oil and gas asset values can change quickly and a range of credible operational and development scenarios could have been adopted, particularly in the current volatile environment, all of which could significantly impact value.

This being the case, whilst we have determined the Proposed Transaction to be fair and therefore, in accordance with RG111, the Proposed Transaction is also considered reasonable, we believe that proper evaluation of the Proposed Transaction requires Woodside Shareholders to consider both matters of value and also the broader commercial and qualitative aspects of the Proposed Transaction in deciding whether or not to vote for the Proposed Transaction, including:

¹¹ the independent petroleum industry specialist engaged by Woodside, but with its scope of work set by us

- the investment characteristics of holding a share in the Merged Group compared to continuing to hold a share in Woodside as a standalone entity
- the relative contribution by each entity to the Merged Group based on various metrics compared to the exchange ratio
- the implications for Woodside shareholders in the event the Proposed Transaction is not approved.

Having considered the issue of fairness and each of the factors above, including the consequences of not approving the Proposed Transaction, we are of the opinion that, in the absence of a superior offer, the Proposed Transaction is in the best interests of Woodside Shareholders.

Further information in relation to each of the above and other matters we have considered in forming our opinion is set out below.

The decision whether or not to approve the Proposed Transaction is a matter for individual Woodside Shareholders based on their views as to value, expectations about future market conditions and their particular circumstances including investment strategy and portfolio structure, risk profile and tax position. Woodside Shareholders should consult their own professional advisor, if in doubt, regarding the action they should take in relation to the Proposed Transaction.

3.1 Assessment of fairness

We have assessed the underlying value of Woodside on a 100% basis prior to the Proposed Transaction to be in the range of US\$16,978 million to US\$19,424 million; which equates to an assessed value per Woodside share of between approximately A\$23.09 to A\$26.42 as summarised in the table below.

Table 1: Summary of Woodside standalone assessed market values

| All figures in US\$ million (unless otherwise stated) | Reference | Assessed Values | |
|---|-----------|-----------------|---------------|
| | | Low | High |
| Market values of Woodside' s interests in petroleum assets | 11.3 | 23,180 | 25,615 |
| Less: Net (debt) / cash | 11.3.12 | (3,101) | (3,101) |
| Less: Net financial liabilities and other assets | 11.3.12 | (171) | (171) |
| Less: Put option for Scarborough (payable to BHP) | 11.3.12 | (593) | (419) |
| Less: Regret costs | 11.3.12 | (70) | (70) |
| Less: NPV of NWC movements | 11.3.12 | (687) | (703) |
| Less: NPV of future corporate overheads | 11.3.12 | (1,581) | (1,727) |
| Total equity value | | 16,978 | 19,424 |
| Number of ordinary shares (millions) ² | 11.3 | 984.0 | 984.0 |
| Value per share - US\$ | | 17.25 | 19.74 |
| Value per share - A\$³ | | 23.09 | 26.42 |

Source: GaffneyCline' s Independent Technical Specialist Report (ITSR) and KPMG Corporate Finance analysis

Notes:

1. May not add due to rounding
2. Current ordinary shares on issue include dividend reinvestment plan shares issued in March 2022
3. Based on an exchange rate of approximately AUD:USD 0.747

In comparison, we have assessed the value of a share in the Merged Group on an equivalent basis to be in the range of US\$37,242 million to US\$42,302 million, which equates to an assessed value per Merged Group share of between approximately A\$26.25 to A\$29.81, as summarised below.

Table 2: Summary of Merged Group assessed market values

| All figures in US\$ million (unless otherwise stated) | Reference | Assessed Values | |
|---|-----------|-----------------|----------------|
| | | Low | High |
| Woodside equity value | 11.3 | 16,978 | 19,424 |
| BHP Petroleum equity value | 11.5 | 19,064 | 20,443 |
| Add: Synergies expected to be achieved | 11.7 | 2,364 | 3,599 |
| Add: Woodside regret costs | 11.7 | 70 | 70 |
| Less: Transaction costs | 11.7 | (287) | (287) |
| Less: Dividend payment | 11.7 | (830) | (830) |
| Less: Locked box payment | 11.7 | (117) | (117) |
| Merged Group equity value | | 37,242 | 42,302 |
| Woodside ordinary shares | | 984.0 | 984.0 |
| Add: New Woodside shares to be issued | 11.7 | 914.8 | 914.8 |
| Merged Group shares (diluted) | | 1,898.7 | 1,898.7 |
| Merged Group value per share (US\$/share) | | 19.61 | 22.28 |
| Merged Group value per share (A\$/share)² | | 26.25 | 29.81 |

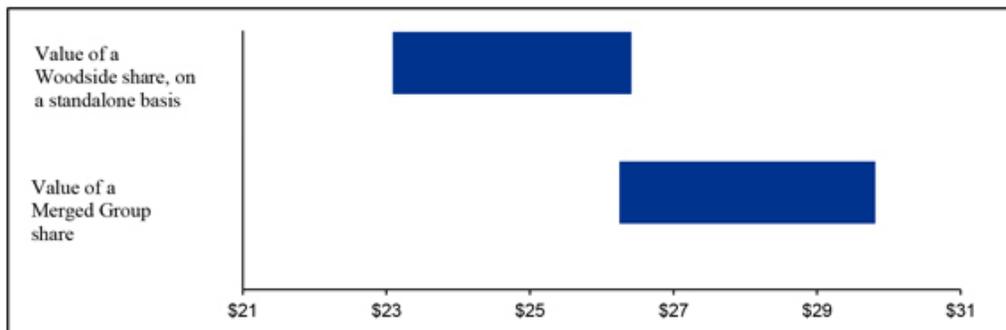
Source: GaffneyCline's ITSR and KPMG Corporate Finance analysis

Notes:

1. May not add due to rounding
2. Based on an exchange rate of approximately AUD:USD 0.747.

As our range of assessed values for a Woodside share prior to the Proposed Transaction lies predominately below our range of assessed values for a share in the Merged Group on an equivalent basis, as shown in the chart below, the Proposed Transaction is fair to Woodside Shareholders.

Figure 1 - Comparison of assessed values



Source: KPMG Corporate Finance analysis

We have assessed the value of the equity in Woodside prior to the Proposed Transaction on a “sum-of-the-parts” basis by aggregating the estimated market values of its interest in each of its current and planned operations on a standalone basis, its other petroleum related assets and assets considered to be surplus to the petroleum assets and deducting net borrowings and non-trading liabilities.

Similarly, we have assessed the value of the equity of the Merged Group on a “sum-of-the-parts” basis by aggregating the estimated market values of Woodside and BHP Petroleum interests in each of their current and planned operations, their other petroleum related assets and assets considered to be surplus to the petroleum assets and deducting net borrowings and non-trading liabilities.

Our range of values for the Merged Group also includes the benefit of various costs savings and operational benefits expected to be realised by the Merged Group in bringing together the separate asset portfolios of Woodside and BHP Petroleum.

Woodside expects these benefits to total more than US\$400 million per annum (pre-tax), of which in excess of US\$250 million relates to operating and corporate cost savings, which are typically easier to identify and realise, with the remaining US\$150 million relating to exploration expenditure. The benefit of these cost savings and synergies is expected to be realised progressively, with the full annual benefit achieved by 2024.

Woodside estimates that the implementation of the identified synergy opportunities would require one-off costs in the order of US\$500 million to US\$600 million to be incurred in the first two years following completion of the Proposed Transaction.

Whilst we consider there is a clear logic and basis for the level of synergies identified by Woodside, it is important to note that the realisation and final quantum of any benefit is not assured and will depend upon Woodside’s ability to successfully integrate the two businesses. After assessing the risk that the cost savings and synergies may not emerge to the extent anticipated, the timing for realisation may take longer than planned and that additional unanticipated costs of realisation may emerge, we have adopted a range of US\$2,364 million to US\$3,599 million in relation to the post-tax net present value of annual cost savings and synergies for the purpose of our assessed values of the Merged Group rather than a single point estimate. This equates to a value per share in the Merged Group of approximately A\$1.67 to A\$2.54.

Whilst the abovementioned synergies and cost savings are expected to be realised as a result of combining the operations of Woodside and BHP Petroleum, having regard to the nature of these synergies and the likely profile of an alternative acquirer, we do not consider them to be unique to a business combination with BHP Petroleum only and would be available to a pool of purchasers.

In arriving at our range of values for Woodside and the Merged Group, we have placed reliance on the assumptions prepared by GaffneyCline in relation to reasonable production scenarios, including appropriate production inventories, operational expenditure (**Opex**), capital expenditure (**Capex**) and decommissioning and restoration (**D&R**) profiles for each of Woodside’s and BHP Petroleum’s near-term and planned production projects. In addition, GaffneyCline has assessed the value of other petroleum assets where discounted cash flow (**DCF**) was not considered an appropriate valuation methodology.

3.1.1 Relative contributions - Full underlying value

The table below summarises the values contributed by Woodside and BHP Petroleum based on our range of full underlying values for each of Woodside and BHP Petroleum as standalone entities.

Table 3: Summary of Relative contributions - full underlying value

| US\$m | Section ref | Low | Relative contribution % | High | Relative contribution % |
|------------------------------|-------------|--------|-------------------------|--------|-------------------------|
| Full Underlying Value | | | | | |
| Woodside | 11.3 | 16,978 | 48 | 19,424 | 50 |
| BHP Petroleum ¹ | 11.5 | 18,234 | 52 | 19,613 | 50 |

Source: KPMG Corporate Finance analysis

Note 1: BHP Petroleum's underlying values have been reduced to reflect the dividend payable to BHP of US\$830 million in the event the Proposed Transaction is completed.

Woodside shareholders will collectively hold approximately 52% of the issued capital of the Merged Group, which exceeds Woodside's relative contribution to the underlying value of the Merged Group. We note that the above assessed values represent the full underlying value of Woodside and BHP Petroleum as standalone entities but do not include the benefit of any cost savings and other synergies that may be realised. Woodside Shareholders will collectively participate to the extent of 52% in any additional benefits realised.

Our assessed values for a Merged Group share of between A\$26.25 and A\$29.81 lie below Woodside's closing price of A\$33.20 per share on 24 March 2022. This may reflect:

- whilst our valuation of the Merged Group incorporates an uplift for the benefits of the Proposed Transaction, including for potential up to US\$400 million in annual pre-tax synergies and other costs savings expected by Woodside to be realised progressively over the period to 2024, it does not include any uplift for Woodside's expectation that the final quantum of costs savings and synergies could potentially exceed this amount
- the market is more bullish in relation to the value of the Merged Group's asset portfolio, either in relation to the technical and operational assumptions estimated by GaffneyCline, including GaffneyCline's assessment of the chance of development of various pre-production assets, or in relation to the macroeconomic assumptions adopted by us, including future commodity prices and discount rates. As noted, previously, given the current volatility in commodity markets, a range of macroeconomic assumptions could credibly be adopted, which has the potential to be accretive or dilutive to value. To assist readers in this regard we have included sensitivity analysis around key value drivers for each project in sections 11.3 and 11.5 of this report.

Our valuations of each of Woodside and BHP Petroleum and their underlying asset portfolios are set out in greater detail in Sections 11.3 and 11.5 of this report and in GaffneyCline's report is attached as Appendix 15.

We would normally also compare the share price implied by our standalone valuation of Woodside to Woodside's share price immediately prior to the Initial Announcement. However given the significant movement in the key commodity prices since the Initial Announcement, which are reflected in our valuation but not the Initial Announcement share price, we do not consider such an analysis would be meaningful.

3.2 Assessment of reasonableness

Whilst we have determined the Proposed Transaction to be fair based on our assessment of values and therefore, in accordance with RG 111, the Proposed Transaction is also considered reasonable, we have considered various matters that we believe Woodside Shareholders should also consider in deciding whether or not to vote for the Proposed Transaction. These include:

- the change in the investment characteristics of holding a share in the Merged Group compared to Woodside as a standalone entity, including that Woodside Shareholders will benefit from a larger, more financially robust, geographically diverse business, with the potential for increased liquidity and investor interest
- the Proposed Transaction is expected to increase Woodside's capacity to successfully navigate and take a leading position in relation to the transition to new energy
- the potential for Woodside Shareholders to participate in further operational and strategic synergies over and above those included by us in our assessed values for the Merged Group
- BHP Petroleum's asset base provides Woodside with immediate access to significant development and growth opportunities, within a timeframe that is unlikely to otherwise have been available to Woodside as a standalone entity
- Woodside has indicated that it does not intend, at this time, to change its dividend policy
- the exchange ratio is broadly supported by various financial and other relative contribution measures
- it is arguable that, in theory, completion of the Proposed Transaction may reduce the prospect of Woodside Shareholders receiving an offer for their shares inclusive of a full premium for control
- the Directors of Woodside have advised the market that they intend to unanimously recommend Woodside Shareholders approve the Proposed Transaction¹².

Having considered each of these factors and the consequences of not accepting the Proposed Transaction, we are of the opinion that, whilst there are various factors that may not be attractive to Woodside Shareholders, the benefits of holding a share in the Merged Group are sufficient to conclude that Woodside Shareholders will, on balance, be better off by approving the Proposed Transaction.

Further information in relation to each of the above and other matters we have considered in forming our opinion is set out below.

¹² Subject to no superior offer being received and the Independent Expert continuing to conclude that the Proposed Transaction is in the best interest of Woodside Shareholders

3.2.1 Investment characteristics of holding a share in the Merged Group

In our view there are a number of investment benefits for Woodside Shareholders in holding an interest in the Merged Group compared to that of holding a share in Woodside as a standalone entity:

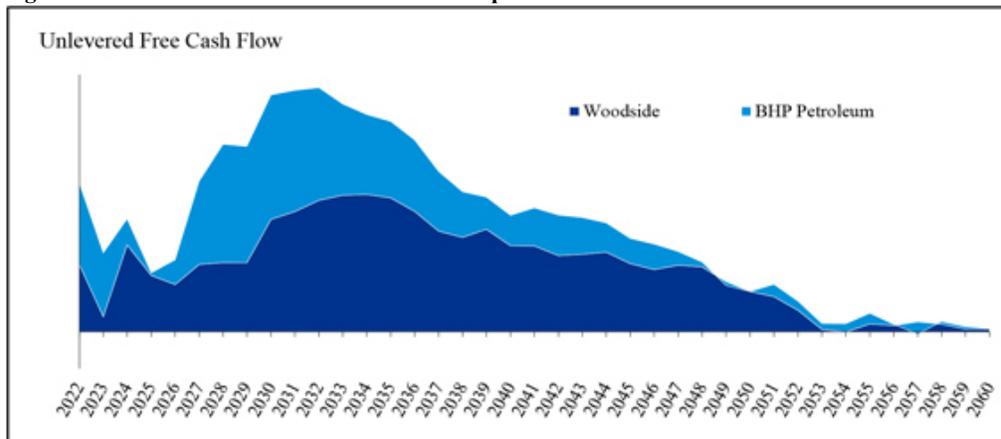
Stronger financial position

On completion of the Proposed Transaction, the Merged Group will hold, on a proforma 31 December 2021 basis, net tangible assets of approximately US\$29,389 million, with a relatively modest gearing in the order of 8%¹³, which compares to a net tangible asset base for Woodside on a standalone basis in the order of US\$14,229 million, with gearing of 22%. The fall in relative gearing levels reflects the benefit of BHP Petroleum’s net assets being acquired on a “cash-free, debt-free basis” and the acquisition being funded by the issue of new scrip rather than by cash.

This level of gearing compares to Woodside’s stated target gearing for the Merged Group in range of 15% - 35%, which is broadly consistent with the level of gearing currently employed by other large conventional oil and gas producers.

We also note that, as illustrated in figure 2 below, the combination of Woodside’s and BHP Petroleum’s assets is expected to significantly improve the level of net free cash flows available to the Merged Group, crucially, in the initial years when Woodside is looking to bring Scarborough/Pluto Train 2 and Sangomar into production, whilst also continuing to advance other growth opportunities, including its New Energy ambitions.

Figure 2 – Profile of net free cash flows over the period to 2060¹⁴



Source: KPMG Corporate Finance analysis

¹³ which includes lease liabilities and other financial liabilities. In the event these liability categories are excluded, the Merged Group’s proforma gearing falls to 4%, which compares to the gearing of Woodside’s as a standalone entity of 15% on the same basis.

¹⁴ Net free cash flows are based on the production; and operational, capital and D&R expenditure profiles assessed by GaffneyCline and the macroeconomic assumptions determined by KPMG Corporate Finance but are before exploration expenditure and the realisation of any operational and other cost savings and synergies.

On 16 December 2021, Moody's re-affirmed Woodside's Baa1¹⁵ investment grade credit rating, with a negative outlook, noting that as a result of the significant spending and execution risks associated with the Scarborough/Pluto Train 2 project, it expected that, in the absence of the Proposed Transaction and/or further sell downs of project stakes, Woodside's credit metrics "will be at weak levels for the rating, which could lead to a downgrade without other initiatives to improve its financial profile".

Moody's also observed that Woodside's credit profile could weaken further in the absence of the Proposed Transaction, in part, reflecting BHP's put option for the sale of its stake in the Scarborough project to Woodside, which if exercised, would require Woodside to fund in the order of an additional US\$1,000 million without the cash flow that completion of the Proposed Transaction would provide.

Moody's advised that its affirmation also considered the potential positive impacts of the Proposed Transaction, which "would significantly increase the scale of Woodside's production and reserves, while materially improving diversity and providing substantial additional cash flow to fund growth" and that, completion of the Proposed Transaction would strengthen Woodside's credit profile to more appropriate levels for its rating.

On 31 December 2021, S&P Global Ratings affirmed Woodside's at BBB+¹⁶ investment grade credit rating, with a negative outlook.

Accordingly, in comparison to Woodside as a standalone entity, completion of the Proposed Transaction can be expected to provide greater scope for the Merged Group to source additional, and potentially cheaper, funding to progress its strategic initiatives.

Geographical, end-market and product mix diversification

At present, Woodside's asset portfolio is principally focussed on LNG production and development projects, largely concentrated on the west coast of Australia, with its current LNG, LPG, condensate and oil production sold to customers primarily in Asia and its domestic gas (**domgas**) sold to customers in Western Australia. Whilst Woodside also holds interests in overseas oil and gas development projects, including in Senegal (Sangomar), Canada and Timor-Leste¹⁷, none of these are currently in production.

In contrast, the Merged Group will, in addition to the Woodside's existing projects, also hold BHP Petroleum's producing and development conventional oil and gas assets located in the GOM, Trinidad and Tobago and Mexico and on the east coast of Australia. In addition, BHP Petroleum also holds interests in the Woodside operated NWS Project and the Scarborough project, which will be consolidated by the Merged Group.

BHP Petroleum's domgas production is largely sold on the east coast of Australia, whilst crude oil and gas is sold to customers in Japan, South Korea and China. Crude oil production from BHP Petroleum's operations in the GOM is sold into global oil markets, with gas volumes sold into the US domestic gas market. Crude oil from BHP Petroleum's Trinidad and Tobago operations is similarly sold into global oil markets, with gas volumes sold into the local gas market.

¹⁵ Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category

¹⁶ Obligations rated BBB are considered to have adequate capacity to meet financial commitments, but more subject to adverse economic conditions

¹⁷ Woodside has indicated it intends to exit its current projects in Myanmar

As a result of the combination of the oil and gas assets of Woodside and BHP Petroleum, the Merged Group will have a more balanced geographical, production and customer mix, which should translate to a reduced level of risk to overall portfolio values from any economic, regulatory or other shocks in any individual market.

Potential for increased liquidity in share trading and increased investor interest, but also for short term overhang

With a pro-forma market capitalisation following completion of the Proposed Transaction of A\$63,038 million¹⁸, the Merged Group will be a top 10 company by market capitalisation¹⁹ on the ASX. This should result in a greater weighting being applied to its shares by fund and index managers in terms of investment allocations. Coupled with a much broader shareholder base and secondary listings on the NYSE and LSE, there is a reasonable basis to expect an increased level of trading in Woodside shares and a growing level of interest by international investors, which may translate into a positive re-rating of the Merged Group compared to Woodside as a standalone company (although it is arguable given the time that has elapsed since the Initial Announcement, an element of re-rating may already be reflected in Woodside's current share price).

Potentially offsetting this benefit to some extent, at least in the short term, is the prospect for increased volatility in the Merged Group's share price immediately following completion of the Proposed Transaction.

Woodside shares that would otherwise have been issued to "Ineligible Foreign Shareholders"²⁰ and potentially "Selling Shareholders"²¹ for the purpose of the Proposed Transaction will be sold by a nominated sales agent and the net proceeds after costs remitted to the relevant BHP shareholder. Depending upon the volume of shares to be sold and the structure of the realisation program followed by the nominated sales agent, there is a potential for a temporary overhang in Woodside shares, adversely impacting trading prices, until cleared.

Furthermore, as noted previously in section 1 above, BHP is the world's largest diversified natural resources company by market capitalisation. It is possible that certain current BHP shareholders may not wish to hold shares in a company with a principal focus and exposure to oil and gas assets and, as a result, may also seek to realise the Woodside shares issued to them in the period following completion of the Proposed Transaction.

¹⁸ Based on Woodside's closing share price of A\$33.20 on 24 March 2022 and 1,898.7 million shares on issue in the Merged Group

¹⁹ as at 24 March 2022

²⁰ being a BHP shareholder, whose address shown in the register of members of BHP is in a jurisdiction where BHP determines (acting reasonably and following consultation with Woodside) that it would be unlawful, unduly impracticable (in each case in respect of either BHP or Woodside) to distribute the new Woodside shares

²¹ BHP may, at its discretion, offer Selling Shareholders a voluntary sale facility, whereby BHP Shareholders with less than a certain number of BHP Shares may elect for Woodside shares that would otherwise be issued to them to be sold and the sale proceeds remitted to that Selling Shareholder

As a result, existing Woodside Shareholders wishing to realise their existing Woodside shares in an orderly manner, may not be able to do so at an “undisturbed” price for an unknown period of time.

3.2.2 The Proposed Transaction is expected to allow Woodside to take a leading position in relation to the transition to new energy

Woodside has previously announced that it is targeting a 15% equity net emissions reduction by 2025, and a 30% equity net emissions reduction by 2030, with an aspiration to achieve net zero by 2050²². Woodside expects these targets to be maintained for the Merged Group.

In addition, Woodside is pursuing opportunities to commercialise new energy products and lower-carbon services as part of its broader product mix. In December 2021, Woodside announced a new target to invest US\$5,000 million in new energy products and lower-carbon services by 2030, assuming the Proposed Transaction is completed.

In addition to being more financially robust and better placed to pursue its new energy initiatives, the combination of the Woodside’s and BHP Petroleum’s skilled workforce can also be expected to deepen the Merged Group’s technical capabilities and its ability to manage the new energy transition issues facing the company.

3.2.3 Potential to realise further synergies and cost savings over and above those included in our range of assessed values for the Merged Group

Woodside’s evaluation of synergy opportunities yielded an initial target of over US\$400 million in annual cost savings, which are expected to be realised progressively in the period after completion of the Proposed Transaction, with full implementation expected by early 2024. These costs savings and synergies have been reflected in our range of assessed values for the Merged Group.

As the integration process of Woodside and BHP Petroleum is undertaken, Woodside expects to identify further synergies and value creation opportunities in addition to the identified synergy opportunities above.

To the extent that further benefits are realised, Woodside Shareholders will, in aggregate, have a 52% interest in any upside realised.

3.2.4 Completion of the Proposed Transaction provides immediate access to development and growth opportunities

Woodside will, in addition to various production assets, gain immediate access to a suite of project development options through the acquisition of BHP Petroleum’s asset portfolio, including various sanctioned (being executed) and unsanctioned projects (unexecuted and awaiting FID) projects.

Immediate access to the operational cash flows provided by BHP Petroleum’s production assets and to a wider suite of development opportunities provides Woodside with increased optionality in terms of capital allocation and project sequencing with the view to maximising return on both Woodside’s existing development portfolio and those acquired with BHP Petroleum.

²² Target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas emissions over 2016-2020 and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets with a Final Investment Decision (FID) prior to 2021. Following completion of the Proposed Transaction, the starting base will be adjusted for the combined Woodside and BHP petroleum portfolio

Woodside's capital requirements in relation to the Scarborough/Pluto Train 2 and Sangomar projects over the near future, mean that it is unlikely that Woodside would, in the absence of the Proposed Transaction or a similar inorganic transaction, be able to replicate a similar project portfolio in the foreseeable future, nor would it be able to pursue its investment into new energy initiatives to the same extent.

3.2.5 Woodside dividend policy is expected to remain unchanged

Woodside has indicated that its current dividend policy is expected to be unchanged following completion of the Proposed Transaction.

The Woodside Board has the responsibility of approving dividends. The Woodside Board has determined there will be no change to Woodside's dividend policy of a minimum of 50% of net profit after tax excluding non-recurring items in dividends. The Woodside Board's dividend payout ratio target is between 50% to 80% of net profit after tax, excluding non-recurring items, subject to market conditions and investment requirements. Woodside will maintain the flexibility to consider opportunities to provide additional returns to shareholders through special dividends and share buy-backs in periods of excess cash generation.

3.2.6 The relative contribution of each entity to the Merged Group is broadly consistent with the exchange ratio

The table below shows the contribution of Proved and Probable (2P) Reserves²³ and 2C Contingent Resources²⁴, production and certain earnings measures that Woodside and BHP Petroleum will make to the Merged Group relative to the merger terms.

Table 4: Relative contributions to the Merged Group as at 31 December 2021

| Relative Contributions | Woodside | BHP Petroleum | Contribution% | |
|---|----------------|------------------|---------------|------------------|
| | | | Woodside | BHP Petroleum |
| Reserves and Resources as at 31 December 2021^{1, 2} | | | | |
| 2P (liquids ³) million barrels (MMbbl) | 247.0 | 560.4 | 30.6% | 69.4% |
| 2P (gas) million barrels oil equivalent (MMboe) ⁴ | 2,157.4 | 916.7 | 70.2% | 29.8% |
| Total 2P (MMboe) | 2,404.3 | 1,477.1 | 61.9% | 38.1% |
| 2C (liquids ³) (MMbbl) | 590.0 | 558.8 | 51.4% | 48.6% |
| 2C (gas) (MMboe) | 3,961.0 | 823.8 | 82.8% | 17.2% |
| Total 2C (MMboe)⁵ | 4,551.0 | 1,382.6 | 76.7% | 23.3% |
| Production (MMboe) | | | | |
| CY21 (actual) ⁶ | 91.1 | 102.3 | 47.1% | 52.9% |
| CY22 (projected) ⁷ | 93.2 | 114.5 | 44.9% | 55.1% |

²³ 2P Reserves are proved reserves plus reserves that are deemed probable (at least 50 per cent likely) to be commercially recoverable

²⁴ 2C Contingent Resources is the best estimate of contingent resources. Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.

| Relative Contributions | Woodside | BHP Petroleum | Contribution% | |
|---------------------------------------|----------|---------------|---------------|---------------|
| | | | Woodside | BHP Petroleum |
| Earnings (\$ millions) | | | | |
| CY21 Underlying EBITDA ^{8,9} | 4,135 | 4,349 | 48.7% | 51.3% |
| CY21 Underlying NPAT ^{10,11} | 1,620 | 885 | 64.7% | 35.3% |

Source: GaffneyCline's ITSR, Woodside 2021 Annual Report, BHP Petroleum 2HY21, FY21 and 2HY20 financial reports and KPMG Corporate Finance analysis

Notes:

1. Reserves and Resources included in the table above may differ from those reported by Woodside and BHP Petroleum (including those reported in Tables 7, 8, 9, 22 and 23 below) as the above figures reflect GaffneyCline's assessment of Reserves and Resources as set out in the ITSR
2. Gas Reserves in the table above are inclusive of volumes consumed in operations (CIO or fuel) per GaffneyCline's ITSR
3. Liquids reserves and resources includes oil, condensate, natural gas liquids and LPG
4. BHP Petroleum's net gas Reserves and Resources have been converted from billion cubic feet (Bcf) to MMBoe by dividing by a conversion factor of 6.0 for all assets except the NWS Project, NWS Oil and Scarborough (including Thebe and Jupiter), where a conversion factor of 5.8 has been adopted (consistent with the factor adopted by KPMG Corporate Finance for the Woodside interest in those projects)
5. 2C Contingent Resources in this table are BHP Petroleum's working interest fraction of the gross field resources
6. Production from Algeria and Neptune is excluded from BHP Petroleum production
7. Projected CY22 production has been based on the aggregate of the production profiles prepared by GaffneyCline for each of the individual assets
8. Underlying EBITDA for Woodside has been calculated as profit before tax add net finance costs, depreciation and amortisation and net impairment costs
9. Underlying EBITDA for BHP Petroleum has been calculated as profit before tax add net finance costs, depreciation and amortisation, net impairment costs, onerous lease costs, exploration leases and other one-off costs
10. Underlying NPAT for Woodside excludes amounts relating to cost write-offs, impairment losses, impairment reversals and prior period impacts
11. Underlying NPAT for BHP Petroleum has been calculated as profit before tax add net finance costs, net impairment costs, office onerous lease costs, exploration lease costs and other costs.

This analysis indicates that:

- whilst BHP Petroleum is contributing significantly less than the exchange ratio in relation to both aggregate 2P Reserves and 2C Contingent Resources on an MMboe basis, it is contributing approximately 69% of 2P liquids Reserves and 49% of 2C liquids Contingent Resources, which we consider to be one of the key drivers of the Proposed Transaction in terms of the Merged Group's near term cash flows and earnings
- BHP Petroleum is contributing approximately 53% of actual CY21 MMboe production and a similar contribution to projected CY22 MMboe production
- BHP Petroleum is contributing approximately 51% of underlying CY21 EBITDA
- BHP Petroleum is contributing approximately 35% to the Merged Group's CY21 underlying NPAT. This figure includes US\$311 million in relation to BHP Petroleum pre-tax finance charges, which given the BHP Petroleum assets are being acquired on a cash-free, debt-free basis should be added-back. In addition, Woodside has identified that in order to achieve consistency with its accounting policies, a further net negative post tax adjustment of US\$156 million is required. Adjusting for these would increase BHP Petroleum's relative contribution to 39%.

Having regard to each of the above measures individually and in aggregate, we consider the relative contribution of BHP Petroleum to be broadly supportive of the exchange ratio.

3.2.7 **The potential for Woodside Shareholders to receive an offer for their shares inclusive of a full control premium may, in theory, be reduced**

Whilst following completion of the Proposed Transaction the Merged Group's share register will be open, with no single shareholder holding over 7% of its share capital, Woodside will be of a size that:

- there is no other logical domestic industry purchaser for the whole of Woodside
- the pool of potential international purchasers with the financial capacity to complete a takeover will be reduced and the likelihood of receiving approval for any acquisition under Australia's Foreign Acquisition and Takeovers Act may be problematic.

However, with a current market capitalisation of A\$32,668 million, as at 24 March 2022, it is reasonably arguable that the pool of potential acquirers for Woodside as a standalone entity is already limited and would likely face the same regulatory hurdles.

Accordingly, whilst in theory completion of Proposed Transaction may reduce the prospects of Woodside Shareholders receiving an offer for their shares, this is unlikely to be a significant disadvantage.

3.3 **Consequences of not approving the Proposed Transaction**

In the event that the Proposed Transaction is not approved or any conditions precedent prevents the Proposed Transaction from being implemented, Woodside will continue to operate in its current form and remain listed on the ASX. As a consequence:

- Woodside Shareholders will collectively continue to hold 100% of the issued capital of Woodside
- the implications of the Proposed Transaction, as summarised above, will not occur
- Woodside Shareholders will continue to be exposed to the benefits and risks associated with an investment in Woodside, which, over the medium to longer term, will, based on its current strategy, be closely aligned to the success or otherwise of the future development of the Scarborough/Pluto Train 2 and Sangomar projects as they move through their development and operational cycles
- BHP Petroleum will retain the right to exercise the put option for the sale of its interest in the Scarborough project, which, if exercised, will result in a significant leakage of funds from Woodside, along with, in the absence of a sell-down, an increased capital commitment during Scarborough's construction phase, placing pressure on Woodside's free cash flow position ahead of production, currently scheduled for 2026
- there is the potential for Woodside's credit rating to be downgraded, which, all other things equal, could lead to an increase in Woodside's cost of funding
- the Woodside dividend payable to BHP in the event the Proposed Transaction is completed will not be paid. This payment, which totals approximately US\$830 million is, in effect, the payment to BHP representing the cash dividend that would have been received by BHP shareholders had they had Woodside shareholders as at 1 July 2021

- Woodside will not receive any “locked box payment” representing the net cash flow generated by BHP Petroleum over the period since 1 July 2021 to completion. Woodside has estimated this net cash inflow to be in the order US\$900 million as at 31 December 2021 prior to accounting for any cash held in bank accounts beneficially controlled by BHP Petroleum
- A break fee may be payable depending upon the circumstances leading to the Proposed Transaction not proceeding
- Woodside will have incurred various costs related to the Proposed Transaction that will still be required to be paid. Woodside estimates that costs incurred will total in the order of US\$100 million, pre-tax.

Our opinion is based solely on information available as at the date of this report as set out in Appendix 2 of this report. We note that we have not undertaken to update our report for events or circumstances arising after the date of this report other than those of a material nature which would impact upon our opinion. We also refer readers to the limitations and reliance on information set out below in section 6 of our report.

4 Other matters

In forming our opinion, we have considered the interests of Woodside Shareholders as a whole. This advice therefore does not consider the financial situation, objectives or needs of individual Woodside shareholders. It is not practical or possible to assess the implications of the Proposed Transaction on individual Woodside shareholders as their financial circumstances are not known to us. The decision of Woodside shareholders as to whether to approve the Proposed Transaction is a matter for individuals based on, amongst other things, their risk profile, liquidity preference, investment strategy and tax position. Individual Woodside shareholders should therefore consider the appropriateness of our opinion to their specific circumstances before acting on it. As an individual’s decision to vote for or against the proposed resolutions may be influenced by his or her particular circumstances, we recommend that individual Woodside Shareholders, including residents of foreign jurisdictions, seek their own independent professional advice.

We understand that Woodside intends to seek a secondary listing of its shares on certain overseas stock exchanges and that this report may be required to be filed, purely for information purposes, with certain overseas regulatory authorities, along with other documentation, to facilitate these secondary listings. Readers of this report should note that our report has been prepared:

- having principal regard to relevant provisions of Australian legislation and other applicable Australian regulatory requirements
- solely for the purpose of assisting Woodside Shareholders in considering the Proposed Transaction and for no other purpose.

We do not assume any responsibility or liability to any other party as a result of reliance on or use of this report for any other purpose.

Neither the whole nor any part of this report or its attachments or any reference thereto may be included in or attached to any document, other than the Meeting Documents to be sent to Woodside Shareholders in relation to the Proposed Transaction, without the prior written consent of KPMG Corporate Finance as to the form and context in which it appears. KPMG Corporate Finance consents to the inclusion of this report in the form and context in which it appears in the Explanatory Memorandum.

All figures set out in this report are in nominal terms unless otherwise noted.

References to:

- financial years have been abbreviated to FY
- calendar years have been abbreviated to CY (where different to the relevant entity' s FY)
- 6-month periods of a financial year have been abbreviated to HY.

The above opinion should be considered in conjunction with and not independently of the information set out in the remainder of this report, including the appendices.

Yours faithfully

Jason Hughes
Authorised Representative

Bill Allen
Authorised Representative

Sean Collins
Authorised Representative

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5 Summary of the Proposed Transaction

5.1 Consideration

The principal terms of the Proposed Transaction as they affect Woodside Shareholders are, in broad terms, that in consideration for the acquisition of 100% of the issued capital of BHP Petroleum on a cash and debt free basis with an effective date of 1 July 2021, Woodside will:

- issue new ordinary Woodside shares to BHP, equivalent to an approximate 48% shareholding in the Merged Group upon implementation. BHP will in turn immediately distribute these new Woodside shares to eligible BHP shareholders as a special dividend, which BHP intends to fully frank
- in the event that the net post-tax cashflows from the ordinary operations of BHP Petroleum (including any capital expenditure and/or receipts from the disposal of specified fixed assets) in the period between the Effective Date and completion of the Proposed Transaction are negative, re-imburse BHP the shortfall, or, in the event these net post-tax cash flows are positive, BHP will pay to Woodside this amount
- make a cash payment to BHP in relation to cash dividends paid by Woodside between the Effective Date and completion that would have been received by BHP had the Merger Consideration been paid on the Effective Date
- settle/receive the benefit of any other adjustments to the purchase consideration that may be required, either positive or negative, as a result of the operation of the SSA not captured in the abovementioned limbs.

5.2 Conditions precedent

Completion of the Proposed Transaction is subject to the satisfaction²⁵ of a number of conditions precedent as set out in the SSA, including, but not limited to:

- all regulatory and other approvals, consents, clearances and permissions to give the Proposed Transaction effect having been obtained from all relevant bodies, including, amongst others, the Australian Competition and Consumer Commission (ACCC), the National Offshore Petroleum Titles Administrator, ASIC, ASX, the Committee on Foreign Investment in the US, and, if required, the Foreign Investment Review Board
- Woodside Shareholders approving the merger resolution
- the independent expert concluding that the Proposed Transaction is in the best interests of Woodside Shareholders and maintaining that opinion until Woodside Shareholders meet to vote on the Proposed Transaction
- each US Registration Statement has been declared effective by the US Securities and Exchange Commission (SEC) in accordance with the provisions of the US Securities Act and the US Exchange Act, as applicable

²⁵ Certain conditions precedent are able to be waived

- approval by various foreign jurisdiction regulatory competition authorities including in Trinidad and Tobago, the People's Republic of China, Japan, Mexico, Vietnam and Barbados.

As at the date of this report, Woodside has confirmed that it is not aware of any reason to expect that the conditions precedent will not be satisfied or waived as required.

5.3 London Stock Exchange and New York Stock Exchange listings

Woodside must use its reasonable to endeavours to secure the approval of the regulatory authorities, the LSE and the NYSE that its shares, including the Woodside securities to be issued as consideration for the Proposed Transaction, will be listed on each bourse.

5.4 Termination

Both Woodside and BHP have the right to terminate the SSA in certain specified circumstances, including as a result of, inter alia:

- the inability to satisfy a specified condition precedent by 30 June 2022²⁶ (**the Cut-Off Date**)
- a material breach by the other party of its obligations and/or the warranties given under the SSA, provided that in the case of a warranty breach, the loss can reasonably be expected to exceed US\$500 million
- a half or more of the other party's Board members or (only as expressly permitted under the SSA) a majority of the company's own Board withdraw their support for the Proposed Transaction
- a material adverse event or change in condition or circumstances of the other party as defined in the SSA
- certain prescribed circumstances.

5.5 Reimbursement fee

Woodside must pay to BHP and BHP must pay to Woodside a reimbursement fee of US\$160 million in certain specified events and circumstances (**Reimbursement Fee**), including, inter alia, due to the termination of the SSA for a material breach of obligations or warranties which is unable to be remedied as required.

Further details in relation to the Proposed Transaction are set out in sections 3 and 10 of the Explanatory Memorandum to which this report is attached, and in Woodside's and BHP's announcements to the ASX on 17 August 2021 and 22 November 2021.

²⁶ which may be extended by agreement between the parties or in limited circumstances set out in the SSA

6 Scope of the report

6.1 Purpose

This report has been prepared by KPMG Corporate Finance for inclusion in the Explanatory Memorandum to accompany the Notice of Meeting convening a meeting of Woodside Shareholders on or around 19 May 2022. The purpose of the meeting will be to seek approval of the Proposed Transaction.

6.2 Limitations and reliance on information

In preparing this report and arriving at our opinion, we have considered the information detailed in Appendix 2 of this report. In forming our opinion, we have relied upon the truth, accuracy and completeness of any information provided or made available to us without independently verifying it. Nothing in this report should be taken to imply that KPMG Corporate Finance has in any way carried out an audit of the books of account or other records of either Woodside or BHP Petroleum for the purposes of this report.

Further, we note that an important part of the information base used in forming our opinion is comprised of the opinions and judgements of management. In addition, we have also had discussions with Woodside's management and BHP Petroleum in relation to the nature of Woodside's and BHP Petroleum's business operations, its specific risks and opportunities, its historical results and its prospects for the foreseeable future. This type of information has been evaluated through analysis, enquiry and review to the extent practical. However, such information is often not capable of external verification or validation.

Woodside has been responsible for ensuring that information provided by it or its representatives is not false, misleading or incomplete. Complete information is deemed to be information which at the time of completing this report should have been made available to KPMG Corporate Finance and would have reasonably been expected to have been made available to KPMG Corporate Finance to enable us to form our opinion.

We have no reason to believe that any material facts have been withheld from us but do not warrant that our inquiries have revealed all of the matters which an audit or extensive examination might disclose. The statements and opinions included in this report are given in good faith, and in the belief that such statements and opinions are not false or misleading.

The information provided to KPMG Corporate Finance and GaffneyCline, the independent oil and gas technical specialist retained to assist us in the valuation of Woodside and BHP Petroleum, included forecasts/projections and other statements and assumptions about future matters (**forward-looking financial information**) prepared by the management of Woodside, including, but not limited, to cash flow forecasts for each of Woodside's and BHP Petroleum's production and development/growth assets.

Whilst KPMG Corporate Finance and GaffneyCline have relied upon this forward-looking financial information in preparing this report, Woodside remains responsible for all aspects of this forward-looking financial information. The forecasts and projections as supplied to us, including those provided by GaffneyCline, are based upon assumptions about events and circumstances which have not yet transpired. We have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to any forward-looking financial information, however we have made sufficient enquiries to satisfy ourselves that such information has been prepared on a reasonable basis. In making this assessment we have taken the following into account:

- Woodside has sophisticated management and reporting processes and is subject to the reporting requirements of a public company listed on the ASX and registered under the Act
- Woodside completed a significant level of due diligence enquiry in relation to the BHP Petroleum assets and the findings of these enquiries were reflected in Woodside's forecast operational cash flows for BHP Petroleum
- KPMG Corporate Finance issued GaffneyCline, an independent and highly experienced petroleum industry technical specialist, with a scope of work to undertake various enquiries in relation to the forecast project information for Woodside and BHP Petroleum, including a review of technical and operational data and holding discussions with management in regard to the technical and operational assumptions underlying the forecast operations of both Woodside and BHP Petroleum. GaffneyCline has, where necessary, made adjustments to reflect its judgement and provided its preferred forecast production, operational and cost schedules to KPMG Corporate Finance
- the starting point for GaffneyCline's work was operational plans provided by Woodside to GaffneyCline for each production/development asset. GaffneyCline also received information directly from BHP
- GaffneyCline has considered the requirements of the VALMIN Code in relation to appropriate valuation methodologies having had regard to the development status of each project
- Woodside reports its petroleum resource estimates using definitions and guidelines consistent with the 2018 Society of Petroleum Engineers /World Petroleum Council /American Association of Petroleum Geologists /Society of Petroleum Evaluation Engineers / Society of Exploration Geophysicists / Society of Petrophysicists and Well Log Analysts / European Association of Geoscientists & Engineers Petroleum Resources Management System
- BHP Petroleum's proved reserves (**1P**)²⁷ are estimated and reported according to the United States Securities and Exchange Commission (**SEC**) regulations and determined in accordance with SEC Rule 4-10(a) of Regulation S-X
- GaffneyCline held discussions with both Woodside's and BHP Petroleum's management teams and technical experts and considered both in-house and external supporting information, including economic models and other technical data, in determining its underlying assumptions
- where relevant, GaffneyCline has adopted macroeconomic assumptions determined by us.

²⁷ 1P Reserves are proved reserves. Proved oil and gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs and under existing economic and operating conditions. If deterministic methods are used, the term "reasonable certainty" is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.

Further detail in relation to the involvement of GaffneyCline and a summary of its projections is set out in sections 9 and 10. A copy of GaffneyCline's full report is also included at Appendix 15 to this report.

Notwithstanding the above, KPMG Corporate Finance cannot provide any assurance that the forward-looking financial information will be representative of the results which will actually be achieved during the forecast period. Any variations in the forward-looking financial information may affect our valuation and opinion.

It is not the role of the independent expert to undertake the commercial and legal due diligence that a company and its advisers may undertake. The Directors of Woodside, together with its legal and financial advisers, are responsible for conducting due diligence in relation to the Proposed Transaction. KPMG Corporate Finance provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process, which is outside our control and beyond the scope of this report. We have assumed that the due diligence process has been and is being conducted in an adequate and appropriate manner.

The opinion of KPMG Corporate Finance is based on prevailing market, economic and other conditions at the date of this report but corresponds with a period of significant geopolitical unrest as a result of the invasion of Ukraine by Russia, which has resulted in a large number of Russia's trading partners imposing targeted trade and financial system sanctions against Russia, significantly impeding Russia's ability to undertake foreign trade, including in respect to oil and gas transactions. In addition, various countries have implemented a ban on imports of Russian oil and gas and the European Union is actively investigating ways in which they can reduce its reliance on Russian sourced oil and gas over the medium and long term. Both of these factors have contributed to a rapid and sharp increase in spot prices of various commodities on supply concerns, this, coupled with the uncertainty as to the rate of recovery from the unprecedented social and community disruption as a result of Covid-19 and the uncertainty as to the extent and rate of take of alternative clean energy sources, means various estimates of macroeconomic inputs to assessment of value have required a greater degree of subjectivity than usual. To the extent possible, we have reflected these conditions in our report. However, any subsequent changes in these conditions on the global economy and financial markets generally, and Woodside and BHP Petroleum specifically, could impact upon value in the future, either positively or negatively. We note that we have not undertaken to update our report for events or circumstances arising after the date of this report other than those of a material nature which would impact upon our opinion.

Certain market and industry data used in this presentation may have been obtained from research, surveys or studies conducted by third parties, including industry and general publications, KPMG Corporate Finance has not verified any market or industry data provided by third parties or industry or general publications.

6.3 Disclosure of information

In preparing this report, KPMG Corporate Finance has had access to all financial information considered necessary in order to provide the required opinion. Woodside has requested KPMG Corporate Finance limit the disclosure of some commercially sensitive information relating to Woodside, BHP Petroleum and their subsidiaries. This request has been made on the basis of the commercially sensitive and confidential nature of the operational and financial information of the operating entities comprising Woodside and BHP Petroleum. As such the information in this report has been limited to the type of information that is regularly placed into the public domain by Woodside.

6.4 Reliance on Technical Expert

ASIC Regulatory Guides envisage the use by an independent expert of specialists when valuing specific assets. To assist KPMG Corporate Finance in the valuation of both Woodside's and BHP Petroleum's portfolios of assets the subject of the Proposed Transaction, GaffneyCline was engaged by Woodside, but with its scope of work determined by us, to prepare an ITSR in relation to the forecast development, operational and cost assumptions for each of Woodside's and BHP Petroleum's production and, where appropriate, development/growth assets as well as the valuation of any other petroleum interests, such as contingent and/or prospective resources and other early stage petroleum assets or targets held by the entities. A copy of GaffneyCline's ITSR, dated March 2022, is attached to this report at Appendix 15.

GaffneyCline's ITSR was prepared in accordance with the requirements of the Australasian Code for Public Reporting of Technical Assessment and Valuation of Mineral and Petroleum Assets (2015 Edition) (**the VALMIN Code**) to the extent applicable and ASIC Regulatory Guides.

ASIC Regulatory Guides recommend the fees payable to the technical specialists be paid in the first instance by the independent expert and claimed back from the party commissioning the independent expert. KPMG Corporate Finance's preferred basis for appointment of independent technical specialists is that the client commissions, and pays the fees directly to, the technical specialist, whilst KPMG Corporate Finance defines the scope of work for the technical specialist. We do not consider that the independence of the technical specialist is impaired by this arrangement.

We have satisfied ourselves as to GaffneyCline's qualifications and independence from Woodside and BHP Petroleum, and have placed reliance on its report.

Following discussion and enquiry with GaffneyCline, the development, operational and cost assumptions recommended by GaffneyCline have been adopted in the cash flow projections used by us in assessing the value of Woodside's and BHP Petroleum's interests in their respective production and, where appropriate, development and growth assets. KPMG Corporate Finance was responsible for the determination of certain macroeconomic and other assumptions such as commodity prices, exchange rates, discount rates, inflation and taxation assumptions.

The valuation methodologies adopted by GaffneyCline in respect of petroleum assets not captured in the above assessments of value are based on the expected monetary value, comparable transactions and sunk costs methods as appropriate.

Due to the various uncertainties inherent in the valuation process, GaffneyCline has estimated a range of values within which it considers the value of each of these additional petroleum assets to lie. The valuations ascribed by GaffneyCline to the other petroleum assets of Woodside and BHP Petroleum have been adopted in our report.

7 Industry overview

The oil and gas industry consists of the upstream and midstream segments, which extract, produce and process crude oil, natural gas liquids and natural gas.

Accordingly, in order to provide a context for assessing the prospects of Woodside and BHP Petroleum, we have set out at Appendix 3 an overview of recent trends and outlook in international oil and LNG markets and Australian domgas markets.

We would highlight however that this industry overview was prepared just prior to the breakout of hostilities between Russia and the Ukraine, and the consequent trade and other economic sanctions imposed on Russia by various countries. Given the short period of time that has elapsed since Russia's invasion on 24 February 2022, the evolving nature of the situation and uncertainty as to the impact of these events over the medium to longer term, it is not practicable within the time frame available to update our analysis to reflect these rapidly changing circumstances.

8 Profile of Woodside

8.1 Company overview

Woodside was incorporated in Victoria as Woodside (Lakes Entrance) Oil Company NL in July 1954. The company was formed to search for oil in the Gippsland region of South East Victoria, taking its name from a small town in the Lakes Entrance district.

Woodside shifted its focus to Western Australia in the early 1960s following the acquisition of a permit to explore 370,000 km² off the Western Australian coast, resulting in the formation of the original North West Shelf Venture between the Burmah Oil Company of Australia, Shell Development Australia and Woodside.

Woodside was listed on the ASX in November 1971 and adopted its current name in May 1977.

Today, Woodside is an Australian based oil and gas production, development and exploration company headquartered in Perth, Western Australia. Woodside holds a portfolio of oil and gas and associated infrastructure assets both in Australia and internationally and has a market capitalisation as at 24 March 2022 of approximately A\$32,668 million.

8.2 Production assets

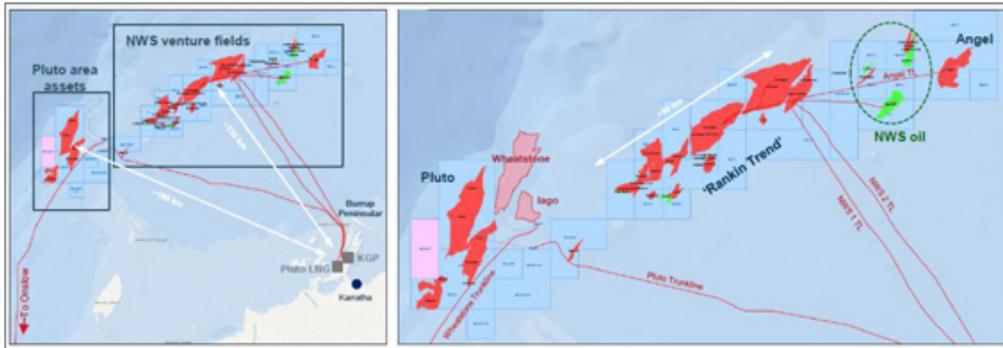
An overview of the Woodside principal oil and gas and LNG assets are set out below. Further discussion in relation to the background and technical aspects of each of Woodside's principal production and development oil and gas projects are set out GaffneyCline's ITSR which is attached to this report at Appendix 15.

8.2.1 NWS Project

Made up of several joint ventures between seven major companies²⁸, the Woodside-operated NWS Project is one of Australia's largest producing oil and gas projects. The NWS Project supplies oil and gas to Australian and international markets from gas, oil and condensate fields off the north-west coast of Australia.

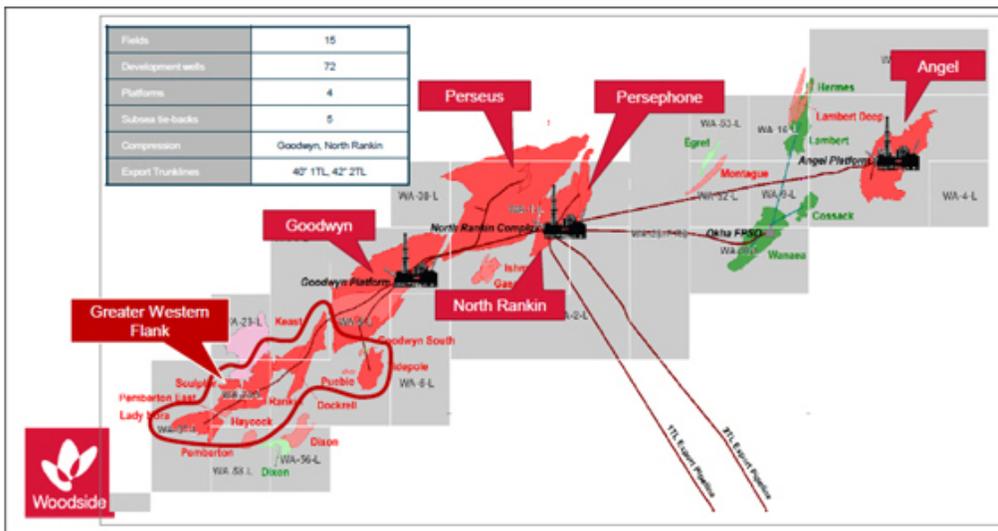
²⁸ Ownership of the NWS Project and associated production is split between several joint ventures with different participating interests. Woodside owns a one-sixth stake in the original NWS LNG joint venture, which was responsible for all LNG production and sale at the NWS Project. Other NWS LNG joint venture participants, which also own one-sixth stakes, include BHP Petroleum, BP plc (**BP**), Chevron Corporation (**Chevron**), Royal Dutch Shell plc (**Shell**) and Japan Australia LNG (MIMI) Pty Ltd. CNOOC Limited also has a participating interest in the NWS Project through the joint venture that is responsible for supplying LNG to the Guangdong Dapeng LNG Project in China (**China LNG JV**) (Woodside participating interest 12.5%). There are other joint ventures within the NWS Project, which are responsible for Western Australian domgas (Woodside participating interest 15.78%) and production of additional "equity lifted LNG" (the proportion of LNG which Woodside is entitled to lift and sell, in its own right, as a result of its participating interest in the relevant project) above joint contract quantities (Woodside participating interest 15.78%). There is also an oil joint venture in relation to the Okha FPSO vessel (discussed later below) with different parties and ownerships.

Figure 3 – NWS Project location



Source: Woodside

Figure 4 – NWS Project field and platforms



Source: Woodside

First gas was produced in 1984 and first LNG shipped from the Karratha Gas Plant (KGP) located onshore on the Burrup Peninsula in 1989. Since first gas, 12 further fields have been brought online, with 3 having ceased production.

Today, the North Rankin, Perseus, Goodwyn and Lady Nora-Pemberton (part of the Greater Western Flank) gas fields collectively account for in excess of 80% of the NWS Project's gross 2P gas Reserves.

The NWS Project's offshore production facilities include four natural gas platforms.

- *The North Rankin Complex*

The North Rankin Complex (**NRC**) includes the North Rankin A and North Rankin B platforms. Connected by two 100 metre (**m**) bridges, the platforms operate as a single integrated facility. Located 135 kilometres (**kms**) north-west of Karratha, Western Australia, the NRC stands in 125m of water and has a production capacity of up to 60,000 tonnes per day (**tpd**) of dry gas and 6,200 tpd of condensate from the North Rankin and Perseus fields.

- *The Goodwyn A platform*

The Goodwyn A platform is connected to the condensate rich Goodwyn gas field, located 23 kms south-west of the North Rankin A platform and about 135 kms north-west of Karratha. Dry gas and condensate produced from the Goodwyn area reservoirs, and Perseus satellite field reservoirs, is transported via a trunkline system to the KGP for processing.

- *The Angel platform*

The Angel platform is located about 120 kms north-west of Karratha and is connected to the NRC via a 50km subsea pipeline. The Angel offshore platform ceased production in September 2020 however its infrastructure will be further utilised for the development of the Lambert Deep reserves (discussed further below).

The NWS Project's onshore KGP includes five LNG processing trains, two domgas trains and three LPG fractionation units. The facility is located 1,260 kms north of Perth, Western Australia and covers about 200 hectares (**ha**). The KGP has an export capacity of 16.9 million tonnes per annum (**Mtpa**).

Since 2020, production from NWS Project has been constrained by offshore supply, with production declining in most fields, leading to available ullage at the KGP. As a result, Woodside is currently pursuing various initiatives to underpin the long-term use of existing NWS Project production and processing infrastructure and the commercialisation of existing resources, including:

- the processing of third-party gas as NWS Project reserves decline, including the potential to backfill through the development of the Browse fields (discussed further at 8.4.3 below)
- the Greater Western Flank Phase-3 (**GWF-3**) and Lambert Deep project, which targets estimated recoverable gas reserves of 400 Bcf.

As at 31 December 2021, Woodside's share of NWS Project Proved (**1P**) and 2P Reserves was 135.4 MMboe and 170.3 MMboe respectively.

8.2.2 Pluto LNG

Woodside holds a 90% interest in Pluto LNG and operates the Pluto LNG facilities²⁹, which processes gas from the Pluto and Xena gas fields located offshore Western Australia (refer figure 3 above) and is continuing to develop the Pyxis field, which came on stream in November 2021.

The Pluto field was discovered in 2005, the Xena gas field in 2006 and Pyxis gas field discovered in 2015. Five Pluto appraisal wells and two Xena appraisal wells were subsequently drilled, with Pluto LNG taking development FID in 2007. First cargo from the project's single-train onshore LNG facility was delivered in 2012.

The Pluto/Xena gas fields have been partially developed with seven subsea wells in Pluto and one subsea well in Xena. All wells are still on production except for one well that watered-out.

The Pluto-A Platform is a not-normally manned platform, located 180 kms north-west of Karratha in 85m of water. Gas is piped through a 180 km trunkline to an onshore processing facility, comprising a single 5 Mtpa LNG processing train (**Pluto Train 1**), two LNG and three condensate storage tanks and an LNG and condensate export jetty on the Burrup Peninsula, together with up to 25 million standard cubic feet per day (**MMscfd**) of domestic gas supply.

Pluto LNG is underpinned by long-term sales agreements with Kansai Electric Australia Pty Ltd and Tokyo Gas Australia Pty Ltd.

Woodside is currently undertaking various initiatives to position Pluto LNG for long term production through the development of additional offshore resources and improvements to the onshore facility, including the subsea tie-back of the Pyxis, Pluto North and Xena fields to the Pluto-A platform, which is approaching cold commissioning and start-up for the initial wells.

Woodside is also proposing a brownfields expansion of Pluto LNG through:

- modifications to Pluto Train 1 to facilitate processing of up to approximately 3.0 Mtpa of Scarborough gas and the installation of domgas infrastructure to increase domgas capacity to approximately 250 Terajoules per day (**TJpd**)
- the construction of a second gas processing train (**Pluto Train 2**), which will have a capacity in the order of 5 Mtpa (Woodside's project interest has been sold down to 51% as discussed later below).

A pipeline connecting Pluto LNG and the KGP (**Pluto-KGP Interconnector**) was completed in March 2022. This infrastructure allows the transfer of gas between the plants to optimise production across both facilities and enable future development of additional gas reserves.

As at 31 December 2021, Woodside's share of Pluto LNG 1P and 2P Reserves was 271.0 MMboe and 348.7 MMboe respectively.

²⁹ The remaining 10% interest is held equally between Kansai Electric Australia Pty Ltd and Tokyo Gas Australia Pty Ltd

8.2.3 Wheatstone LNG

The Chevron operated Wheatstone LNG³⁰ processes gas from two separate upstream developments:

- the Wheatstone Project, which comprises the Wheatstone and Iago fields
- the Julimar Development Project, which comprises the Woodside operated offshore Julimar and Brunello gas fields which tie back to the central processing platform. In the initial phase, which came on stream in 2017, the Brunello field was developed with five producing wells tied back to Wheatstone. Woodside is currently undertaking work to extend the project's gathering system to tie in the Julimar field.

Figure 5 – Wheatstone Project location



Source: Chevron Australia website

Woodside holds a 13%³¹ and 65%³² participation interest in the Wheatstone Project facilities and the Julimar Development Project respectively.

The Julimar Development Project contributes approximately 20% of total gas processed by Wheatstone LNG.

³⁰ Wheatstone LNG is a joint venture between Australian subsidiaries of Chevron (64.14%), Kuwait Foreign Petroleum Exploration Company (13.4%), Woodside (13%), Kyushu Electric Power Company (1.46%) and PE Wheatstone Pty Ltd (8%).

³¹ Woodside's 13% participation interest includes the offshore platform, the pipeline to shore and the onshore plant, but excludes the Wheatstone and Iago fields and associated subsea infrastructure. The Wheatstone Iago fields are operated by Chevron Australia in joint venture with Australian subsidiaries of Kuwait Foreign Petroleum Exploration Company (**KUFPEC**) and Kyushu Electric Power Company, together with PE Wheatstone Pty Ltd

³² the remaining 35% project interest is held by KUFPEC

Wheatstone LNG consists of an offshore platform located approximately 220 km from Onslow, Western Australia in approximately 70m of water, connected by a trunkline to an onshore processing plant consisting of two LNG trains with a combined capacity of 8.9 Mtpa, a 200 TJpd domgas plant and associated infrastructure. The Wheatstone platform, pipeline and onshore LNG are operated by Chevron. After separation on the platform, Julimar and Brunello gas and condensate are dehydrated and compressed for transport to the onshore LNG plant, along with gas and condensate from the Chevron-operated Wheatstone and Iago fields.

Wheatstone LNG was sanctioned in late 2011, with first shipment of LNG announced in October 2017. Natural gas from the domgas plant is delivered via pipeline to an inlet point on the Dampier Bunbury Natural Gas Pipeline.

As at 31 December 2021, Woodside's share of Wheatstone LNG 1P and 2P Reserves³³ was 109.6 MMboe and 165.8 MMboe respectively.

8.2.4 *Australia Oil*

Woodside operates and holds a 60% participation interest in the Ngujima-Yin FPSO³⁴, which produces from the Vincent and Greater Enfield oilfields.

The Vincent field was discovered in 1998, achieved first oil in 2008, and is developed with thirteen horizontal wells (seven bi-laterals and six tri-laterals). Two water injection wells are provided for water disposal from both the Vincent and Greater Enfield fields and one vertical gas injector for disposal of surplus gas.

The Greater Enfield Development consists of three separate oil accumulations - Laverda Canyon, Norton over Laverda, and Cimatti - located offshore Exmouth, Western Australia. Oil was discovered in the Laverda Canyon in 2000, at Cimatti in 2010 and at Norton over Laverda in 2011. First oil from the development was achieved in August 2019.

The Ngujima-Yin FPSO is a conversion of the Ellen Maersk, a very large crude carrier from the Maersk fleet (type E). It was constructed in 2000, then converted to an FPSO facility in Singapore during 2007-2008. The Ngujima-Yin FPSO was transferred to Woodside operatorship in 2012. Topside processing facilities include oil, water and gas separation systems, water injection and gas compression, plus injection equipment. The topsides are designed to process 120,000 barrels (**bb**l) of oil and up to 55 MMscfd of free gas production.

Woodside also holds a 33.33% participation interest in, and is the operator of, the Okha FPSO, which produces oil from the Cossack, Wanaea, Lambert and Hermes (**CWLH**) fields on behalf of the NWS Project.

The Okha FPSO vessel is an oil production facility moored to a riser turret between the Wanaea and Cossack oil fields, 34 kilometres east of the NRC. The Cossack, Wanaea, Lambert and Hermes oil fields are connected by flexible flowlines. Crude oil is offloaded from the facility via a flexible line to bulk tankers, while a pipeline exports LPG-rich gas from the Cossack and Wanaea fields to the NRC, before being transferred to the KGP for processing. The CWLH oil fields are located offshore Western Australia, between 125-145 km north-west of Karratha and 35-40 km east of the North Rankin platform. The Lambert and Hermes fields are situated 15 kms to the north of the Wanaea and Cossack fields. The fields lie on the inner continental shelf, in water depths of 75-135 m. Lambert was discovered in 1973, but at the time was considered too small to justify development on its own. Wanaea was discovered in June 1989 and Cossack the following year. Hermes was discovered in 1996, drilled to test a mapped northern extension of the Lambert accumulation.

³³ comprising the Julimar and Brunello fields

³⁴ The balance of the participation interest is held by Mitsui E&P Australia Pty Ltd

The Okha FPSO commenced production in September 2011. Prior to this, the oil and gas from the CWLH fields was produced through the Cossack Pioneer FPSO, which commenced production in 1995.

The offshore production system consists of subsea wells and infrastructure, a riser turret production and mooring system, the FPSO and the gas export line.

As at 31 December 2021, Woodside's share of 1P and 2P Reserves was 21.6 MMboe and 25.3 MMboe respectively.

8.2.5 Production summary

Woodside's share of production for FY19, FY20 and FY21 is summarised in the table below.

Table 5: Woodside historical production

| Production | | | FY19 | FY20 | FY21 |
|--------------|---------------------------------------|------------|-------------------|--------------------|-------------------|
| LNG | NWS Project | t | 2,507,017 | 2,597,155 | 2,296,202 |
| | Pluto LNG | t | 3,837,059 | 4,553,351 | 4,504,937 |
| | Wheatstone | t | 1,253,233 | 1,276,981 | 1,146,567 |
| | Total LNG¹ | boe | 67,657,836 | 75,050,986 | 70,778,296 |
| Domgas | Australia ² | TJ | 34,280 | 32,108 | 15,313 |
| | Canada ³ | TJ | 3,052 | - | - |
| | Total domestic gas¹ | boe | 6,107,283 | 5,252,792 | 2,505,260 |
| Condensate | NWS Project | bbbl | 4,697,633 | 4,213,992 | 3,364,104 |
| | Pluto LNG | bbbl | 2,608,860 | 3,097,175 | 3,036,442 |
| | Wheatstone | bbbl | 2,317,821 | 2,470,846 | 2,328,828 |
| | Total condensate¹ | boe | 9,624,314 | 9,782,013 | 8,729,374 |
| Oil | Ngujima-Yin ⁴ | bbbl | 4,024,246 | 8,282,343 | 7,113,172 |
| | Okha ⁵ | bbbl | 1,598,684 | 1,420,849 | 1,516,067 |
| | Total oil¹ | boe | 5,622,930 | 9,703,192 | 8,629,239 |
| LPG | NWS Project | t | 66,724 | 62,922 | 60,822 |
| | Total LPG¹ | boe | 546,249 | 515,177 | 497,990 |
| Total | | boe | 89,558,612 | 100,304,160 | 91,140,159 |

Source: Woodside Fourth Quarter Report for Period Ended 31 December 2020 and 31 December 2021

Notes:

1. Conversion factors are identified at Table 6
2. Includes jointly and independently marketed gas sales
3. Produced into the Canadian gas network for distribution in North America
4. The Ngujima-Yin FPSO produces oil from the Vincent and Greater Enfield resources
5. The Okha FPSO produces oil from the Cossack, Wanaea, Lambert and Hermes resources
6. Figures may not add exactly due to rounding.

Table 6: Conversion factors

| Product | Factor | Conversion factors ¹ |
|-------------------------------|---------|---------------------------------|
| Pipeline natural gas | 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 |
| Dry gas | 1 MMboe | 5.7 Bcf |

Source: Woodside 2021 Annual Report

Note 1: Minor changes to some conversion factors can occur over time due to gradual changes in the process stream

8.3 Marketing, Trading and Shipping

In addition to LNG, Woodside markets crude oil, condensate, LPG and pipeline natural gas through its trading office in Singapore, which was established in 2013, and through its office in Perth.

Woodside manages its LNG portfolio through a mix of short-, mid- and long-term contracts, supplied by Woodside equity cargoes and supplemented by third-party purchases. A portion of production is also kept available for the spot market.

Woodside maintains an LNG shipping fleet of six ships under long-term contracts and one vessel on short-term charter, which allows Woodside to protect against fluctuations in the shipping market and to also deliver third-party cargoes through sub-chartering activities.

A truck loading facility was also built at Pluto LNG to provide LNG for distribution by truck to the Pilbara, Kimberley and Gascoyne regions of Western Australia.

8.4 Development assets

Woodside, together with its joint venture participants, is currently advancing a number of development activities.

8.4.1 Scarborough/Pluto Train 2

Scarborough

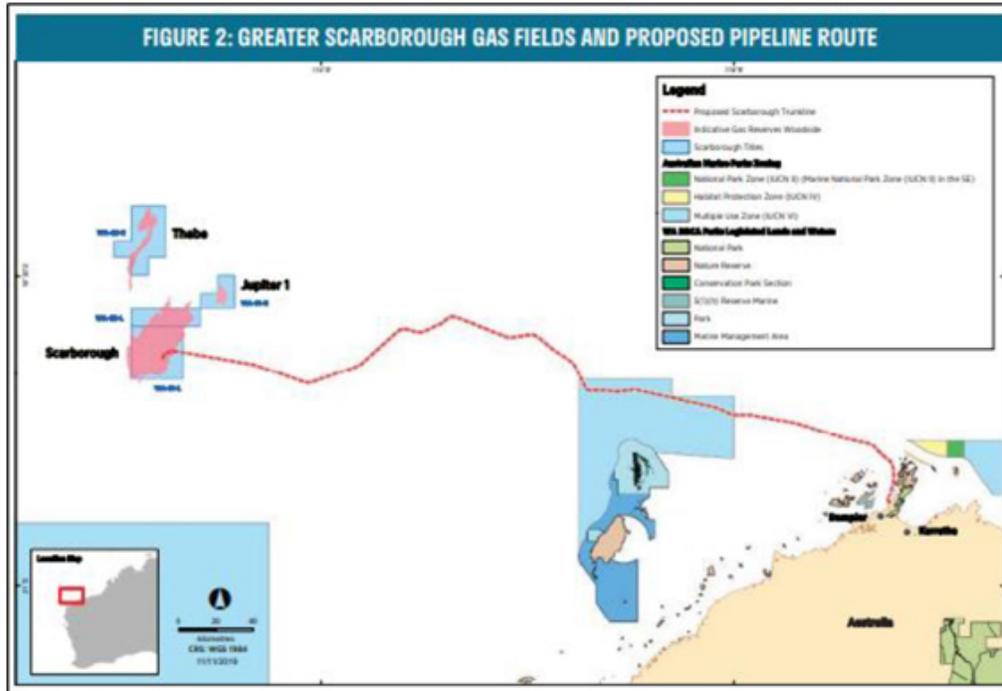
Woodside, as operator of the Scarborough Joint Venture³⁵, announced on 22 November 2021 that FIDs had been made to approve the proposed development of the Scarborough gas resource through new offshore facilities connected by a 430 km pipeline to Pluto Train 2, utilising the NWS Project shipping channel and existing shore crossing corridors created by the Pluto foundation project, along with new domgas facilities and modifications to Pluto Train 1.

³⁵ Woodside holds a 73.5% interest in WA-61-L and WA-62-L covering the Scarborough and North Scarborough, fields and a 50% interest in WA-63-R and WA-61-R covering the Thebe and Jupiter gas fields. BHP Petroleum holds the balance of the participation interests in these fields. Woodside and BHP Petroleum have entered into an option agreement for BHP Petroleum to sell its 26.5% interest in the Scarborough Joint Venture to Woodside and its 50% interest in the Thebe and Jupiter joint ventures. The option is exercisable at BHP Petroleum's option in the second half of calendar year 2022 and, if exercised, consideration of US\$1,000 million is payable by Woodside to BHP Petroleum, with adjustment for capital expenditure incurred by the joint venture from an effective date of 1 July 2021. An additional US\$100 million is payable contingent upon a future FID for the Thebe development.

The Scarborough gas resource is located offshore, approximately 375 kms west-northwest of the Burrup Peninsula and is part of the Greater Scarborough gas fields which Woodside estimates to include Scarborough (11.1 trillion cubic feet (Tcf) of 2P dry gas³⁶, 100%), Thebe (1.2 Tcf of 2C³⁷ dry gas, 100%) and Jupiter (0.3 Tcf of 2C dry gas, 100%).

As a result of the FID, Woodside’s share of Greater Scarborough 1P Undeveloped Reserves is 956.6 MMboe, 2P Undeveloped Reserves³⁸ 1,432.7 MMboe and 2C Contingent Resource of 165.3 MMboe.

Figure 6 - Greater Scarborough Gas Field and Proposed Pipeline Route



Source: Woodside

³⁶ Net of non-saleable inerts and upstream fuel and flare gas

³⁷ Best estimate of contingent resources. Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.

³⁸ ‘Undeveloped reserves’ are those reserves for which wells and facilities have not been installed or executed but are expected to be recovered through future investments

The proposal is to initially develop the Scarborough gas field with a phased development drilling program of eight initial high-rate gas wells, tied back to a semi-submersible floating production unit (FPU) moored in 950m of water close to the Scarborough field, with a total of 13 wells over field life dependent upon reservoir performance. The relevant offshore petroleum titles are all located in Commonwealth waters.

The Thebe dry gas field will comprise eight vertical subsea wells, tied back to the FPU and will backfill production from the Scarborough gas field. The development of Jupiter dry gas field will comprise two vertical subsea wells, tied back to the FPU, providing backfill to the Scarborough and Thebe fields.

Gas will be dehydrated and compressed on the FPU and transported to the onshore Pluto LNG plant.

Woodside is pursuing a sell down of its interest in the upstream Scarborough development, with a targeted equity interest of 51% or greater.

Pluto Train 2

In 2019, Woodside completed front-end engineering and design (FEED) for the construction of Pluto Train 2 for processing up to 5.0 Mtpa of gas from the proposed Greater Scarborough field development at the existing Pluto LNG onshore facility. Expansion activities also include modifications to Pluto Train 1 to facilitate processing of up to approximately 3.0 Mtpa of Scarborough gas and the installation of domgas infrastructure to increase capacity to approximately 225 TJpd.

The development of Pluto Train 2 is supported by a fully termed processing and services agreement (PSA) entered into between the Pluto Train 2 and Scarborough Joint Ventures. The PSA provides for the Scarborough Joint Venture to access LNG and domestic gas processing services at a rate of up to 8 Mtpa of LNG and up to 225 TJpd of domgas for an initial period of 20 years, with options to extend.

The PSA is supported by associated processing and services agreements executed with the Pluto Joint Venture in respect of access to the existing Pluto LNG facilities. First cargo is targeted for 2026, with approximately 60% of Woodside's 73.5% participation interest in production volumes contracted.

At commencement, Woodside's intention is that gas flows are biased to Pluto Train 2, with 5 Mtpa of gas directed to Pluto Train 2 as it is being designed for the Scarborough gas composition. Scarborough gas flow to Pluto Train 1 will initially co-mingled with Pluto LNG gas while that project is still online, with an expectation of an initial flow rate of 2Mtpa from Scarborough, increasing to 3 Mtpa when Pluto goes offline.

On 15 November 2021, Woodside announced that it had entered into a sale and purchase agreement for the sale to Global Infrastructure Partners (GIP) of a 49% non-operating participating interest in Pluto Train 2, which will require GIP to meet 49% of future Pluto Train 2 capital expenditure from the effective date of 1 October 2021, estimated by Woodside to total US\$5,600 million (100% project), along with an additional amount of construction capital expenditure of approximately US\$822 million³⁹.

³⁹ The 15 November 2021 ASX announcement referred to an amount of up to US\$835 million but noted that the final amount was dependent on interest rate swaps and foreign exchange rates on the date of the FID for Scarborough and Pluto Train 2, which was taken on 22 November 2021

If total development capital expenditure incurred is less than US\$5,600 million, GIP will pay Woodside an additional amount equal to 49% of the under-spend. In the event of a cost overrun, Woodside will fund up to US\$822 million in respect of GIP's 49% share of any overrun.

Delays to the expected start-up of production will result in payments by Woodside to GIP in certain circumstances.

The transaction includes a number of other related agreements between Woodside and GIP including a project commitment agreement (PCA). The PCA includes provisions for GIP to be compensated for exposure to additional Scope 1 emissions liabilities above agreed baselines, and to sell its 49% interest back to Woodside if the status of key regulatory approvals materially changes.

Woodside announced on 18 January 2022 that the sell down to GIP had been completed.

Established in 2006, GIP is one of the world's leading specialist infrastructure investors managing over US\$79,000 million for its investors. The funds and investment platforms managed by GIP make equity and debt investments in infrastructure assets and businesses, targeting investments in the energy, transport, water / waste and digital infrastructure sectors. GIP's funds currently own 40 portfolio companies which have combined annual revenues of c.US\$34,000 million and employ in excess of 58,000 people.

The Scarborough/Pluto Train 2 project is expected by Woodside to be one of the lowest carbon intensity projects for LNG delivered to customers in north Asia.

On 30 November 2021, Woodside announced that it had received a proceeding in the Supreme Court of Western Australia commenced by the Conservation Council of Western Australia challenging a Western Australian State Government works approval for the Pluto Train 2 project. Woodside has advised that it has complied with regulatory requirements and environmental processes in seeking and receiving its approvals and intends to vigorously defend its position.

Pluto-KGP Interconnector

Woodside is also progressing the 3.2km, 30-inch Pluto-Karratha Interconnector pipeline connecting Pluto LNG with the NWS Project's KGP. The interconnection, constructed along the existing Dampier to Bunbury Natural Gas Pipeline corridor, will facilitate the transfer of gas between the plants to optimise production across both facilities and enable future development of additional gas reserves. Woodside is targeting "Ready for Start Up" status in 2022. The infrastructure will have the capacity to transport wet gas quantities of more than 5 Mtpa (100% project, LNG production equivalent).

In November 2019, Woodside announced FID on the pipeline component of the Interconnector and entered into contractual arrangements for the construction of the pipeline and its ongoing operation and maintenance. Construction activities for the pipeline commenced in 2021 and were completed in fourth quarter of 2021.

8.4.2 *NWS Project Extension*

The NWS Project Extension proposes to secure the long-term use of NWS Project production and processing facilities through:

- the long-term processing of third-party gas and fluids

- further development of NWS Project resources without the need for constructing new processing facilities.

Third-party processing

The NWS Project participants have executed fully-termed gas processing agreements (**GPAs**) for processing third-party gas through the NWS Project facilities in respect of gas from the Pluto fields and from the Waitsia Gas Project Stage 2.

Construction of two new onshore gas receiving points and tie-in infrastructure at KGP commenced in January 2021, which will allow KGP to receive gas from both the Pluto fields and the Waitsia Gas Project Stage 2. Arrangements with the Western Australian Government for the processing of gas from Pluto and Waitsia were finalised in January 2021.

Development of NWS Project resources

The GWF-3 and Lambert Deep development is located in Commonwealth waters off the coast of north-western Australia and targets estimated recoverable gas reserves of 400 Bcf. It involves the drilling of three production wells in the Greater Western Flank regions and one production well in the Lambert Deep development, with subsea tieback to the Goodwyn A and Angel fixed platforms of the NWS Project respectively.

The GWF-3 development is located within the Goodwyn Field south-west of the GWA platform in 125 m water depth. GWF-3 intends to develop incremental volumes from the Goodwyn GH reservoir via existing infrastructure, providing gas and condensate production to partially fill ullage at the KGP emerging from 2021.

The Lambert Deep field lies in 130 m water depth and is located approximately 15 km north-west of the Angel Platform.

The NWS Project joint venture partners took FID approval on the project in January 2020 followed by the award of key contracts in the second quarter of 2020. First gas from the project is expected in 2022.

8.4.3

Browse

Woodside, as operator for and on behalf of the Browse Joint Venture (**Browse JV**)⁴⁰, is proposing to develop the Brecknock, Calliance and Torosa fields located approximately 425 km north of Broome, Western Australia, in the offshore Browse Basin. Seventeen wells have been drilled across the fields, with twelve drilled since the petroleum retention leases were first granted in 2003. Hydrocarbon resources contained in these fields are predominately gas, with 2C Contingent Resources of 4.3 Tcf of dry gas and 119 MMbbl of condensate (Woodside share).

The Brecknock and Calliance fields lie in water depths of between 500m and 700m, while the Torosa field lies in water depths varying between 0m and 475m.

⁴⁰ Woodside has a 30.6% participation interest. Other participants include Shell Australia (27%), BP (17.33%), Japan Australia LNG (14.4%) and PetroChina (10.67%)

The Browse JV proposes to develop the Browse hydrocarbon resources using two 1,100 MMscfd (annual daily export average) FPSO facilities, which will provide gas/liquids separation, gas processing and dehydration, condensate treatment and stabilisation, and gas export compression. The FPSO facilities will be supplied by a subsea production system and will transport gas to existing NWS Project infrastructure via an approximate 900km pipeline which will tie in near the existing NRC in Commonwealth waters.

The development is envisaged to be phased, with 12 high-rate subsea wells drilled on the Calliance and Torosa fields over phase 1. Three further phases will, subject to the performance of phase 1 wells, see an additional 20 subsea wells in the base case.

8.4.4 *Sangomar*

The Sangomar field (formerly the SNE field), containing both oil and gas, is located 100 kms south of Dakar, Senegal. Execution work on the Sangomar field development phase 1 commenced in early 2020 and first oil production is targeted in 2023.

In July 2021, Woodside completed the acquisition of the participating interest of FAR Senegal RSSD S.A. (**FAR**) in the project joint venture, which increased Woodside's participating interest in the Sangomar exploitation area to 82% and to 90% for the remaining project evaluation area.

The initial phase of the project is focussed on developing less complex reservoir units and testing other reservoirs to support future phases of development and potential gas export to shore. This phase of the development will target approximately 230 MMbbl of crude oil and will include the installation of a standalone FPSO facility and subsea infrastructure that will be designed to allow subsequent development phases.

In July 2021, Woodside as operator of the joint venture commenced drilling of up to 23 production, gas and water injection wells. The 23 wells will be connected to the FPSO through a network of flowlines and subsea infrastructure.

The FPSO is expected to have an oil production capacity of 100,000 bbl per day, with gas handling capacity of 130 MMscf/d. The FPSO has the flexibility for up to 65 wells in total.

Woodside has commenced engagement with interested parties to sell down its participating interest in the Sangomar Joint Venture to a targeted 40-50%.

8.4.5 *Myanmar A-6 Development*

The Myanmar A-6 Development is a joint venture operated by TotalEnergies SE (**TotalEnergies**)⁴¹ and is targeting the delivery of natural gas to Myanmar and Thailand.

Block A-6 is in the Rakhine Basin, offshore Myanmar, and covers approximately 10,000 km² in water depths of up to 2,400m. The A-6 Development concept includes the drilling of up to 10 deep-water wells (six wells in Phase 1 and up to four additional wells in Phase 2) tied back to a new dehydration and compression platform located approximately 65 km away, with gas exported by a 265 km pipeline to a riser platform located near the existing Yadana platform complex, with the riser platform distributing gas through existing pipeline infrastructure.

⁴¹ The joint venture comprises TotalEnergies (40%), Woodside (40%) and Myanmar Petroleum Resources Limited (Government Liaison operator, 20%) Woodside's current working interest of 40% is subject to Myanmar Oil and Gas Enterprise's (**MOGE**) right to acquire a working interest of up to 20%. If MOGE elects to acquire the full 20%, Woodside's working interest will reduce to 32%.

Woodside announced on 27 January 2022 its intention to withdraw from Myanmar following the State of Emergency declared in that country in February 2021 and the continuing deterioration in the human rights situation.

8.4.6 *Sunrise LNG*

The Sunrise development comprises the Sunrise and Troubadour gas and condensate fields, collectively known as Greater Sunrise, located in the Timor Sea approximately 150km south-east of Timor-Leste and 450km north-west of Darwin, Australia. The fields contain an estimated 2C Contingent Resource of 5.1 Tcf of dry gas and 226 MMbbl of condensate, 100% (1.7 Tcf of dry gas and 76 MMbbl of condensate Woodside share).

Following the establishment of a new maritime boundary treaty between Australia and Timor-Leste in 2019, negotiations between the two Governments and the Sunrise Joint Venture on a new Greater Sunrise Production Sharing Contract have been ongoing. The Sunrise Joint Venture⁴² remains committed to the development of Greater Sunrise provided there is the fiscal and regulatory certainty necessary for a commercial development to proceed.

8.4.7 *Kitimat LNG*

The development concept for the proposed Kitimat LNG project in Canada includes natural gas resources in the Liard Basin in north-east British Columbia, transportation by the 471 km Pacific Trail Pipeline and a liquefaction facility at Bish Cove near Kitimat, British Columbia.

Woodside is in the process of exiting its 50% non-operated participating interest in the Kitimat LNG development. Exit activities including the divestment or wind-up and restoration of assets, leases and agreements covering the site for the proposed LNG facility are well underway. Sale of the Pacific Trail Pipeline was completed in December 2021. In support of potential future natural gas, ammonia, and hydrogen opportunities in Canada, Woodside will however continue to hold the Liard Basin upstream gas assets.

8.5 *Exploration*

Woodside holds interests in a number of Australian and international exploration assets, including in oil and/or gas prone basins located in Myanmar, the Republic of Korea, Bulgaria, Ireland, Senegal and Congo.

An overview of significant exploration assets is contained in GaffneyCline's ITSR, which is attached as Appendix 15.

⁴² Woodside has a 33.44% participation interest and is the operator. Other participation interests are held by Timor GAP (56.56%) and Osaka Gas (10%)

8.6 Reserves and Resources

Woodside's share of 1P and 2P Developed⁴³ and Undeveloped Reserves and Best Estimate 2C Contingent Resources by region as at 31 December 2021 are summarised in the tables below.

Table 7: Woodside 1P Developed and Undeveloped Reserves as at 31 December 2021

| | Dry gas Bcf | | Condensate MMbbl | | Oil MMbbl | | Total MMboe | | Total |
|----------------------------------|----------------|----------------|------------------|-------------|-------------|-------------|--------------|----------------|----------------|
| | Developed | Undeveloped | Developed | Undeveloped | Developed | Undeveloped | Developed | Undeveloped | |
| Greater Pluto ¹ | 1,123.1 | 309.2 | 15.8 | 4.0 | - | - | 212.8 | 58.2 | 271.0 |
| NWS ² | 550.5 | 91.1 | 12.3 | 2.1 | 8.4 | - | 117.3 | 18.1 | 135.4 |
| Greater Exmouth ³ | - | - | - | - | 21.6 | - | 21.6 | - | 21.6 |
| Wheatstone ⁴ | 279.3 | 284.7 | 5.4 | 5.3 | - | - | 54.4 | 55.2 | 109.6 |
| Senegal | - | - | - | - | - | 98.0 | - | 98.0 | 98.0 |
| Greater Scarborough ⁵ | - | 5,452.8 | - | - | - | - | - | 956.6 | 956.6 |
| Reserves | 1,952.9 | 6,137.8 | 33.5 | 11.3 | 30.0 | 98.0 | 406.1 | 1,186.2 | 1,592.3 |

Source: Woodside 2021 Annual Report

Notes:

1. The 'Greater Pluto' region comprises the Pluto-Xena, Pyxis, Larsen, Martell, Martin, Noblige, and Remy fields
2. The 'North West Shelf' region includes all oil and gas fields within the North West Shelf Area
3. The 'Greater Exmouth' region comprises Vincent, Enfield, Greater Enfield, Greater Laverda, Ragnar and Toro fields
4. The 'Wheatstone' region comprises the Julimar and Brunello fields
5. The 'Greater Scarborough' region comprises the Jupiter, Scarborough, and Thebe fields
6. Figures may not add exactly due to rounding
7. Conversion factors are identified at Table 6.

⁴³ 'Developed reserves' are those reserves that are producible through currently existing completions and installed facilities for treatment, compression, transportation and delivery, using existing operating methods and standards

Table 8: Woodside 2P Developed and Undeveloped Reserves as at 31 December 2021

| | Dry gas Bcf | | Condensate MMbbl | | Oil MMbbl | | Total MMboe | | Total |
|----------------------------------|----------------|----------------|---------------------|-------------|--------------|--------------|----------------|----------------|----------------|
| | Developed | Undeveloped | Developed | Undeveloped | Developed | Undeveloped | Developed | Undeveloped | |
| Greater Pluto ¹ | 1,511.6 | 333.6 | 20.7 | 4.3 | - | - | 285.9 | 62.8 | 348.7 |
| NWS ² | 689.0 | 118.6 | 15.8 | 2.8 | 10.1 | - | 146.7 | 23.6 | 170.3 |
| Greater Exmouth ³ | - | - | - | - | 25.3 | - | 25.3 | - | 25.3 |
| Wheatstone ⁴ | 434.3 | 415.7 | 8.9 | 7.7 | - | - | 85.1 | 80.6 | 165.8 |
| Senegal ⁵ | - | - | - | - | - | 148.7 | - | 148.7 | 148.7 |
| Greater Scarborough ⁶ | - | 8,166.6 | - | - | - | - | - | 1,432.7 | 1,432.7 |
| Reserves | 2,634.9 | 9,034.6 | 45.4 | 14.8 | 35.5 | 148.7 | 543.1 | 1,748.5 | 2,291.7 |

Source: Woodside 2021 Annual Report

Notes:

1. The 'Greater Pluto' region comprises the Pluto-Xena, Pyxis, Larsen, Martell, Martin, Noblige, and Remy fields
2. The NWS region includes all oil and gas fields within the North West Shelf Area
3. The 'Greater Exmouth' region comprises Vincent, Enfield, Greater Enfield, Greater Laverda, Ragnar and Toro fields
4. The 'Wheatstone' region comprises the Julimar and Brunello fields
5. The 'Senegal' region comprises the Sangomar field. The Developed and Undeveloped reserves comprise of oil estimates. The Best Estimate 2C Contingent Resources include gas and oil estimates
6. The 'Greater Scarborough' region comprises the Jupiter, Scarborough, and Thebe fields
7. Figures may not add exactly due to rounding
8. Conversion factors are identified at Table 6.

Table 9: Woodside 2C Contingent Resources by region as at 31 December 2021

| | Dry gas Bcf | Condensate MMbbl | Oil MMbbl | Total MMboe |
|----------------------------------|-----------------|---------------------|--------------|----------------|
| Greater Browse ¹ | 4,257.8 | 119.4 | - | 866.4 |
| Greater Sunrise ² | 1,716.8 | 75.6 | - | 376.7 |
| Greater Pluto ³ | 1,116.5 | 22.5 | - | 218.3 |
| Greater Exmouth ⁴ | 307.4 | 2.2 | 26.7 | 82.9 |
| NWS ⁵ | 282.4 | 9.7 | 11.7 | 71.0 |
| Wheatstone ⁶ | 37.4 | 0.7 | - | 7.3 |
| Canada ⁷ | 25,373.3 | - | - | 4,451.5 |
| Senegal ⁸ | 232.2 | - | 231.2 | 271.9 |
| Greater Scarborough ⁹ | 820.2 | - | - | 143.9 |
| Myanmar ¹⁰ | 624.0 | - | - | 109.5 |
| Total | 34,768.0 | 230.1 | 269.7 | 6,599.4 |

Source: Woodside 2021 Annual Report

Notes:

1. The 'Greater Browse' region comprises the Brecknock, Calliance and Torosa fields
2. The 'Greater Sunrise' region comprises the Sunrise and Troubadour fields
3. The 'Greater Pluto' region comprises the Pluto-Xena, Pyxis, Larsen, Martell, Martin, Noblige, and Remy fields
4. The 'Greater Exmouth' region comprises Vincent, Enfield, Greater Enfield, Greater Laverda, Ragnar and Toro fields
5. The NWS region includes all oil and gas fields within the North West Shelf Area
6. The 'Wheatstone' region comprises the Julimar and Brunello fields
7. The 'Canada' region comprises unconventional resources in the Liard Basin
8. The 'Senegal' region comprises the Sangomar field
9. The 'Greater Scarborough' region comprises the Jupiter, Scarborough and Thebe fields
10. The 'Myanmar' region comprises the fields within the A-6 development
11. Figures may not add exactly due to rounding
12. Conversion factors are identified at Table 6.

8.7 New Energy

Woodside's new energy business is focused on maturing its portfolio of hydrogen and ammonia opportunities in Australia and internationally. Woodside has publicly announced a target to invest US\$5,000 million in new energy products and lower-carbon services by 2030.

Currently, Woodside's activity in this area includes investigating the feasibility of 3 hydrogen projects.

8.7.1 H2Perth

Woodside, with the support of the State Government of Western Australia, is progressing concept plans to establish a world-scale hydrogen and ammonia production facility on approximately 130 ha of vacant industrial land to be leased from the State Government in the Kwinana Strategic Industrial Area and Rockingham Industry Zone.

H2Perth is a phased development that, at full potential, would be one of the largest facilities of its kind in the world. It would produce up to 1,500 tpd of hydrogen for export in the form of ammonia and liquid hydrogen.

Initially, H2Perth will target 300 tpd of hydrogen production, which can be converted into 600,000 tonnes per annum (**tpa**) of ammonia or 110,000 tpa of liquid hydrogen.

8.7.2 H2TAS

In January 2021, Woodside signed a memorandum of understanding with the Government of Tasmania for the phased development of the H2TAS Bell Bay Renewable Hydrogen Project.

H2TAS would use a combination of hydropower and wind power to create a 100% renewable ammonia product for export as well as renewable hydrogen for domestic use. The initial phase would have an electrolysis component of up to 300 megawatts (**MW**) and target production of 200,000 tpa of ammonia.

In May 2021, Woodside announced a project consortium under a Heads of Agreement with Japanese companies Marubeni Corporation and IHI Corporation. The parties have completed initial feasibility studies and concluded that it is technically and commercially feasible to export ammonia to Japan from the Bell Bay area.

Woodside has also signed a term sheet with Tasmanian natural gas retailer Tas Gas to facilitate blending of hydrogen into the Tasmanian pipeline gas network.

8.7.3 *H2OK*

On 7 December 2021, Woodside announced it had secured a lease and option to purchase 94 acres (38 ha) of vacant land in Oklahoma, United States for future development of a modular hydrogen facility and entering a memorandum of understanding with Hyzon Motors.

Subject to approvals and customer demand, the H2OK concept involves construction of an initial 290 MW facility, which will use electrolysis to produce up to 90 tpd of liquid hydrogen for the heavy transport sector. The location offers the capacity for expansion up to 550 MW and 180 tpd.

The project is targeting a FID in the second half of 2022, and first liquid hydrogen production in 2025.

8.7.4 *Heliogen*

Woodside and Heliogen, a renewable energy technology company based in the US, are progressing plans for a 5 MW commercial-scale demonstration facility in California, using Heliogen's Artificial Intelligence-enabled concentrated solar technology.

In October 2021, having completed front-end engineering and design, Woodside issued a limited notice to proceed (LNTP) to Heliogen, to begin procurement of key equipment. Woodside and Heliogen also announced their intent to jointly market Heliogen's technology in the US and Australia under a proposed joint marketing arrangement.

Heliogen's technology is a modular, turnkey, artificial intelligence-enabled concentrated solar energy system that aims to deliver clean energy with nearly 24/7 availability. The facility will utilise advanced computer vision software that precisely aligns an array of mirrors to reflect sunlight to a single target on the top of a solar tower, thereby enabling low-cost storage in the form of high-temperature thermal energy.

8.7.5 *Power for base business*

Woodside is proposing to develop a solar photovoltaic power facility, located approximately 15 km southwest of Karratha, Western Australia, for use on the Burrup Peninsula, with an initial 50 MW to be supplied to Pluto LNG and a further 50 MW to the proposed Perdaman urea plant. Woodside is engaging with the community to further understand the impacts and benefits of this opportunity to reduce emissions and increase ammonia production in the Pilbara.

8.8 **Historical financial performance**

Woodside's historical audited consolidated financial performance for each of FY19, FY20 and FY21 is summarised below.

Table 10: Woodside's historical consolidated financial performance

| US\$ million unless otherwise stated | FY19 | FY20 | FY21 |
|---|--------------|----------------|--------------|
| Liquefied natural gas | 3,664 | 2,519 | 5,359 |
| Domestic Gas | 85 | 73 | 43 |
| Condensate | 586 | 411 | 643 |
| Oil | 360 | 432 | 673 |
| Liquefied petroleum gas | 44 | 16 | 60 |
| Other revenue | 134 | 149 | 184 |
| Other income | 100 | 31 | 139 |
| Total income | 4,973 | 3,631 | 7,101 |
| Costs of Production | (686) | (623) | (713) |
| Other cost of sales | (467) | (673) | (1,583) |
| General, administrative and other costs | (80) | (190) | (158) |
| Restoration movement | (77) | (28) | (68) |
| Other | 17 | (126) | (125) |
| EBITDAX | 3,680 | 1,991 | 4,454 |
| Exploration and evaluation | (149) | (69) | (319) |
| EBITDA | 3,531 | 1,922 | 4,135 |
| Depreciation and amortisation | (1,703) | (1,824) | (1,690) |
| Impairment losses | (737) | (5,269) | (10) |
| Impairment reversals | - | - | 1,058 |
| EBIT | 1,091 | (5,171) | 3,493 |
| Net financing costs | (229) | (269) | (203) |
| Profit before Income Tax | 862 | (5,440) | 3,290 |
| Income Tax benefit/(expense) | (511) | 1,026 | (957) |
| Petroleum resource rent tax benefit/(expense) | 31 | 439 | (297) |
| Net Profit after Income Tax | 382 | (3,975) | 2,036 |
| Gain/(loss) on hedges | 2 | (59) | (329) |
| Remeasurement gains on defined benefit plan | 2 | 2 | 13 |
| Other Comprehensive Income/(Loss) | 4 | (57) | (316) |
| Total Comprehensive Income/(Loss) attributable to shareholders | 347 | (4,085) | 1,667 |
| Statistics | | | |
| Production volumes (MMboe) | 90 | 100 | 91 |
| Sales volumes (MMboe) | 97 | 107 | 112 |
| Average realised price (US\$/boe) | 49 | 32 | 60 |
| EBITDAX growth | (9%) | (46%) | 124% |
| EBITDA growth | (7%) | (46%) | 115% |
| EBITDA margin | 71% | 53% | 58% |
| Basic earnings per share (US cents) | 37 | (424) | 206 |
| Dividends per share (US cents) | 91 | 38 | 135 |
| Net borrowings/EBITDA | 0.8 | 2.0 | 0.9 |
| EBITDA interest cover (times) ¹ | 11.0 | 5.9 | 18.0 |

Source: Woodside 2020 and 2021 Annual Reports

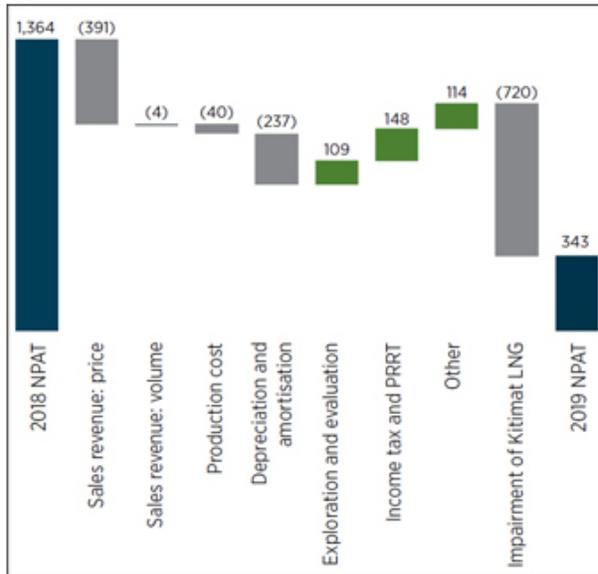
Notes:

1. EBITDA interest cover (times), is calculated as EBITDA, divided by finance costs
2. Figures may not add exactly due to rounding.

We note the following in relation to Woodside's recent financial performance:

8.8.1 FY19

Figure 7 - NPAT reconciliation from FY18 to FY19 (exclusive of non-controlling interest)



Source: Woodside 2019 Annual Report

Woodside's FY19 results reflect a 9% decrease in average realised sales price over the year to US\$49/boe, which in turn reflected lower global commodity prices during the year. Production volumes decreased from 91 MMboe in FY18 to 90 MMboe in FY19, largely due to the Pluto Train 1 and NWS Project facilities undergoing scheduled maintenance turnarounds as well as the planned cessation of Nganhurra FPSO production over the Enfield oil field, partially offset by the completion of the Greater Enfield project during the year and a full year of production from Wheatstone Train 2.

Total costs of production of US\$686 million increased from the prior year primarily due to scheduled turnaround activity at Pluto LNG and the NWS Project, offset by the planned cessation of the Nganhurra FPSO.

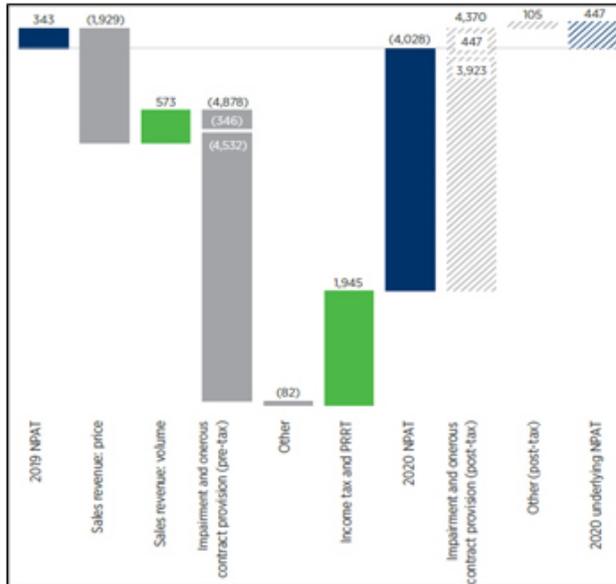
Depreciation and amortisation expense increased by US\$237 million from the prior year primarily due to the completion of the Greater Enfield project in August 2019 and start-up of Wheatstone Train 2 in June 2018, partially offset by the reduced production volumes in FY19.

Exploration and evaluation expenditure reduced to US\$149 million, primarily due to reduced exploration activity, offset by lower write-offs of US\$46 million of unsuccessful wells during the period compared to US\$94 million written off in FY18.

An impairment expense to exploration and evaluation asset of US\$720 million was recognised in relation to the Kitimat LNG project. This was a result of the operator announcing a decision to exit the project on 10 December 2019 and subsequently announcing an impairment to the operator's interest in the project on 31 January 2020. The impairment reflected a continuing oversupply in the North American gas markets. An additional impairment to oil and gas properties of US\$17 million was recognised through the sale of two LNG vessels in the NWS Project as the assets' carrying value exceeded the fair value less costs of disposal.

8.8.2 **FY20**

Figure 8 - NPAT reconciliation from FY19 to FY20 (exclusive of non-controlling interest)



Source: Woodside 2020 Annual Report

Woodside's FY20 results reflect a 26% decrease in revenue from the prior year to US\$3,600 million. This was primarily driven by a 35% decrease in average realised prices to US\$32/boe as the Covid-19 pandemic caused volatility in oil and gas prices. The reduction in realised prices was partially offset by an increase in sales volumes from 97 MMboe in FY19 to 107 MMboe in FY20, primarily due to planned delays in non-essential maintenance, no major asset turnarounds and a full year of operations at the Ngujima-Yin FPSO.

Impairment losses of US\$5,269 million were recognised for oil and gas properties and exploration and evaluation assets driven by a reduction in oil and gas price assumptions, demand uncertainty through the Covid-19 pandemic and increased risk of higher carbon pricing. US\$3,712 million of the impairment recognised was attributable to oil and gas properties through NWS (US\$454 million), Pluto LNG (US\$862 million), Wheatstone LNG (US\$1,401 million), Australia Oil (US\$674 million) and Sangomar (US\$321 million). The remaining impairment expense of US\$1,557 million was attributable to exploration and evaluation assets through Pluto Train 2 (US\$429 million), Kitimat LNG (US\$809 million), Sunrise (US\$168 million) and other segments (US\$151 million).

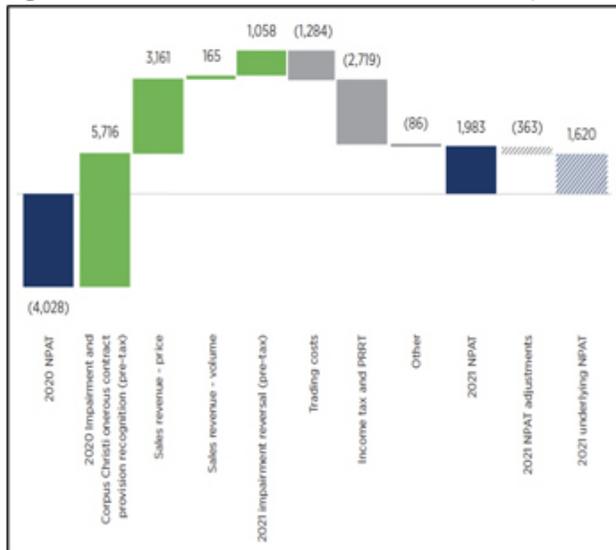
Woodside recognised an onerous contract provision of US\$447 million in relation to a Corpus Christi LNG sale and purchase agreement in June 2020. The provision was partially utilised during the period and was revalued at 31 December 2020 with a further reduction of US\$59 million to US\$346 million.

Exploration and evaluation expenditure reduced by 54% to US\$69 million in FY20 reflecting reduced exploration activity through Covid-19.

Depreciation of oil and gas properties increased primarily due to an increase in production quantities from 90 MMboe in FY19 to 100 MMboe in FY20 compounded by a full year of operations at the Ngujima-Yin FPSO.

8.8.3 *FY21*

Figure 9 – NPAT reconciliation from FY20 to FY21 (exclusive of non-controlling interest)



Source: Woodside 2021 Annual Report

Woodside’s FY21 results reflect a 93% increase in operating revenue from the prior year to approximately US\$6,962 million. This was primarily driven by an increase in realised prices for oil and gas from US\$32/boe (FY20) to US\$60/boe (FY21) with continued recovery in market prices during 2021, compounded by an increase in sales volumes from 107 MMboe in FY20 to 112 MMboe in FY21. There was an approximate ten-fold increase in the number of traded LNG cargoes in 2021 in response to the favourable market conditions, as well as an approximate three-fold increase in the number of Corpus Christi cargoes lifted. This was partially offset by fewer condensate cargoes sold, lower facility reliability on the Ngujima-Yin FPSO as well as weather events in the first half of 2021.

Reversals of the previously recognised non-cash impairment of US\$1,058 million (pre-tax) included the US\$682 million reversal for the Scarborough and Pluto Train 2 projects following FID as announced on 22 November 2021 and the US\$376 million reversal for the NWS Project supported by updated cost and production profiles and an improved price environment for the NWS Project.

Trading costs increased by US\$1,284 million to US\$1,495 million in FY21 due to a higher number of traded cargoes in 2021.

Income tax and Petroleum Resource Rent Tax (**PRRT**) expense increased by US\$2,719 million primarily due to the effect of higher operating revenue in FY21.

FY21 NPAT was adjusted for Myanmar exploration and evaluation write-offs (US\$209 million), various costs resulting from Woodside's exit from the Kitimat LNG development (US\$33 million), one-off reconciliation of joint venture costs from prior years (US\$4 million); offset by the impact of impairment reversals of oil and gas properties (US\$582 million) and prior period impacts of price reviews (US\$27 million).

8.9 Outlook

Other than in respect of targeted FY22 production volumes, which are summarised below, Woodside has not publicly released earnings guidance for FY22 or beyond due to commercial sensitivities.

Table 11: Woodside FY22 production volumes guidance

| | FY22 Guidance (MMboe) |
|--------------------------------------|--------------------------|
| LNG | 71 - 74 |
| Liquids ¹ | 16 - 18 |
| Australian domestic gas ² | 4 - 5 |
| LPG | ~ 0.5 |
| Total | 92 - 98 |

Source: Woodside full-year 2021 results announced on 17 February 2022

Notes:

1. Liquids includes oil and condensate
2. Includes pipeline gas production from NWS, Pluto and Wheatstone.

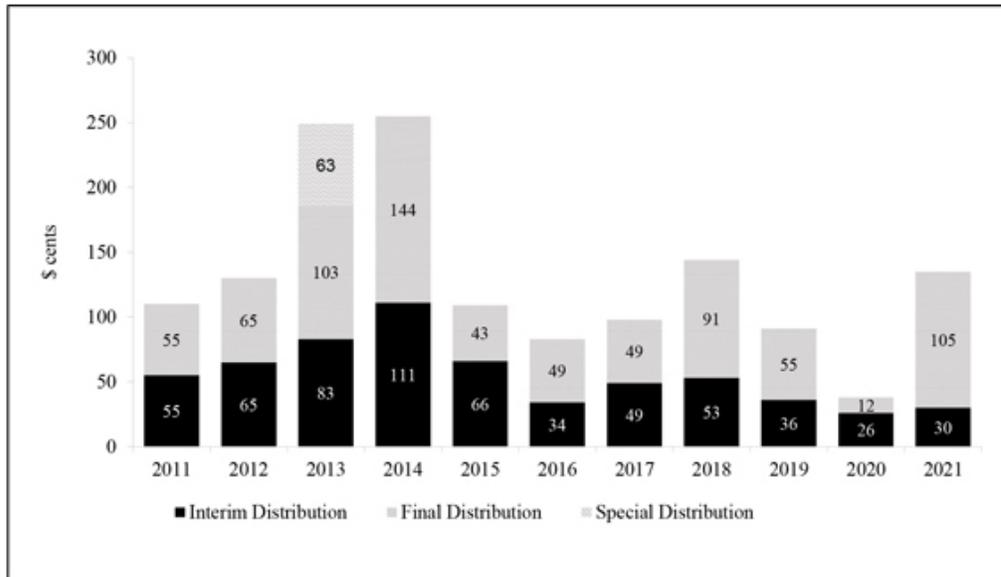
8.10 Dividends, payout ratio, dividend re-investment plan and franking credits

Woodside operates a dividend policy which aims, subject to the satisfaction of statutory requirements and other commercial considerations, to maintain a minimum dividend payment payout ratio of 50% of net profit excluding non-recurring items (expressed in USD).

Woodside dividends are determined and declared in USD. However, shareholders will receive their dividend in Australian dollars unless their registered address is in the United Kingdom, where they will receive their dividend in British pounds, or in the US, where they will receive their dividend in US dollars. Shareholders who reside outside of the US can elect to receive their dividend in US dollars, payable into a US financial institution account. Currency conversion is based on the foreign currency exchange rates on the relevant dividend record date.

Whilst Woodside has an established track record of paying fully franked dividends, the dividend per share has, in absolute terms, exhibited volatility over the past ten years as illustrated in the figure below.

Figure 10 - Historical distributions paid to Woodside shareholders



Source: Woodside website

Woodside operates a dividend reinvestment plan (DRP). The number of shares to be issued to individual shareholders under the DRP is calculated at the arithmetic average of the Volume Weighted Average Price (VWAP) (rounded to the nearest cent) during each of the ten trading days commencing on the second trading day following the record date in respect of the relevant dividend, or any other period specified by the Directors, less a discount (if any) determined by the Board from time to time. The DRP discount in relation to the FY21 interim and final dividend was 1.5%.

As at 31 December 2021, Woodside had US\$1,744 million of franking credits available (based on a tax rate of 30%).

8.11 Historical financial position

Woodside's historical audited consolidated financial position as at each of 31 December 2019, 31 December 2020 and 31 December 2021 is summarised below.

Table 12: Woodside's historical consolidated financial position

| US\$ million unless otherwise stated | 2019 | 2020 | 2021 |
|--------------------------------------|--------------|--------------|--------------|
| Cash and cash equivalents | 4,058 | 3,604 | 3,025 |
| Receivables | 343 | 303 | 368 |
| Inventories | 176 | 125 | 202 |
| Other financial assets | 28 | 172 | 320 |
| Other assets | 42 | 48 | 109 |
| Non-current assets held for sale | - | - | 254 |
| Total Current Assets | 4,647 | 4,252 | 4,278 |

| US\$ million unless otherwise stated | 2019 | 2020 | 2021 |
|---|---------------|---------------|---------------|
| Receivables | 245 | 423 | 686 |
| Inventories | - | 40 | 19 |
| Other financial assets | 35 | 54 | 107 |
| Other assets | 21 | 55 | 34 |
| Exploration and evaluation assets | 3,809 | 2,045 | 614 |
| Oil and gas properties | 18,298 | 15,267 | 18,434 |
| Other plant and equipment | 177 | 199 | 215 |
| Deferred tax assets | 1,173 | 1,304 | 1,007 |
| Lease assets | 948 | 984 | 1,080 |
| Total Non-Current Assets | 24,706 | 20,371 | 22,196 |
| Total Assets | 29,353 | 24,623 | 26,474 |
| Payables | 581 | 505 | 639 |
| Interest-bearing liabilities | 77 | 776 | 277 |
| Other financial liabilities | 12 | 37 | 411 |
| Other liabilities | 34 | 136 | 86 |
| Provisions | 272 | 500 | 605 |
| Tax payable | 86 | 46 | 413 |
| Lease liabilities | 69 | 94 | 191 |
| Total Current Liabilities | 1,131 | 2,094 | 2,622 |
| Interest-bearing liabilities | 5,602 | 5,438 | 5,153 |
| Deferred tax liabilities | 2,193 | 549 | 878 |
| Other financial liabilities | 15 | 34 | 161 |
| Other liabilities | 46 | 42 | 36 |
| Provisions | 1,856 | 2,407 | 2,219 |
| Lease liabilities | 1,101 | 1,184 | 1,176 |
| Total Non-Current Liabilities | 10,813 | 9,654 | 9,623 |
| Total Liabilities | 11,944 | 11,748 | 12,245 |
| Net Assets | 17,409 | 12,875 | 14,229 |
| Statistics | | | |
| Shares on issue period end - m | 942 | 962 | 970 |
| Weighted average number of securities - m | 936 | 951 | 963 |
| Net assets per security (\$)¹ | 18.48 | 13.38 | 14.67 |
| Gearing - %² | 9% | 18% | 15% |
| Gearing incl lease liabilities - % | 14% | 24% | 22% |
| Current Ratio - %³ | 4.1 | 2.0 | 1.6 |

Source: Woodside 2019, 2020 and 2021 Annual Reports

Notes:

1. Net assets per security represents net assets divided by shares on issue at period end
2. Gearing represents net debt divided by net assets, where net debt is total external borrowings, less cash and cash equivalents
3. Current ratio represents current assets divided by current liabilities
4. Figures may not add exactly due to rounding.

We note the following in relation Woodside's consolidated financial position as at 31 December 2021:

8.11.1 Cash and cash equivalents

Cash and cash equivalents comprised US\$300 million of cash at bank and US\$2,725 million in term deposits with a maturity of 3 months or less. US\$108 million of this balance was held in currencies other than USD.

The decrease in cash and cash equivalents from FY20 to FY21 of US\$573 million largely reflects a repayment of borrowings of US\$784 million, additional investment in capital and exploration expenditure of US\$2,406 million, dividends paid to shareholders of US\$289 million (net of the DRP amounts) and income tax paid of US\$271 million, offset by cash generated from operations of US\$4,222 million.

8.11.2 Other working capital items

Trade receivable balances are held at transaction price while other receivable items are recorded at fair value. Woodside's trade receivables, depending on the product, have settlement terms of 14 to 30 days from date of invoice or bill of lading. Woodside held US\$121 million of receivables in currencies other than USD at the end of the period, with the predominant amount in AUD.

Included within the receivables balance is a secured loan agreement with Petrosen (the Senegal National Oil Company) entered into by Woodside Energy Finance (UK) Ltd on 9 January 2020 to provide up to US\$450 million for the purpose of funding Sangomar project costs. The facility has a maximum term of 12 years and semi-annual repayments of the loan are due to commence at the earlier of "Ready for Start -Up" (RFSU) or 30 June 2025. The carrying amount of the loan receivable is US\$335 million, which represents its fair value.

Payables primarily relate to operational expenses payable to vendors.

8.11.3 Other financial assets

Other financial assets include derivative financial instruments designated as hedges as well as receivables subject to provisional pricing adjustments, which are held at fair value with movements recognised in the income statement.

8.11.4 Non-current assets held for sale

As at 31 December 2021, Woodside reclassified US\$252 million of Pluto Train 2 assets, US\$1 million of the Wheatstone construction village assets and US\$1 million of the Pluto residential housing to non-current assets held for sale. There are no recognised liabilities associated with the non-current assets held for sale.

8.11.5 Exploration and evaluation assets

As at 31 December 2021, exploration and evaluation assets were located predominantly within the Oceania region. Underlying projects comprising the exploration and evaluation asset include exploration in the Browse and Sunrise projects. Exploration and evaluation assets declined significantly over FY21 from US\$2,145 million to US\$614 million. This movement comprised the write-off of Myanmar exploration and evaluation (US\$209 million), costs of unsuccessful wells (US\$56 million) and the transfer of the attributable balances of the Scarborough and Pluto Train 2 developments (US\$1,664 million in total) to oil and gas properties following the announcement of FID on 22 November 2021.

8.11.6 Oil and gas properties

Projects that underpin the oil and gas properties assets include the NWS Project, Pluto LNG, Australia Oil, Wheatstone, Sangomar, Pluto Train 2 and Scarborough, with Sangomar, Pluto Train 2 and Scarborough not yet in production.

The largest categories comprising the US\$18,434 million balance of oil and gas properties is plant and equipment of US\$12,313 million and projects in development of US\$4,848 million. Total accumulated depreciation expense incurred against the balance amounted to US\$22,437 million, with US\$19,928 million of this attributable to plant and equipment. Of the impairment reversals recognised, US\$1,058 million related to oil and gas properties, with US\$911 million of this attributable to plant and equipment.

Capital commitment expenditure not provided for in the financial statements is US\$7,875 million, increasing from US\$1,569 million in 2020 as a result of the increased activity around the Scarborough Project development.

8.11.7 Deferred tax assets

As at 31 December 2021, Woodside had deferred tax assets of US\$1,007 million and deferred tax liabilities of US\$878 million.

8.11.8 Lease assets and liabilities

Lease assets comprises land and buildings of US\$377 million, plant and equipment of US\$167 million and marine vessels and carriers of US\$536 million. Lease liabilities contain US\$437 million attributable to land and buildings, US\$192 million of plant and equipment and US\$738 million of marine vessels and carriers. Approximately 42% of lease commitments are more than 5 years in length.

Woodside held US\$476 million of lease liabilities in currencies other than USD (predominantly AUD).

8.11.9 Derivative financial instruments

Commodity hedges

During the period Woodside hedged a percentage of its oil-linked exposure by entering into oil swap derivatives settling between 2021 and 2023 in order to achieve a minimum average sales price per barrel. Woodside also entered into separate Henry Hub commodity swaps to hedge the purchase leg of the Corpus Christi volumes and separate title transfer facility (TTF) commodity swaps to hedge the sales leg of the Corpus Christi volumes. As a result of hedging and term sales, Woodside considers approximately 97% of the Corpus Christi volumes in 2022 and 70% in 2023 have hedged pricing risk. Woodside also entered into TTF commodity swaps to hedge equity LNG cargoes expected to be exposed to winter 2021 / 2022 natural gas pricing.

Foreign currency hedges

Woodside has a fixed medium term note of 175 million Swiss Francs (**CHF**), which it hedges with cross-currency interest rate swaps designated in both fair value and cash flow hedge relationships. The cross-currency interest rate swaps are referenced to the London Interbank Offered Rate (**LIBOR**). In addition, Woodside has taken out interest rate swaps to hedge the LIBOR interest rate risk associated with the US\$600 million syndicated facility, designated as cash flow hedges and entered into foreign exchange forward to contracts to fix the AUD to USD exchange rate in relation to A\$934 million, being a portion of the AUD denominated capital expenditure expected to be incurred under the Scarborough development.

8.11.10 *Financing arrangements*

Woodside has 14 bilateral loan facilities totalling US\$1,900 million with terms ranging between 3 and 5 years. Interest rates of these facilities are based on USD LIBOR and margins are fixed at the commencement of the drawdown period. Interest is paid at the end of the drawdown period and the facilities may be extended continually by a year subject to the bank's agreement.

On 3 July 2015, Woodside entered into an unsecured US\$1,000 million syndicated loan facility, which increased to US\$1,200 million on 22 March 2016 and was amended to US\$800 million on 15 November 2017. On 14 October 2019, Woodside increased the facility to US\$1,200 million, with US\$400 million expiring on 11 October 2022 and US\$800 million expiring on 11 October 2024. Interest rates are based on USD LIBOR and margins are fixed at the commencement of the drawdown period. On 17 January 2020, Woodside completed a new US\$600 million syndicated facility with a term of 7 years. Interest is based on the USD LIBOR plus 1.2% and is paid quarterly.

On 24 June 2008, Woodside entered into a two-tranche committed loan facility of US\$1,000 million and US\$500 million, respectively. The US\$500 million tranche was repaid in 2013. There is a prepayment option for the remaining balance. Interest rates are based on LIBOR. Interest is payable semi-annually in arrears and the principal amortises on a straight-line basis, with equal instalments of principal due on each interest payment date. Under this facility, 90% of the receivables from designated Pluto LNG sale and purchase agreements are secured in favour of the lenders through a trust structure, with a required reserve amount of US\$30 million. To the extent that this reserve amount remains fully funded and no default notice or acceleration notice has been given, the revenue from Pluto LNG continues to flow directly to Woodside from the trust account.

On 28 August 2015, Woodside established a US\$3,000 million Global Medium Term Notes Programme listed on the Singapore Stock Exchange. Three notes have been issued under this program. A summary of the terms of these notes has been set out in the table below.

Table 13: Woodside medium term notes held as at 31 December 2021

| Maturity date | Currency | Carrying amount (million) | Nominal interest rate |
|------------------|----------|---------------------------|--------------------------------|
| 15 July 2022 | USD | 200 | Floating three-month USD LIBOR |
| 11 December 2023 | CHF | 175 | 1% |
| 29 January 2027 | USD | 200 | 3% |

Source: Woodside 2021 Annual Report

Woodside has 4 unsecured bonds issued in the US, as summarised below. Interest on the bonds is payable semi-annually in arrears.

Table 14: Woodside's unsecured bonds issued in the US as at 31 December 2021

| Maturity date | Carrying amount (USD million) | Nominal interest rate |
|-------------------|----------------------------------|-----------------------|
| 5 March 2025 | 1,000 | 3.65% |
| 15 September 2026 | 800 | 3.70% |
| 15 March 2028 | 800 | 3.70% |
| 4 March 2029 | 1,500 | 4.50% |

Source: Woodside 2021 annual report

8.12 Statement of cash flows

Woodside's historical audited consolidated statement of cash flows for each of FY19, FY20 and FY21 are summarised below.

Table 15: Woodside's historical consolidated statement of cash flows

| US\$ million unless otherwise stated | FY19 | FY20 | FY21 |
|---|--------------|----------------|--------------|
| Profit/(loss) after tax for the period | 382 | (3,975) | 2,036 |
| Adjustments for: | | | |
| Non-cash items | | | |
| Depreciation and amortisation | 1,617 | 1,730 | 1,582 |
| Depreciation of lease assets | 86 | 94 | 108 |
| Change in fair value of derivative financial instruments | (1) | 31 | 31 |
| Net finance costs | 229 | 269 | 203 |
| Tax (benefit)/expense | 480 | (1,465) | 1,254 |
| Exploration and evaluation written off | 46 | 2 | 265 |
| Impairment loss | 737 | 5,269 | 10 |
| Impairment reversals | - | - | (1,058) |
| Restoration movement | 77 | 28 | 68 |
| Onerous contract provision | - | 347 | (95) |
| Other | 39 | (12) | 30 |
| Changes in assets and liabilities | | | |
| Decrease/(increase) in trade and other receivables | 118 | 41 | (39) |
| (Increase)/decrease in inventories | (21) | 51 | (4) |
| Increase/(decrease) in provisions | 33 | 155 | (16) |
| Increase in lease liabilities | - | 40 | (75) |
| (Increase)/decrease in other assets and liabilities | (48) | (137) | (25) |
| Decrease in trade and other payables | (11) | (121) | (128) |
| Cash generated from operations | 3,763 | 2,347 | 4,222 |
| Purchases of shares and payments relating to employee share plans | (66) | (32) | (47) |
| Interest received | 85 | 64 | 11 |
| Dividends received | 5 | 4 | 6 |
| Borrowing costs relating to operating activities | (157) | (180) | (91) |
| Income tax paid | (313) | (331) | (271) |
| Payments for restoration | (12) | (23) | (38) |
| Net cash from operating activities | 3,305 | 1,849 | 3,792 |
| Cash flows used in investing activities | | | |
| Payments for capital and exploration expenditure | (1,213) | (1,418) | (2,406) |
| Proceeds from disposal of non-current assets held for sale | 12 | - | - |
| Borrowing costs relating to investing activities | (37) | (57) | (126) |

| US\$ million unless otherwise stated | FY19 | FY20 | FY21 |
|---|----------------|----------------|----------------|
| Advances to other external entities | - | (110) | (206) |
| Proceeds from disposal of non-current assets | - | - | 9 |
| Payments for acquisition of joint arrangements net of cash acquired | - | (527) | (212) |
| Net cash used in investing activities | (1,238) | (2,112) | (2,941) |
| Cash flows from/(used in) financing activities | | | |
| Proceeds from borrowings | 1,700 | 600 | - |
| Repayment of borrowings | (84) | (83) | (784) |
| Borrowing costs relating to financing activities | (30) | (21) | (15) |
| Repayment of lease liabilities | (41) | (71) | (155) |
| Borrowing costs relating to lease liabilities | (89) | (86) | (89) |
| Contributions to non-controlling interests | (77) | (111) | (92) |
| Dividends paid (outside of DRP) | (852) | - | - |
| Dividends paid (net of DRP) | (210) | (454) | (289) |
| New proceeds from share issuance | - | 23 | - |
| Net cash from/(used in) financing activities | 317 | (203) | (1,424) |

Source: Woodside 2019, 2020 and 2021 Annual Reports

Note 1: Figures may not add exactly due to rounding

8.13 Taxation

Under the Australian tax consolidation regime, Woodside and its wholly owned Australian controlled entities have elected to be taxed as a single entity. As at 31 December 2021, Woodside had:

- carried forward Australian tax losses of US\$nil
- estimated tax effected foreign income tax losses of US\$497 million relating to foreign operations; none of which were recognised in the balance sheet as it is not considered probable by Woodside that the losses will be utilised based on current planned activities in those regions
- US\$1,744 million of accumulated franking credits (based on a tax rate of 30%)

All of Woodside's Australian petroleum projects are subject to the PRRT. PRRT is payable on the excess of revenue over expenses (including augmentation on general project and exploration expenditures) derived from petroleum projects. PRRT is assessed before company income tax and is deductible for the purpose of calculating company income tax. The PRRT rate is currently 40%.

8.14 Contingent liabilities

As at 31 December 2021, contingent liabilities of US\$202 million included contingent payments of US\$155 million relating to the Sangomar development, dependent on commodity prices and the timing of first oil. Contingent liabilities declined from US\$597 million as at 31 December 2020 as contingent payments of US\$450 million were paid during 2021 as a result of the FID to develop the Scarborough field.

There were no contingent assets as at 31 December 2021.

8.15 Board of Directors

The current Directors of Woodside are set out in the table below.

Table 16: Woodside's Board of Directors

| Board member | |
|--|--|
| Richard Goyder, AO Non-Executive Chairman of the Board | Meg O' Neill Managing Director, CEO |
| Larry Archibald Non-Executive Director | Frank C Cooper, AO Non-Executive Director |
| Swee Chen Goh Non-Executive Director | Christopher M Haynes, OBE Non-Executive Director |
| Ian Macfarlane Non-Executive Director | Ann Pickard Non-Executive Director |
| Sarah Ryan Non-Executive Director | Gene T Tilbrook Non-Executive Director |
| Ben Wyatt Non-Executive Director | |

Source: Explanatory Memorandum, FY21 Annual Report

Further details in relation to the experience and other directorships of the Directors of Woodside are set out in section 6 of the Explanatory Memorandum and on pages 61 to 64 of the FY21 Annual Report.

8.16 Capital structure and ownership

As at 24 March 2022, Woodside had 983,980,823 million ordinary shares on issue, along with 7,489,385 unquoted shares reserved for employees under employee share plans.

Woodside operates a number of employee share plans:

- Woodside's CEO and senior executives are offered equity rights (**ERs**) through Woodside's Executive Incentive Scheme (**EIS**), under which 87.5% of the variable reward component of eligible executives' annual remuneration is paid in the form of Performance Rights (30%) and Restricted Shares (57.5%)⁴⁴.

Performance Rights are subject to a five-year deferral period with a RTSR test five years after the date of allocation; with one-third of performance rights tested against the ASX 50 companies and the remaining two-thirds against a group of international oil and gas companies.

Restricted Shares are divided into two tranches. The first tranche comprises 27.5% of any variable award and is subject to a three-year deferral period. The second tranche represents 30% of any variable award and is subject to a five-year deferral period. Vesting is subject to continued employment during the deferral period. There are no further performance conditions attached to these awards

⁴⁴ Whilst this is the structure of the EIS, for the FY20 performance year the Board applied its discretion whereby 100% of the CEO's variable award was paid in the form of Performance Rights subject to a 3 year deferral period with an Relative Total Shareholder Return (**RTSR**) test hurdle; while Senior Executive variable award was paid in the form of 40% Performance Rights, subject to a 5 year vesting period, 30% in Restricted Shares, subject to a 3 year deferral period and 30% in Restricted Shares, subject to a 5 year deferral period.

- ERs are offered to eligible Woodside employees (other than the participants in the EIS) under the Woodside Equity Plan. Each ER represents a right to receive one fully paid share in Woodside on the vesting date at no cost provided all terms and conditions are satisfied and the employee remains employed by Woodside at that date. The number of ERs offered to each eligible employee is determined by the Board, based on individual performance. There are no further ongoing performance conditions.

75% of awarded ERs vest three years after the effective grant date, with the balance vesting five years after the effective grant date.

As at 31 December 2021, there were 5.6 million unvested ERs issued under the Woodside Equity Plan

- ERs are offered under the Supplementary Woodside Equity Plan (SWEP) as a retention award to certain targeted Woodside staff identified for key capability. The SWEP awards have service conditions and no performance conditions. Each ER entitles the participant to receive a Woodside share on the vesting date three years after the effective grant date
- In February 2018, the Board approved the Equity Award rules which apply to EIS and discretionary executive allocations. This allows the Board and CEO to award discretionary allocations of Restricted Shares or Performance Rights. An award of 133,366 Restricted Shares was made to Ms Meg O' Neill upon commencement of employment with Woodside on 1 May 2018.

As at 31 December 2021, there were 2.4 million unvested Performance Rights, 1.0 million unvested Restricted Shares and nil other unvested ERs on issue.

8.16.1 **Substantial shareholders**

Woodside's substantial shareholders so far as known to Woodside based on substantial shareholder notices filed with the ASX as at 31 December 2021 are set out in the table below.

Table 17: Woodside's substantial shareholders as at 31 December 2021

| Substantial shareholder | Interest in Woodside shares | Voting power in Woodside |
|---|-----------------------------|--------------------------|
| BlackRock Group (BlackRock Inc. and subsidiaries) | 57,411,550 | 6.13% |
| State Street Corporation and subsidiaries | 50,409,641 | 5.20% |

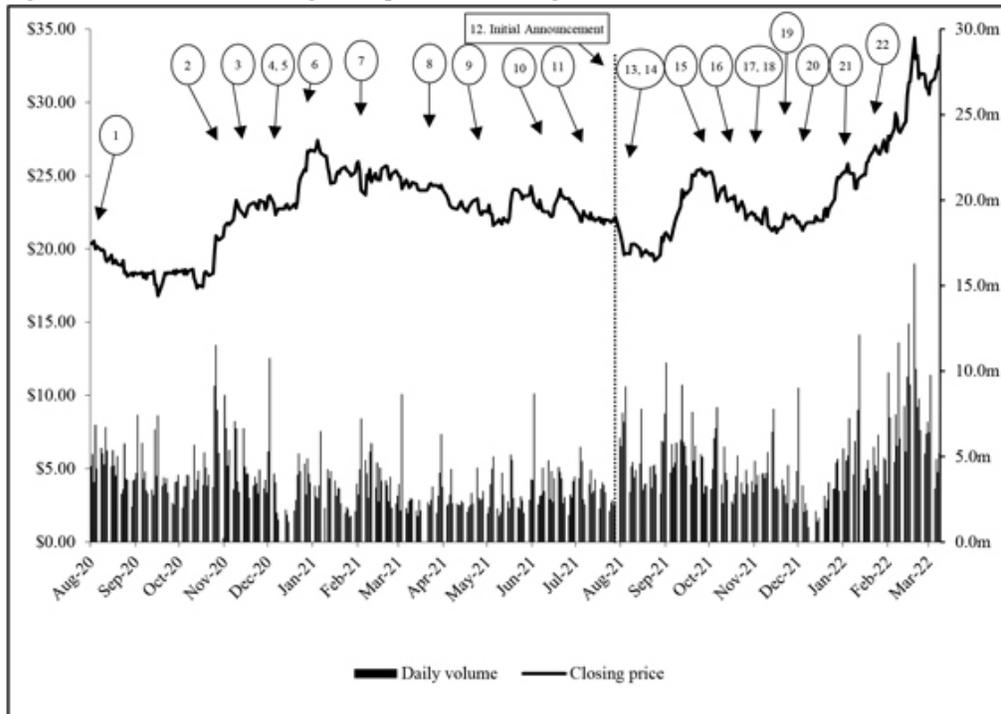
Source: Woodside 2021 Annual Report and ASX Announcements

8.17 Share price and volume trading history

8.17.1 Recent trading in ordinary shares

The chart below depicts Woodside’s daily closing price on the ASX over the 12 month period to 13 August 2021⁴⁵, and for the period subsequent to that date to 24 March 2022, along with the daily volume of shares traded on the ASX and Chi-X over the period.

Figure 11 - Woodside’s closing share price and trading volume



Source: S&P Capital IQ, IRESS Trading Data and KPMG Corporate Finance analysis

In addition to Woodside’s normal annual, half year and quarterly results and dividend distribution announcements, other significant announcements made by Woodside over this period that may have had an impact on its share price include:

1. On 17 August 2020, Woodside announced that it had given notice exercising its right to pre-empt the sale by Capricorn Senegal Limited (**Capricorn**) of its entire participating interest in the Sangomar Joint Venture.

⁴⁵ Being the last day trading prior to Woodside’s announcement to the market that it was in discussion with BHP in relation to a potential merger involving BHP’s petroleum assets

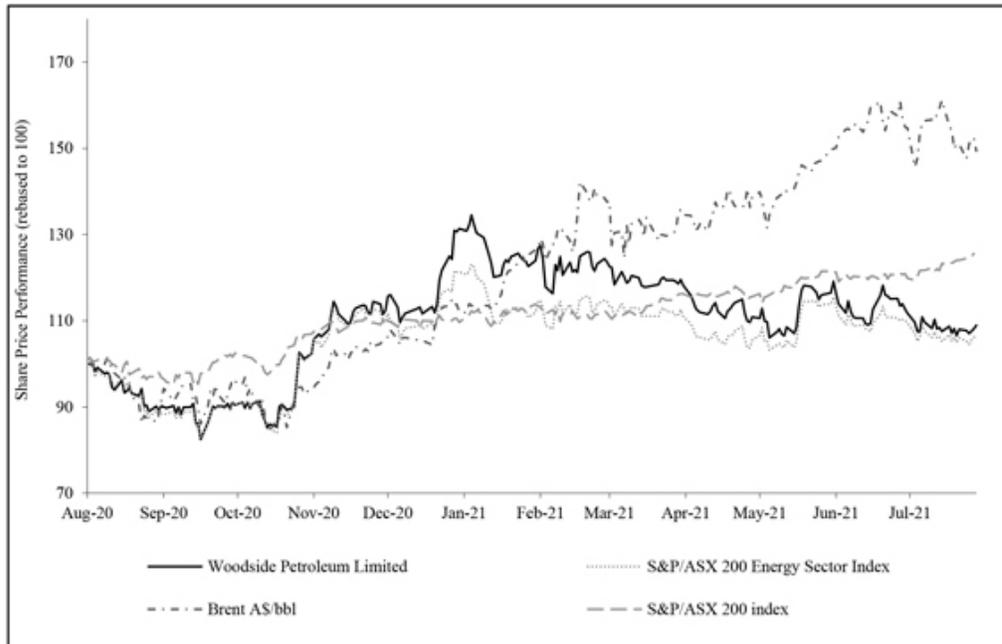
2. On 3 December 2020, Woodside announced that it had given notice exercising its right to pre-empt the sale by FAR of its entire participating interest in the Sangomar Joint Venture.
3. On 8 December 2020, Woodside announced that it been advised by then CEO Peter Coleman of his intention to retire in the second half of 2021.
4. On 23 December 2020, Woodside announced that it had completed the acquisition of Capricorn's entire participating interest in the Sangomar Joint Venture.
5. On 23 December 2020, Woodside announced that NWS Project participants had executed GPAs for processing third-party gas through the NWS Project facilities regarding gas from the Pluto fields in respect of the Waitisia Gas Project Stage 2.
6. On 18 January 2021, Woodside announced that it had agreed with Uniper Globale Commodities SE (**Uniper**) to increase the supply of LNG from Woodside's global portfolio to Uniper.
7. On 19 February 2021, Woodside announced that it had entered into an agreement with RWE Supply & Trading GmbH for the supply of LNG from Woodside's global portfolio for a term of seven years, commencing in 2025.
8. On 13 April 2021, Woodside announced that it had agreed with Peter Coleman that he would retire from Woodside on 3 June 2021.
9. On 18 May 2021, Woodside announced it had decided to exit its 50% non-operated participating interest in the proposed Kitimat LNG development, located in British Columbia, Canada.
10. On 7 July 2021, Woodside announced that it had completed the acquisition of FAR's participating interest in the Sangomar Joint Venture.
11. On 4 August 2021, Woodside announced an update to the Scarborough project, outlining that it had finalised technical work to support execution readiness and completed an update of the capital expenditure requirements for the Scarborough development.
12. On 16 August 2021, Woodside announced that it was engaged in discussions with BHP regarding a potential merger involving BHP's entire petroleum business through a distribution of Woodside shares to BHP shareholders.
13. On 17 August 2021, Woodside announced that Ms Meg O' Neill had been appointed as acting CEO and Managing Director.
14. On 17 August 2021, Woodside announced that it had entered into a merger commitment deed with BHP to combine their respective oil and gas portfolios.
15. On 5 November 2021, Woodside announced that it had completed a review of the reserves and resource estimates for the Greater Pluto Region, with 1P total reserves, excluding 2021 production to date, increasing by approximately 10% and 2P total Reserves decreasing by approximately 10%.
16. On 15 November 2021, Woodside announced it had entered into a sale and purchase agreement with GIP for the sale of a 49% non-operating participating interest in the Pluto Train 2 Joint Venture.

17. On 22 November 2021, Woodside announced FID had been made to approve the Scarborough and Pluto Train 2 developments, including new domgas facilities and modifications to Pluto Train 1.
18. On 22 November 2021, Woodside announced it had signed a binding share sale agreement with BHP for the merger of BHP's oil and gas portfolio with Woodside, with Woodside to acquire the entire share capital of BHP Petroleum in exchange for new Woodside shares.
19. On 8 December 2021, Woodside announced its energy transition strategy, which included a target to invest US\$5,000 million in emerging new energy markets by 2030.
20. On 16 December 2021, Woodside filed a copy of the ACCC media release, announcing that the ACCC will not oppose Woodside's proposed acquisition of BHP Petroleum.
21. On 18 January 2022, Woodside announced it had completed the sale of 49% non-operating interest in the Pluto Train 2 Joint Venture to GIP.
22. On 27 January 2022, Woodside announced it has decided to withdraw from its interests in Myanmar, including Blocks AD-1, AD-8, the A-6 Joint Venture and the A-6 production sharing contract (PSC) held with MOGE.

8.17.2 *Relative share price performance*

As depicted in the figure below, Woodside's share price generally matched the S&P / ASX 200 Energy Sector Index but underperformed against the broader S&P / ASX 200 Index and the AUD spot Brent price over the 12 months to 13 August 2021, being the last trading day prior to the Initial Announcement.

Figure 12 - Relative share price performance



Source: S&P Capital IQ, IRESS Trading Data and KPMG Corporate Finance analysis

8.17.3 Trading liquidity on the ASX

An analysis of volume of trading in Woodside's shares over various periods in the 12 months to 13 August, being the last trading day prior to the Initial Announcement.

Table 18: Trading liquidity in Woodside Petroleum Limited Securities prior to the Initial Announcement

| Period up to and including 13 Aug 21 | Price (low) AS | Price (high) AS | Price VWAP AS | Cumulative value AS\$m | Cumulative volume m | % of issued capital |
|--------------------------------------|----------------|-----------------|---------------|------------------------|---------------------|---------------------|
| 1 day | 21.91 | 22.19 | 22.09 | 50.5 | 2.3 | 0.2% |
| 1 week | 21.78 | 22.19 | 21.98 | 240.7 | 11.0 | 1.1% |
| 1 month | 21.56 | 23.50 | 22.22 | 1,585.4 | 71.3 | 7.4% |
| 3 months | 21.54 | 24.53 | 22.72 | 4,592.6 | 202.1 | 21.0% |
| 6 months | 21.54 | 26.27 | 23.49 | 9,161.2 | 389.9 | 40.5% |
| 12 months | 16.80 | 27.60 | 22.11 | 19,730.3 | 892.5 | 92.8% |

Source: S&P Capital IQ, IRESS Trading Data and KPMG Corporate Finance analysis

Note 1: Security price data represents intra-day trading rather than closing prices

Woodside shares exhibited strong liquidity over the 12 month period to 13 August 2021 (inclusive), with an average of 3.5 million shares, representing approximately 0.4% of issued capital, traded per day, with a daily value of approximately A\$78 million. Over this period, Woodside shares were traded on all available trading days on the ASX.

An analysis of the volume of trading in Woodside's shares in the period from 14 August 2021 to 24 March 2022 inclusive is set out in the table below, noting Woodside shares were traded on all trading days.

Table 19: Trading liquidity in Woodside Petroleum Limited Securities post the Initial Announcement

| Period from 14 Aug 21 to 24 Mar 22 incl. | Price (low) A\$ | Price (high) A\$ | Price VWAP A\$ | Cumulative value A\$m | Cumulative volume m | % of issued capital |
|--|-----------------------|------------------------|----------------------|-----------------------------|---------------------------|------------------------|
| 159 days | 19.15 | 34.60 | 24.93 | 18,996.1 | 761.9 | 77.3% |

Source: S&P Capital IQ, IRESS Trading Data and KPMG Corporate Finance analysis

9 Profile of BHP Petroleum

9.1 Company overview

BHP Petroleum, which operates as a wholly owned subsidiary of BHP, was incorporated in 1988 and is based in Houston, Texas.

BHP Petroleum comprises conventional oil and gas operations, as well as exploration and development activities. BHP Petroleum has oil and gas assets located in Algeria⁴⁶, Australia, Trinidad and Tobago and the GOM, and appraisal and exploration options in Barbados, Eastern Canada, Mexico, Trinidad and Tobago, the Western GOM and Egypt. The crude oil and condensate, gas and natural gas liquids that are produced by BHP Petroleum are predominantly sold on the international spot market or domestic market.

9.2 Production assets

An overview of the BHP Petroleum's principal oil, gas and LNG assets are set out below and discussed in more detail in GaffneyCline's ITSR which is attached as Appendix 15 to this report. All Reserves and Resources estimates shown in this section are BHP Reserves and Resources estimates as detailed in the Explanatory Memorandum and all Gas volumes include gas equivalent NGL volumes, which have been converted to Bcf by multiplying by a conversion factor of 6.0.

9.2.1 Shenzi

BHP Petroleum is the operator of the Shenzi deep-water offshore oil and gas field, which is located approximately 195 km off the coast of Louisiana, US in the Green Canyon area of the GOM.

⁴⁶ BHP Petroleum is currently in the process of divesting its Algerian assets. The treatment of the Algerian assets is discussed in more detail in Section 9.2.8 below.

BHP Petroleum entered into a membership interest purchase and sale agreement with Hess Corporation on 6 November 2020 to acquire an additional 28% interest in Shenzi, bringing its total interest in Shenzi to 72%^{47,48}. Shenzi, whose first oil and natural gas production was achieved in 2009, is a standalone tension leg platform (TLP) that is installed in approximately 1,340m of water.

Shenzi oil is transported via a dedicated oil pipeline to third party infrastructure, while Shenzi gas goes through the Cleopatra gas pipeline⁴⁹. The normal production capacity of the Shenzi field is 0.1 MMbbl/d of oil and 50 MMscf/d of gas.

BHP Petroleum is currently pursuing various initiatives to underpin the long-term use of the existing Shenzi infrastructure and production facilities, including:

- the introduction of the Shenzi Subsea Multi-Phase Pumping (SSMPP) to increase production rates from existing wells, with potential first production in CY22
- the development of the Shenzi North project, a two-well subsea tieback to the existing Shenzi TLP, which is targeting potential first production in CY24
- the development of the Wildling project, which incorporates a further two-well subsea tieback to Shenzi TLP via Shenzi North. The project's FID is currently anticipated to be made between CY22 and CY23, with potential first production between CY24 and CY25
- additional infill opportunities to increase production, with three producing and two water injection wells tied back to Shenzi TLP. A FID for these projects is currently anticipated to be made between CY22 and CY25, with potential first production between CY24 and CY26.

Each of the above initiatives are discussed further in sections 9.4 and 9.5 below.

As at 31 December 2021, BHP Petroleum's share of Shenzi's net oil and condensate 1P Reserves and 2P Reserves was 64.0 MMbbl and 92.1 MMbbl, respectively and gas 1P Reserves and 2P Reserves was 33.3 Bcf and 49.7 Bcf, respectively⁵⁰. BHP Petroleum's share of Shenzi's net oil and condensate 2C Contingent Resources was 83.9 MMbbl and gas 2C Contingent Resources was 59.2 Bcf⁵¹.

9.2.2 Atlantis

The Atlantis deep-water offshore oil and gas field is located approximately 210 km off the coast of Louisiana, US in the Green Canyon area of the GOM. BHP Petroleum has a total interest in Atlantis of 44%⁵². The field was first discovered in 1998 comprises a moored semi-submersible platform that is installed in approximately 2,155m of water.

Oil and gas from the field is transported through the Caesar oil pipeline and the Cleopatra gas pipeline. The normal production capacity of the Atlantis field is 0.2 MMbbl/d of oil and 180 MMscf/d of gas.

⁴⁷ The remaining interest is held by Repsol S.A. (**Repsol**).

⁴⁸ Shenzi continues to be accounted for as a joint operation after BHP Petroleum's additional purchase of a 28% interest in the deep-water oil and gas field.

⁴⁹ BHP Petroleum holds a 22% membership interest in Cleopatra Gas Gathering Company LLC.

⁵⁰ Net reserves include volumes consumed in operations (CIO or fuel).

⁵¹ Net resources include volumes consumed in operations (CIO or fuel).

⁵² The remaining 56% interest is held by joint venture partner and operator, BP.

The Atlantis Phase 3 project has been developed and sanctioned to increase production and grow the resources at the existing Atlantis field. The Atlantis Phase 3 project is a new subsea production system that will tie back to the existing Atlantis production facility and has the capacity to produce up to approximately 0.04 MMbbl/d. The project recorded its first production in July 2020 (discussed further in section 9.4.4).

As at 31 December 2021, BHP Petroleum's share of Atlantis' net oil and condensate 1P Reserves and 2P Reserves was 62.3 MMbbl and 144.3 MMbbl respectively and gas 1P Reserves and 2P Reserves was 57.4 Bcf and 139.2 Bcf respectively⁵³. BHP Petroleum's share of Atlantis' net oil and condensate 2C Contingent Resources was 155.1 MMbbl and gas 2C Contingent Resources was 405.7 Bcf⁵⁴.

9.2.3 *Mad Dog*

The Mad Dog deep-water offshore oil and gas field is located approximately 210 km off the coast of Louisiana, US in the Green Canyon area of the GOM. BHP Petroleum has a total interest in Mad Dog of 23.9%.⁵⁵ Installed in approximately 1,310m of water, Mad Dog is a moored integrated truss spar host (**A Spar**) that facilitates simultaneous production and drilling operations.

Oil and gas from the field is transported through the Caesar oil pipeline and the Cleopatra gas pipeline systems. The normal production capacity of A Spar is 0.1 MMbbl/d of oil and 60 MMscf/d of gas handling⁵⁶.

BHP Petroleum is currently completing several development and growth projects at the Mad Dog field, including:

- the installation of up to four infill wells tied to Mad Dog A Spar, with potential first production in CY23
- the completion of the Mad Dog Phase 2 project, which involves the development of a semi-submersible floating production facility with 22 subsea wells. The project, which is an extension to the existing Mad Dog field, is targeting potential first production in CY22
- the development of nine new wells that will tie back to the existing Mad Dog Phase 2 facility. The project's FID is currently anticipated to be made between CY25 and CY26, with potential first production between CY26 and CY28
- the installation of two water injector wells, which will provide pressure support to Mad Dog A Spar production wells. The project's FID is currently anticipated to be made in CY24, with potential first production in CY25.

Each of the above initiatives are discussed further in sections 9.4 and 9.5 below.

⁵³ Net reserves include volumes consumed in operations (CIO or fuel).

⁵⁴ Net resources include volumes consumed in operations (CIO or fuel).

⁵⁵ The remaining interests are held by joint venture partners, BP (60.5%), which is the operator of the field, and Chevron (15.6%).

⁵⁶ Gas handling capacity includes 20MMcf/d for gas lifting wells. The net production gas capacity is 40MMcf/d.

As at 31 December 2021, BHP Petroleum's share of Mad Dog net oil and condensate 1P Reserves and 2P Reserves was 126.8 MMbbl and 178.2 MMbbl respectively and gas 1P Reserves and 2P Reserves was 48.2 Bcf and 67.2 Bcf respectively⁵⁷. BHP Petroleum's share of Mad Dog's net oil and condensate 2C Contingent Resources was 164.5 MMbbl and gas 2C Contingent Resources was 52.3 Bcf⁵⁸.

9.2.4 **NWS Project**

As discussed previously at section 8.2, the NWS Project is a joint venture between seven major companies⁵⁹, with Woodside as the operator.

BHP Petroleum currently holds between 12.5% and 16.7% non-operated interests across nine separate joint venture agreements in the NWS Project.

As at 31 December 2021, BHP Petroleum's share of NWS Project's net oil and condensate 1P Reserves and 2P Reserves was 17.8 MMbbl and 22.2 MMbbl respectively and gas 1P Reserves and 2P Reserves was 728.9 Bcf and 913.4 Bcf respectively⁶⁰. BHP Petroleum's share of NWS Project's net oil and condensate 2C Contingent Resources was 11.9 MMbbl and gas 2C Contingent Resources was 140.5 Bcf⁶¹.

Further detail in relation to the profile of the NWS Project is set out in section 8.2.1 above.

9.2.5 **Bass Strait**

BHP Petroleum holds a non-operated interest in Bass Strait, consisting of a collection of offshore installations and onshore processing facilities, producing oil and gas. Located between 25 km and 80 km off the south-east coast of Australia and onshore Victoria, Bass Strait consists of the Gippsland Bass Joint Venture (**GBJV**) and Kipper Unit Joint Venture (**KUJV**).

BHP Petroleum has a total interest in the GBJV of 50%⁶². GBJV currently holds 20 production licenses and two retention leases for the exploration, development and production of oil, LPG and gas from Bass Strait.

BHP Petroleum has a total interest in the KUJV of 32.5%⁶³. The Kipper gas field is located in around 100m of water, approximately 45 km from Ninety Mile Beach on the Gippsland coast of Victoria. Operated by Esso Australia, production at the field commenced in 2017. Raw gas is transported from the field to the nearby West Tuna facility from where it is processed under agreement with GBJV through both offshore infrastructure and onshore facilities before being made available to market at Longford (natural gas) and Long Island Point (Condensate & LPG).

⁵⁷ Net reserves include volumes consumed in operations (CIO or fuel).

⁵⁸ Net resources include volumes consumed in operations (CIO or fuel).

⁵⁹ Ownership of the NWS Project and the associated production is split between several joint ventures with different participating interests. Woodside owns a one-sixth stake in the original NWS LNG joint venture, which was responsible for all LNG production and sales at the NWS Project. Other NWS LNG joint venture participants, which also own one-sixth stakes, include BHP Petroleum, BP, Chevron, Shell and Japan Australia LNG (MIMI) Pty Ltd. CNOOC also has a participating interest in the NWS Project through the joint venture that is responsible for supplying LNG to the China LNG JV (BHP Petroleum's participating interest: 12.5%). There are other joint ventures within the NWS Project, which are responsible for Western Australian domestic gas production (BHP Petroleum's participating interest: 15.78%) and production of additional "equity lifted LNG" (the proportion of LNG which Woodside is entitled to lift and sell, in its own right, as a result of its participating interest in the relevant project) above joint contract quantities (BHP Petroleum's participating interest: 15.78%). There is also an oil joint venture (OKHA FPSO) with different parties and ownerships.

⁶⁰ Net reserves include volumes consumed in operations (CIO or fuel).

⁶¹ Net resources include volumes consumed in operations (CIO or fuel).

⁶² The remaining 50% is held by joint venture partner and operator, Esso Australia.

⁶³ The remaining interests are held by Esso Australia holding (32.5%) and Mitsui E&P Australia (35%).

Bass Strait's first oil and gas production was recorded in 1969. The facility now includes 23 offshore platforms and installations and a 600km subsea pipeline network. The nominal processing capacity is 65 Mbb/d of oil, 1,040 TJpd of domgas, 5,150 tpd of LPG and 850 tpd of ethane.

As at 31 December 2021, BHP Petroleum's share of Bass Strait's net oil and condensate 1P Reserves and 2P Reserves was 10.0 MMbbl and 18.6 MMbbl respectively and gas 1P Reserves and 2P Reserves was 488.5 Bcf and 869.6 Bcf respectively^{64,65}. BHP Petroleum's share of Bass Strait's net oil and condensate 2C Contingent Resources was 57.8 MMbbl and gas 2C Contingent Resources was 906.1 Bcf⁶⁶.

9.2.6 *Pyrenees*

The Pyrenees oil fields, first discovered in 1993, are located approximately 45 km north-west of Exmouth, Western Australia. The initial development comprised three fields in the Exmouth Sub-Basin, split between two production permits.

The Ravensworth field is located in both production permits WA-42-L and WA-43-L. The Crosby and Stickle fields are located exclusively in WA-42-L. BHP Petroleum holds a 71.43% interest in WA-42-L⁶⁷ and a 39.999% interest in WA-43-L.⁶⁸ BHP Petroleum is the operator of both these permits.

The Pyrenees development commenced oil production in 2010. The current development consists of six separate fields with 26 subsea wells, (21 production wells, four water disposal wells and one gas injection/production well) tied back via subsea infrastructure to the Pyrenees Venture FPSO. The FPSO has a production capacity of 0.01 MMbbl/d and storage of 0.9 MMbbl of crude oil.

As at 31 December 2021, BHP Petroleum's share of Pyrenees' net oil and condensate 1P Reserves and 2P Reserves was 10.1 MMbbl and 18.8 MMbbl respectively and gas 1P Reserves and 2P Reserves was 11.2 Bcf and 1.1 Bcf respectively⁶⁹. BHP Petroleum's share of Pyrenees' net oil and condensate 2C Contingent Resources was 15.8 MMbbl⁷⁰.

9.2.7 *Macedon*

The Macedon gas operations comprise of an offshore gas field located approximately 100 km west of Onslow, Western Australia and an onshore gas processing facility located approximately 17 km south-west of Onslow. The Macedon gas field was first discovered in 1992, with first sales gas having commenced in 2013. BHP Petroleum, who is the operator of Macedon, holds a 71.43% interest in the project.⁷¹ The operation involves the offshore production of gas via four subsea wells and associated subsea field infrastructure, which is then piped to an onshore processing plant, before being sold to the Western Australian domestic market via the Dampier to Bunbury natural gas pipeline.

⁶⁴ Net reserves include volumes consumed in operations (CIO or fuel).

⁶⁵ Gas Reserves and Resources includes the NGL volumes which have been converted to Bcf by multiplying by a conversion factor of 6.0.

⁶⁶ Net resources include volumes consumed in operations (CIO or fuel).

⁶⁷ The remaining interest is held by Santos (28.57%).

⁶⁸ The remaining interests are held by Santos (31.501%) and Inpex Alpha Ltd (**Inpex Alpha**) (28.5%).

⁶⁹ Net reserves include volumes consumed in operations (CIO or fuel).

⁷⁰ Net resources include volumes consumed in operations (CIO or fuel).

⁷¹ The remaining interest is held by Santos (28.57%).

The processing capacity of the Macedon gas plant is 220 MMscf/d of gas and 110 bbl/d of condensate.

As at 31 December 2021, BHP Petroleum's share of Macedon's net gas 1P Reserves and 2P Reserves was 222.7 Bcf and 300.2 Bcf respectively⁷². BHP Petroleum's share of Macedon's net gas 2C Contingent Resources was 107.0 Bcf⁷³.

9.2.8 **ROD Integrated Development**

The Rhourde Ouled Djemma (**ROD**) Integrated Development project is an onshore oil project, located approximately 900 km south-east of Algiers, Algeria.

BHP plans to divest its assets in Algeria. These assets are not covered by this IER as Woodside and BHP have agreed that BHP will retain the economic benefits from the Effective Date, including the net proceeds from the divestment. If the divestment of the ROD Integrated Development has not completed prior to completion of the Proposed Transaction, Woodside will run the ROD Integrated Development on behalf of BHP under an arrangement whereby BHP will retain all economic exposure and indemnify Woodside for any costs and liabilities associated with the ROD Integrated Development until such time as both parties agree alternative arrangements or the ROD Integrated Development lapses (whichever is earlier).

9.2.9 **Trinidad and Tobago (Angostura and Ruby)**

BHP Petroleum is the operator of both the Greater Angostura and Ruby offshore shallow-water oil and gas fields. The integrated oil and gas development consists of two fields located between 40 km and 45 km offshore east of Trinidad. BHP Petroleum holds a 68.5% interest in Ruby and a 45.0% interest in Greater Angostura, with separate production sharing contracts for Block 2(c) and Block 3(a).

Greater Angostura consists of a central processing platform connected to four wellhead platforms and a gas export platform. There are 31 wells completed for production and injection including 17 oil producers, 7 gas producers (three of which are subsea) and 7 gas injectors. Angostura was discovered by BHP Petroleum in 1999. Phase 1 started oil production in 2005. Phase 2 of the project included a new gas export platform and two pipelines with gas sales to Trinidad and Tobago, commencing production from 2011. Phase 3 comprising of 3 subsea wells started gas production in 2016. Normal production capacity of Greater Angostura is 0.1 MMbbl/d of oil and 340 MMscf/d of gas.

The Ruby project was developed through a single wellhead protector platform consisting of five oil and gas producers and one gas injector tied back to the existing facilities in the Greater Angostura block. Ruby achieved first oil production in May 2021. Drilling and completion of the remaining wells at Ruby is ongoing with project completion expected in the first half of CY22. The normal production capacity of Ruby is 16 Mbbl/d of oil and 80 MMscf/d of gas.

⁷² Net reserves include volumes consumed in operations (CIO or fuel).

⁷³ Net resources include volumes consumed in operations (CIO or fuel).

As at 31 December 2021, BHP Petroleum's share of Greater Angostura's net oil and condensate 1P Reserves and 2P Reserves was 1.6 MMbbl and 2.1 MMbbl respectively and gas 1P Reserves and 2P Reserves was 165.4 Bcf and 251.5 Bcf respectively⁷⁴. BHP Petroleum's share of Greater Angostura's net oil and condensate 2C Contingent Resources was 0.9 MMbbl and gas 2C Contingent Resources was 188.1 Bcf⁷⁵.

As at 31 December 2021, BHP Petroleum's share of the Ruby project's net oil and condensate 1P Reserves and 2P Reserves was 0.8 MMbbl and 1.4 MMbbl respectively and gas 1P Reserves and 2P Reserves was 16.1 Bcf and 37.1 Bcf respectively⁷⁶. BHP Petroleum's share of the Ruby project's net oil and condensate 2C Contingent Resources was 3.2 MMbbl and gas 2C Contingent Resources was 45.6 Bcf⁷⁷.

9.2.10 Production summary

BHP Petroleum's share of production for each of the 12 months ended 30 June 2019, 30 June 2020 and 30 June 2021 and for the six months ended 31 December 2021 is summarised in the table below.

Table 20: BHP Petroleum's share of production

| Production | | | 12 months 30-Jun-19 | 12 months 30-Jun-20 | 12 months 30-Jun-21 | 6 months 31-Dec-21 |
|--------------------------|---------------------------------------|-------------|------------------------|------------------------|------------------------|-----------------------|
| Crude oil and condensate | Bass Strait | Mboe | 5,193 | 4,993 | 4,372 | 2,172 |
| | NWS Project | Mboe | 5,822 | 5,239 | 4,511 | 2,000 |
| | Pyrenees | Mboe | 3,324 | 3,801 | 3,032 | 1,433 |
| | Other Australian ² | Mboe | 28 | 11 | 3 | 2 |
| | Atlantis ³ | Mboe | 14,487 | 11,276 | 10,513 | 6,393 |
| | Mad Dog ³ | Mboe | 4,932 | 4,867 | 4,449 | 2,292 |
| | Shenzi ^{3,4} | Mboe | 7,646 | 6,245 | 7,510 | 4,351 |
| | Trinidad/Tobago | Mboe | 1,166 | 510 | 573 | 887 |
| | Other Americas ^{3,5} | Mboe | 981 | 957 | 693 | 164 |
| | UK | Mboe | 72 | - | - | - |
| | Algeria | Mboe | 3,645 | 3,313 | 3,073 | 1,530 |
| | Total Crude oil and condensate | Mboe | 47,296 | 41,212 | 38,729 | 21,224 |
| Natural gas liquids | Bass Strait | Mboe | 5,435 | 5,666 | 5,315 | 2,795 |
| | NWS Project | Mboe | 830 | 796 | 692 | 328 |
| | Atlantis | Mboe | 1,006 | 669 | 690 | 408 |
| | Mad Dog | Mboe | 196 | 189 | 220 | 102 |
| | Shenzi | Mboe | 353 | 298 | 375 | 236 |
| | Other Americas | Mboe | 28 | 33 | 21 | 3 |
| | UK | Mboe | 42 | - | - | - |
| | Total natural gas liquids | Mboe | 7,890 | 7,651 | 7,313 | 3,872 |

⁷⁴ Net reserves include volumes consumed in operations (CIO or fuel).

⁷⁵ Net resources include volumes consumed in operations (CIO or fuel).

⁷⁶ Net reserves include volumes consumed in operations (CIO or fuel).

⁷⁷ Net resources include volumes consumed in operations (CIO or fuel).

| Production | | | 12 months 30-Jun-19 | 12 months 30-Jun-20 | 12 months 30-Jun-21 | 6 months 31-Dec-21 |
|--------------|------------------|--------------------------|------------------------|------------------------|------------------------|-----------------------|
| Natural gas | Bass Strait | Bcf | 111.9 | 110.9 | 113.0 | 61.6 |
| | NWS Project | Bcf | 145.5 | 135.2 | 117.6 | 50.1 |
| | Other Australian | Bcf | 52.9 | 46.5 | 50.3 | 25.3 |
| | Atlantis | Bcf | 7.6 | 5.6 | 5.3 | 3.2 |
| | Mad Dog | Bcf | 0.8 | 0.9 | 0.7 | 0.3 |
| | Shenzi | Bcf | 1.6 | 1.2 | 1.1 | 0.8 |
| | Trinidad/Tobago | Bcf | 74.8 | 58.9 | 52.4 | 27.2 |
| | Other Americas | Bcf | 0.4 | 0.4 | 0.2 | - |
| | UK | Bcf | 1.4 | - | - | - |
| | | Total natural gas | Bcf | 396.9 | 359.6 | 340.6 |
| Total | | Mboe⁶ | 121,336 | 108,796 | 102,809 | 53,179 |

Source: BHP Operational Review for the year ended 30 June 2020 and 30 June 2021 and for the half year ended 31 December 2021

Notes:

1. BHP Petroleum's production for the half year ended 31 December 2021
2. Other Australian includes Minerva and Macedon. Minerva ceased production in September 2019
3. GOM volumes are net of royalties
4. BHP Petroleum completed the acquisition of an additional 28% interest in Shenzi on 6 November 2020, taking its total interest to 72%
5. Other Americas includes Neptune (divested May 2021) and Overriding Royalty Interest
6. BHP Petroleum conversion factors are identified at Table 21
7. Figures may not add exactly due to rounding.

Table 21: BHP Petroleum Conversion factors

| Product | Factor | Conversion factors ¹ |
|---------|---------|---------------------------------|
| Dry gas | 1 MMboe | 6.0 Bcf |

Source: BHP Operational Review for the year ended 30 June 2020 and 30 June 2021 and for the half year ended 31 December 2021

Note 1: Minor changes to some conversion factors can occur over time due to gradual changes in the process stream

9.3 Growth assets

BHP Petroleum holds operating and non-operating interests in a number of growth projects, including Trion and Calypso. These growth projects are set out below and discussed in more detail in GaffneyCline's ITSR which is attached as Appendix 15 to this report.

9.3.1 Trion

The Trion project is a large greenfield development located in the deep-water GOM, on the Mexico side of the Perdido fold belt. Trion was initially discovered in 2012 by Petróleos Mexicanos (PEMEX). During the year ended 30 June 2017, BHP Petroleum acquired a 60% operating interest and ownership in the Trion project⁷⁸.

⁷⁸ PEMEX retained a 40% interest in the Trion project.

The proposed development plan consists of 14 producers supported by ten peripheral water injectors and three crestal gas injectors. Production is to be delivered via subsea flowline to a 100 Mbbbl/d nameplate FPU prior to sending oil to a Floating Storage and Offloading system for tanker export. Gas export is expected to occur via a sales pipeline.

As at 31 December 2021, BHP Petroleum's share of Trion's net oil and condensate 2C Contingent Resources was 241.0 MMbbl and gas 2C Contingent Resources was 204.0 Bcf⁷⁹.

9.3.2 *Calypso*

The Calypso project is an operated deep-water advantaged gas discovery through the Trinidad and Tobago Northern Gas licences, located in two blocks in north-east Tobago. BHP Petroleum is the operator and holds a 70% operating interest in both blocks.⁸⁰ There are currently multiple development concepts under evaluation for the Calypso project.

As at 31 December 2021, BHP Petroleum's share of Calypso's net gas 2C Contingent Resources was 2,456.3 Bcf⁸¹.

9.4 **Sanctioned assets**

BHP Petroleum is currently progressing a number of sanctioned projects (in execution). These sanctioned projects are set out below and discussed in more detail in GaffneyCline's ITSR which is attached as Appendix 15 to this report.

9.4.1 *Bass Strait Kipper/West Tuna compression*

A recent GBJV investment decision to install Kipper compression facilities on the West Tuna facility enables incremental resource capture from the Kipper field. This project was sanctioned in October 2021.

9.4.2 *Scarborough*

The Scarborough Joint Venture is a Woodside-operated project, with gas resources located in the Carnarvon Basin approximately 375 km west-northwest of the Burrup Peninsula in Western Australia. The Scarborough Joint Venture received FID approval on 22 November 2021 for the development of the Scarborough gas resource through new offshore facilities, to be connected by a 430 km pipeline to the proposed Pluto Train 2.

BHP Petroleum currently holds a 26.5% non-operating interest in the Scarborough Joint Venture, which covers the Scarborough and North Scarborough gas fields, and a 50% non-operating interest in the Thebe and Jupiter Joint Ventures, which cover the Thebe and Jupiter gas fields adjacent to the Scarborough and North Scarborough gas fields. BHP Petroleum does not hold an ownership interest in either the existing Pluto LNG processing facility or the proposed Pluto Train 2.

In a separate arrangement to the Proposed Transaction, BHP and Woodside have agreed an option for BHP Petroleum to divest both its 26.5% interest in the Scarborough Joint Venture and its 50% interest in the Thebe and Jupiter Joint Ventures to Woodside in the event the Proposed Transaction is not completed.

⁷⁹ Net resources include volumes consumed in operations (CIO or fuel).

⁸⁰ The remaining interest is held by BP (30%).

⁸¹ Net resources include volumes consumed in operations (CIO or fuel).

The option is exercisable by BHP Petroleum in the second half of CY22 and if exercised, consideration of US\$1 billion is payable to BHP Petroleum with adjustment from an effective date of 1 July 2021. An additional US\$100 million is payable contingent upon a future FID for a Thebe development.

As at 31 December 2021, BHP Petroleum's share of Scarborough's net gas 1P Reserves and 2P Reserves was 1,769.0 Bcf and 2,226.0 Bcf respectively⁸². BHP Petroleum's share of Scarborough's net gas 2C Contingent Resources was 981.0 Bcf^{83,84}.

Please refer to section 8.4.1 for further detail on the Scarborough asset.

9.4.3 *Shenzi Subsea Multi-Phase Pumping (Shenzi SSMPP)*

The Shenzi SSMPP project was developed to improve oil recovery and increase production rates at the existing wells in the Shenzi field. BHP Petroleum is the operator and the joint venture interests are the same as for the original Shenzi project. The Shenzi SSMPP project is forecast to have potential first production in CY22 and peak production capacity of 6.5 Mbb/d in CY22.

9.4.4 *Atlantis Phase 3*

The Atlantis Phase 3 project, which was sanctioned in February 2019, was developed to take advantage of the existing infrastructure and production ullage in place at the established Atlantis field. The Atlantis Phase 3 project will include the development of a new subsea production system, comprising an eight-well subsea tieback which will connect to the current Atlantis production facility. The project will expand the Atlantis field and provide cost-efficient, near term volumes. BP operates the project and the joint venture interests are the same as for the original Atlantis project.

BHP Petroleum has stated the Atlantis Phase 3 project achieved first production in July 2020 and has the capacity to produce up to 35 Mbb/d.

9.4.5 *Mad Dog A Spar*

To increase the production capacity of the existing Mad Dog A Spar field, three to four infill wells will be tied back to the existing Mad Dog A Spar facility. BP operates the project and the joint venture interests are the same as for the original Mad Dog project. Mad Dog A Spar is forecast to have potential first production in CY23 and peak production capacity of 18 Mbb/d in CY26.

9.4.6 *Mad Dog Phase 2*

Following the successful Mad Dog South appraisal well, the Mad Dog Phase 2 platform will be developed as an extension of the existing Mad Dog field and will be located southwest of the existing Mad Dog platform. BP operates the project and the joint venture interests are the same as for the original Mad Dog project.

The Mad Dog Phase 2 project is comprised of a semi-submersible floating production facility (**Argos**) that has the capacity of 110 thousand barrels per day (**Mbb/d**) of oil and 140 Mbb/d water injection.

⁸² Net reserves include volumes consumed in operations (CIO or fuel).

⁸³ Net resources include volumes consumed in operations (CIO or fuel).

⁸⁴ BHP Petroleum's share of Scarborough's net gas 2C Contingent Resources of 981.0 Bcf includes Thebe and Jupiter.

BHP Petroleum is targeting potential first production in CY22. Argos, which arrived in the US from South Korea in April 2021, will have 22 subsea wells, 14 of which will be producing wells and eight water injection wells.

9.4.7 Pyrenees Phase 4

At the time of this report, Pyrenees had no undeveloped reserves. Pyrenees Phase 4 is aimed to develop incremental reserves and optimise value using the existing infrastructure through a well re-entry program comprising infill drilling and water shut off operation.

The project is forecast to have potential first production in CY23 and peak production capacity of 13.5 Mbb/d in CY23. Resources currently booked for the project will be migrated to undeveloped reserves as the project progresses.

9.4.8 NWS Lambert Deep & GWF-3

Woodside, as operator of the NWS Project, is developing Lambert Deep and GWF-3 in order to support ongoing production from the NWS Project. BHP Petroleum has a 16.7% interest in these projects. Woodside has received approval for the planned activities at GWF-3 and Lambert Deep, which commenced in the first half of 2021 and include the drilling of four new production wells and installation of subsea infrastructure, which will be tied-back to the existing NWS Project infrastructure. First production is expected in CY22 with peak production capacity of 250 MMscfd in CY23.

Please refer to section 8.4.2 for further detail on the Lambert Deep and GWF-3 projects.

9.4.9 Shenzi North

Shenzi North represents the first development phase of the Greater Wildling field, which was discovered north of the established Shenzi field in the deep-water GOM in the Green Canyon area. The project will take advantage of the existing infrastructure and production capacity at the Shenzi facility and is underpinned by a two-well subsea tieback to the Shenzi TLP. BHP Petroleum is the operator and holds a 72% interest in the project⁸⁵. On 5 August 2021, the BHP Petroleum's Board approved funding to develop the Shenzi North project, which BHP Petroleum is targeting first production in CY24 and peak production capacity of 30 Mbb/d in CY24.

As at 31 December 2021, BHP Petroleum's share of Shenzi North's net oil and condensate 1P Reserves and 2P Reserves was 16.4 MMbbl and 27.6 MMbbl respectively and gas 1P Reserves and 2P Reserves was 11.6 Bcf and 19.5 Bcf respectively⁸⁶.

9.5 Unsanctioned assets

BHP Petroleum has a number of unsanctioned projects, which are unexecuted and awaiting FID. These unsanctioned projects are set out below and discussed in more detail in GaffneyCline's ITSR which is attached as Appendix 15 to this report.

⁸⁵ Repsol holds the remaining 28% interest.

⁸⁶ Net reserves include volumes consumed in operations (CIO or fuel).

9.5.1 Wildling

In addition to the proposed two-well subsea tieback to Shenzi TLP for the sanctioned Shenzi North project, the unsanctioned Wildling project would incorporate a two-well subsea tieback to Shenzi TLP via Shenzi North. BHP Petroleum operates and has a 100% interest in the project.

As at 31 December 2021, BHP Petroleum's share of Wildling's net oil and condensate 2C Contingent Resources was 57.1 MMbbl and gas 2C Contingent Resources was 40.2 Bcf⁸⁷.

9.5.2 Shenzi growth opportunities

Further growth initiatives such as the development of three producing and two water injection wells will seek to enhance the production capabilities of the Shenzi facility. These additional infill opportunities, which will be tied back to the Shenzi TLP, will utilise the existing infrastructure at the Shenzi facility. BHP Petroleum is the operator and the joint venture interests are the same as for the original Shenzi project.

9.5.3 Atlantis growth opportunities

Additional development opportunities are planned for Atlantis to increase the production at the field, including the investment in 12 infill producing wells and six additional water injection wells. Further opportunities for production expansion include SSMPP and the topside modification of above water facilities. BP operates the project and the joint venture interests are the same as for the original Atlantis project.

9.5.4 Mad Dog Phase 2 growth opportunities

Production increases beyond the initial investment scope of the Mad Dog Phase 2 project will be targeted through the development of nine new wells. The wells will be tied back to the existing Mad Dog Phase 2 platform, which is expected to begin production in CY22. BP operates the project and the joint venture interests are the same as for the original Mad Dog project.

9.5.5 Mad Dog WI expansion

The installation of two water injector wells, which will distribute water from the Mad Dog Phase 2 facility to the existing Mad Dog A Spar facility, will seek to expand the production capacity of the Mad Dog A Spar facility. BP operates the project and the joint venture interests are the same as for the original Mad Dog project.

9.5.6 NWS Project growth opportunities

BHP Petroleum has identified a low-risk investment opportunity to maximise the KGP value through processing third party gas, with benefits through tolling fees, cost recovery and life extension. The project is operated by Woodside, whilst BHP Petroleum has a 16.7% interest in the project.

⁸⁷ Net resources include volumes consumed in operations (CIO or fuel).

9.5.7 Bass Strait growth opportunities

A portfolio of potential growth options continue to be evaluated across both the GBJV and the KUJV, including Kipper infill drilling (Phase 1B), Turrum near-field opportunities and possible Wirrah, Sweetlips and/or East Pilchard field developments.

9.5.8 Pyrenees growth opportunities

A portfolio of potential growth opportunities continue to be evaluated across the fields including Crosby, Moondyne, Ravensworth, Stickle, Tanglehead, Wild Bull and Harrison.

9.5.9 Macedon growth opportunities

BHP Petroleum has identified the Macedon FE compression as a mature opportunity and pending development. BHP Petroleum is the operator of this project.

9.5.10 Trinidad and Tobago growth opportunities

BHP Petroleum has identified the Deep Water South (Magellan) opportunity, which comprises of two dry gas discoveries in water depth of 1,800 metres. BHP Petroleum is the operator of this project and holds a 65% interest in this opportunity.

As at 31 December 2021, BHP Petroleum's share of Magellan's net gas 2C Contingent Resources was 246.7 Bcf⁸⁸.

9.6 Non-producing assets

9.6.1 Bass Strait

Several Bass Strait fields have reached the end of their economic life with their facilities now having ceased production. Well work has commenced to permanently plug and abandon wells in depleted fields and planning has commenced for the permanent decommissioning of platforms and other infrastructure.

9.6.2 Other Australian

BHP Petroleum has outstanding D&R obligations associated with three Australian fields that have ceased production; Minerva, Griffin and Stybarrow.

The Minerva gas field is located offshore Otway Basin, Victoria, approximately 10 km south west of Port Campbell. Cessation of production from the gas field, occurred in 2019.

The Griffin oil and gas field is located off the coast of Western Australia, approximately 70 km north west of Onslow and 68 km north east of Exmouth. Production ceased in 2009. The 12 subsea production wells have since been permanently plugged and abandoned with decommissioning of the balance of the subsea infrastructure pending completion of stakeholder engagement and regulatory approvals.

The Stybarrow oil field is located in the Exmouth sub basin, approximately 51 km north west of the North West cape of Western Australia. The Stybarrow facility produced crude oil from the Stybarrow and Eskdale fields via a single standalone FPSO. Production commenced in November 2007. At the cessation of production in 2015, all wells were bull headed and valves pressure tested and closed.

⁸⁸ Net resources include volumes consumed in operations (CIO or fuel).

9.6.3 **GOM overriding royalty interest (ORRI)**

The GOM ORRI consists of undivided royalty interests in several fields, being Boris, Little Burn, Typhoon, Valhalla, Deep Blue, Cascade, Chinook, Tornado and West Delta. BHP Petroleum's royalty interest in the fields ranges from 0.17% to 4.20%, with most of the fields being producing assets.

9.7 **Exploration assets**

BHP Petroleum's global exploration portfolio consists of assets in Mexico, Trinidad and Tobago, Canada, Australia and USA. These prospects range from near field exploration opportunities in Mexico, Trinidad and Tobago, Australia and USA to standalone exploration projects in the USA and Canada. These exploration assets are detailed further below and discussed in more detail, along with the other exploration assets, in GaffneyCline's ITRR which is attached as Appendix 15 to this report.

9.8 **Equity accounted investments**

BHP Petroleum has equity accounted investments in three associates: Caesar Oil Pipeline Company LLC, Cleopatra Gas Gathering Company LLC and Marine Well Containment Company LLC. All three associates have a reporting date of 31 December.

9.8.1 **Caesar Oil Pipeline Company LLC (COPC)**

COPC's principal asset comprises the Caesar oil pipeline located in the GOM, which transports oil from the Atlantis, Mad Dog and Shenzi projects via the Ship Shoal 322 platform to the Cameron Highway Oil Pipeline System, which in turn connects to onshore infrastructure in the US. As at 31 December 2021, BHP Petroleum's membership interest in COPC was 25%.

We consider COPC to be an operating asset, hence have not attributed any separate value to COPC in our valuation of BHP Petroleum.

9.8.2 **Cleopatra Gas Gathering Company LLC (CGGC)**

CGGC's principal asset comprises the Cleopatra gas pipeline located in the GOM, which transports gas from the Atlantis, Mad Dog and Shenzi projects via the Ship Shoal 322 platform to the Manta Ray Gathering System, which in turn connects to onshore infrastructure in the US. As at 31 December 2021, BHP Petroleum's membership interest in CGGC is 22%.

We consider CGGC to be an operating asset, hence have not attributed any separate value to CGGC in our valuation of BHP Petroleum.

9.8.3 **Marine Well Containment Company LLC (MWCC)**

MWCC was founded in 2010 and is a not-for-profit entity which provides containment services in the event of an underwater oil spill or leak in the GOM. Membership in MWCC consists of ten oil & gas producers including BHP Petroleum, which all hold an equal 10% stake in the company.

We consider MWCC to be an operating asset, hence have not attributed any separate value to MWCC in our valuation of BHP Petroleum. However, we have made an allowance for BHP Petroleum's share of MWCC's operating expenses in our estimate of BHP Petroleum's G&A expenses.

9.9 Reserves and Resources

BHP Petroleum's share of net 1P and 2P Reserves and net 2C Contingent Resources by project as at 31 December 2021 are summarised in the tables below.

Table 22: BHP Petroleum's net 1P and 2P Reserves as at 31 December 2021⁸⁹

| | Oil and Condensate Reserves (MMbbl) | | Gas Reserves (Bcf) ^{3 4} | |
|--------------------------|--|--------------|-----------------------------------|----------------|
| | 1P | 2P | 1P | 2P |
| Bass Strait | 10.0 | 18.6 | 488.5 | 869.6 |
| NWS Project ¹ | 17.8 | 22.2 | 728.9 | 913.4 |
| Pyrenees | 10.1 | 18.8 | 11.2 | 1.1 |
| Macedon | 0.0 | 0.0 | 222.7 | 300.2 |
| Scarborough | 0.0 | 0.0 | 1,769.0 | 2,226.0 |
| Shenzi | 64.0 | 92.1 | 33.3 | 49.7 |
| Shenzi North | 16.4 | 27.6 | 11.6 | 19.5 |
| Atlantis | 62.3 | 144.3 | 57.4 | 139.2 |
| Mad Dog | 126.8 | 178.2 | 48.2 | 67.2 |
| Angostura | 1.6 | 2.1 | 165.4 | 251.5 |
| Ruby ² | 0.8 | 1.4 | 16.1 | 37.1 |
| Reserves | 309.9 | 505.3 | 3,552.2 | 4,874.4 |

Source: BHP's estimates from Explanatory Memorandum

Notes:

1. The 'NWS Project' region includes all oil and gas fields within the North West Shelf Area
2. The 'Ruby' region comprises the Ruby and Delaware fields
3. Gas Reserves includes NGL
4. Gas volumes include gas equivalent NGL volumes, which have been converted to Bcf by multiplying by a conversion factor of 6.0.
5. Figures may not add exactly due to rounding.

Table 23: BHP Petroleum's net 2C Contingent Resources as at 31 December 2021^{90,91}

| | 2C Contingent Resources | |
|--------------------------|-------------------------------|------------------------|
| | Oil and Condensate (MMbbl) | Gas (Bcf) ³ |
| Bass Strait | 57.8 | 906.1 |
| NWS Project ¹ | 11.9 | 140.5 |
| Pyrenees | 15.8 | 0.0 |
| Macedon | 0.0 | 107.0 |
| Scarborough | 0.0 | 981.0 |
| Greater Exmouth | 3.2 | 42.1 |
| Shenzi | 83.9 | 59.2 |

⁸⁹ Net reserves include volumes consumed in operations (CIO or fuel).

⁹⁰ Net resources include volumes consumed in operations (CIO or fuel).

⁹¹ Net resources in this table are BHP Petroleum's working interest fraction of the gross field resources.

| | 2C Contingent Resources | |
|-------------------|-------------------------------|------------------------|
| | Oil and Condensate (MMbbl) | Gas (Bcf) ³ |
| Wildling | 57.1 | 40.2 |
| Atlantis | 155.1 | 405.7 |
| Mad Dog | 164.5 | 52.3 |
| Trion | 241.0 | 204.0 |
| Angostura | 0.9 | 188.1 |
| Ruby ² | 3.2 | 45.6 |
| Calypso | 0.0 | 2,456.3 |
| Magellan | 0.0 | 246.7 |
| Resources | 794.3 | 5,874.7 |

Source: BHP's estimates Explanatory Memorandum

Notes:

1. The 'NWS Project' region includes all oil and gas fields within the North West Shelf Area
2. The 'Ruby' region comprises the Ruby and Delaware fields
3. Gas volumes include gas equivalent NGL volumes, which have been converted to Bcf by multiplying by a conversion factor of 6.0
4. Figures may not add exactly due to rounding.

9.10 Historical financial performance

BHP Petroleum's historical unaudited financial performance for the year ended 30 June 2019, the audited financial performance for the years ended 30 June 2020 and 30 June 2021 and the unaudited financial performance for the six months ended 31 December 2021 are summarised below.

Table 24: BHP Petroleum's historical combined⁹² financial performance

| For the year ended US\$ million unless otherwise stated | 12 months Unaudited 30-Jun-19 | 12 months Audited 30-Jun-20 | 12 months Audited 30-Jun-21 | 6 months Unaudited 31-Dec-21 |
|--|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| Continuing operations | | | | |
| Crude oil | 3,173 | 2,033 | 2,013 | 1,656 |
| Gas | 2,399 | 1,754 | 1,659 | 1,334 |
| Natural gas liquids | 252 | 198 | 212 | 183 |
| Other | 43 | 12 | 25 | 25 |
| Total Revenue | 5,867 | 3,997 | 3,909 | 3,198 |
| Other income | 32 | 57 | 130 | 172 |
| Expenses excluding net finance costs | (3,510) | (3,390) | (3,799) | (1,761) |
| Loss from equity accounted investments | (2) | (4) | (6) | (1) |
| Profit from operations | 2,387 | 660 | 234 | 1,608 |
| Net finance costs | (637) | (356) | (408) | (118) |
| Profit/(loss) before taxation | 1,750 | 304 | (174) | 1,490 |

⁹² The combined financial statements relate to the financial information that is limited to the legal entities carved out from BHP in connection with the Proposed Transaction and present the combined financial position, combined results of operations and combined cash flows of the carve-out legal entities. The effects of all intragroup balances and transactions have been eliminated in accordance with the consolidation requirements of IFRS 10 'Consolidated Financial Statements'.

| For the year ended US\$ million unless otherwise stated | 12 months Unaudited 30-Jun-19 | 12 months Audited 30-Jun-20 | 12 months Audited 30-Jun-21 | 6 months Unaudited 31-Dec-21 |
|---|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| Income tax expense | (925) | (400) | (211) | (870) |
| Royalty - related taxation (net of income tax benefit) | (164) | (82) | 24 | (37) |
| Total taxation expense | (1,089) | (482) | (187) | (907) |
| Profit/(loss) after taxation from Continuing operations | 661 | (178) | (361) | 583 |
| Discontinued operations | | | | |
| Loss after taxation from Discontinued operations | (335) | - | - | - |
| Profit/(loss) after taxation from Continuing and Discontinued operations | 326 | (178) | (361) | 583 |
| Attributable to non-controlling interests | 7 | - | - | - |
| Attributable to BHP shareholders | 319 | (178) | (361) | - |
| Total other comprehensive income/(loss) | (7) | (10) | 1 | 1 |
| Total comprehensive income/(loss) | 319 | (188) | (360) | 584 |
| Attributable to non-controlling interests | 7 | - | - | - |
| Attributable to BHP shareholders | 312 | (188) | (360) | n/a |
| Statistics | | | | |
| Total Revenue growth | n/a | -31.9% | -2.2% | n/a |
| Expenses excluding net finance costs growth | n/a | -3.4% | 12.1% | n/a |
| Net finance costs growth | n/a | -44.1% | 14.6% | n/a |

Source: BHP Petroleum General Purpose Financial Report for the years ended 30 June 2019, 30 June 2020, 30 June 2021 and half year ended 31 December 2021

Notes:

1. Figures may not add exactly due to rounding
2. Not available.

We note the following in relation to BHP Petroleum's recent financial performance:

9.10.1 Year ended 30 June 2019

BHP Petroleum's results for the year ended 30 June 2019 reflect revenue from contracts with customers of US\$5,817 million and other revenue of US\$50 million, for a combined total revenue from continuing operations of US\$5,867 million. Revenue was primarily generated from the production and sale of crude oil, natural gas and natural gas liquids, with an average realised sales price of US\$48/boe and total production volumes of 121.3 MMboe. During the year ended 30 June 2019, BHP Petroleum had one major customer, which accounted for 15% of external revenues.

Expenses excluding net finance costs primarily consist of depreciation and amortisation expense of US\$1,560 million, wages, salaries and redundancies expense of US\$416 million, external services of US\$387 million, government royalties paid and payable of US\$223 million and exploration and evaluation expenses of US\$388 million. Net finance costs consist of a US\$1,001 million finance expense offset by US\$364 million of finance income. An impairment expense of US\$21 million was recognised in relation to property, plant and equipment of US\$7 million and intangible assets of US\$14 million.

During the year ended 30 June 2019, BHP Petroleum completed the sale of its interest in BHP Billiton Petroleum (Arkansas) Inc. and 100 per cent of the membership interests in BHP Billiton Petroleum (Fayetteville) LLC, which held the Fayetteville assets, for a gross cash consideration of approximately US\$300 million. BHP Petroleum also completed the sale of its interests in the Eagle Ford, Haynesville and Permian Onshore US oil and gas assets for gross cash consideration of US\$10.3 billion (net of preliminary customary completion adjustments of US\$0.2 billion) (**Onshore US assets**) to BP America Production Company. Results from the Onshore US assets are disclosed as Discontinued operations. BHP Petroleum continued to recognise its share of revenue, expense, net finance costs and associated income tax expense related to the operations of each of the Onshore US assets until the respective completion dates of the sale of each of the assets. The discontinued operations net loss of US\$335 million after tax predominately relates to incremental costs arising as a consequence of the divestment, including restructuring costs and provisions for surplus office accommodation and tax expenses largely triggered by the completion of the transactions.

9.10.2 *Year ended 30 June 2020*

BHP Petroleum's results for the year ended 30 June 2020 reflect a 31.9% decrease in total revenue from the corresponding prior year to US\$3,997 million (excluding the Onshore US assets). This was primarily driven by lower petroleum volumes due to natural field decline across the portfolio, weaker market conditions due to excess global supply and a decrease of 24.0% in average realised prices over the year to US\$37/boe, which in turn reflected lower global commodity prices during the year. Production volumes decreased from 121.3 MMboe during the year ended 30 June 2019 to 108.8 MMboe during the year ended 30 June 2020. During the year ended 30 June 2020, BHP Petroleum had one major customer which accounted for 13% of external revenues.

Expenses excluding net finance costs reduced by 3.4% to US\$3,390 million. Depreciation and amortisation expense decreased by 6.6% to US\$1,457 million, in line with lower production volumes. Net finance costs reduced by 44.1% to US\$356 million.

Impairment losses of US\$11 million were recognised in relation to property, plant and equipment.

9.10.3 *Year ended 30 June 2021*

BHP Petroleum's results for the year ended 30 June 2021 reflect a 2.2% decrease in total revenue from the corresponding prior year, to US\$3,909 million. Higher average realised oil and natural gas prices were offset by lower volumes due to natural field decline across the portfolio. More specifically, BHP Petroleum's results for the year ended 30 June 2021, reflect a 3.5% increase in average realised sales price over the year to US\$38/boe. Production volumes decreased from 108,796 MMboe for the year ended 30 June 2020 to 102,809 MMboe for the year ended 30 June 2021. During the year ended 30 June 2021, BHP Petroleum had two major customers which accounted for 18% and 10% of external revenues.

Expenses excluding net finance costs increased by 12.1% to US\$3,799 million, which was largely attributable to an increase of 26.3% in depreciation and amortisation expense to US\$1,840 million (as a result of a decrease in estimated remaining reserves at Bass Strait due to underperformance of the reservoir in the Turrum field and lower overall condensate and natural gas liquids recovery from the Bass Strait gas fields), net impairment losses of US\$127 million (described further below), an increase of 22.8% in external services to US\$620 million, partially offset by a decrease of 25.1% in exploration and evaluation expenditure during the period of US\$296 million.

Net finance costs increased by 14.6% to US\$408 million largely due a decrease in finance income to US\$56 million.

Impairment losses totalling US\$127 million were recognised in relation to both property, plant and equipment and intangibles. For the property, plant and equipment impairment losses, US\$66 million of the impairment loss was recognised in relation to previously capitalised exploration and evaluation costs and US\$42 million was recognised as a write-off of leasehold fit out and fittings following a restructure. For the intangible assets impairment loss, US\$19 million was written off for abandoned and relinquished exploration leases.

9.10.4 *Half year ended 31 December 2021*

BHP Petroleum's results for the half year period ended 31 December 2021 reflect total revenue of US\$3,198 million. Profit from operations of US\$1,608 million was driven by an 89% increase in average realised sales price for the six month period to US\$60/boe compared to the corresponding prior half year period ending 31 December 2020. Production volumes increased from 50.5 MMboe for the six month period ended 31 December 2020 to 53.2 MMboe for the six month period ended 31 December 2021.

Expenses excluding net finance costs were US\$1,761 million, which included depreciation and amortisation expense of US\$1,047 million. Net finance costs were US\$118 million during the period.

Impairment losses totalling US\$210 million were recognised in relation to a write-down of reserve estimates for the Ruby project.

9.11 Historical financial position

BHP Petroleum's historical unaudited financial position as at 30 June 2019, audited financial position as at 30 June 2020 and 30 June 2021 and unaudited financial position as at 31 December 2021 are summarised below.

Table 25: BHP Petroleum's historical financial position

| As at US\$ million unless otherwise stated | Unaudited 30-Jun-19 | Audited 30-Jun-20 | Audited 30-Jun-21 | Unaudited 31-Dec-21 |
|---|------------------------|----------------------|----------------------|------------------------|
| Cash and cash equivalents | 1,398 | 325 | 776 | 992 |
| Trade and other receivables | 835 | 673 | 908 | 1,230 |
| Receivables from BHP Group | 15,871 | 12,424 | 5,526 | 10,852 |
| Other financial assets | 3 | 7 | - | - |
| Inventories | 251 | 250 | 307 | 278 |
| Current tax assets | 6 | 210 | 130 | 69 |
| Other assets | 23 | 34 | 9 | 14 |
| Total Current Assets | 18,387 | 13,923 | 7,656 | 13,435 |
| Trade and other receivables | 38 | 112 | 157 | 201 |
| Other financial assets | 67 | 86 | 52 | 37 |
| Property, plant and equipment ¹ | 10,628 | 11,787 | 11,854 | 11,226 |
| Intangible assets | 104 | 110 | 78 | 63 |
| Net investments and funding of equity accounted investments | 239 | 245 | 253 | 246 |
| Deferred tax assets | 2,040 | 2,041 | 2,182 | 1,947 |
| Other financial assets | 1 | 5 | 3 | 3 |
| Total Non-Current Assets | 13,117 | 14,386 | 14,579 | 13,723 |
| Total Assets | 31,504 | 28,309 | 22,235 | 27,158 |
| Trade and other payables | 929 | 771 | 919 | 952 |
| Payables to BHP Group | 6,520 | 6,533 | 2,001 | 12,552 |

| As at US\$ million unless otherwise stated | Unaudited 30-Jun-19 | Audited 30-Jun-20 | Audited 30-Jun-21 | Unaudited 31-Dec-21 |
|--|------------------------|----------------------|----------------------|------------------------|
| Interest bearing liabilities ² | 17 | 61 | 35 | 38 |
| Other financial liabilities | 1 | 6 | 9 | 60 |
| Current tax payable | 465 | 292 | 280 | 312 |
| Closure and rehabilitation provisions | 205 | 162 | 141 | 144 |
| Other provisions | 277 | 274 | 315 | 216 |
| Deferred income | 21 | 25 | 14 | 16 |
| Total Current Liabilities | 8,435 | 8,124 | 3,714 | 14,290 |
| Non-current tax payable | - | - | 14 | 69 |
| Payables to BHP Group | 14,340 | 10,347 | 10,347 | - |
| Interest bearing liabilities | - | 322 | 234 | 219 |
| Closure and rehabilitation provisions | 2,095 | 3,433 | 3,816 | 3,760 |
| Deferred tax liabilities | 1,244 | 1,028 | 610 | 465 |
| Other provisions | 368 | 276 | 344 | 341 |
| Deferred income | 85 | 55 | 44 | 40 |
| Total Non-Current Liabilities | 18,132 | 15,461 | 15,409 | 4,894 |
| Total Liabilities | 26,567 | 23,585 | 19,123 | 19,184 |
| Net Assets | 4,937 | 4,724 | 3,112 | 7,974 |
| Statistics | | | | |
| Gearing - % ³ | 73% | 87% | 194% | 9% |
| Gearing inc lease liabilities - % ⁴ | 73% | 96% | 203% | 12% |
| Current Ratio - % ⁵ | 2.2 | 1.7 | 2.1 | 0.9 |

Source: BHP Petroleum General Purpose Financial Report for the years ended 30 June 2019, 30 June 2020, 30 June 2021 and half year ended 31 December 2021

Notes:

1. Property, plant and equipment as at 31 December 2021 includes leased assets of US\$124 million
2. The US\$17 million interest bearing liabilities as at 30 June 2019 relate to bank overdrafts
3. Gearing represents net debt divided by net assets, where net debt is total external borrowings less cash and cash equivalents. BHP Group payables have been included as external borrowings and Receivables from BHP Group have been included as cash and cash equivalents
4. Gearing represents net debt divided by net assets, where net debt is total external borrowings, plus lease liabilities less cash and cash equivalents. BHP Group payables have been included as external borrowings and Receivables from BHP Group have been included as cash and cash equivalents
5. Current ratio represents current assets divided by current liabilities
6. Figures may not add exactly due to rounding.

We note the following in relation BHP Petroleum's historical financial position as at 31 December 2021:

9.11.1 Cash and cash equivalents

BHP Petroleum held US\$992 million of cash and cash equivalents as at 31 December 2021. The movement in cash and cash equivalents from 30 June 2021 to 31 December 2021, represents an approximate 28% increase.

The increase in cash and cash equivalents from 31 December 2020 to 31 December 2021 of US\$216 million is largely due to an increase in net operating cash flows of US\$1,388 million due to the underlying cash flows generated from operations of US\$1,980 million in the half year ended 31 December 2021, a decrease in net investing cash flows of US\$543 million due to a reduction in investment in subsidiaries, operations and joint operations and an increase in net financing cash flows due to US\$633 million of net other financing from BHP Group.

9.11.2 Financing arrangements

BHP Petroleum has financing arrangements with BHP for short term cash management. Under these financing arrangements, BHP Petroleum had a US\$10,852 million current receivable from BHP and US\$12,552 million current payable to BHP as at 31 December 2021.

BHP Petroleum entered into debt arrangements with BHP Group to finance its projects. As at 31 December 2021, the outstanding balance relating to these arrangements was US\$12,552 million. This balance was reclassified as a current liability in Payables to BHP Group during the six months ended 31 December 2021 as a result of its scheduled repayment date falling within the next 12 months. The debt agreements were entered at the 3-month USD LIBOR plus a margin, with a maturity date between November 2022 and December 2022.

9.11.3 Derivative financial instruments

Embedded derivatives resulting from a physical commodity purchase and sale contract in Trinidad and Tobago are included in other financial assets and other financial liabilities. As at 31 December 2021, the carrying value of the embedded derivative was a net liability of US\$23 million.

9.11.4 Net investments and funding of equity accounted investments

As at 31 December 2021, BHP Petroleum's net investments and funding of equity accounted investments was US\$246 million. This balance comprised of ownership interests in Caesar Oil Pipeline Company LLC (25%), Cleopatra Gas Gathering Company LLC (22%) and Marine Well Containment Company LLC (10%).

9.11.5 Property, plant and equipment

The carrying value of BHP Petroleum's property, plant and equipment as at 31 December 2021 was US\$11,226 million. This balance is comprised of land and buildings, plant and equipment, other mineral assets, assets under construction and exploration and evaluation assets.

9.11.6 Deferred tax assets/(liabilities)

As at 31 December 2021, BHP Petroleum had deferred tax assets of US\$1,947 million and deferred tax liabilities of US\$465 million. The deferred tax assets balance is primarily comprised of tax losses, whilst the deferred tax liabilities balance relates to a resource rent tax balance.

9.11.7 Closure and rehabilitation provisions

BHP Petroleum, as specified in licence agreements is required to rehabilitate sites and associated facilities at the end of, or in some cases, during production, to a condition acceptable to the relevant authorities. BHP Petroleum had a current closure and rehabilitation provision of US\$144 million and a non-current amount of US\$3,760 million as at 31 December 2021.

9.12 Statement of cash flows

BHP Petroleum's historical unaudited statement of cash flows for the year ended 30 June 2019, audited statement of cash flows for the year ended 30 June 2020 and the year ended 30 June 2021 and unaudited statement of cash flows for the six months ended 31 December 2021 are summarised below.

Table 26: BHP Petroleum's historical combined statement of cash flows

| For the year ended US\$ million unless otherwise stated | 12 months Unaudited 30-Jun-19 | 12 months Audited 30-Jun-20 | 12 months Audited 30-Jun-21 | 6 months Unaudited 31-Dec-21 |
|---|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| Cash Flows from Operating Activities | | | | |
| Profit/(loss) before taxation | 1,750 | 304 | (174) | 1,490 |
| Adjustments for: | | | | |
| Depreciation and amortisation expense | 1,560 | 1,457 | 1,840 | 1,047 |
| Impairments of property, plant and equipment and intangible assets | 21 | 11 | 127 | 210 |
| Net finance costs | 637 | 356 | 408 | 118 |
| Share of operating loss of equity investments | 2 | 4 | 6 | 1 |
| Other | (223) | (141) | (187) | (215) |
| Changes in assets and liabilities: | | | | |
| Trade and other receivables | 142 | 253 | (298) | (630) |
| Inventories | (1) | (1) | (42) | 29 |
| Trade and other payables | 17 | (166) | 52 | 74 |
| Provisions and other assets and liabilities | (212) | (152) | 11 | (144) |
| <i>Cash generated from operations</i> | <i>3,693</i> | <i>1,925</i> | <i>1,743</i> | <i>1,980</i> |
| Dividends received | 17 | 20 | 25 | 8 |
| Net interest paid | (553) | (395) | (257) | (104) |
| Income taxes paid (including royalty taxes) | (810) | (965) | (451) | (496) |
| Net Cash Inflow Related to Operating Activities from Continuing operations | 2,347 | 585 | 1,060 | 1,388 |
| Net Cash Inflow Related to Operating Activities from Discontinued operations | 474 | - | - | - |
| Net Cash Inflow Related to Operating Activities | 2,821 | 585 | 1,060 | 1,388 |
| Cash Flows from Investing Activities | | | | |
| Purchases of property, plant and equipment | (645) | (909) | (994) | (556) |
| Exploration expenditure | (297) | (169) | (26) | (131) |
| Investment in subsidiaries, operations and joint operations, net of cash | - | - | (480) | - |
| Net investment and funding of equity accounted investments | (6) | (22) | (25) | (2) |
| Other investing | (4) | (11) | (34) | - |
| Proceeds from sale of assets | 8 | 78 | 39 | 146 |
| Net Cash Outflow Related to Investing Activities from Continuing operations | (944) | (1,033) | (1,520) | (543) |
| Net investing cash flows from Discontinued operations | (443) | - | - | - |
| Net Cash Outflow Related to Investing Activities | (1,387) | (1,033) | (1,520) | (543) |
| Cash Flows from Financing Activities | | | | |
| Lease payments | - | (39) | (38) | (18) |
| Repayments of long-term borrowings to BHP Group | - | (3,000) | (3,993) | - |

| For the year ended | 12 months | 12 months | 12 months | 6 months |
|--|-----------------|----------------|------------|--------------|
| US\$ million unless otherwise stated | Unaudited | Audited | Audited | Unaudited |
| | 30-Jun-19 | 30-Jun-20 | 30-Jun-21 | 31-Dec-21 |
| Net other financing with BHP Group | (12,544) | 2,432 | 4,941 | (633) |
| Proceeds from issuance of shares to BHP Group | 2,000 | - | - | - |
| Currency valuation change | - | - | - | 23 |
| Net Cash Outflow Related to Financing Activities from Continuing operations | (10,544) | (607) | 910 | (628) |
| Net Cash Outflow Related to Financing Activities from Discontinued operations | (13) | - | - | - |
| Net Cash Outflow Related to Financing Activities | (10,557) | (607) | 910 | (628) |
| Net (Decrease)/Increase in Cash and Cash Equivalents from Continuing operations | (9,141) | (1,055) | 450 | 217 |
| Net (Decrease)/Increase in Cash and Cash Equivalents from Discontinued operations | 18 | - | - | - |
| Proceeds from divestment of Onshore US, net of its cash | 10,427 | - | - | - |
| Cash and cash equivalents, net of overdrafts at the beginning of the financial year | 77 | 1,381 | 325 | 776 |
| Foreign currency exchange rate changes on cash and cash equivalents | - | (1) | 1 | (1) |
| Cash and Cash Equivalents at end of the year¹ | 1,381 | 325 | 776 | 992 |

Source: BHP Petroleum General Purpose Financial Report for the years ended 30 June 2019, 30 June 2020, 30 June 2021 and half year ended 31 December 2021

Notes:

1. The US\$1,381 million includes US\$1,398 million of cash and cash equivalents less bank overdrafts of US\$17 million
2. Figures may not add exactly due to rounding.

We note the following in relation to BHP Petroleum's reported cash flows:

- On 6 November 2020, BHP Petroleum finalised a membership interest purchase and sale agreement to acquire an additional 28% working interest in the Shenzi asset for US\$480 million. BHP Petroleum's total working interest in Shenzi post the acquisition is 72%
- BHP Petroleum's net cash flows from operating activities for the half year ended 31 December 2021 were US\$1,388 million, an increase from the prior corresponding period of 1,209% (US\$106 million), which was largely driven by an increase in the average realised sales prices of crude oil, natural gas and LNG, in addition to an increase in volumes
- BHP Petroleum's net cash flows from financing activities for the half year ended 31 December 2021 were (US\$628 million). This net cash outflow is largely attributable to the net financing arrangements with BHP.

9.13 Taxation

Under the Australian tax consolidation regime, BHP Petroleum is part of the income tax consolidated group parented by BHP. As such, the benefit of tax losses generated by BHP Petroleum entities are not recognised in BHP Petroleum's profit and loss, as these losses were transferred to BHP in the years in which they were generated.

BHP Petroleum's tax losses totalled US\$83 million in the year ended 30 June 2021, US\$143 million in the year ended 30 June 2020 and US\$205 million in the year ended 30 June 2019.

BHP Petroleum is also subject to PRRT when they are imposed under government authority.

9.14 Contingent liabilities

BHP Petroleum's contingent liabilities include possible obligations for litigation, uncertain tax and royalty matters, open regulatory audits and various other claims, for which the timing of resolution and potential economic outflow is uncertain.

BHP Petroleum's contingent liabilities totalled US\$774 million as at 31 December 2021, US\$759 million as at 30 June 2021, US\$687 million as at 30 June 2020 and US\$713 million as at 30 June 2019.

9.15 Commitments

As at 31 December 2021, BHP Petroleum had commitments for capital expenditure of US\$2,150 million. The majority of BHP Petroleum's capital expenditure incurred during the half year ended 31 December 2021 was in relation to its Australian, GOM and T&T assets.

BHP Petroleum announced on the 22 November 2021, the approval of US\$1.5 billion in capital expenditure for the development of the Scarborough upstream project.

10 Profile of the Merged Group

10.1 Overview

If Woodside is successful in acquiring BHP Petroleum, Woodside Shareholders will initially own approximately 52% of the Merged Group, which will remain headquartered in Perth, Western Australia. Woodside Shareholders will gain exposure and benefit from the improved investment characteristics of the Merged Group, including:

- a substantially larger company with a broader shareholder base and a pro forma market capitalisation in the order of A\$63,038 million (based on Woodside's closing share price of A\$33.20 on 24 March 2022), making it the largest listed oil and gas company on the ASX
- a significantly greater scale of operations, with greater geographical diversification and a more balanced product mix
- a stronger balance sheet with reduced gearing and increased operational cash flow
- the potential to realise benefits from cost savings and operational synergies
- the potential for increased share trading liquidity and market re-rating
- immediate access to a suite of development and growth opportunities not available to Woodside as a standalone entity within the same timeframe.

However, the final extent to which long-term benefits will be realised by Woodside Shareholders following completion of the Proposed Transaction remains uncertain, in that:

- global oil and gas markets are currently experiencing significant volatility as a result of the ongoing conflict between Russia and Ukraine, which has the potential to result in long term systemic change to the markets for the Merged Group's products, the impact of which may not be known with any certainty for an extended period of time

- the Proposed Transaction is being completed at a time when there is intense global focus on the reduction in carbon emissions, including the pursuit of replacements for fossil fuels as an energy source. Whilst there are differing views as to the likely speed and extent of the future global transition towards and the availability of alternative energy sources such as renewables, there is no doubt this change has the potential to significantly impact upon the Merged Group's long term outcomes, particularly as the Proposed Transaction significantly increases Woodside's investment in developed and undeveloped oil and gas assets
- the Merged Group's success and profitability could be adversely affected if BHP Petroleum's business and assets are not effectively integrated with Woodside. There is also always the risk that the cost savings and operational synergies expected to be realised may not emerge to the extent anticipated, may be realised over a time-frame that is longer than anticipated and/or that realisation costs are higher than anticipated
- at the date of this report, completion of the Proposed Transaction remains subject to the satisfaction of certain conditions precedent, including obtaining the approval of various domestic and overseas authorities. In the event required approvals are received but are provided subject to various conditions, this could impact on the ultimate value of the Merged Group
- Woodside has also set out various additional risks relating to the Merged Group at section 8 of the Explanatory Memorandum which Woodside Shareholders should also consider in deciding whether to vote in favour of the merger.

Woodside's stated goal for the Merged Group is to leverage its base business profitability to build a low-cost, lower carbon, profitable, resilient and diversified portfolio of growth opportunities to achieve its strategic objectives. This strategy sees Woodside continuing to develop hydrocarbons while gradually building optionality in new energy products and lower-carbon services such as ammonia, liquid hydrogen and the development of carbon capture. Further details in relation to Woodside's strategy for the Merged Group are set out in section 6 of the Explanatory Memorandum.

Summarised below are various investment characteristics of the Merged Group that would be relevant to Woodside shareholders in the event that Woodside is successful in acquiring BHP Petroleum.

10.2 Financial impact⁹³

Section 7 of the Explanatory Memorandum sets out solely for illustrative purposes Woodside's calculation of the pro forma financial position of the Merged Group as at 31 December 2021 (including a description of the assumptions and adjustments made), along with the pro forma financial performance and cash flows statements of the Merged Group for the 12 months ended 31 December 2021.

⁹³ KPMG Corporate Finance has not had any involvement in the preparation of the pro forma financial information prepared by Woodside and has assumed that it has been prepared appropriately. The pro forma financial information is provided solely for illustrative purposes and the final financial information is expected to differ, potentially materially, from that presented following the completion of acquisition accounting.

We make the following observations in relation to Woodside's pro forma financial information generally:

- the pro forma financial information has been prepared on the basis of Woodside's audited financial report for FY21 and BHP Petroleum's independently reviewed financial report for 1HY22 and FY21
- no adjustments have been made by Woodside for anticipated synergies and costs of realisation from combining Woodside and BHP Petroleum, nor in relation to the finalisation of purchase price accounting, including the identification and measurement of all required purchase price allocations, tax cost base resets or treatment of the transaction costs associated with the Proposed Transaction.

10.2.1 Pro forma financial position

Set out below is the pro forma financial position of the Merged Group as at 31 December 2021, prepared by Woodside along with various metrics calculated by KPMG Corporate Finance.

Table 27: The Merged Group pro forma financial position as at 31 December 2021

| Pro forma unaudited statement of financial position - US\$ million | As at 31 December 2021 | | | Merged Group pro forma |
|--|------------------------|---------------|-----------------------|------------------------|
| | Woodside | BHP Petroleum | Pro Forma Adjustments | |
| Cash and cash equivalents | 3,025 | 992 | - | 4,017 |
| Receivables | 368 | 1,230 | (572) | 1,026 |
| Inventories | 202 | 278 | - | 480 |
| Intercompany | - | 10,852 | (10,852) | - |
| Current tax assets | - | 69 | - | 69 |
| Other financial assets | 320 | - | - | 320 |
| Other assets | 109 | 14 | 537 | 660 |
| Non-current assets held for sale | 254 | - | - | 254 |
| Total Current Assets | 4,278 | 13,435 | (10,887) | 6,826 |
| Receivables | 686 | 201 | - | 887 |
| Inventories | 19 | - | - | 19 |
| Other financial assets | 107 | 37 | (37) | 107 |
| Other assets | 34 | 3 | - | 37 |
| Exploration and evaluation assets | 614 | - | 2,905 | 3,519 |
| Oil and gas properties | 18,434 | 11,102 | 8,658 | 38,194 |
| Other plant and equipment | 215 | - | - | 215 |
| Intangible assets | - | 63 | (63) | - |
| Deferred tax assets | 1,007 | 1,947 | (849) | 2,105 |
| Lease assets | 1,080 | 124 | 68 | 1,272 |
| Investments accounted for using the equity method | - | 246 | - | 246 |
| Goodwill | - | - | 7,126 | 7,126 |
| Total Non-Current Assets | 22,196 | 13,723 | 17,808 | 53,727 |
| Total Assets | 26,474 | 27,158 | 6,921 | 60,553 |
| Payables | 639 | 952 | 1,319 | 2,910 |
| Interest-bearing liabilities | 277 | 38 | (38) | 277 |
| Lease liabilities | 191 | - | 38 | 229 |
| Other financial liabilities | 411 | 60 | (60) | 411 |
| Other liabilities | 86 | 16 | - | 102 |

| Pro forma unaudited statement of financial position - US\$ million | As at 31 December 2021 | | | |
|---|------------------------|---------------|-----------------------|------------------------|
| | Woodside | BHP Petroleum | Pro Forma Adjustments | Merged Group pro forma |
| Provisions | 605 | 360 | (16) | 949 |
| Tax payable | 413 | 312 | - | 725 |
| Intercompany payables | - | 12,552 | (12,552) | - |
| Total Current Liabilities | 2,622 | 14,290 | (11,309) | 5,603 |
| Interest-bearing liabilities | 5,153 | 219 | (219) | 5,153 |
| Lease liabilities | 1,176 | - | 219 | 1,395 |
| Deferred tax liabilities | 878 | 465 | 1,933 | 3,276 |
| Other financial liabilities | 161 | - | - | 161 |
| Other liabilities | 36 | 40 | 1,144 | 1,220 |
| Provisions | 2,219 | 4,101 | 841 | 7,161 |
| Tax payable | - | 69 | - | 69 |
| Total Non-Current Liabilities | 9,623 | 4,894 | 3,918 | 18,435 |
| Total Liabilities | 12,245 | 19,184 | (7,391) | 24,038 |
| Net Assets | 14,229 | 7,974 | 14,312 | 36,515 |
| Ordinary shares on issue (million) (undiluted) | 969.6 | nmf | 901.5 | 1,871.2 |
| Net assets per ordinary share on issue (US\$) ¹ | 14.67 | nmf | | 19.51 |
| Net tangible assets per ordinary share on issue (US\$) ² | 14.67 | nmf | | 15.71 |
| Current ratio (times) | 1.6 | 0.9 | | 1.2 |
| Gearing ³ | 15.2% | n/a | | 3.8% |
| Gearing incl lease liabilities ⁴ | 21.9% | n/a | | 7.8% |
| Underlying EBITDA / Net borrowings (excl lease liabilities) | 1.7 | nmf | | 6.5 |

Source: Woodside management and KPMG Corporate Finance analysis

Notes:

1. Net assets per share is calculated as net assets divided by the number of shares at period end
2. Net tangible assets per share is calculated as net assets, less intangible assets, divided by the number of shares at period end
3. Gearing represents net borrowings excluding lease liabilities, divided by net assets plus net borrowings
4. Gearing represents net borrowings including lease liabilities, divided by net assets plus net borrowings including lease liabilities
5. Underlying EBITDA for Woodside has been calculated as profit before tax add net finance costs, depreciation and amortisation and net impairment costs. Underlying EBITDA for BHP Petroleum has been calculated as profit before tax add net finance costs, depreciation and amortization and one-off costs primarily comprised of net impairment costs, onerous lease costs and exploration leases. Underlying EBITDA for the Merged Group has been calculated as the underlying EBITDA for Woodside added to that of BHP Petroleum add pro forma adjustments to; fair value of embedded derivatives and decrease in depreciation and amortisation, less pro forma adjustment to gain on sale of Scarborough interest
6. "nmf" means not meaningful
7. "n/a" means not applicable as BHP Petroleum is being acquired on a cash free debt free basis
8. May not add exactly due to rounding.

Adjustments have been made by Woodside to BHP Petroleum's historical statement of financial position to realign BHP Petroleum's basis of presentation with that of Woodside, and to account for the Proposed Transaction as a business combination using the acquisition method of accounting, with Woodside identified as the acquirer, including:

- the reclassification of intangible assets of (US\$63) million and oil and gas properties of (US\$878) million to exploration and evaluation assets
- the reclassification of current interest-bearing liabilities of (US\$38) million and non-current interest-bearing liabilities of (US\$219) million as 'lease liabilities'
- recognition of an accrual in respect of the estimated cash adjustment to be paid to BHP on completion of US\$947 million, comprising the estimated Woodside dividend payment of US\$830 million and estimated net locked box payment of US\$117 million
- an adjustment to accruals for estimated non-recurring transaction costs of US\$410 million, comprising advisory, legal, regulatory, accounting, valuation and other professional fees not capitalised as part of the Transaction
- adjustments to receivables of (US\$572) million and payables of (US\$38) million to reflect the difference in accounting policies for overlift and underlift
- adjustments to intercompany balances to reflect the Proposed Transaction is being completed on a cash-free debt-free basis, where BHP Petroleum will settle all intercompany loan balances with a net impact of US\$1,700 million prior to implementation of the merger
- fair value adjustments to:
 - other financial assets of (US\$37) million and other financial liabilities of (US\$60) million relate to embedded derivatives
 - right-of-use asset of (US\$68) million to align with the related lease liability and to reflect off-market terms
 - non-current other liabilities for additional liabilities assumed of (US\$56) million and unfavourable contracts of (US\$1,088) million
 - other assets of US\$537 million in respect of entitlement to additional LNG volumes
- other preliminary purchase price allocation adjustments:
 - to Oil and gas properties and Exploration and evaluation assets resulting in an increase of US\$9,536 million and US\$1,964 million respectively
 - to deferred income taxes to record the estimated tax effect accounting. The deferred tax adjustment assumes a forecast blended BHP Petroleum statutory tax rate of 25%
 - to provisions of US\$825 million primarily to record the estimated fair value of the assumed BHP Petroleum asset retirement obligations. As a result of the adjustment, the current provision decreased by US\$16 million, and the non-current provision increased by US\$841 million
 - recognition of goodwill arising from the preliminary purchase price adjustment totalling US\$7,126 million.

Impact relative to Woodside standalone

- relative to Woodside standalone, the Merged Group' s:
 - proforma net asset backing per share increases from US\$14.67 to US\$19.51
 - pro forma net tangible asset backing per share increases from US\$14.67 to US\$15.71
 - the proforma current ratio falls from 1.6 times to 1.2 times
 - pro forma gearing inclusive of lease liabilities is 7.8%, compared to 21.9% prior to the Proposed Transaction
 - pro forma gearing (excluding lease liabilities) falls from 15.2% prior to the Proposed Transaction to 3.8%
 - EBITDA / net borrowings (excluding lease liabilities) increases from 1.7 to 6.5 times.

A more detailed discussion of the assumptions and adjustments incorporated in the pro forma financial statements of the Merged Group is set out in section 7 of the Explanatory Memorandum.

10.2.2 Pro forma financial performance

Set out below is a summary of the pro forma financial performance of the Merged Group prepared by Woodside for the 12 months ended 31 December 2021, along with various metrics calculated by KPMG Corporate Finance based on the pro forma financial performance.

Table 28: The Merged Group pro forma financial performance for the 12 months ended 31 December 2021

| Pro forma unaudited statement of profit or loss – US\$ million | 12 months ended 31 December 2021 | | | |
|--|----------------------------------|---------------|-----------------------|------------------------|
| | Woodside | BHP Petroleum | Pro Forma Adjustments | Merged Group pro forma |
| Operating revenue | 6,962 | 5,505 | - | 12,467 |
| Cost of sales | (3,845) | - | (2,548) | (6,393) |
| Gross profit | 3,117 | 5,505 | (2,548) | 6,074 |
| Other income | 139 | 282 | (104) | 317 |
| Other expenses | (811) | (3,744) | 2,348 | (2,207) |
| Impairment losses | (10) | - | (276) | (286) |
| Impairment reversals | 1,058 | - | - | 1,058 |
| Loss from equity accounted investments | - | (2) | - | (2) |
| EBIT¹ | 3,493 | 2,041 | (580) | 4,954 |
| Finance income | 27 | 23 | - | 50 |
| Finance costs | (230) | (311) | - | (541) |
| Profit/(loss) before tax | 3,290 | 1,753 | (580) | 4,463 |
| Petroleum resource rent tax (expense)/benefit | (297) | - | - | (297) |
| Income tax benefit/(expense) | (957) | (1,115) | 166 | (1,906) |
| Royalty-related taxation (net of income tax benefit) | - | (29) | - | (29) |
| Profit/(loss) after tax | 2,036 | 609 | (414) | 2,231 |

| Pro forma unaudited statement of profit or loss – US\$ million | 12 months ended 31 December 2021 | | | |
|--|----------------------------------|---------------|-----------------------|------------------------|
| | Woodside | BHP Petroleum | Pro Forma Adjustments | Merged Group pro forma |
| Profit/(loss) attributable to: | | | | |
| Equity holders of the parent | 1,983 | 609 | (414) | 2,178 |
| Non-controlling interest | 53 | - | - | 53 |
| Profit/(loss) for the period | 2,036 | 609 | (414) | 2,231 |
| Statistics | | | | |
| Weighted average ordinary shares on issue (million) | 962.6 | | | 1,877.4 |
| Basic earnings per share (\$)² | 2.06 | | | 1.16 |
| Interest cover (times)³ | 18.0 | 14.0 | | 16.9 |

Source: Woodside management and KPMG Corporate Finance analysis

Notes:

1. EBIT is earnings before interest, tax and equity accounted investments
2. Basic earnings per share is calculated by dividing net profit attributable to the members of the parent entity by the weighted average number of ordinary shares outstanding during the year
3. Interest cover is calculated as underlying EBITDA divided by finance costs. Underlying EBITDA for Woodside has been calculated as profit before tax add net finance costs, depreciation and amortisation and net impairment costs. Underlying EBITDA for BHP Petroleum has been calculated as profit before tax add net finance costs, depreciation and amortization and one-off costs primarily comprised of net impairment costs, onerous lease costs and exploration leases. Underlying EBITDA for the Merged Group has been calculated as the underlying EBITDA for Woodside added to that of BHP Petroleum add pro forma adjustments to; fair value of embedded derivatives and decrease in depreciation and amortisation, less pro forma adjustment to gain on sale of Scarborough interest
4. Profit and loss has not been adjusted for synergies expected to be achieved as a result of the Proposed Transaction
5. May not add exactly due to rounding.

The Merged Group' s pro-forma financial performance for the year ended 31 December 2021, includes:

- net adjustments to costs of sales and other expenses of (US\$2,482) million to reflect the reclassification of other expenses to cost of sales relating to changes in inventory, freight and transportation, government royalties, depreciation and amortisation recognition and the reclassification of impairment losses of (US\$276) million
- adjustments to cost of sales of (US\$156) million to reflect:
 - the transition of BHP Petroleum' s accounting policy to Woodside' s accounting policy in relation to reserves bases being used in the respective units of production calculations, resulting in a decrease of US\$316 million in depreciation, depletion and amortisation expense
 - a net adjustment of US\$472 million relating to underlift and overlift impacts on receivables and payables, respectively, between December 2020 and December 2021.
- an allowance for estimated non-recurring transaction costs of approximately US\$410 million related to the Proposed Transaction

- the reversal of BHP Petroleum's gain of (US\$104) million attributable to its previous divestment of Scarborough to Woodside
- adjustment to cost of sales of (US\$90) million reflecting a fair value adjustment in respect of embedded derivatives recorded by BHP Petroleum
- net adjustments to income tax benefit of US\$166 million to reflect the tax effect of the transaction accounting adjustments and other accounting policy differences.

Impact relative to Woodside standalone

Relative to Woodside standalone:

- shares on issue in the Merged Group increase from 969.6 million to 1,871.2 million
- the Merged Group's pro forma EBITDA interest cover decreases from 18.0 times to 16.9 times. However, we note that as the asset portfolio of BHP Petroleum is being acquired on a cash free debt free basis, the finance costs recorded in relation to BHP Petroleum will no longer be incurred. In the event these charges are excluded, EBITDA interest cover increases to 39.7 times
- the Merged Group's prima facie pro forma earnings per share (EPS) decreases to US\$1.16 per share from US\$2.06 per share. In the event that finance costs in relation to BHP Petroleum are excluded, the pro forma EPS increases to US\$1.28 per share.

10.3 Relative contributions

The relative contributions of each of Woodside and BHP Petroleum to the Merged Group under various other parameters are set out in the table below.

Table 29: Relative contributions to the Merged Group as at 31 December 2021

| Relative Contributions | Woodside | BHP Petroleum | Contribution% | |
|--|----------------|----------------|---------------|---------------|
| | | | Woodside | BHP Petroleum |
| Reserves and Resources as at 31 December 2021^{1,2} | | | | |
| 2P (liquids ⁴) (MMbbl) | 247.0 | 560.4 | 30.6% | 69.4% |
| 2P (gas) (MMboe) ³ | 2,157.4 | 916.7 | 70.2% | 29.8% |
| Total 2P (MMboe) | 2,404.3 | 1,477.1 | 61.9% | 38.1% |
| 2C (liquids ⁴) (MMbbl) | 590.0 | 558.8 | 51.4% | 48.6% |
| 2C (gas) (MMboe) | 3,961.0 | 823.8 | 82.8% | 17.2% |
| Total 2C (MMboe)⁵ | 4,551.0 | 1,382.6 | 76.7% | 23.3% |
| Production (MMboe) | | | | |
| CY21 (actual) ⁶ | 91.1 | 102.3 | 47.1% | 52.9% |
| CY22 (projected) ⁷ | 93.2 | 114.5 | 44.9% | 55.1% |
| Earnings (\$ millions) | | | | |
| CY21 Underlying EBITDA ^{8,9} | 4,135 | 4,349 | 48.7% | 51.3% |
| CY21 Underlying NPAT ^{10,11} | 1,620 | 885 | 64.7% | 35.3% |

Source: GaffneyCline's ITSR, Woodside 2021 Annual Report, BHP Petroleum 2HY21, FY21 and 2HY20 financial reports and KPMG Corporate Finance analysis

Notes:

1. Reserves and Resources included in the table above may differ from those reported by Woodside and BHP Petroleum (including those reported in Tables 7, 8, 9, 22 and 23 above) as the above figures reflect GaffneyCline's assessment of Reserves and Resources as set out in the ITSR
2. Gas Reserves in the table above are inclusive of volumes consumed in operations (CIO or fuel) per GaffneyCline's ITSR
3. BHP Petroleum's net gas Reserves and Resources have been converted from Bcf to MMBoe by dividing by a conversion factor of 6.0 for all assets except the NWS Project, NWS Oil and Scarborough (including Thebe and Jupiter), where a conversion factor of 5.8 has been adopted (consistent with the factor adopted by KPMG Corporate Finance for the Woodside interest in those projects)
4. Liquids reserves and resources includes oil, condensate, natural gas liquids and LPG
5. 2C Contingent Resources in this table are BHP Petroleum's working interest fraction of the gross field resources
6. Production from Algeria and Neptune is excluded from BHP Petroleum production
7. Projected CY22 production has been based on the aggregate of the production profiles prepared by GaffneyCline for each of the individual assets
8. Underlying EBITDA for Woodside has been calculated as profit before tax add net finance costs, depreciation and amortisation and net impairment costs
9. Underlying EBITDA for BHP Petroleum has been calculated as profit before tax add net finance costs, depreciation and amortization and one-off costs primarily comprised of net impairment costs, onerous lease costs and exploration leases
10. Underlying NPAT for Woodside excludes amounts relating to cost write-offs, impairment losses, impairment reversals and prior period impacts
11. Underlying NPAT for BHP Petroleum has been calculated as profit before tax add net finance costs, net impairment costs, office onerous lease costs, exploration lease costs and other costs.

In considering the above contribution analysis, we would caution Woodside Shareholders that it is required to be treated with a degree of caution, given that:

- reserves, resources and production contributions do not take into consideration:
 - different levels of profitability between products, field locations and jurisdictions
 - stages of development, forecast capital expenditure and timing of future production profiles
 - different quantum and profiles of capital and abandonment expenditures.
- point in time earnings figures may not adequately capture various factors including:
 - stage of development and forecast production profiles as well as forecast capital and abandonment expenditure
 - the volatility of hydrocarbon commodity prices and the varied impact of this to each product.

10.4 Dividend policy

Woodside has indicated that the Merged Group's dividend policy is expected to be unchanged compared to the Woodside current policy, which aims to maintain a minimum dividend of 50% of NPAT excluding non-recurring items (expressed in USD), with a target payout ratio of between 50% and 80%. In addition, Woodside has indicated that in periods of excess cash generation, additional opportunities to provide returns to the shareholders of the Merged Group through special dividends and share buy-backs will be considered.

10.5 Potential cost savings and operational synergies

Prior to the announcement of the Proposed Transaction, both Woodside and BHP Petroleum had separately commenced programs to improve operational efficiency in their businesses. As part of the transaction process, Woodside undertook a review of the costs of the Merged Group, with the support of an external advisor, and identified a range of synergy opportunities which following implementation, will build on the programs underway to further consolidate operations and execute efficient practices across the Merged Group.

Woodside's review established the Merged Group's spend of approximately US\$10,000 million as a baseline⁹⁴ and focussed initially on spend in operations and corporate (internal spend of approximately US\$1,800 million and external spend of US\$1,500 million) and exploration, before also considering capital expenditure and D&R. A structured evaluation of synergy opportunities yielded an initial target of over US\$400 million in annual pre-tax cost savings, which was assessed as being reasonable after being benchmarked against the synergy expectations set in comparable transactions within the industry.

The identified synergy opportunities include:

- the reduction in corporate costs across a range of functions as a result of the rationalisation of applications, licenses and subscriptions, and the optimisation of organisational design for the merged business
- the reduction in operating and maintenance costs through the sharing of systems and digital solutions across all assets
- improved procurement outcomes by leveraging long-term supplier relationships and improving purchasing power through economies of scale
- the reduction in marketing and trading costs with the Merged Group's increased scale helping to improve shipping utilisation
- improved asset productivity of the Merged Group's upstream assets as a result of sharing experience and technology solutions to improve uptime and lower unit-production costs
- the reduction in exploration expenditure in the combined exploration portfolio by focusing on high-quality prospects that have a clear path to commercialisation
- the reduction in capital spend across the Merged Group's portfolio of development projects by consolidating project teams and leveraging relationships with key contractors to secure better service and pricing.

The identified synergy opportunities will be realised progressively, with full implementation expected by early 2024. As the integration process is undertaken, Woodside expects to identify further synergies and value creation opportunities over and above the identified synergy opportunities.

⁹⁴ Year commencing 1 July 2021

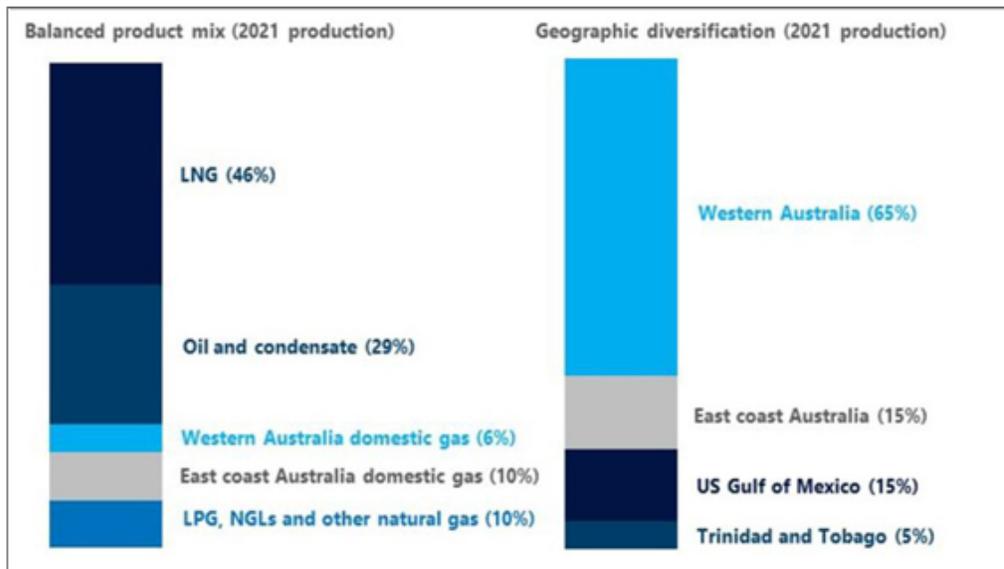
The achievement of synergies in any business combination is uncertain and not without risk in terms of the quantum of the benefit achieved and the timing realised. However, of the US\$400 million in identified synergy opportunities targeted, in excess of US\$250 million relates to operating and corporate cost savings, which are typically easier to identify and realise, with the remaining US\$150 million relating to exploration expenditure.

Woodside estimates that the implementation of the identified synergy opportunities would require one-off costs in the order of US\$500 million to US\$600 million to be incurred in the first two years following completion of the Proposed Transaction.

10.6 Geographical and production diversification

Figure 13 below sets out Woodside estimate⁹⁵ of geographic and production mix of the Merged Group's combined producing asset portfolio, based on Woodside's and BHP Petroleum's production for the 12 months ended 31 December 2021.

Figure 13 - Geographic and production mix of the Merged Group

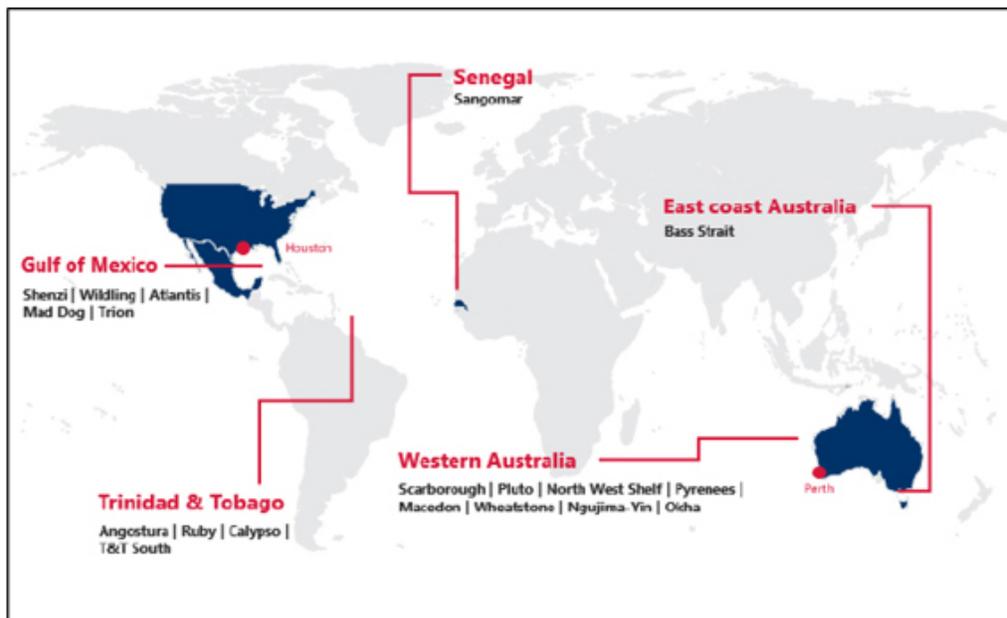


Source: Explanatory Memorandum

Figure 14 sets out the geographical combined location of the Merged Group's major asset portfolio.

⁹⁵ Woodside and BHP Petroleum Merger Investor Presentation, 17 August 2021. Combined Woodside and BHP for the 12 months to 30 June 2021, not giving effect to any pro forma adjustments. Other natural gas volumes includes T&T and US GOM. Other includes Algeria production of 3 MMboe. Neptune production volume is included in GOM but divested in May 2021.

Figure 14 - International locations of Merged Group's major assets



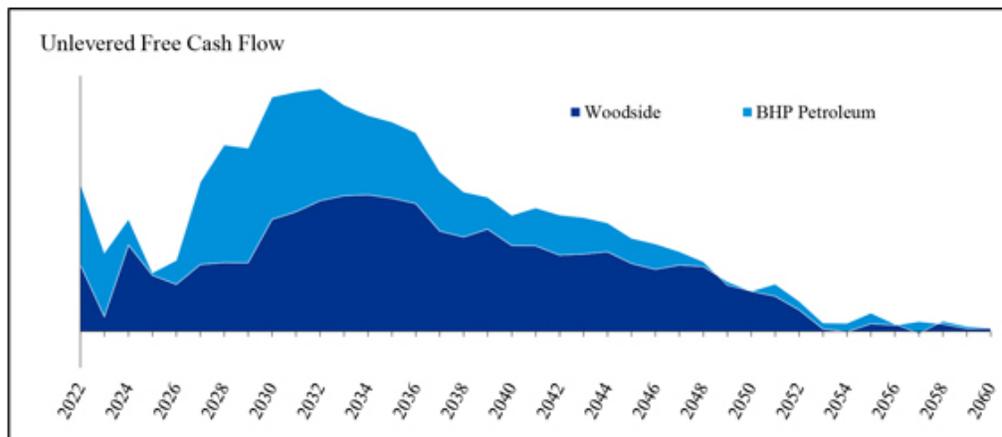
Source: Explanatory Memorandum

As indicated by the above charts, 100% of Woodside's and BHP Petroleum's FY21 production was from conventional oil and gas projects, with the significant majority of projects located in OECD countries, which is expected to remain the case for the foreseeable future.

10.7 Net free cash flow

As illustrated in the figure below, based our forecast cash flows developed in conjunction with GaffneyCline, the combination of Woodside's and BHP Petroleum's assets is expected to significantly improve the level of net free cash flows available to the Merged Group, crucially, in the initial years when Woodside is looking to bring Scarborough/Pluto Train 2 and Sangomar into production, whilst also continuing to advance other growth opportunities, including its New Energy ambitions.

Figure 15 - Profile of net free cash flows over the period to 2060



Source: KPMG Corporate Finance analysis

Note 1: Net free cash flows are based on the production; operational, capital and D&R expenditure profiles assessed by GaffneyCline and the macroeconomic assumptions determined by KPMG Corporate Finance but are before exploration expenditure and the realisation of any operational and other cost savings and synergies.

10.8 Potential market re-rating and increase in share trading

Woodside had approximately 984.0 million ordinary shares on issue as at 24 March 2022. Immediately following completion of the Proposed Transaction, the number of shares on issue in the Merged Group will total approximately 1,898.7 million, as summarised in the table below.

Table 30: Woodside Shareholders' interest in the Merged Group

| | millions | Relevant interest |
|---|----------------|-------------------|
| Current shares on issue - Woodside shareholders | 984.0 | 52% |
| New shares to be issued - BHP shareholders | 914.8 | 48% |
| Shares in the Merged Group | 1,898.7 | 100% |

Source: Explanatory Memorandum, ASX Announcements and KPMG Corporate Finance Analysis

Note 1: Figures may not add exactly due to rounding.

Based on the closing price for a Woodside share on 24 March 2022 of A\$33.20 and the number of shares expected to be on issue in the Merged Group would have a notional market capitalisation in the order of A\$63,038 million, which compares to Woodside's market capitalisation of A\$32,668 million as at that date.

The significantly larger market capitalisation of the Merged Group, coupled with a larger shareholder base and secondary listings on the NYSE and LSE could result in an increased daily trading volumes compared to Woodside as a standalone entity and an increased level of investor interest.

10.9 Merger and integration risks

Woodside has identified various risks associated with the business and operations of the Merged Group, which are discussed at section 8 of the Explanatory Memorandum. We recommend Woodside Shareholders consider these risks in deciding whether or not to support the Proposed Transaction.

10.10 Directors and management

Following completion of the Proposed Transaction it is the current intention to invite a current director of BHP to join the Board of Directors of Woodside. Accordingly, Woodside Directors are expected to hold the significant majority of Board positions following completion of the Proposed Transaction. Further details in relation to the qualifications and experience of the Directors of Woodside are set out in section 6 of the Explanatory Memorandum.

10.11 Transaction costs

Woodside will incur transaction costs in relation to the Proposed Transaction estimated at US\$410 million pre-tax (excluding integration costs). The non-recurring transaction costs expected to be incurred by Woodside, include stamp duty, advisory, legal, regulatory, accounting, valuation and other fees that will not be capitalised as part of the Proposed Transaction.

Woodside estimates that it will incur transaction and integration costs in connection with the Proposed Transaction regardless of whether or not the Proposed Transaction is completed, which are estimated at US\$100 million pre-tax.

11 Valuation Assessment

11.1 Valuation methodology

The appropriate test in assessing whether the Proposed Transaction is fair to Woodside Shareholders is whether the value of a share in the Merged Group is greater than or equal to the value of a Woodside share prior to the Proposed Transaction.

As the value of the Merged Group will be driven by the value of the combined businesses of Woodside and BHP Petroleum, it is necessary to assess the value of both Woodside and BHP Petroleum prior to completion of the Proposed Transaction as a starting point.

The principal assets of each of Woodside and BHP Petroleum comprise interests in oil, natural gas and/or natural gas liquids assets at various stages of development, from early-stage exploration through to project development and operational assets. Such assets have lives and future profitability that depend upon factors that are inherently unpredictable.

In our experience, the most appropriate method for determining the value of companies similar to Woodside and BHP Petroleum is on the basis of the value of the sum of the parts of the underlying net assets, with their principal development and operational assets being valued using the discounted cash flow (DCF) approach.

The DCF methodology has a strong theoretical basis, valuing a business on the net present value (NPV) of its future cash flows. It requires an analysis of future cash flows, the capital structure adopted and the costs of the capital deployed. This technique is particularly appropriate for companies with a limited asset life, which is often the case with companies dependent upon depleting oil and gas reserves. In addition, a sensitivity analysis for variations in key assumptions adopted should be performed.

Those production and development assets of Woodside and BHP Petroleum where DCF has been adopted as the primary valuation methodology are set out in the table below.

Table 31: Woodside/BHP Petroleum assets valued by DCF

| Woodside Project | Project interest | BHP Petroleum Project | Project interest |
|-----------------------------|------------------|--------------------------|--------------------------|
| NWS Project ¹ | 16.7% | NWS Project ¹ | 16.7% |
| Pluto LNG | 90% | NWS Oil | 16.7% |
| Wheatstone LNG ² | 65% U / 13% D | Bass Strait | 50% GBJV / 32.5% KUJV |
| Australia Oil | 60% | Macedon | 71.4% |
| NWS Oil | 33.3% | Pyrenees ³ | 71.43% / 39.999% |
| Scarborough Upstream | 73.5% | Scarborough | 26.5% |
| Pluto Train 2 | 51% | Australian Non-Producing | 71.2% |
| Browse | 30.6% | Atlantis | 44% |
| Sangomar | 82% | Mad Dog | 23.9% |
| | | Shenzi ⁴ | 72% |
| | | GOM ORRI | 100% |
| | | Angostura | 45% |
| | | Ruby | 68.5% |
| | | Calypso | 70% |
| | | Trion | 60% |

Source: KPMG Corporate Finance analysis

Notes:

1. NWS Project ownership interest shown. Woodside has separate production share interests
2. U = Upstream, D = Downstream
3. BHP Petroleum holds a 71.43% interest in the WA-42-L permit and a 39.999% interest in the WA-43-L permit
4. BHP Petroleum holds a 72% interest in the Shenzi and Shenzi North projects and a 100% interest in the Wildling Project

ASIC Regulatory Guides envisage the use by an independent expert of specialists when valuing specific assets. To assist KPMG Corporate Finance in the valuation of Woodside's and BHP Petroleum's project interests, GaffneyCline was engaged by Woodside, and instructed by us, to prepare an ITSR in relation to a reasonable production scenario, including appropriate oil and/or gas production inventory, operational cost, sustaining and growth capital expenditure and abandonment expenditure profiles to be adopted by us in the preparation of forecast cash flows for Woodside's and BHP Petroleum's separate interests in their production and development assets as at 31 December 2021. In addition, GaffneyCline has assessed the value of Woodside's and BHP Petroleum's interests in other petroleum assets not captured in the DCF valuations. A copy of GaffneyCline's ITSR, which was prepared in accordance with the VALMIN Code, is attached to this report as Appendix 15.

The production and development assumptions recommended by GaffneyCline have been adopted in the cash flow projections prepared by us in assessing the values of Woodside's and BHP Petroleum's separate interests in their production and development assets. KPMG Corporate Finance was responsible for the determination of certain macroeconomic and other assumptions such as commodity prices, exchange rates, discount rates, inflation and taxation assumptions. GaffneyCline has also estimated a range of values within which it considers the value of each of the relevant interests in other petroleum assets to lie. The valuations ascribed by GaffneyCline to Woodside's and BHP Petroleum's interests in other petroleum assets as at 31 December 2021 have been adopted in our report.

Other assets and liabilities of Woodside and BHP Petroleum have been incorporated in our valuation based on book values as at 31 December 2021, as reasonable estimates of market value unless specifically noted otherwise.

In order to ensure a consistent approach in our assessment of the relative values, our valuations of each of Woodside, BHP Petroleum and the Merged Group has been undertaken on a 100% basis.

In assessing the value of a share in the Merged Group, we have also considered those synergies and cost savings expected to be available to Woodside in combining its existing portfolio of oil and gas assets with those held by BHP Petroleum.

However, given:

- there is no change of control of Woodside, either from a shareholder voting or Board perspective, as a result of completion of the Proposed Transaction
- Woodside Shareholders will continue to hold the same number of shares in Woodside both prior to and following completion of the Proposed Transaction⁹⁶
- the primary purpose of undertaking the valuation is to determine whether the Proposed Transaction is fair to Woodside Shareholders, that is, whether the value of a share held by Woodside Shareholders in the Merged Group is greater than or equal to the value of a Woodside share held by Woodside Shareholders prior to the Proposed Transaction,

we have not incorporated any allowance for additional cost savings and/or synergies that might be available to an unrelated third-party purchaser of Woodside standalone or for the Merged Group itself at some future point in time after completion of the Proposed Transaction.

Whilst the Proposed Transaction has an Effective Date of 1 July 2021, KPMG Corporate Finance and GaffneyCline have adopted a valuation date of 31 December 2021 for each entity, reflecting that a balance sheet for both Woodside and BHP Petroleum is available as at that date and that the acquisition balance sheet of BHP Petroleum as at 31 December 2021 reflects the outcome of the 6 months trading between the Effective Date and 31 December 2021.

In order to cross-check the outcomes of our valuation assessments, we have compared the Reserve and Resource multiples implied by our range of values for Woodside and BHP Petroleum against comparable listed companies and transactions. Whilst as discussed later, these multiples are subject to a number of limitations, they do provide a useful secondary measure to assess the reasonableness of the valuation outcomes under our primary valuation methodology.

⁹⁶ excluding the impact of new Woodside shares that might be issued to existing Woodside shareholders in their capacity as shareholders in BHP

11.2 Macroeconomic and other financial assumptions

Set out below is a summary of the macroeconomic assumptions adopted by us in the DCF analysis. In selecting our macroeconomic assumptions, we have adopted what we consider to be reasonable inputs that a purchaser of Woodside's and BHP Petroleum's long-term assets would adopt⁹⁷.

11.2.1 Denominations of cash flows

The NPV of the Woodside's and BHP Petroleum's interests in each project has been calculated in USD terms. Project inputs denominated in currencies other than USD have been converted to USD terms based on the inflation and foreign exchange rate assumptions set out below.

11.2.2 Inflation

Inflation rate assumptions adopted by us in the DCFs are set out in the table below.

Table 32: Summary of inflation assumptions

| % | 2022 | 2023 | 2024 | 2025 | 2026 |
|---------------|------|------|------|------|------|
| Australia | 3.2% | 2.5% | 2.5% | 2.4% | 2.4% |
| United States | 5.2% | 2.5% | 2.2% | 2.2% | 2.2% |
| Canada | 3.8% | 2.2% | 2.2% | 2.1% | 2.0% |
| Mexico | 5.3% | 3.8% | 3.6% | 3.5% | 3.5% |

Source: Capital IQ, brokers' notes, various economic commentators and KPMG Corporate Finance analysis

Inflation rates have been determined having regard to the forecasts of a range of brokers and economic commentators. Subsequent to 2026, the rate has been assumed to be constant at 2.5% per annum for Australia, 2.0% per annum for the United States, 2.0% per annum for Canada and 3.0% for Mexico.

11.2.3 Forecast currency exchange

Nominal foreign exchange rate assumptions adopted by us in the DCFs are set out in the table below.

Table 33: Summary of nominal foreign currency exchange assumptions

| | 2022 | 2023 | 2024 | 2025 | 2026 |
|---------|-------|-------|-------|-------|-------|
| AUD:USD | 0.74 | 0.75 | 0.75 | 0.75 | 0.76 |
| CAD:USD | 0.79 | 0.79 | 0.79 | 0.78 | 0.78 |
| MXN:USD | 0.048 | 0.046 | 0.044 | 0.042 | 0.041 |

Source: Capital IQ, brokers' notes, various economic commentators and KPMG Corporate Finance analysis

Exchange rates have been determined having regard to the forecasts of brokers and economic commentators and also the relevant forward curve, where available.

Subsequent to 2026, we have adopted exchange rates such that the nominal exchange rate is assumed to be driven by the long-term inflation differential between the relevant country and the United States, such that the relative purchasing power parity between both currencies is maintained. That is, the exchange rates stay constant in real terms.

⁹⁷ Based on information available as at 8 March 2022

11.2.4 Commodity prices

Contracted revenues

A proportion of Woodside's and BHP Petroleum's revenue streams are underpinned by medium to long term supply agreements. The terms of these contracts are commercial in confidence and are not disclosed to the market. The volumes and sales prices set out in these contracts have been incorporated in KPMG Corporate Finance's valuation models. Management has advised that as these contracts roll-off, it has been assumed for internal business planning purposes that sales volumes will be rebased having regard to prevailing commodity prices at the relevant time. We have adopted the same approach for the purpose of our valuations.

Brent Oil

Forecast Brent oil prices adopted by us over the period to 2026 are set out in the table below.

Table 34: Summary of Brent oil assumptions

| US\$/bbl | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------------|------|------|------|------|------|
| Brent oil price | 100 | 90 | 80 | 75 | 70 |

Source: Capital IQ, brokers' notes, various economic commentators and KPMG Corporate Finance analysis

In determining our forecast Brent oil price assumptions, we have had regard to Brent oil forecast prices published by various economic commentators and broking houses as well as the prevailing Intercontinental Exchange (ICE) Brent futures curve.

Subsequent to 2026, we have assumed that Brent oil prices will increase by the long-term inflation rate for the United States. In effect, the Brent oil price is assumed to remain constant in real USD terms post 2026.

LNG

Forecast uncontracted LNG price assumptions adopted by us over the period to 2026 are set out in the table below.

Table 35: Summary LNG price assumptions

| US\$/MMbtu | 2022 | 2023 | 2024 | 2025 | 2026 |
|-------------------------|------|------|------|------|------|
| Uncontracted spot price | 21.0 | 17.1 | 13.6 | 14.3 | 11.9 |

Source: Bloomberg, Consensus Economics and KPMG Corporate Finance Analysis

In determining our forecast uncontracted LNG price assumptions, we have had regard to:

- the historical relationship between the Japanese Korea Marker (JKM) benchmark Asian spot price for LNG and Brent oil prices, which, as set out in Appendix 3, has until recently typically traded at a discount to the Brent oil price on an energy equivalent basis
- the year-to-year price slope implied by recent forecast Brent oil prices and forecast JKM benchmark Asian spot prices published by various economic commentators and broking houses.

After 2026, we have adopted a constant price slope compared to our adopted Brent oil prices of 12.5%.

Domestic gas – Uncontracted East Coast spot prices

As discussed in Appendix 3, spot gas prices on the east coast of Australia have exhibited a significant level of volatility in recent years. Having largely traded in the range of A\$8 - A\$10 per GJ over the period between mid-2016 through until late 2019, the impact of Covid-19 on economic activity, coupled with a surplus supply of LNG in 2020, resulted in a significant and rapid fall in East Coast gas prices to A\$4 - A\$5 per GJ by mid-2020. Since then, tightening market conditions for LNG coupled with various temporary supply issues have resulted in a strong increase in East Coast gas prices, with prices trading above the A\$13 per GJ in late 2021. For the purpose of our valuations, we have assumed, consistent with our forecast trend in LNG prices and as a result the implied net back price for LNG producers, that East Coast spot gas prices will retreat to long term trend of A\$9 per GJ by 2025.

Subsequent to 2025, we have assumed that East Coast spot gas prices will increase by the long-term inflation rate for Australia. In effect, the East Coast spot gas price is assumed to remain constant in real AUD terms post 2025.

Domestic gas – Uncontracted West Coast spot prices

Reflecting the impact of Western Australia’s gas reservation policy and recent Western Australian domgas prices, we have assumed that West Coast spot gas prices will continue to trade around current levels of A\$5 per GJ, being an increase over recent historical levels but below prices on the East Coast.

Subsequent to 2025, we have assumed that West Coast spot gas prices will increase by the long-term inflation rate for Australia. In effect, the West Coast spot gas price is assumed to remain constant in real AUD terms post 2025.

Henry Hub

Forecast Henry Hub prices adopted by us over the period to 2026 are set out in the table below.

Table 36: Summary of Henry Hub price assumptions

| US\$/MMbtu | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------------|------|------|------|------|------|
| Henry Hub price | 4.6 | 3.7 | 3.3 | 3.3 | 3.3 |

Source: Capital IQ, brokers’ notes, various economic commentators and KPMG Corporate Finance analysis

In determining our forecast Henry Hub price assumptions, we have had regard to Henry Hub forecast prices published by various economic commentators and broking houses as well as futures curve.

Subsequent to 2026, we have assumed that Henry Hub prices will increase by the long-term inflation rate for the United States. In effect, the Henry Hub price is assumed to remain constant in real USD terms post 2026.

WTI

Forecast WTI prices adopted by us over the period to 2026 are set out in the table below.

Table 37: Summary of WTI price assumptions

| US\$/bbl | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------|------|------|------|------|------|
| WTI price | 96 | 86 | 76 | 72 | 67 |

Source: Capital IQ, brokers’ notes, various economic commentators and KPMG Corporate Finance analysis

In determining our forecast WTI price assumptions, we have had regard to WTI forecast prices published by various economic commentators and broking houses as well as futures curve.

Subsequent to 2026, we have assumed that WTI prices will increase by the long-term inflation rate for the United States. In effect, the WTI price is assumed to remain constant in real USD terms post 2026.

11.2.5 Carbon costs

We have included an allowance for cash outflows in respect of carbon costs where abatement is expected to be required under current government regulations, based on forecast operations. Further details in relation to the assessment of carbon costs are set out in section 3 of the ITSR.

11.2.6 Discount rates

Where DCF has been employed as the primary valuation approach, projected ungeared, post tax cash flows for each asset have been discounted using the USD nominal ungeared, post tax weighted average cost of capital (**WACC**) estimates which we consider as a reasonable estimation of the rate of return required by investors in relevant segments of the oil and gas assets sector. Further details in relation to our assessment of appropriate discount rates to apply to each asset are set out in Appendix 5.

Where appropriate, this range of discount rates has then been adjusted to respect the specific characteristics and risks of each asset not captured in the cash flows themselves, including for such matters as project location, stage of development and nature and risk of the underlying cash flows i.e. sanctioned versus unsanctioned, upstream versus downstream, infrastructure related revenues versus end market sale revenues, etc. Individual project discount rates adopted are summarised in the table below.

Table 38: Summary of USD post-tax nominal WACCs

| Woodside | | BHP Petroleum | |
|-------------------------|---------------|-----------------------------|---------------|
| Project | WACC % | Project | WACC % |
| NWS | 7.5% - 8.5% | NWS | 7.5% - 8.5% |
| NWS Growth ¹ | 8.0% - 9.0% | NWS Growth ¹ | 8.0% - 9.0% |
| Pluto LNG | 8.0% - 9.0% | NWS Oil | 7.5% - 8.5% |
| Wheatstone LNG | 7.5% - 8.5% | Scarborough | 8.5% - 9.5% |
| Australia Oil | 7.5% - 8.5% | Bass Strait | 8.5% - 9.5% |
| Scarborough | 8.5% - 9.5% | Macedon | 8.0% - 9.0% |
| Pluto Train 2 | 7.0% - 8.0% | Pyrenees | 9.0% - 10.0% |
| Browse | 10.0% - 11.0% | Other Australian (D&R only) | 1.5% - 2.0% |
| Sangomar | 13.5% - 14.5% | Atlantis | 9.0% - 10.0% |
| Stybarrow (D&R only) | 1.5% | Mad Dog | 9.0% - 10.0% |
| Balnaves (D&R only) | 1.5% | Shenzi | 9.0% - 10.0% |
| | | GOM ORRI | 4.5% - 5.5% |
| | | Trion | 10.0% - 11.0% |
| | | Angostura & Ruby | 9.0% - 10.0% |
| | | Calypso | 10.5% - 11.5% |

Source: KPMG Corporate Finance analysis

11.2.7 Taxation

Key tax and royalty assumptions adopted by us include:

- corporate income tax rates of:
 - Australia - 30%
 - Mexico - 30%
 - Senegal - 33%
 - Trinidad and Tobago - 30%
 - United States GOM - 21%
- utilisation of the accumulated tax losses as at 31 December 2021 where applicable
- state and private royalty charges calculated at the applicable rates after adjustments for allowable deductions
- a PRRT rate of 40%
- PSC arrangements where applicable.

Other operational and specific assumptions adopted by us in the DCF models for Woodside, BHP Petroleum and the Merged Group assets are set out in the valuation section for each entity below.

11.3 Valuation of Woodside

We have assessed the value of 100% of Woodside to be in the range of US\$16,978 million to US\$19,424 million, which equates to between A\$22,719 million to A\$25,992 million⁹⁸, or between A\$23.09 and A\$26.42 per current diluted Woodside share.

The market value of Woodside was determined after aggregating the estimated market value of Woodside's interests in its oil and gas assets, adding the assessed value of other assets and, if appropriate, deducting any external borrowings and non-trading liabilities.

As the Proposed Transaction does not involve a change of control, the principal purpose of our valuation is to compare the value of a Woodside share held by Woodside Shareholders prior to the Proposed Transaction against the value of a share in the Merged Group held by Woodside Shareholders following completion to the Proposed Transaction. As such, our range of market values for Woodside does not include any adjustment for cost savings or potential operational synergies to a purchaser of Woodside as these are only available to Woodside Shareholders in the event of an offer to acquire Woodside itself, which is not the case in the current circumstances.

⁹⁸ Based on an USD:AUD exchange rate of approximately 0.747.

Our range of assessed values reflects that a number of Woodside's assets are yet to be developed, in particular, Scarborough, Pluto Train 2, Sangomar and Browse, and therefore incorporates a greater degree of subjectivity than projects with established and well-known operating profiles.

Table 39: Summary of Woodside assessed values

| All figures in US\$ million (unless otherwise stated) | Assessed Values | |
|--|-----------------|---------------|
| | Low | High |
| Market values of Woodside's interests in petroleum assets | | |
| NWS Project (incl. expansion projects) | 2,673 | 2,771 |
| Pluto LNG (incl. expansion projects) | 11,537 | 12,050 |
| Pluto Train 2 | 1,678 | 2,078 |
| Wheatstone LNG | 3,013 | 3,139 |
| Australia Oil (incl. Okha) | 852 | 859 |
| Scarborough | 1,175 | 1,640 |
| Browse | 224 | 571 |
| Sangomar | 1,824 | 2,033 |
| Greater Sunrise & Thebe | 256 | 486 |
| Stybarrow | (88) | (88) |
| Balnaves | (43) | (43) |
| Surplus exploration petroleum interests | 78 | 118 |
| Total Petroleum Assets | 23,180 | 25,615 |
| Less: Net (debt) / cash | (3,101) | (3,101) |
| Less: Net financial liabilities and other assets | (171) | (171) |
| Less: Put option for Scarborough (payable to BHP) | (593) | (419) |
| Less: Regret costs | (70) | (70) |
| Less: NPV of NWC movements | (687) | (703) |
| Less: NPV of future corporate overheads | (1,581) | (1,727) |
| Total equity value | 16,978 | 19,424 |
| Number of ordinary shares ^{2,3} (millions) | 984.0 | 984.0 |
| Value per share - US\$ | 17.25 | 19.74 |
| Value per share - A\$⁴ | 23.09 | 26.42 |

Source: GaffneyCline's ITSR and KPMG Corporate Finance analysis

Notes:

1. May not add due to rounding
2. No adjustment has been made for the 7.5 million shares reserved for executives and employees under share plans as allowance for associated expenses has been included in forecast corporate overheads and project costs. We note Woodside has advised it typically purchases shares on market to meet obligations under the share plans rather than issue new Woodside shares
3. Current ordinary shares on issue reflecting the dividend reinvestment plan shares issued in March 2022
4. Based on an exchange rate of approximately AUD:USD 0.747.

An overview of the key operating parameters adopted by us in relation to individual assets are set out below.

11.3.1 Valuation of NWS Project⁹⁹

We have assessed the value of Woodside's interest in the projected ungeared, post tax cash flows from the NWS Project to be in the range of US\$2,673 million to US\$2,771 million. Our valuation takes into account Woodside's participation interest in the existing NWS oil and gas fields and the KGP, along with tariff revenue from processing 3rd party gas and gas supplied via the KGP-Pluto Interconnector currently being constructed. The valuation also includes an allowance for the potential upside of Woodside's intention to process gas from the currently unsanctioned Browse project through the KGP.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Due to issues of commercial sensitivity and the commercial-in-confidence nature of various trading arrangements we have been requested by Woodside not to disclose details in relation to:

- Contracted and uncontracted revenues or profiles
- D&R costs.

Aggregate annual production, operating costs and capital expenditure (Woodside interest) are summarised at Appendix 4.

Table 40: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| LNG | MMboe | 18 | 17 | 16 | 11 | 10 | 54 | 127 |
| Domgas | MMboe | 1 | 1 | 1 | 4 | 3 | 8 | 16 |
| Condensate | MMbbl | 3 | 3 | 3 | 2 | 2 | 9 | 21 |
| LPG | MMboe | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 2 | 3 |
| Total Production | MMboe | 22 | 21 | 20 | 17 | 15 | 72 | 167 |
| Operating costs | US\$m | 169 | 174 | 173 | 141 | 145 | 4,251 | 5,054 |
| Capital expenditure | US\$m | 128 | 90 | 100 | 126 | 157 | 2,307 | 2,908 |
| Operating costs | US\$/boe | 8 | 8 | 9 | 8 | 10 | 59 | 30 |
| Capital expenditure | US\$/boe | 6 | 4 | 5 | 7 | 10 | 32 | 17 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not add due to rounding.

LNG is by far the largest contributor to production revenues, comprising a mix of contracted volumes which progressively roll off over the period to 2032, and uncontracted volumes. LNG is produced over the period 2022 to 2036, with the rate of production declining steadily year-on-year as gas reserves deplete.

⁹⁹ All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside's interest.

The next largest contributor to production revenue is condensate (21 MMbbl), which follows a similar pattern to LNG in terms of steady decline in year-on-year production volumes over the remaining life of the NWS fields.

Annual production of domgas ramps up over the period to 2025 before falling sharply over the next few years through to 2030, after which production volumes stabilise for the remaining project life, with a total of 16 MMboe produced over the life of the project.

The NWS Project is also forecast to receive infrastructure access and tariff revenues from the processing of Pluto gas at the KGP between 2022 and 2025 and 3rd party gas between 2022 and 2036.

In addition, we have included Woodside's interest in the net benefit from processing 2,462 MMboe of gas (100%) through the KGP from the currently unsanctioned Browse project over the period 2030 through to 2060. However, reflecting that this project is yet to take FID, and the final terms for any future transport and processing costs are yet to be agreed between the parties, we have, as discussed below, included an additional risking to the incremental net cash flows from this upside opportunity to reflect timing, development and commercial uncertainty.

The estimated obligation in relation to D&R totals US\$819 million. Upstream and downstream D&R expenditure is incurred on an annual basis over the life of the NWS Project and continues through to 2046 (before the impact of processing Browse gas at the KGP, which results in an extension of the effective life of certain upstream infrastructure and at the KGP resulting, in turn, in a deferral of a portion of D&R to later years. Consistent with the treatment of Browse tariff revenues we have applied a risk adjustment to the benefit of this deferral).

Inclusion of the processing activities associated with the unsanctioned Browse project results in a modest uplift in our assessed NPV for the NWS Project of between US\$25 million to US\$57 million, largely reflecting the tolling of this revenue stream, that Browse is currently expected to be developed as a backfill to the NWS Project, with production not commencing until 2030 and our effective risking of this revenue stream as discussed below. The increase in operating cost and capital expenditure unit costs for the period beyond 2026 reflects the shift in operations after 2030 to be primarily tolling of third party gas.

In calculating our range of assessed values we have adopted a discount rate of 7.5% to 8.5% per annum in relation to the existing NSW Project (i.e. before the impact of Browse processing) taking into account:

- the established and vertically integrated nature of the NSW Project
- whilst the final realised price of exported LNG is still impacted by movements in the oil price, a portion of forecast export LNG revenues are underpinned by long term sales contracts
- a portion of NWS Project revenues is derived for processing gas on behalf of 3rd parties on a contracted "tolling" basis, eliminating end market risk from this revenue stream.

Conversely, whilst construction is well underway, the Pluto-KGP Interconnector is not yet complete. Accordingly, there is a small degree of residual timing risk inherent in the revenue stream assumed to be realised from the processing of Pluto gas and in the final costs to complete, noting however that this represents only a small portion of forecast revenues.

In relation to the incremental value added by the inclusion of cash flows from the processing of Browse gas, we note that, whilst once in place the nature of the tolling revenue stream removes a significant element of pricing and end market risk, there is no certainty at this time that the project will proceed and the final terms of any future processing arrangements have not been agreed between all required stakeholders. Accordingly, we have applied a higher range of discount rates of 8.0% to 9.0% per annum to the incremental net cashflows relating to the forecast operations associated with the processing of Browse gas.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the NWS Project based on a range of key assumptions, the outcome of which is set out in the table below.

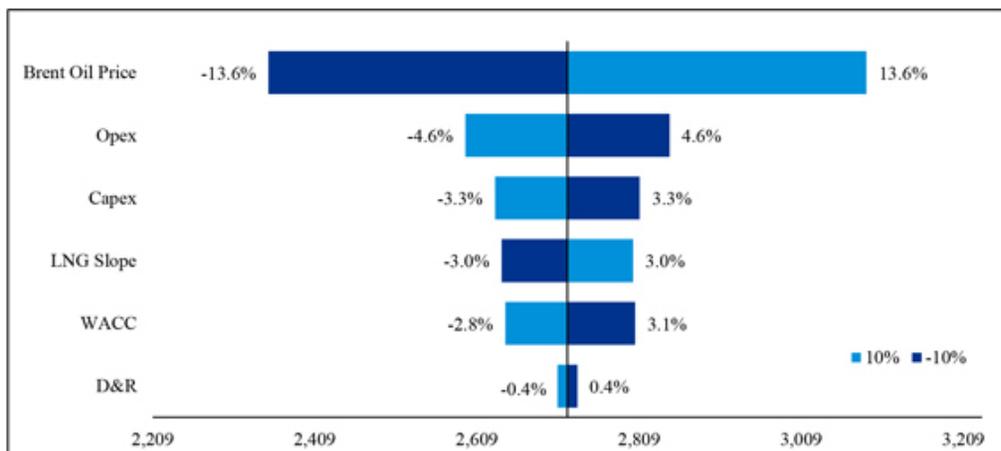
Table 41: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| Brent Oil Price | 2,352 | 2,536 | 2,721 | 2,905 | 3,089 |
| Opex | 2,847 | 2,784 | 2,721 | 2,658 | 2,595 |
| Capex | 2,810 | 2,765 | 2,721 | 2,676 | 2,631 |
| LNG Slope | 2,640 | 2,680 | 2,721 | 2,761 | 2,802 |
| WACC | 2,804 | 2,761 | 2,721 | 2,682 | 2,644 |
| D&R | 2,733 | 2,727 | 2,721 | 2,715 | 2,708 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the NWS Project is most sensitive to assumptions made in relation to future Brent oil prices given the interrelationship and various linked commodities, as set out in the tornado chart below, which is based on a 10% variance to each key input. This reflects that the sales price realised on LNG is a function of the Brent oil price and the LNG Slope that has been assumed (for uncontracted volumes). We note the NWS Project's limited sensitivity to spot LNG slope reflects the level of contracted LNG arrangements held.

Figure 16: NWS Project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.2 Valuation of Pluto LNG¹⁰⁰

We have assessed the value of Woodside’s 90% interest in the projected ungeared, post tax cash flows from Pluto LNG to be in the range of US\$11,537 million to US\$12,050 million. Our valuation takes into account Woodside’s participation interest in the existing Pluto fields, along with infrastructure and tariff revenues associated with processing gas from the recently sanctioned Scarborough project.

GaffneyCline generated production profiles and associated cost profiles as discussed in earlier sections for KPMG Corporate Finance valuation scenario inputs.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GCA’s ITSR which is attached at Appendix 15.

Table 42: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|---------------|
| Production | | | | | | | | |
| LNG | MMboe | 45 | 45 | 49 | 44 | 30 | 84 | 297 |
| Domgas | MMboe | 2 | 1 | 2 | 2 | 1 | 5 | 14 |
| Condensate | MMbbl | 4 | 4 | 4 | 4 | 2 | 7 | 24 |
| Total Production | MMboe | 50 | 50 | 55 | 49 | 34 | 97 | 335 |
| Operating costs | US\$m | 464 | 522 | 511 | 499 | 375 | 8,484 | 10,854 |
| Capital expenditure | US\$m | 203 | 250 | 210 | 181 | 206 | 1,584 | 2,633 |

¹⁰⁰ All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside’s interest.

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|---------------------|-------------------|------|------|------|------|------|---------|-------|
| Operating costs | US\$/boe | 9 | 11 | 9 | 10 | 11 | 88 | 32 |
| Capital expenditure | US\$/boe | 4 | 5 | 4 | 4 | 6 | 16 | 8 |

Source: GCA, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not sum due to rounding

Production of LNG comprises a mix of contracted volumes and uncontracted volumes.

Production of LNG is maintained in the range of approximately 44 MMboe to 49 MMboe over the period to 2025, before gradually stepping down over the remaining life of the project. Condensate and domgas are produced over the project life for total production of 24 MMbbl and 14 MMboe respectively.

Tariffs charged to Pluto Train 2 for processing Scarborough gas through Pluto Train 1 commence in 2026 and continue through to 2052, which consist of a mixture of infrastructure access and processing charges and the pass through of various other operating costs.

The estimated obligation in relation to upstream D&R associated with the Pluto gas fields is incurred over the period 2026 to 2034, and 2048 to 2060, totalling US\$593 million. Downstream D&R commences in 2048 and continues through to 2060, totalling US\$443 million.

Inclusion of the processing activities associated with the sanctioned Scarborough/Pluto Train 2 projects results in an uplift in our assessed NPV for Pluto LNG, largely reflecting the tolling nature this revenue stream, production is not forecast to commence until 2026 and our effective risking of this revenue stream as discussed below.

In calculating our range of assessed values we have adopted a discount rate of 8.0% to 9.0% per annum in respect of the foundation Pluto LNG project, reflecting the vertically integrated and established nature of the operations and that, whilst the final realised price of exported LNG is still linked to movements in the oil price, a significant portion of forecast export volumes are underpinned by long term sales contracts.

Conversely, a significant portion of Pluto LNG's revenue subsequent to 2026, comprises infrastructure access and gas processing charges and operating cost pass through to Pluto Train 2 for processing gas from Scarborough, which, although sanctioned and pre-production capital works have commenced, neither Pluto Train 2 or Scarborough are constructed and therefore the flow through cash flows to Pluto LNG carry an inherent level of increased risk.

Accordingly, we consider a risk adjustment to our range of base discount rates of 7.5% to 8.5% per annum is appropriate to apply to the incremental cash flows associated with processing gas from Scarborough, resulting in a final range of discount rates of 8.0% to 9.0% per annum.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for Pluto LNG based on a range of key assumptions, the outcome of which is set out in the table below.

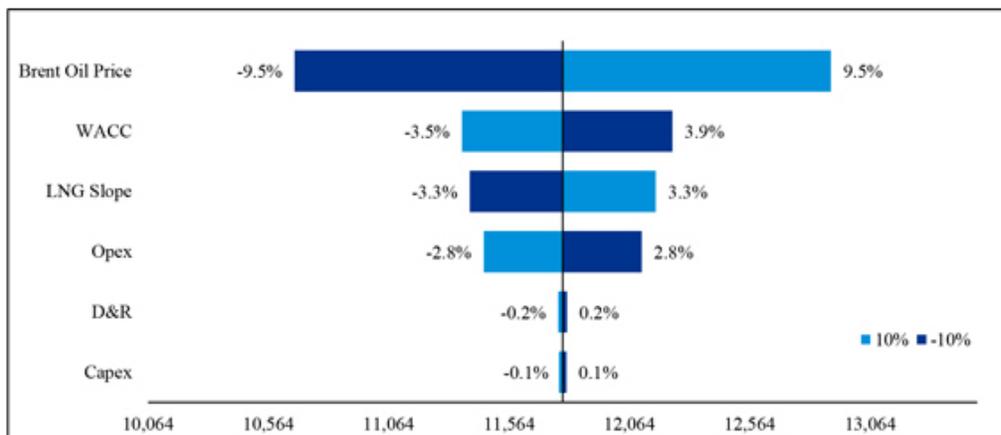
Table 43: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|--------|--------|--------|--------|--------|
| Brent Oil Price | 10,673 | 11,230 | 11,787 | 12,344 | 12,902 |
| WACC | 12,243 | 12,010 | 11,787 | 11,574 | 11,369 |
| LNG Slope | 11,401 | 11,594 | 11,787 | 11,980 | 12,174 |
| Opex | 12,115 | 11,951 | 11,787 | 11,623 | 11,459 |
| D&R | 11,805 | 11,796 | 11,787 | 11,778 | 11,769 |
| Capex | 11,803 | 11,795 | 11,787 | 11,779 | 11,772 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of Pluto LNG is most sensitive to assumptions made in relation to future Brent oil prices given the interrelationship and various linked commodities, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 17: Pluto LNG DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.3 Valuation of Wheatstone LNG¹⁰¹

We have assessed the value of Woodside's interests in the projected ungeared, post tax cash flows from the Wheatstone LNG to be in the range of US\$3,013 million to US\$3,139 million. Our valuation takes into account Woodside's:

- 13% interest in the Wheatstone Project, which includes the offshore platform, the pipeline to shore and the onshore plant, but excludes the Wheatstone and Iago fields and subsea infrastructure
- 65% interest in the Julimar Development Project, which comprises the Woodside operated offshore Julimar and Brunello gas fields which tie back to the central processing platform.

¹⁰¹ All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside's interest.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (Woodside interest) are summarised at Appendix 4.

Table 44: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| LNG | MMboe | 9 | 10 | 11 | 10 | 10 | 70 | 120 |
| Domgas | MMboe | 1 | 2 | 2 | 2 | 1 | 10 | 18 |
| Condensate | MMbbl | 1 | 1 | 2 | 1 | 1 | 10 | 17 |
| Total Production | MMboe | 12 | 13 | 14 | 13 | 12 | 90 | 155 |
| Operating costs | US\$m | 134 | 119 | 126 | 142 | 150 | 1,773 | 2,444 |
| Capital expenditure | US\$m | 29 | 52 | 134 | 210 | 101 | 455 | 981 |
| Operating costs | US\$/boe | 11 | 9 | 9 | 11 | 12 | 20 | 16 |
| Capital expenditure | US\$/boe | 2 | 4 | 10 | 16 | 8 | 5 | 6 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not add due to rounding.

Forecast LNG volumes at the Julimar Development Project total approximately 120 MMboe, over the period 2022 to 2039.

Annual LNG production volumes are largely consistent over the period to 2030 before stepping down to 6 MMboe in 2031, which is then maintained until 2036 when the production goes into further annual decline through to the end of the project in 2039.

Condensate production totals approximately 17 MMbbl over the life of the project, with annual production ranging between 1.0 MMbbl and 1.5 MMbbl between 2022 and 2030, falling to between 0.6 MMbbl and 0.8 MMbbl over the period 2031 to 2036 before stepping down thereafter until cessation of production in 2037.

Julimar Development Project D&R commences in 2039 and ceases in 2045, totalling US\$451 million. D&R incurred in respect of the Wheatstone Project topside infrastructure is incurred over the period 2038 to 2048, totalling US\$89 million.

Whilst Woodside holds different participation interests in Wheatstone LNG and the Julimar Development Project, we consider that the nature of the combined operation is such that it should be considered more akin to a vertically integrated project. Accordingly, we have adopted a discount rate of 7.5% to 8.5% per annum in relation to the separate cash flows of Wheatstone LNG and the Julimar Development Project.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for Wheatstone LNG based on a range of key assumptions, the outcome of which is set out in the table below.

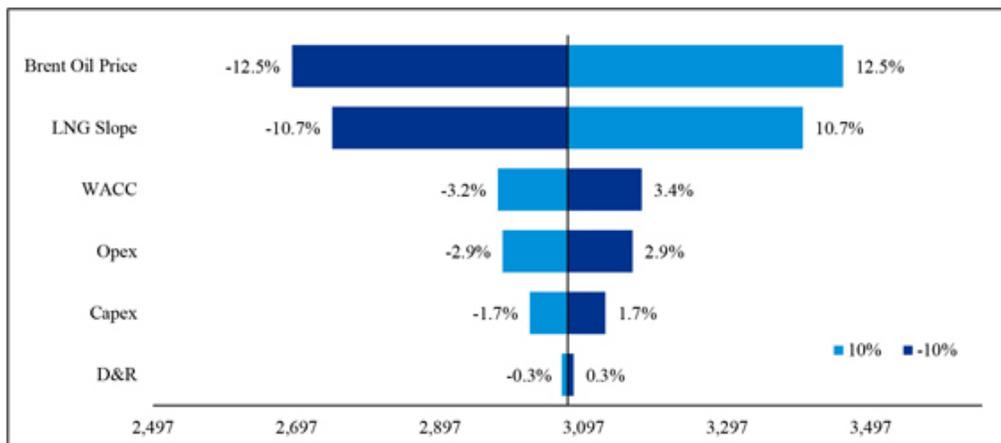
Table 45: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| Brent Oil Price | 2,691 | 2,883 | 3,075 | 3,267 | 3,459 |
| LNG Slope | 2,747 | 2,911 | 3,075 | 3,239 | 3,403 |
| WACC | 3,178 | 3,126 | 3,075 | 3,025 | 2,978 |
| Opex | 3,165 | 3,120 | 3,075 | 3,029 | 2,984 |
| Capex | 3,127 | 3,101 | 3,075 | 3,048 | 3,022 |
| D&R | 3,083 | 3,079 | 3,075 | 3,071 | 3,066 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of Wheatstone LNG is most sensitive to assumptions made in relation to future Brent oil prices given the interrelationship and various linked commodities, as set out in the tornado chart below, which is based on a 10% variance to each key input. We note the sensitivity to spot LNG slope reflects that revenue is predominantly comprised of LNG sales.

Figure 18: Wheatstone LNG DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.4 Valuation of Australia Oil

We have assessed the value of Woodside's 60% and 33% interest in the projected ungeared, post tax cash flows from the Ngujima-Yin FPSO and the Okha FPSO respectively to be in the range of US\$852 million to US\$859 million.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (Woodside interest) are summarised at Appendix 4.

Table 46: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|------------|--------------|
| Production | | | | | | | | |
| Oil | MMbbl | 8 | 6 | 6 | 4 | 3 | 14 | 41 |
| Total Production | MMbbl | 8 | 6 | 6 | 4 | 3 | 14 | 41 |
| Operating costs | US\$m | 134 | 145 | 150 | 127 | 133 | 680 | 1,369 |
| Capital expenditure | US\$m | 31 | 62 | 4 | 8 | 14 | 3 | 122 |
| Operating costs | US\$/boe | 17 | 26 | 27 | 31 | 39 | 49 | 34 |
| Capital expenditure | US\$/boe | 4 | 11 | 1 | 2 | 4 | 0.2 | 3 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not add due to rounding.

30 MMbbl of oil is produced via the Ngujima-Yin FPSO over the period to 2022 to 2032, with annual production progressively declining from 7 MMbbl to 1 MMbbl in the final year of production. Year-on-year D&R is incurred over the life of the project, totalling US\$808 million.

Oil is produced via the Okha FPSO over the period 2022 to 2031, with annual production gradually declining from 1.4 MMbbl to 0.6 MMbbl in the year prior to production ceasing. Year-on-year D&R is incurred over the life of the project, totalling US\$307 million.

Reflecting the relatively short term remaining project life and that production is established, we have adopted a discount rate range of 7.5% to 8.5% per annum.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for Australia Oil based on a range of key assumptions, the outcome of which is set out in the table below.

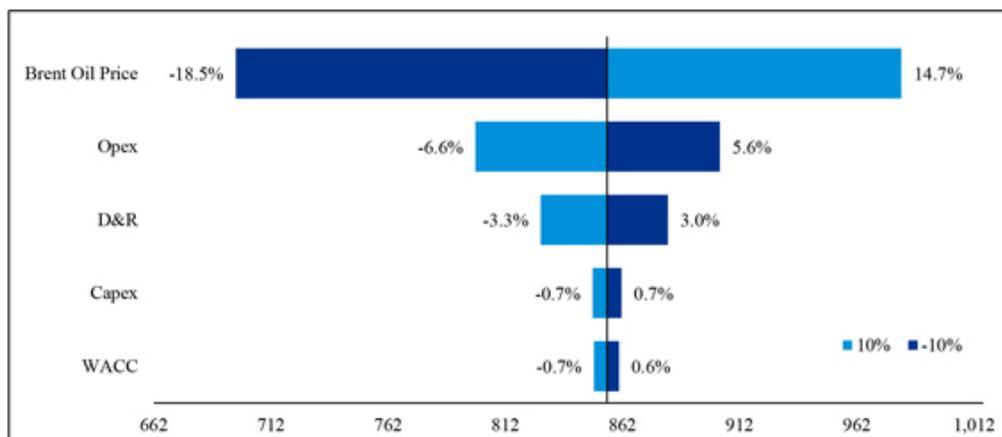
Table 47: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|------|-----|-----|-----|-----|
| Brent Oil Price | 697 | 784 | 856 | 919 | 981 |
| Opex | 904 | 880 | 856 | 832 | 800 |
| D&R | 882 | 869 | 856 | 843 | 827 |
| Capex | 862 | 859 | 856 | 853 | 850 |
| WACC | 861 | 858 | 856 | 853 | 850 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of Australia Oil is most sensitive to assumptions made in relation to future Brent oil prices given the interrelationship and various linked commodities, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 19: Australia Oil DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.5 Valuation of Scarborough¹⁰²

We have assessed the value of Woodside's 73.5% interest in the projected ungeared, post tax cash flows from development of the Scarborough project to be in the range of US\$1,175 million to US\$1,640 million.

GaffneyCline generated production profiles and associated cost profiles as discussed in earlier sections for KPMG Corporate Finance valuation scenario inputs.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GCA's ITSR which is attached at Appendix 15.

Table 48: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022-25 | 2026 | 2027 | 2028 | 2029 | Balance | Total |
|----------------------------|-------------------|--------------|------------|--------------|--------------|--------------|---------------|---------------|
| Production | | | | | | | | |
| LNG | MMboe | - | 18 | 46 | 46 | 47 | 961 | 1,118 |
| Domgas | MMboe | - | 4 | 7 | 7 | 7 | 143 | 168 |
| Total Production | MMboe | - | 22 | 53 | 53 | 54 | 1,104 | 1,286 |
| Operating costs | US\$m | 50 | 735 | 1,567 | 1,554 | 1,624 | 43,217 | 48,747 |
| Capital expenditure | US\$m | 4,015 | 26 | 51 | 128 | 297 | 648 | 5,165 |
| Operating costs | US\$/boe | - | 34 | 30 | 29 | 30 | 39 | 38 |
| Capital expenditure | US\$/boe | - | 1 | 1 | 2 | 5 | 1 | 4 |

Source: GCA, KPMG Corporate Finance analysis

¹⁰² All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside's interest.

Notes:

1. *US\$ amounts are stated in nominal terms*
2. *May not sum due to rounding.*

Production at Scarborough commences in 2026, with total life of project production of 1,286 MMboe over 27 years, comprising a mix of LNG (1,118 MMboe) and domgas (168 MMboe). Production of LNG ramps up over time to 55 MMboe per annum, with production maintained at or around this level until around 2040 before entering into a period of year-on-year decline through to the end of the project in 2052.

Of Scarborough's total life of project operating costs of US\$48,747 million approximately 77% comprises tariffs charged by Pluto Train 2 for access to up to 8 Mtpa of processing services and capacity. These tariffs comprise a fixed rate per unit of volume processed, along with a variable pass through of operating costs incurred by Pluto Train 1 and Pluto Train 2 in processing Scarborough gas.

The estimated obligation in relation to D&R is incurred over the period 2051 to 2054, totalling US\$1,236 million.

Development capex from 2022 through to production commencing in 2026 is forecast to total approximately US\$4,123 million.

In calculating our range of assessed values for Scarborough we have adopted a discount rate of 8.5% to 9.5% per annum, reflecting that, whilst the project has been sanctioned and the assumptions adopted by us are considered reasonable, the project is at a pre-development upstream project, as such, there is a degree of inherent risk in the development, construction and commissioning of any new operation which can be considered to add to the risk of the underlying cash flows emerging as projected in comparison to an established production project with known operating parameters.

In a separate arrangement to the Proposed Transaction, BHP and Woodside have agreed an option for BHP Petroleum to divest both its 26.5% interest in the Scarborough Joint Venture and its 50% interest in the Thebe and Jupiter Joint Ventures to Woodside in the event the Proposed Transaction is not completed. We have separately assessed the value of the Scarborough put option at section 11.3.12 below.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for Scarborough based on a range of key assumptions, the outcome of which is set out in the table below.

Table 49: Sensitivity analysis

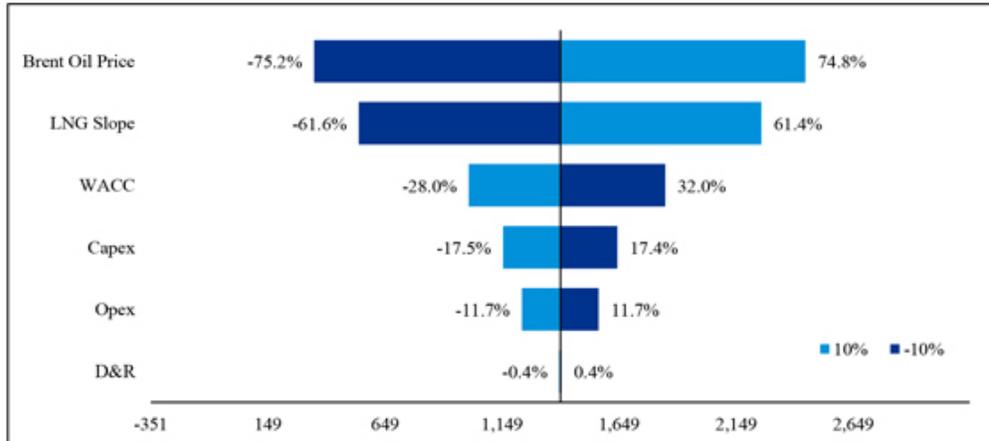
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| Brent Oil Price | 347 | 874 | 1,398 | 1,922 | 2,445 |
| LNG Slope | 537 | 968 | 1,398 | 1,828 | 2,257 |
| WACC | 1,846 | 1,615 | 1,398 | 1,196 | 1,007 |
| Capex | 1,642 | 1,520 | 1,398 | 1,276 | 1,154 |
| Opex | 1,562 | 1,480 | 1,398 | 1,316 | 1,234 |
| D&R | 1,403 | 1,401 | 1,398 | 1,396 | 1,393 |

Source: KPMG Corporate Finance analysis

Note 1: Opex assumption excludes tariff opex charges

This analysis indicates that our range of assessed values of Scarborough is most sensitive to assumptions made in relation to future Brent oil prices given the interrelationship and various linked commodities, as set out in the tornado chart below based on a 10% variance to each key input. We note the sensitivity to spot LNG slope reflects that revenue is predominantly comprised of LNG sales and the NPV of Scarborough is very sensitive to changes in key assumptions reflecting its early stage of development.

Figure 20: Scarborough DCF sensitivity



Source: KPMG Corporate Finance analysis

Note 1: Opex assumption excludes tariff opex charges

11.3.6 Pluto Train 2¹⁰³

We have assessed the value of Woodside’s 51% interest in the projected ungeared, post tax cash flows from development of the Pluto Train 2 to be in the range of US\$1,678 million to US\$2,078 million.

GaffneyCline generated production profiles and associated cost profiles as discussed in earlier sections for KPMG Corporate Finance valuation scenario inputs.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GCA’s ITSR which is attached at Appendix 15.

¹⁰³ All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside’s interest.

Table 50: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022-25 | 2026 | 2027 | 2028 | 2029 | Balance | Total |
|---------------------|-------------------|---------|------|------|------|------|---------|--------|
| Operating costs | US\$m | - | 167 | 395 | 407 | 393 | 10,782 | 12,144 |
| Capital expenditure | US\$m | 2,614 | 156 | 2 | 2 | 2 | 150 | 2,927 |

Source: GCA, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not sum due to rounding.

Pluto Train 2' s sole source of revenue is the tariffs charged to Scarborough, which were discussed at 8.4.1 above, whilst its operating costs largely comprise tariffs charged by Pluto LNG for access to onshore infrastructure, including Pluto Train 1, utilities, storage and loading and site infrastructure capacity, and the pass through of various operating costs.

On 15 November 2021, Woodside announced that it had entered into a sale and purchase agreement with GIP for the sale of a 49% non-operating participating interest in the Pluto Train 2 in consideration for an initial capital contribution by GIP of approximately US\$822 million (**Initial Capital Contribution**)¹⁰⁴, plus GIP funding 49% of future development capital from the transaction' s effective date of 1 October 2021. The transaction was completed on 17 January 2022.

Payment of the Initial Capital Contribution will be achieved by GIP meeting Woodside' s obligation in respect of future cash calls up to this amount. If the total capital expenditure incurred is less than US\$5.6 billion, GIP will pay Woodside an additional amount equal to 49% of the under-spend. In the event of a cost overrun, Woodside will fund up to US\$822 million in respect of a 49% share of any overrun. Delays to the expected start-up of production will result in payments by Woodside to GIP in certain circumstances.

We have adjusted Woodside' s interest in cash flows for Pluto Train 2 to reflect the recovery of GIPs 49% share of capex spent from 1 October 2021 to 31 December 2021, the Initial Capital Contribution reducing Woodside' s capex contributions going forward, and the estimated payment of compensation to GIP of US\$28 million in 2026 for over-spend having regard to GaffneyCline' s forecast capital expenditure for the project.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for Pluto Train 2 based on a range of key assumptions, the outcome of which is set out in the table below.

¹⁰⁴ The 15 November 2021 ASX announcement referred to an amount of up to US\$835 million but noted that the final amount was dependent on interest rate swaps and foreign exchanges rates on the date of the FID for Scarborough and Pluto Train 2, which was taken on 22 November 2021

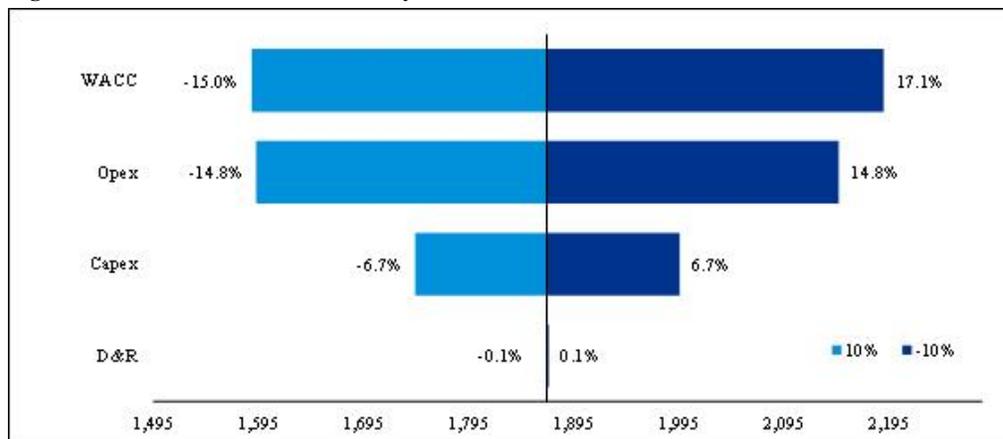
Table 51: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| WACC | 2,190 | 2,025 | 1,870 | 1,725 | 1,588 |
| Opex | 2,147 | 2,008 | 1,870 | 1,731 | 1,593 |
| Capex | 1,996 | 1,933 | 1,870 | 1,807 | 1,744 |
| D&R | 1,871 | 1,870 | 1,870 | 1,869 | 1,870 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of Pluto Train 2 is most sensitive to the WACC and Opex assumptions, as set out in the tornado chart below, which is based on a 10% variance to each key input. We note Pluto Train 2 revenue is comprised of tariffs received from Scarborough, with fixed and variable components linked to volumes. As such, Pluto Train 2 cash flows are not sensitive to commodity prices.

Figure 21: Pluto Train 2 DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.7 Valuation of Browse¹⁰⁵

We have assessed the value of Woodside’s 30.6% interest in the projected ungeared, post tax cash flows from Browse to be in the range of US\$224 million to US\$571 million.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline’s ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (Woodside interest) are summarised at Appendix 4.

¹⁰⁵ All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside’s interest.

Table 52: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022-28 | 2029 | 2030 | 2031 | 2032 | Balance | Total |
|----------------------------|-------------------|--------------|------------|------------|------------|------------|---------------|---------------|
| Production | | | | | | | | |
| LNG | MMboe | - | - | 12 | 23 | 28 | 560 | 623 |
| Domgas | MMboe | - | - | 2 | 3 | 4 | 82 | 91 |
| Condensate | MMbbl | - | - | 3 | 6 | 7 | 113 | 129 |
| LPG | MMboe | - | - | 0.2 | 0.3 | 0.4 | 7 | 8 |
| Total Production | MMboe | - | - | 17 | 32 | 39 | 762 | 850 |
| Operating costs | US\$m | - | - | 330 | 601 | 726 | 19,888 | 21,544 |
| Capital expenditure | US\$m | 4,298 | 828 | 168 | 65 | 142 | 2,669 | 8,169 |
| Operating costs | US\$/MMbbl | - | - | 20 | 19 | 19 | 26 | 25 |
| Capital expenditure | US\$/MMbbl | - | - | 10 | 2 | 4 | 4 | 10 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not add due to rounding.

As noted in section 8.4.3 above, it is currently contemplated that Browse will be developed to backfill the current NWS Project, with production commencing in 2029.

LNG is by far the largest contributor to production revenues, with production of 623 MMboe over the life of the project. LNG production gradually ramps up over the period to 2033 following which a production rate around 29 MMboe is maintained for the next 12 years, following which production steadily declines year-on-year as gas reserves deplete, until cessation in 2060.

The next largest contributor to production revenue is condensate (129 MMbbl), which follows a similar timeframe to LNG in terms of ramp up, however unlike LNG, condensate production commences a steady year-on-year decline almost immediately thereafter through to the end of the project.

Annual production of domgas and LPG both ramp up over the period to 2032, maintaining a production level around 4 MMboe and 0.4 MMboe respectively through to 2044, before both entering into a period of steady year-on-year decline for the remaining project life, with a total of 91 MMboe and 8 MMboe produced over the life of the project respectively.

Of Browse' s total life of project operating costs of US\$21,544 million, approximately 61% comprises processing tariffs charged by the NWS Project.

Development capex from 2022 through to production commencing in 2029 is forecast to total approximately US\$5,109 million.

The estimated obligation in relation to D&R totals US\$913 million, the majority of which is incurred over the period 2059 to 2063.

In calculating our range of assessed values for Browse we have adopted a discount rate of 10.0% to 11.0% per annum, reflecting that, whilst the assumptions adopted by us are considered reasonable, the project is at an unsanctioned pre-development upstream stage, with production some time away.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for Browse based on a range of key assumptions, the outcome of which is set out in the table below.

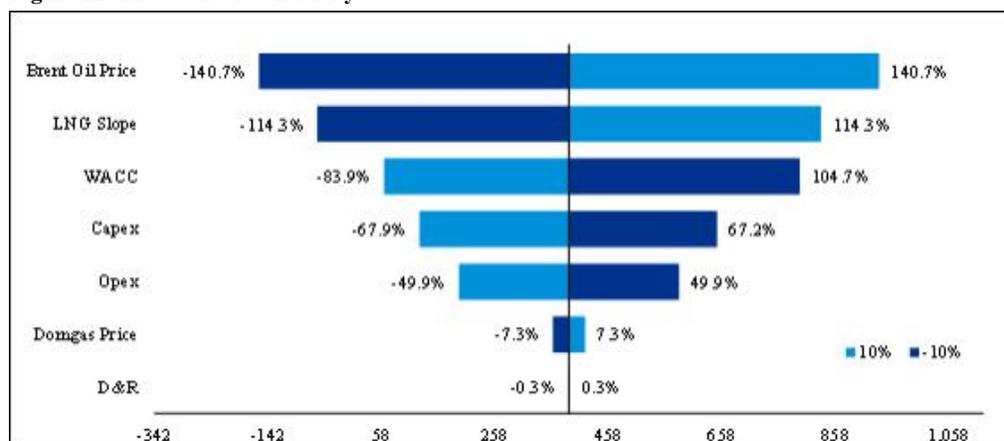
Table 53: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-----|-----|-----|-----|
| Brent Oil Price | (158) | 115 | 388 | 662 | 935 |
| LNG Slope | (55) | 167 | 388 | 610 | 832 |
| WACC | 795 | 581 | 388 | 216 | 63 |
| Capex | 649 | 519 | 388 | 257 | 125 |
| Opex | 582 | 485 | 388 | 291 | 195 |
| Domgas Price | 360 | 374 | 388 | 403 | 417 |
| D&R | 390 | 389 | 388 | 388 | 387 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of Browse is sensitive to assumptions made in relation to future Brent oil prices given the interrelationship and various linked commodities, as set out in the tornado chart below, which is based on a 10% variance to each key input. We note the sensitivity to spot LNG slope reflects that revenue is predominantly comprised of LNG sales and the NPV of Browse is very sensitive to changes in key assumptions reflecting its early stage of development.

Figure 22: Browse DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.8 Valuation of Sangomar¹⁰⁶

We have assessed the value of Woodside's 82% interest in the projected ungeared, post tax cash flows from Sangomar to be in the range of US\$1,824 million to US\$2,033 million.

¹⁰⁶ All references to forecast revenues, production volumes, operating costs and capital expenditure are based on Woodside's interest.

A summary of project outputs (Woodside interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (Woodside interest) are summarised at Appendix 4.

Table 54: Summary of cash flow parameters - Woodside interest

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| Oil | MMboe | - | 7 | 25 | 23 | 18 | 325 | 397 |
| Total Production | MMboe | - | 7 | 25 | 23 | 18 | 325 | 397 |
| Operating costs | US\$m | 0.3 | 60 | 123 | 140 | 193 | 5,731 | 6,249 |
| Capital expenditure | US\$m | 1,217 | 907 | 142 | 89 | 141 | 3,386 | 5,882 |
| Operating costs | US\$/boe | - | 9 | 5 | 6 | 11 | 18 | 16 |
| Capital expenditure | US\$/boe | - | 137 | 6 | 4 | 8 | 10 | 15 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts are stated in nominal terms
2. May not add due to rounding.

Sangomar is in development phase, with first oil targeted for 2023, with forecast total life of project oil production of 397 MMboe. Production peaks in 2024, is maintained at reduced production levels from 2026 to 2032 before entering into a period of year-on-year decline through to the end of production in 2048.

Development capex from 2022 through to production commencing in 2023 is forecast to total approximately US\$2,124 million.

The estimated obligation in relation to D&R totals US\$1,519 million.

In calculating our range of assessed values for Sangomar we have adopted a discount rate of 13.5% to 14.5% per annum. Our selected range of discount rates takes into account that, whilst the assumptions adopted by us are considered reasonable, the project is still in the development phase, albeit with production expected to commence in the relatively short term, with project revenue comprising solely of uncontracted sales of oil. In addition, an element of the production has been forecast by GaffneyCline to come from 2C Contingent Resources, with an associated chance of development risk, as well as sovereign risk for Senegal.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Sangomar project based on a range of key assumptions, the outcome of which is set out in the table below.

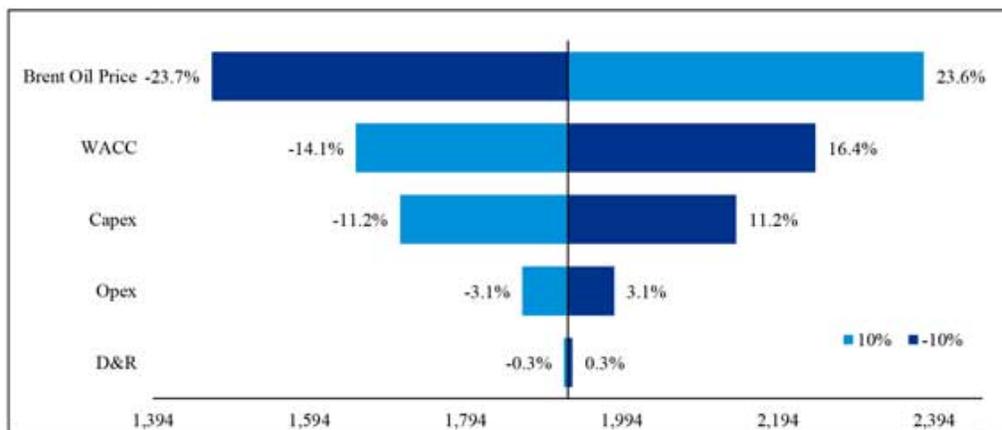
Table 55: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| Brent Oil Price | 1,470 | 1,698 | 1,926 | 2,154 | 2,381 |
| WACC | 2,243 | 2,078 | 1,926 | 1,785 | 1,654 |
| Capex | 2,141 | 2,034 | 1,926 | 1,818 | 1,711 |
| Opex | 1,985 | 1,955 | 1,926 | 1,897 | 1,867 |
| D&R | 1,931 | 1,929 | 1,926 | 1,923 | 1,920 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the Sangomar project is most sensitive to Brent oil, discount rates and capex assumptions, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 23: Sangomar DCF sensitivity



Source: KPMG Corporate Finance analysis

11.3.9 Valuation of Stybarrow

We have assessed the value of Woodside’s interest in the projected ungeared, post tax cash flows from the Stybarrow project to be a negative value in the order of US\$88 million.

Forecast operations for the project comprise post-tax D&R expenditure. Further detail in relation to the project assumptions are discussed in GaffneyCline’s ITSR which is attached at Appendix 15.

In calculating the NPV of Woodside’s interest we have adopted a discount rate of 1.5% per annum, which has been estimated having regard to yields on short term US Treasury bonds and reflects that these forecast cash outflows are unavoidable.

11.3.10 Valuation of Balnaves

We have assessed the value of Woodside’s interest in the projected ungeared, post tax cash flows from the Balnaves project to be a negative value in the order of US\$43 million.

Forecast operations for the project comprise post-tax D&R expenditure. Further detail in relation to the project assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15.

In calculating the NPV of Woodside's interest we have adopted a discount rate of 1.5% per annum, which has been estimated having regard to yields on short term US Treasury bonds and reflects that these forecast cash outflows are unavoidable.

11.3.11 Valuation of Woodside's interest in other petroleum assets

GaffneyCline has assessed a value range for Woodside's interest in other petroleum assets not included in the above sections to be in the order of US\$334 million to US\$604 million as summarised in the table below.

Table 56: Summary of valuations of other petroleum assets - Woodside interest

| | Assessed Values | |
|-------------------------------------|-----------------|---------------|
| | Low US\$m | High US\$m |
| Sunrise LNG | 204 | 387 |
| Thebe and Jupiter fields | 52 | 99 |
| Kitimat LNG | Nil | Nil |
| Myanmar A-6 Development | Nil | Nil |
| Exploration assets | 78 | 118 |
| Total other petroleum assets | 334 | 604 |

Source: GaffneyCline's ITSR

In its assessment of the value of the other petroleum assets, GaffneyCline has adopted generally accepted methods for valuing early stage petroleum assets including expected monetary value approach, comparable transactions and sunk costs. Further details in relation to each of these assets and the valuation methodology adopted are set out in GaffneyCline's ITSR which is included at Appendix 15. It should be noted that the valuation of early stage/exploration assets is highly subjective and involves subjective assessments based on professional judgements made by GaffneyCline.

11.3.12 Valuation of other assets and liabilities

Net assets not valued as part of Woodside's petroleum assets comprise cash and other sundry assets and liabilities held by Woodside. Except as specifically noted below, having regard to their nature and quantum, these assets and liabilities have been incorporated in our valuation at net book values as at 31 December 2021.

Net debt

Woodside's net debt position as at 31 December 2021 has been adjusted to reflect the US\$696 million cash component of Woodside's final dividend paid to Woodside Shareholders in March 2022 in respect of the year ended 31 December 2021. The component of the final dividend which was reinvested under Woodside's dividend reinvestment plan has been reflected in Woodside's current ordinary shares on issue.

Net working capital

We have estimated Woodside's interest in net working capital movements over the project lives at a project portfolio level based on GaffneyCline's operational forecasts, incorporating estimated sustainable debtor, inventory and creditor days having regard to historical net working capital days for the selected comparable listed upstream and midstream LNG production and processing companies set out in Appendix 6. Trade and other debtors, inventory and trade and other creditors as at 31 December 2021 have been reflected in the opening balances of our net working capital movements calculation.

In calculating the NPV of the forecast net working capital movements we have adopted a blended discount rate of 8.0% to 9.0% per annum at the corporate level, which has been estimated based on weighted average blending of the discount rates applied in the valuation of each of Woodside's assets, having regard to the NPV of Woodside's interest in each project.

The NPV of the forecast net working capital movements over the total life of Woodside's existing asset portfolio has been estimated to have a negative NPV in order of US\$687 million to US\$703 million.

Regret costs

We have adopted Woodside's estimate of pre-tax transactions costs expected to be incurred irrespective of whether the Proposed Transaction proceeds or not, along with amounts payable to senior management in the event of a change of control transaction in the order of US\$100 million (US\$70 million post-tax) in our valuation of other net assets.

Scarborough Put Option

In a separate arrangement to the Proposed Transaction, BHP and Woodside have agreed an option for BHP Petroleum to divest both its 26.5% interest in the Scarborough project and its 50% interest in the Thebe and Jupiter Joint Ventures to Woodside in the event the Proposed Transaction is not completed. The option is exercisable by BHP Petroleum in the second half of CY22 and if exercised, the following consideration will be payable to BHP Petroleum:

- US\$1 billion, with an adjustment for expenditure incurred by BHP Petroleum in relation to Scarborough over the period 1 Jul 2021 to the date of exercise (the expenditure adjustment is also subject to interest costs at a rate of 3.5% per annum, compounded monthly)
- US\$100 million contingent amount (nominal) payable FID of Thebe.

Based on these terms and information provided by Woodside and GaffneyCline in relation to estimated joint venture costs for the 12 months to 30 June 2022, we have calculated the potential cash payment required to be made by Woodside as at 1 July 2022 (being the earliest date the put option can be exercised).

We have not included the contingent amount given the uncertainty regarding the timing of Thebe FID, if at all, consistent with GaffneyCline's approach to its valuation of Thebe.

As discussed below at section 11.5.16, we have separately assessed the estimated value of BHP Petroleum's 26.5% interest in the Scarborough Joint Venture as at 1 July 2022 as being in the range of US\$562 million to US\$736 million (determined by rolling forward the 31 December 2021 valuation of BHP Petroleum's interest in the Scarborough project, as discussed below).

Accordingly, the net diminution in Woodside's value as a standalone entity as a result of the put option is between US\$419 million to US\$593 million (with an offsetting value accretion to BHP Petroleum as a standalone entity). Exercise of the put option may result in a portion of the exercise price paid being allocated to tax depreciable assets for Woodside, which would increase our range of assessed values of Woodside on a standalone basis. As the potential value impact of such an allocation is not able to be quantified with certainty at this time, we have not adjusted our values in relation to same. Based on the quantum of the put option exercise price, the value impact of any potential allocation would not change our opinion.

Future corporate overheads

Woodside incurs corporate overheads in relation to managing its business. These costs have not been incorporated in the valuation of Woodside's interest in the assets set out above, and therefore it is necessary to deduct the present value of the anticipated future management and administrative costs in relation to Woodside's assets from the overall value of Woodside.

We have been provided with a schedule prepared by Woodside that sets out the expected future corporate costs. In assessing the quantum of these costs for the purpose of our valuation we have considered, general and administrative expenses, insurance costs, compliance costs and Northern Oil & Gas Australia (NOGA) levy. We have assumed total corporate costs will decline in line with aggregate production levels over the forecast period.

As noted early in this section, we have not incorporated any allowance for cost savings and/or synergies that might be available to an unrelated third-party purchaser of Woodside standalone.

In calculating the NPV of estimated corporate costs we have adopted a blended discount rate of 8.0% to 9.0% per annum at the corporate level, which has been estimated based on weighted average blending of the discount rates applied in the valuation of each of Woodside's assets.

The NPV of the forecast after-tax corporate costs, having regard to the various projects and respective cessation of production, has been estimated to be in the order of US\$1,581 million to US\$1,727 million.

New Energy opportunities

We have been advised by Woodside that whilst these opportunities are considered to be highly prospective, they are currently pre-FID, are largely at a conceptual stage without any binding off-take agreements in place and no forecast cash flows or trading budgets have been prepared. Accordingly we do not consider there to be a reasonable basis to ascribe separate value to these projects at this time.

11.4 Other Valuation Parameters - Woodside

Having regard to our assessed values in respect of Woodside's assets and liabilities, the implied enterprise value for Woodside is between approximately A\$30,604 million and A\$33,754 million, which, based on GaffneyCline's assessed 1P and 2P Reserves of Woodside as at 31 December 2021 implies a value per boe as summarised in the table below.

Table 57: Summary of 1P and 2P boe multiples implied by our assessed value of Woodside

| Parameter | Low AS/ boe | High AS/ boe |
|-----------|-------------------|--------------------|
| 1P | 19 | 21 |
| 2P | 13 | 14 |

Source: KPMG Corporate Finance analysis

Note 1: The implied enterprise value of Woodside has been calculated as the aggregate of assessed equity values, net borrowings, the put option for Scarborough (payable to BHP), regret costs and lease liabilities

Comparison to contained 1P and 2P multiples implied by listed comparable companies

The implied value per 1P and 2P boe Reserves for a selection of companies involving companies predominantly focused on upstream and midstream LNG production and processing are summarised in the table below.

Table 58: Summary of 1P and 2P boe multiples for comparable upstream and midstream LNG production and processing companies

| | 1P Reserves AS/boe | 2P Reserves AS/boe |
|---------------|-----------------------|-----------------------|
| Low | 10 | 6 |
| Mean | 28 | 16 |
| Median | 32 | 18 |
| High | 44 | 22 |

Source: KPMG Corporate Finance analysis

This analysis indicates a wide range of outcomes, however we note that the range of 1P and 2P multiples implied by our range of assessed market values for Woodside lies comfortably within the range of equivalent observed listed company multiples. We note:

- approximately 75% of Woodside's 2P Reserves are undeveloped, which would be expected to result in a lower implied multiple relative to companies with a high proportion of developed resources
- there were only 4 companies (including Woodside) that have published details in relation to 2P Reserves, this likely reflects the different reporting regulations in overseas jurisdictions. This lack of relevant data significantly reduces the utility of the findings in relation to 2P multiples.

Whilst in our view the outcome of this analysis provides broad support for our range of values, due to the limitations of this form of analysis as highlighted above and in Appendix 8, it should only be considered as a high-level cross-check of the outcomes of other valuation methodologies and not as a determinant of value.

Further details of our analysis are set out in Appendix 8 to this report.

Comparison to contained boe 1P and 2P multiples implied by comparable transactions

The implied value per 1P and 2P boe Reserves for a selection of recent corporate transactions involving companies/projects predominantly focused on upstream and midstream LNG production and processing are summarised in the table below.

Table 59: Summary of 1P and 2P multiples for comparable upstream and midstream LNG production and processing transactions

| | 1P Reserves | 2P Reserves |
|---------------|-------------|-------------|
| | A\$/boe | A\$/boe |
| Low | 23 | 13 |
| Mean | 28 | 19 |
| Median | 28 | 18 |
| High | 33 | 29 |

Source: KPMG Corporate Finance analysis

Whilst in our view the outcome of this analysis provides broad support for our range of values, due to the limited transaction data available (4 transactions), limitations of this form of analysis highlighted in Appendix 12, it should only be considered as a high-level cross-check of the outcomes of other valuation methodologies and not as a determinant of value.

Further details of our analysis is set out in Appendix 12 to this report.

11.5 Valuation of BHP Petroleum

We have assessed the market value of a 100% interest in BHP Petroleum to be in the range of US\$19,064 million to US\$20,443 million, which equates to an AUD equivalent value range of A\$25,511 million to A\$27,356 million¹⁰⁷.

The market value of BHP Petroleum was determined after aggregating the estimated market value of BHP Petroleum's interests in its oil and gas assets, adding the assessed value of other assets and including corporate and other adjustments.

The value of BHP Petroleum has been assessed on the basis of the value that should be agreed in a hypothetical transaction between a knowledgeable, willing, but not anxious buyer and a knowledgeable, willing, but not anxious seller, acting at arm's length.

Our range of assessed values reflects that a number of BHP Petroleum's assets are yet to be developed, in particular, Scarborough, Trion, Calypso, Mad Dog Phase 2, and Shenzi North. The forecasts for these projects incorporate a greater degree of subjectivity than the forecasts for projects with established operating profiles.

Table 60: Summary of BHP Petroleum assessed values

| | Assessed Values | |
|---|-----------------|---------------|
| | Low \$USm | High \$USm |
| Market values of BHP Petroleum's interests in petroleum assets | | |
| NWS Project | 3,197 | 3,329 |
| NWS oil | 79 | 80 |
| Scarborough | 446 | 615 |
| Bass Strait | 2,214 | 2,260 |

¹⁰⁷ Based on an USD:AUD exchange rate of approximately 0.747.

| | Assessed Values | |
|--|-----------------|---------------|
| | Low \$USm | High \$USm |
| Macedon | 308 | 315 |
| Pyrenees | 321 | 323 |
| Other Australian | (223) | (226) |
| Total Australian | 6,341 | 6,695 |
| Atlantis | 3,985 | 4,170 |
| Mad Dog | 3,667 | 3,954 |
| Shenzi | 3,857 | 4,031 |
| GOM ORRI | 86 | 87 |
| Total GOM | 11,594 | 12,243 |
| Project Ruby & Angostura | 544 | 555 |
| Calypso | 47 | 189 |
| Trion | 501 | 783 |
| Total rest of world | 1,092 | 1,528 |
| Surplus exploration petroleum interests | 190 | 436 |
| Total Petroleum Assets | 19,217 | 20,902 |
| Add: Cash and cash equivalents | 992 | 992 |
| Add: Put option for Scarborough (receivable from Woodside) | 593 | 419 |
| Less: Other net liabilities | (150) | (150) |
| Less/Add: NPV of NWC movements | (20) | 2 |
| Less: NPV of future corporate overheads | (1,568) | (1,722) |
| Total Equity Value | 19,064 | 20,443 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Note 1: May not add due to rounding

11.5.1 Valuation of NWS Project¹⁰⁸

We have assessed the value of BHP Petroleum's 16.7% interest in the projected ungeared, post tax cash flows from development of the NWS Project to be in the range of US\$3,197 million to US\$3,329 million¹⁰⁹. Our valuation takes into account BHP Petroleum's participation interest in existing NWS gas fields, along with tariff revenue from processing third party gas and gas supplied via the Pluto-KGP Interconnector (currently being constructed). The valuation also includes an allowance for the potential upside of the intention to process gas from the currently unsanctioned Browse project through the KGP facilities.

A summary of project outputs (BHP Petroleum interest) is set out in the table below for the NWS Project (excluding NWS Oil). Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

¹⁰⁸ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

¹⁰⁹ The assessed value range is higher than Woodside's interest primarily due to differing volume exposure to uncontracted LNG and the resulting tax positions.

Table 61: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| LNG | MMboe | 18 | 17 | 16 | 11 | 10 | 54 | 126 |
| LPG | MMboe | 0 | 0 | 0 | 0 | 0 | 2 | 3 |
| Domgas | MMboe | 1 | 1 | 1 | 4 | 3 | 8 | 16 |
| Condensate | MMbbl | 3 | 3 | 3 | 2 | 2 | 9 | 21 |
| Total Production | MMboe | 22 | 21 | 20 | 17 | 15 | 72 | 167 |
| Operating costs | US\$m | 168 | 172 | 171 | 138 | 140 | 4,194 | 4,984 |
| Capital expenditure | US\$m | 128 | 90 | 100 | 126 | 157 | 2,307 | 2,908 |
| Operating costs | US\$/boe | 8 | 8 | 9 | 8 | 9 | 59 | 30 |
| Capital expenditure | US\$/boe | 6 | 4 | 5 | 7 | 10 | 32 | 17 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

LNG is by far the largest contributor to production revenues, with aggregate forecast sales of 126 MMboe, comprising a mix of contracted volumes, which progressively roll off over the period to 2032, and uncontracted volumes. LNG is produced over the period 2022 to 2036, with the rate of production declining steadily year-on-year.

The next largest contributor to production revenue is condensate (21 MMbbl), which follows a similar pattern to LNG in terms of steady decline in year-on-year production volumes over the remaining life of the NWS fields.

Annual production of domgas ramps up over the period to 2025 before declining over the next few years through to 2029. At that point, production volumes stabilise for the remaining project life, with a total of 16 MMboe produced over the life of the project.

A variable working interest for BHP Petroleum has been applied to the production revenues, ranging between 11.9% to 15.8% over the period 2022 to 2036, which reflects BHP Petroleum's entitlement under the joint venture arrangement.

The NWS Project is forecast to receive tariff revenues from the processing of gas from the currently unsanctioned Browse project over the period 2030 through to 2060. However, reflecting that this project is yet to take FID, and the final terms for any future transport and processing costs are yet to be agreed between the parties, we have been consistent with the approach adopted for Woodside's interest in the NWS Project (refer section 11.3.1 above), and included an additional risking to the incremental net cash flows from this upside opportunity to reflect timing, development and commercial uncertainty.

Additionally, the NWS Project is forecast to receive tariff revenues from the processing of 3rd party gas between 2023 and 2038 (inclusive of the Pluto-KGP Interconnector, CNOOC and onshore Waitsia development).

Capex for the NWS Project totals US\$2,908 million, comprising of upstream Capex (US\$572 million) and downstream Capex (US\$2,336 million). Upstream Capex is incurred between 2022 and 2036 with downstream Capex peaking in 2037 before a steady year-on-year decline to 2059.

The NWS Project's total life of project Opex is US\$4,984 million, which is incurred between 2022 and 2059. A variable working interest for BHP Petroleum has been applied to the Opex, ranging between 15.0% to 15.8% over the period 2022 to 2036.

The estimated D&R obligation for the NWS Project totals US\$819 million, comprising of upstream (US\$69 million) and downstream (US\$750 million) D&R expenses. D&R is incurred on an annual basis over the life of the project, through to 2067.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the NWS Project (excluding NWS Oil), based on a range of key assumptions, the outcomes of which are set out in the table below.

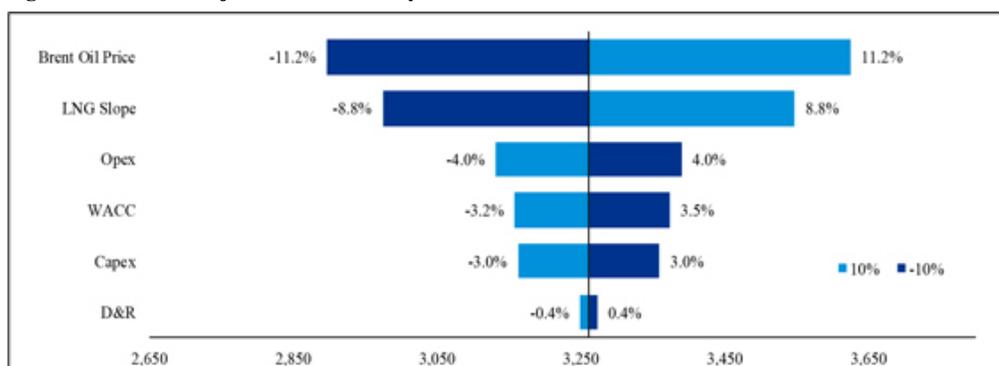
Table 62: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| Brent Oil Price | 2,868 | 3,064 | 3,261 | 3,458 | 3,654 |
| LNG Slope | 2,974 | 3,118 | 3,261 | 3,404 | 3,548 |
| Opex | 3,390 | 3,326 | 3,261 | 3,196 | 3,132 |
| WACC | 3,374 | 3,316 | 3,261 | 3,208 | 3,158 |
| Capex | 3,360 | 3,310 | 3,261 | 3,212 | 3,162 |
| D&R | 3,273 | 3,267 | 3,261 | 3,255 | 3,249 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the NWS Project (excluding NWS Oil) is most sensitive to the forecast Brent oil price as set out in the tornado chart below, which is based on a 10% variance to each key input. This reflects that the sales price realised on LNG is a function of the Brent oil price and the LNG Slope that has been assumed (for uncontracted volumes).

Figure 24 - NWS Project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.2 Valuation of NWS Oil¹¹⁰

We have assessed the value of BHP Petroleum's 16.7% interest in the projected ungeared, post tax cash flows from development of the NWS Oil project to be in the range of US\$79 million to US\$80 million. The valuation of the NWS Oil project also includes the forecast cash flows associated with the Okha FPSO oil production facility related to the offshore oil fields.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

Table 63: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Production | | | | | | | | |
| Oil | MMbbl | 1 | 1 | 1 | 1 | 0 | 2 | 5 |
| Total Production | MMboe | 1 | 1 | 1 | 1 | 0 | 2 | 5 |
| Operating costs | US\$m | 17 | 17 | 21 | 16 | 22 | 70 | 162 |
| Capital expenditure | US\$m | 3 | 1 | 1 | 3 | 6 | 1 | 15 |
| Operating costs | US\$/boe | 24 | 25 | 34 | 28 | 47 | 34 | 32 |
| Capital expenditure | US\$/boe | 4 | 2 | 1 | 5 | 12 | 1 | 3 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

¹¹⁰ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

Production of oil takes place over the period 2022 to 2031, with aggregate forecast sales of 5 MMbbl. Over the remaining life the NWS Oil project, annual production follows a steady decline in year-on-year annual production volumes.

NWS Oil' s total life of project Opex is US\$162 million, which remain relatively stable over the period 2022 and 2031.

Capex for the NWS Oil project totals US\$15 million, the majority of which is incurred between 2022 and 2026.

The estimated D&R obligation totals US\$154 million, the majority of which is incurred between 2032 and 2034 at the end of field life.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the NWS Oil Project based on a range of key assumptions, the outcomes of which is set out in the table below.

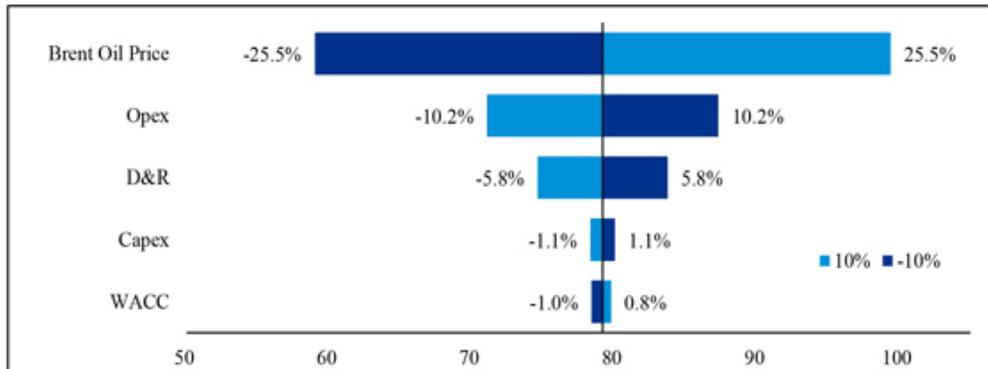
Table 64: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|------|-----|----|----|-----|
| Brent Oil Price | 59 | 69 | 79 | 89 | 99 |
| Opex | 87 | 83 | 79 | 75 | 71 |
| D&R | 84 | 81 | 79 | 77 | 75 |
| Capex | 80 | 80 | 79 | 79 | 78 |
| WACC | 78 | 79 | 79 | 80 | 80 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the NWS Oil project is most sensitive to the forecast Brent oil price, forecast Opex and forecast D&R, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 25 - NWS Oil project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.3 Valuation of Scarborough¹¹¹

We have assessed the value of BHP Petroleum's 26.5% interest in the projected ungeared, post tax cash flows from the development of the Scarborough project to be in the range of US\$446 million to US\$615 million.

GaffneyCline generated production profiles and associated cost profiles as discussed in earlier sections for KPMG Corporate Finance valuation scenario inputs.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15.

Table 65: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022-25 | 2026 | 2027 | 2028 | 2029 | Balance | Total |
|----------------------------|-------------------|--------------|------------|------------|------------|------------|---------------|---------------|
| Production | | | | | | | | |
| LNG | MMboe | - | 6 | 17 | 17 | 17 | 347 | 403 |
| Domgas | MMboe | - | 2 | 3 | 3 | 3 | 52 | 61 |
| Total Production | MMboe | - | 8 | 19 | 19 | 20 | 398 | 464 |
| Operating costs | US\$m | 18 | 265 | 565 | 560 | 586 | 15,582 | 17,575 |
| Capital expenditure | US\$m | 1,448 | 9 | 18 | 46 | 107 | 234 | 1,862 |
| Operating costs | US\$/boe | n/a | 34 | 30 | 29 | 30 | 39 | 38 |
| Capital expenditure | US\$/boe | n/a | 1 | 1 | 2 | 5 | 1 | 4 |

Source: GaffneyCline, KPMG Corporate Finance analysis

¹¹¹ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

Notes:

1. US\$ amounts stated in nominal terms
2. May not sum due to rounding

Production at Scarborough commences in 2026, with a total life of project production over 27 years. LNG is by far the largest contributor to production revenues, with aggregate uncontracted forecast sales of 403 MMboe over the life of the project. Production of LNG ramps up over time to 20 MMboe per annum, with production maintained at or around this level until around 2040 before entering into a period of year-on-year decline through to the end of the project in 2052. Domgas production remains steady over the period from 2026 to 2046, with aggregate uncontracted production of 61 MMboe.

Of Scarborough's total life of project Opex of US\$17,575 million, the large majority comprises tariffs charged. These tariffs comprise a fixed rate per unit of volume processed¹¹², along with a variable pass through of Opex incurred by Pluto Train 1 and Pluto Train 2 in processing Scarborough project gas.

Capex for the Scarborough project totals US\$1,862 million, the majority of which is incurred between 2022 and 2024, associated with the development of the project.

The estimated obligation in relation to D&R totals US\$446 million, which is assumed to be incurred over the period 2051 to 2054.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Scarborough project, based on a range of key assumptions, the outcomes of which are set out in the table below.

Table 66: Sensitivity analysis

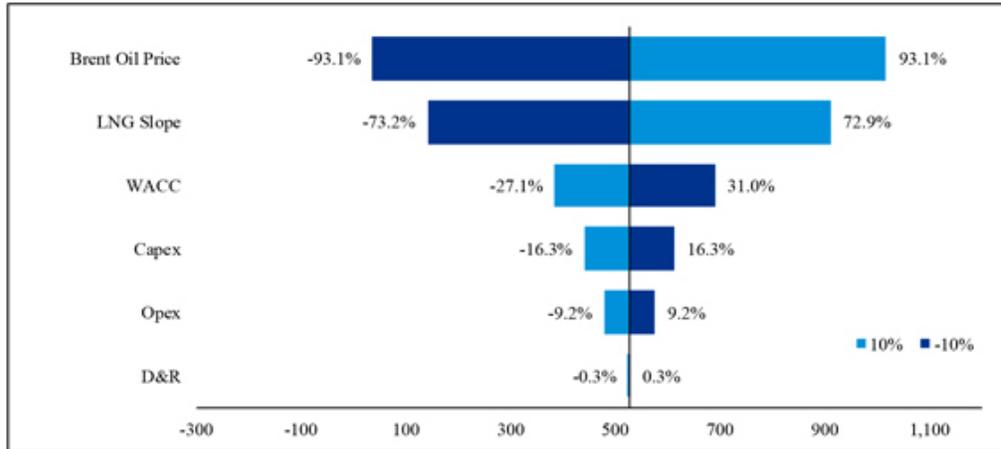
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|------|-----|-----|-----|-------|
| Brent Oil Price | 36 | 282 | 527 | 773 | 1,018 |
| LNG Slope | 141 | 335 | 527 | 719 | 912 |
| WACC | 691 | 606 | 527 | 453 | 385 |
| Capex | 613 | 570 | 527 | 484 | 441 |
| Opex | 576 | 552 | 527 | 503 | 479 |
| D&R | 529 | 528 | 527 | 526 | 526 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the Scarborough project is most sensitive to the forecast Brent oil price (which underpins the LNG price) and the forecast LNG slope, as set out in the tornado chart below, which is based on a 10% variance to each key input. The NPV of Scarborough is very sensitive to changes in key assumptions reflecting its early stage of development.

¹¹² in real January 2019 terms

Figure 26 - Scarborough project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.4 Valuation of Bass Strait¹¹³

We have assessed the value of BHP Petroleum's interest in the projected ungeared, post tax cash flows from the Bass Strait project to be in the range of US\$2,214 million to US\$2,260 million. Our valuation takes into account BHP Petroleum's interest in the seven gas fields, four gas cap fields and 13 oil gas fields which are producing, along with the 2C Contingent Resources.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

Table 67: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|-------------------------|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Production | | | | | | | | |
| Domgas | MMboe | 21 | 17 | 16 | 14 | 13 | 42 | 123 |
| Oil | MMbbl | 2 | 1 | - | - | - | - | 3 |
| Condensate | MMbbl | 3 | 3 | 2 | 2 | 2 | 14 | 27 |
| Ethane | MMboe | 3 | 2 | 2 | 2 | 2 | 6 | 17 |
| Propane | MMboe | 3 | 2 | 2 | 2 | 2 | 5 | 16 |
| Butane | MMboe | 2 | 1 | 1 | 1 | 1 | 2 | 8 |
| Total Production | MMboe | 33 | 27 | 24 | 21 | 19 | 71 | 193 |

¹¹³ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------|------|------|------|------|---------|-------|
| Operating costs | US\$m | 348 | 317 | 273 | 248 | 224 | 1,079 | 2,488 |
| Capital expenditure | US\$m | 85 | 136 | 206 | 171 | 47 | 54 | 700 |
| Operating costs | US\$/boe | 10 | 12 | 11 | 12 | 12 | 16 | 13 |
| Capital expenditure | US\$/boe | 3 | 5 | 9 | 8 | 2 | 1 | 4 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Domgas is the largest contributor to production revenues, with aggregate forecast sales of 123 MMboe, comprising a mix of contracted volumes and uncontracted volumes over the life of the project. The next largest contributor to production revenues is condensate, with a total of 27 MMboe produced. Annual production shows a steady declining rate over the forecast period. The Bass Strait projects also generates tariff revenue from GBJV and third party processing revenue.

Capex is incurred over the production life of the Bass Strait project, totalling US\$700 million. Capex peaks in 2024 at US\$206 million and rapidly declines over the remaining period to 2032.

Total project Opex, over the period 2022 to 2032, for Bass Strait is US\$2,488 million, comprising of tariff costs and offshore, onshore and overhead Opex and follows a steady year-on-year decline over the life of the project (consistent with the production trend).

D&R is incurred on an annual basis over the remaining life of the Bass Strait Project and continues through to 2039, totalling US\$2,563 million. D&R is currently targeted at the legacy oil fields which have ceased production.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Bass Strait project, based on a range of key assumptions, the outcomes of which are set out in the table below.

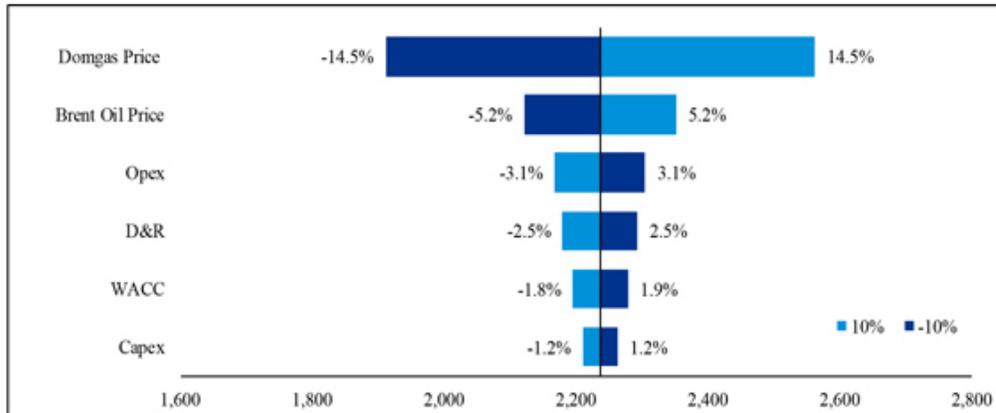
Table 68: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| Domgas Price | 1,911 | 2,074 | 2,236 | 2,399 | 2,562 |
| Brent Oil Price | 2,121 | 2,179 | 2,236 | 2,294 | 2,352 |
| Opex | 2,305 | 2,271 | 2,236 | 2,202 | 2,168 |
| D&R | 2,293 | 2,265 | 2,236 | 2,208 | 2,180 |
| WACC | 2,279 | 2,257 | 2,236 | 2,216 | 2,196 |
| Capex | 2,263 | 2,250 | 2,236 | 2,223 | 2,210 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the Bass Strait project is most sensitive to the forecast domgas price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 27 - Bass Strait project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.5 Valuation of Macedon¹¹⁴

We have assessed the value of BHP Petroleum's 71.4% interest in the projected ungeared, post tax cash flows from the Macedon project to be in the range of US\$308 million to US\$315 million. Our valuation takes into account BHP Petroleum's participation interest in the existing gas fields. The valuation also includes an allowance for the potential production upside from BHP Petroleum's 2C Contingent Resources resulting from the front end compression project and unapproved programs.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

Table 69: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|-------------------------|-------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| Production | | | | | | | | |
| Domgas | MMboe | 8 | 7 | 7 | 7 | 6 | 19 | 53 |
| Oil | MMbbl | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Production | MMboe | 8 | 7 | 7 | 7 | 6 | 19 | 53 |
| Operating costs | US\$m | 22 | 23 | 20 | 21 | 21 | 117 | 223 |

¹¹⁴ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|-----------|-----------|-----------|----------|----------|----------|-----------|
| Capital expenditure | US\$m | 16 | 23 | 16 | 3 | 1 | 3 | 61 |
| Operating costs | US\$/boe | 3 | 3 | 3 | 3 | 4 | 6 | 4 |
| Capital expenditure | US\$/boe | 2 | 3 | 2 | 1 | 0 | 0 | 1 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Production of domgas takes place over the period 2022 to 2032, with aggregate forecast sales of 53 MMboe, comprising a mix of contracted volumes and uncontracted volumes. Annual production of domgas follows a steady decline in year-on-year production volumes over the remaining life of the Macedon fields. Production of oil takes place over the period 2022 to 2032, with annual production steadily declining over the period.

Macedon's total life of project operating cost is US\$223 million and is incurred between 2022 and 2032. Capex for the Macedon project totals US\$61 million, the majority of which is incurred between 2022 and 2024, associated with the development of the fields.

The estimated obligation in relation to D&R totals US\$377 million, the majority of which is incurred between 2033 and 2035.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Macedon project based on a range of key assumptions, the outcomes of which are set out in the table below.

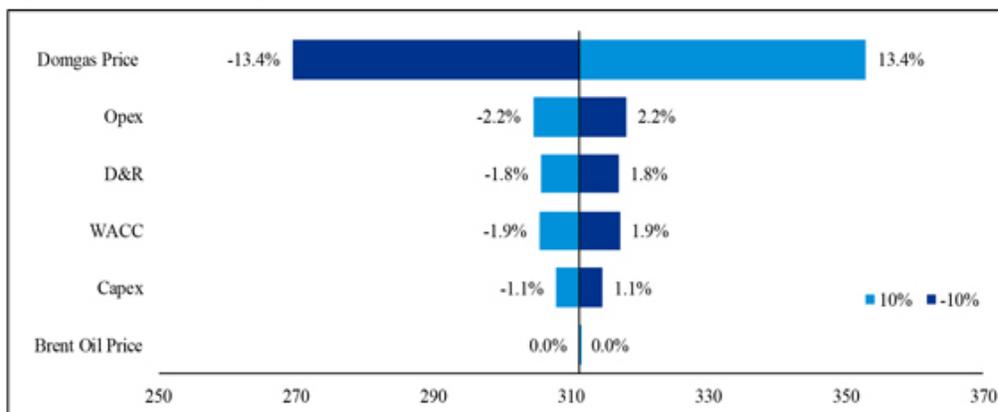
Table 70: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|------|-----|-----|-----|-----|
| Domgas Price | 270 | 290 | 311 | 332 | 353 |
| Opex | 318 | 315 | 311 | 308 | 304 |
| D&R | 317 | 314 | 311 | 308 | 306 |
| WACC | 317 | 314 | 311 | 308 | 305 |
| Capex | 315 | 313 | 311 | 310 | 308 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the Macedon project is most sensitive to the forecast domgas price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 28 - Macedon project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.6 Valuation of Pyrenees¹¹⁵

We have assessed the value of BHP Petroleum's interest in the projected ungeared, post tax cash flows from development of the Pyrenees project to be in the range of US\$321 million to US\$323 million. Our valuation takes into account BHP Petroleum's participation interest in the remaining recoverable volumes of the producing fields up to and including Phase 4. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

Table 71: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| Production | | | | | | | | |
| Oil | MMbbl | 3 | 3 | 2 | 2 | 2 | 10 | 22 |
| Total Production | MMboe | 3 | 3 | 2 | 2 | 2 | 10 | 22 |
| Operating costs | US\$m | 56 | 57 | 52 | 43 | 40 | 337 | 584 |
| Capital expenditure | US\$m | 31 | 21 | 4 | 1 | 0 | 5 | 63 |

¹¹⁵ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|---------------------|-------------------|------|------|------|------|------|---------|-------|
| Operating costs | US\$/boe | 20 | 21 | 22 | 20 | 22 | 32 | 26 |
| Capital expenditure | US\$/boe | 11 | 8 | 2 | 1 | 0 | 1 | 3 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Production of oil takes place over the period 2022 to 2036, with aggregate forecast sales of 22 MMbbl. Over the remaining life the Pyrenees project, annual production peaks in 2022 before a steady decline in year-on-year annual production volumes.

Pyrenees' total life of project Opex is US\$584 million, which is incurred between 2022 and 2036. Opex peaks in 2023, before a steady decline in year-on-year Opex over the remaining life of the project.

Capex for the Pyrenees project totals US\$63 million, the majority of which is incurred between 2022 and 2023, associated with the expansion of the field.

The estimated D&R obligation totals US\$820 million. D&R is incurred between 2034 and 2047 and peaks in 2039 and 2040. D&R activities are planned to commence two years prior to the end of field life.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Pyrenees project, based on a range of key assumptions, the outcomes of which is set out in the table below.

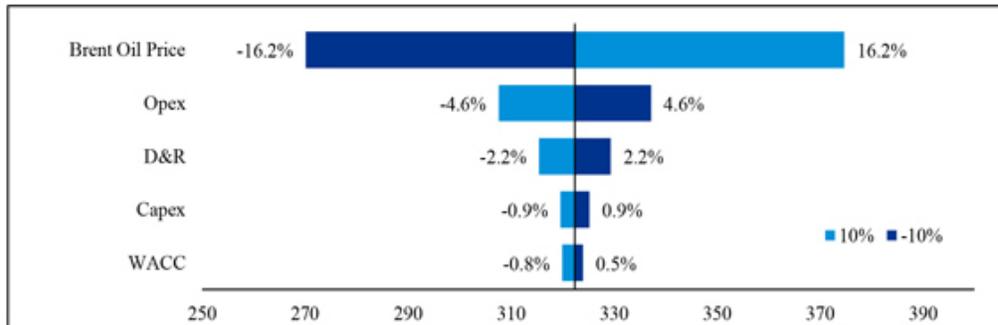
Table 72: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|------|-----|-----|-----|-----|
| Brent Oil Price | 270 | 296 | 322 | 349 | 375 |
| Opex | 337 | 330 | 322 | 315 | 308 |
| D&R | 329 | 326 | 322 | 319 | 315 |
| Capex | 325 | 324 | 322 | 321 | 320 |
| WACC | 324 | 323 | 322 | 321 | 320 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the Pyrenees project is most sensitive to the forecast Brent oil price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 29 - Pyrenees project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.7 Valuation of Other Australian¹¹⁶

We have assessed the value of BHP Petroleum's 71.2% interest in the projected ungeared, post tax cash flows, relating to the D&R activities of the Minerva, Griffin and Stybarrow fields, to be a negative value in the range of US\$223 million to US\$226 million.

Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate operating costs (BHP Petroleum interest) are summarised at Appendix 4.

Production has ceased at the three fields. The estimated obligation in relation to D&R associated with the Minerva, Griffin and Stybarrow fields is incurred over the period 2022 to 2030, totalling US\$555 million (pre-tax and excluding PRRT refunds).

In calculating our range of assessed values we have adopted discount rate of 1.5% to 2.0% per annum, which has been estimated having regard to yields on short term US Treasury bonds aligning to the forecast period and reflects that these forecast cash outflows are unavoidable.

11.5.8 Valuation of Atlantis¹¹⁷

We have assessed the value of BHP Petroleum's 44.0% interest in the projected ungeared, post tax cash flows from development of the Atlantis project to be in the range of US\$3,985 million to US\$4,170 million. Our valuation takes into account BHP Petroleum's participation interest in the field, along with an allowance for the approved outstanding Phase 3 wells and 2C Contingent Resources.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

¹¹⁶ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

¹¹⁷ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

Table 73: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| Oil | MMbbl | 17 | 16 | 14 | 13 | 14 | 153 | 227 |
| Natural gas liquids | MMboe | 1 | 1 | 1 | 1 | 1 | 5 | 9 |
| Henry Hub | MMboe | 1 | 1 | 1 | 1 | 1 | 8 | 13 |
| Total Production | MMboe | 18 | 18 | 16 | 15 | 16 | 166 | 249 |
| Operating costs | US\$m | 165 | 185 | 199 | 215 | 238 | 4,664 | 5,664 |
| Capital expenditure | US\$m | 213 | 277 | 400 | 405 | 425 | 984 | 2,705 |
| Operating costs | US\$/boe | 9 | 10 | 13 | 15 | 15 | 28 | 23 |
| Capital expenditure | US\$/boe | 12 | 16 | 26 | 28 | 27 | 6 | 11 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Oil is by far the largest contributor to production revenues, with aggregate forecast sales of 227 MMbbl over the life of the project. Annual production of oil steadily declines year-on-year over the life of the project. Production of both gas and natural gas liquids follow a similar pattern to oil, in terms of a steady decline in year-on-year production volumes over the remaining life of the project.

Atlantis' total life of project Opex is US\$5,664 million, which is incurred between 2022 and 2047. Total Opex ramps up from 2022 to 2028, before a steady decline in year-on-year Opex over the remaining life of the project.

Capex for the Atlantis project totals US\$2,705 million, comprising of sustaining Capex (US\$445 million) and growth Capex (US\$2,260 million). The majority of the growth Capex is incurred between 2022 and 2029.

The estimated D&R obligation totals US\$1,604 million, the majority of which is incurred between 2047 and 2050.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Atlantis project, based on a range of key assumptions, the outcomes of which are set out in the table below.

Table 74: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|------------------------------|-------|-------|-------|-------|-------|
| Brent Oil Price ¹ | 3,348 | 3,712 | 4,076 | 4,440 | 4,804 |
| Opex | 4,253 | 4,164 | 4,076 | 3,987 | 3,899 |

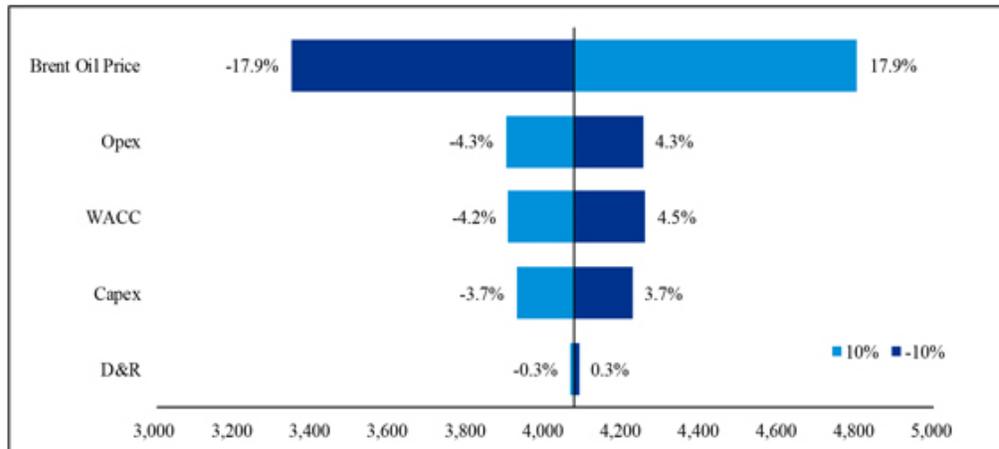
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|-------|-------|-------|-------|-------|
| WACC | 4,259 | 4,166 | 4,076 | 3,989 | 3,906 |
| Capex | 4,225 | 4,150 | 4,076 | 4,001 | 3,927 |
| D&R | 4,087 | 4,082 | 4,076 | 4,070 | 4,064 |

Source: KPMG Corporate Finance analysis

Note 1: The forecast WTI price is sensitive to assumptions in relation to the future Brent oil price given the interrelationship

This analysis indicates that our range of assessed values of the Atlantis project is most sensitive to the forecast Brent oil price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 30 - Atlantis project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.9 Valuation of Mad Dog¹¹⁸

We have assessed the value of BHP Petroleum’s 23.9% interest in the projected ungeared, post tax cash flows from development of the Mad Dog projects to be in the range of US\$3,667 million to US\$3,954 million. Our valuation takes into account BHP Petroleum’s participation interest in the existing gas field, being Mad Dog A Spar. The valuation also includes the potential production upside from BHP Petroleum’s 2P Reserves and 2C Contingent Resources production from Mad Dog Phase 2, and multiple unapproved and unsanctioned projects.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline’s ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

¹¹⁸ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum’s interest.

Table 75: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| Oil (Crude Oil) | MMbbl | 8 | 12 | 12 | 11 | 11 | 186 | 240 |
| Oil 2 (Condensate) | MMbbl | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Natural gas liquids | MMboe | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Henry Hub | MMboe | 0 | 0 | 0 | 0 | 0 | 2 | 4 |
| Total Production | MMboe | 9 | 13 | 12 | 11 | 11 | 189 | 245 |
| Operating costs | US\$m | 74 | 106 | 107 | 111 | 122 | 3,374 | 3,894 |
| Capital expenditure | US\$m | 297 | 237 | 277 | 324 | 261 | 547 | 1,942 |
| Operating costs | US\$/boe | 9 | 8 | 9 | 10 | 11 | 18 | 16 |
| Capital expenditure | US\$/boe | 34 | 19 | 23 | 28 | 24 | 3 | 8 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Production of oil across all Mad Dog projects takes place over the period 2022 to 2057 and makes up the majority of production at Mad Dog, with forecast sales of uncontracted volumes totalling approximately 240 MMboe (includes both crude oil and condensate).

Annual production of all commodities peaks in 2023, before a steady decline in year-on-year production volumes over the remaining life of the Mad Dog fields.

Opex is incurred over the production life of the Mad Dog projects, totalling US\$3,894 million. Opex ramps up from 2022 to 2027 primarily due to the development of Mad Dog Phase 2.

Capex for all Mad Dog projects totals US\$1,942 million, the majority of which is incurred between 2022 and 2029 due to the development of Mad Dog Phase 2.

The estimated D&R obligation totals US\$910 million, the majority of which is incurred between 2042 and 2047 and 2056 to 2058, associated with the abandonment of Mad Dog A Spar and Mad Dog Phase 2, respectively.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Mad Dog project, based on a range of key assumptions, the outcomes of which are set out in the table below.

Table 76: Sensitivity analysis

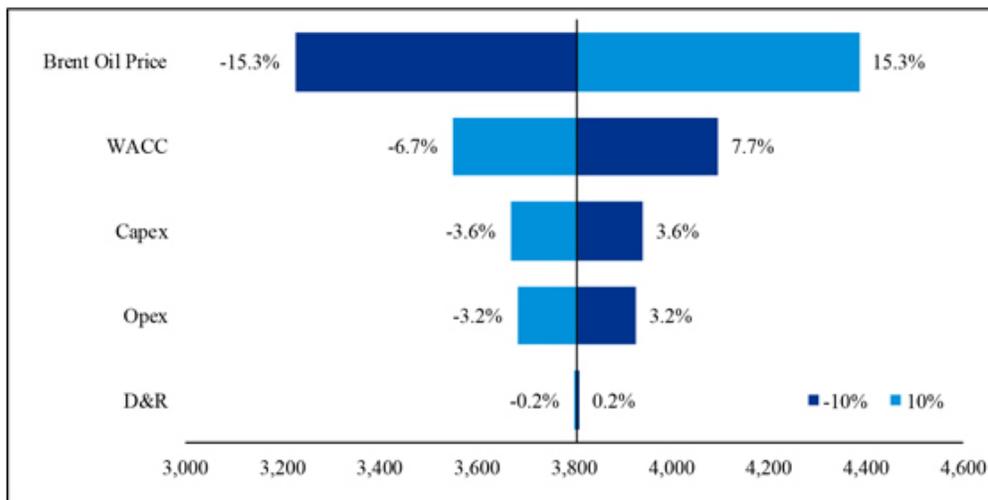
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|------------------------------|-------|-------|-------|-------|-------|
| Brent Oil Price ¹ | 3,225 | 3,515 | 3,806 | 4,096 | 4,387 |
| WACC | 4,097 | 3,946 | 3,806 | 3,673 | 3,549 |
| Capex | 3,942 | 3,874 | 3,806 | 3,737 | 3,669 |
| Opex | 3,928 | 3,867 | 3,806 | 3,744 | 3,683 |
| D&R | 3,811 | 3,808 | 3,806 | 3,803 | 3,800 |

Source: KPMG Corporate Finance analysis

Note 1: The forecast WTI price is sensitive to assumptions in relation to the future Brent oil price given the interrelationship

This analysis indicates that our range of assessed values of the Mad Dog project is most sensitive to the forecast Brent oil price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 31 - Mad Dog project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.10 Valuation of Shenzi¹¹⁹

We have assessed the value of BHP Petroleum's interest in the projected ungeared, post tax cash flows from development of the Shenzi project to be in the range of US\$3,857 million to US\$4,031 million. Our valuation takes into account BHP Petroleum's participation interest in the existing Shenzi fields. The valuation also includes the potential for production upside from BHP Petroleum's 2P Reserves and 2C Contingent Resources at Shenzi North and Wildling, and multiple unapproved and unsanctioned projects.

¹¹⁹ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

BHP Petroleum holds a 72% interest in the Shenzi and Shenzi North projects and a 100% interest in the Wildling project.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

Table 77: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| Oil | MMbbl | 11 | 12 | 16 | 20 | 18 | 91 | 168 |
| Natural gas liquids | MMboe | 1 | 1 | 1 | 1 | 1 | 4 | 8 |
| Henry Hub | MMboe | 0 | 0 | 1 | 1 | 1 | 3 | 6 |
| Total Production | MMboe | 12 | 13 | 18 | 22 | 20 | 98 | 182 |
| Operating costs | US\$m | 58 | 118 | 142 | 159 | 164 | 1,324 | 1,966 |
| Capital expenditure | US\$m | 393 | 380 | 443 | 349 | 68 | 1 | 1,634 |
| Operating costs | US\$/boe | 5 | 9 | 8 | 7 | 8 | 14 | 11 |
| Capital expenditure | US\$/boe | 33 | 29 | 25 | 16 | 3 | 0 | 9 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Production of oil takes place over the period 2022 to 2038 and makes up the majority of production for the Shenzi fields, with aggregate forecast sales of uncontracted volumes totalling 168 MMbbl. Annual production of natural gas liquids and gas ramps up over the period to 2025 before a steady decline in year-on-year production volumes over the remaining life of the Shenzi fields.

Opex, which peaks in 2026 and continues through to 2038, is incurred over the production life of the Shenzi project, and totals US\$1,966 million.

Capex from 2022 through to 2028 is forecast to total approximately US\$1,634 million. The estimated obligation in relation to D&R totals US\$1,516 million, the majority of which is incurred from 2038 to 2041.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Shenzi project, based on a range of key assumptions, the outcomes of which are set out in the table below.

Table 78: Sensitivity analysis

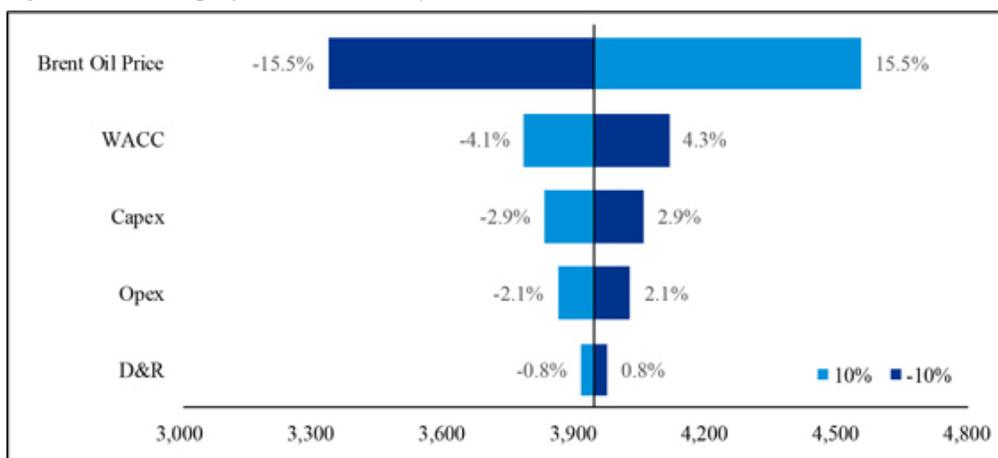
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|------------------------------|-------|-------|-------|-------|-------|
| Brent Oil Price ¹ | 3,333 | 3,638 | 3,943 | 4,247 | 4,552 |
| WACC | 4,114 | 4,027 | 3,943 | 3,861 | 3,781 |
| Capex | 4,056 | 3,999 | 3,943 | 3,886 | 3,829 |
| Opex | 4,026 | 3,984 | 3,943 | 3,901 | 3,859 |
| D&R | 3,973 | 3,958 | 3,943 | 3,927 | 3,912 |

Source: KPMG Corporate Finance analysis

Note 1: The forecast WTI price is sensitive to assumptions in relation to the future Brent oil price given the interrelationship

This analysis indicates that our range of assessed values of the Shenzi project is most sensitive to the forecast Brent oil price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 32 - Shenzi project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.11 Valuation of GOM ORRI¹²⁰

We have assessed the value of BHP Petroleum's 100% interest in the projected ungeared, post tax cash flows from the GOM ORRI to be in the range of US\$86 million to US\$87 million.

Further detail in relation to project technical and operational assumptions (where relevant) are discussed in GaffneyCline's ITR which is attached at Appendix 15. Aggregate annual production (BHP Petroleum interest) is summarised at Appendix 4, noting forecast operating costs and capital expenditure are US\$nil.

¹²⁰ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

Oil production is forecast to be 1.1 MMbbl from 2022 to 2025. There is no Opex, Capex or D&R incurred by BHP Petroleum over the life of the GOM ORRI.

In calculating our range of assessed values we have adopted a discount rate of 4.5% to 5.5% per annum, reflecting the relatively short term remaining in the project life and that there is no profit risk in the cash flows, as the GOM ORRI is effectively a royalty revenue stream.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the GOM ORRI based on certain key assumptions, the outcomes of which are set out in the table below.

Table 79: Sensitivity analysis

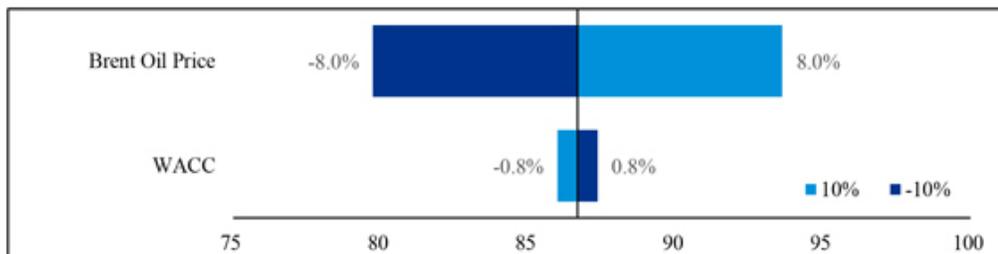
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|------------------------------|------|-----|----|----|-----|
| Brent Oil Price ¹ | 80 | 83 | 87 | 90 | 94 |
| WACC | 87 | 87 | 87 | 86 | 86 |

Source: KPMG Corporate Finance analysis

Note 1: The forecast WTI price is sensitive to assumptions in relation to the future Brent oil price given the interrelationship

This analysis indicates that our range of assessed values of the GOM ORRI is most sensitive to the forecast Brent oil price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 33 - GOM ORRI DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.12 Valuation of Greater Angostura Complex¹²¹

We have assessed the value of BHP Petroleum's interests in the projected ungeared, post tax cash flows from development of both the Angostura and Ruby projects (Greater Angostura Project) to be in the range of US\$544 million to US\$555 million. Our valuation takes into account BHP Petroleum's 45% participation interest in Angostura and 68.5% participation interest in Ruby.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

¹²¹ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

Table 80: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022 | 2023 | 2024 | 2025 | 2026 | Balance | Total |
|----------------------------|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Production ² | | | | | | | | |
| Oil | MMbbl | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Gas | MMboe | 5 | 5 | 5 | 5 | 5 | 5 | 29 |
| Total Production | MMboe | 6 | 5 | 5 | 5 | 5 | 5 | 32 |
| Operating costs | US\$m | 43 | 39 | 38 | 36 | 40 | 54 | 251 |
| Capital expenditure | US\$m | 5 | 8 | 7 | 4 | 4 | 2 | 30 |
| Operating costs | US\$/boe | 8 | 7 | 7 | 7 | 8 | 11 | 8 |
| Capital expenditure | US\$/boe | 1 | 2 | 1 | 1 | 1 | 0 | 1 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. Production forecasts are net of entitlement volumes
3. May not add due to rounding.

Production of oil and gas at the Greater Angostura Complex takes place over the period 2022 to 2028, with gas making up the majority of production, and aggregate forecast sales of 29 MMboe.

Annual total production is relatively constant between 2022 and 2026, before year-on-year production volumes decline as both the Angostura and Ruby fields reach the end of their remaining lives in 2028 and 2027 respectively.

Opex is incurred over the production life of the Greater Angostura Complex, totalling US\$251 million. Opex is relatively constant between 2022 to 2027, before declining in 2028 after Ruby reaches the end of its production life.

Capex is incurred over the production life of the Greater Angostura Complex projects, totalling US\$30 million. Capex peaks in 2022 and declines over the remaining production life.

The estimated D&R obligation totals US\$165 million. D&R peaks across 2024 to 2026 and is incurred over the remaining production life of the Greater Angostura Complex.

In calculating our range of assessed values, we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Greater Angostura Complex, based on a range of key assumptions, the outcomes of which are set out in the table below.

Table 81: Sensitivity analysis

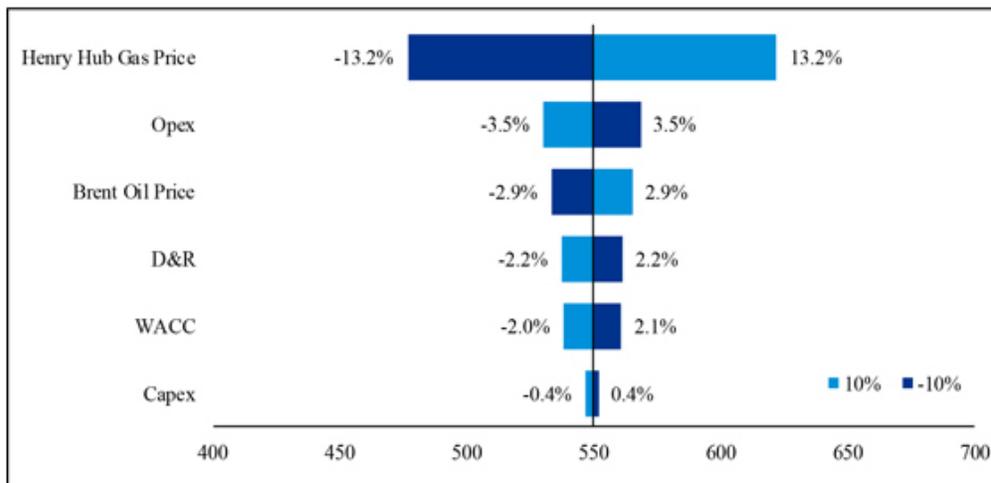
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|------------------------------|------|-----|-----|-----|-----|
| Henry Hub Gas Price | 477 | 513 | 549 | 586 | 622 |
| Opex | 569 | 559 | 549 | 540 | 530 |
| Brent Oil Price ¹ | 534 | 542 | 549 | 557 | 565 |
| D&R | 562 | 555 | 549 | 543 | 537 |
| WACC | 561 | 555 | 549 | 544 | 538 |
| Capex | 552 | 551 | 549 | 548 | 547 |

Source: KPMG Corporate Finance analysis

Note 1: The forecast WTI price is sensitive to assumptions in relation to the future Brent oil price given the interrelationship

This analysis indicates that our range of assessed values of the Greater Angostura Complex is most sensitive to the forecast Henry Hub gas price, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 34 - Greater Angostura Complex DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.13 Valuation of Calypso¹²²

We have assessed the value of BHP Petroleum's interest in the projected ungeared, post tax cash flows from the development of the Calypso project to be in the range of US\$47 million to US\$189 million. Our valuation takes into account the potential upside from BHP Petroleum's 70% participation interest in 2C production from Calypso, which has development options under appraisal.

¹²² All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITSR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

Table 82: Summary of cash flow parameters - BHP Petroleum interest

| | Unit ¹ | 2022-2025 | 2026 | 2027 | 2028 | 2029 | Balance | Total |
|----------------------------|-------------------|--------------|------------|------------|------------|-----------|--------------|--------------|
| Production ² | | | | | | | | |
| Oil | MMbbl | - | - | 0 | 0 | 0 | 3 | 3 |
| Gas | MMbbl | - | - | 3 | 7 | 8 | 104 | 121 |
| LNG | MMboe | - | - | 6 | 16 | 19 | 242 | 283 |
| Total Production | MMboe | - | - | 9 | 23 | 28 | 348 | 408 |
| Operating costs | US\$m | 101 | - | 22 | 57 | 71 | 1,504 | 1,753 |
| Capital expenditure | US\$m | 1,032 | 894 | 720 | 206 | - | 676 | 3,528 |
| Operating costs | US\$/boe | n/a | - | 2 | 2 | 3 | 4 | 4 |
| Capital expenditure | US\$/boe | n/a | n/a | 78 | 9 | n/a | 2 | 9 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. Production forecasts are net of entitlement volumes
3. May not add due to rounding.

Production at the Calypso project is forecast to commence in 2027 and to continue to 2048, with aggregate forecast sales of approximately 283 MMboe of LNG, 121 MMboe of gas and 3 MMbbl of oil.

Annual production ramps up from 2027 to 2031 and peaks from 2032 to 2039, before a steady decline in year-on-year production volumes over the remaining life of the Calypso fields.

Opex totals US\$1,753 million and is incurred between 2022 and 2024 and over the production life of the Calypso project. Opex ramps up from 2027 to 2039, before declining in 2047 and 2048 in line with the end of production life.

Capex totals US\$3,528 million, the majority of which is incurred between 2024 and 2028, associated with the development of the Calypso project.

The estimated D&R obligation totals US\$686 million, incurred across the production life of the project from 2027 to 2048.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Calypso project based on a range of key assumptions, the outcomes of which are set out in the table below.

Table 83: Sensitivity analysis

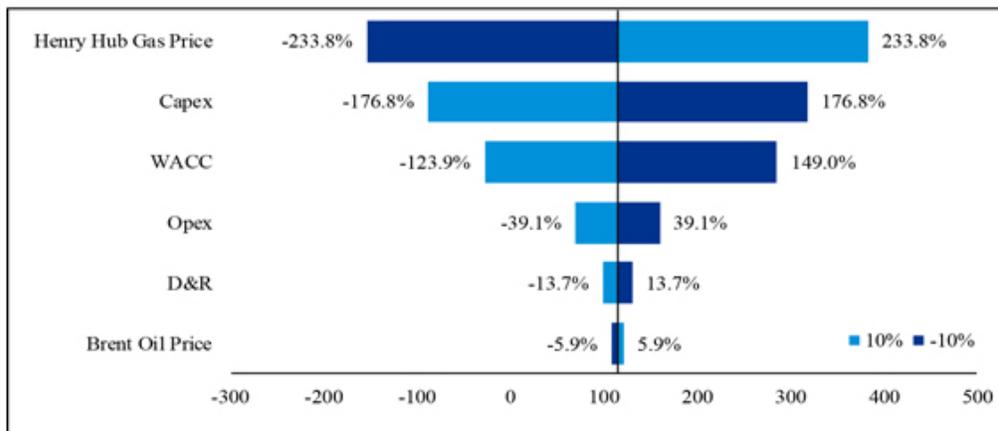
| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|------------------------------|------|-----|-----|-----|-----|
| Henry Hub Gas Price | -154 | -19 | 115 | 249 | 383 |
| Capex | 318 | 216 | 115 | 13 | -88 |
| WACC | 286 | 196 | 115 | 40 | -27 |
| Opex | 160 | 137 | 115 | 92 | 70 |
| D&R | 131 | 123 | 115 | 107 | 99 |
| Brent Oil Price ¹ | 108 | 111 | 115 | 118 | 122 |

Source: KPMG Corporate Finance analysis

Note 1: The forecast WTI price is sensitive to assumptions in relation to the future Brent oil price given the interrelationship

This analysis indicates that our range of assessed values of the Calypso project is most sensitive to forecast Henry Hub gas price, forecast Capex and the WACC, as set out in the tornado chart below, which is based on a 10% variance to each key input. The NPV of the Calypso project is very sensitive to changes in key assumptions reflecting its early stage of development.

Figure 35 - Calypso project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.14 Valuation of Trion¹²³

We have assessed the value of BHP Petroleum's 60%¹²⁴ interest in the projected ungeared, post tax cash flows from the development of the Trion project to be in the range of US\$501 million to US\$783 million.

A summary of project outputs (BHP Petroleum interest) is set out in the table below. Further detail in relation to project technical and operational assumptions are discussed in GaffneyCline's ITR which is attached at Appendix 15. Aggregate annual production, operating costs and capital expenditure (BHP Petroleum interest) are summarised at Appendix 4.

¹²³ All references to production volumes, operating costs and capital expenditure are based on BHP Petroleum's interest.

¹²⁴ BHP Petroleum's working interest in the operating costs and capital expenditure falls from 100% to 60% over 2022 to 2025, as per the fiscal contracts and carry arrangements.

Table 84: Summary of cash flow parameters (BHP Petroleum interest)

| | Unit ¹ | 2022-2025 | 2026 | 2027 | 2028 | 2029 | Balance | Total |
|----------------------------|-------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| Production | | | | | | | | |
| Oil | MMbbl | - | 5 | 15 | 21 | 21 | 198 | 259 |
| Gas | MMboe | - | 0 | 0 | 0 | 0 | 2 | 3 |
| Total Production | MMboe | - | 5 | 15 | 21 | 21 | 201 | 262 |
| Operating costs | US\$m | 1 | 28 | 67 | 79 | 76 | 3,163 | 3,414 |
| Capital expenditure | US\$m | 3,178 | 733 | 299 | 255 | 393 | 392 | 5,249 |
| Operating costs | US\$/boe | n/a | 6 | 4 | 4 | 4 | 16 | 13 |
| Capital expenditure | US\$/boe | n/a | 156 | 20 | 12 | 19 | 2 | 20 |

Source: GaffneyCline, KPMG Corporate Finance analysis

Notes:

1. US\$ amounts stated in nominal terms
2. May not add due to rounding.

Production at Trion is forecast to commence in 2026 and is expected to continue until 2066. Total life of project production of 262 MMboe is predominately comprised of oil, with 259 MMbbl of uncontracted volumes forecast to be sold from 2026 to 2066, and gas, with 3 MMboe of uncontracted volumes forecast to be sold from 2026 to 2039. Oil production is estimated to peak in 2028 and Gas production in 2033.

Opex, which is forecast to peak in 2060, is incurred over the production life of the Trion project and is forecast to total US\$3,414 million. Capex is front loaded from 2022 to 2026 in the lead up to first production and is forecast to total approximately US\$5,249 million from 2022 to 2035. Whilst D&R, which is estimated to total US\$734 million over the production life, is forecast to be incurred from 2033 to 2066.

In calculating our range of assessed values we have adopted discount rate ranges as set out in Appendix 5.

Sensitivity Analysis

We have undertaken a sensitivity analysis around the mid-point of our DCF valuation range for the Trion project, based on a range of key assumptions, the outcomes of which are set out in the table below.

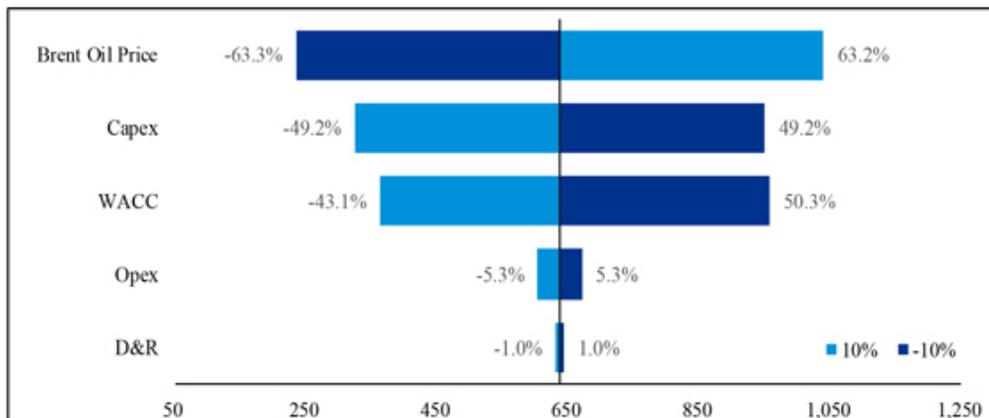
Table 85: Sensitivity analysis

| Sensitivity (US\$m) | -10% | -5% | 0% | 5% | 10% |
|---------------------|------|-----|-----|-----|-------|
| Brent Oil Price | 234 | 436 | 637 | 839 | 1,040 |
| Capex | 950 | 794 | 637 | 481 | 324 |
| WACC | 958 | 791 | 637 | 495 | 362 |
| Opex | 671 | 654 | 637 | 620 | 603 |
| D&R | 644 | 640 | 637 | 634 | 631 |

Source: KPMG Corporate Finance analysis

This analysis indicates that our range of assessed values of the Trion project is most sensitive to the forecast Brent oil price, forecast Capex and the WACC, as set out in the tornado chart below, which is based on a 10% variance to each key input.

Figure 36 - Trion project DCF sensitivity



Source: KPMG Corporate Finance analysis

11.5.15 Valuation of BHP Petroleum’s interest in other petroleum assets

GaffneyCline has assessed a value range for BHP Petroleum’s interest in other petroleum assets not included in the above sections to be in the order of US\$190 million to US\$436 million as summarised in the table below.

Table 86: Summary of valuations of other petroleum assets - BHP Petroleum interest¹

| | Assessed Values | |
|-------------------------------------|-----------------|---------------|
| | Low US\$m | High US\$m |
| GOM Prospect 1 | 83 | 215 |
| GOM Prospect 2 | Nil | 106 |
| Australia Prospect 1 | 48 | 51 |
| Australia Prospect 2 | 60 | 64 |
| Total other petroleum assets | 190 | 436 |

Source: GaffneyCline

Notes:

1. BHP have requested that we remove the prospect names given they are commercially sensitive

In its assessment of the value of the other petroleum assets, GaffneyCline has adopted generally accepted methods for valuing early stage petroleum assets including expected monetary value approach, comparable transactions and sunk costs. Further details in relation to each of these assets and the valuation methodology adopted are set out in GaffneyCline’s ITSR which is included at Appendix 15. It should be noted that the valuation of early stage/exploration assets is highly subjective and involves subjective assessments, based on professional judgements made by GaffneyCline.

11.5.16 Valuation of other assets and liabilities

Net assets not valued as part of BHP Petroleum's assets comprise cash and other sundry assets and liabilities held by BHP Petroleum. Except as specifically noted below, having regard to their nature and quantum, these assets and liabilities have been incorporated in our valuation at net book values as at 31 December 2021.

Scarborough Put Option

In a separate arrangement to the Proposed Transaction, BHP and Woodside have agreed an option for BHP Petroleum to divest both its 26.5% interest in the Scarborough project and its 50% interest in the Thebe and Jupiter Joint Ventures to Woodside in the event the Proposed Transaction is not completed. The option is exercisable by BHP Petroleum in the second half of CY22 and if exercised, the following consideration will be payable to BHP Petroleum:

- US\$1 billion, with an adjustment for expenditure incurred by BHP Petroleum in relation to Scarborough over the period 1 Jul 2021 to the date of exercise (the expenditure adjustment is also subject to interest costs at a rate of 3.5% per annum, compounded monthly)
- US\$100 million contingent amount (nominal) payable FID of Thebe.

Based on these terms and information provided by Woodside and GaffneyCline in relation to estimated joint venture costs for the 12 months to 30 June 2022, we have calculated the potential cash payment required to be made by Woodside as at 1 July 2022 (being the earliest date the put option can be exercised).

We have not included the contingent amount given the uncertainty regarding the timing of Thebe FID, if at all, consistent with GaffneyCline's approach to its valuation of Thebe.

As discussed above at section 11.3.12, we have separately assessed the estimated value of BHP Petroleum's 26.5% interest in the Scarborough project as at 1 July 2022 as being in the range of US\$562 million to US\$736 million (determined by rolling forward the 31 December 2021 valuation of BHP Petroleum's interest in the Scarborough project, as discussed below).

We have compared this value range to the estimated consideration described above under the option and determined the difference to be the implied value of the option, being in the range of US\$419 million to US\$593 million. We have adopted this difference as a surplus asset in the overall value of BHP Petroleum. Exercise of the put option may have upfront tax implications which could reduce the value to BHP Petroleum. As the potential value impact of any future tax liability is not able to be quantified with certainty at this time, we have not adjusted the valuation in relation to same. Based on the quantum of the put option exercise price, the value impact of any potential tax liability would not change our opinion.

Net working capital

In assessing the value of BHP Petroleum we have included a value for the movement in working capital over the forecast period, incorporating the 31 December 2021 BHP Petroleum opening working capital balances (including the current overlift and underlift positions). We have adopted the closing BHP Petroleum balances as at 31 December 2021 for accounts receivable, accounts payable and inventory as the opening balances in our analysis.

Our value is based on an analysis of the 31 December 2021 balance sheet for BHP Petroleum and consideration of working capital metrics of comparable companies operating in the predominantly upstream conventional sector as set out in Appendix 6. We have adopted debtor days, creditor days and inventory days calculation to estimate forecast working capital balances based on our comparable company benchmarking.

In calculating our value range of assessed working capital movements, we have adopted a blended discount rate of 8.5% to 9.5% per annum at the corporate level, which has been estimated based on a weighted average blend of the discount rates applied in the valuation of each of BHP Petroleum's assets, having regard to the NPV of BHP Petroleum's interest in each project.

The NPV of the forecast working capital movements spend has been estimated to be in the order of US\$20 million (negative) and US\$2 million.

Future corporate overheads

BHP Petroleum incurs corporate overheads in relation to managing its business on a standalone basis. These costs have not been incorporated in the valuation of BHP Petroleum's interest in the assets set out above, and therefore it is necessary to deduct the present value of the anticipated future management and administrative costs in relation to BHP Petroleum's assets from the overall value of BHP Petroleum.

We have been provided with a schedule prepared by Woodside that sets out the expected future corporate costs for BHP Petroleum on a standalone basis. These costs include general and administrative expenses, insurance costs, Sarbanes-Oxley compliance costs, NOGA levy, ongoing costs related to MWCC, assumed severance liabilities and costs of compensating BHP Petroleum staff for exiting the BHP incentive plan. Total corporate costs incurred have been assumed to decline in line with production over the forecast period.

As noted early in this section, we have not incorporated any allowance for cost savings and/or synergies that might be available to an unrelated third-party purchaser of BHP Petroleum.

In assessing the value of the future corporate overheads we have included the expected tax benefit that should arise as a result of the utilisation of net operating losses (NOLs) available in the United States and tax losses in Mexico that are assumed to be available to BHP Petroleum on a standalone basis on the assumption that the relevant loss recoupment tests will be satisfied (as required by the relevant tax legislation) at the relevant time.

In calculating the NPV of estimated corporate costs, we have adopted a blended discount rate of 8.5% to 9.5% per annum at the corporate level, which has been estimated based on a weighted average blend of the discount rates applied in the valuation of each of BHP Petroleum's assets.

The NPV of the forecast after-tax corporate costs, having regard to the various projects and respective cessation of production, has been estimated to be in the order of US\$1,568 million to US\$1,722 million.

11.6 Other Valuation Parameters - BHP Petroleum

Having regard to our assessed values in respect of BHP Petroleum's assets and liabilities, the implied enterprise value for BHP Petroleum is between approximately A\$23,733 million and A\$25,812 million, which, based on GaffneyCline's assessed 1P and 2P Reserves of BHP Petroleum as at 31 December 2021 implies a value per boe as summarised in the table below.

Table 87: Summary of 1P and 2P boe multiples implied by our assessed value of BHP Petroleum

| Parameter | Low A\$/ boe | High A\$/boe |
|-----------|--------------------|-----------------|
| 1P | 25 | 27 |
| 2P | 16 | 17 |

Source: KPMG Corporate Finance analysis

Note 1: The assessed enterprise value of BHP Petroleum has been calculated as the aggregate of assessed equity values, adjusted for lease liabilities, net cash and put option for Scarborough (receivable from Woodside)

Comparison to contained boe 1P and 2P multiples implied by listed comparable companies

The implied value per 1P and 2P boe Reserves for a selection of companies involving companies predominantly focused on conventional upstream hydrocarbon production are summarised in the table below.

Table 88: Summary of 1P and 2P multiples for comparable predominantly conventional upstream hydrocarbon production companies

| | 1P Reserves A\$/boe | 2P Reserves A\$/boe |
|---------------|------------------------|------------------------|
| Low | 9 | 7 |
| Mean | 30 | 21 |
| Median | 25 | 19 |
| High | 58 | 44 |

Source: KPMG Corporate Finance analysis

This analysis indicates a wide range of outcomes, however we note that the range of 1P and 2P multiples implied by our range of assessed values for BHP Petroleum lies within the range of equivalent observed listed company multiples and is relatively aligned with the mean and median multiples.

Whilst in our view the outcome of this analysis provides broad support for our range of values, due to the limitations of this form of analysis highlighted in Appendix 10, it should only be considered as a high-level cross-check of the outcomes of other valuation methodologies and not as a determinant of value.

Further details of our analysis are set out in Appendix 10 to this report.

Comparison to contained boe 1P and 2P multiples implied by comparable transactions

The implied value per 1P and 2P boe Reserves and resources for a selection of recent corporate transactions involving companies/projects predominantly focused on conventional upstream hydrocarbon production are summarised in the table below.

Table 89: Summary of 1P and 2P multiples for comparable predominantly conventional upstream hydrocarbon production transactions

| | 1P Reserves A\$/boe | 2P Reserves A\$/boe |
|---------------|------------------------|------------------------|
| Low | 13 | 2 |
| Mean | 25 | 13 |
| Median | 23 | 12 |
| High | 40 | 35 |

Source: KPMG Corporate Finance analysis

This analysis indicates a wide range of outcomes, however we note that the range of 1P and 2P multiples implied by our range of assessed market values for BHP Petroleum lies within the range of equivalent observed corporate transaction multiples for 1P and 2P multiples, and is relatively aligned with the mean and median multiples.

Whilst in our view the outcome of this analysis provides broad support for our range of values, due to the limitations of this form of analysis highlighted in Appendix 14, it should only be considered as a high-level cross-check of the outcomes of other valuation methodologies and not as a determinant of value.

Further details of our analysis are set out in Appendix 14 to this report.

11.7 Valuation of the Merged Group

We have assessed the full underlying value of the Merged Group immediately after completion of the Proposed Transaction to be in the range of US\$37,242 million to US\$42,302 million, which equates to between A\$49,836 million to A\$56,607 million¹²⁵, or between A\$26.25 and A\$29.81 per diluted Merged Group share.

However, for the reasons stated previously at section 11.1 above, we have not incorporated any allowance for additional cost savings and/or synergies that might be available to an unrelated third-party purchaser of the Merged Group itself at some future point in time after completion of the Proposed Transaction. Accordingly, whilst our assessment of value of the Merged Group has been completed on a 100% equity basis, it does not include a full premium of control.

Table 90: Assessed value of the Merged Group

| All figures in US\$ million (unless otherwise stated) | Assessed Values | |
|---|-----------------|--------|
| | Low | High |
| Woodside equity value | 16,978 | 19,424 |
| BHP Petroleum equity value | 19,064 | 20,443 |
| Add: Synergies expected to be achieved, post-tax | 2,364 | 3,599 |
| Add: Woodside regret costs, post-tax | 70 | 70 |
| Less: Transaction costs, post-tax | (287) | (287) |
| Less: Dividend payment | (830) | (830) |
| Less: Locked box payment | (117) | (117) |

¹²⁵ Based on an USD:AUD exchange rate of approximately 0.747.

| All figures in US\$ million (unless otherwise stated) | Assessed Values | |
|---|-----------------|----------------|
| | Low | High |
| Merged Group equity value | 37,242 | 42,302 |
| Woodside ordinary shares | 984.0 | 984.0 |
| Add: New Woodside shares to be issued | 914.8 | 914.8 |
| Merged Group shares (diluted) | 1,898.7 | 1,898.7 |
| Merged Group value per share (US\$/share) | 19.61 | 22.28 |
| Merged Group value per share (A\$/share) | 26.25 | 29.81 |

Source: KPMG Corporate Finance analysis

The market value of a share in the Merged Group on a 100% basis has been determined by:

- aggregating the value of each of Woodside' s and BHP Petroleum' s standalone equity values
- adjusting for:
 - our assessed NPV range for the post-tax synergies and cost savings (net of one-off costs) expected to be available to Woodside in combining its existing portfolio of oil and gas assets with those held by BHP Petroleum, which is discussed further below
 - adding back of Woodside' s regret costs included in our assessment of Woodside' s equity value as a standalone entity, reflecting that these costs will be replaced by estimated transaction costs of US\$410 million (pre-tax)
 - deduction of Woodside' s estimate of the dividend payment to BHP representing the cash dividend that BHP would have received (from 1 July 2021) had the Proposed Transaction completed on the Effective Date
 - deduction of the estimated locked box payment as at 31 December 2021, representing the pre-tax net cash flow generated by BHP Petroleum, adjusted for permitted adjustments, between 1 July 2021 and implementation of the Proposed Transaction, which is net of cash held in bank accounts beneficially controlled by BHP Petroleum and assumed by Woodside
- adjusting the Merged Group' s issued capital to reflect 914.8 million new Woodside shares to be issued to BHP shareholders.

NPV of estimated synergies that may be available to the Merged Group

As set out in section 10.5, Woodside has undertaken a review of the costs of the Merged Group, with the support of external advisors, and identified a range of synergy opportunities in relation to the Merged Group.

The identified synergy opportunities, estimated at US\$400 million per annum, will be realised progressively, with full implementation expected by early 2024.

Woodside estimates that the implementation of the identified synergy opportunities would require one-off costs in the order of US\$500 million to US\$600 million to be incurred in the first two years following completion of the Proposed Transaction.

In calculating the NPV of estimated synergies we have adopted a blended discount rate of 8.0% to 9.0% per annum at the corporate level, which has been estimated based on weighted average blending of the discount rates applied in the valuation of each of the Merged Group's assets, having regard to the NPV of the Merged Group's interest in each project.

The NPV of the forecast after-tax synergies for the Merged Group, having regard to the various projects and respective cessation of production, has been estimated to be in the order of US\$2,364 million to US\$3,599 million.

Comparison to traded share price

Our assessed values for a Merged Group share of between A\$26.25 and A\$29.81 lies below Woodside's closing price of A\$33.20 per share on 24 March 2022. This may reflect:

- whilst our valuation of the Merged Group incorporates an uplift for the benefits of the Proposed Transaction, including for the potential of up to US\$400 million in annual pre-tax synergies and other costs savings expected by Woodside to be realised progressively over the period to 2024, it does not include any uplift for Woodside's expectation that the final quantum of costs savings and synergies could potentially exceed this amount
- the market is more bullish in relation to the value of the Merged Group's asset portfolio, either in relation to the technical and operational assumptions estimated by GaffneyCline, including GaffneyCline's assessment of the chance of development of various pre-production assets, or in relation to the macroeconomic assumptions adopted by us, including future commodity prices and discount rates. As noted, previously, given the current volatility in commodity markets, a range of macroeconomic assumptions could credibly be adopted, which has the potential to be accretive or dilutive to value. To assist readers in this regard we have included sensitivity analysis around key value drivers for each project in sections 11.3 and 11.5 of this report.

Our valuations of each of Woodside and BHP Petroleum and their underlying asset portfolios are set out in greater detail in Sections 11.3 and 11.5 of this report and in GaffneyCline's report is attached as Appendix 15.

We would normally compare the share price implied by our standalone valuation of Woodside to Woodside's share price immediately prior to the Initial Announcement. However given the significant movement in the key commodity prices since the Initial Announcement, which are reflected in our valuation but not the Initial Announcement share price, we do not consider such an analysis would be meaningful.

Appendix 1 – KPMG Corporate Finance Disclosures

Qualifications

The individuals responsible for preparing this report on behalf of KPMG Corporate Finance are Jason Hughes, Bill Allen, Sean Collins and Ben Della-Bosca. Each has a significant number of years of experience in the provision of corporate financial advice, including specific advice on valuations, mergers and acquisitions, as well as preparation of expert reports.

Jason Hughes is an Authorised Representative of KPMG Financial Advisory Services (Australia) Pty Ltd and a Partner in the KPMG Partnership. Jason is a Fellow of Chartered Accountants Australia and New Zealand and holds a Bachelor of Commerce and a Graduate Diploma in Applied Finance.

Bill Allen is an Authorised Representative of KPMG Financial Advisory Services (Australia) Pty Ltd and a Partner in the KPMG Partnership. Bill is an Associate of Chartered Accountants Australia and New Zealand and holds a Bachelor of Commerce degree and a Graduate Diploma in Applied Finance.

Sean Collins is an Authorised Representative of KPMG Financial Advisory Services (Australia) Pty Ltd and a Partner in the KPMG Partnership. Sean is a Fellow of Chartered Accountants Australia and New Zealand, a Fellow of the Chartered Institute of Securities and Investments in the United Kingdom and holds a Bachelor of Commerce.

Ben Della-Bosca is an Authorised Representative of KPMG Financial Advisory Services (Australia) Pty Ltd. Ben is an Associate of Chartered Accountants Australia and New Zealand, a Fellow of the Financial Services Institute of Australasia and holds a Masters of Applied Finance, a Bachelor of Commerce and a Graduate Diploma in Applied Finance.

Disclaimers

It is not intended that this report should be used or relied upon for any purpose other than KPMG Corporate Finance's opinion as to whether the Proposed Transaction is in the best interests of Woodside Shareholders. KPMG Corporate Finance expressly disclaims any liability to any Woodside shareholder who relies or purports to rely on the report for any other purpose and to any other party who relies or purports to rely on the report for any purpose whatsoever.

Other than this report, neither KPMG Corporate Finance nor the KPMG Partnership has been involved in the preparation of the Explanatory Memorandum or any other document prepared in respect of the Proposed Transaction. Accordingly, we take no responsibility for the content of the Explanatory Memorandum as a whole or other documents prepared in respect of the Proposed Transaction.

We note that the forward-looking financial information prepared by Woodside does not include estimates as to the potential impact of any future changes in taxation legislation in Australia or other jurisdictions. Future taxation changes are unable to be reliably determined at this time.

Independence

KPMG Corporate Finance and the individuals responsible for preparing this report have acted independently. In addition to the disclosures in our Financial Services Guide, it is relevant to a consideration of our independence that, during the course of this engagement, KPMG Corporate Finance provided draft copies of this report to management of Woodside for comment as to factual accuracy, as opposed to opinions which are the responsibility of KPMG Corporate Finance alone. Changes made to this report as a result of those reviews have not altered the opinion of KPMG Corporate Finance as stated in this report.

Consent

KPMG Corporate Finance consents to the inclusion of this report in the form and context in which it is included with the Explanatory Memorandum to be issued to the shareholders of Woodside. Neither the whole nor the any part of this report nor any reference thereto may be included in any other document without the prior written consent of KPMG Corporate Finance as to the form and context in which it appears.

Our report has been prepared in accordance with professional standard APES 225 “Valuation Services” issued by the Accounting Professional & Ethical Standards Board. KPMG Corporate Finance and the individuals responsible for preparing this report have acted independently.

Appendix 2 – Sources of information

In preparing this report we have been provided with and considered the following sources of information:

Publicly available information:

- company presentations and announcements of Woodside and BHP
- Woodside annual reports for the periods ended 31 December 2019, 31 December 2020 and 31 December 2021
- annual reports, company presentations and news releases of comparable companies
- data providers including S&P Capital IQ Pty Ltd, Bloomberg, MergerMarket, Thompson One, Consensus Economics, Connect 4, IBISWorld Pty Ltd, Economic Intelligence Unit, Oxford Economics and the Department of Industry Innovation and Science.
- various ASX company announcements
- various broker and analyst reports
- various press and media articles
- the Explanatory Memorandum
- GaffneyCline’s ITSR.

Non-public information

- life of field forecast production and costing projections prepared by GaffneyCline
- other confidential agreements, documents, presentations and industry papers provided by Woodside and BHP Petroleum.

In addition, we have held discussions with, and obtained information from, the senior management of Woodside and BHP.

Appendix 3 – Overview of the oil and gas industry

The oil and gas industry consists of the upstream and midstream segments, which extract, produce and process crude oil, natural gas liquids and natural gas, and the downstream segment which refines these outputs into fuels, lubricants and other petroleum-based products and the ultimate sale of these products.

Woodside's and BHP Petroleum's principal assets comprise interests in upstream/midstream projects¹²⁶. Accordingly, in order to provide a context for assessing the prospects of Woodside and BHP Petroleum, we have set out below an overview of recent trends and outlook in international oil and gas markets, including LNG and Australian domgas markets.

Oil industry

We would highlight however that this industry overview was prepared just prior to the breakout of hostilities between Russia and the Ukraine and the consequent trade and other economic sanctions imposed on Russia by various countries. Given the short period of time that has elapsed since Russia's invasion on 24 February, the continuing evolving nature of the situation and uncertainty as to the impact of these events over the medium to longer term, it is not practicable to update our analysis to reflect these circumstances.

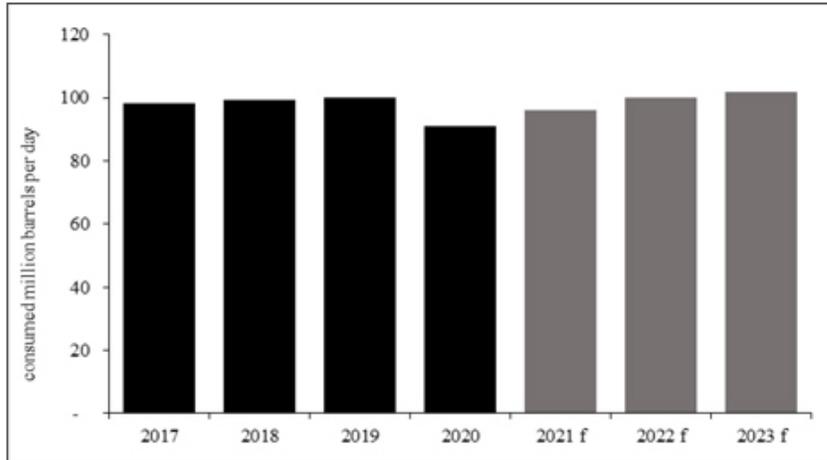
Demand

Recent trends and medium-term outlook

Global oil consumption was significantly impacted by the Covid-19 pandemic in 2020, and whilst the impacts of the pandemic are likely to linger for an extended period, global consumption of oil increased over 2021 on the back of a recovery in world economic activity. Overall global oil consumption is forecast by the Department of Industry, Science, Energy and Resources (**DISER**) to increase by 3.5% year-on-year to 100 MMbbl a day in 2022, and then rise above pre-pandemic levels in 2023 to 102 MMbbl a day.

¹²⁶ Although Woodside's and BHP Petroleum's downstream sales function do not have significant tangible assets, the intangible assets e.g. customer relationships, knowledge of markets/pricing, shipping scheduling etc. also assist in driving the value of each entity's projects.

Figure 37 - Historical and projected global oil consumption



Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

Note 1: 2021 consumption onwards are forecasts

Oil consumption in Organisation for Economic Co-operation and Development (OECD)¹²⁷ countries increased over 2021, boosted by a significant increase in travel in both the US and Europe; OECD growth was however somewhat dampened as a result of a fall in OECD Asia Pacific consumption, where the Covid-19 Delta variant forced Australia, Japan and Korea to re-impose containment measures.

DISER expects the continued roll-out of vaccines across the OECD to support further positive growth in 2022, but notes that OECD consumption may never surpass 2019 levels, driven by improved fuel efficiency in passenger cars and increasing penetration of electric vehicles (EVs).

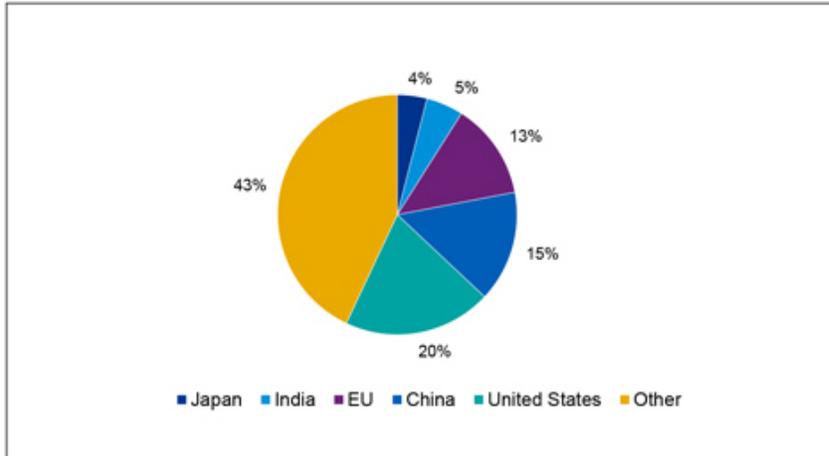
Non-OECD consumption is estimated to have increased by approximately 17% year-on-year to December 2021, largely driven by higher demand in China and India for gasoline, fuel oil and petrochemicals. Non-OECD growth is however being restricted somewhat by South East Asian nations, including Indonesia, Malaysia, Vietnam and Myanmar, which are experiencing a slower recovery from Covid-19, reducing the speed of regional economic re-opening.

In 2022, DISER is forecasting a further increase in non-OECD consumption - surpassing 2019 pre-pandemic levels, with power generators switching away from gas and coal due to global shortages impacting those markets.

¹²⁷ The OECD is a group of 37 member countries that discuss and develop economic and social policy. Members of the OECD are typically democratic countries that support free-market economies.

Figure 38 below details the top five global oil consumers in 2020.

Figure 38 - Global oil consumers 2020



Source: *DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021*

Long-term outlook

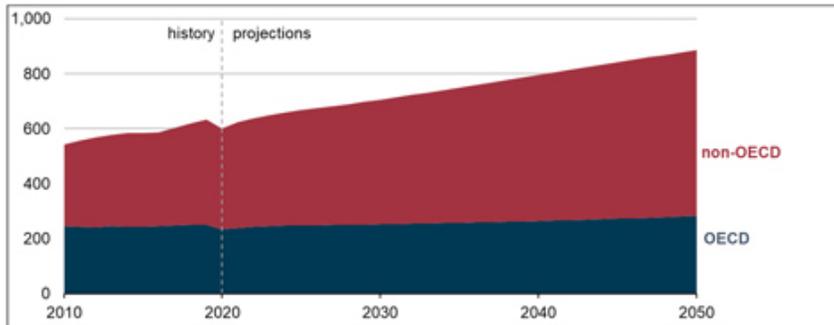
Whilst is generally accepted that over the period to 2050, there is likely, based on current policy settings, to be a significant increase in the level of global consumption of energy, market opinion in relation to the role oil will play in meeting that demand is unsettled, with the final outcome heavily influenced by the speed, extent and success at which the global community transitions to clean energy alternatives.

US Energy Information Administration (EIA)

The EIA forecasts¹²⁸ global energy consumption to increase by almost 50% over the period to 2050, driven largely by growth in both population and gross domestic production in non-OECD countries, particularly in Asia.

¹²⁸ References to the views of the EIA are sourced from its “Reference case”, which was prepared on the basis of existing laws and regulations and reflects legislated energy sector policies that can be reasonably be modelled, set out in its “International Energy Outlook 2021” published in October 2021. It does not include allowances for technological breakthroughs or policy changes

Figure 39 - Historical and projected global energy consumption - quadrillion BTUs



Source: EIA, International Energy Outlook 2021

The EIA expects global consumption of renewable energy to more than double over the period to 2050, and its relative share of global primary energy consumption to increase to 27%, however, absent future technology breakthroughs or significant policy changes, it does not expect renewables to replace the consumption of petroleum and other liquid fuels¹²⁹; reflecting:

- while plug-in EVs are expected to make up almost a third of global light-duty vehicle stock by 2050, the majority of light-duty vehicles are still expected to continue to be powered by internal combustion engines
- total energy consumption for passenger travel in OECD countries remains below 2019 levels through to 2050, energy consumed in non-OECD passenger travel exceeds OECD countries by 2025
- Industrial sector use in non-OECD countries more than doubling that of OECD countries by 2050.

BP

BP projects¹³⁰ a more muted growth in global energy demand¹³¹ under its Business-as-usual (BAU) scenario¹³², with growth in the order of 25% over the period to 2050, driven principally by increasing levels of prosperity and urbanisation in emerging economies. BP also modelled two additional scenarios: a Rapid Transition Scenario¹³³ (**Rapid**) and a Net Zero Scenario¹³⁴ (**Net Zero**), both of which project growth in global demand of just 10% over the forecast period.

¹²⁹ defined by the EIA to include biofuels

¹³⁰ References to the views of BP are sourced from its "bp Energy Outlook 2020 edition"

¹³¹ In exajoules

¹³² assumes that government policies, technologies and social preferences continue to evolve in a manner and speed seen over the recent past

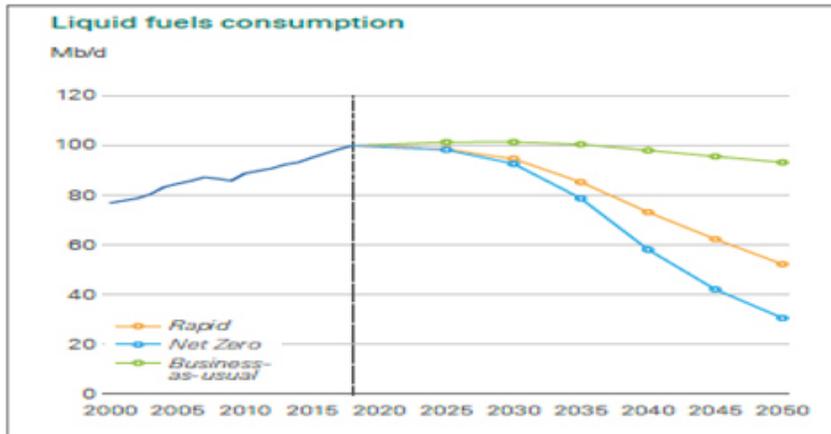
¹³³ Assumes a series of policy measures are implemented, led by a significant increase in carbon prices and supported by more-targeted sector specific measures, which cause carbon emissions from energy use to fall by around 70% by 2050

¹³⁴ Assumes that the policy measures embodied in Rapid are both added to and reinforced by significant shifts in societal behaviour and preferences, which further accelerate the reduction in carbon emissions. Global carbon emissions from energy use fall by over 95% by 2050

Under its BAU scenario, BP expects that demand for liquid fuels¹³⁵ will continue to grow in India, Other Asia and Africa, but will be offset by a decline in consumption in developed economies, such that demand for liquid fuels will remain broadly flat at around 100 MMbbl a day for the next 20 years, before declining slowly to around 95 MMbbl a day by 2050.

Under its Rapid and Net Zero scenarios, both the extent and rate of decline in global demand for liquid fuels is more pronounced, falling to less than 55 MMbbl a day and to around 30 MMbbl a day by 2050 respectively. The falling demand is concentrated in the developed world and China, with consumption in India, Other Asia and Africa broadly flat over the outlook as a whole.

Figure 40 - Recent historical and projected annual liquid fuels consumption



Source: bp Energy Outlook 2020 edition

The International Energy Agency (IEA)

The IEA expects¹³⁶ global energy demand to increase strongly from current levels under its “Stated Policies Scenario”¹³⁷ (STEPS), with this increased demand met by a changing energy mix as countries move towards clean energy. Global oil demand is projected to exceed 2019 levels by 2023, before reaching peak demand in the mid-2030s, with a marginal year-on-year decline thereafter to 103 MMbbl a day by 2050.

The IEA has also modelled two additional scenarios: an “Announced Pledges Scenario” (APS)¹³⁸ and a “Net Zero Emissions by 2050 Scenario” (NZE)¹³⁹. Under APS, fuel efficiency gains result in global demand for oil peaking soon after 2025, before declining year-on-year to 77 MMbbl a day in 2050, reflecting:

¹³⁵ Defined by BP to include crude oil (including shale oil and oil sands); natural gas liquids; gas-to-liquids; coal-to-liquids; condensates; and refinery gains and biofuels

¹³⁶ References to the views of the IEA are sourced from its “World Energy Outlook 2021” published in October 2021

¹³⁷ STEPS reflects what climate change measures governments have in place, as well as specific clean energy policy initiatives that are under development

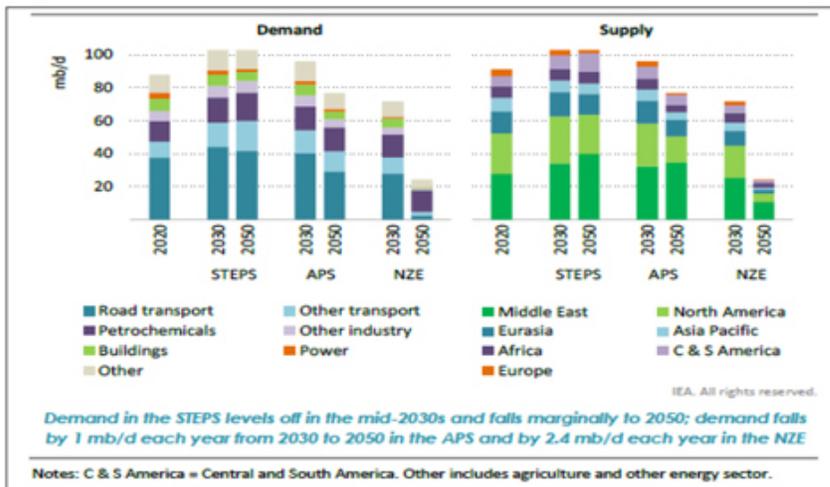
¹³⁸ APS assumes that those climate change commitments announced by countries in the period prior to the publication of IEA’s report are implemented in full

¹³⁹ NZE which reflects IEA’s assumptions as to what is required to achieve Net Zero by 2050

- that consumption of hydrogen-based fuel cells reaches material levels in the 2030s
- almost 50% of passenger cars EVs and nearly 25% of heavy trucks are either electric or fuel cell powered.

Under the IEA's NZE, more rapid action to address climate change sees demand for oil falling sharply to 72 MMbbl a day by 2030 and continuing to fall to 24 MMbbl a day by 2050.

Figure 41 - Oil supply and demand in 2030 and 2050



Source: IEA World Energy Outlook 2021

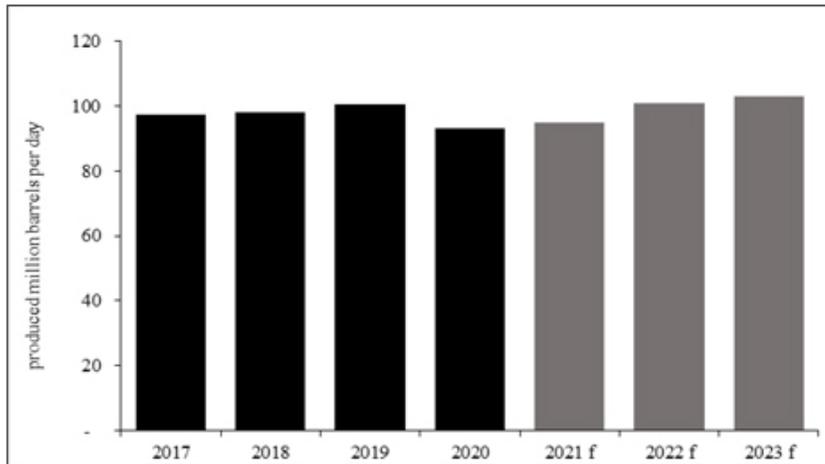
Supply

Recent trends and medium-term outlook

Global oil production is estimated by DISER to have risen 2.1% over 2021 to 95 MMbbl a day, principally due to increasing OPEC+¹⁴⁰ production in the second half of 2021, and is forecast to rise further to 101 MMbbl a day in 2022 on further production increases from OPEC+ and a ramp up in US shale output, and to 103MMbbl in 2023.

¹⁴⁰ Organisation of the Petroleum Exporting Countries (OPEC) is a permanent intergovernmental organisation of 13 oil-exporting developing nations that coordinates and unifies the petroleum policies of its Member Countries, comprising Algeria, Angola, Congo, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, United Arab Emirates and Venezuela. OPEC+ comprises OPEC members, plus Azerbaijan, Bahrain, Brunei, Kazakhstan, Malaysia, Mexico, Oman, Russia, South Sudan and Sudan.

Figure 42 - Historical and projected global oil production



Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

In response to a fall in demand due to the outbreak of Covid-19, global storage filling quickly and falling oil prices, OPEC+ members agreed in April 2020 to adjust downwards their overall crude oil production by 9.7 MMbbl per day starting on 1 May 2020, for an initial period of two months concluding on 30 June 2020. For the subsequent period of 6 months, from 1 July 2020 to 31 December 2020, the total adjustment agreed was reduced to 7.7 MMbbl per day. Followed by a 5.8 MMbbl per day adjustment for the 16 months, from 1 January 2021 to 30 April 2022. Throughout 2020 and early 2021, OPEC+ compliance with these output cuts was high.

In July 2021, OPEC+ members announced they had agreed to wind back the current levels of cuts of 5.8 MMbbl per day, increasing by 0.4 MMbbl per day each month starting in August 2021 until phasing out the 5.8 MMbbl per day adjustment. OPEC reaffirmed its planned staged production increase at its meeting held on 4 January 2022.

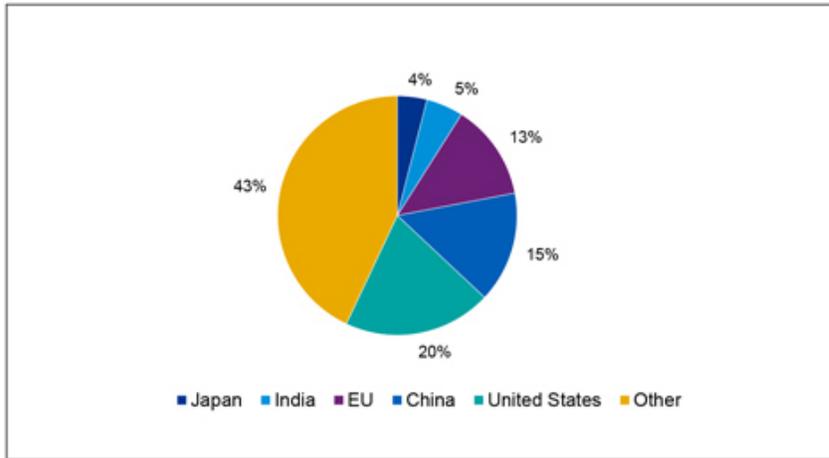
OPEC+ production is estimated by DISER to have averaged 32 MMbbl a day in 2021, an increase of 2.4% over 2020. Assuming that the staged production planned is adhered to, DISER forecasts OPEC+ output to increase by 6% over 2022, averaging 34 MMbbl a day.

Recovery in non-OPEC output dragged in 2021, particularly in the US as operators caught up on maintenance programmes, severe winter temperatures in early 2021 caused disruptions to drilling in Texas and more than 90% of crude oil production in the US Gulf of Mexico was offline in late August 2021, following Hurricane Ida.

In 2022, DISER expects US oil production to increase as US producers accelerate drilling activity in response to higher global oil prices, helping non-OPEC production to surpass pre-Covid-19 levels.

Figure 43 below sets out the top five global oil producers in 2020 but illustrates the fragmented nature of the global oil supply market, with the top five producing countries providing less than 50% of total global supply.

Figure 43 - Global oil producers 2020



Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

Long-term outlook

EIA

As the primary raw material in the petroleum refining process, and a necessary precursor for many finished petroleum products, such as petrol, diesel and fuel oil, the EIA projects a steady increase in crude oil and condensate production over the entire period to 2050, reaching approximately 99 MMbbl a day. EIA forecasts both OPEC and non-OPEC oil production to grow over the period to 2050, but OPEC production grows at almost three times the rate of non-OPEC production.

The EIA sees a growing imbalance between oil consumption and production in certain regions, particularly in China and India, with demand outstripping in-country supply. To counter this, the EIA sees non-OECD Asia supplementing local production with increased imports of crude oil or finished products, principally from the Middle East over the longer term given the level of resources available and its proximity to Asia.

BP

Overall global oil production is forecast by BP under its BAU scenario to fall from pre-pandemic levels in 2018 of 98 MMbbl a day to 89 MMbbl a day by 2050.

In contrast to the EIA, BP expects US tight oil¹⁴¹ production to grow over the period to 2030, largely offsetting declining OPEC production. After the mid-2030s, declines in US tight oil and non-OPEC production are seen as providing scope for OPEC to increase production levels such that OPEC recovers 2018 production levels by 2050.

¹⁴¹ BP defines US tight oil to include crude, condensate and natural gas liquids from onshore tight formations

Under its Rapid scenario, global oil production is forecast to fall significantly to 47 MMbbl a day in 2050. Whilst non-OPEC production is projected to follow a similar pattern to its BAU scenario, BP forecasts OPEC production to again fall over the period to 2030 and to stabilise at this lower level thereafter rather than recovering 2018 levels as forecast under BAU.

IEA

As illustrated in figure 41 above, under STEPS, global oil supply is projected to increase to 103 MMbbl a day over the period to 2030, with growth in Middle East supply outstripping North American growth as tight oil operators choose to prioritise returns over aggressive production growth.

Post 2030, STEPS oil production is expected to remain largely stable. Non-OPEC production as a proportion of total supply is forecast to decline as resource bases become increasingly mature.

Under APS, global oil supply falls to 96 MMbbl a day by 2030 and continues to fall to 77 MMbbl a day by 2050 as higher costs of production for various producers as a result of their efforts to minimise emissions result in, at best, limited investment in new projects from the mid-2020s.

Under NZE, the sharp fall in oil demand discussed earlier does not justify investment in new fields after 2021. There is still however investment in existing fields to minimise the emissions intensity of production and there are also some low-cost extensions of existing fields to maintain or support production. Production is increasingly concentrated in resource-rich countries due to the large size and slow decline rates of their existing fields, with OPEC and Russia accounting for more than 60% of the global oil market in 2050.

Oil prices

The global energy system is highly interconnected, with huge international flows of traded energy. IEA estimates that in 2018, almost three-quarters of global oil production was traded internationally and around a quarter of natural gas.

Since the 1990s the pricing of crude oils has become increasingly transparent through the use of marker crudes, whereby the pricing of physical crude oil trades is based on a formula where a marker crude is used as the base, with quality/impurities differentials being added or subtracted, as well as demand/supply premiums or discounts being applied, depending on the crude oil being purchased.

Generally, these benchmarks will move in concert with one another, although on occasion demand differentials for the differing types of crude will create a pricing disparity. Arbitrage activity ensures price gaps are closed relatively quickly.

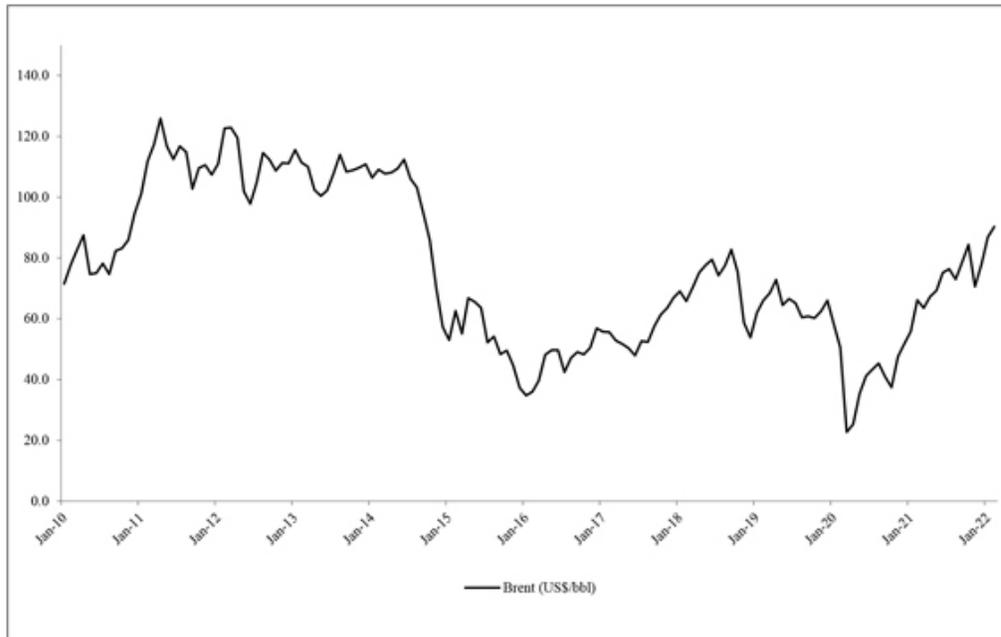
The main criterion of a marker crude is for it to be sold in sufficient volumes to provide liquidity in the physical market as well as having similar physical qualities to alternative crudes. Whilst there are various marker crudes across the globe such as Dubai and Oman in the Middle East and Tapis in Asia, the primary marker crudes referred to globally are:

- Brent - a light sweet crude oil, which offers pricing information for Atlantic basin crude oils based on the spot trading and futures contract trading on the Intercontinental Exchange (**ICE**). Brent is a waterborne crude. It is a basket comprised of five different North Sea crudes. As a waterborne crude, it can be put on a vessel and shipped anywhere. Because of this, Brent reflects global oil market fundamentals and the global economy.
- West Texas Intermediate (**WTI**) - a light, sweet crude oil, which provides pricing information through spot transactions and its use on the Chicago Mercantile Exchange (**CME-Nymex**) as the basis of futures contracts. Eligible spot transaction prices at Cushing, Oklahoma, are typically reported as WTI.

With its recent increase in liquidity and trading activity, Brent is now used as the principal benchmark oil price in Europe, West Africa and most Asian countries and is slowly overtaking WTI as the global standard. Brent is adopted by Woodside as the principal benchmark for the purpose of its project and product pricing information.

Set out below is the historical month end Brent trading price since 2010 to 23 February 2022.

Figure 44 - Historical ICE Brent oil price - US\$/bbl



Source: Bloomberg

As illustrated above, crude oil prices have exhibited significant volatility over the period since 2010.

Over 2010-2011, oil prices were still recovering from the impact on activity levels of the global financial crisis, with the Brent price reaching US\$100/bbl in January 2011, for the first time since October 2008, on concerns that the 2011 Egyptian protests would impact access to the Suez Canal and disrupt oil supplies.

Over the period February 2011 to September 2014, whilst exhibiting a reasonable degree of volatility, the Brent price traded largely in the range US\$89/bbl to US\$126/bbl.

The falling Brent price over 2014–2016 largely reflected excess supply concerns around the significant increase in the production of ‘unconventional’ oil in the US, where efficiency gains in the sector lowered break-even prices considerably, making US shale oil the de facto marginal cost producer on the international oil market.

Brent oil prices ended 2017 at US\$66/bbl, the highest end-of-year price since 2013. Robust global demand and agreement by OPEC members to curtail crude oil production, along with a subsequent decision in November 2017 to extend that agreement through 2018, tightened crude oil supplies supporting crude oil price increases.

Brent oil prices continued to rise through the first three quarters of 2018, reaching to a four-year high of over US\$86/bbl in October 2018, reflecting concerns about pressures on global supply, including the expected restoration of US sanctions against Iran (OPEC’s third-biggest oil producer). However, as a result of escalating trade tensions between the US and China, various unexpected exemptions to the Iran sanction being granted by the Trump administration and increased supply by Saudi Arabia, concerns of oversupply against a backdrop of falling demand translated into a significant drop in oil prices over the last quarter of 2018 and into 2019.

In 2020, an oil price war between Russia/Saudi Arabia and the Covid-19 pandemic, which lowered demand for oil because of lockdowns around the world, had a significant adverse impact on oil prices.

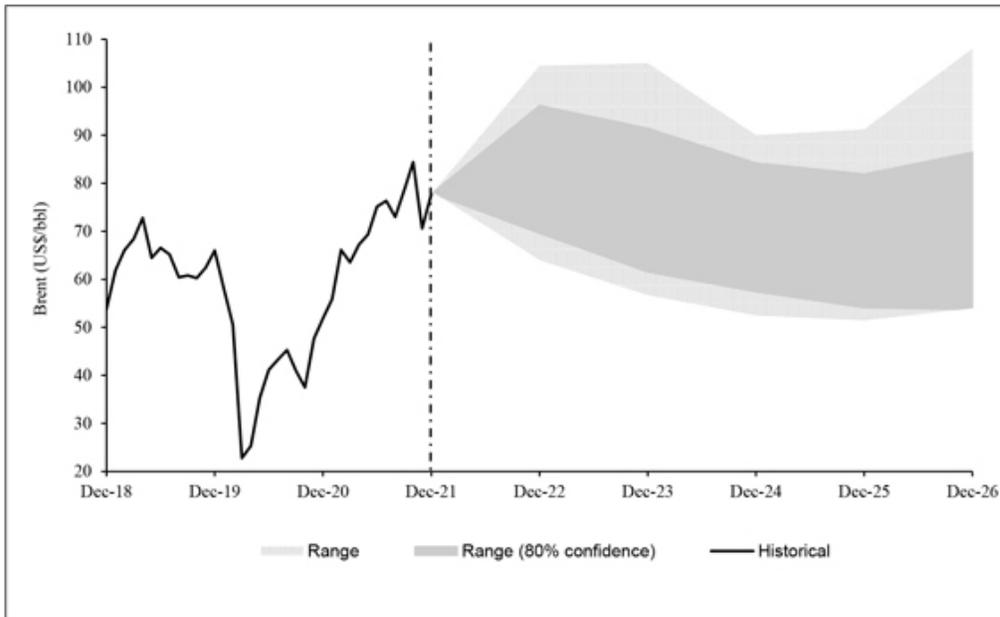
Since closing at a low of US\$19/bbl in April 2020, ICE Brent oil prices have recovered strongly reflecting deep cuts in US production levels and continued OPEC supply restraint, coupled with green shoots growth in economic activity as various regions re-emerge from Covid-19 lockdowns.

In more recent times global oil prices have been significantly impacted by the hostilities in the Ukraine which has resulted in a sharp increase in spot prices.

Outlook

Set out in the chart below is a summary of the historical monthly Brent oil price since December 2018 and forecast estimate Brent oil prices published by broking houses and economic commentators considered by us as at 27 January 2022.

Figure 45 - Forecast estimate Brent oil prices by broking houses and market commentators



Source: Consensus Economics, Bloomberg, KPMG Corporate Finance analysis and various market analysts

The above analysis indicates a wide range of views in relation to future Brent oil prices, but on average, and excluding the impact of the hostilities in the Ukraine and associated trade sanctions, the Brent oil price was expected to decrease over the period to 2026. We also note that the majority of these forecasts were prepared subsequent to the Conference of the Parties¹⁴² 26 held in Glasgow, Scotland in November 2021.

Natural Gas

Natural gas is a naturally occurring mixture of gases which are rich in hydrocarbons. Natural gas is colourless and odourless and explosive and is often found near other solid and liquid hydrocarbon beds, such as coal and crude oil deposits.

Natural gas is used as a source of energy for heating, cooking and electricity generation. It is also used as a fuel for vehicles and as a chemical feedstock in the manufacture of plastics and other commercially important organic chemicals.

There are several types of geological formations that trap naturally occurring gas. They are often categorised as being either ‘conventional’ or ‘unconventional’ gas reserves.

¹⁴² In diplomatic parlance, “the parties” refers to the 197 nations that agreed to a new environmental pact, the United Nations Framework Convention on Climate Change, at a meeting in 1992.

Conventional gas is trapped in naturally porous reservoir formations that are capped with impermeable rock strata. When intercepted by a well, gas is able to move to the surface without the need to pump.

Unconventional gas is formed in more complex geological formations, which limit the ability of gas to migrate and therefore different methods are required to extract the gas. There are several types of unconventional gas, including shale gas and tight gas, which occur in reservoirs with very low permeability compared to conventional reservoirs. In these geological formations, horizontal drilling and hydraulic fracturing are often necessary for economic gas extraction. The other form of unconventional gas is coal seam gas, where methane gas is trapped within the coal seam under pressure by overlying formations. To extract the gas, a steel-encased well is drilled vertically into the coal seam at which point the well may also be hydraulically fracture stimulated or drilled horizontally along the coal seam to increase access to the gas reserves.

Before natural gas can be used as a fuel, most, but not all, must be processed to remove impurities, including water, to meet the specifications of marketable natural gas. Some of the substances which contaminate natural gas have economic value and are further processed or sold. An operational natural gas plant delivers pipeline-quality dry natural gas that can be used as fuel by residential, commercial and industrial consumers, or as a feedstock for chemical synthesis.

LNG is natural gas that has been cooled to a liquid state (*liquefied*), at about -162°C (-260°F), for shipping and storage. The volume of natural gas in its liquid state is approximately 600 times smaller than its volume in its gaseous state in a natural gas pipeline. This liquefaction process, developed in the 19th century, makes it possible to transport natural gas from producing regions to markets, such as from Australia to Asian destination countries.

LNG export facilities receive natural gas by pipeline and liquefy the gas for transport on special ocean-going LNG ships or tankers. Most LNG is transported by tankers in large, onboard, super-cooled (cryogenic) tanks. LNG is also transported in smaller International Organization for Standardization (ISO)-compliant containers that can be placed on ships and on trucks.

At import terminals, LNG is offloaded from ships and is stored in cryogenic storage tanks before it is returned to its gaseous state or regasified. After regasification, the natural gas is transported by natural gas pipelines to natural gas-fired power plants, industrial facilities and residential and commercial customers. LNG is also emerging as a cost-competitive and cleaner transport fuel, especially for shipping and heavy-duty road transport.

Both Woodside and BHP Petroleum have exposure to the international LNG market and to Australian domgas markets.

Global LNG market

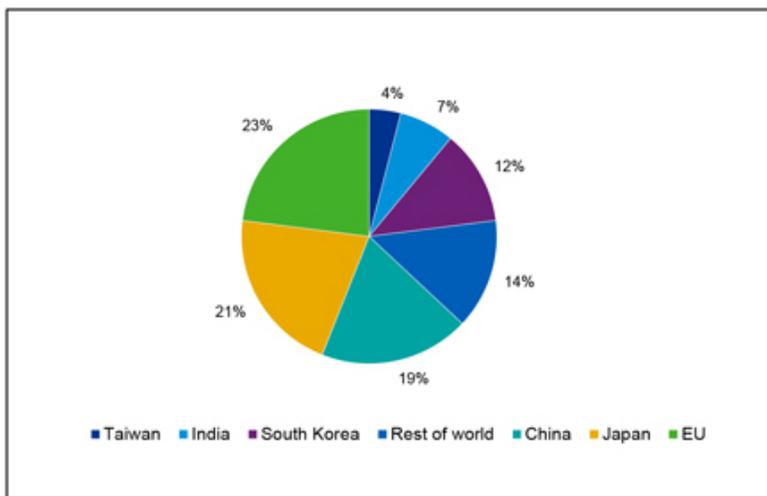
Recent trends and medium-term outlook

The International Gas Union¹⁴³ (IGU) report states that whilst LNG trade in 2020 was heavily impacted by Covid-19, with both producers and importers affected by lockdowns and significant reductions in levels of economic activity, global LNG trade still recorded a small level of growth, reaching 356.1 Mt, up 1.4 Mt on 2019, which compares to growth achieved in 2019 of 40.9 Mt.

This growth was mostly underpinned by increased exports from the US and Australia, together adding 13.4 Mt of exports. Australia overtook Qatar as the largest LNG exporter in the world, exporting 77.8Mt in 2020 versus 75.4 Mt in 2019, while Qatar exports fell 0.7 Mt in 2020 to 77.1 Mt, with the next largest being the US, exporting 44.8 Mt.

A significant number of markets exported less volumes in 2020 than they did in 2019 as a result of various factors including a mix of technical issues, demand drops due to Covid-19 related restrictions, commercial challenges due to price developments and feed gas challenges.

Figure 46 - 2020 leading exporters - % of total world imports



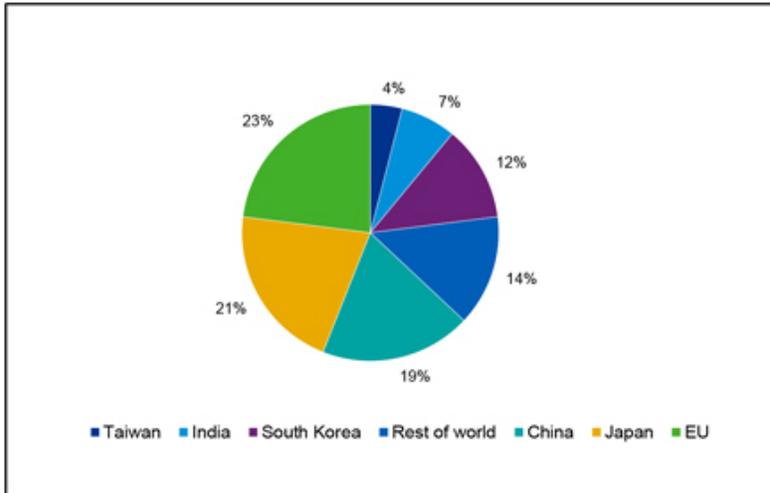
Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

Global liquefaction capacity continued to grow in 2020, adding 20.0 Mtpa of capacity to 452.9 Mtpa notwithstanding several projects with planned start-up of commercial operations in 2020 were delayed to 2021 amid the Covid-19 pandemic.

Together the Asia-Pacific and Asia regions accounted for more than 70% of global LNG imports, adding 9.5 Mt of net LNG imports versus 2019. The Asia-Pacific region was again a key driver of global import growth in early 2021, expanding in the first half of 2021 by 12% over the corresponding prior year period.

¹⁴³ References to the IGU are sourced from its “2021 World LNG Report”

Figure 47 - 2020 leading importers - % of total world imports



Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

In the first half of 2021, DISER estimates global LNG trade grew by almost 5% year-on-year. This has been attributed to a number of factors:

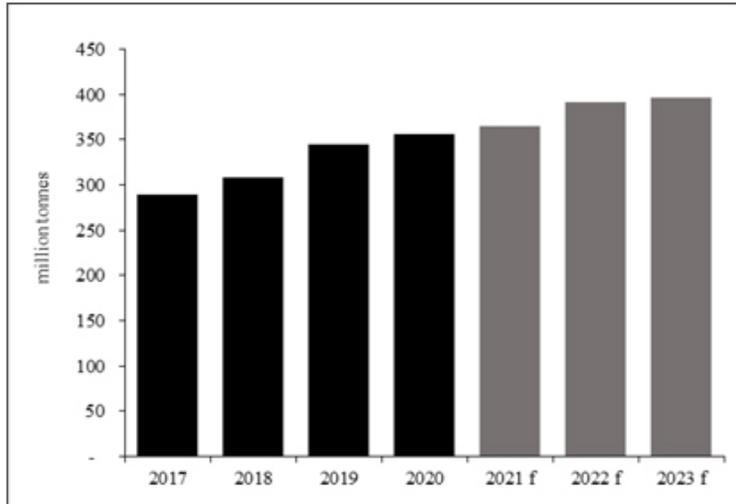
- continued recovery of the global economy from Covid-19, feeding directly through to higher electricity demand
- unusually cold winter/spring conditions in the northern hemisphere, requiring a rebuilding of gas inventories, followed by a hot Asian summer and sustained droughts in South America affecting hydro generation in that region.

High spot prices weighed on demand in some emerging Asian economies, but overall Asian demand remained strong.

Export growth has in recent times been dominated by North America, largely due to a 50% rise in liquefaction capacity since the beginning of 2020. Exports from the Asia-Pacific have largely been flat, and the Middle East has seen only moderate growth.

Global LNG trade was expected by DISER to increase by 2.5% in 2021, largely driven by continued import growth in the Asia-Pacific region and export growth in North America. Trade is then expected to increase by 7.2% in 2022 and 1.4% in 2023, with the rate of demand growth reducing following the recovery from the impact Covid-19 and increasing demand from emerging Asia being partially offset by falls in demand elsewhere.

Figure 48 - Historical and forecast LNG trade by volume



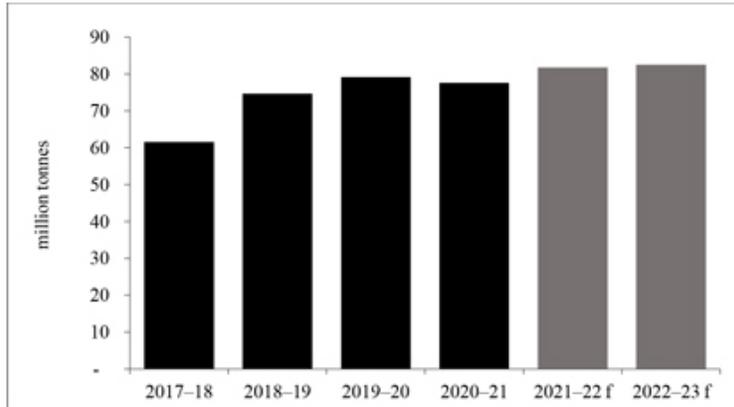
Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

Australia

Australia's LNG export volumes have been relatively stable over the past 2 years despite the Covid-19 pandemic, with fluctuations largely due to technical issues and routine maintenance. DISER estimates that in the September 2021 quarter, Australia's LNG exports were 14.4% up quarter-on-quarter and 16.2% up year-on-year, largely driven by the resolution of production disruptions at the Gorgon, Prelude and Ichthys LNG projects, which had led to a quarter-on-quarter fall in the prior period.

LNG exports are forecast at around 82 Mt in 2021-22, reflecting the resolution of technical issues at various facilities. In 2022-23, Australian exports are expected to remain around 82 Mt. However, further shutdowns at Prelude and Gorgon in the December quarter are seen as representing downside risk to current estimates.

Figure 49 - Historical and forecast Australian LNG export volumes



Source: DISER, Commonwealth of Australia Resources and Energy Quarterly December 2021

DISER notes that with around three-quarters of Australian LNG sold via long-term contracts that link the price of LNG to the price of oil, with a lag of around three to six months, depending on contractual arrangements, the low oil prices that prevailed throughout 2020 had a significant impact on export earnings in the first half of 2021, however, export earnings recovered strongly in the September 2021 quarter supported by both high LNG spot prices and also stronger oil prices.

The outlook for the next wave of investment in Australian LNG projects is considered to be uncertain, with most LNG projects in the investment pipeline being backfill projects, required to support the ongoing operation of existing LNG facilities. Woodside's Scarborough project is the only substantial expansion to Australia's LNG export capacity in the investment pipeline.

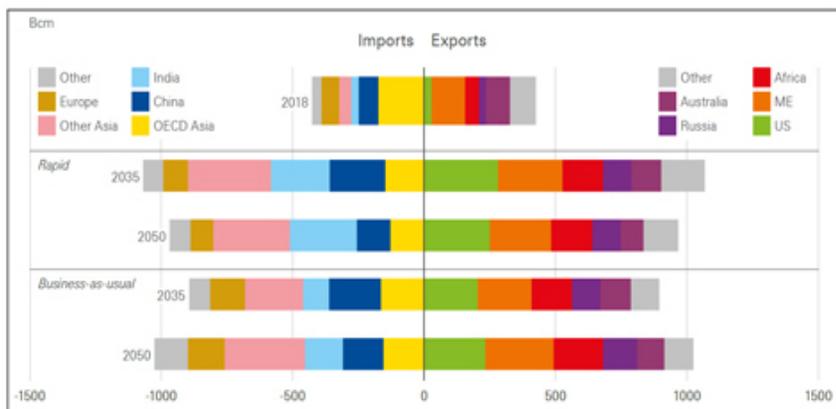
From an Australian LNG import perspective, there are five potential import terminal projects that have been proposed, all concentrated in south eastern Australia, however DISER considers that with construction already commenced on the A\$250 million import terminal located in Port Kembla (expected to be ready to receive imports from early 2023), it is likely that only one further import terminal will be constructed and commence importing LNG in the next few years.

Long-term outlook

BP

Figure 50 below illustrates that BP expects both LNG import and export volumes to expand significantly under both its BAU and Rapid scenarios.

Figure 50 - LNG imports and exports



Source: bp Energy Outlook 2020 edition

LNG trade volumes are expected to grow strongly over the next decade in BAU with developing Asia the major destination for these increasing exports and the US, Africa and the Middle East the main sources of incremental supply. Whilst still positive, growth in demand is expected to slow from the 2030s, reaching approximately 1,000 billion cubic metres (Bcm) per annum by 2050. This reduction in demand is forecast to be most pronounced in China, as overall demand declines and domestic production (including biomethane) increases.

Under BP's Rapid scenario, LNG trade is expected to grow at a faster rate than BAU over the early part of the forecast period, increasing from 425 Bcm per annum in 2018 to around 1,100 Bcm per annum by the mid-2030s, with growth driven by increasing gas demand in developing Asia (China, India and Other Asia) as gas is used to aid the switch away from coal, with LNG imports the main source of incremental supply.

LNG trade is then forecast to fall after the mid-2030s to around 970 Bcm per annum by 2050. This decline under Rapid is expected to result in some facilities needing to be operated at less than full capacity or shutdown prematurely.

IEA

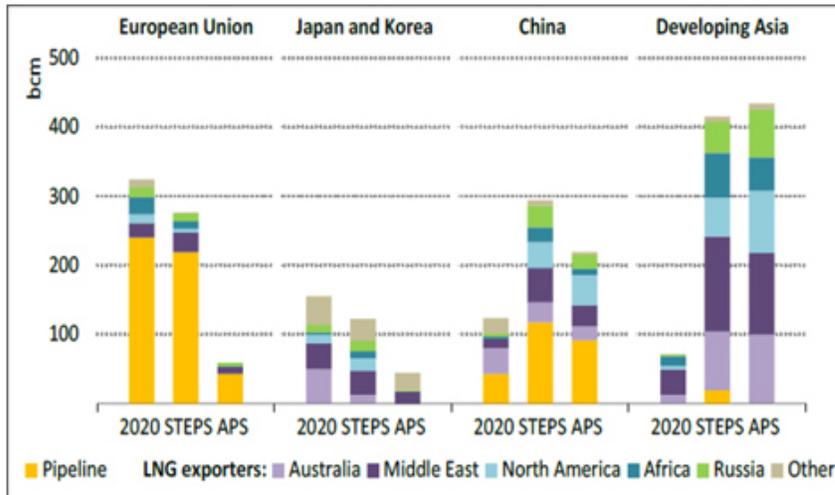
In IEA's STEPS, there is a 430 Bcm increase in natural gas demand to around 4,550 Bcm per annum over the period to 2030, along with a 150 Bcm ramp up in annual LNG export capacity, much of it in Qatar, the US, Russia and East Africa. Demand for natural gas continues to increase after 2030, albeit at a slower pace, with no peak in demand, reaching 5,100 Bcm per annum in 2050, around 30% higher than today. Natural gas demand in industry remains the key driver of growth, but its contribution to overall energy demand growth decreases as emerging market and developing economies transition to more service-oriented economies.

Global LNG trade increasingly takes market share from gas transported by long-distance pipelines, expanding from just over 50% of traded volumes today to 60% in 2050.

Under the APS, countries with net zero pledges experience reductions in domestic demand as the emissions performance of natural gas produced in and/or imported by these countries is subjected to scrutiny. Natural gas demand reaches its maximum level globally soon after 2025 and then declines to around 3,850 Bcm per annum by 2050, however, LNG continues to grow, capturing nearly 70% of traded volumes by 2050.

As illustrated in figure 51 below, reduced gas demand in Europe leads to an 80% drop in pipeline imports, while LNG supplies the majority of the significant increase in gas demand in developing markets in Asia.

Figure 51 - Natural gas imports and exports by source in 2020 and by scenario in 2050



Source: IEA Source: World Energy Outlook 2021

Under IEA' s NZE scenario:

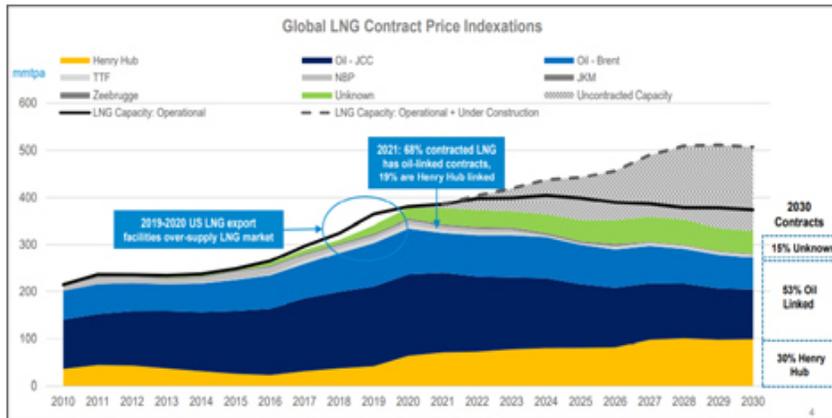
- natural gas use in power generation declines rapidly, accounting for around only 1% of electricity generation worldwide by 2050, compared with almost 25% today. Energy demand in buildings also transitions quickly away from natural gas. In 2050, more than 50% of global gas production is used to produce low-carbon hydrogen
- no new gas fields are developed beyond those that have already been approved for development and LNG trade peaks in the mid-2020s at 475 Bcm per annum before falling to 2020 levels of 390 Bcm by 2030, implying a reduced rate of utilisation of LNG export capacity globally from the mid-2020s compared with historical utilisation rates.

LNG prices

Whilst natural gas and oil share many characteristics and are often produced simultaneously, the way in which they are sold and priced is different. Oil is sold by volume or weight, typically on a barrels or tonnes basis, whereas natural gas is sold by unit of energy, the most common being British thermal unit (Btu).

For the majority of natural gas transported by pipeline, prices can be set by negotiation, regulation, or open-market mechanisms similar to those used in oil markets. In contrast, the majority of LNG shipborne cargoes are sold on a contractual basis at prices either indexed to the cost of feed gas, floating price in the destination market, or indexed to oil or other commodities. In its submission in relation to the ACCC 2021 review of LNG Netback Prices, Santos Limited (**Santos**) estimated that 68% of contracted LNG was traded based on oil-index linked prices, and that whilst the proportion of contracts linked to Henry Hub gas prices was likely to increase over the period to 2030, oil-index linked contracts were still expected to represent 53% of contacted LNG.

Figure 52 - Global LNG contract price indexations



Source: Santos submission to ACCC LNG netback review

Because natural gas is difficult to transport, natural gas prices tend to be set locally or regionally, with the basis on which natural gas is sold and priced varying dramatically between regional markets.

The majority of Australian LNG production is sold into the North Asian region, with the principal markets comprising Japan, South Korea, Taiwan and China. Other than China, the North Asia region generally has limited domestic energy resources and does not have the infrastructure to import gas by pipeline. As a result, almost all this region's gas needs are met by imported seaborne LNG.

Whilst China has significant domestic production and pipeline imports of natural gas, there is expected to be an increasing domestic supply deficit, resulting in a growing need for imported LNG, which is increasingly being priced on a similar basis to the pricing model set by Japan and followed by Korea and Taiwan.

This model generally involves medium to long term contracted LNG volumes being priced at a small discount to the energy equivalent of a barrel of Japan Customs Cleared Crude Oil Price (**JCC**), being the average price of customs-cleared crude oil imports into Japan published by the Petroleum Association of Japan, typically based on the following formula:

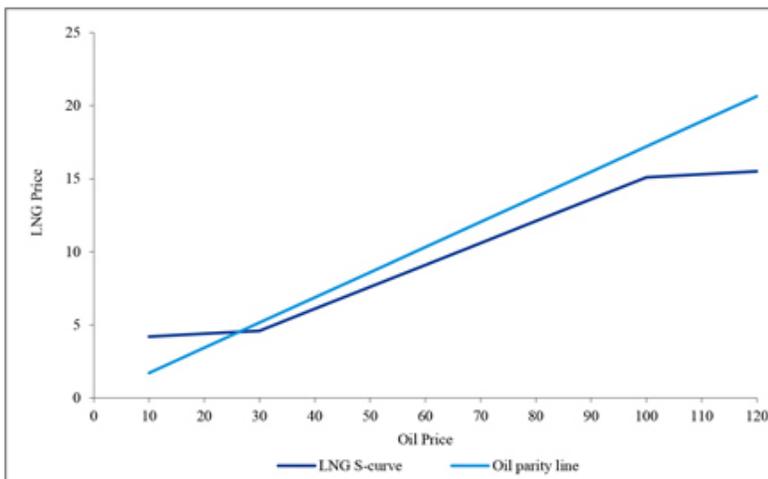
$$P_{\text{LNG}} = (A * P_{\text{Crude Oil}}) + B$$

Where:

- A: The ‘slope’ linking oil and gas prices. This reflects that 1.0 MMBtu has the energy equivalence of approximately 0.1724 boe. A slope of 17.2% indicates energy equivalent parity between oil and gas prices i.e. where the JCC price is US\$80/bbl the energy equivalent price of LNG is approximately US\$13.80/MMBtu. Slopes less than 17.2% imply that LNG is sold at a discount to oil, and slopes greater than 17.2% imply that LNG will sell at a premium price to oil.
- Typically, LNG will sell on a slope less than the energy equivalent, reflecting supply and demand dynamics and legacy incentives to Japanese power utilities to substitute liquids and solid fuel sources with LNG.
- PCrude Oil: Weighted average JCC over a defined period, a month or more.
- B: A constant added to reflect fixed costs, often related to shipping costs from LNG plant to importing port.

In addition, some contracts can include mechanisms to mitigate the impact of price shocks, resulting in flatter slopes at lower oil prices (to protect the seller) and higher oil prices (to protect the buyer) leading to an “s-curve” pricing curve as illustrated in the chart below.

Figure 53 - LNG S-curve price

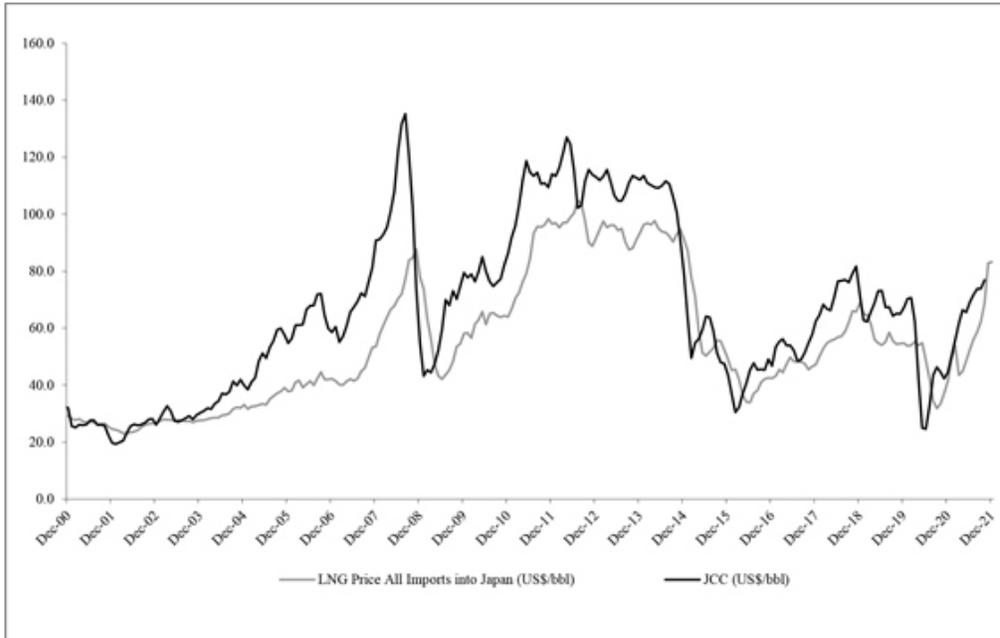


Source: KPMG Corporate Finance analysis

Set out in the chart below is a comparison of historical monthly JCC prices over the 21 years to December 2021 to rebased LNG prices for all imports into Japan (i.e. reflecting both contract and spot sales)¹⁴⁴ over the same period. This comparison indicates a strong correlation between JCC oil prices and LNG import prices into Asia, with LNG prices tending to trade at a slightly delayed discount to JCC prices.

¹⁴⁴ LNG prices have been grossed up based on an energy equivalent factor of 17.24%

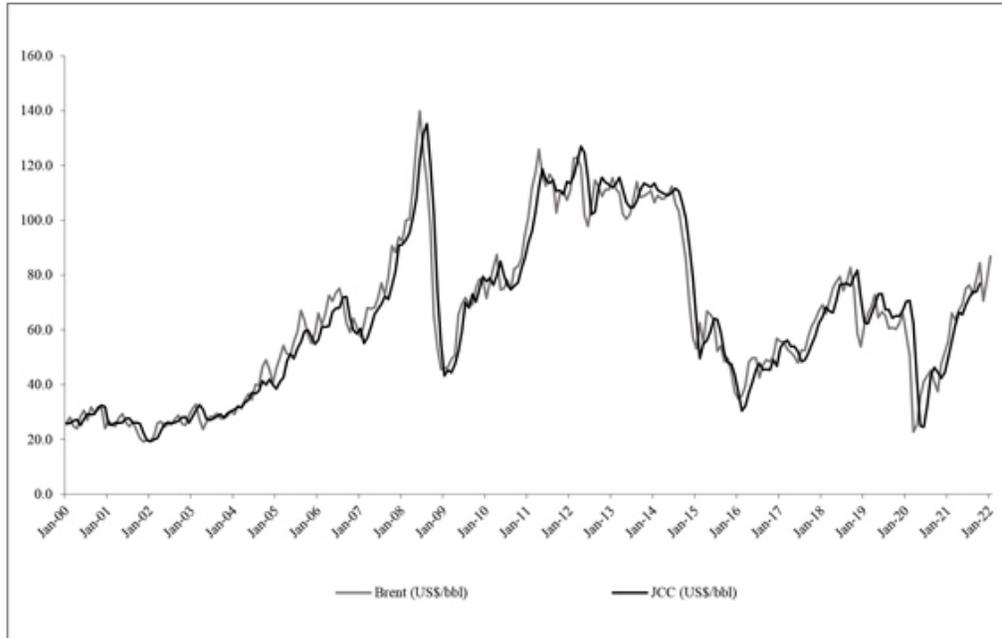
Figure 54 - Comparison of historical JCC price compared to the rebased LNG price for all imports into Japan



Source: Bloomberg

As shown in the chart below, the JCC is also strongly correlated to the Brent price and tends to trade around a centralised level of parity, albeit on a slightly delayed basis.

Figure 55 - Comparison of historical JCC price compared to historical ICE Brent prices



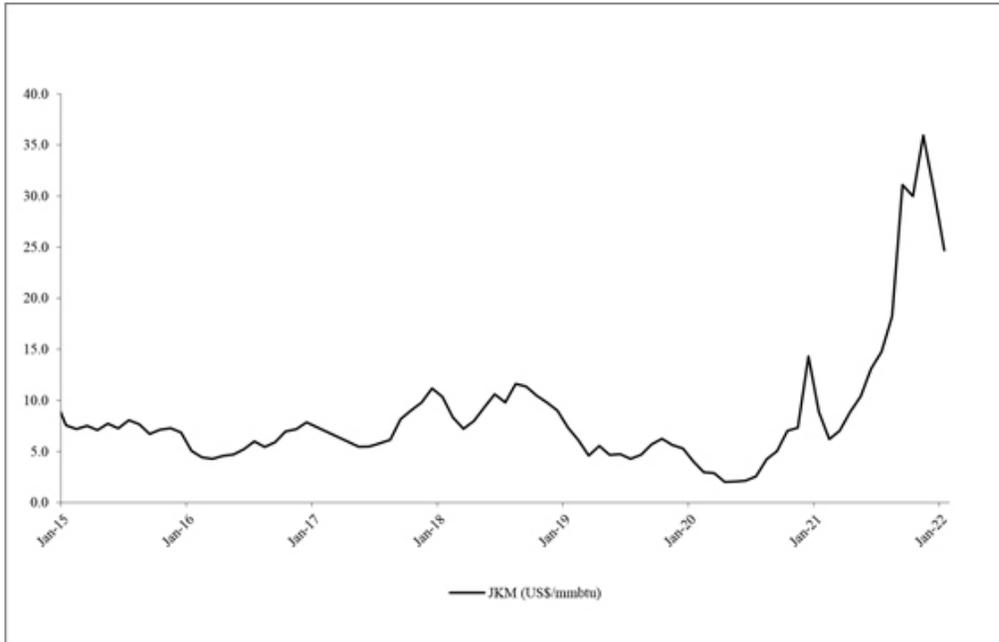
Source: Bloomberg

Taken together, the charts above suggest that typically the average LNG price for all imports into Japan will trade at a discount to the Brent oil price implied by the energy equivalent slope for LNG of 17.24%.

Whilst the significant majority of Australian LNG is sold via medium to long-term contracts, which typically link the price of LNG to the price of oil, an increasingly liquid market for spot LNG trading has emerged, with spot cargoes into the Northeast Asian region generally priced with reference to the Platts Japan-Korea Maker (**JKM**).

Set out in the chart below is the historical month end JKM spot price over the 7 years ended January 2022.

Figure 56 - Historical JKM spot benchmark prices



Source: Bloomberg

The impact of Covid-19 on economic activity exacerbated an already existing oversupplied trade position in early 2020, leading to deferments and cancellations of spot and long-term cargoes by end-users, in turn pressuring spot prices, with the JKM benchmark for cargoes delivered into Northeast Asia falling approximately 65% between the start of 2020 and the end of April 2020.

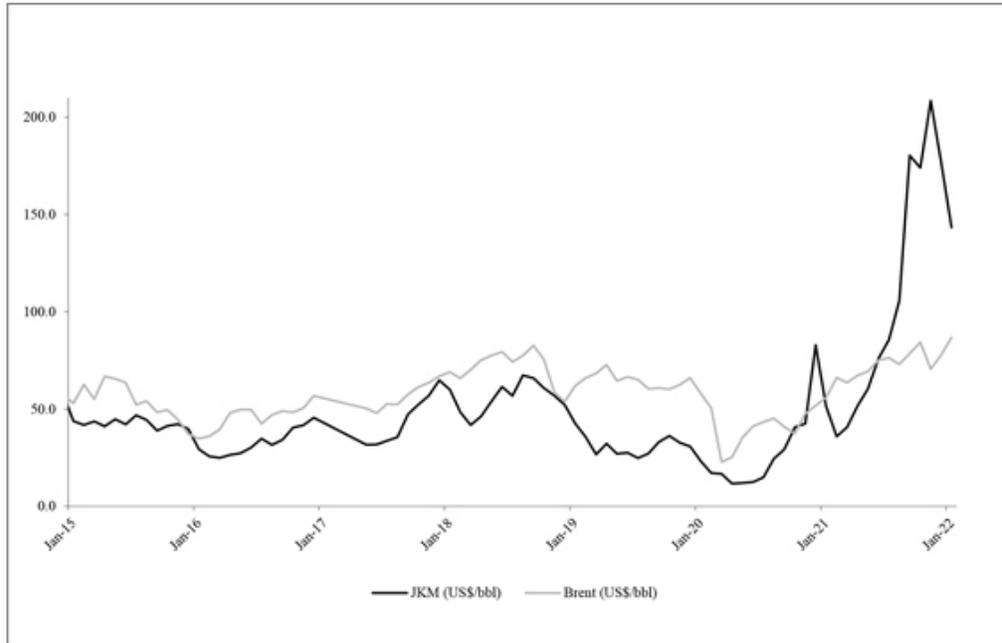
However, these cancellations, coupled with weather related and technical issues impacting production across various global facilities in the second half of 2020, including outages at US and Australian facilities, and an unusually cold winter period across the Northern Hemisphere, resulted in a strong demand-driven price rally in the second half of 2020 and into 2021, with the JKM benchmark reaching a then record level in mid-January 2021.

The end of the Asian cold snap and the arrival of Atlantic shipments into Asia in early 2021 resulted in benchmark JKM spot prices returning toward historical prices levels by March/April 2021, before once again steadily rising across the remainder of 2021, with both European and Asian buyers, particularly China, seeking supply in order to rebuild gas stocks against a background of increasing economic activity following Covid-19 lockdowns, unusual weather patterns in Europe and Asia across the year fuelling demand for power, lower than expected availability or renewable energy and expectations of lower than average temperatures over the forthcoming winter period in China and Korea.

Benchmark JKM spot prices closed 2021 at US\$30.5/mmbtu.

Set out in the chart below is comparison of the rebased historical month end JKM spot price¹⁴⁵ over the 7 years ended January 2022 compared to the historical Brent oil price over the same period. This analysis indicates that typically the JKM benchmark spot price will trade at a discount to the energy equivalent Brent price, however, the recent efforts by Europe and China to rebuild gas stocks ahead of the Northern Hemisphere winter period has resulted in a disconnection in this pricing relationship.

Figure 57 - Comparison of rebased JKM LNG to historical ICE Brent oil prices



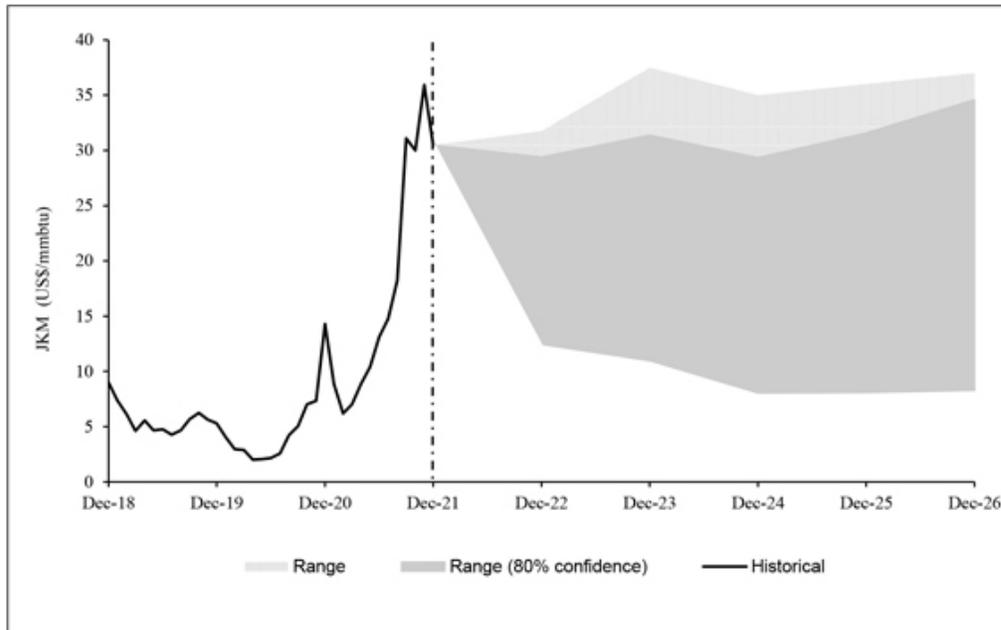
Source: Bloomberg

Outlook

Set out in the chart below is a summary of the historical monthly JKM price since December 2018 and forecast estimate JKM prices published by broking houses and economic commentators considered by us as at 27 January 2022.

¹⁴⁵ JKM spot prices have been grossed up based on an energy equivalent factor of 17.24%

Figure 58 - JKM LNG prices forecast by broking houses and market commentators



Source: Consensus Economics, Bloomberg, KPMG Corporate Finance analysis and various market analysts

The above analysis indicates a wide range of views in relation to future JKM spot prices over the medium term, but in general, the year-on-year the JKM spot price is expected to begin to moderate in 2022 from their current historically high levels.

Asian spot LNG prices are expected to remain high on a relative historical basis over the Northern Hemisphere 21/22 winter period before a general pull back toward the end of the winter season, with the extent and pace of this price retreat heavily influenced by European market dynamics and prevailing weather patterns across the Northern Hemisphere.

The high levels of global LNG FIDs that had been expected to be taken in 2020 but postponed into 2021 and beyond owing to prevailing low oil prices at that time and weaker demand that emerged from the pandemic, coupled with the typical long lead times between FID and first shipments for LNG projects could result in current relatively tight supply conditions until the middle of this decade. Subsequent to this there is also a risk of a supply surplus depending on the full extent of post Covid-19 demand recovery and the rapidity at which the energy sector shifts away from fossil fuels.

As noted previously, whilst long-term contract prices are still expected to be predominantly oil-index linked, there is also an expectation of an increasing use of other index mechanisms, including linking to North American hubs (particularly from US LNG exports) reflecting the scale of US gas reserves and ongoing development of its LNG export market.

It is not unusual for export contracts with US LNG projects to be entered into under tolling agreements, which commit customers to paying a fee for reserving liquefaction capacity, with additional liquefaction fees only charged for LNG volumes processed. The customer is also responsible for acquiring its own input gas in the US market (usually linked to Henry Hub benchmark prices) and also bearing the cost of transportation of the gas to the liquefaction plant and shipping the LNG to its destination. In contrast, most medium/long term contracts between Australian and North Asian countries are based on Delivered Ex Ship, where the Australian supplier assumes supply and cost risk until delivered to the customer's point of offloading.

US oil and gas production is expected to increase over the short to medium term as producers accelerate drilling activity in response to higher global prices, increasing gas availability. Increasing US exports of LNG based on Henry Hub pricing could substantially reduce the costs of LNG for Asian importers and diversify their energy mix, while providing flexibility for customers (via tolling agreements). Offsetting this, shipping costs from the east coast of the US to Asia will be higher than Australian shipping costs and the cost of new US liquefaction capacity could be greater in the future.

Beyond the mid-2030s, one commentator notes that in a long-term equilibrium market, differentials between basins will be set by transportation costs from the marginal supplier and that with flexible destination volumes, US LNG is expected to be the marginal supplier. Differentials between Northwest Europe and Northeast Asia are expected to be set by netback equivalent costs for US Gulf Coast suppliers.

Australian domestic gas markets

The Australian gas industry consists of three distinct regions in the east, west and north of the country, separated by the gas basins and pipelines that supply these three regions. The east coast gas market is currently not connected with the west coast market. It was reported in August 2018 that a study commissioned by the Federal Government in relation to a cross continental pipeline, concluded that this was unviable.

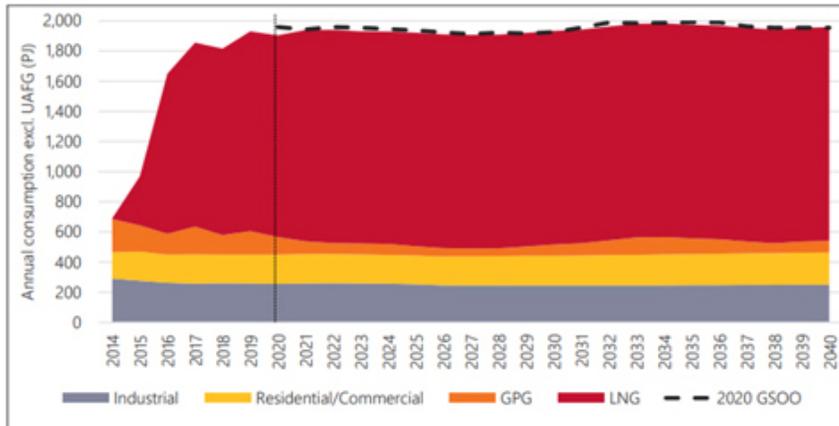
East coast gas market

Demand

Prior to 2014, east coast gas consumption was relatively evenly split between the industrial, residential/commercial and gas-powered electricity generation (**GPG**) sectors. However, the development and construction of three LNG projects in Queensland, starting in late 2010, triggered major structural change and market disruption, with east coast gas demand increasing rapidly as a result of demand from the LNG sector, as shown in figure 59 below, which is expected by Australian Energy Market Operator (**AEMO**)¹⁴⁶ to continue to drive consumption over the long term.

¹⁴⁶ AEMO was established by the Council of Australian Governments on 1 July 2009 to manage the National Electricity Market in the eastern and south-eastern states and Australian gas markets. AEMO became the market and independent power system operator for Western Australia from 2015. References to the views of AEMO in relation to the East Coast gas market are sourced from its "Gas Statement of Opportunities, March 2021, For eastern and south-eastern Australia" (**GSO**)

Figure 59 – Gas consumption actual and forecast, all sectors, Central scenario¹⁴⁷, 2014-40, in Petajoules (PJ)



Source: AEMO GSO

AEMO forecasts, as indicated in figure 59 above, a relatively flat trajectory for east coast gas consumption under its Central outlook, but considers that risk is to the downside in the event of softer economic conditions/a rapid take up of alternative energy sources, including hydrogen.

The only sector forecast to experience a significant consumption decline is the GPG sector, with wind and solar generation (both grid-scale and distributed photovoltaics systems such as residential rooftop systems) expected to continue to grow in capacity and output.

Investment in electricity transmission infrastructure is forecast to drive further reductions in volume in the medium term, although coal generation retirements may drive periodic increases in GPG to support the transition. In the long term, the growing share of renewables, complemented by storage and enabled by major network augmentations, is projected to keep GPG annual consumption low.

AEMO highlights that whilst its forecast industrial demand for natural gas under its Central scenario is relatively stable over the next 20 years, there is downside risk that it could potentially reduce significantly through closure if energy prices rise and as industrial users in the gas sector start to decarbonise.

Growth in residential and commercial gas consumption from new connections is forecast to be mostly offset by increases in energy efficiency in the next five years, but will continue to drive some increase in maximum daily demand in the longer term.

¹⁴⁷ AEMO has considered various scenarios, including a “Central” scenario, which uses AEMO’s best (central) view of future uncertainties, a “Slow Change” scenario, which explores reduced gas demand due to slowing economic activity and higher gas prices and a “Hydrogen” scenario, which explores potential gas infrastructure impacts of the development of electrolyser-produced hydrogen under stronger economic conditions, which could provide a potential substitute for gas use in certain applications, but noting that the nature of these impacts would depend on the timing, scale and location of hydrogen facilities, which are highly uncertain

Supply

Gas produced on the east coast of Australia traditionally supplied domestic residential, commercial and industrial users, however, the development of the three Queensland LNG plants opened up alternative international markets for gas producers. In 2021, domestic demand accounted for only approximately 27% of total east coast gas demand, with the balance of gas production exported as LNG¹⁴⁸.

In January 2021, LNG producers signed a new Heads of Agreement with the Australian Government, under which LNG producers committed to not offer uncontracted gas to the international market unless “equivalent volumes of gas have first been offered with reasonable notice on competitive market terms to the Australian domestic gas market”.

In its July 2021 interim report into gas supply in Australia, the ACCC describes the gas supply outlook for 2022 as being “very finely balanced”, noting that gas production and withdrawals from storage in the southern states are forecast to be less than demand by 6 PJ, with this projected shortfall further exacerbated in the event that current supply from current undeveloped reserves does not eventuate and/or GPG demand is higher than forecast.

In previous years, potential shortfalls in the southern states could largely be met by flows from Queensland (whether through swaps or transportation on key southern haul pipelines). However, Queensland producers are currently forecasting to supply only 3 PJ higher than AEMO’s forecast demand for Queensland. As a result, it is expected that LNG producers will be called on under the Heads of Agreement to offer uncontracted gas into the domestic market.

AEMO notes that whilst available annual production in the southern states is generally higher than it previously forecast in 2020, principally due to the conversion of nearly all previously “anticipated” projects to “committed” production¹⁴⁹, the commitment to develop Australia’s first LNG import terminal at Port Kembla, New South Wales, results in annual southern production being forecast to decline over the next five years.

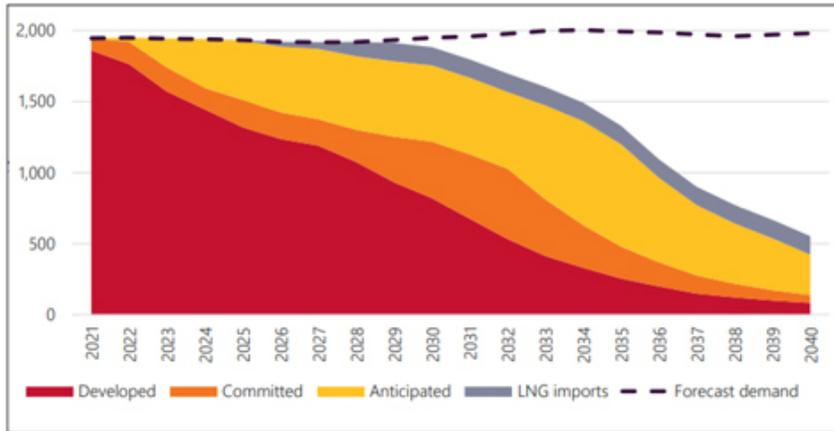
In the north, anticipated projects are forecast to be developed more slowly over the next five years than forecast previously, reflecting the less favourable investment conditions associated with Covid-19. AEMO notes however, that the recent recovery in oil and LNG prices may result in increased northern supply in future years.

As set out in figure 60 below, AEMO considers under its Central scenario that even if all existing, committed and anticipated projects are developed and all associated reserves and resources are commercially recoverable to meet demand, new supply options will be required across eastern and south-eastern Australia towards the end of the decade if domestic and LNG export demand is to be met to the end of the outlook period.

¹⁴⁸ ACCC LNG netback review - Final decision paper September 2021

¹⁴⁹ “Anticipated” is defined by AEMO to comprise projects where regulatory approval and FID is reasonably expected to be achieved. “Committed” comprises gas fields and production facilities that have obtained all necessary approvals, with implementation ready to commence or already underway

Figure 60 - Projected eastern and south-eastern Australia gas production (including export LNG), Central scenario, existing, committed and anticipated developments, 2021-40, in PJ



Source: AEMO GSO 2021

In AEMO's view, a suite of complementary investments in new gas fields, LNG import terminals, pipeline infrastructure and storage may be required to secure adequate gas supply over the long term.

East Coast Gas Prices

For domestic producers and consumers, the majority of gas is traded under bespoke confidential bilateral wholesale Gas Supply Agreements (GSA), with prices affected by the prevailing demand and supply conditions at the time of the agreement. Historically these GSAs were predominately long term in nature with single suppliers, however in recent times there has been a shift towards market participants entering into multiple GSAs with different participants, for shorter periods and often with review provisions, to manage their portfolios. In 2019, the ACCC noted that the majority of recent offers for gas supply had durations of just one to two years¹⁵⁰.

Benchmarking of GSA pricing is difficult due to the private nature of the contracts, however in 2018 the ACCC began publishing new data in relation to LNG netback prices¹⁵¹, which is intended to assist in addressing the information asymmetry for gas consumers when negotiating with gas producers and retailers.

Whilst most gas is traded under GSAs, around 10-20% of gas is traded in spot markets¹⁵², which provides a useful mechanism for participants to manage any imbalances that may emerge in their contract portfolios.

¹⁵⁰ ACCC, Gas inquiry 2017-2025, July 2021 interim report

¹⁵¹ An LNG netback price is a measure of an export parity price that a gas supplier can expect to receive for exporting its gas. It is calculated by taking the price that could be received for LNG and subtracting or 'netting back' the costs incurred by the supplier to convert the gas to LNG and ship it to the destination port

¹⁵² References to the Australian Energy Regulator (AER), refer to information contained in its publication State of the Energy Market 2021

Three separate spot markets operate on the east coast. These markets however follow different procedures and do not interact, leading the Australian Energy Market Commission (AEMC) to find in 2017 that this structure inhibits trading between regions and introduces transaction costs. The AEMC has recommended that over time the markets transition to a single market based on a gas supply hub model.

Contract Gas Prices

Prior to commencement of LNG exports from Queensland in 2015 domestic gas contract prices were historically stable and averaged around A\$3- A\$4/gigajoule (GJ), however after this date domestic gas pricing became linked to more volatile international oil and gas prices, driving prices higher in 2016 and 2017, with domestic prices of A\$22/GJ for a one or 2-year contract being quoted in early 2017.

Following the Australian Government's intervention in 2017 requiring LNG producers to offer uncommitted gas back to the domestic market, contract offers eased, aligning them more closely with Asian LNG netback prices, returning to a range of A\$8- A\$11/GJ by 2018. In late 2019 and 2020, lower Asian prices drove further falls in domestic spot prices, with prices offered by both producers and retailers in 2020 for 2021 supply mostly, in the range of A\$6- A\$8/GJ.

The ACCC noted¹⁵³ that notwithstanding the tightening supply-demand balance referred to previously, prices observed in offers for supply in 2022 remained relatively low up to February 2021 but with international oil and gas price expectations for 2022 rising, this could be changing.

In the period since the issue of the ACCC's interim report, international LNG prices have, as noted previously, surged, resulting in a significant increase in the implied LNG netback price. On 22 November 2021, the Australian Financial Review (AFR) reported¹⁵⁴ that Asian benchmark spot LNG prices implied a netback price of more than A\$30/GJ. Whilst as discussed previously, the recent increase in LNG prices has seemingly been driven by short term rather than systematic events as North Asian and European countries seek to rebuild gas reserves after unusually long and harsh winter periods, it is too early to see how these increases may have impacted domestic contracts for medium/long term gas supply.

Spot prices

The AER notes that price outcomes in the spot markets do not align with contract prices, although they often move in similar directions. Contract prices reflect expectations of future market conditions, but the spot markets reflect short term shifts in market conditions relating to factors such as the timing of LNG shipments and conditions in the electricity market.

As shown in figure 61 below, spot gas prices have exhibited a significant level of volatility in recent years, increasing in 2015 as Queensland LNG producers entered to market, largely trading in the range of A\$8 - A\$10/GJ until late 2019.

¹⁵³ ACCC, Gas Inquiry 2017 - 2025 - July 2021 interim report

¹⁵⁴ "Gas buyers fear fresh price surge amid Europe crunch", Angela Macdonald-Smith, Australian Financial Review 22 November 2021

In 2020, the surplus supply of LNG, coupled with the impact of Covid-19 on economic activity resulted in a significant fall in domestic gas prices, however, the tight market conditions for LNG in late 2020 and into 2021 resulted in an increase in gas prices.

Figure 61 - Historical east coast spot gas market prices

| | | AVERAGE SPOT PRICES | | | | |
|--------------|--|---------------------|-------|------|------|-------|
| | | 2017 | 2018 | 2019 | 2020 | 2021 |
| Price, \$/GJ | VIC | 8.39 | 9.12 | 8.84 | 5.11 | 8.24 |
| | ADL | 8.50 | 9.13 | 9.44 | 5.70 | 9.25 |
| | BRI | 8.09 | 8.81 | 8.02 | 4.89 | 9.12 |
| | SYD | 9.20 | 9.40 | 8.97 | 5.08 | 9.07 |
| | WAL | 8.52 | 8.96 | 7.84 | 4.83 | 10.64 |
| | Asian LNG Netback price at Wallumbilla | 7.65 | 10.88 | 6.83 | 4.29 | 16.56 |

Source: AER Wholesale Markets Quarterly Q4 2021 October - December

The AER noted¹⁵⁵ that the third quarter of 2021 saw the emergence of the largest, most sustained decoupling of domestic spot market prices and LNG spot netback price assessments since LNG exports commenced in 2015. The netback price¹⁵⁶ averaged A\$16.56/GJ over 2021 whilst domestic spot market prices averaged between a low of approximately A\$8.24/GJ in Victoria and a high of A\$10.64/GJ at Wallumbilla.

Domestic prices averaged between A\$10.00/GJ and A\$10.91/GJ in Q4 2021, which compared to Q3 2021 prices which ranged between A\$10.10/GJ and A\$13.42/GJ.

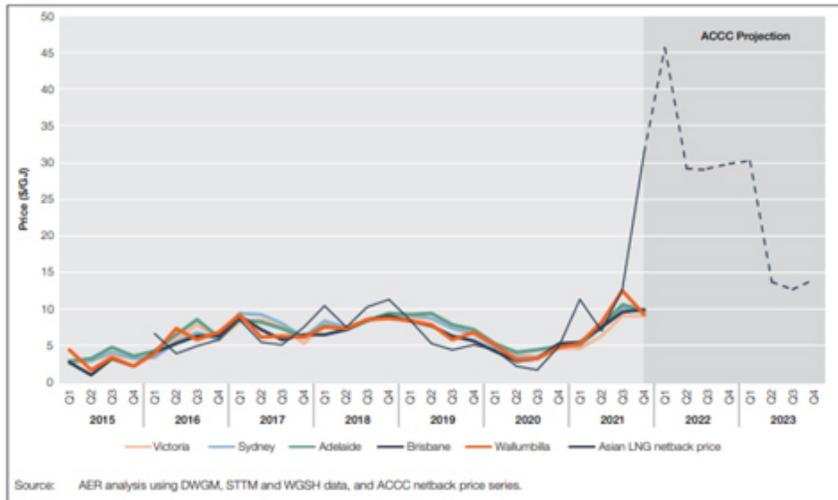
In contrast, as shown in the figure below, the Asian LNG netback price more than doubled - to A\$32.35/GJ - over the same period. The AER attributed this significant decoupling to a range of factors:

- Heavy buying of LNG for heating on expectations of a cold northern hemisphere winter
- Competitive bidding for LNG cargoes between Asian and European customers
- Shipping constraints affecting supply chains
- Outages at production facilities in Malaysia, USA and Australia (NT)
- European supply constraints affecting gas supplies from Russia.

¹⁵⁵ AER "Wholesale markets quarterly - Q3 2021 July - September, 17 November 2021

¹⁵⁶ calculated at Wallumbilla in Queensland

Figure 62 - East coast spot gas prices and Asian LNG spot netback price



Source: AER Wholesale Markets Quarterly Q4 2021 October - December.

Over the medium term, the ACCC is projecting a significant pullback in the netback price, however, this is still expected to be above current east coast spot prices. Future east coast prices will be influenced by a range of uncertain factors, including, inter alia:

- the level of future investment into the development of new gas reserves to supply the domestic market as existing gas reserves deplete
- impact of government policy, both Federal and State, in relation to the transition from fossil fuels to alternative energy sources and in relation to ensuring securing of supply and affordability for consumers
- the successful development of the proposed LNG import terminal at Port Kembla
- the ability to maintain separation between the implied netback price and domestic gas prices, the outcomes of which are unknown.

Western Australian gas market¹⁵⁷

As noted above, the west coast gas market is currently not connected with the east coast market. Significant development of the west coast gas market took place during the 1980s with the development of North West Shelf gas fields, supported by positive WA State Government policy and the signing of a large gas supply contract with the NWS Project foundation partners by the State Energy Commission of

¹⁵⁷ The principal information sources for the overview of the Western Australian (WA) domestic gas market include AEMO's: 2021 Western Australia Gas Statement of Opportunities, December 2021, Visual Overview Western Australia's gas market outlook, December 2021 and Appendices to 2021 Western Australia Gas Statement of Opportunities, December 2021

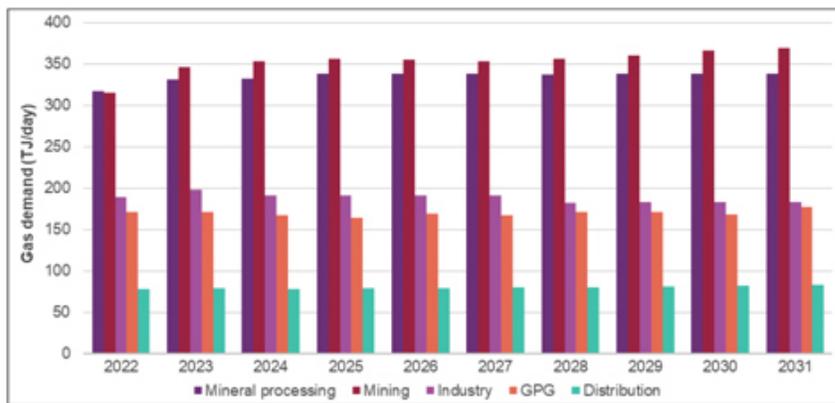
Western Australia (SECWA)¹⁵⁸ in 1980. In addition, the State Government, through SECWA, funded and undertook the construction of the Dampier to Bunbury Gas Pipeline (DBGP), connecting the gas fields in the State’s north with customers in the south-west. At the time, the construction of the DBNGP was the biggest infrastructure project WA had ever seen.

AEMO notes that today, the WA domestic gas market is characterised by a limited number of large suppliers and customers, with approximately 90% of gas produced in WA exported in the form of LNG. Of the 10% of gas produced in WA that is consumed domestically, the majority is consumed by the mining and mineral processing industries. Only 3% of gas produced is consumed in residential use.

Western Australian demand

In its Base scenario, AEMO forecasts WA domestic gas demand to increase from 1,071 TJ/day in 2022 to 1,150 TJ/day in 2031, representing an overall average year-on-year increase of 0.8%, driven largely by the mining sector and committed new resources projects, which are expected to add a combined gas demand of approximately 62 TJ/day by 2031. The breakdown of between the principal users of domestic gas supply over the next 10 years is set out in the figure below.

Figure 63 - AEMO base case demand for WA domestic gas by sector



Source: AEMO Source: 2021 Western Australia Gas Statement of Opportunities, December 2021

Mining sector gas consumption is projected to grow at an average annual rate of 1.7%, compared to average growth of 1.2% per annum (pa) in GPG use on the back of the retirement of two units at the coal-fired Muja Power Station by 2024 which is only partially replaced with renewable energy; average annual growth of 0.7% is forecast in the minerals processing sector as new lithium refinery projects increase consumption, with a similar level of average annual growth forecast from residential and small business connections via distribution networks.

¹⁵⁸ SECWA was a government owned managed WA energy provider. Established on 1 January 1975 following the amalgamation of the State Electricity Commission of Western Australia and the Fuel and Power Commission, SECWA was disaggregated on 1 January 1995 into separate gas and electricity utilities, Alinta Gas and Western Power Corporation.

Despite the contribution of new projects, gas demand in the industrial sector is forecast to decline at an average annual rate of 0.3% over the outlook period, primarily due to a decline in gas demand from existing projects.

Western Australian supply

WA has large gas reserve volumes that are generally located offshore and developed mainly to supply the global LNG market. However, WA also has a Domestic Gas Policy which requires LNG export project developers to make gas available to the WA domestic market. The policy seeks to reserve the equivalent of 15% of LNG exports for WA consumers. LNG exporters' domestic gas commitments complement supply from domestic-only projects using the WA gas pipeline network. Gas in the WA pipeline network is not for export.

WA's gas infrastructure includes two multi-user gas storage facilities with a combined capacity of 78 PJ¹⁵⁹, domestic gas transmission pipelines, spot and short-term trading mechanisms and LNG export production facilities. There are nine gas production facilities supplying the WA domestic market, with a total nameplate capacity of about 1,851 TJ/day, with AEMO noting that the KGP currently maintains the largest daily capacity.

The majority of large domestic customers are supplied directly through a transmission network¹⁶⁰ (such as the DBP and the Goldfields Gas Pipeline).

AEMO has forecast that potential total gas supply¹⁶¹ will decrease at an average annual rate of 1.4% over period 2022 to 2031. This decrease is driven by natural depletion and reserves downgrades at existing gas production facilities, partially offset by new three new project developments, including Scarborough, the offshore Spartan project and the onshore West Erregulla project.

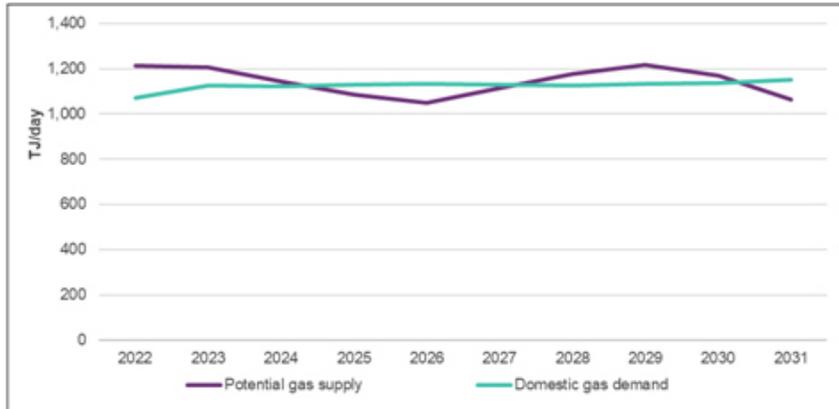
In general, as shown in figure 64 below, AEMO expects the WA domestic market will be adequately supplied until 2024.

¹⁵⁹ Estimated to have a capacity utilisation rate of 68% in October 2021

¹⁶⁰ High-pressure pipelines used to transport large volumes of gas from the production facilities to customers. Large customers can connect directly to the transmission network, while smaller customers are supplied through the distribution network connected to the transmission network.

¹⁶¹ Instead of forecasting how much gas is expected to be supplied over the outlook period, AEMO's forecasts of potential gas supply reflect how much gas could be produced if there was market demand for it at forecast prices.

Figure 64 - AEMO base case WA gas market balance



Source: AEMO 2021 Western Australia Gas Statement of Opportunities, December 2021

Between 2025 and 2027, domestic demand for gas could exceed supply by 51 PJ in total over those three years, however AEMO considers there are different options that could fill the supply shortfall, including:

- gas being withdrawn from storage
- additional supply from existing facilities with spare production capacity, such as the KGP
- development of backfill and new gas field opportunities that are not currently included in AEMO's potential gas supply forecasts.

From 2027, the incremental gas from the Scarborough project coming on stream is expected to be sufficient to again ensure supply meets demand, although another gap may develop in 2031.

Gas prices

Trade is largely conducted through bilateral, commercial and long-term take-or-pay gas sales contracts, with only small volumes of short-term and spot gas sales, resulting in an opaque market, with limited information about supply available to be contracted, potential buyers, and gas contract pricing.

Short-term gas may be acquired through two independent and non-aligned mechanisms:

- gasTrading Australia Pty Ltd operates a spot market where sellers advise the operator of any surplus gas for the coming month, which is then advised to the market and subsequently allocated depending on the ranking of the purchasers' offers and availability. The exact volumes available are confirmed by the seller one day ahead
- Energy Access Services Pty Ltd operates a real-time energy trading platform where members enter gas trade agreements with a focus on supply durations of up to 90 days. Trades can encompass firm and interruptible gas arrangements, as well as imbalances.

AEMO estimates that approximately 1-2% of total gas consumption in WA is traded on a short-term basis.

The table below indicates that WA domestic gas prices have, on average, trended upwards over the past three years and have recently stabilised at an average price in the order of A\$5.25/GJ to A\$5.50/GJ.

Figure 65 - Historical WA domestic gas prices

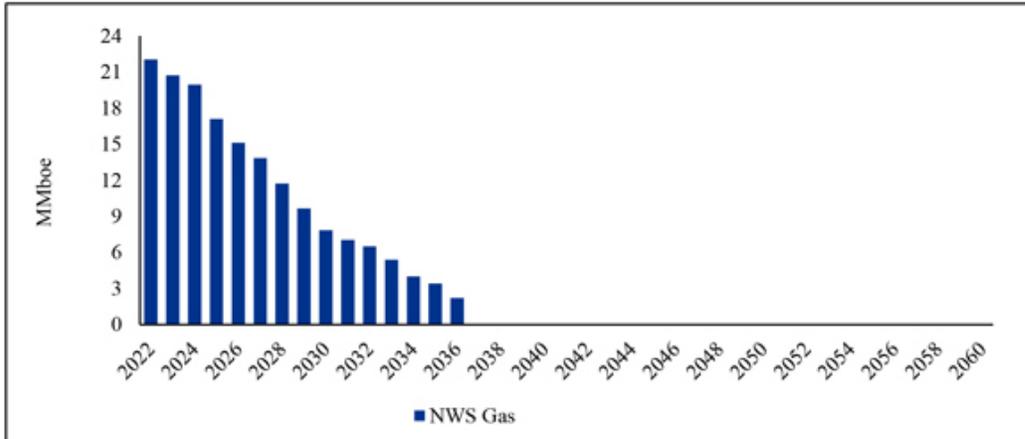
| | FEB 2022 | JAN 2022 | DEC 2021 | NOV 2021 | OCT 2021 | SEPT 2021 |
|----------------------------|-----------|----------|----------|----------|----------|-----------|
| Maximum Price | \$5.67 | \$5.50 | \$5.35 | \$5.35 | \$5.29 | \$5.42 |
| Average Price | \$5.50 | \$5.50 | \$5.17 | \$5.23 | \$5.27 | \$5.25 |
| Minimum Price | \$5.50 | \$5.50 | \$5.10 | \$5.20 | \$5.27 | \$5.27 |
| Averages of prices: | | | | | | |
| | INCEPTION | 3 YEARS | 2 YEARS | 1 YEAR | 9 MONTHS | 6 MONTHS |
| Maximum Price | \$6.30 | \$3.72 | \$4.12 | \$5.18 | \$5.31 | \$5.43 |
| Average Price | \$4.37 | \$3.61 | \$4.01 | \$5.05 | \$5.21 | \$5.32 |
| Minimum Price | \$3.59 | \$3.54 | \$3.98 | \$5.03 | \$5.20 | \$5.31 |

Source: gasTrading Australia Pty Ltd

Appendix 4 - Production, operating and capital cost profiles

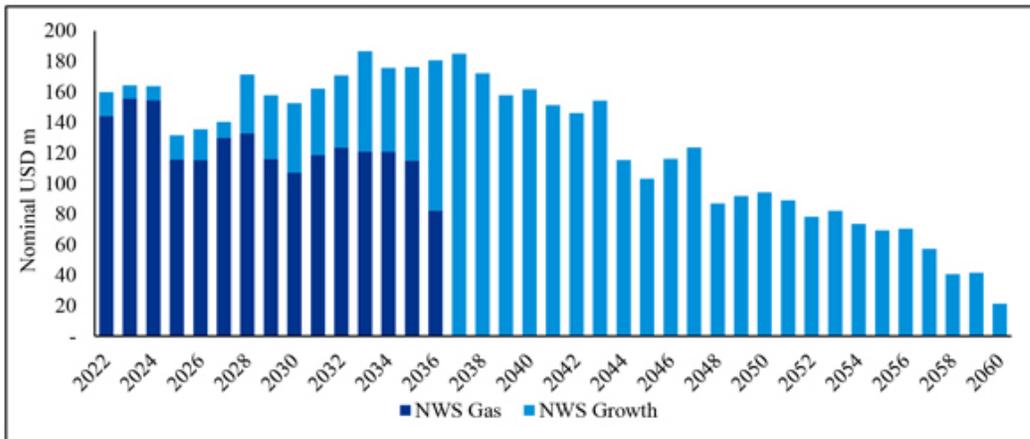
NWS Project (Woodside interest)

Figure 66 - NWS Project forecast production profile



Source: GaffneyCline, KPMG Corporate Finance analysis

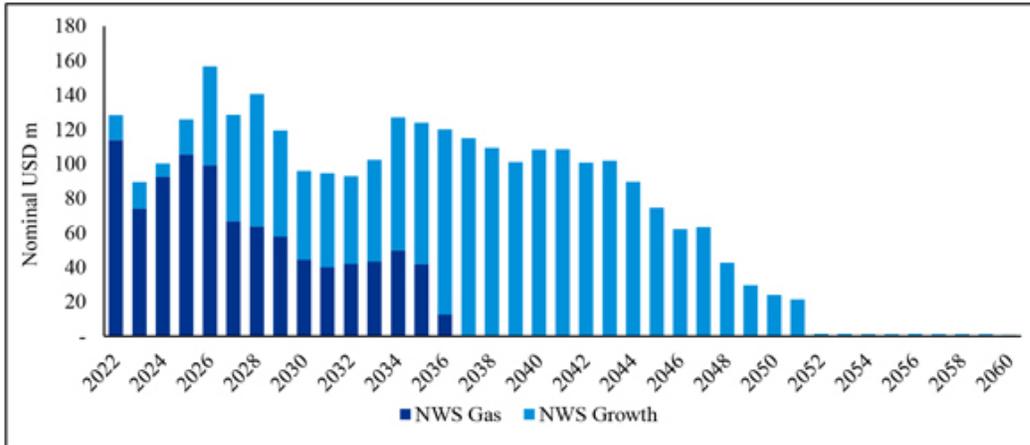
Figure 67 - NWS Project forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

Note 1: NWS Growth operating costs relate to Browse tariff arrangements

Figure 68 - NWS Project forecast capital expenditure

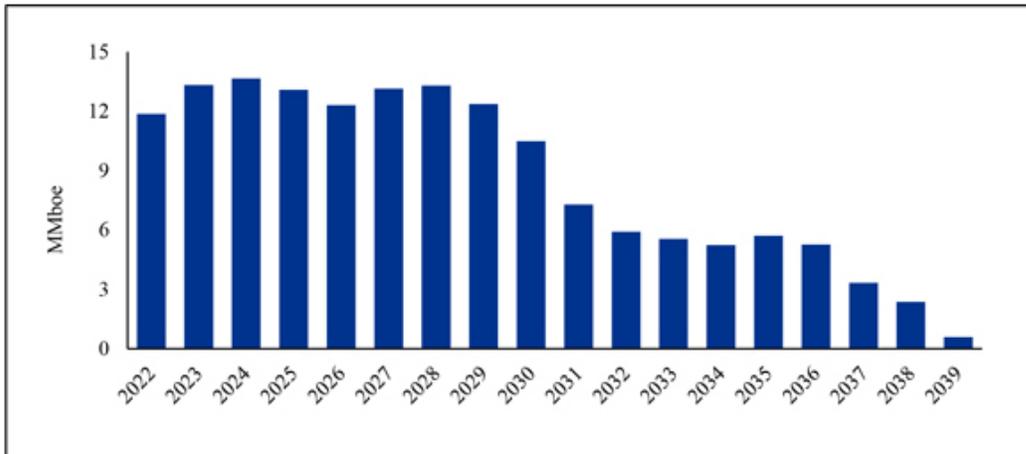


Source: GaffneyCline, KPMG Corporate Finance analysis

Note 1: NWS Growth capital expenditure relates to Browse tariff arrangements

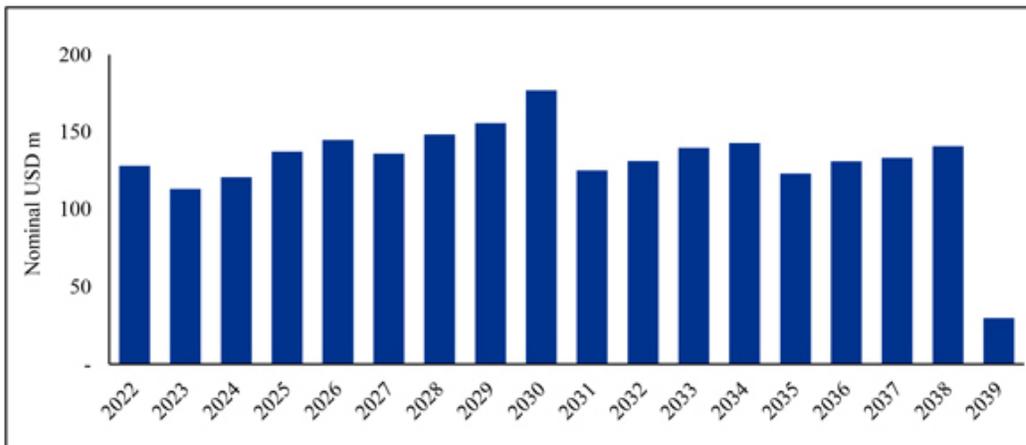
Wheatstone LNG (Woodside interest)

Figure 69 - Wheatstone LNG forecast production profile



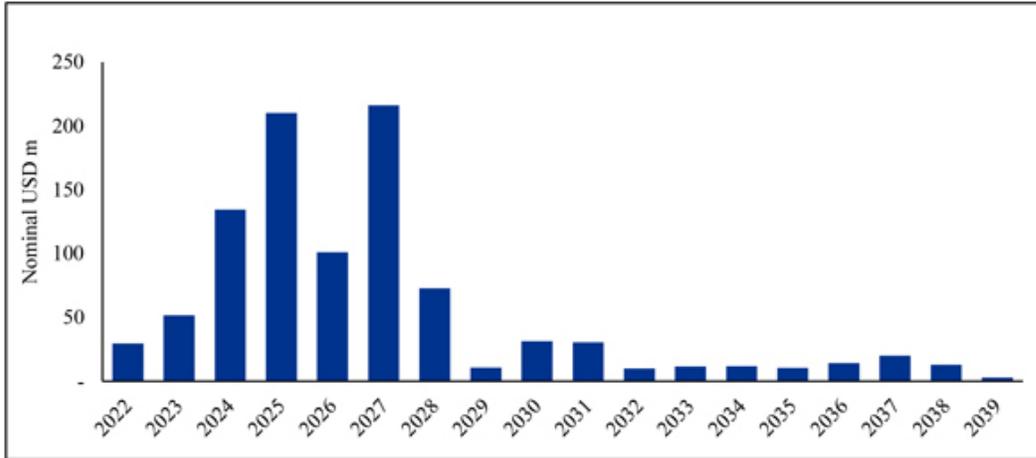
Source: GaffneyCline, KPMG Corporate Finance analysis
 Note 1: Wheatstone LNG production relates to the Julimar-Brunello Project

Figure 70 - Wheatstone LNG forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

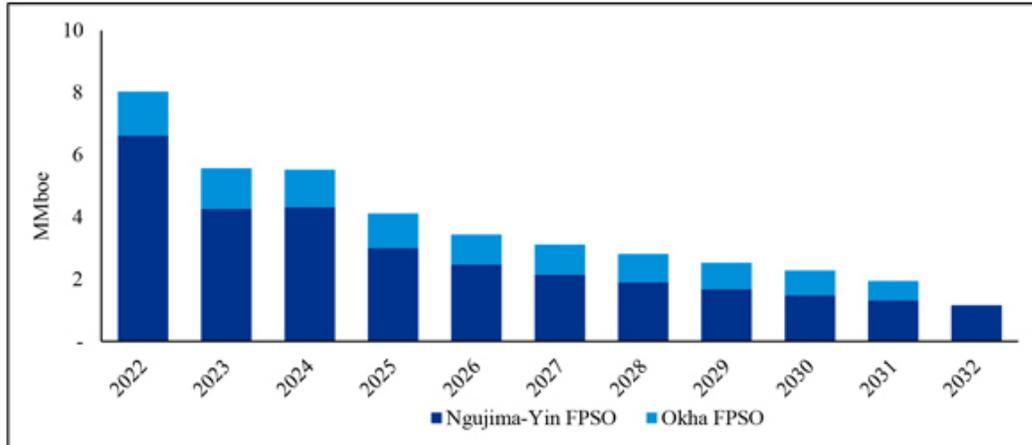
Figure 71 - Wheatstone LNG forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

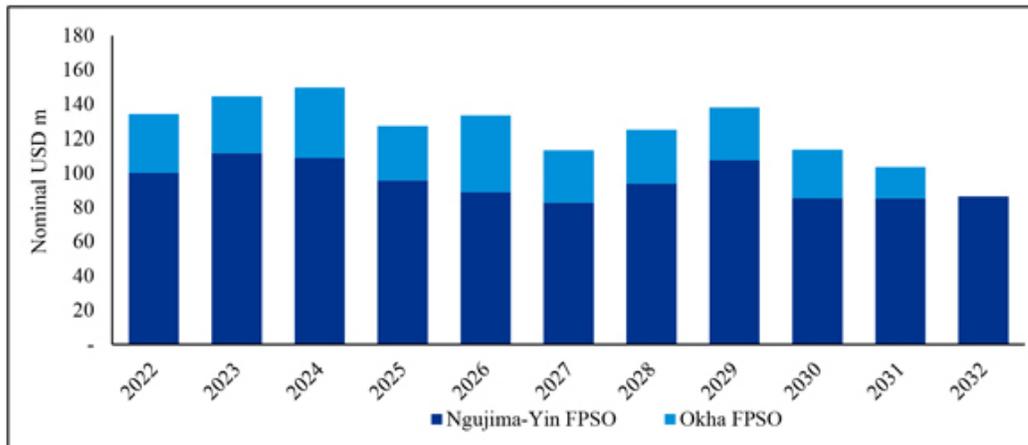
Australia Oil (incl. Okha FPSO) (Woodside interest)

Figure 72 - Australia Oil (incl. Okha FPSO) forecast production profile



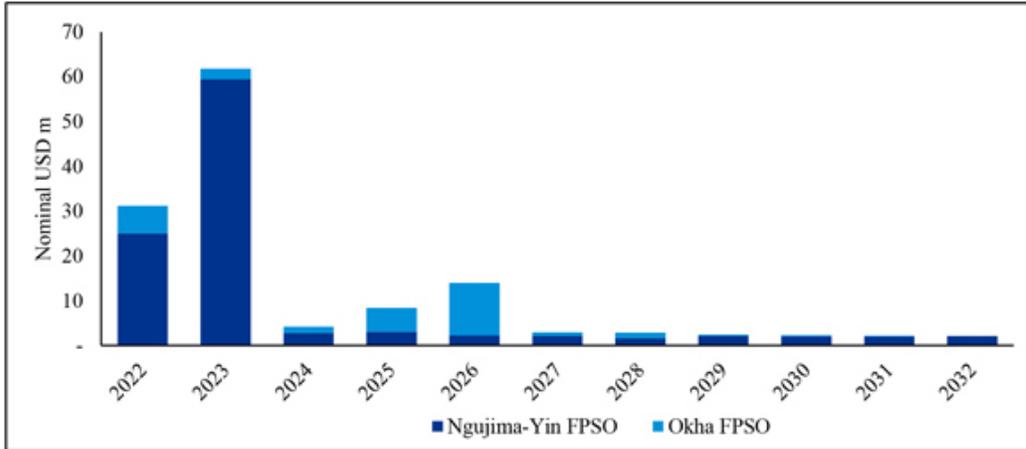
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 73 - Australia Oil (incl. Okha FPSO) forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

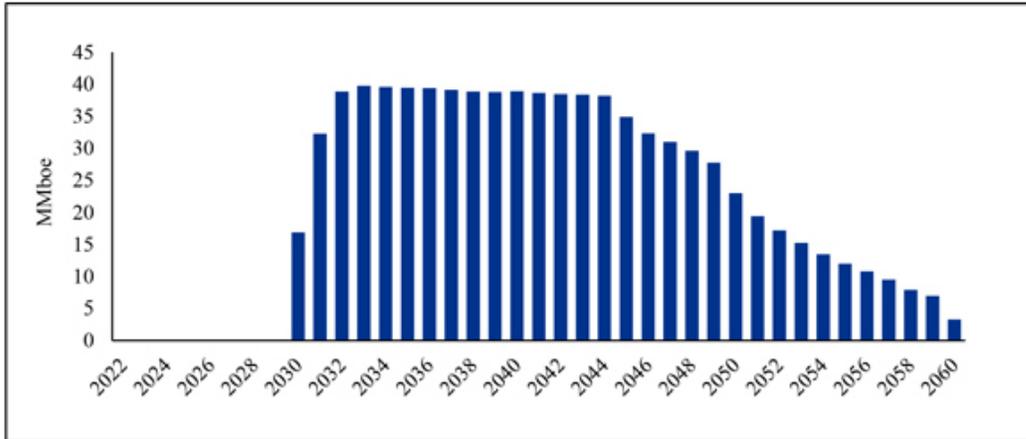
Figure 74 - Australia Oil (incl. Okha FPSO) forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

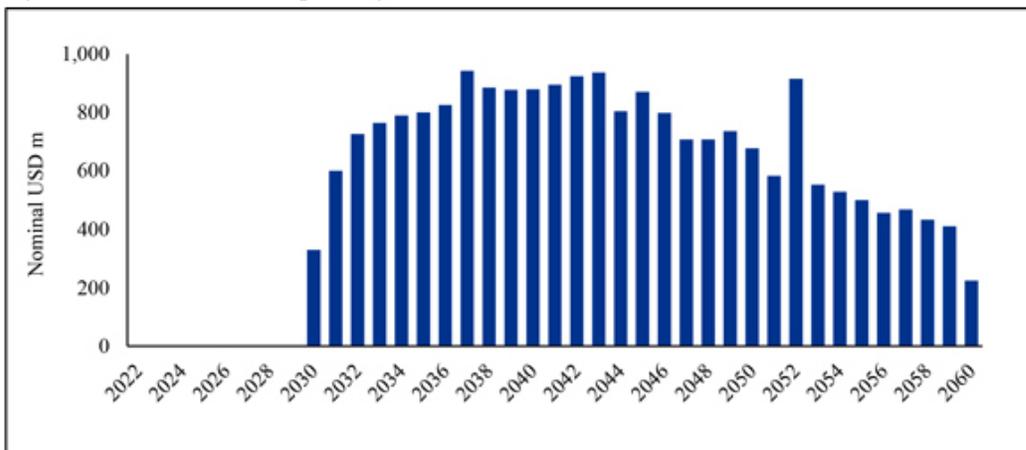
Browse (Woodside interest)

Figure 75 - Browse forecast production profile



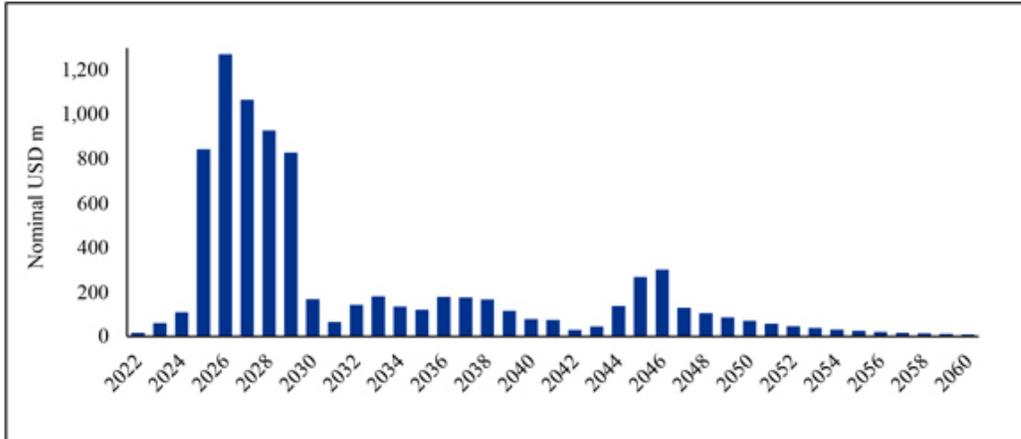
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 76 - Browse forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

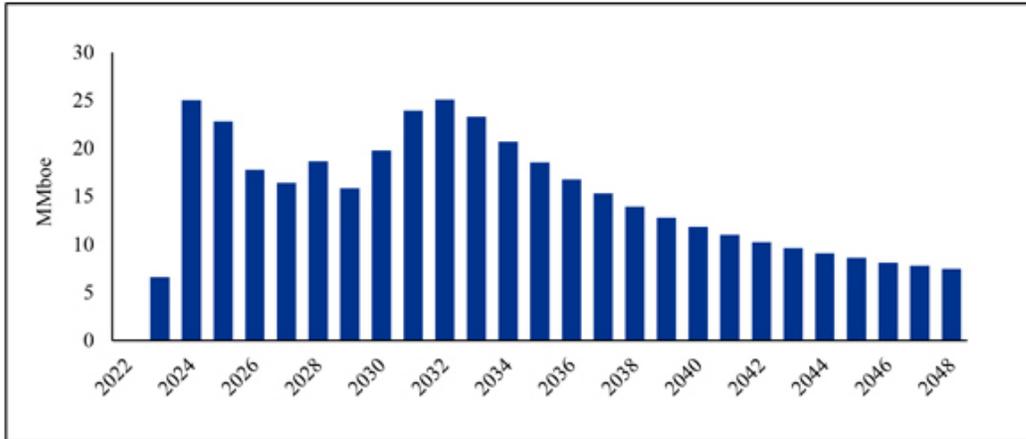
Figure 77 - Browse forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

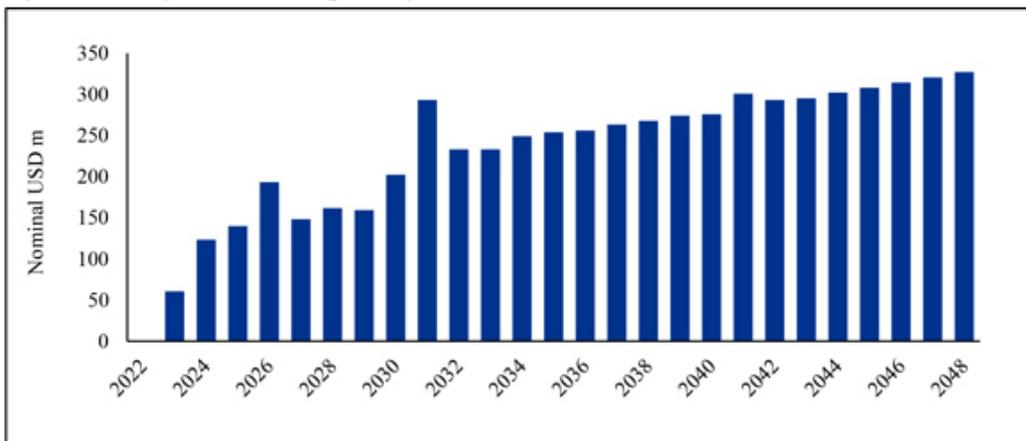
Sangomar (Woodside interest)

Figure 78 - Sangomar forecast production profile



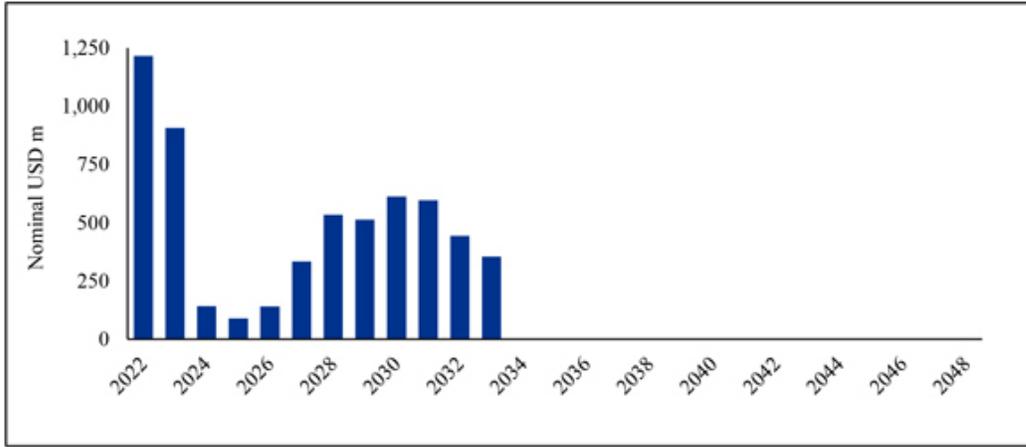
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 79 - Sangomar forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

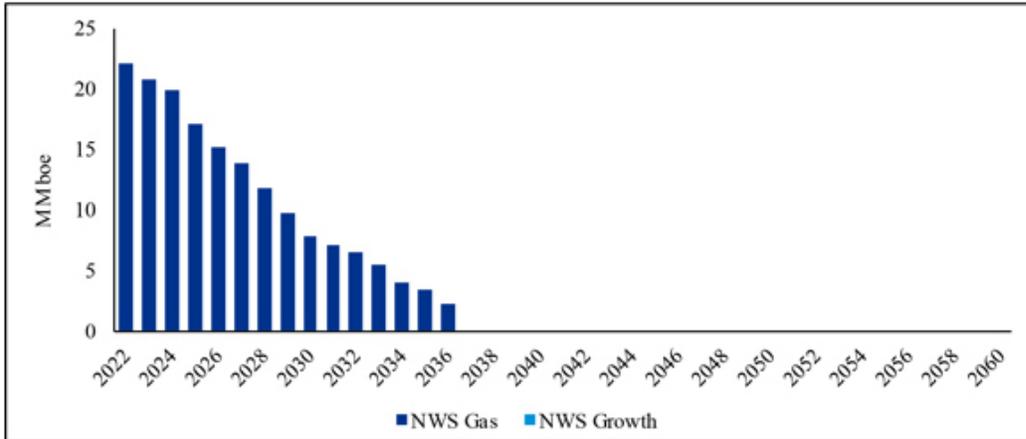
Figure 80 - Sangomar forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

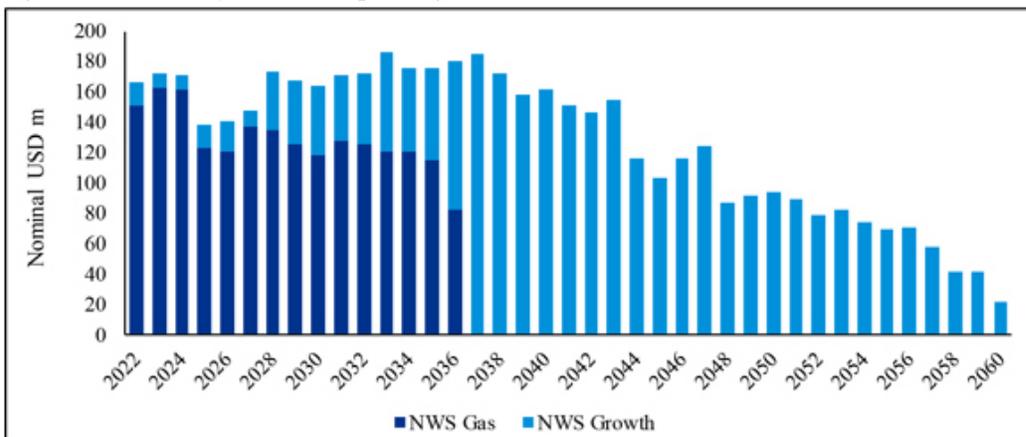
NWS Project (BHP Petroleum interest)

Figure 81 - NWS Project forecast production profile



Source: GaffneyCline, KPMG Corporate Finance analysis

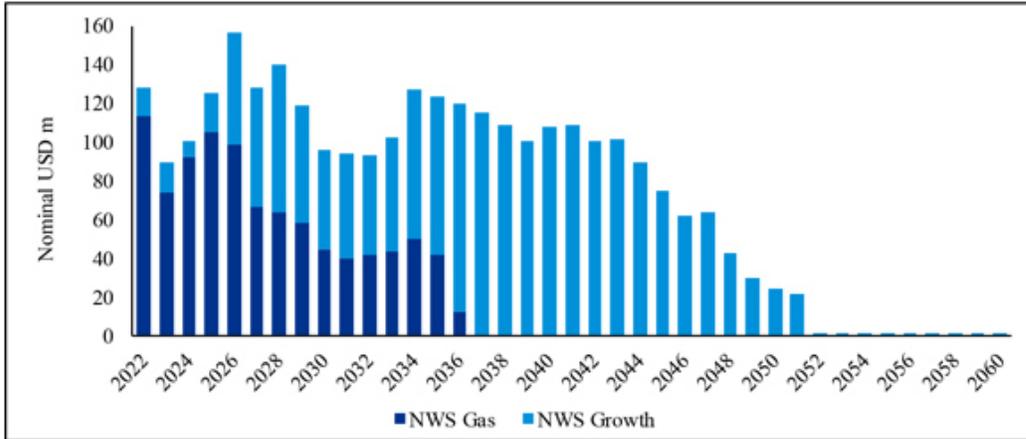
Figure 82 - NWS Project forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

Note 1: NWS Growth operating costs relate to Browse tariff arrangements

Figure 83- NWS Project forecast capital expenditure

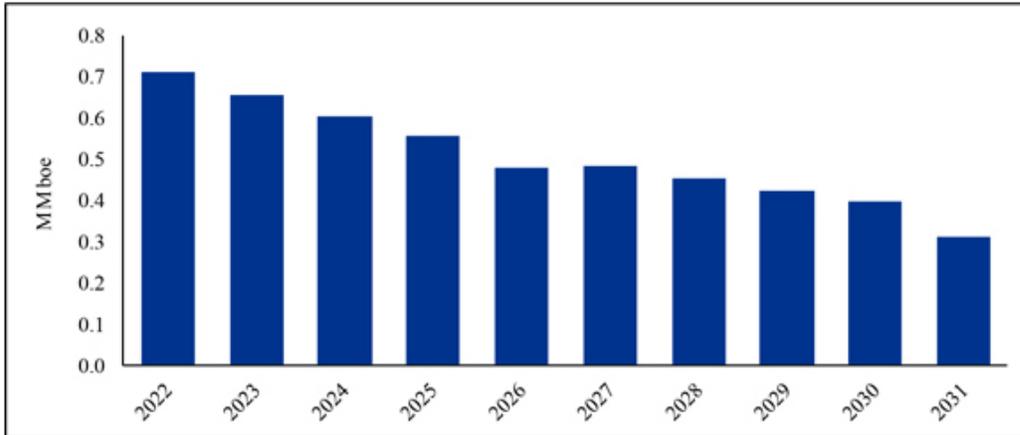


Source: GaffneyCline, KPMG Corporate Finance analysis

Note 1: NWS Growth capital expenditure relates to Browse tariff arrangements

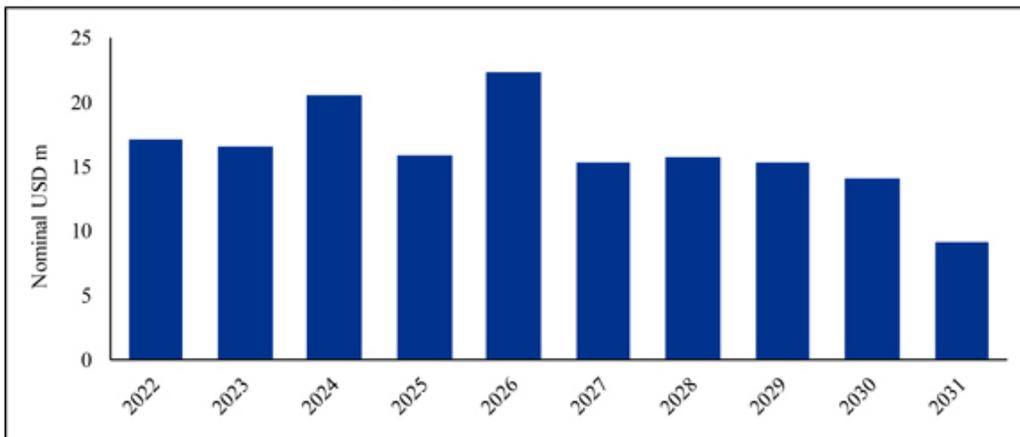
NWS Oil (BHP Petroleum interest)

Figure 84 - NWS Oil forecast production profile



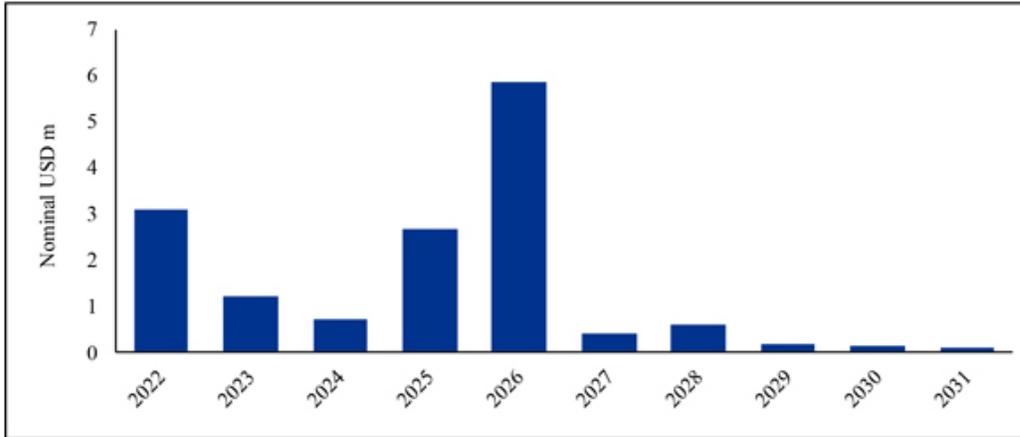
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 85 - NWS Oil forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

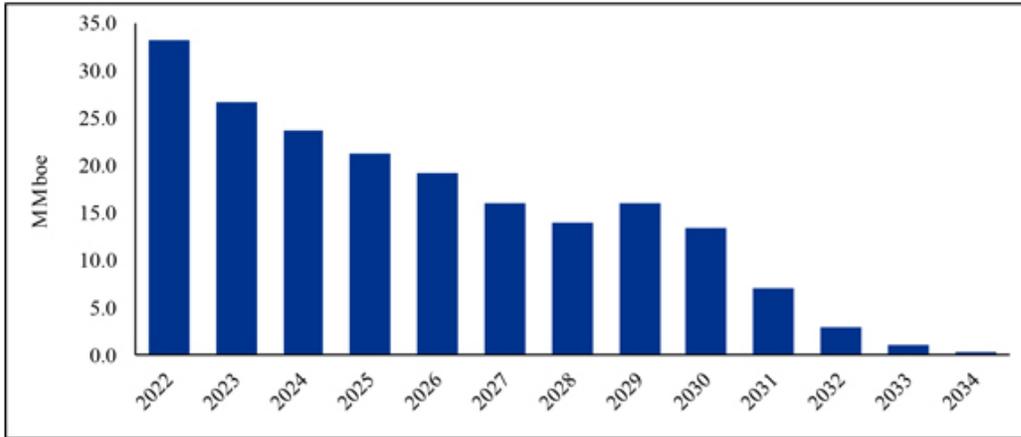
Figure 86 - NWS Oil forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

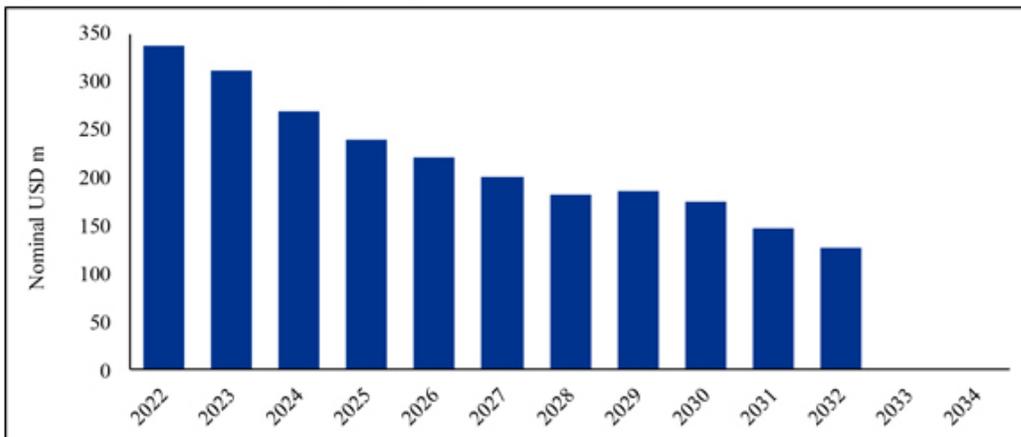
Bass Strait (BHP Petroleum interest)

Figure 87 - Bass Strait forecast production profile



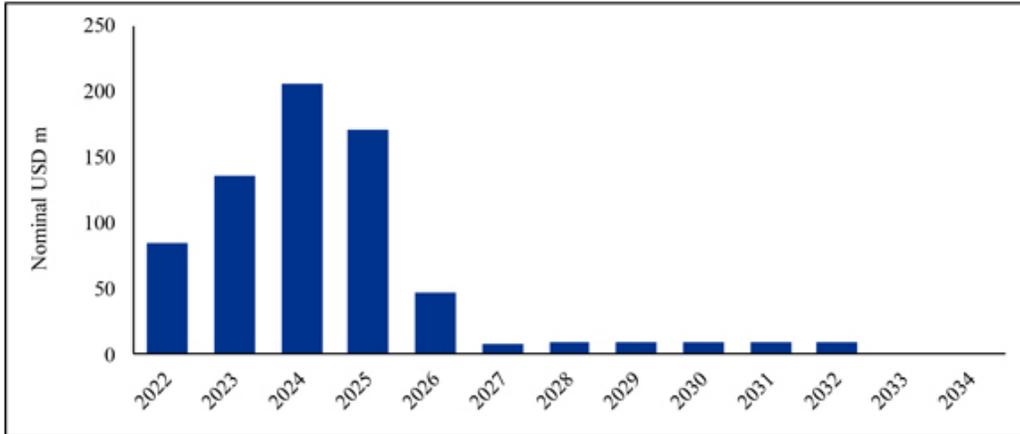
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 88 - Bass Strait forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

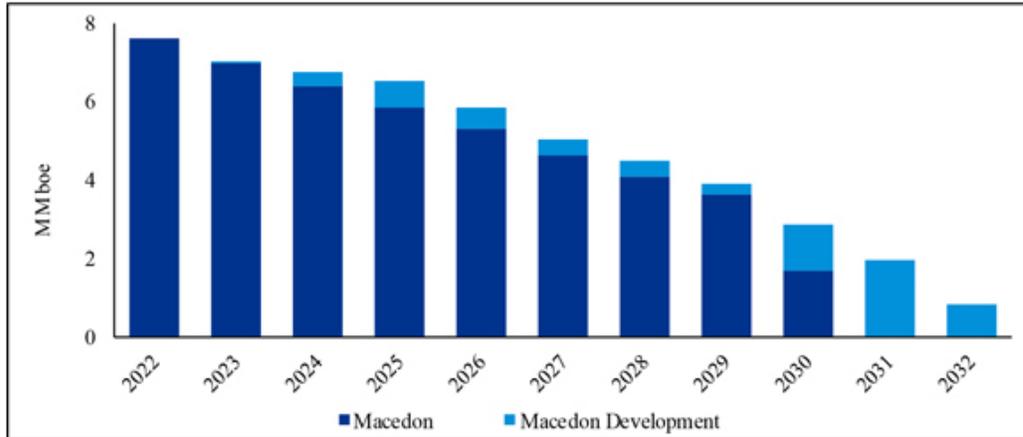
Figure 89 - Bass Strait forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

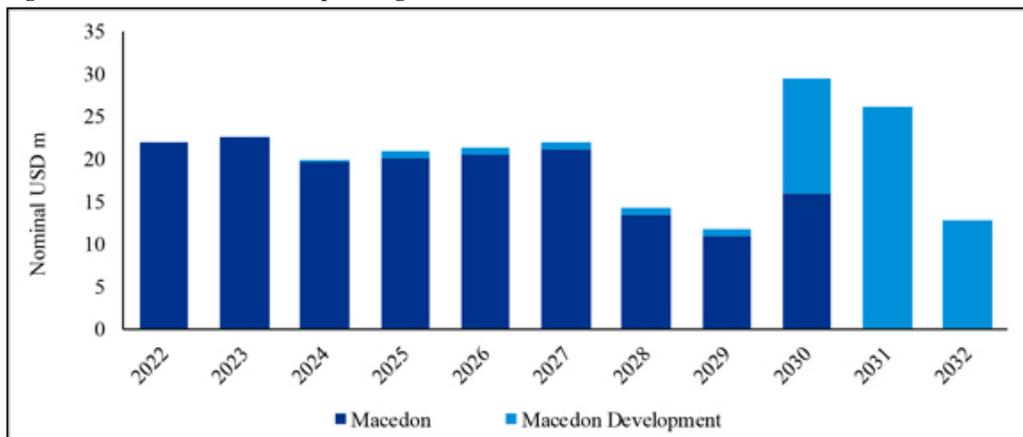
Macedon (BHP Petroleum interest)

Figure 90 - Macedon forecast production profile



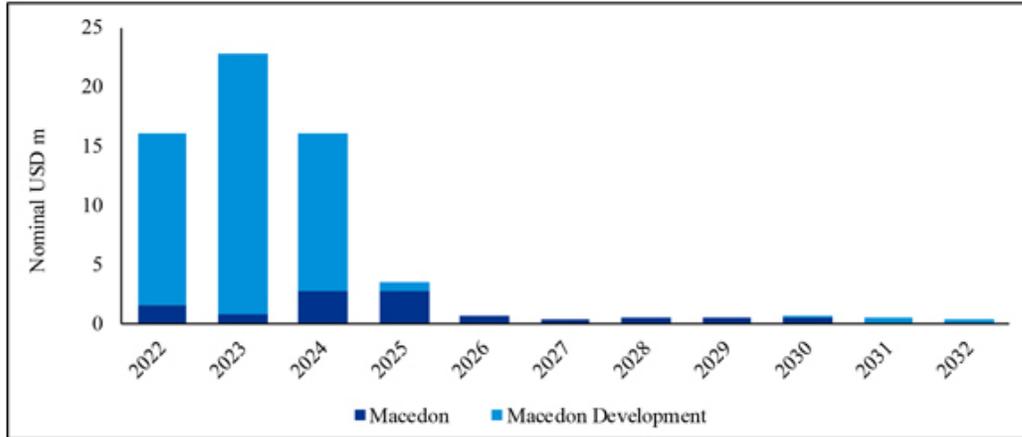
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 91 - Macedon forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

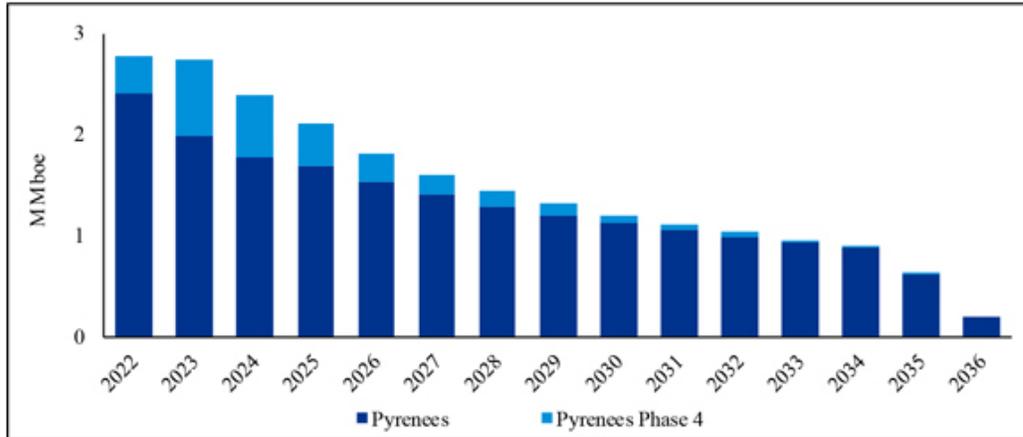
Figure 92 - Macedon forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

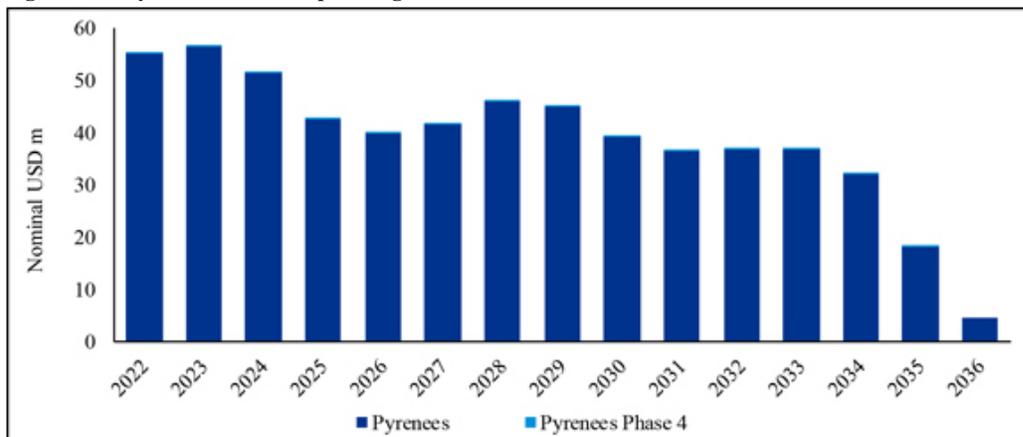
Pyrenees (BHP Petroleum interest)

Figure 93 - Pyrenees forecast production profile



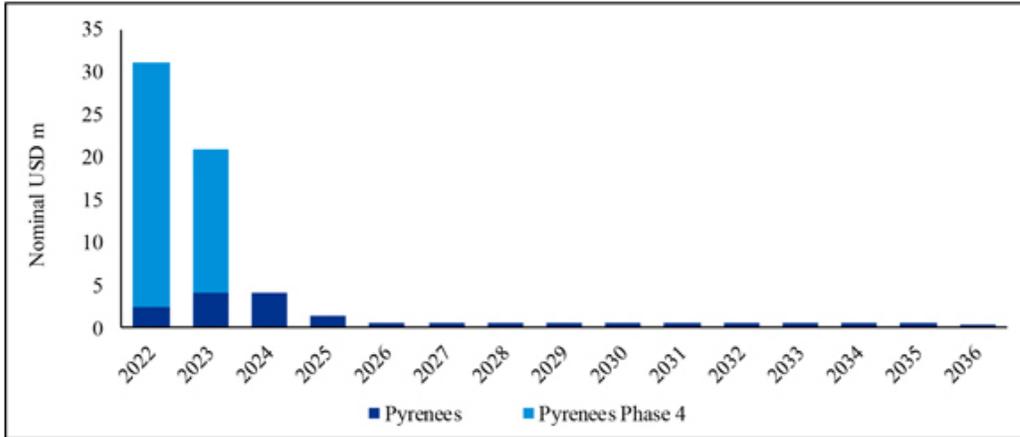
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 94 - Pyrenees forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

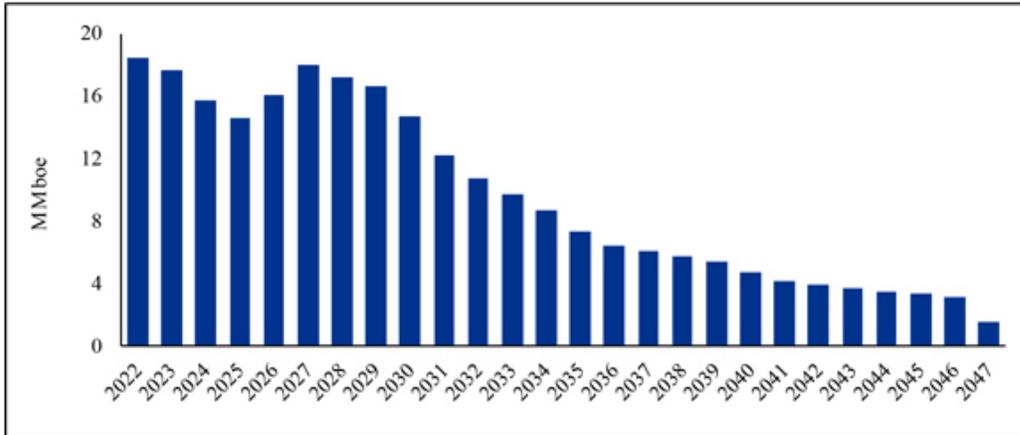
Figure 95 - Pyrenees forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

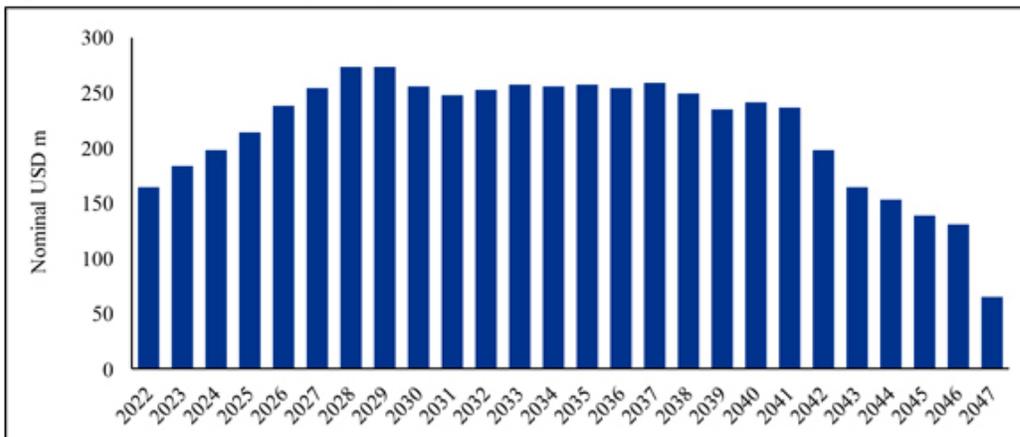
Atlantis (BHP Petroleum interest)

Figure 96 - Atlantis forecast production profile



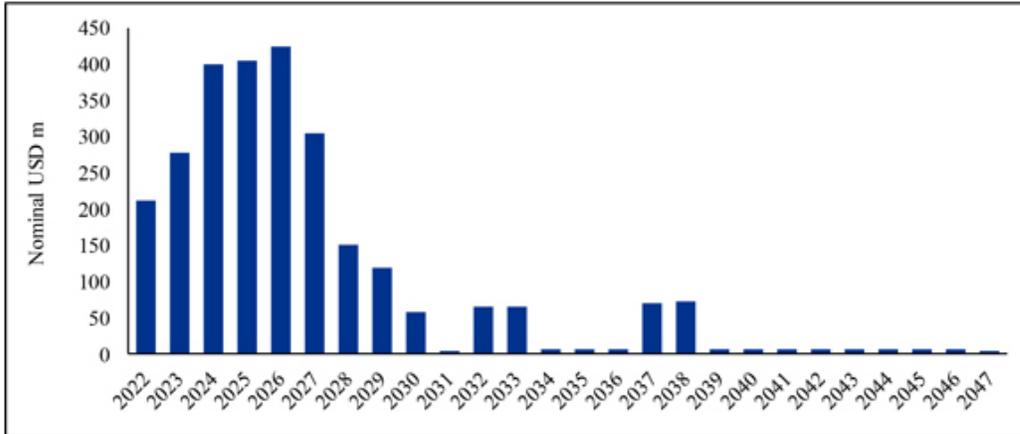
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 97 - Atlantis forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

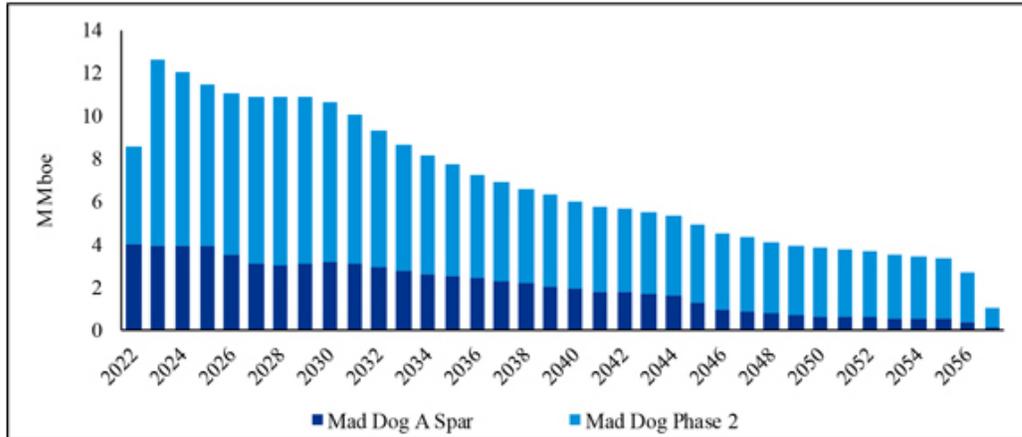
Figure 98 - Atlantis forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

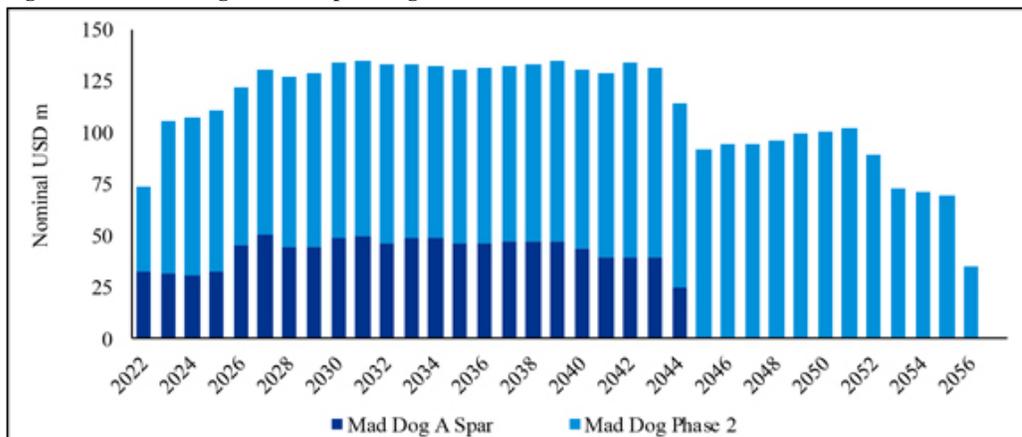
Mad Dog (BHP Petroleum interest)

Figure 99 - Mad Dog forecast production profile



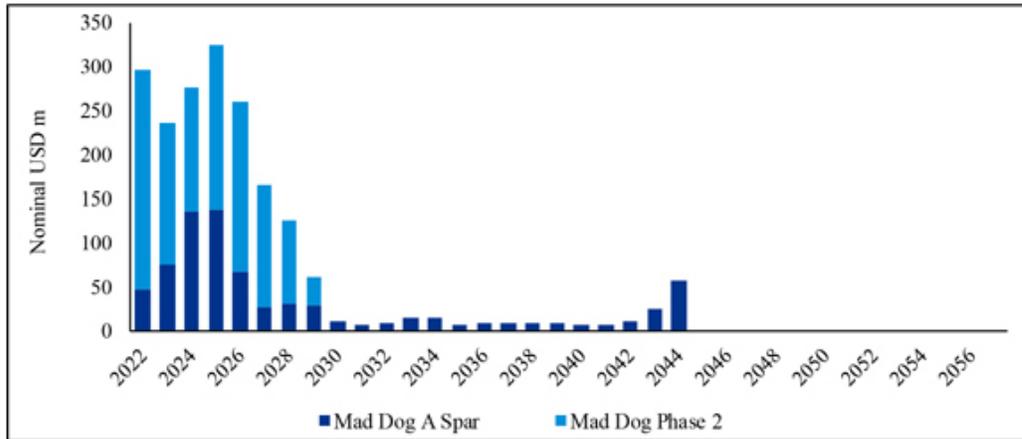
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 100 - Mad Dog forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

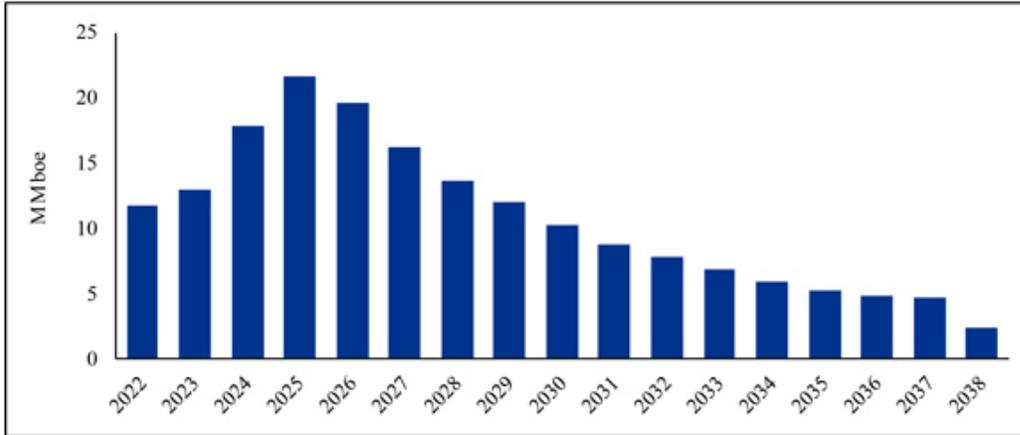
Figure 101 - Mad Dog forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

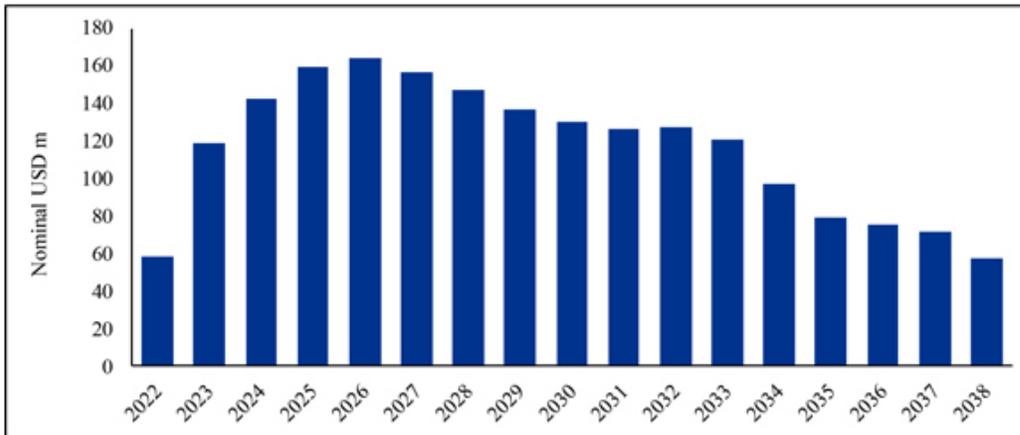
Shenzi (BHP Petroleum interest)

Figure 102 - Shenzi forecast production profile



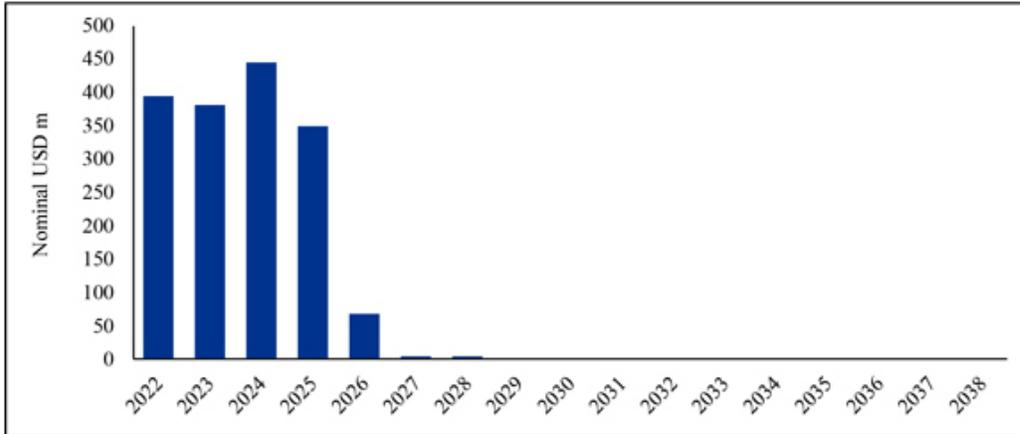
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 103 - Shenzi forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

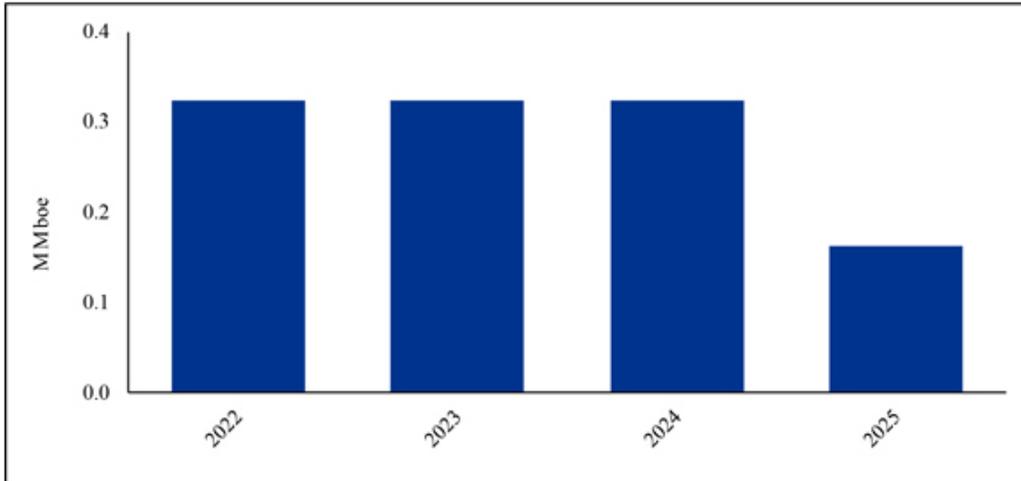
Figure 104 - Shenzi forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

GOM ORRI (BHP Petroleum interest)

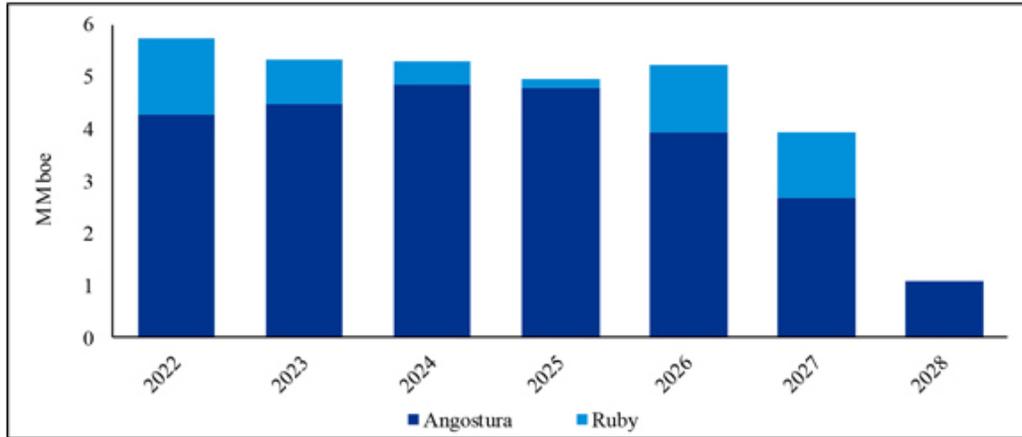
Figure 105 - GOM ORRI forecast production profile



Source: GaffneyCline, KPMG Corporate Finance analysis

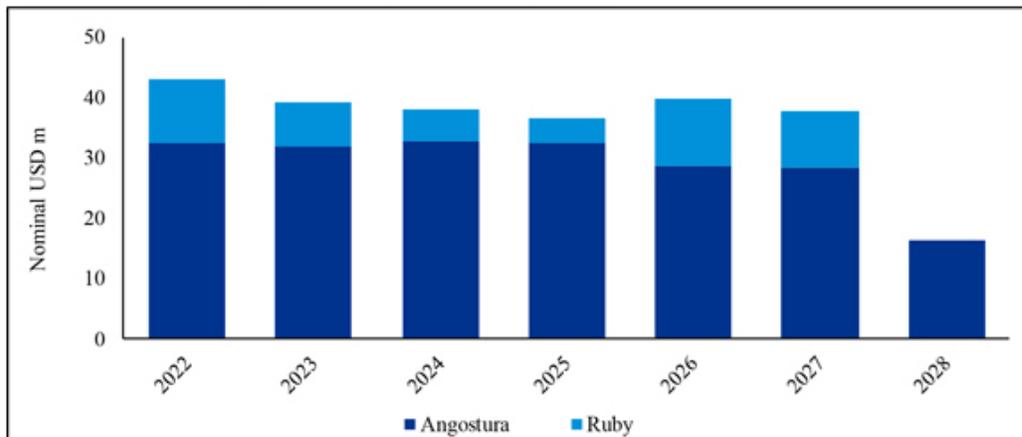
Greater Angostura Complex (BHP Petroleum interest)

Figure 106 - Greater Angostura Complex forecast production profile



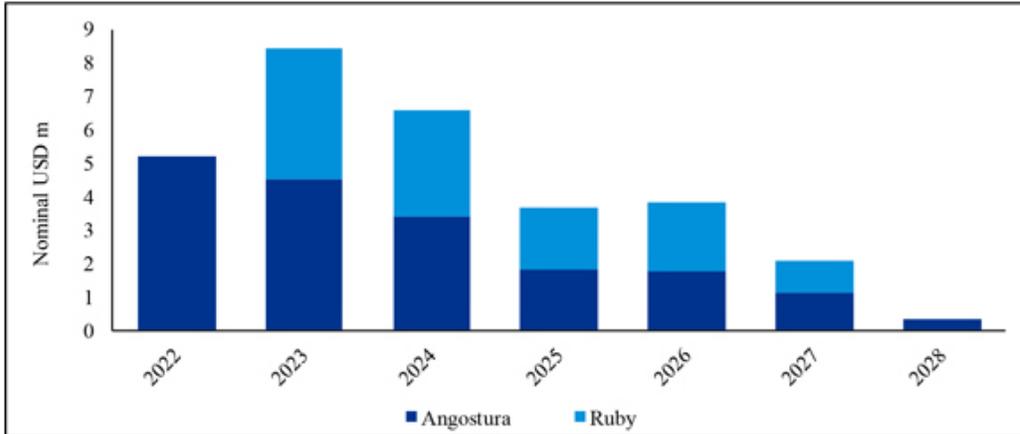
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 107 - Greater Angostura Complex forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

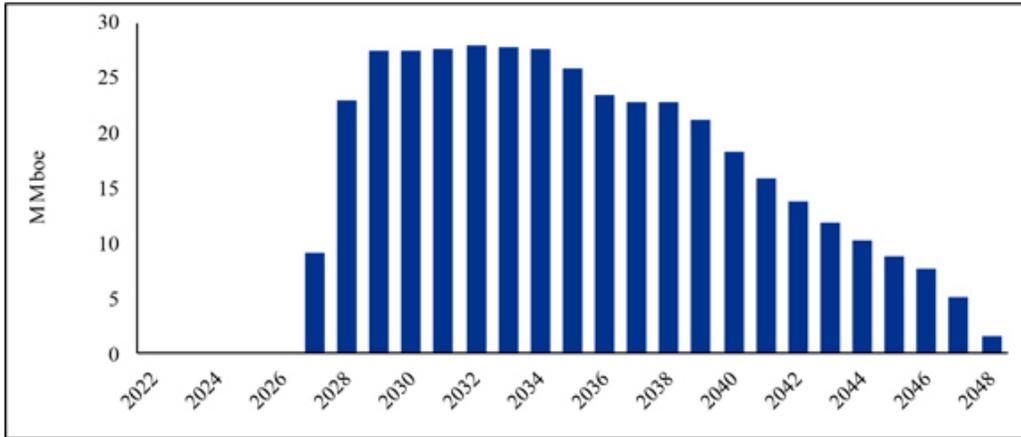
Figure 108 - Greater Angostura Complex forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

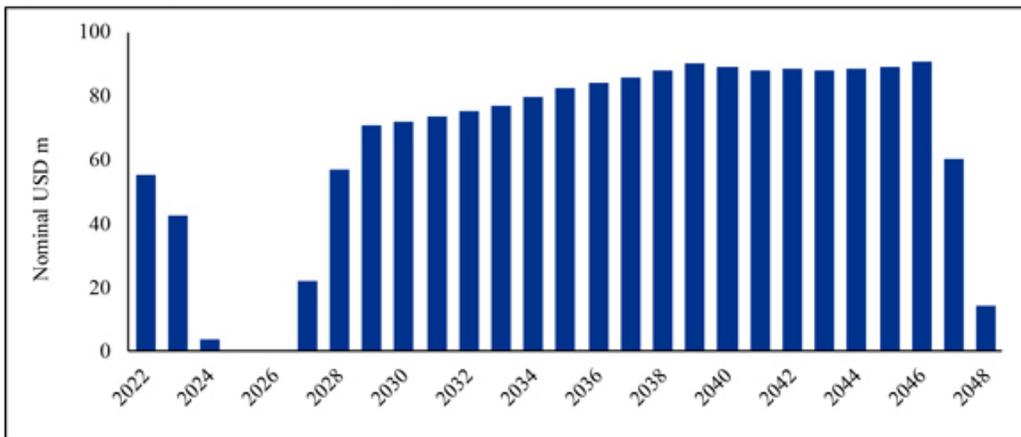
Calypso (BHP Petroleum interest)

Figure 109 - Calypso forecast production profile



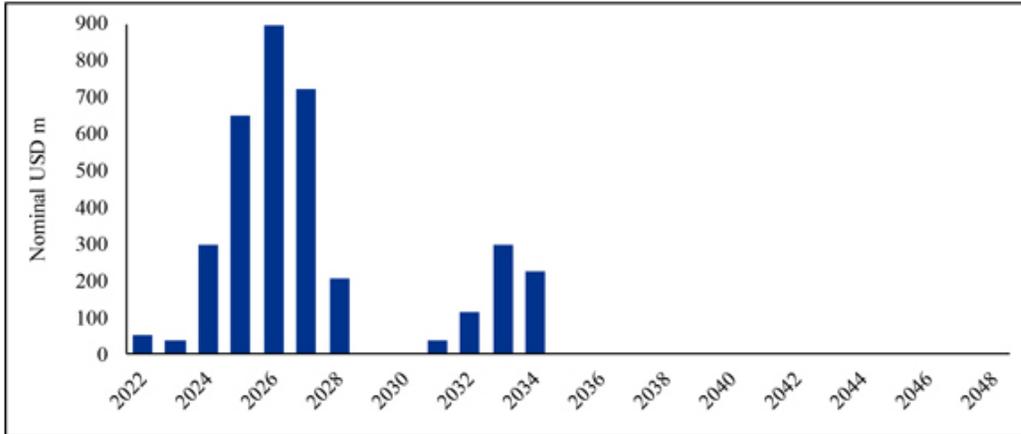
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 110 - Calypso forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

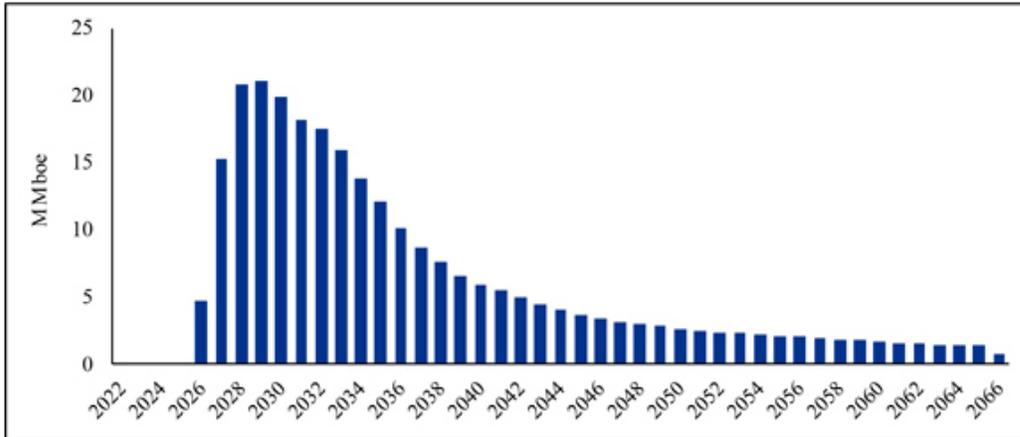
Figure 111 - Calypso forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

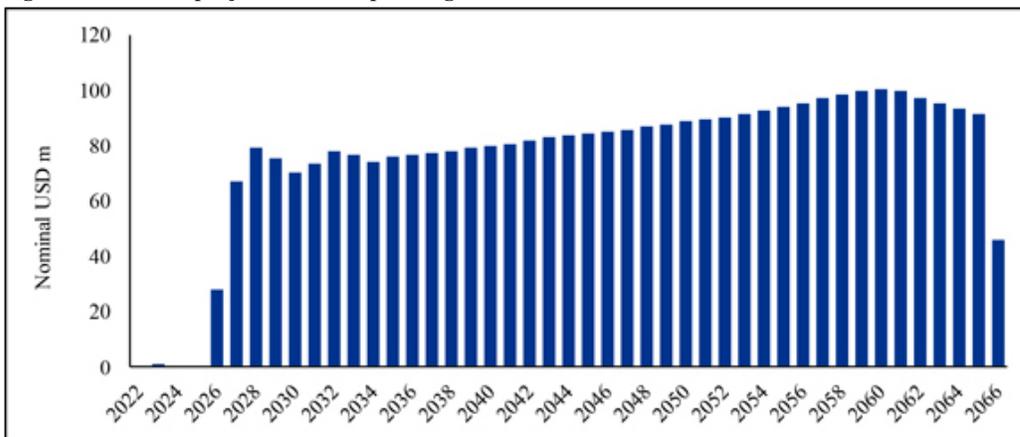
Trion (BHP Petroleum interest)

Figure 112 - Trion project forecast production profile



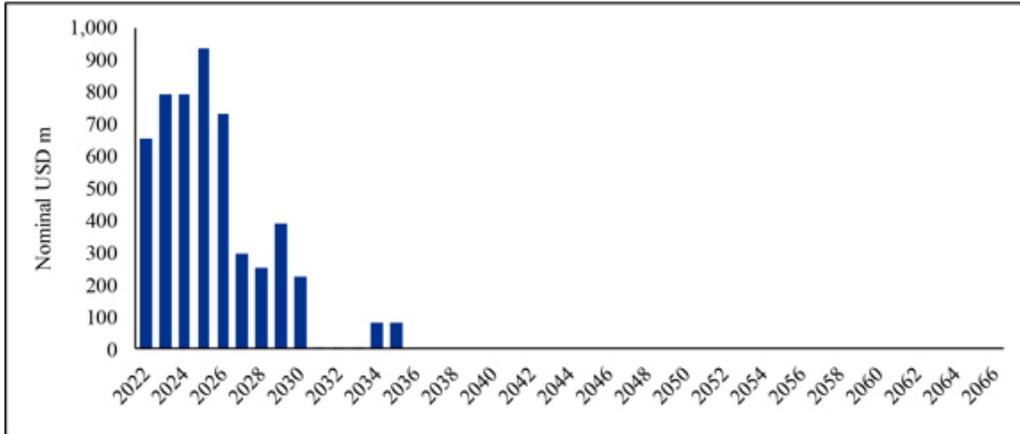
Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 113 - Trion project forecast operating costs



Source: GaffneyCline, KPMG Corporate Finance analysis

Figure 114 - Trion project forecast capital expenditure



Source: GaffneyCline, KPMG Corporate Finance analysis

Appendix 5 – Calculation of discount rates

Selection of the appropriate discount rate to apply to the forecast cash flows of any asset or business operation is fundamentally a matter of judgement. Whilst there is a body of theory that may provide a framework for the derivation on an appropriate discount rate, it is important to recognise that given the level of subjectivity involved in selecting various inputs to the theoretical framework there is no absolute “correct” discount rate.

In bringing the forecast cash flows for each of the projects of Woodside and BHP Petroleum to a present value we have adopted discount rates that we consider arm’s length purchasers of each project would use in the current market and that are reflective of the commercial, operational and technical risks of the respective projects. We have had principal regard to an appropriate nominal, post-tax weighted average cost of capital (WACC) for each project applicable for the forecast cash flows being valued.

The WACC of a project is the expected cost of the various classes of capital (i.e. its equity and debt) employed in the project, weighted by the proportion of each class of capital to the total capital employed and is represented by the following formula, which calculates an after tax nominal rate:

$$\text{WACC} = K_d \times (1 - t_c) \times \left(\frac{D}{D + E} \right) + K_e \times \left(\frac{E}{D + E} \right)$$

Where the key inputs are defined as follows:

- K_e the after-tax cost of equity, which is the rate of return required by the providers of equity capital
- K_d the pre-tax cost of debt, which is the expected long-term average future borrowing cost of the relevant project and/or business
- t_c the applicable corporate tax rate
- D the market value of debt
- E the market value of equity

The WACC is an opportunity cost of capital in the sense that it reflects the returns that would have been earned in the market with the relevant capital if it was employed in the next best investment of equivalent risk profile. It represents the minimum weighted average rate of return which is required or expected by the providers of capital as compensation for bearing the risks associated with the relevant investment or business operation.

Consistent with the USD denominated nominal cash flow forecasts, we have prepared USD denominated nominal discount rates. In determining our discount rates, we have calculated a base discount rate for each broad class of project having regard the nature of that project’s operations. We have adjusted these base discount rates to reflect the specific characteristics of the project being valued including for such things as where a project is yet to receive FID, GaffneyCline’s assessment of the relevant chance of the project proceeding, an allowance for remaining development risk post FID, each project’s location and projected operational life, the relative mix of 2P Reserves and 2C Contingent Resources underpinning the forecast cash flows.

A summary of the build-up of our selected base discount rates for each broad project category is set out in the table below.

Table 91: Build-up of selected base discount rates for upstream and midstream LNG production and processing companies

| Input | Definition | Low | High |
|----------------------|---|-------------|-------------|
| R _f | Risk-free rate of return | 2.3% | 2.3% |
| β _a | Asset beta (ungeared beta estimate) | 0.90 | 1.00 |
| β _e | Equity beta (regeared beta estimate) | 1.11 | 1.23 |
| MRP | Equity market risk premium | 6.0% | 6.0% |
| K_e | Cost of equity (nominal, post-tax) | 9.0% | 9.7% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% |
| K _d | Cost of debt (post-tax) | 3.2% | 3.5% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 7.5% | 8.2% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 92: Build-up of selected base discount rates for conventional upstream hydrocarbon production companies

| Input | Definition | Low | High |
|----------------------|---|-------------|--------------|
| R _f | Risk-free rate of return | 2.3% | 2.3% |
| β _a | Asset beta (ungeared beta estimate) | 1.00 | 1.10 |
| β _e | Equity beta (regeared beta estimate) | 1.23 | 1.36 |
| MRP | Equity market risk premium | 6.0% | 6.0% |
| K_e | Cost of equity (nominal, post-tax) | 9.7% | 10.5% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% |
| K _d | Cost of debt (post-tax) | 3.2% | 3.5% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 8.1% | 8.7% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 93: Build-up of selected base discount rates for midstream and pipeline companies

| Input | Definition | Low | High |
|----------------------|---|-------------|--------------|
| Rf | Risk-free rate of return | 2.3% | 2.3% |
| β _a | Asset beta (ungeared beta estimate) | 0.80 | 0.90 |
| β _e | Equity beta (regeared beta estimate) | 1.26 | 1.42 |
| MRP | Equity market risk premium | 6.0% | 6.0% |
| K_e | Cost of equity (nominal, post-tax) | 9.9% | 10.8% |
| E/(D+E) | Proportion of equity in the capital mix | 55% | 55% |
| K _d | Cost of debt (post-tax) | 3.2% | 3.5% |
| D/(D+E) | Proportion of debt in the capital mix | 45% | 45% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 6.9% | 7.5% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 94: Build-up of selected base discount rates for liquefaction and processing companies

| Input | Definition | Low | High |
|----------------------|---|-------------|-------------|
| Rf | Risk-free rate of return | 2.3% | 2.3% |
| β _a | Asset beta (ungeared beta estimate) | 0.50 | 0.60 |
| β _e | Equity beta (regeared beta estimate) | 0.93 | 1.11 |
| MRP | Equity market risk premium | 6.0% | 6.0% |
| K_e | Cost of equity (nominal, post-tax) | 7.9% | 9.0% |
| E/(D+E) | Proportion of equity in the capital mix | 45% | 45% |
| K _d | Cost of debt (post-tax) | 3.2% | 3.5% |
| D/(D+E) | Proportion of debt in the capital mix | 55% | 55% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 5.3% | 6.0% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Each of the components of the WACC formula is discussed further below.

Cost of equity (K_e)

The WACC approach represents a merger of the Capital Asset Pricing Model (CAPM) with capital structure theory. In the WACC formula discussed earlier, the CAPM provides the means for estimating the cost of equity.

$$K_e = R_f + (\beta \times MRP) + \alpha$$

Where the key inputs are defined as follows:

| | |
|----------------|---|
| R _f | risk free rate of return |
| β | beta factor of the investment or business operation |
| MRP | equity market risk premium |
| α | company/project specific risk factor |

A brief overview of each of the inputs adopted in the calculation of our base discount rates is set out below.

Risk free rate (R_f)

The relevant risk-free rate of return is the return on a risk-free security, typically for a long-term period. In practice, long dated government bonds are generally accepted as a benchmark for a risk-free security.

For projects with a forecast operational life longer than 20 years, we have adopted the spot yield on US 20 year Treasury bonds as at 8 March 2022. For projects with a shorter operational we have adopted an interpolated yield based on the spot yield of the closest pre and post dated US Treasury bonds to the project cessation date.

Beta factor (β)

The beta factor is a measure of the risk of an investment or business operation, relative to a well-diversified portfolio of investments. In theory, the only risks that are captured by beta are those risks that cannot be eliminated by the investor through diversification. Such risks are referred to as systematic, undiversifiable or market risk. The concept of beta is central to the CAPM given that beta risk is the only risk that is priced into investor required rates of return.

In assessing appropriate beta factors, we have had regard to the adjusted betas of companies with operations broadly similar to the operational categories adopted by us. The adjusted beta is often used to estimate a security's future beta. It is a historical beta adjusted to reflect the tendency of beta to be mean-reverting - that is, the CAPM's beta value is assumed to move towards the market average, of 1, over time.

The beta factors have been calculated relative to the Morgan Stanley Capital Index - All Countries (MSCI), an international equities market index that is widely used as a proxy for the global stock market as a whole. The MSCI is often used as a benchmark in respect of assets where underlying earnings streams are influenced by international markets, the marginal investor is likely to be international and/or the asset is likely to be attractive to international buyers.

A summary of our analysis of adjusted betas is set out at Appendix 6.

Having determined an appropriate ungeared beta, it is necessary to "re-gear" the beta to a specified level of financial gearing to determine the equivalent beta.

Debt/equity mix

The selection of an appropriate capital structure is a subjective exercise. The tax deductibility of the cost of debt means that the higher the proportion of debt, the lower the WACC for a given cost of equity. However, at significantly higher levels of debt, the marginal cost of borrowing would increase due to the greater risk which debt holders are exposed to. In addition, the cost of equity would also be likely to increase due to equity investors requiring a higher return given the higher degree of financial risk that they have to bear.

In practice, the existing capital structures of comparable businesses is used as a guide to the likely capital structure for a firm/project. Details of the gearing of those comparable companies considered by us in each broad operational category is set out in Appendix 6.

Market risk premium (MRP)

The MRP represents the additional return that investors expect in return for holding risk in the form of a well-diversified portfolio of risky assets (such as a market index) over risk-free assets such as Government bonds. Given that expectations are not observable, a historical premium is generally used as a proxy for the expected risk premium.

Consistent with our approach to the risk-free rate, we adopted a long-term view in setting the market risk premium. A market risk premium of 6.0% per annum is regarded as appropriate by KPMG Corporate Finance for the current long-term investment climate in the United States.

Cost of debt (K_d)

In determining an appropriate cost of debt we have had regard to credit spreads on USD denominated BBB rated bond issues by companies operating in the energy sector as at 8 March 2022 over a duration consistent to the risk-free rate adopted.

Corporate tax rate (t_c)

The following corporate tax rates have been adopted:

- Australian - 30%
- Mexico - 30%
- Senegal - 33%
- Trinidad and Tobago - 30%
- United States GOM - 21%.

Specific risk adjustment

It is assumed that diversified investors require no additional returns to compensate for specific risks because the net effect of specific risks across a diversified portfolio will, on average, be zero i.e. portfolio investors can diversify away all specific risk. In reality, many investors will include an additional risk premium to reflect such factors as project location and stage of development etc. Certainly, it is common for companies to set “hurdle rates” for investments above their own estimates of the cost of capital, to deal with these issues.

In determining our final range of discount rates for each project we have included a specific risk adjustment in relation to each of the projects set out below:

Woodside

- the interdependent NWS Growth and Browse projects, reflecting that:
 - the Browse project (and in turn, the NWS Growth project) is unsanctioned and GaffneyCline has assessed its chance of development, that is it will be commercially developed, at 25%,
 - the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
 - even if commercially developed there remains a degree of inherent risk in the remaining development, construction and commissioning of any new operation (**Development Risk**)
- the Scarborough project, reflecting that whilst FID has been completed, there remains a degree of Development Risk
- the Pluto Train 2 project, reflecting that whilst FID has been completed, there remains a degree of Development Risk, and that the prospects of the Pluto Train 2 project are inherently linked over the longer term to the future success of the Scarborough field operations to supply gas for processing
- the Pluto LNG project, reflecting that a substantial component of the forecast operations for Pluto LNG is underpinned by gas volumes from the Scarborough project which incorporates an associated Development Risk and gas supply risk as noted for Pluto Train 2 above
- the Sangomar project, reflecting that:
 - whilst the early stage of this project covering the 2P Reserves has received FID, GaffneyCline's operational cash flows include an assumption that 2C Contingent Resources will be economically recoverable and are included in its projected production profile. GaffneyCline has assessed the chance of development of the 2C Contingent Resources production at 25%
 - there remains a degree of Development Risk in the project
 - the project is located offshore Senegal and therefore arguably includes an element of country risk, albeit the Senegal government participates via a PSC
- projects with only D&R expenditure remaining, discount rates have been selected having regard to short term US Treasury bond yields consistent with the remaining period of expenditure.

BHP Petroleum

- the NWS Project, reflecting:
 - as described above, GaffneyCline has ascribed a 25% chance of development in relation to the NWS Growth project and there remains a degree of Development Risk

- the Scarborough project, reflecting, as described above, whilst the Scarborough Project has received FID, there remains a degree of Development Risk
- the Bass Strait project, reflecting a component of the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the Macedon project, reflecting:
 - a component of the forecast cash flows relate to the front end compression project and unapproved programs, which are still pending
 - a component of the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the Pyrenees project, reflecting:
 - a component of the forecast cash flows relate to the Phase 4 project, which is a sanctioned project
 - a component of the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the Atlantis project, reflecting:
 - a component of the forecast cash flows relate to the Atlantis Phase 3 project, which is a sanctioned project
 - a component of the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the Mad Dog project, reflecting:
 - a component of the forecast cash flows relate to the Mad Dog Phase 2 project, which is a sanctioned project
 - a component of the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the Shenzi project, reflecting:
 - a component of the forecast cash flows relate to the Shenzi North and Wildling projects. Shenzi North is a sanctioned project whilst Wildling is an unsanctioned project and therefore there remains a degree of Development Risk in relation to these projects
 - a component of the forecast cash flows is underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the Trion project, reflecting that:
 - GaffneyCline has assessed its chance of development at 90%, and that even if commercially developed there remains a degree of Development Risk

- the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
- the project is located offshore Mexico in the GOM and therefore is subject to an element of country risk
- the Angostura and Ruby projects, reflecting these projects are located offshore Trinidad and Tobago and are subject to an element of country risk
- the Calypso project, reflecting that:
 - GaffneyCline has assessed its chance of development at 70%, and that even if commercial developed there remains a degree of Development Risk
 - the forecast cash flows are underpinned by 2C Contingent Resources rather than more mature 2P Reserves
 - the project is located offshore Trinidad and Tobago and is therefore subject to an element of country risk
- For projects with only D&R expenditure remaining, the discount rates have been selected having regard to short term US Treasury bond yields consistent with the remaining period of expenditure.

Having regard to each of the discount rate inputs discussed above, our assessed USD post-tax nominal WACCs for each project is summarised in the tables below.

Table 95: Summary of USD post-tax nominal WACCs

| Woodside | | BHP Petroleum | |
|----------------------------|---------------|-----------------------------|---------------|
| Project | WACC % | Project | WACC % |
| NWS | 7.5% - 8.5% | NWS | 7.5% - 8.5% |
| NWS Growth ¹ | 8.0% - 9.0% | NWS Growth ¹ | 8.0% - 9.0% |
| Pluto LNG | 8.0% - 9.0% | NWS oil (Okha) | 7.5% - 8.5% |
| Wheatstone LNG | 7.5% - 8.5% | Scarborough | 8.5% - 9.5% |
| Australia Oil (incl. Okha) | 7.5% - 8.5% | Bass Strait | 8.5% - 9.5% |
| Scarborough | 8.5% - 9.5% | Macedon | 8.0% - 9.0% |
| Pluto Train 2 | 7.0% - 8.0% | Pyrenees | 9.0% - 10.0% |
| Browse | 10.0% - 11.0% | Other Australian (D&R only) | 1.5% - 2.0% |
| Sangomar | 13.5% - 14.5% | Atlantis | 9.0% - 10.0% |
| Stybarrow (D&R only) | 1.5% | Mad Dog | 9.0% - 10.0% |
| Balnaves (D&R only) | 1.5% | Shenzi | 9.0% - 10.0% |
| | | GOM ORRI | 4.5% - 5.5% |
| | | Trion | 10.0% - 11.0% |
| | | Angostura & Ruby | 9.0% - 10.0% |
| | | Calypso | 10.5% - 11.5% |

Source: KPMG Corporate Finance analysis

Table 96: Build-up of selected discount rates for Woodside's assets

| Input | Definition | NWS | | NWS Growth | | Pluto LNG | | Wheatstone LNG | | Australia Oil | |
|----------------|---|-------------|-------------|--------------|--------------|--------------|--------------|----------------|-------------|---------------|--------------|
| | | Low | High | Low | High | Low | High | Low | High | Low | High |
| Rf | Risk-free rate of return | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.0% | 2.0% |
| β _a | Asset beta (ungeared beta estimate) | 0.90 | 1.00 | 0.50 | 0.60 | 0.90 | 1.00 | 0.90 | 1.00 | 1.00 | 1.10 |
| β _e | Equity beta (regeared beta estimate) | 1.11 | 1.23 | 0.93 | 1.11 | 1.11 | 1.23 | 1.11 | 1.23 | 1.23 | 1.36 |
| MRP | Equity market risk premium | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| α | Country risk/project specific risk factor | n/a | n/a | 6.0% | 6.0% | 1.0% | 1.0% | n/a | n/a | n/a | n/a |
| Ke | Cost of equity (nominal, post-tax) | 9.0% | 9.7% | 13.9% | 15.0% | 10.0% | 10.7% | 9.0% | 9.7% | 9.4% | 10.1% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% | 45% | 45% | 75% | 75% | 75% | 75% | 75% | 75% |
| K _d | Cost of debt (post-tax) | 3.2% | 3.5% | 3.2% | 3.5% | 3.2% | 3.5% | 3.2% | 3.5% | 2.8% | 3.2% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% | 55% | 55% | 25% | 25% | 25% | 25% | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 7.5% | 8.2% | 8.0% | 8.7% | 8.3% | 8.9% | 7.5% | 8.2% | 7.8% | 8.4% |
| | Selected range | 7.5% | 8.5% | 8.0% | 9.0% | 8.0% | 9.0% | 7.5% | 8.5% | 7.5% | 8.5% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 97: Build-up of selected discount rates for Woodside's assets continued

| Input | Definition | Scarborough | | Pluto Train 2 | | Browse | | Sangomar | |
|----------------|---|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|
| | | Low | High | Low | High | Low | High | Low | High |
| Rf | Risk-free rate of return | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% |
| β _a | Asset beta (ungeared beta estimate) | 1.00 | 1.10 | 0.50 | 0.60 | 1.00 | 1.10 | 1.00 | 1.10 |
| β _e | Equity beta (regeared beta estimate) | 1.23 | 1.36 | 0.93 | 1.11 | 1.23 | 1.36 | 1.22 | 1.35 |
| MRP | Equity market risk premium | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| α | Country risk/project specific risk factor | 1.0% | 1.0% | 4.0% | 4.0% | 3.0% | 3.0% | 7.0% | 7.0% |
| Ke | Cost of equity (nominal, post-tax) | 10.7% | 11.5% | 11.9% | 13.0% | 12.7% | 13.5% | 16.7% | 17.4% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% | 45% | 45% | 75% | 75% | 75% | 75% |
| K _d | Cost of debt (post-tax) | 3.2% | 3.5% | 3.2% | 3.5% | 3.2% | 3.5% | 5.0% | 5.4% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% | 55% | 55% | 25% | 25% | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 8.8% | 9.5% | 7.1% | 7.8% | 10.3% | 11.0% | 13.8% | 14.4% |
| | Selected range | 8.5% | 9.5% | 7.0% | 8.0% | 10.0% | 11.0% | 13.5% | 14.5% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 98: Build-up of selected discount rates for BHP Petroleum's assets

| Input | Definition | NWS | | NWS Growth | | NWS Oil | | Scarborough | | Bass Strait | |
|---------|---|-------------|-------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|
| | | Low | High | Low | High | Low | High | Low | High | Low | High |
| Rf | Risk-free rate of return | 2.3% | 2.3% | 2.3% | 2.3% | 2.0% | 2.0% | 2.3% | 2.3% | 2.2% | 2.2% |
| Ba | Asset beta (ungeared beta estimate) | 0.90 | 1.00 | 0.50 | 0.60 | 1.00 | 1.10 | 1.00 | 1.10 | 1.00 | 1.10 |
| Be | Equity beta (regeared beta estimate) | 1.11 | 1.23 | 0.93 | 1.11 | 1.23 | 1.36 | 1.23 | 1.36 | 1.23 | 1.36 |
| MRP | Equity market risk premium | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| α | Country risk/project specific risk factor | n/a | n/a | 6.0% | 6.0% | n/a | n/a | 1.0% | 1.0% | 1.0% | 1.0% |
| Ke | Cost of equity (nominal, post-tax) | 9.0% | 9.7% | 13.9% | 15.0% | 9.4% | 10.1% | 10.7% | 11.5% | 10.6% | 11.3% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% | 45% | 45% | 75% | 75% | 75% | 75% | 75% | 75% |
| Kd | Cost of debt (post-tax) | 3.2% | 3.5% | 3.2% | 3.5% | 2.8% | 3.1% | 3.2% | 3.5% | 3.1% | 3.4% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% | 55% | 55% | 25% | 25% | 25% | 25% | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 7.5% | 8.2% | 8.0% | 8.7% | 7.7% | 8.4% | 8.8% | 9.5% | 8.7% | 9.4% |
| | Selected range | 7.5% | 8.5% | 8.0% | 9.0% | 7.5% | 8.5% | 8.5% | 9.5% | 8.5% | 9.5% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 99: Build-up of selected discount rates for BHP Petroleum's assets continued

| Input | Definition | Macedon | | Pyrenees | | Atlantis | | MadDog | | Shenzi | |
|---------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | Low | High |
| Rf | Risk-free rate of return | 2.0% | 2.0% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% |
| Ba | Asset beta (ungeared beta estimate) | 1.00 | 1.10 | 1.00 | 1.10 | 1.00 | 1.10 | 1.00 | 1.10 | 1.00 | 1.10 |
| Be | Equity beta (regeared beta estimate) | 1.23 | 1.36 | 1.23 | 1.36 | 1.26 | 1.39 | 1.26 | 1.39 | 1.26 | 1.39 |
| MRP | Equity market risk premium | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| α | Country risk/project specific risk factor | 1.0% | 1.0% | 1.5% | 1.5% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Ke | Cost of equity (nominal, post-tax) | 10.4% | 11.1% | 11.2% | 11.9% | 10.9% | 11.7% | 10.9% | 11.7% | 10.9% | 11.6% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| Kd | Cost of debt (post-tax) | 2.8% | 3.1% | 3.1% | 3.5% | 3.6% | 4.0% | 3.6% | 4.0% | 3.5% | 3.9% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 8.5% | 9.1% | 9.2% | 9.8% | 9.1% | 9.7% | 9.1% | 9.7% | 9.0% | 9.7% |
| | Selected range | 8.0% | 9.0% | 9.0% | 10.0% | 9.0% | 10.0% | 9.0% | 10.0% | 9.0% | 10.0% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Table 100: Build-up of selected discount rates for BHP Petroleum' s assets continued

| Input | Definition | GOM ORRI | | Trion | | Angostura & Ruby | | Calypso | |
|----------------------|---|-------------|-------------|--------------|--------------|------------------|--------------|--------------|--------------|
| | | Low | High | Low | High | Low | High | Low | High |
| Rf | Risk-free rate of return | 1.8% | 1.8% | 2.3% | 2.3% | 1.8% | 1.8% | 2.3% | 2.3% |
| β_a | Asset beta (ungeared beta estimate) | 1.00 | 1.10 | 1.00 | 1.10 | 1.00 | 1.10 | 1.00 | 1.10 |
| β_e | Equity beta (regeared beta estimate) | 1.26 | 1.39 | 1.23 | 1.36 | 1.23 | 1.36 | 1.23 | 1.36 |
| MRP | Equity market risk premium | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| α | Country risk/project specific risk factor | (4.0%) | (4.0%) | 2.5% | 2.5% | 2.5% | 2.5% | 3.5% | 3.5% |
| K_e | Cost of equity (nominal, post-tax) | 5.4% | 6.1% | 12.2% | 13.0% | 11.7% | 12.5% | 13.2% | 14.0% |
| E/(D+E) | Proportion of equity in the capital mix | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| K_d | Cost of debt (post-tax) | 2.1% | 2.5% | 3.2% | 3.5% | 2.3% | 2.6% | 3.2% | 3.5% |
| D/(D+E) | Proportion of debt in the capital mix | 25% | 25% | 25% | 25% | 25% | 25% | 25% | 25% |
| WACC | Weighted average cost of capital (nominal, post-tax) | 4.6% | 5.2% | 10.0% | 10.6% | 9.4% | 10.0% | 10.7% | 11.4% |
| | Selected range | 4.5% | 5.5% | 10.0% | 11.0% | 9.0% | 10.0% | 10.5% | 11.5% |

Source: KPMG Corporate Finance analysis

Note 1: amounts may not add exactly due to rounding

Appendix 6 – Listed companies – betas and gearing

Set out below is a summary of our analysis of the unlevered betas of various listed companies considered in each broad category of operations.

Upstream and midstream LNG production and processing

Table 101: Selected listed upstream and midstream LNG production and processing companies – financial gearing and ungeared beta

| Comparable companies - Beta analysis | | | | | | |
|--------------------------------------|----------------|--------------------|---------------|------------|----------------|----------------|
| Company name | Country | Market Cap USDm | Debt to value | | Unlevered beta | |
| | | | 2-year avg | 5-year avg | 2-year weekly | 5-year monthly |
| Exxon Mobil Corporation | United States | 371,625 | 16% | 13% | 0.96 | 1.05 |
| Chevron Corporation | United States | 332,116 | 12% | 12% | 1.04 | 1.03 |
| Shell plc | Netherlands | 202,584 | 27% | 24% | 0.80 | 0.59 |
| TotalEnergies SE | France | 129,314 | 24% | 21% | 0.93 | 0.77 |
| ConocoPhillips | United States | 128,393 | 13% | 16% | 1.06 | 1.22 |
| Equinor ASA | Norway | 112,510 | 24% | 25% | 0.50 | 0.59 |
| BP p.l.c. | United Kingdom | 96,318 | 32% | 27% | 0.77 | 0.55 |
| Eni S.p.A. | Italy | 52,674 | 38% | 33% | 0.64 | 0.71 |
| Woodside Petroleum Ltd | Australia | 23,180 | 15% | 15% | 0.87 | 0.93 |
| Santos Limited | Australia | 19,257 | 23% | 25% | 1.09 | 1.21 |
| Inpex Corporation | Japan | 16,069 | 37% | 28% | 0.75 | 0.99 |
| Origin Energy Limited | Australia | 7,377 | 35% | 37% | 0.76 | 0.92 |
| Mean (excl. outliers) | | | 22% | 21% | 0.85 | 0.88 |
| Median (excl. outliers) | | | 24% | 23% | 0.84 | 0.93 |

Source: Capital IQ, latest available financial statements of the companies and KPMG Corporate Finance analysis

Notes:

1. Market capitalisation is at 8 March 2022, converted to USD as at the same date based on prevailing spot prices (where relevant)
2. Debt is average short-term and long-term debt less average cash as disclosed by Capital IQ based on financial accounts available as at 8 March 2022
3. Where a company does not have any interest-bearing debt or the resultant net debt figure is negative, the debt to value ratio has been recorded as 0%
4. Outliers (shaded) have been excluded from the mean and median. For debt to value, outliers have been assessed based on statistical analysis of the data set on a category-by-category basis. For unlevered beta, outliers have been assessed based on statistical confidence levels
5. "n/a" denotes insufficient observations.

Having regard to the above, we consider an ungeared beta range of 0.9 to 1.0 to be reflective of an upstream and midstream LNG production and processing operation.

Conventional upstream hydrocarbon production

Table 102: Selected listed conventional upstream hydrocarbon production companies - financial gearing and ungeared beta

| Comparable companies - Beta analysis | | | | | | |
|---|----------------|--------------------|---------------|------------|----------------|----------------|
| Company name | Country | Market Cap USDm | Debt to value | | Unlevered beta | |
| | | | 2-year avg | 5-year avg | 2-year weekly | 5-year monthly |
| Canadian Natural Resources Limited | Canada | 69,422 | 28% | 29% | 1.06 | 1.06 |
| CNOOC Limited | Hong Kong | 58,119 | 23% | 23% | 0.73 | 0.79 |
| Occidental Petroleum Corporation | United States | 51,000 | 44% | 32% | 1.11 | 1.45 |
| Aker BP ASA | Norway | 23,425 | 18% | 19% | 0.96 | 1.38 |
| PTT Exploration and Production Public Company | Thailand | 18,235 | 5% | 4% | 0.89 | 1.28 |
| APA Corporation | United States | 13,396 | 41% | 36% | 1.46 | 2.43 |
| Lundin Energy AB (publ) | Sweden | 11,651 | 21% | 26% | 0.70 | 1.03 |
| Harbour Energy plc | United Kingdom | 4,849 | n/a | n/a | n/a | n/a |
| Petro Rio S.A. | Brazil | 4,605 | 13% | 12% | 1.76 | 1.72 |
| Oil India Limited | India | 3,459 | 44% | 36% | 0.39 | 0.59 |
| Beach Energy Limited | Australia | 2,809 | 1% | 0% | 0.98 | 1.59 |
| Kosmos Energy Ltd. | United States | 2,768 | 57% | 48% | 1.11 | 1.59 |
| DNO ASA | Norway | 1,604 | 32% | 17% | 0.67 | 1.83 |
| Tullow Oil plc | United Kingdom | 1,168 | 83% | 67% | 0.33 | 0.86 |
| Mean (excl. outliers) | | | 27% | 24% | 0.93 | 1.35 |
| Median (excl. outliers) | | | 26% | 25% | 0.96 | 1.38 |

Source: Capital IQ, latest available financial statements of the companies and KPMG Corporate Finance analysis

Notes:

1. Market capitalisation is at 8 March 2022, converted to USD as at the same date based on prevailing spot prices (where relevant)
2. Debt is average short-term and long-term debt less average cash as disclosed by Capital IQ based on financial accounts available as at 8 March 2022
3. Where a company does not have any interest-bearing debt or the resultant net debt figure is negative, the debt to value ratio has been recorded as 0%
4. Outliers (shaded) have been excluded from the mean and median. For debt to value, outliers have been assessed based on statistical analysis of the data set on a category-by-category basis. For unlevered beta, outliers have been assessed based on statistical confidence levels
5. "n/a" denotes insufficient observations.

Having regard to the above, we consider an ungeared beta range of 1.0 to 1.1 to be reflective of a conventional upstream hydrocarbon production operation.

Midstream and pipeline companies

Table 103: Selected listed midstream and pipeline companies – financial gearing and ungeared beta

| Comparable companies - Beta analysis | | | | | | |
|--------------------------------------|---------------|--------------------|---------------|------------|----------------|----------------|
| Company name | Country | Market Cap USDm | Debt to value | | Unlevered beta | |
| | | | 2-year avg | 5-year avg | 2-year weekly | 5-year monthly |
| Phillips 66 Partners LP | United States | 9,593 | 27% | 29% | 0.62 | 0.78 |
| APA Group | Australia | 8,493 | 45% | 47% | 0.33 | 0.26 |
| Plains All American Pipeline, L.P. | United States | 7,974 | 47% | 39% | 0.85 | 1.17 |
| Shell Midstream Partners, L.P. | United States | 5,526 | 47% | 43% | 0.56 | 0.88 |
| Equitrans Midstream Corporation | United States | 3,085 | 57% | n/a | 0.26 | n/a |
| NuStar Energy L.P. | United States | 1,854 | 50% | 48% | 0.63 | 1.20 |
| Transportadora de Gas del Sur S.A. | Argentina | 1,801 | 23% | 19% | 0.61 | 0.93 |
| BP Midstream Partners LP | United States | 1,784 | 18% | n/a | 0.81 | n/a |
| Mean (excl. outliers) | | | 37% | 41% | 0.63 | 0.99 |
| Median (excl. outliers) | | | 45% | 43% | 0.62 | 0.93 |

Source: Capital IQ, latest available financial statements of the companies and KPMG Corporate Finance analysis

Notes:

1. Market capitalisation is at 8 March 2022, converted to USD as at the same date based on prevailing spot prices (where relevant)
2. Debt is average short-term and long-term debt less average cash as disclosed by Capital IQ based on financial accounts available as at 8 March 2022
3. Where a company does not have any interest-bearing debt or the resultant net debt figure is negative, the debt to value ratio has been recorded as 0%
4. Outliers (shaded) have been excluded from the mean and median. For debt to value, outliers have been assessed based on statistical analysis of the data set on a category-by-category basis. For unlevered beta, outliers have been assessed based on statistical confidence levels
5. "n/a" denotes insufficient observations.

Having regard to the above, we consider an ungeared beta range of 0.8 to 0.9 to be reflective of a midstream and pipeline operation.

Liquefaction and processing

Table 104: Selected listed liquefaction and processing companies - financial gearing and ungeared beta

| Comparable companies - Beta analysis | | | | | | |
|--------------------------------------|---------------|------------|---------------|------------|----------------|----------------|
| Company name | Country | Market Cap | Debt to value | | Unlevered beta | |
| | | USDm | 2-year avg | 5-year avg | 2-year weekly | 5-year monthly |
| Cheniere Energy, Inc. | United States | 34,145 | 56% | 58% | 0.51 | 0.63 |
| SBM Offshore N.V. | Netherlands | 2,660 | 58% | 54% | 0.41 | 0.46 |
| Golar LNG Limited | United States | 2,064 | 57% | 50% | 0.69 | 0.53 |
| Mean (excl. outliers) | | | 57% | 54% | 0.54 | 0.55 |
| Median (excl. outliers) | | | 57% | 54% | 0.51 | 0.55 |

Source: Capital IQ, latest available financial statements of the companies and KPMG Corporate Finance analysis

Notes:

1. Market capitalisation is at 8 March 2022, converted to USD as at the same date based on prevailing spot prices (where relevant)
2. Debt is average short-term and long-term debt less average cash as disclosed by Capital IQ based on financial accounts available as at 8 March 2022
3. Where a company does not have any interest-bearing debt or the resultant net debt figure is negative, the debt to value ratio has been recorded as 0%
4. Outliers (shaded) have been excluded from the mean and median. For debt to value, outliers have been assessed based on statistical analysis of the data set on a category-by-category basis. For unlevered beta, outliers have been assessed based on statistical confidence levels
5. "n/a" denotes insufficient observations.

Having regard to the above, we consider an ungeared beta range of 0.5 to 0.6 to be reflective of a liquefaction and processing operation.

Appendix 7 – Selected upstream and midstream LNG production and processing comparable companies

| Company | Description |
|---|--|
| Exxon Mobil Corporation (Exxon) | Exxon Mobil is a US-based multinational company that explores for and produces crude oil and natural gas. It operates through upstream, downstream and chemical segments. Exxon Mobil's operations are primarily in Asia and the US, with other operations in Oceania, Americas, Africa and Europe. The company is headquartered in Irving and was founded in 1870. |
| Chevron | Chevron produces, transports and processes crude oil and natural gas worldwide. The company is also involved in chemical and mining operations, power generation, and energy services. Chevron's operations are predominantly located in the US and Australia. Chevron was founded in 1879 and is headquartered in San Ramon. |
| Shell | Shell is a global energy and petrochemical company involved in the exploration, production, refining and marketing of hydrocarbons, as well as the manufacturing and marketing of chemicals. Shell's operations span Asia, Europe, Oceania, North and South America and Africa. The company was founded in 1907 and is headquartered in London. |
| TotalEnergies | TotalEnergies is an integrated global energy company that discovers, produces, refines and markets oil and gas, as well as manufacturing petrochemicals. TotalEnergies is headquartered in Paris and was incorporated in 1924. |
| ConocoPhillips | ConocoPhillips explores for, produces, transports and markets crude oil, bitumen, natural gas, LNG and natural gas liquids. ConocoPhillips' operations are predominantly in the US with additional interests in the Asia/Pacific, Middle East, Africa, Europe and Canada. ConocoPhillips was founded in 1917 and is headquartered in Houston. |
| Equinor ASA (Equinor) | Equinor engages in the exploration, production, transportation, refining, and marketing of petroleum and petroleum-derived products in Norway and internationally. Founded in 1972 as Statoil ASA, the company changed its name to Equinor ASA in May 2018. The company is headquartered in Stavanger. |
| BP | BP is an integrated energy business with operations in Europe, North and South America, Australia, Asia and Africa. The company produces and refines oil and gas and invests in upstream, downstream, and alternative energy companies as well as providing fuel, energy, lubricants and petrochemicals to customers worldwide. BP was founded in 1908 and is headquartered in London. |
| Eni S.p.A. (Eni) | Eni is an Italian multinational oil and gas company which engages in the exploration, development and production of crude oil and natural gas. The exploration & production segment is involved in the research, development, and production of oil, condensates and natural gas. The gas & LNG segment engages in the supply and wholesale of natural gas by pipeline, international transport and purchase and marketing of LNG. The refining & marketing and chemicals segment is involved in the processing, supply, distribution, and marketing of fuels and chemicals. The company is headquartered in Rome and was founded in 1953. |
| Santos | Santos explores for, develops, produces, transports, and markets hydrocarbons in Australia and the Asia Pacific. The company's five principal assets are located in the Cooper Basin, Queensland and NSW, Papua New Guinea, Northern Australia and Timor-Leste, and Western Australia. Santos Limited was incorporated in 1954 and is headquartered in Adelaide. |
| Inpex Corporation (Inpex) | Inpex engages in the research, exploration, development, production, and sale of oil, natural gas, and other mineral resources in Asia, Oceania, Europe, the Middle East, Africa, North America and South America. The company was founded in 1966 and is headquartered in Tokyo. |

| Company | Description |
|---|---|
| Origin Energy Limited (Origin) | Origin engages in the exploration and production of natural gas, electricity generation, wholesale and retail sale of electricity and gas, and sale of liquefied natural gas in Australia and internationally. Its exploration and production portfolio includes the Bowen and Surat basins in Queensland, the Browse basin in Western Australia and the Beetaloo basin in the Northern Territory. Origin Energy Limited was incorporated in 1946 and is headquartered in Sydney. |

Source: Capital IQ

Appendix 8 – Upstream and midstream LNG production and processing comparable company multiples

Table 105: Upstream and midstream LNG production and processing 1P and 2P multiples

| Company | Market cap | Enterprise ASm | Reserves and Resources | | Multiples | |
|-------------------------|------------|----------------|------------------------|-------------|-------------|-------------|
| | | | 1P Reserves | 2P Reserves | 1P Reserves | 2P Reserves |
| | | | ASm | MMboe | ASm/MMboe | ASm/MMboe |
| Exxon Mobil Corporation | 512,693 | 586,042 | 18,536 | | 32 | |
| Chevron Corporation | 458,188 | 499,591 | 11,264 | | 44 | |
| Shell plc | 279,485 | 363,164 | 9,400 | | 39 | |
| TotalEnergies SE | 178,402 | 236,421 | 12,328 | | 19 | |
| ConocoPhillips | 177,131 | 198,549 | 6,101 | | 33 | |
| Equinor ASA | 155,218 | 183,867 | 5,356 | | 34 | |
| BP p.l.c. | 132,881 | 210,110 | 17,983 | | 12 | |
| Eni S.p.A. | 72,669 | 111,309 | 6,628 | | 17 | |
| Woodside Petroleum Ltd | 32,041 | 38,310 | 1,592 | 2,292 | 24 | 17 |
| Santos Limited | 26,568 | 33,544 | 1,010 | 1,676 | 33 | 20 |
| Inpex Corporation | 22,169 | 37,647 | 3,645 | 6,311 | 10 | 6 |
| Origin Energy Limited | 10,177 | 15,277 | 450 | 695 | 34 | 22 |
| Low | | | | | 10 | 6 |
| Mean | | | | | 28 | 16 |
| Median | | | | | 32 | 18 |
| High | | | | | 44 | 22 |

Source: Capital IQ, company financial statements and reports, publicly available resource information of relevant companies and KPMG Corporate Finance Analysis

Notes:

1. Enterprise value for selected listed companies has been calculated as market capitalisation as at 8 March 2022, converted to AUD as at the same date based on prevailing spot exchange rates (where relevant), and the latest net debt/cash of the selected company and adjusted for outside equity interests reported prior to 8 March 2022
2. Where the Reserves are not 100 percent owned, all calculations are based on the company's relevant interest
3. The table above shows Reserve valuation comparisons for companies predominantly focused on upstream and midstream LNG production and processing. In the case where the comparable companies' Reserves contain other hydrocarbons (for example condensate), a total contained boe equivalent Reserve has been calculated
4. 1P and 2P multiples have been calculated based as enterprise value divided by total contained boe Reserves respectively
5. Shaded cells indicate the information was not available; Reserves estimates for the relevant classification were not available as at 8 March 2022
6. As at 8 March 2022, the most recently available reserves disclosed for TotalEnergies and BP were as at 31 December 2020
7. Reserves disclosed by Inpex Corporation include reserves attributable to non-controlling interests.

In considering the observed multiples, we would highlight:

- Exxon's 1P Reserves are primarily located in Asia and the US, which contain approximately 35% and 32% of 1P Reserves respectively. Exxon has other operations in Oceania, other Americas, Africa and Europe. Of Exxon's 1P Reserves, approximately 66% are classified as 1P developed reserves. Exxon's 1P Reserves comprise approximately 18% unconventional reserves, predominantly located in the US
- Over half of Chevron's 1P Reserves are sourced from the US and Australia, with its remaining sources of reserves diversified across Africa, Asia, Europe, and other Americas. Of Chevron's 1P Reserves, 66% are classified as developed 1P Reserves. Chevron's production includes unconventional production from the Permian Basin and Eagle Ford Shale in the US contributing 25% of its total liquids production and 14% of its total gas production in 2021
- 85% of Shell's 1P Reserves are classified as developed 1P Reserves. Approximately 45% of Shell's 1P Reserves are located in Asia and comprise natural gas, oil, natural gas liquids and bitumen. Shell has additional reserves located in Europe, Oceania, North and South America and Africa. Shell has additional interests in unconventional assets in Canada and Argentina
- TotalEnergies' 1P Reserves are comprised of approximately 65% developed 1P Reserves. The company's largest single source of 1P Reserves (approximately 24%) is located Russia, with other 1P Reserves located across Asia, North and South America, Europe, Oceania and Africa
- ConocoPhillips' operations are predominantly in the US, in which 71% of 1P Reserves are located and 63% of 2021 production is sourced. ConocoPhillips also has interests in reserves across the Asia/Pacific, Middle East, Africa, Europe and Canada. ConocoPhillips' US and Canadian assets comprise unconventional plays in the Permian Basin, Eagle Ford and Montney
- Equinor's operations are primarily located in Norway, with approximately 72% and 69% of total 2021 production and 1P Reserves respectively. Equinor has additional 1P Reserves in North America, Africa and Europe, with 61% of its 1P Reserves classified as developed 1P Reserves
- BP holds approximately 50% of its 1P developed and undeveloped reserves in Russia, which also account for 32% of its production. Outside of Russia, BP has developed and undeveloped 1P Reserves in Europe, the UK, North and South America, Asia, Oceania and Africa. 56% of BP's reserves are classified as developed 1P Reserves
- Eni's 1P Reserves contain 71% 1P developed reserves and 29% 1P undeveloped reserves. Eni's largest source of production is from its operations in Africa, in which over 50% of its 1P Reserves are located. Eni has additional 1P Reserves located across Europe, Kazakhstan, Oceania and North and South America
- Santos' operations are focused in Australia, Papua New Guinea and Timor-Leste. Approximately 53% of Santos' 1P Reserves are classified as 1P developed reserves and 45% of its 2P Reserves are classified as developed 2P Reserves. Santos have reported that approximately 17% of its 1P Reserves and 20% of its 2P Reserves are unconventional

- Inpex has disclosed its reserves inclusive of non-controlling interest, which has the effect of understating the implied 1P multiples. Approximately 58% of Inpex' s 1P Reserves is sourced from the Middle East and Africa, while 27% is sourced from Oceania and Asia. Of Inpex' s 1P Reserves, approximately 72% are classified as 1P developed reserves
- Origin' s 2P Reserves are located entirely in Australia. Approximately 88% and 60% of 1P and 2P Reserves respectively, are classified as developed.

Appendix 9 – Selected conventional upstream hydrocarbon production comparable companies

| Company | Description |
|---|--|
| Canadian Natural Resources Limited (Canadian Natural) | Canadian Natural acquires, explores for, develops, produces, markets and sells crude oil, natural gas, and natural gas liquids. The company produces natural gas, synthetic crude oil, light and medium crude oil, bitumen and heavy crude oil. It operates primarily in Western Canada, the UK portion of the North Sea and Offshore Africa. Canadian Natural was incorporated in 1973 and is headquartered in Calgary. |
| CNOOC Limited (CNOOC) | CNOOC, an investment holding company, explores for, develops, produces, and sells crude oil and natural gas. The company also holds interests in various oil and gas assets in Asia, Africa, North America, South America, Oceania, and Europe. The company was incorporated in 1999 and is based in Hong Kong. |
| Occidental Petroleum Corporation (Occidental Petroleum) | Occidental Petroleum engages in the acquisition, exploration and development of oil and gas properties in the US, Middle East, Africa, and Latin America. It operates through three segments: oil and gas, chemical and midstream and marketing. Occidental Petroleum Corporation was founded in 1920 and is headquartered in Houston. |
| Aker BP ASA (Aker) | Headquartered in Fornebu, Norway, Aker engages in the exploration, development, and production of oil and gas on the Norwegian Continental Shelf. The company operates five assets: Alvheim, Ivar Aasen, Skarv, Ula and Valhall. Founded in 2001 as Det norske oljeselskap ASA, the company changed its name to Aker BP ASA in 2016. |
| PTT Exploration and Production Public Company Limited (PTTEP) | PTTEP engages in the exploration and production of petroleum predominantly in Thailand with additional interests in South America, Africa, Africa, the Middle East and other Asian areas. The company was founded in 1985 and is headquartered in Bangkok. |
| APA Corporation (APA) | APA Corporation explores for, develops and produces oil and gas properties. It has operations in the US, Egypt and the UK, as well as exploration activities offshore Suriname. The company also operates gathering, processing and transmission assets in West Texas. APA was founded in 1954 and is based in Houston. |
| Lundin Energy AB (publ) (Lundin) | Lundin engages in the exploration, development, and production of oil and gas properties primarily in Norway. The company was incorporated in 2001 and is headquartered in Stockholm. |
| Harbour Energy plc (Harbour) | UK-based Harbour, an oil and gas company, operates in the UK, Norway, Indonesia, Vietnam, Brazil, Falkland Islands, Mauritania, and Mexico. The company was founded in 2007 and is based in Edinburgh. |
| Petro Rio S.A. (Petro Rio) | Brazilian company Petro Rio engages in the exploration, development, and production of oil and natural gas properties in Brazil and internationally. In addition, it imports, exports, refines, sells, and distributes oil, natural gas, fuels and oil by-products. Petro Rio was incorporated in 2009 and is headquartered in Rio de Janeiro. |
| Oil India Limited (Oil India) | Oil India explores for, develops, and produces crude oil and natural gas in India and internationally. The company operates through crude oil, natural gas, liquified petroleum gas, pipeline transportation and renewable energy segments. The company was founded in 1889 and is based in Noida. |
| Beach Energy Limited (Beach Energy) | Beach Energy Limited operates as an oil and gas exploration and production company. The company engages in onshore and offshore oil and gas production in five producing basins across Australia and New Zealand. It also explores, develops, produces and transports hydrocarbons and sells gas and liquid hydrocarbons. Beach Energy Limited was incorporated in 1961 and is headquartered in Adelaide. |

| Company | Description |
|--|--|
| Kosmos Energy Ltd. (Kosmos Energy) | Kosmos Energy, a deep-water independent oil and gas exploration and production company, has primary assets in offshore Ghana, Equatorial Guinea and the US Gulf of Mexico, as well as a gas development offshore Mauritania and Senegal. The company was founded in 2003 and is headquartered in Dallas. |
| DNO ASA (DNO) | DNO, a Norwegian-based company, engages in the exploration, development, and production of oil and gas assets in the Middle East and the North Sea. Its flagship project is the Tawke field which is located in the Kurdistan region of Iraq. The company was founded in 1971 and is headquartered in Oslo |
| Tullow Oil plc (Tullow) | Founded in 1985, Tullow is headquartered in London and engages in the oil and gas exploration, development, and production activities primarily in Ghana and South America. |

Source: Capital IQ

Appendix 10 - Conventional upstream hydrocarbon production comparable company multiples

Table 106: Conventional upstream hydrocarbon production 1P and 2P multiples

| Company | Reserves and Resources | | | | Multiples | |
|---|------------------------|------------------|-------------|-------------|-------------|-------------|
| | Market cap | Enterprise value | 1P Reserves | 2P Reserves | 1P Reserves | 2P Reserves |
| | A\$M | A\$M | MMboe | MMboe | A\$M/MMboe | A\$M/MMboe |
| Canadian Natural Resources Limited | 95,774 | 114,867 | 12,813 | 16,951 | 9 | 7 |
| CNOOC Limited | 80,181 | 98,787 | 5,373 | | 18 | |
| Occidental Petroleum Corporation | 70,359 | 109,384 | 3,512 | | 31 | |
| Aker BP ASA | 32,317 | 35,536 | 641 | 802 | 55 | 44 |
| PTT Exploration and Production Public Company Limited | 25,156 | 27,267 | 1,353 | 2,123 | 20 | 13 |
| APA Corporation | 18,481 | 30,926 | 913 | | 34 | |
| Lundin Energy AB (publ) | 16,074 | 15,895 | | 639 | | 25 |
| Harbour Energy plc | 6,690 | 11,109 | | 642 | | 17 |
| Petro Rio S.A. | 6,354 | 7,077 | 121 | 209 | 58 | 34 |
| Oil India Limited | 4,772 | 8,325 | 337 | | 25 | |
| Beach Energy Limited | 3,875 | 3,886 | 183 | 339 | 21 | 11 |
| Kosmos Energy Ltd. | 3,819 | 7,272 | 300 | 580 | 24 | 13 |
| DNO ASA | 2,213 | 2,729 | 91 | 132 | 30 | 21 |
| Tullow Oil plc | 1,612 | 6,688 | | 231 | | 29 |
| Low | | | | | 9 | 7 |
| Mean | | | | | 30 | 21 |
| Median | | | | | 25 | 19 |
| High | | | | | 58 | 44 |

Source: Capital IQ, company financial statements and reports, publicly available resource information of relevant companies and KPMG Corporate Finance Analysis

Notes:

1. Enterprise value for selected listed companies has been calculated as market capitalisation as at 8 March 2022, converted to AUD as at the same date based on prevailing spot exchange rates (where relevant), and the latest net debt/cash of the selected company and adjusted for outside equity interests reported prior to 8 March 2022
2. Where the Reserves are not 100 percent owned, all calculations are based on the company's relevant interest
3. The table above shows Reserve valuation comparisons for companies predominantly focused on conventional upstream hydrocarbon production. In the case where the comparable companies' Reserves contain other hydrocarbons (for example condensate), a total contained boe equivalent Reserve has been calculated
4. 1P and 2P multiples have been calculated based as enterprise value divided by total contained boe Reserves respectively
5. Shaded cells indicate the information was not available; Reserves estimates for the relevant classification were not available as at 8 March 2022
6. As at 8 March 2022, the most recently available reserves disclosed for CNOOC Limited, Harbour Energy and Petro Rio were as at 31 December 2020
7. As at 8 March 2022, the most recently available reserves disclosed for Oil India was as at 31 March 2021
8. As at 8 March 2022, the most recently available 1P reserves disclosed for Aker was as at 31 December 2020
9. Reserves disclosed by APA Corporation include reserves attributable to non-controlling interests.

In considering the observed multiples, we would highlight:

- Canadian Natural has material reserves in unconventional onshore projects located in North America. These projects are focused on oil sands production in Western Canada and account for approximately 30% of total crude oil production. International reserves are located in the mature North Sea (offshore Norway) and offshore Africa in the Cote d' Ivoire. Approximately 70% of Canadian Natural' s 1P Reserves are developed
- Approximately 58% of CNOOC' s 1P Reserves and 67% of hydrocarbon production is sourced from China. Approximately 47% of 1P Reserves were classified as developed reserves
- Occidental sources approximately 27% of its revenue from Chemical and Midstream and Marketing operations, with the remainder sourced from oil and gas sales. Approximately half of Occidental' s 1P Reserves is comprised of conventional oil, with the remainder equally split between gas and natural gas liquids. Approximately 74% of Occidentals 1P Reserves are located in the US
- Aker BP' s reserves are located entirely on the Norwegian continental shelf, with oil and gas production from six field centres, of which, Aker BP is the operator of five. Aker BP' s exploratory resources are also located in both offshore and onshore Norway. Approximately 80% of Aker BP' s 1P Reserves are classified as developed reserves
- Approximately 46% of the 1P Reserves of PTTEP were located in Thailand, with the remainder located across South America, Africa, Africa, the Middle East and other Asian areas. These 1P Reserves are comprised of 74% natural gas and 26% crude oil and condensate
- APA Corporation has disclosed its reserves inclusive of non-controlling interest, which may understate the implied 1P and 2P multiples. Of APA' s 1P Reserves, over 90% were classified as 1P developed reserves. Approximately 68% of APA' s 1P Reserves are located in the US, 22% in Egypt and 11% in the North Sea. Per APA' s 2020 annual report, 55% of its production was conventionally sourced with the balance from unconventional production. Approximately 65% of production was sourced from the US
- Lundin' s disclosed reserves and resources are located entirely on the Norwegian continental shelf, with oil and gas comprising 93% and 7% of disclosed 2P Reserves respectively. Production is sourced from three assets that produce both oil and gas
- Harbour Energy resulted from the recent merger of Premier Oil and Holdings Limited (**Chrysaor**). Harbour Energy' s reserves are primarily comprised of oil and gas reserves in Indonesia, the UK, Norway and Vietnam, with the majority of these reserves located in the North Sea and production in each area
- Petro Rio' s 2P Reserves and contingent resources interests are located entirely in offshore Brazil. Of Petro Rio' s 1P Reserves, 55% are classified as 1P developed reserves and 97% are oil 1P Reserves
- 94% of Oil India' s 1P Reserves are classified as developed 1P Reserves. Of Oil India' s 1P Reserves, 62% is oil and condensate and 38% is natural gas and 80% is located in India. Oil India' s international assets include a 20% interest in an unconventional shale asset in the US (containing 2P Reserves only) as well as a 50% interest in a 2P hydrocarbon reserve in Russia

- Beach Energy' s projects are located entirely in Australia and New Zealand. Beach Energy' s 1P Reserves and 2P Reserves comprise approximately 80% gas. Beach Energy' s largest project (accounting for 20% of 1P Reserves) is the onshore South Australian Cooper Basin, which focusses on unconventional shale hydrocarbon production. Approximately 49% of Beach Energy' s 1P Reserves are classified as developed 1P Reserves
- Kosmos' 1P Reserves are comprised of 64% developed and 36% undeveloped 1P Reserves. Approximately 53% of Kosmos' 1P Reserves are located in Ghana, with the remainder split between the US GoM (28%) and Equatorial Guinea (19%)
- DNO' s 2P Reserves are primarily located in Kurdistan (Iraq) (59%) and Norway (40%) and comprise predominantly oil reserves. Of these 2P Reserves, 52% are developed reserves, while 54% of 1P Reserves are developed reserves
- Tullow' s production operations are primarily in Africa, with 87% of 2P Reserves located in offshore Ghana, comprising both oil and gas. Production from these wells is from conventional extraction methods.

Appendix 11 – Selected upstream and midstream LNG production and processing comparable transactions

| Target | Description |
|---|--|
| Australia Pacific LNG Pty Ltd. (APLNG) | On 8 December 2021 ConocoPhillips exercised its pre-emption right to acquire an additional 10% minority stake in APLNG from Origin for A\$1.97 billion (US\$1.4 billion), increasing its interest to 47.5% in APLNG. APLNG is located in onshore eastern Australia and produces natural gas and liquefied natural gas. As of the transaction date, APLNG had 1P Reserves of 1.2 billion boe. |
| Oil Search Limited (Oil Search) | On August 2, 2021, Santos made a non-binding and indicative merger proposal for Oil Search. Under the terms of the transaction, Oil Search shareholders received 0.6275 new Santos shares for each Oil Search share held via a scheme of arrangement. The merger proposal implied a transaction price of AUD 4.29 per Oil Search share. Following the merger Oil Search shareholders own approximately 38.5% of the merged group and Santos' shareholders own approximately 61.5%. |
| ConocoPhillips Northern Australia Assets (ConocoPhillips Northern Australia Assets) | On 13 October 2019, Santos entered into an agreement to acquire interests in ConocoPhillips Northern Australia Assets for A\$1,900 million (US\$1,265 million). As part of the transaction, Santos acquired an additional 37.5 % interest in the Barossa project and Caldita Field, an additional 56.9% interest in the Darwin LNG facility and Bayu-Undan Field, 40% interest in the Poseidon Field and 50% interest in the Athena Field. Post completion, Santos holds 68.4% stake in Darwin LNG facility and Bayu-Undan Field, 62.5% stake in Barossa and 40% interest in the Poseidon Field and ConocoPhillips holds no stake in Darwin LNG facility and Bayu-Undan Field. |
| Partex Holding BV (Partex) | On 16 June 2019, PTTEP signed a share purchase agreement to acquire Partex from Calouste Gulbenkian Foundation for A\$1,026 million (US\$716 million). As at the transaction date, Partex and its underlying projects had 2P interests of 65 MMboe in locations spanning predominantly Asia, Africa, Brazil and the Middle East. |

Appendix 12 - Upstream and midstream LNG production and processing comparable transaction multiples

Table 107: Upstream and midstream LNG production and processing 1P and 2P multiples

| Target | Acquirer | Announcement date | Interest acquired | Implied EV | Reserves and Resources | | Multiples | |
|--|--------------------------|-------------------|-------------------|------------|------------------------|-------------|-------------|-------------|
| | | | | | 1P Reserves | 2P Reserves | 1P Reserves | 2P Reserves |
| | | | | | A\$M | MMboe | MMboe | A\$M/MMboe |
| Australia Pacific LNG Pty Ltd. | ConocoPhillips | 8 Dec 21 | 10% | 27,075.7 | 1,201 | 1,853 | 23 | 15 |
| Oil Search Limited | Santos Limited | 20 Jul 21 | 100% | 11,755.5 | 355 | 407 | 33 | 29 |
| ConocoPhillips Northern Australia Assets | Santos Limited | 13 Oct 19 | 100% | 1,269.3 | [Shaded] | 61 | [Shaded] | 21 |
| Partex Holding BV | PTTEP HK Holding Limited | 17 Jun 19 | 100% | 826.7 | [Shaded] | 65 | [Shaded] | 13 |
| Low | | | | | | | 23 | 13 |
| Mean | | | | | | | 28 | 19 |
| Median | | | | | | | 28 | 18 |
| High | | | | | | | 33 | 29 |

Source: Capital IQ, company financial statements and reports, publicly available resource information of relevant companies and KPMG Corporate Finance Analysis

Notes:

1. Reserve multiples are calculated using the Enterprise Value implied by the transaction and 1P and 2P reserves sourced from latest disclosures announced by the target prior to the announcement of the transaction
2. Implied enterprise value calculated using the consideration offered by the acquirer and the target's net debt/cash position reported prior to the announcement of the transaction
3. Where the transaction involved a company acquiring an interest of below 100 percent, the consideration has been grossed up to reflect an implied acquisition of 100 percent
4. The table above shows Reserve valuation comparisons for transactions predominantly focused on upstream and midstream LNG production and processing. In the case where the comparable target's Reserves contain other hydrocarbons (for example condensate), a total contained boe equivalent Reserve has been calculated
5. 1P and 2P multiples have been calculated based as implied Enterprise Value divided by total contained boe reserves respectively
6. Shaded cells indicate the information was not available; Reserves estimates were not available.

In considering the observed multiples, we would highlight:

- The APLNG interest acquired by ConocoPhillips is located on onshore eastern Australia in the Otway Basin. It comprises a gas liquefaction plant, production and pipeline system and upstream exploration resources
- Oil Search' s operations were located primarily in Papua New Guinea, with additional operations in the US and Australia. 71% of Oil Search' s 1P Reserves were classified as developed 1P Reserves at the date of the transaction and gas reserves comprised 86% of 1P Reserves. Oil Search' s key assets were in production, predominantly sourced from Papua New Guinea
- Santos' purchase on the northern Australia assets of ConocoPhillips comprised an interest in two projects in operation and an interest in an exploratory resource. Of the projects in operation, Santos acquired an interest in the Darwin LNG infrastructure
- The assets of the acquired Partex were located in the Middle East, with interests in seven projects, primarily as a non-operating partner. The major projects include two onshore oil producing fields in Oman as well as the Oman LNG project, which is a gas liquefaction complex, and the ADNOC gas processing project.

Appendix 13 - Selected conventional upstream hydrocarbon production comparable transactions

| Target | Description |
|---|---|
| Conventional upstream hydrocarbon production comparable transactions | |
| Quadrant Energy Australia Limited (Quadrant Energy) | On 22 August 2018, Santos Limited entered into a sale and purchase agreement to acquire Quadrant Energy from Wesfarmers Limited, Brookfield Asset Management Inc, Macquarie Corporate Holdings Pty Limited, AMB Holdings Pty Ltd, CDPQ, and Quadrant management. On completion of the transaction Santos paid an amount of US\$1.93 billion, comprising the purchase price of US\$2.15 billion less completion adjustments and cash acquired. Quadrant Energy holds natural gas and oil production, near and medium term development, appraisal and exploration assets across more than 52,000 km ² of acreage, predominantly in the Carnarvon Basin offshore Western Australia. |
| Seven Generations Energy Ltd (Seven Generations Energy) | On 10 February 2021 ARC Resources Ltd entered into a definitive agreement to acquire Seven Generations Energy from Canada Pension Plan Investment Board and others, with ARC issuing approximately 369.4 million shares to acquire all of the outstanding Seven Generations Energy shares. Seven Generations Energy is a public oil and gas company with assets located in the liquids-rich Kakwa region of northwest Alberta, comprised of tight, liquids-rich natural gas properties covering 531,210 net acres. |
| Tartaruga Verde Field (BM-C-36 Concession) And Module III of Espadarte Field (Tartaruga Verde Field) | On 24 April 2019, Petronas Petroleo Brasil Ltda executed a sale purchase agreement to acquire a 50% working interest in Tartaruga Verde Field (BM-C-36 Concession) and Module III of Espadarte Field from Petróleo Brasileiro S.A. - Petrobras for US\$1.3 billion. Tartaruga Verde Field (BM-C-36 Concession) And Module III of Espadarte Field comprised an oil and gas field, which is located in Brazil. |
| United Kingdom Oil and Gas Business of ConocoPhillips (UK O&G Business of ConocoPhillips) | On 18 April 2019, Chrysaor E&P Limited entered into an agreement to acquire the UK O&G Business of ConocoPhillips for US\$2.7 billion. The subsidiaries acquired consisted of the company's exploration and production assets in the UK, which produced approximately 72,000 boe per day in 2019. |
| OML 17 and Related Assets (OML 17 and Related Assets) | On 15 January 2021, Tnog Oil & Gas Ltd acquired a 45% stake in OML 17 and Related Assets from Nigerian Agip Oil Company Ltd, the Shell Petroleum Development Company of Nigeria Limited, and Total E&P Nigeria Limited. |
| Shenzi Deepwater Oil Field in the Gulf of Mexico (Shenzi Deepwater Oil Field) | On 5 October 2020, BHP Group Plc signed a Membership Interest Purchase and Sale Agreement to acquire an additional 28% stake in the Shenzi Deepwater Oil Field for approximately US\$510 million. After completion BHP holds a 72% stake and Repsol holds a 28% stake. Shenzi Deepwater Oil Field, whose first oil and natural gas production was achieved in 2009, is a standalone tension leg platform that is installed in approximately 1,340m of water. |
| Premier Oil (Premier) | On 6 October 2020, Chrysaor entered into an agreement to acquire Premier in a reverse merger transaction. Under the terms of the transaction, Premier acquired Chrysaor in return for the issuance of new Premier shares and Premier's approximately US\$2.7 billion of total gross debt and cross currency swaps will be repaid and cancelled. On completion of the transaction, Premier was renamed Harbour Energy plc (Harbour). At the date of the transaction, Premier had 151 MMboe of 2P Reserves and 694 MMboe of contingent resources. |

| Target | Description |
|---|---|
| Deep Water Gulf of Mexico Assets of LLOG Exploration Offshore LLC and LLOG Bluewater Holdings LLC (Deep Water Gulf of Mexico Assets) | On 19 April 2019, Murphy Exploration & Production Company - USA (Murphy) entered into a definitive agreement to acquire the Deep Water Gulf of Mexico Assets from LLOG Exploration Offshore LLC and LLOG Bluewater Holdings LLC for US\$1.6 billion. The purchase consideration comprised an upfront cash consideration of US\$1,375 million and additional contingent consideration payments based on certain conditions. As at the transaction date, the Deep Water Gulf of Mexico Assets included 66 MMboe and 122 MMboe of 1P and 2P Reserves respectively. |
| Working Interests in Draugen and Gjøa (Draugen and Gjøa) | On 20 June 2018, OKEA AS agreed to acquire working interests in Draugen and Gjøa from A/S Norske Shell for A\$467 million (NOK 2,930 million) paid in cash. OKEA acquired a 44.56% operating interest in Draugen and 12% non-operating interest in Gjøa. Under the terms of the agreement Shell will pay OKEA an additional future payment subject to OKEA completing the decommissioning of the asset. 80% of decommissioning financial liabilities remained with Shell up to an agreed limit. The underlying 1P Reserves of Draugen and Gjøa were 59.4 MMboe and 72.8 MMboe respectively. |
| Murphy Sabah Oil Co., Ltd. and Murphy Sarawak Oil Company Ltd. (Murphy Co.s) | On 10 July 2019, PTT Exploration and Production PCL acquired Murphy Sarawak Oil Company Ltd. and Murphy Sabah Oil Co., Ltd. from Murphy Oil Corporation for a consideration of AU\$3,005 million (US\$2,135 million). The acquisition included 5 petroleum exploration and production projects - the Sabah K project, the SK309 & SK311 project, the Sabah H project, the SK314A project and the SK405B project. Out of these projects, 2 have commenced operations, 1 is under development and 2 are exploration projects with total estimated 1P Reserves of all projects of 129 MMboe. |

Appendix 14 - Conventional upstream hydrocarbon production comparable transaction multiples

Table 108: Conventional upstream production 1P and 2P multiples

| Target | Acquirer | Announcement date | Interest acquired | Implied EV | Reserves and Resources | | Multiples | |
|--|--|-------------------|-------------------|------------|------------------------|-------------|-------------|-------------|
| | | | | | 1P Reserves | 2P Reserves | 1P Reserves | 2P Reserves |
| | | | | | A\$m | MMboe | MMboe | A\$m/MMboe |
| Seven Generations Energy Ltd. | ARC Resources Ltd. | 10 Feb 21 | 100% | 4,706.0 | | 1,540 | | 3 |
| OML 17 and Related Assets | TNOG Oil and Gas Limited | 15 Jan 21 | 45% | 2,092.5 | | 1,200 | | 2 |
| Shenzi Deepwater Oil Field in Gulf of Mexico | BHP Group Plc (nka:BHP Group (UK) Ltd) | 6 Oct 20 | 28% | 2,386.3 | 103 | 146 | 23 | 16 |
| Premier Oil plc | Chrysaor Holdings Limited (nka:Harbour Energy plc) | 6 Oct 20 | 100% | 5,273.0 | | 151 | | 35 |
| Deep Water GoM Assets of LLOG Expl. Offshore LLC and LLOG Bluewater Holdings LLC | Murphy Exploration & Production Company - USA | 23 Apr 19 | 100% | 1,786.5 | 66 | 122 | 27 | 15 |
| United Kingdom Oil and Gas Business of ConocoPhillips | Chrysaor E&P Limited | 18 Apr 19 | 100% | 3,966.2 | 99 | | 40 | |
| Murphy Sabah Oil Co., Ltd. and Murphy Sarawak Oil Company Ltd. | PTT Exploration and Production PCL | 21 Mar 19 | 100% | 3,004.9 | 129 | | 23 | |
| Quadrant Energy Australia Limited (nka:Santos WA Energy Limited) | Santos Limited | 22 Aug 18 | 100% | 2,629.9 | | 220 | | 12 |
| Working Interests in Draugen and Gjøa | OKEA AS (nka:OKEA ASA) | 20 Jun 18 | 100% | 466.6 | 35 | 42 | 13 | 11 |
| Low | | | | | | | 13 | 2 |
| Mean | | | | | | | 25 | 13 |
| Median | | | | | | | 23 | 12 |
| High | | | | | | | 40 | 35 |

Source: Capital IQ, company financial statements and reports, publicly available resource information of relevant companies and KPMG Corporate Finance Analysis

Notes:

1. Reserve multiples are calculated using the Enterprise Value implied by the transaction and 1P and 2P reserves sourced from latest disclosures announced by the target prior to the announcement of the transaction
2. Implied enterprise value calculated using the consideration offered by the acquirer and the target's net debt/cash position reported prior to the announcement of the transaction
3. Where the transaction involved a company acquiring an interest of below 100 percent, the consideration has been grossed up to reflect an implied acquisition of 100 percent
4. The table above shows Reserve valuation comparisons for transactions predominantly focused on conventional upstream hydrocarbon production. In the case where the comparable target's Reserves contain other hydrocarbons (for example condensate), a total contained boe equivalent Reserve has been calculated
5. 1P and 2P multiples have been calculated based as implied Enterprise Value divided by total contained boe reserves respectively
6. Shaded cells indicate the information was not available; Reserves estimates were not available.

In considering the observed multiples, we would highlight:

- Quadrant Energy's reserves and operations are located in the Carnarvon Basin in offshore Western Australia. Approximately 75% of Quadrant Energy's reserves are classified as developed 2P Reserves, including 85% of gas reserves classified as 2P Reserves. Of Quadrant's five main assets, it is the operator of 3, and a participant in two others, all of which are in operation
- Seven Generations' reserves are primarily located in Western Canada and were producing at the time of the transaction
- ConocoPhillips' UK Oil and Gas portfolio comprised 99 MMboe of 1P Reserves located in the British North Sea, the majority of which were in production
- The sale of Oil Mining Lease 17 and related assets appears to have been made in line with the Federal Government of Nigeria's aim of developing Nigerian companies in the oil and gas sector. It is unclear to what degree the transaction price / multiple was impacted by sovereign risk. The reserves are located onshore Nigeria and contained a number of producing wells
- The Shenzi development is located in the Gulf of Mexico, and in production at the time of the transaction
- The Premier transaction was a reverse takeover. We have calculated the implied multiple on the basis that Premier was the target for reserves and consideration. Consideration comprised payments to creditors and equity (held by pre-deal creditors and shareholders) in the enlarged entity at completion. Premier's reserves were comprised of oil and gas reserves in Indonesia, the UK and Vietnam, with the majority of these reserves located in the UK and production in each area
- The Deep Water Gulf of Mexico Assets acquired by Murphy included seven producing fields and four development projects in the Mississippi Canyon and Green Canyon areas. The underlying 2P Reserves were comprised of 72% oil
- The working interests in Draugen and Gjøa acquired by Okea were located in offshore Norway. Approximately 81% of the acquired 2P Reserves were classified as developed 2P Reserves, with the majority those not developed approved for development. The majority of these reserves were in production at the transaction date
- The assets purchased by PTTEP from Murphy were producing assets located in offshore Malaysia, of which the underlying 1P Reserves were 46% developed 1P Reserves. The reserves were comprised of 60% oil and 38% gas.



Appendix 15 - GaffneyCline report

Gaffney
Cline

Independent Technical Specialist's Report for Woodside Petroleum Limited's Acquisition of BHP Petroleum's Assets

Prepared for
KPMG Financial Advisory Services (Australia) Pty Ltd
March 2022

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Approved by Gaffney, Cline & Associates

Project Manager: /s/ Zis Katelis March 2022
Zis Katelis, Technical Director

Reviewed by: /s/ Doug Peacock March 2022
Doug Peacock, Technical Director

Reviewed by: /s/ Arse Clarijs March 2022
Arse Clarijs, Regional/Technical Director

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1 Introduction

At the request of KPMG Financial Advisory Services (Australia) Pty Ltd, of which KPMG Corporate Finance is a division (KPMG Corporate Finance or Independent Expert), Gaffney, Cline & Associates Limited (GaffneyCline) has prepared this Independent Technical Specialist's Report (ITSR) on various assets of Woodside Petroleum Limited (Woodside) and BHP Petroleum International Pty Ltd (BHP Petroleum). KPMG Corporate Finance was engaged by Woodside to prepare an Independent Expert Report (IER) in relation to the proposed transaction with BHP Petroleum which may result in Woodside acquiring all the assets of BHP Petroleum in consideration for the issue of new Woodside shares (Proposed Transaction).

Woodside's conventional oil and gas assets are located onshore and offshore Australia, offshore Senegal and onshore British Columbia, Canada. BHP Petroleum's conventional oil and gas assets are located onshore and offshore Australia, in the United States' and Mexican sectors of the Gulf of Mexico (GOM), and offshore Trinidad and Tobago¹.

As part of KPMG Corporate Finance's engagement for the IER they were required to value the petroleum assets of both Woodside and BHP Petroleum (collectively the Assets), including each company's current interests in:

- petroleum assets currently on production (including the potential to extend project life through further development)
- petroleum assets under development but not yet on production
- any other contingent and/or prospective resources, early-stage petroleum assets or targets not already captured in petroleum assets included in the above

In addition, KPMG Corporate Finance was required to consider the impact on values to any of the Assets because of the Proposed Transaction and therefore required GaffneyCline to consider the scheduling of individual development projects and how that might change following completion of the Proposed Transaction.

KPMG Corporate Finance indicated in GaffneyCline's assignment instructions that GaffneyCline was required to comply with the Regulatory Guide 111 - Content of expert reports (RG111), Regulatory Guide 112 - Independence of experts (RG112) and the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets, as amended (the VALMIN Code 2015). As an appropriate specialist assigned to assist KPMG Corporate Finance in the valuation of the Assets, GaffneyCline has complied with the regulations for the work performed in this report.

¹ BHP Petroleum also has assets in Algeria but plans to divest them. These assets are not covered by this ITSR as Woodside and BHP Petroleum have agreed that BHP Petroleum will retain the economic benefits thereof from the proposed Merger effective date, including the net proceeds from divestment. If the divestment has not completed prior to completion of the proposed Merger, Woodside will run the Algerian assets on behalf of BHP Petroleum under an arrangement whereby BHP Petroleum will retain all economic exposure and indemnify Woodside for any costs and liabilities associated with Algeria until such time as both parties agree alternative arrangements or Algeria lapses (whichever is earlier).

KPMG Corporate Finance discussed the requirement for a specialist with Woodside, who engaged Gaffney, Cline & Associates Ltd as the Independent Technical Specialist (Specialist) to report to KPMG Corporate Finance as independent expert (Independent Expert).

GaffneyCline advised KPMG Corporate Finance that it is independent of Woodside and BHP Petroleum for the purpose of the ITSR submission. By accepting the terms of the ITSR engagement, GaffneyCline confirmed that it is, and has remained, independent of Woodside and BHP Petroleum for the preparation of this Independent Technical Specialist's Report. Woodside was responsible for the fees of GaffneyCline and in undertaking the ITSR GaffneyCline accepted instructions exclusively from, and provided advice and reporting exclusively to, KPMG Corporate Finance.

KPMG Corporate Finance assignment instructions included the following summary work scope for GaffneyCline to prepare for this report:

- For producing/near-term producing assets, provide, where discounted cash flow (DCF) is considered the most appropriate valuation methodology, an electronic version of a base case (2P or 2C) operational cash flow model to a pre-tax line for each relevant project (including processing operations where appropriate) based on underlying technical and operational assumptions considered to be reasonable by GaffneyCline. KPMG Corporate Finance instructed that the starting point for the base case models was the production and processing economic models prepared by Woodside and/or BHP Petroleum, including where considered appropriate the benefit of life of field extension/development activities being carried out or planned (collectively the Technical Models). The Technical Models were required to be prepared on both a pre-transaction and post-transaction basis where GaffneyCline considered completion of the Proposed Transaction was likely to have an impact on value because of the potential rescheduling of development activities in the expanded asset portfolio of Woodside following completion of the transaction. Based on the assignment instructions, KPMG Corporate Finance was responsible for the final market valuation of the producing assets, including, where required, other valuation mechanisms as per VALMIN requirements.
- A valuation of any interests deemed to be material for the overall valuation, in the Assets of Woodside and BHP Petroleum that are not captured in the Technical Models contemplated above, including any residual contingent and/or prospective resources, early-stage petroleum assets or targets (Residual Assets). Materiality of cut-off of the individual assets within the Residual Assets, as well as any residual asset retirement obligations (ARO). Materiality of cut-off of the individual assets within the Residual Assets and/or ARO was set at US\$50 MM by KPMG Corporate Finance (provided the aggregate of all Residual Assets and the aggregate ARO did not exceed US\$250 million in either Woodside or BHP Petroleum). KPMG Corporate Finance provided the macroeconomic inputs for consistency between the two reports (e.g. commodity price assumptions, discount rates and foreign exchange rates).
- An independent report summarising the outcome of GaffneyCline's work in relation to the Technical Models and the valuation of any Residual Assets (the Specialist Report or ITSR).

In preparation of the Independent Technical Specialist' s Report , GaffneyCline relied upon, without independent verification, information furnished by, or on behalf of, Woodside and BHP Petroleum with respect to the property interests being evaluated, production from such properties, current cost of operations and development, current prices for production, agreements related to current and future operations and sale of production, estimation of taxes, and various other information and data that were accepted as represented. A field examination of the properties was not considered necessary for the purposes of the Independent Technical Specialist' s Report.

GaffneyCline also reviewed the portfolio of exploration interests and other early-stage petroleum assets for which it was not appropriate to prepare cash flow-based valuations and provided a valuation of those interests compliant with the 2015 VALMIN Code, ASX Listing Rules and PRMS 2018 (**Appendix I**).

This Independent Technical Specialist' s Report relates specifically and solely to the subject matter as defined in the scope of work, as set out herein, and is conditional upon the specified assumptions. The report must be considered in its entirety and must only be used for the purpose for which it is intended.

A glossary of abbreviations is shown in **Appendix II**.

1.1 Woodside

The bulk of Woodside' s assets are offshore Western Australia, largely linked to LNG projects, notably North West Shelf (NWS), Pluto and Wheatstone. Woodside' s non-Australian assets are in Myanmar, Senegal and Canada, of which the Sangomar development in Senegal, operated by Woodside, is the most significant. Woodside also has exploration acreage in the Democratic Republic of Congo (Congo) and South Korea.

Woodside and BHP Petroleum both have interests in the NWS gas and oil projects, and in the Scarborough LNG project (including the Jupiter and Thebe Fields) in Australia, both operated by Woodside. Besides these, Woodside and BHP Petroleum have no common assets.

On production since 1984, the NWS development complex produces from multiple gas and oil fields covering 21 blocks located ~130 km offshore. Twelve gas fields have been developed (eight currently producing) with a combination of platforms and subsea wells and gas is exported from the offshore North Rankin Complex and Goodwyn Alpha Platform via two pipelines to the onshore Karratha Gas Plant for LNG and domestic gas use. A further field, Lambert Deep, is currently being developed, but production has recently started to decline. Additional potential exists to develop two satellite fields and four small discoveries, but these are currently regarded as sub-commercial. The NWS oil assets comprise three mature producing fields (Cossack, Wanaea and Hermes) and three undeveloped discoveries (Egret, Eaglehawk and West Dixon), though these are also considered sub-commercial.

Woodside and BHP Petroleum' s oil assets in NWS comprise three mature producing fields (Cossack, Wanaea and Hermes) and three undeveloped discoveries (Egret, Eaglehawk and West Dixon). Reserves are attributed to the three producing fields and Contingent Resources (Development Not Viable) are attributed to the three discoveries, which have volumes that are too small to warrant commercial development currently.



Woodside has an interest in the Brunello and Julimar Fields offshore Western Australia, together forming the Julimar Development Project. It is a subsea development to supply gas and condensate to the Wheatstone Project's onshore LNG trains and domestic gas plant at the Ashburton North Strategic Industrial Area via the Chevron-operated Wheatstone platform. Production from Brunello commenced in 2017. The Julimar-Brunello phase 2 fabrication and installation of the subsea tie-back was completed in Q3 2021, which comprised subsea pipeline structures, umbilical and manifold equipment. The project was preparing for cold commissioning and start-up in Q4 2021 and came on stream in December 2021. Further development phases are anticipated.

Also, offshore Western Australia, Woodside has interests in an exploitation permit supplying gas from subsea wells via a minimum facilities platform in shallow water to the Pluto LNG plant, located close to the Karratha Gas Plant. Gas and condensate Reserves are attributed to the producing Pluto and Xena Fields and to Pyxis. The Pluto and Xena Fields are producing, and Pyxis came on stream in November 2021.

Woodside and BHP Petroleum both have interests in the undeveloped Scarborough gas field and two satellite discoveries, Jupiter and Thebe located offshore Western Australia. The fields will be developed with subsea wells in some 1,400 m water depth, tied back to a semisubmersible floating production unit (FPU), and gas will be transported 430 km by pipeline to the onshore Pluto LNG plant at Karratha. A Final Investment Decision (FID) was taken in November 2021, with first cargo loading in 2026 from Scarborough, followed by the satellite fields in later phases. Gas Reserves are attributed to the Scarborough Field LNG project with contingent resources attributed to Jupiter and Thebe.

Woodside also has interests in five undeveloped gas discoveries (Remy, Martell, Martin, Noblige and Larsen Deep) in the WA-404-P permit offshore Western Australia, approximately 100 km northwest of the Pluto Field in water depth of 1,500 m. The discoveries are being evaluated for possible subsea development utilising a floating production facility, tied back ~100 km to the Pluto trunkline, to supplement Pluto LNG in later life, but are currently considered sub-commercial.

Greater Enfield and Vincent comprise a collection of oil and gas fields located in the Exmouth sub-basin of the Northern Carnarvon Basin, offshore Western Australia, in production since 2008. The producing fields are tied back to the Ngujima-Yin FPSO located over the Vincent Field and currently produce approximately 30,000 bopd. There are five further discoveries in Greater Enfield, but with no immediate plans to develop them. Two gas discoveries, Ragnar and Toro, are located ~40 km from the Greater Enfield area but are currently viewed as technically and commercially immature due to their small volumes and distance from infrastructure.

Woodside has interests in two further gas discoveries, Ragnar and Toro, located ~40 km from the Greater Enfield area offshore Western Australia. The volumes are small and tie-back development options are being evaluated. Gas Contingent Resources are attributed to the two discoveries.

In the Browse Basin, offshore Western Australia, Woodside has interests in five licences containing three large undeveloped gas and condensate discoveries (Torosa, Calliance and Brecknock). The development concept is a subsea tie-back to two FPSOs, from where gas would be exported via pipeline to the North Rankin Complex where it would join the supply of gas from the North West Shelf (NWS) Fields to the onshore Karratha Gas Plant. The estimated timing for first gas is 2030 (to fill ullage in the NWS facilities) but the commercial viability of the development remains uncertain.

Greater Sunrise comprises the Sunrise and Troubadour Fields, located in northern Australian and Timor-Leste waters. The Governments of Australia and Timor-Leste and the Sunrise Joint Venture will enter a new production sharing contract which will replace the four current titles and negotiations are understood to be ongoing. The fields lie approximately 150 km southeast of Timor-Leste and 450 km north of Australia in an area where the water depth varies between 100 and 600 m. No development concept has yet been selected and the development status remains uncertain.

At the effective date of this ITSR, Woodside had an interest in offshore Block A6 in the Rakhine Basin of Western Myanmar operated by TotalEnergies, ~260 km west of Yangon in water depth ranging from 30 to 2,500 m. The number, phasing and location of the wells were still being optimised as of 31 December 2021; however, Woodside issued an ASX announcement in January 2022 stating that it had decided to withdraw from its interests in Myanmar.

In Senegal, Woodside has interests in the offshore Sangomar Exploitation Licence and an adjacent Evaluation Extension Area. Multiple oil and gas reservoirs have been intersected and appraised in the Sangomar Field and it is currently under development, with the first production well drilled during 2021. The development comprises an FPSO with subsea wells and includes water injection for pressure maintenance and gas injection for gas disposal. Subsequent phases are contingent on the outcome of the first phase and could include intensive development of oil reservoirs and a gas export project. The Evaluation Extension Area contains the undeveloped FAN discovery and the SNE North Prospect.

Woodside has an interest in unconventional (shale) gas deposits of the Kotcho shale Formation in the Liard Basin onshore British Columbia, Canada. The Liard discovery was appraised with the intention of supplying feedstock to an envisaged LNG plant on the coast near Kitimat (the KLNG plant). However, the KLNG concept has been abandoned and the operator, Chevron is also divesting from the upstream asset. Woodside is in the process of taking over most of Chevron's upstream interest and is retaining its position in Liard to evaluate further market opportunities for the potentially large volume of gas, although currently there are no viable plans for exploitation. Contingent Resources (Development Not Viable) are attributed for a nominal recovery of dry gas.



Table 1.1 lists the licences in which Woodside hold working interests (WI) as of 31 December 2021. Reserves, Contingent Resources and/or Prospective Resources have been attributed to most of these licences.

Table 1.1: Summary of Woodside' s Licences as of 31 December 2021

| Country | Licence Block | Field/ Development | Woodside WI (%) | Final License Expiry |
|-------------|---|--|---|---|
| Australia | WA- 1-L to 6-L, 23-L, 24-L, 30-L, 52-L, 53-L, 56-L to 58-L, WA-7-R R4, WA-28-P R8 | NWS Gas | 15.78% | Extendable |
| | WA-9-L, WA-11-L, WA-16-L, WA-34-L | NWS Oil Pluto LNG | 33.33% 90.00% | |
| | WA-49-L, WA-356-P R2, WA-536-P | Wheatstone LNG (Brunello & Julimar) | 65.00% | |
| | WA-61-L, WA-62-L | Scarborough LNG | 73.50% | |
| | WA-61-R, WA-63-R | Thebe & Jupiter backfill to Scarborough | 50.00% | |
| | WA-93-R & WA-94-R | Ragnar & Toro | 70.00% | |
| | WA-404-P | Remy, Martell, Martin, Noblige and Larsen Deep discoveries | 100.00% | |
| | WA-28-L & WA-59-L | Gr. Enfield Oil and Vincent | 60.00% | |
| | WA-28-R to WA-32-R, TR/5 and R2 | Browse Basin (Torosa, Calliance and Brecknock) | 30.60% | |
| | NT/RL2 & NT/RL4 | Gr. Sunrise (incl. Troubadour) | 35.00% for RL2, 26.67% for RL4 | |
| Timor Leste | PSC JPDA 03-19 & 03-20 | | 27.67% | Oct-2026 for 03-19 and Nov-2026 for 03-20 |
| Myanmar | Block A6 | | 40.00% (25.00% post government back-in) | December 2022 |
| Senegal | Sangomar Exploitation Licence | Sangomar | 82.00% | December 2048, extensions possible. |
| | Evaluation Extension Area | Exploration & Appraisal | 90.00% | October 2021: 3-year extension application submitted. |
| Canada | Liard | Liard | 50.00% ³ | Multiple renewals |

Notes:

- Licences are easily extended in Australia when production remains commercial
- Licences in Australia and Canada are subject to tax/royalty fiscal regimes, whereas those in Myanmar, Timor Leste and Senegal are in the form of Production Sharing Contracts (PSC) or similar
- Woodside' s WI in Liard is expected to increase to 94.90% once transfer of certain leases is completed.

Reserves Summary

Proved (1P) and Proved plus Probable (2P) Reserves net to Woodside are summarised in **Table 1.2**. The volumes reported as Reserves are sales quantities and exclude volumes of hydrocarbons consumed in operations as fuel (CiO). To facilitate comparison with the companies' annual reporting, CiO quantities are shown in **Appendix III**.

Table 1.2: Woodside Summary of Net Entitlement Reserves as of 31 December 2021

(a) Woodside Oil, Condensate and Gas

| Country | Asset | Oil and Condensate Reserves (MMBbl) | | Gas Reserves (Bscf) | |
|--------------|-------------------------------------|-------------------------------------|----------------------|---------------------|----------------------|
| | | Proved | Proved plus Probable | Proved | Proved plus Probable |
| Australia | North West Shelf | 24.0 | 30.7 | 625 | 825 |
| | Wheatstone LNG (Brunello & Julimar) | 8.8 | 16.5 | 513 | 798 |
| | Pluto LNG | 19.5 | 24.3 | 1,448 | 1,801 |
| | Scarborough LNG | - | - | 4,762 | 7,429 |
| | Greater Enfield | 16.0 | 24.1 | - | - |
| Senegal | Sangomar | 100.6 | 148.1 | - | - |
| Total | | 168.9 | 243.7 | 7,349 | 10,854 |

(b) Woodside NGL/LPG

| Country | Asset / Project | NGL/LPG Reserves (MMBbl) | |
|-----------|------------------|--------------------------|----------------------|
| | | Proved | Proved plus Probable |
| Australia | North West Shelf | 2.4 | 3.2 |

Notes:

- Reserves net to company are the company's net economic entitlement under the terms of the contract that governs each asset. For Australia this is equal to the company's working interest share of gross field Reserves less any royalty taken in kind. For Senegal, it is equal to the company's share of Cost Recovery, Profit Oil and Tax Barrels (if any) under the terms of the relevant PSC.
- Totals may not exactly equal the sum of the individual entries due to rounding.
- For NWS, NGL composition is equivalent to LPG as they include only C3-C4 hydrocarbons.
- As recommended by PRMS, GaffneyCline does not include Consumed in Operation (CiO) volumes in Reserves; GaffneyCline reports only Sales volumes as Reserves.

Contingent Resources Summary

Contingent Resources net to Woodside are summarised in **Table 1.3**. The Contingent Resources are shown on a working interest (WI) basis, i.e. as the company's WI fraction of the gross field Contingent Resources. The WI basis volumes do not represent the company's actual net entitlement under the terms of the contract that governs the asset, which would be lower for PSCs or where royalty is deductible. The WI basis volumes are quoted here since many of the projects are not yet sufficiently mature to estimate the associated production profiles and costs that are needed to calculate the net entitlement. Only the 2C (Best estimate) Contingent Resources are presented here.

**Table 1.3: Summary of Contingent Resources Net to Woodside (WI Basis)
as of 31 December 2021**

| Country | Asset / Project | 2C Contingent Resources | | Classification |
|-----------------|--|---------------------------------|----------------------|----------------|
| | | Oil, Condensate and NGL (MMBbl) | Gas (Bscf) | |
| Australia | NWS Gas: facility upgrades, infill wells, workovers and new developments | 0.3 | 12 | Pending |
| | | 7.4 | 221 | Unclassified |
| | | 1.9 | 53 | Not Viable |
| | NWS Oil: facility upgrades, infill wells, workovers and new developments | 7.2 | 3 | Unclassified |
| | | 3.8 | 4 | Not Viable |
| | Pluto turn-down rate reduction | 0.6 | 53 | Pending |
| | Pluto infill wells | 2.7 | 231 | Unclassified |
| | Brunello (Wheatstone LNG) | 0.2 | 15 | Unclassified |
| | Thebe and Jupiter (Greater Scarborough) | - | 659 | Pending |
| | WA-404-P (Remy, Martell, Martin, Noblige and Larsen Deep) | 19.5 | 1,006 | Not Viable |
| | Greater Enfield (incl. Vincent) | 32.2 | 43 | Not Viable |
| | Ragnar and Toro (WA-93-R & WA-94-R) | 2.2 | 270 | Not Viable |
| | Browse Basin (Torosa, Calliance and Brecknock) | 119.3 | 4,469 | On Hold |
| Greater Sunrise | 75.6 | 1,717 | On Hold / Not Viable | |
| Myanmar | Block A6 | - | 567 | Not Viable |
| Senegal | Sangomar Phase 1 WI | 22.1 | - | Pending |
| | Sangomar Phases 2-5 + Gas export | 214.0 | 301 | Unclassified |
| | FAN discovery | 81.0 | - | Unclassified |
| Canada | Liard | - | 13,350 | Not Viable |

Notes:

1. Net Contingent Resources in this table are Company' s working interest fraction of the gross field Contingent Resources; in assets governed by a PSC or similar contract, they do not represent the Company' s actual net entitlement under the terms of the contracts that governs the asset, which would be lower.
2. The volumes reported here are "unrisked" in the sense that no adjustment has been made for the risk that the asset may not be developed in the form envisaged or may not be developed at all (i.e., no "Chance of Development" (Pd) factor has been applied).
3. Contingent Resources should not be aggregated with Reserves because of the different levels of risk involved and the different basis on which the volumes are determined for PSCs.
4. No deduction has been made for fuel, flare and shrinkage.
5. Note that on 27 January 2022 (after the effective date of this ITSR), Woodside announced it was withdrawing from its interests in Myanmar.

Prospective Resources Summary

Woodside's global exploration portfolio consists of assets in Australia, Senegal, South Korea and the Democratic Republic of Congo. These prospects range from Near Field Exploration (NFE) opportunities in Australia and Senegal to stand-alone exploration projects in Australia, South Korea and Congo.

All the prospects/leads mentioned here could potentially be drilled within the next five (5) years; additional prospectivity with no firmly planned drilling has been excluded from the assessment.

Woodside has identified nine gas prospects/leads with 2U (best estimate) Prospective Resources varying between 30 and 769 Bscf and Chance of Geologic Success (Pg) between 15% and 72%, plus two oil prospects with 2U Prospective Resources varying between 40 and 375 MMBbl and Pg between 24% and 91%.

GaffneyCline has reviewed the Prospects and Leads mentioned above. This review has broadly confirmed the assessments by the companies, although GaffneyCline has modified both the Prospective Resource estimates and Pg where it deems it to be required. These changes do not unduly impact the overall exploration portfolios of the companies.

It should be noted that the Pg reported here represents an indicative estimate of the probability that drilling a prospect would result in a discovery. This does not include any assessment of the risk that the discovery, if made, may not be developed. Prospective Resources should not be aggregated with each other, or with Reserves or Contingent Resources, because of the different levels of risk involved.

1.2 BHP Petroleum

BHP Petroleum has significant assets in Western Australia and south-eastern Australia, as well as in the Gulf of Mexico (US and Mexico), and Trinidad and Tobago. The NWS and Greater Scarborough assets in which BHP Petroleum and Woodside (operator) share interests, are covered in the preceding section.

Bass Strait comprises some 24 oil and gas fields in the Gippsland basin, offshore the south-eastern margin of Eastern Victoria, Australia. Production commenced in 1969 and current production is primarily gas with condensate and declining oil rates from maturing oil fields. Most fields were developed with steel jackets in shallow water and mono-tower platforms or subsea tiebacks and two large, concrete gravity-based platforms have also been installed. Oil and gas from nearly 300 wells is transported to onshore plants at Longford and Long Island in multiple gas and oil pipelines. Development planning for four further discoveries (North Turrum, Sweetlips, Wirrah and East Pilchard) is maturing, but not yet certain.

The Macedon dry gas field is located in the Exmouth sub-basin, about 40 km north of Exmouth in Western Australia in water depth of 160 to 190 m. It has been developed with four subsea wells and gas is produced to the onshore Macedon gas plant, through a 90 km pipeline. First gas production was in 2013 and future plans include a compression project and three infill wells.

Also, in the Exmouth sub-basin of Western Australia, BHP Petroleum operates the Pyrenees subsea development of up to seven oil accumulations located immediately to the northwest of Macedon in 200 m water depth. Production commenced in 2010 and the oil is processed on the Pyrenees Venture FPSO, while gas is used as fuel. The development occurred in three phases and the fields are mature. Future plans include an infill dual lateral and water shut-off operation (Phase 4) and additional infill drilling (Phase 5).

BHP Petroleum also has an interest in the Scaffell gas discovery within the existing Pyrenees field production licence. Development of Scaffell is likely to be as a tie-back to the Macedon manifold and timing will depend on when the Macedon gas production comes off plateau or when there is an increase in WA domestic gas demand.

BHP Petroleum has interests in four developments in the Green Canyon area of the US Gulf of Mexico (GOM): Shenzi, Shenzi North together with Wildling, operated by BHP Petroleum; and Atlantis and Mad Dog, operated by BP.

The Shenzi oil field was discovered in 2002 in the GOM in ~1,340 m water depth. The reservoirs are deep at 6,700 to 8,530 mss. The field was initially developed in 2007 with two subsea wells and a manifold tied to the Marco Polo tension leg platform (TLP). The development was then expanded with the Shenzi TLP, four more subsea manifolds and multiple wells. A subsea multiphase pumping project sanctioned in 2021 is currently in execution with production expected to start in 2022. Future development opportunities include conversion of a well from production to water injection, a side-track of a production well and the drilling of an additional producer/injector pair.

The Shenzi North and Wildling oil discoveries made in 2015 and 2017 respectively are located directly north of Shenzi. The fields have been appraised and the development plan is a daisy chained tie-in of two subsea production wells in each field to existing Shenzi facilities. Shenzi North was sanctioned in the third quarter of 2021 and is in Execution phase as of end 2021, while the proposed Wildling development entered Definition phase in 2021. Understanding of reservoir performance under depletion drive will help to plan a possible later phase waterflood.

The Atlantis phased development comprises a semi-submersible facility with subsea wells in ~2,135 m of water. There are 29 producing wells and three water injection wells. Oil production commenced in 2007 and production rates have been maintained at approximately 100 Mbopd since 2014, when the second phase of development was completed. Phase 3 was sanctioned in 2019 and drilling commenced the same year. By September 2021, five of the eight Phase 3 wells had been drilled, with three being completed and put online and two requiring sidetracks. Phase 3 drilling is expected to be completed in early 2023. Beyond Phase 3, continuous drilling is assumed until 2029 to bring online 12 additional producers and six water injectors. Despite the field having been in production for more than 14 years, much potential remains and there are several possible future projects, including one or two new water injectors and a side-track in the short term, expansion of Drill Centres 1, 2 and 3 with three, four and four new infill wells respectively and facilities expansion to incorporate subsea multiphase pumps.



The Mad Dog oil field was discovered in 1998 in water depth of 1,340 m. First production occurred in January 2005 and there are ten producing wells. The Mad Dog facility comprises a 16-slot, dry-tree, floating spar hull with integrated production and drilling capability. The facility will reach the end of its original design life late in 2024 and BP has undertaken studies to extend the life nominally to 2045. Oil and sales gas are exported through the Caesar and Cleopatra export pipeline systems in which BHP Petroleum has equity of 25% and 22% respectively. Phase 2 of the development has commenced and is scheduled to start contributing to production in 2022. Future projects will likely include implementation of water injection in the north and west, development of the southwest and infill drilling to supplement Phase 2 wells. Further potential might be realised by extending the A-spar life beyond 2045.

In Trinidad and Tobago, BHP Petroleum operates assets in three clusters: Shallow Water (the Greater Angostura Complex), Deep Water North (the Calypso Development) and Deep Water South (Magellan).

The Greater Angostura Complex, in production since 2005, includes producing oil and gas fields (AP3, Aripo, Horst, Kairi and Canteen) and discoveries (Howler and Canteen North). Additionally, the Ruby (oil and gas) and Delaware (gas) fields came on stream in 2021. Potential future plans include development of the Canteen North and Howler discoveries, lowering abandonment pressure in the Canteen, Kairi, Horst and Aripo fields and developed gas discovered in the Nariva age sands.

The Calypso Development area encompasses five gas discoveries (Bongos, Bele, Tuk, Hi-Hat, Boom) in water depth of ~2,000 m, resulting from the drilling of seven exploration wells. Several undrilled prospects in fault blocks immediately adjacent to discoveries remain to be tested in further appraisal. These are strongly supported by seismic attributes, and have high geological chance of success. Development initially appears likely to target parts of the Bongos, Bele and Tuk discoveries, including some of the undrilled fault blocks, but the development concept is still under study.

The Magellan asset comprises two dry gas discoveries (LeClerc and Victoria) in water depth of 1,800 m. A third exploration well was not successful. The total volume of gas discovered is not currently considered large enough to support a commercial standalone development.

BHP Petroleum has an operated interest in the Trion oil field in the Mexican sector of the GOM, discovered in 2012 in ~2,500 m water depth. The field was appraised with three wells after the discovery well, two of which have a single side-track each, resulting in a total of six reservoir penetrations. Seismic data has been pivotal in delineating the field and identifying potential compartments. The crest of the structure is at ~3,800 mss, and the pressure is high (>6,400 psia). Plans are maturing to develop the field with subsea wells, likely comprising 14 production wells, ten water injection wells and three dual completed gas injection wells. It is currently envisaged that the wells will be tied back to a floating production unit (FPU) and stabilised crude will be sent to a floating storage and offloading facility (FSO) for export via tanker. Gas that is not re-injected will be exported for sales. First oil could be in 2026, though the development is not yet sanctioned. The northernmost fault-controlled segment of the field is considered undiscovered and is a low-risk prospect.

Table 1.4 lists the licences in which BHP Petroleum hold working interests (WI) as of 31 December 2021. Reserves, Contingent Resources and/or Prospective Resources have been attributed to most of these licences.



Table 1.4: Summary of BHP Petroleum Licences as of 31 December 2021

| Country | Licence Block | Field/ Development | BHP Petroleum WI (%) | Final License Expiry |
|-------------------|---|---|----------------------|--|
| Australia | WA- 1-L to 6-L, 23-L, 24-L, 30-L, 52-L, 53-L, 56-L to 58-L, WA-7-R R4, WA-28-P R8 | NWS Gas | 15.78% | Extendable |
| | WA-9-L, WA-11-L, WA-16-L | NWS Oil | 16.66% | |
| | Vic/ L1 to L11, L13 to L20, L25, RL1, RL4 | Bass Strait - GBJV | 50.00% | |
| | Vic/ 9 and L25 | Bass Strait - KUJV | 32.50% | |
| | WA-42-L | Macedon | 71.43% | |
| | WA-42-L & WA-43-L | Pyrenees and Scaffell | 71.43% & 39.999% | |
| | WA-61-L & WA-62-L | Scarborough LNG | 26.50% | |
| | WA-61-R & WA-63-R | Thebe + Jupiter backfill to Scarborough | 50.00% | |
| US GOM | GC 608, 609, 610, 652, 653 and 654 | Shenzi | 72.00% | Extendable |
| | GC608 & GC609 | Shenzi N. | 72.00% | |
| | GC564 & GC520 | Wildling | 100.00% | |
| | GC699, 742, 743 & 744 | Atlantis | 44.00% | |
| | GC 738, 781, 782, 824, 825, 826, 868 and 869 | Mad Dog | 23.90% | |
| Trinidad & Tobago | 2(c) | Greater Angostura | 45.00% | April 2026, extension for 5 years until April 2031 |
| | 2(c) Howler | | 64.30% | |
| | 3(a) | | 68.46% | April 2031 |
| | 23(a) & 14 | Calypso | 70.00% | |
| | TTDAA5 | Magellan | 65.00% | |
| Mexico | Trion Contractual Area | Trion | 60.00% | March 2052, extensions possible until Dec 2067. |

Notes:

- Licences are easily extended in Australia and US GoM when production remains commercial.
- Licences in Australia, US GOM and Mexico are subject to tax/royalty fiscal regimes, whereas those Trinidad & Tobago are in the form of Production Sharing Contracts (PSC) or similar.

Reserves Summary

Proved (1P) and Proved plus Probable (2P) Reserves net to BHP Petroleum are summarised in **Table 1.5**. The volumes reported as Reserves are sales quantities and exclude volumes of hydrocarbons consumed in operations as fuel (CiO). To facilitate comparison with the companies' annual reporting, CiO quantities are shown in **Appendix III**.



Table 1.5: BHP Petroleum Summary of Net Entitlement Reserves as of 31 December 2021
BHP Petroleum Oil, Condensate and Gas

| Country | Asset | Oil and Condensate Reserves (MMBbl) | | Gas Reserves (Bscf) | |
|-------------------|------------------|-------------------------------------|----------------------|---------------------|----------------------|
| | | Proved | Proved plus Probable | Proved | Proved plus Probable |
| Australia | North West Shelf | 19.2 | 24.9 | 603 | 795 |
| | Bass Strait | 10.6 | 17.9 | 344 | 600 |
| | Macedon | - | - | 223 | 278 |
| | Pyrenees | 10.0 | 19.0 | - | - |
| | Scarborough LNG | - | - | 1,717 | 2,679 |
| US GOM | Shenzi | 64.0 | 91.9 | 6 | 12 |
| | Shenzi North | 16.4 | 26.8 | 5 | 8 |
| | Atlantis | 59.4 | 153.9 | 22 | 42 |
| | Mad Dog | 129.2 | 180.0 | 12 | 20 |
| Trinidad & Tobago | Angostura | 1.6 | 1.9 | 159 | 219 |
| | Ruby | 1.4 | 1.8 | 24 | 33 |
| Total | | 311.9 | 518.0 | 3,116 | 4,685 |

BHP Petroleum NGL/LPG

| Country | Asset / Project | NGL/LPG Reserves (MMBbl) | |
|--------------|------------------|--------------------------|----------------------|
| | | Proved | Proved plus Probable |
| Australia | North West Shelf | 2.3 | 3.1 |
| | Bass Strait | 16.5 | 28.8 |
| US GOM | Shenzi | 1.7 | 3.1 |
| | Shenzi North | 1.1 | 1.7 |
| | Atlantis | 2.9 | 5.6 |
| Total | | 24.5 | 42.3 |

Notes:

1. Reserves net to company are the company's net economic entitlement under the terms of the contract that governs each asset. For Australia and USA, this is equal to the company's working interest share of gross field Reserves less any royalty taken in kind. For Trinidad & Tobago, it is equal to the company's share of Cost Recovery, Profit Oil and Tax Barrels (if any) under the terms of the relevant PSC.
2. GOM Reserves are net of Royalty although payments are in cash.
3. Totals may not exactly equal the sum of the individual entries due to rounding.
4. For Bass Strait and NWS, NGL composition is equivalent to LPG as they include only C3-C4 hydrocarbons. GOM NGL volumes represent C2-C5+ hydrocarbons
5. As recommended by PRMS, GaffneyCline does not include Consumed in Operation (CiO) volumes in Reserves; GaffneyCline reports only Sales volumes as Reserves.

Contingent Resources Summary

Contingent Resources net to BHP Petroleum are summarised in **Table 1.6**. The Contingent Resources are shown on a working interest (WI) basis, i.e. as the company's WI fraction of the gross field Contingent Resources. The WI basis volumes do not represent the company's actual net entitlement under the terms of the contract that governs the asset, which would be lower for PSCs or where royalty is deductible. The WI basis volumes are quoted here since many of the projects are not yet sufficiently mature to estimate the associated production profiles and costs that are needed to calculate the net entitlement. Only the 2C (Best estimate) Contingent Resources are presented here.



**Table 1.6: Summary of Contingent Resources Net to BHP Petroleum (WI Basis)
as of 31 December 2021**

| Country | Asset / Project | 2C Contingent Resources | | Classification |
|---|--|---------------------------------|------------|----------------|
| | | Oil, Condensate and NGL (MMBbl) | Gas (Bscf) | |
| Australia | NWS Gas: facility upgrades, infill wells, workovers and new developments | 0.3 | 12 | Pending |
| | | 7.4 | 221 | Unclarified |
| | | 1.9 | 53 | Not Viable |
| | NWS Oil: facility upgrades, infill wells, workovers and new developments | 3.6 | 1 | Unclarified |
| | | 1.9 | 2 | Not Viable |
| | Bass Strait: N. Turrum, Sweetlips/Wirrah | 16.3 | 118 | Pending |
| | Bass Strait East Pilchard | 1.8 | 20 | Unclarified |
| | Macedon compression | - | 41 | Pending |
| | Macedon/Muiron infills | - | 59 | Unclarified |
| | Macedon Black Pearl tie-in | - | 7 | Not Viable |
| | Pyrenees Phase 4 | 3.2 | - | Pending |
| | Pyrenees Phase 5 | 13.2 | - | Unclarified |
| Scafell | - | 38 | Not Viable | |
| Thebe and Jupiter (Greater Scarborough) | - | 659 | Pending | |
| US GOM | Shenzi side-tracks & infills | 25.0 | 7 | Unclarified |
| | Wildling | 36.9 | 11 | Pending |
| | Atlantis SSMMP + WI + infills | 66.9 | 28 | Unclarified |
| | Atlantis expansions and infills | 21.4 | 10 | Not Viable |
| | Mad Dog WI expansion | 15.9 | - | Pending |
| | Mad Dog extensions and infills | 54.3 | 4 | Unclarified |
| Trinidad & Tobago | Angostura Block 2(c) | 1.3 | 219 | Not Viable |
| | Calypso | 4.9 | 2,584 | Unclarified |
| | Calypso | - | 293 | Not Viable |
| | Magellan | - | 313 | Not Viable |
| Mexico | Trion | 256.8 | 79 | Pending |
| | Trion post licence + gas blowdown | 25.8 | 131 | Unclarified |

Notes:

1. Net Contingent Resources in this table are Company's working interest fraction of the gross field Contingent Resources; they do not represent the Company's actual net entitlement under the terms of the contracts that governs the assets, which would be lower for PSCs or where royalty is deductible.
2. The volumes reported here are "unrisked" in the sense that no adjustment has been made for the risk that the asset may not be developed in the form envisaged or may not be developed at all (i.e., no "Chance of Development" (Pd) factor has been applied).
3. Contingent Resources should not be aggregated with Reserves because of the different levels of risk involved and the different basis on which the volumes are determined.
4. No deduction has been made for fuel, flare and shrinkage.

Prospective Resources Summary

BHP Petroleum's global exploration portfolio consists of assets in Mexico, Trinidad and Tobago, Canada, Australia and USA. They contain Prospects ranging from NFE opportunities in Mexico, Trinidad and Tobago, Australia and USA to stand-alone exploration projects in the USA and Canada. Other Prospects such as those in Barbados and Egypt are not discussed as they are not sufficiently mature to be included in this assessment.

BHP Petroleum has identified two gas Prospects with 2U Prospective Resources varying between 85 and 300 Bscf and P_g between 85% and 90%, plus 11 oil Prospects with 2U Prospective Resources varying between 4.4 and 440 MMBbl and P_g between 11% and 90%.

GaffneyCline has reviewed the Prospects and Leads mentioned above. This review has broadly confirmed the assessments by the companies, although GaffneyCline has modified both the Prospective Resource estimates and P_g where it deems it to be required. These changes do not unduly impact the overall exploration portfolios of the companies.

It should be noted that the P_g reported here represents an indicative estimate of the probability that drilling a prospect would result in a discovery. This does not include any assessment of the risk that the discovery, if made, may not be developed. Prospective Resources should not be aggregated with each other, or with Reserves or Contingent Resources, because of the different levels of risk involved.

2 Basis of Opinion

This document reflects GaffneyCline's informed professional judgment based on accepted standards of professional investigation and, as applicable, the data and information provided by Woodside and BHP Petroleum, the limited scope of engagement, and the time permitted to conduct the evaluation. This document must be considered in its entirety.

In line with those accepted standards, this document does not in any way constitute or make a guarantee or prediction of results, and no warranty is implied or expressed that the actual outcome will conform to the outcomes presented herein. GaffneyCline has not independently verified any information provided by, or at the direction of, Woodside and BHP Petroleum and/or obtained from the public domain and has accepted the accuracy and completeness of these data. GaffneyCline has no reason to believe that any material facts have been withheld, but does not warrant that its inquiries have revealed all of the matters that a more extensive examination might otherwise disclose.

The opinions expressed herein are subject to and fully qualified by the generally accepted uncertainties associated with the interpretation of geoscience and engineering data and do not reflect the totality of circumstances, scenarios and information that could potentially affect decisions made by the report's recipients and/or actual results. The opinions and statements contained in this report are made in good faith and in the belief that such opinions and statements are representative of prevailing physical and economic circumstances.

In the preparation of this report, GaffneyCline has used definitions contained within the Petroleum Resources Management System (PRMS), which was approved by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, the Society of Petroleum Evaluation Engineers, the Society of Exploration Geophysicists, the Society of Petrophysicists and Well Log Analysts, and the European Association of Geoscientists and Engineers in June 2018 (see **Appendix I**).

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas resources assessments must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way. Estimates of oil and gas resources prepared by other parties may differ, perhaps materially, from those contained within this report.

The accuracy of any resources estimate is a function of the quality of the available data and of engineering and geological interpretation. Results of drilling, testing and production that post-date the preparation of the estimates may justify revisions, some or all of which may be material. Accordingly, resources estimates are often different from the quantities of oil and gas that are ultimately recovered, and the timing and cost of those volumes that are recovered may vary from that assumed.

Oil and condensate volumes are reported in millions (10^6) of barrels at stock tank conditions (MMstb or MMBbl). Natural gas volumes have been quoted in billions (10^9) of standard cubic feet (Bscf) and are either volumes of full well stream raw gas with the application of an economic limit test or sales gas depending on the Operator/Company asset. For sales gas reporting an allocation has been made for fuel and process shrinkage losses (or Consumed in Operations (CiO)). For full well stream raw gas the volumes have been reported with application of the economic limit test however the CiO are accounted for in the Operator's provided economic model. Standard conditions are defined as 14.7 psia and 60° Fahrenheit.

Woodside provided 100% Gross numbers for analysis of their financial models whilst BHP Petroleum financial models were provided in Net numbers. For consistency purposes GaffneyCline has maintained the operators reporting and financial modelling structure.

GaffneyCline' s review and audit involved reviewing pertinent facts, interpretations and assumptions made by Woodside and BHP Petroleum or others (e.g. Independent 3rd party Reserves and Resource reports) in preparing and utilising estimates of reserves and resources. GaffneyCline performed procedures necessary to enable it to render an opinion on the appropriateness of the methodologies employed, adequacy and quality of the data relied on, depth and thoroughness of the reserves and resources estimation process, classification and categorization of reserves and resources appropriate to the relevant definitions used, and reasonableness of the estimates.

Definition of Reserves and Resources

Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must satisfy four criteria: discovered, recoverable, commercial and remaining (as of the evaluation' s effective date) based on the development project(s) applied.

Reserves are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by development and production status. All categories of reserves volumes quoted herein have been reviewed within the context of an economic limit test (ELT) assessment (pre-tax and exclusive of accumulated depreciation amounts) prior to any Net Present Value (NPV) analysis.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, where commercial recovery is dependent on technology under development, where evaluation of the accumulation is insufficient to clearly assess commerciality, where the development plan is not yet approved, or where regulatory or social issues may exist. Contingent Resources are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by the economic status.

It must be appreciated that the Contingent Resources reported herein are unrisks in terms of economic uncertainty and commerciality. There is no certainty that it will be commercially viable to produce any portion of the Contingent Resources. Once discovered, the chance that the accumulation will be commercially developed is referred to as the "chance of development" (per PRMS).

Prospective Resources are those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. Potential accumulations are evaluated according to the chance of geologic discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognised that the development programs will be of significantly less detail and depend more heavily on analogue developments in the earlier phases of exploration.

There is no certainty that any portion of the Prospective Resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. Prospective Resources volumes are presented as unrisks.

Reserves net to Woodside and BHP Petroleum are quoted as Net Revenue Interest Reserves, reflecting the concession contract terms applicable to the asset. Contingent Resources and Prospective Resources are presented at a gross field level and a net working interest level, as the development plans are not yet sufficiently mature for net entitlements to be estimated.

GaffneyCline's scope of work did not extend to a site visit and inspection of Woodside or BHP Petroleum producing and development assets. As such, GaffneyCline is not in a position to comment on the operations or facilities in place, their appropriateness and or whether they are in compliance with the regulations pertaining to such operations. Further, GaffneyCline is not in a position to comment on any aspect of health, safety, or environment of such operations.

This report has been prepared based on GaffneyCline's understanding of the effects of petroleum legislation and other regulations that currently apply to these properties. However, GaffneyCline is not in a position to attest to property title or rights, conditions of these rights (including environmental and abandonment obligations), or any necessary licences and consents (including planning permission, financial interest relationships, or encumbrances thereon for any part of the appraised properties).

Use of Net Present Values

It should be clearly noted that Net Present Values (NPVs) provided herein, or developed by others utilising GaffneyCline's production and cost valuation scenario profiles that are contained in this report do not represent a GaffneyCline opinion as to the market value of the subject properties, nor any interest in them.

In assessing a likely market value, it would be necessary to take into account a number of additional factors including reserves and resources risk for example: that Reserves or Contingent Resources may not be realised within the anticipated timeframe for their exploitation; perceptions of economic and sovereign risk, including potential changes in regulations; potential upside; other benefits, encumbrances or charges that may pertain to a particular interest; and, the competitive state of the market at the time. GaffneyCline has explicitly not taken such factors into account in deriving the production and cost valuation scenario profiles and any resulting NPVs presented in the GaffneyCline report or any other document to which the GaffneyCline report is appended.

For Exploration assets, GaffneyCline has derived an opinion of value using a combination of methods depending on the area and available data. This included the expected monetary value (EMV) approach, comparable transactions and sunk exploration costs. Such value is reported separately, without including individual production and cost profiles.



Qualifications

GaffneyCline is an independent international energy advisory group of more than 55 years' standing, whose expertise includes petroleum reservoir evaluation and economic analysis.

In performing this study, GaffneyCline is not aware that any conflict of interest has existed. As an independent consultancy, GaffneyCline is providing impartial technical, commercial, and strategic advice within the energy sector. GaffneyCline's remuneration was not in any way contingent on the contents of this report.

In the preparation of this document, GaffneyCline has maintained, and continues to maintain, a strict independent consultant-client relationship with Woodside and BHP Petroleum. Furthermore, the management and employees of GaffneyCline have no interest in any of the assets evaluated or are related with the analysis performed, as part of this report.

Staff members who prepared this report hold appropriate professional and educational qualifications and have the necessary levels of experience and expertise to perform the work.

The ITSR team was led by Mr Zis Katelis, a Technical Director in GaffneyCline who has over 25 years' industry experience. He holds a BSc with Honours (Geophysics) from Monash University in Victoria. He is currently a member of the Society of Petroleum Engineers. Zis also contributed directly to the technical work on various Australian assets for this report.

The report was reviewed by Mr Doug Peacock, a Technical Director in GaffneyCline, who has over 35 years' industry experience. He holds an MSc in Petroleum Geology from Imperial College in London and a BSc Geological Sciences from Leeds University. He is a member of the Society of Petroleum Engineers, the Petroleum Exploration Society of Great Britain (PESGB), the South East Asia Petroleum Exploration Society (SEAPEX) and the American Association of Petroleum Geologists (AAPG).

The report was also reviewed by Ms Arse Clarijs, a Regional and Technical Director in GaffneyCline, who has over 30 years' industry experience. She holds an MSc in Petroleum Geoscience from the University of Brunei and a BSc Geology Gadjah Mada University in Indonesia. She is a member of the American Association of Petroleum Geologists (AAPG), the Indonesia Petroleum Association (IPA), the Indonesia Geologist Association (IGI) and the Southeast Asia Petroleum Exploration Society (SEAPEX).

3 Methodology

Woodside and BHP Petroleum have provided GaffneyCline with Reserves and Resources estimates prepared by both companies and/or third-party consultants, for their oil and gas assets in each company' s operating area along with supporting technical data and models. All of the Woodside and BHP Petroleum assets have been reviewed as part of this Proposed Transaction assignment.

The work presented in this report represents valuation scenario profiles adopted and/or modified by GaffneyCline from valuation scenarios and associated static/dynamic and production data presented by Woodside and BHP Petroleum. Where GaffneyCline opined that the presented valuation scenario profiles required modification, GaffneyCline made these modifications and presented the modified profiles to KPMG Corporate Finance. Where GaffneyCline opined that the presented valuation scenario profiles were reasonable they were adopted from Woodside/BHP Petroleum provided profiles. Details are included in the body of this report per individual asset.

In reviewing the Reserves and Resources volume estimates utilised in the valuation scenario profiles, GaffneyCline' s remit was not to undertake a complete 'from the ground up' independent assessment of all the assets and therefore duplicate work carried out by other third-party organisations and Woodside and BHP Petroleum technical groups. Full independent assessments generally require investigating all technical elements in accordance with the definitions and guidelines set out in the June 2018 Petroleum Resources Management System (PRMS) developed and promulgated by the Society of Petroleum Engineers and others, to capture the full uncertainty range. However, GaffneyCline has reviewed sufficient information and carried out sufficient technical analysis as part of an audit and due diligence approach to opine on the reasonableness of the Reserves and Resources estimates carried out by the operating companies and other third-party organisations. A discussion of the actual technical work carried out by GaffneyCline is included in the subsequent sections along with the description of the assets. This process allowed GaffneyCline to deliver production and cost valuation scenario profiles for assets that have Reserves and more mature Contingent Resources assets for valuation by KPMG Corporate Finance.

GaffneyCline has provided Base Case production and cost valuation scenario profiles to KPMG Corporate Finance based predominantly on a technical reconciliation of 2P/2C (or best technical estimate) data/models and reported volumes of defined projects with details included in subsequent sections of this report. Given the large portfolio of assets, specific exceptions do exist. GaffneyCline focused on operator development plans and well counts for all projects. In GaffneyCline' s view the Base Case represents a reasonable best or expectation case of future developments and performance upon which to base a valuation.

GaffneyCline has assessed Contingent Resources projects by reviewing the applicable volumes with respect to the proposed development plan that GaffneyCline believes is most likely to be sanctioned. A Chance of Development for Contingent Resources projects has generally been utilised and the specific factors and contingencies affecting the Chance of Development are discussed per asset where applicable. For certain near-field assets, GaffneyCline has opined on the portfolio of Contingent Resource projects and included only projects assessed to be technically mature with appropriate commercial outcomes for the total 2C volume (based on Internal Rate of Return (IRR)) rather than utilising a Chance of Development risk factor for every single project in the portfolio of opportunities. This is discussed in more detail for the applicable assets.



A Chance of Development as defined by the PRMS refers to the “*estimated probability that a known accumulation, once discovered, will be commercially developed*”. For the Contingent Resources projects contained in this report GaffneyCline has in general considered the probability that the project will achieve a final investment decision in the proposed time frame based on the current information and status of the project. The Chance of Development estimate is derived by considering each project’s technical and commercial maturity, potential commercial outcome, stakeholder commitment and other project specific risks that could result in a delay in the final investment decision. Project delay risks are reflected in the chance of development estimates to account for a potential time value loss. Once the final investment decision is taken, there could be project execution risks and other typical upstream business-related risks; such risks are not part of the chance of development estimation.

GaffneyCline investigated assets with Contingent Resources in the Development Pending, Development on Hold and Development Unclassified project maturity sub-classes as per PRMS to include technically viable volumes in subsequent cash flow analysis based on the specific area of operation and history of the asset and area. This is discussed in more detail in the body of this report per asset. Contingent Resources projects that GaffneyCline has assessed as Not Viable, after an independent assessment, are not included in valuation scenario profiles provided to KPMG Corporate Finance.

Oil and gas assets where Contingent Resources, based on current technical and commercial information, are considered immature and hence too uncertain to construct production and cost valuation scenario profiles by the operator have been evaluated utilising an alternative method. GaffneyCline has assessed and recommended a unit value multiplier expressed in US\$ per Mscf to KPMG Corporate Finance based on a review of comparable transactions. For these assets an additional explanation for the basis for this unit value and its associated commercial risk factor is provided in the body of the report.

In assessing a value for Woodside and BHP Petroleum exploration acreage GaffneyCline considered the following elements in the valuation process:

1. Recent transactions for assets that ideally lie within or adjacent to the licence area under review and are considered to be comparable
2. Where an area contains well defined prospects in a mature play which are scheduled to be drilled in the near term (5 years), a method based on Expected Monetary Value (EMV) has been considered.
3. Estimates of the expenditures to date, future commitments and Woodside and BHP Petroleum efforts to obtain farminees were also considered.

The above elements were reviewed to consider the appropriate method to define the final value or value range. Useable data does not always exist for all the above items and therefore GaffneyCline explains the inputs in specific cases given the varied portfolio of assets owned by both companies. This is discussed in the body of the report in the relevant exploration sections.

Production and Cost profiles included for specific assets are aggregated by GaffneyCline due to the declared commercial sensitivities by either Woodside and BHP Petroleum and this is stated in the relevant sections in the body of this report. GaffneyCline was not in a position to opine on the commercially sensitive nature of the profiles. BHP and Woodside are currently measuring and tracking their greenhouse gas (GHG) emissions (measured in CO₂ equivalent estimates) from their operations.



GaffneyCline has estimated net carbon liabilities for Assets under review based on the existing Australian regulations. GaffneyCline has not added any additional carbon liability costs for any anticipated changes in regulations or voluntary carbon offsets. For the Woodside and BHP Petroleum portfolio of assets, carbon liabilities are applicable for only Australian operations under the Safeguard Mechanism.

The Safeguard Mechanism places a legislated obligation on Australia's largest greenhouse gas emitters to keep net emissions below their business-as-usual (or baseline) levels set by the Australian Clean Energy Regulator (CER) and applies to facilities with direct Scope 1 emissions of more than 100,000 tonne of CO₂-e per year. Companies who exceed their baseline levels must purchase Australian Carbon Credit Units (ACCUs) to offset their excess emissions. Baselines are set in different ways depending on whether the facility is new, the applicable industrial sector and whether the baseline is fixed or annually adjusted for production. A baseline may be adjusted to accommodate economic growth or natural resource variability. ACCU prices are largely determined by the available supply of ACCUs from registered projects and the demand by organisations to voluntarily reduce their reported emissions through offset with the ACCU and the Australian government purchases.

ACCU's are an Australian traded entity and not necessarily equivalent or exchangeable for other international carbon credits.

In the Woodside portfolio of Australian assets, currently only Pluto LNG, NWS LNG and Greater Enfield assets come under the Safeguard Mechanism. In the BHP Petroleum portfolio of Australian assets, only Bass Strait and Pyrenees assets come under the Safeguard Mechanism. GaffneyCline has verified with data from CER that emissions from the assets of both of these companies are currently below baseline thus incur no carbon liabilities.

Due to the level of optionality in calculating the baseline and subsequent negotiations involved with CER, it is not possible for GaffneyCline to verify the projected baselines and emissions liabilities proposed by Woodside and BHP Petroleum. Going forward GaffneyCline has accepted the Woodside assumption of US\$ 20/ tCO₂-e (RT2022) ACCU price from 2022 to 2024 and US\$ 80/ tCO₂-e (RT2022) from 2025 onwards. Regulatory CO₂-e emission liabilities are less than 10% of the total OPEX for the assets under review thus not material to this transaction. GaffneyCline has accepted the total carbon emissions and regulatory carbon liabilities projections provided by Woodside and BHP Petroleum.

For Woodside assets, positive future regulatory carbon liability is assessed by Woodside for the following assets: Pluto upstream, Julimar and Brunello upstream, Greater Enfield, NWS midstream due to Browse development, and the Scarborough upstream and midstream developments. GaffneyCline audited the total carbon emissions values provided by Woodside for the Australian assets by benchmarking them for carbon intensity per unit production. Carbon intensity checks confirmed that after adjustment for reservoir CO₂ emissions, total carbon emissions intensity is consistent with industry known/benchmarked quantities for LNG production. GaffneyCline therefore estimated the total carbon emissions using Woodside's calculated values adjusted for the GaffneyCline production profile scenarios. GaffneyCline presents the regulatory carbon cost in the profiles documented in this report where applicable.



For the BHP Petroleum non-overlapping assets, BHP Petroleum estimated zero future regulatory carbon liability because they are below baseline. GaffneyCline audited the total carbon emissions calculations provided by BHP for their Australian assets and found them to be reasonable and confirmed they are below baseline. GaffneyCline estimated total carbon emissions using BHP calculated values (which GaffneyCline confirmed are consistent with industry benchmarks) adjusted for GaffneyCline production profile scenarios.

For Reserves estimates included in this report, GaffneyCline has conducted an economic assessment of Woodside and BHP assets in order to only derive the economic limit for production, the Net Entitlement Reserves. The assessments are based upon GaffneyCline's understanding of the fiscal terms governing these assets and the various economic and commercial assumptions described in sections 14 and 15.

For Woodside, GaffneyCline's technical due diligence utilised Woodside's Long Term Forecasts as provided for the Reserves work performed in this report. GaffneyCline is aware that there is always an iterative process where Woodside incorporates more recent performance data and technical models for their reserves estimates. GaffneyCline evaluated production data as of 31 December 2021 to opine on the reasonableness overall of the Long Term Forecasts provided to estimate GaffneyCline's reserves of the assets. Differences may exist based on the latest data and models Woodside is utilising in their reserves estimates with an additional difference due to the average heating values utilised by GaffneyCline when reviewing the Long Term Forecast.

For BHP Petroleum, GaffneyCline's technical due diligence focused on reviewing the supporting technical data and inputs (e.g. IPM models), which formed the basis for the Reserves numbers. GaffneyCline subsequently cross-referenced outputs from the technical models with the BHP Petroleum Petrolook database along with the different business plan outputs provided by BHP. GaffneyCline opined on the overall reasonableness of the technical models and Petrolook database numbers provided, and these checks formed the basis of GaffneyCline's estimate of the Reserves of the BHP Petroleum assets.



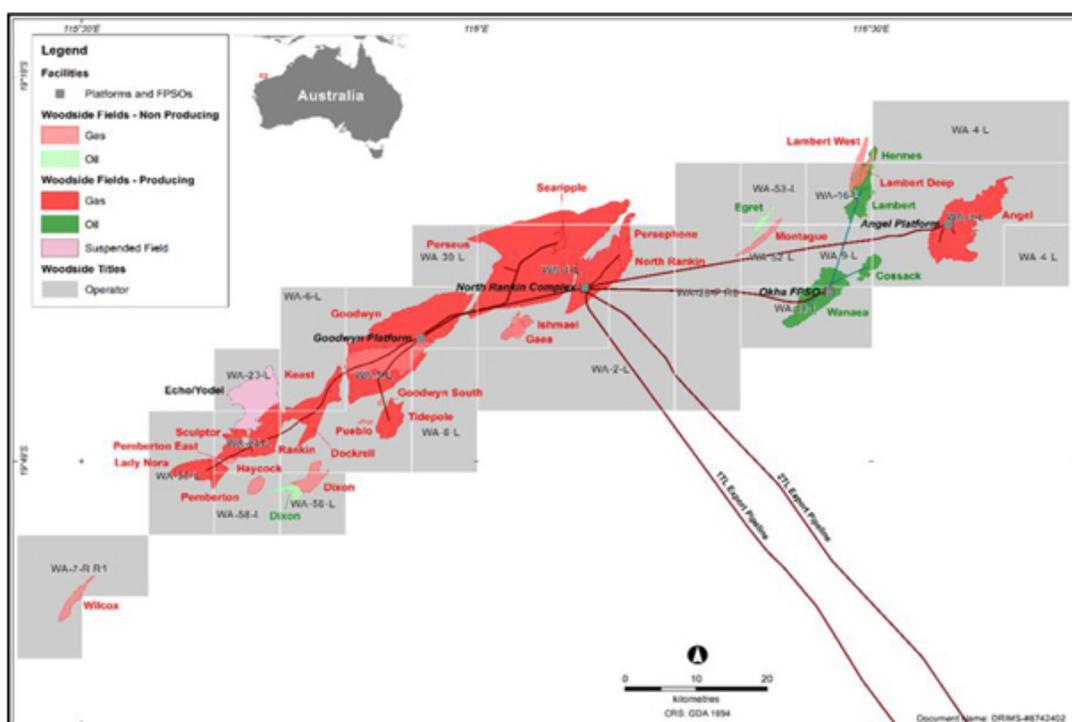
Woodside Assets

4 Woodside Australia

4.1 North West Shelf Gas

The North West Shelf (NWS) gas fields are located about 130 km offshore Western Australia (**Figure 4.1**). The produced gas is gathered at the North Rankin complex and then sent to the Karratha Gas Plant (KGP) via two export pipelines. The end products are domestic gas and export LNG. Woodside operates the NWS gas fields and holds a 15.78% stake in the joint venture which comprises BHP Petroleum, Chevron, BP, Shell, MIMI and CNOOC. Woodside owns 16.67% of NWS pipelines and KGP.

Figure 4.1: North West Shelf Gas and Oil Fields

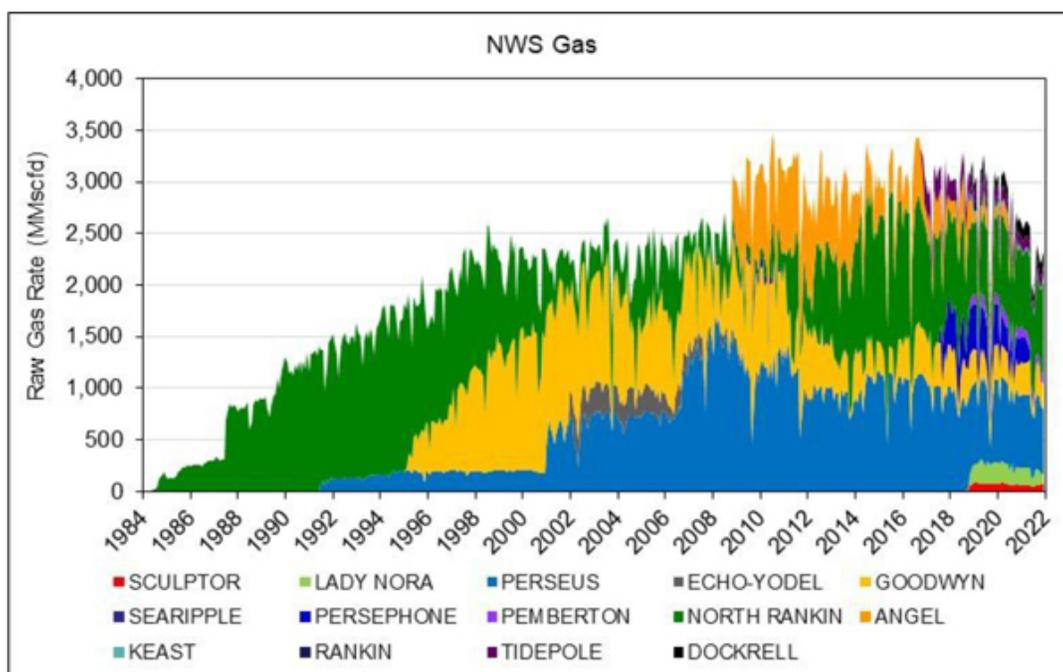


Source: Woodside

4.1.1 Field Description and Recoverable Volumes

Gas production began in 1984 from the North Rankin Field (**Figure 4.2**). Since then, twelve more fields have been brought online, with four not on production as of 31 December 2021. The earliest fields brought online (North Rankin, Perseus, Goodwyn) were mainly developed with platform wells. Goodwyn and North Rankin both had gas injection/cycling to improve recovery of condensate for much of their early history. Later fields were mainly developed with subsea tie-back wells. As export capacity continued to grow with the addition of more trains, so did production, which eventually peaked at 3 Bscfd in 2008 (corresponding to the offshore production rate required to keep the KGP full). However, since 2021, production from the NWS has been offshore constrained, with production declining in most fields. To maximise gas supply to the KGP, effort is ongoing to upgrade water handling capabilities, shut-off water production, add perforations to existing producers and reduce separator pressure.

Figure 4.2: North West Shelf Gas Fields Historical Production



Source: Data from Woodside.

Table 4.1 provides a summary of the gas fields in the NWS area, including non-producing discoveries. Woodside's forecasts shows that the top four fields (North Rankin, Perseus, Goodwyn and Lady Nora-Pemberton) collectively contribute over 80% of the total NWS gas 2P gross Reserves. As such, GaffneyCline has focused the analysis of NWS Gas on these four fields (excluding the Goodwyn GDEFA reservoir due to its small volumes). An overview of the properties of these fields/reservoir groups is shown in **Table 4.2**.

Table 4.1: Gross Technical Remaining Recoverable Volumes by Field

| Field | Status | Produced Raw Gas (Bscf) | Remaining Recoverable | | | |
|---------------------|---------------|-------------------------|-----------------------|---------------|--------------|---------------|
| | | | Low Estimate | | | Best Estimate |
| | | | Gas (Bscf) | Cond. (MMBbl) | Gas (Bscf) | Cond. (MMBbl) |
| North Rankin | Producing | 9,501 | 1,680 | 25.7 | 1,912 | 27.9 |
| Perseus | Producing | 7,611 | 1,080 | 22.2 | 1,829 | 34.1 |
| Goodwyn | Producing | 4,771 | 1,052 | 24.5 | 1,105 | 25.9 |
| Lady Nora-Pemberton | Producing | 299 | 306 | 7.7 | 445 | 10.4 |
| Persephone (*) | Not producing | 448 | 0 | 0.0 | 0 | 0.0 |
| Dockrell | Producing | 124 | 165 | 6.0 | 285 | 9.7 |
| Keast | Producing | 26 | 62 | 1.1 | 81 | 1.4 |
| Sculptor-Rankin | Producing | 116 | 0 | 0.0 | 102 | 2.5 |
| Tidepole | Producing | 280 | 189 | 3.8 | 188 | 3.7 |
| Angel (*) | Not producing | 2,129 | 0 | 0.0 | 0 | 0.0 |
| Searipple | Not producing | 59 | 0 | 0.0 | 0 | 0.0 |
| Echo-Yodel | Not producing | 534 | 0 | 0.0 | 0 | 0.0 |
| Lambert Deep | Execute | 0 | 190 | 1.9 | 193 | 1.9 |
| Total | | 25,898 | 4,724 | 92.9 | 6,140 | 117.5 |

Notes:

1. The top four fields account for approximately 80% of the NWS total remaining technically recoverable gas volumes (best estimate).
2. Persephone Field (*) is not producing, although attempts have been made to restart one well. Angel Field (*) is not producing. The Angel NE attic infill well was re-evaluated during 2019; however, it remains commercially not viable.
3. Remaining Recoverable Volumes are remaining technically recoverable volumes with no economic cut-off applied.
4. Gas volumes reported in this table are "wellhead" or "wet" volumes. Adjustments to sales gas volumes are accounted for in the economic evaluation for Reserves reporting.
5. Produced Raw Gas is total produced gas minus injection.

Table 4.2: Subsurface Description of Main NWS Gas Fields

| | North Rankin | Perseus | Goodwyn | | Lady Nora/Pemberton |
|--------------------------|--------------------------|------------|----------------------|----------------------|----------------------|
| | | | GG | GH | |
| Formation | Mungaroo, Brigadier & NR | Legendre | Brigadier & Mungaroo | Brigadier & Mungaroo | Brigadier & Mungaroo |
| Depth (m TVDss) | 3,000 | 3,197 | 2,800 | 2,839/3,028 | 3,000 |
| Initial Pressure (psia) | 4,720 | 4,396 | 4,400-4,500 | 4,439/4,709 | 4,654 |
| Initial Temperature (°C) | 106 | 108.7 | 108 | 116 | 116 |
| Porosity (%) | 16-20 | 20-22 | 30 | 14-22 | 21 |
| Permeability (mD) | 130-2,000 | ~100-1,000 | 100-1,000 | 1,000-5,000 | 4,000 |
| Fluid Type | Wet gas | Wet gas | Wet gas | Wet gas | Wet gas |

The longest producing gas field in the NWS is North Rankin, which was discovered in 1971 and appraised between 1972 and 1980. Twenty-two dry wellhead development wells have been drilled in the field to produce from the Upper and Lower reservoirs. As of YE2021, ~9.5 Tscf of gas had been produced (total produced gas minus injected gas) from North Rankin. Despite the age and maturity of the field, North Rankin is expected to contribute significantly to future NWS gas production until the end of the shelf's life; the field also serves as swing producer for the shelf. North Rankin production is currently in decline; work performed from 2019 through 2021 has been successful in reducing the decline.

Located about 20 km west of the North Rankin Field is the Perseus field (**Figure 4.1**), discovered in 1972 and appraised in 1990. First production was in 1991, followed by further appraisal in 1995 and 1996. Perseus was found to extend into the neighbouring licence block held by Mobil and Phillips in 1997. Following that, in 2001, the NWS venture participants together with Mobil and Phillips signed the Perseus/Athena Cooperative Development Agreement (PACDA) which governs the development, production and operation of the Perseus field. Production from Perseus comes through ten wells, seven of which are from the North Rankin A platform, while the remaining three are subsea wells tied back to the Goodwyn A platform. As of YE2021, nine wells remain active. Perseus production is in decline; work performed from 2019 to 2021 has helped to slow the decline.

The Goodwyn gas condensate field is located about 30 km southwest of the North Rankin field. Discovered in 1971, production from Goodwyn commenced in 1995 upon the completion of the Goodwyn A platform and to date, 21 development wells have been drilled and completed. The field comprises a series of stacked reservoirs dipping northwards, sub-cropping the overlying Cretaceous shales that provide the up-dip seal. Two of the 21 development wells produce from the GH reservoir units; four produce from the GG reservoir units (GF5-GG4); another three produce from the GDEFA (GD4-GF3) reservoir units. Due to the small volumes in Goodwyn GDEFA, GaffneyCline has focused its analysis of Goodwyn on the GG and GH reservoir groups. Goodwyn GG production is currently in decline; work performed in late 2019 and early 2020 has helped to boost recent production. Within the same field, the Goodwyn GH reservoir produced steadily at 150 MMscfd between mid-2016 and mid-2018. In late 2018, production rate was stepped down to around 125 MMscfd and has been in slow decline since. Three new infill wells were recently drilled to boost production from the Goodwyn GH reservoir starting in 2022, based on Woodside 2H2021 Long Term Forecast.

The Lady Nora-Pemberton fields are located about 70 km southwest of the North Rankin Field. Lady Nora-Pemberton comprises two separately discovered fields: the Pemberton Field discovered in 2006, and the Lady Nora Field discovered in 2007. Three development wells have been drilled and completed in 2018 as gas cap producers. The two fields were found to be in communication due to pressure responses observed in the LPA01 well (Pemberton) prior to coming online, due to production from the LPA02 and LPA03 wells (Lady Nora). All three wells are tied back to the Goodwyn A platform. Lady Nora-Pemberton gas production is currently in decline.



4.1.2 Field Development and Production Profiles

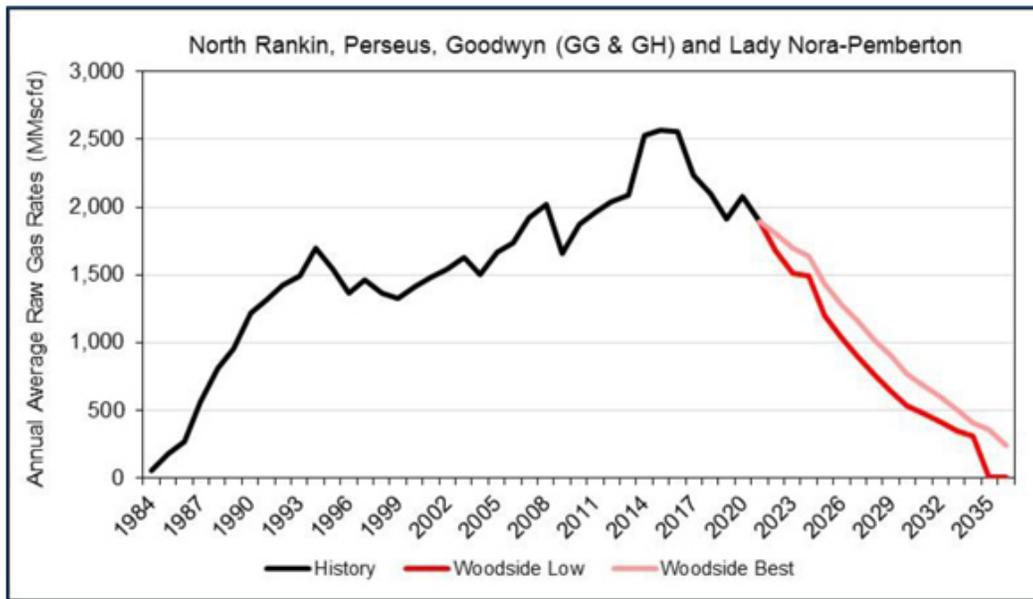
GaffneyCline has carried out Decline Curve Analysis (DCA) to review Woodside’s production forecasts and estimates of technical remaining developed volumes individually for each of the major fields or reservoirs, North Rankin, Perseus, Goodwyn (GG & GH) and Lady Nora-Pemberton. Woodside’s forecasts have been generated using a combination of dynamic and network modelling. At the aggregated level, the difference in volumes estimated by Woodside and GaffneyCline is within tolerance. As these fields/reservoirs collectively constitute more than 80% of the NWS Gas volumes, GaffneyCline has accepted Woodside’s NWS gas forecasts for estimating Reserves. Woodside’s Long Term Forecasts are the individual asset team’s view of the production and cost profiles, effectively the designated latest business view. GaffneyCline understands that Woodside may use more recent performance data and technical models for its reserves estimates. GaffneyCline evaluated production data up to end 2021 to opine on the reasonableness overall of the Long Term Forecasts provided, and used these in making GaffneyCline’s estimates of reserves. GaffneyCline also used average heating values rather than values per component. Differences may therefore exist between GaffneyCline’s and Woodside’s reserves estimates. **Figure 4.3** shows Woodside’s aggregated forecasts for the top four fields. Both Woodside and GaffneyCline’s forecasts exhibit continued decline in these fields, with compression and infill wells having minor effects in reducing the decline.

For condensate, GaffneyCline has compared the ratio of Woodside’s condensate to gas forecasts against historical condensate/gas ratios (CGR) for each field, which are reasonably in line. On the basis of this comparison, GaffneyCline deems Woodside’s condensates forecasts reasonable.

For undeveloped volumes associated with infill wells (applicable to Goodwyn GG), GaffneyCline has constructed type curves based on analogue wells for forecasting. Undeveloped volumes associated with compression have been forecast by extending DCA forecasts. **Table 4.1** summarises Woodside’s estimated technical remaining volumes for the NWS Gas fields, which GaffneyCline has accepted.



Figure 4.3: Top Four Fields Aggregated NWS Gas Production History and Forecasts



4.1.3 Contingent Resources

GaffneyCline has reviewed Woodside' s Contingent Resources and has found them reasonable. Woodside' s Contingent Resources opportunities in NWS Gas and their estimated 2C volumes are reported in **Table 4.3** and **Table 4.4**.

**Table 4.3: Gross Contingent Resources for Developed NWS Gas Fields
as of 31 December 2021**

| Field | PRMS Sub-Classification* | 2C Contingent Resources | | Descriptions |
|---------------|--------------------------|-------------------------|---------------|---------------------------------------|
| | | Dry Gas (Bscf) | Cond. (MMBbl) | |
| Angel (*) | Not Viable | 63 | 3 | 1 infill well |
| Dockrell | Unclarified | 101 | 5 | 2 infill wells |
| Goodwyn | Pending | 3 | 0 | 1 well workover |
| | Pending | 26 | 0 | 1 facility upgrade |
| | Unclarified | 109 | 5 | 3 well workovers, 2 facility upgrades |
| Keast | Pending | 45 | 2 | 1 infill well |
| North Rankin | Unclarified | 165 | 3 | 2 facility upgrades |
| | Unclarified | 78 | 1 | 1 infill well |
| Persephone | Not Viable | 18 | 2 | 1 infill well |
| Perseus | Unclarified | 444 | 15 | 1 facility upgrade |
| Sculptor | Unclarified | 35 | 1 | 1 infill well, cyclic production |
| Tidepole | Unclarified | 147 | 4 | 2 infill wells, 1 facility upgrade |
| | Not Viable | 16 | 1 | 1 infill well |
| Totals | | 1,249 | 42 | |

Note: The Angel Field (*) is currently not producing. Angel NE attic infill well was re-evaluated during 2019, however remains not commercially viable.

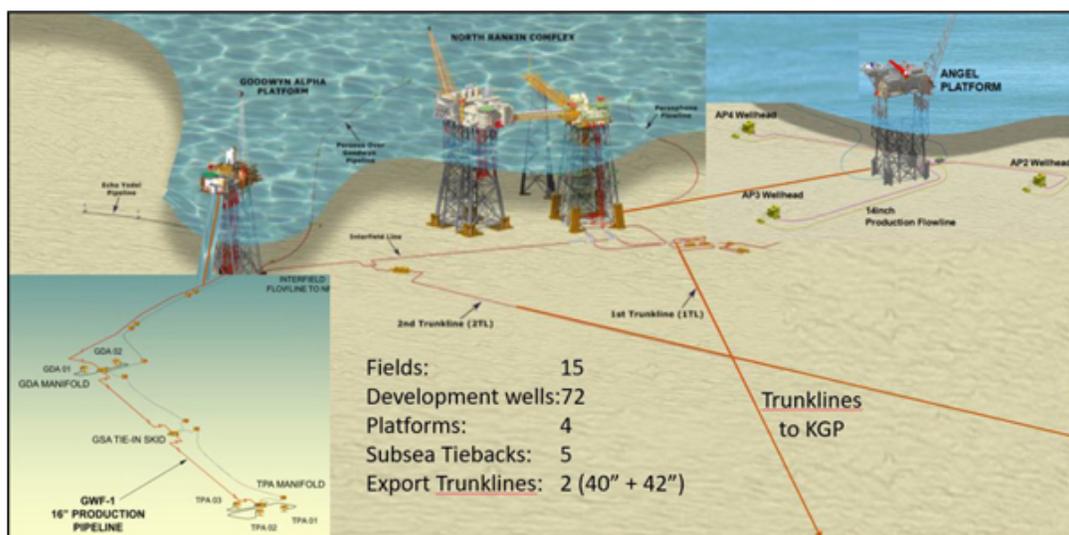
**Table 4.4: Gross Contingent Resources for Undeveloped NWS Gas Fields
as of 31 December 2021**

| Field | PRMS Sub-Classification* | 2C Contingent Resources | |
|----------------|--------------------------|-------------------------|---------------|
| | | Dry Gas (Bscf) | Cond. (MMBbl) |
| Tidepole East | Unclarified | 49 | 2 |
| Wilcox | Unclarified | 133 | 7 |
| Dixon | Unclarified | 138 | 4 |
| Haycock | Not Viable | 6 | 0 |
| Montague | Not Viable | 57 | 2 |
| Gaea & Ishmael | Not Viable | 100 | 3 |
| Lambert West | Not Viable | 63 | 1 |
| Pemberton East | Not Viable | 15 | 0 |
| Totals | | 561 | 19 |

4.1.4 Facilities and Cost Estimates

The offshore development comprises four conventional platforms (Goodwyn A, North Rankin A & B, and the Angel platform) hosting platform wells and subsea tiebacks. Export compression is provided on both the Goodwyn and North Rankin platforms delivering gas to two export trunklines, (40" and 42") 185 km to KGP (**Figure 4.4**).

Figure 4.4: North West Shelf Facilities (Composite)



Source: Woodside

The NWS offshore facilities operate at high reliability with North Rankin reporting 99.7% reliability, Goodwyn A 99.2%, and Angel 98.3%.

KGP (**Figure 4.5**) came on stream in 1989 from 2 x 2.5 MTPA LNG trains, with an additional 2.5 MTPA train added in 1992. Trains 4 and 5, each of 4.6 MTPA were added in 2004 and 2008 respectively, bringing total capacity to 16.7 MTPA LNG export capacity, requiring 3,000 MMscfd feed gas from offshore. As the offshore fields are declining, there is available ullage to process non-NWS gas (**Figure 4.5**).

As the offshore fields decline, the overall system turndown rate can be stepped down by shutting down LNG trains, and by ceasing production through one of the two export trunk lines. In this way, the minimum facilities throughput can be reduced to 350 MMscfd into a single liquefaction train (Train 5), at 2 MTPA LNG production rate.

The Pluto-KGP interconnector line allows Pluto gas to be processed at KGP, forecast to commence in 2022 at some 100 to 150 MMscfd. In 2024, some 200 MMscfd of third party gas from the onshore Waitisia development is planned. The plant will earn tolling revenues from these liquefaction agreements. The most material backfill opportunity comes from development of the Browse Fields (Section 4.9), where the current development concept will process up to 1.9 Bcfd of gas through the KGP facilities, potentially extending facilities life by 15 years to 2058.

Figure 4.5: Karratha Gas Plant



Source: Woodside

4.1.4.1 Facilities Operability, Integrity, and Infrastructure

The NWS offshore facilities and the KGP have been in service for over 35 years with no significant unplanned service outages. Recent high level operability reports show upstream facilities reliability ranging from 98.3% to 99.7%, excellent performance for facilities of this age. In the longer term, the two parallel gas export lines and four parallel liquefaction trains at the KGP provides the opportunity to step down system capacity as the offshore production declines.

The KGP provides gas sales access to the world LNG market, and is also linked to the Western Australian domestic market via the Dampier to Bunbury natural gas pipeline. The KGP is located next to, and is interconnected with, the Pluto LNG plant allowing some degree of capacity sharing between the two liquefaction facilities.

4.1.4.2 Decommissioning and Restoration (D&R) Planning

Decommissioning and Restoration (D&R) Planning is an ongoing activity in the NWS offshore operations. The Operator plans to spend an average of US\$50 MM in real terms (RT) per annum continuously until the end of field(s) life, with the major offshore D&R program budgeted thereafter. Currently, D&R plans are being matured for the Echo-Yodel field, which ceased production in 2012.



4.1.4.3 Cost Review

GaffneyCline has reviewed comprehensive cost forecasts provided by Woodside covering CAPEX, OPEX and D&R costs for the NWS offshore and KGP onshore operations from 2021 to the end of field(s) life and completion of D&R activities. GaffneyCline’s review of costs for all Woodside’s Australian assets focused on consistency (all costs in RT2022 basis and consistent with the activity plan and production profile), and cost levels (checks focusing on OPEX vs. annual production, and D&R estimates). The detailed costs were analysed and categorised to support economic analysis. For NWS, GaffneyCline accepted Woodside’s detailed cost forecasts as reasonable.

Gross CAPEX for further development activities relating to the NWS gas Reserves case is estimated to be US\$4,841 MM.

4.1.5 GaffneyCline’s Production and Cost Valuation Profiles NWS Gas

GaffneyCline’s valuation scenario production profile for Woodside’s NWS gas assets is given in **Figure 4.6** with the associated real term cost profiles provided in **Figure 4.7**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing and Lamber Deep (in the execute phase) fields listed in **Table 4.1**. (The profile comprises field level forecasts from CWLH (associated gas from NWS Oil), North Rankin, Perseus (broken down by production over North Rankin and Goodwyn facilities), Lambert Deep, Goodwyn (broken down into reservoir groups GDGEGFA, GG and H), Keast, Lady Nora, Pemberton, Dockrell, Sculptor, Tidepole. No production is expected from Athena, Persephone, Angel, Dix, Wilcox and Rankin from 2022 onwards).

The regulatory carbon cost assumption for NWS gas is as per Woodside’s below baseline assumption of zero for this project.

Figure 4.6: 100% NWS Gas Fields Production Profile

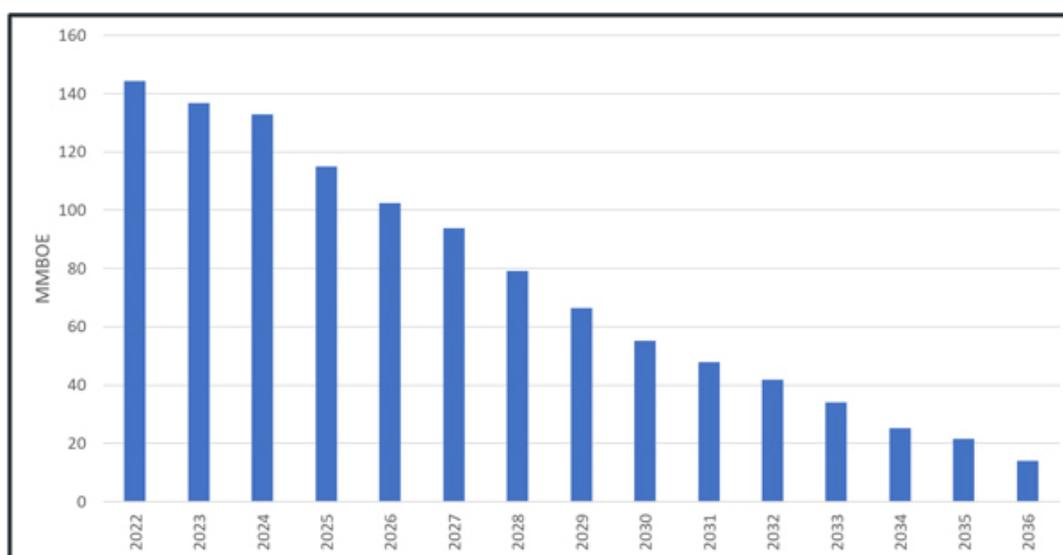
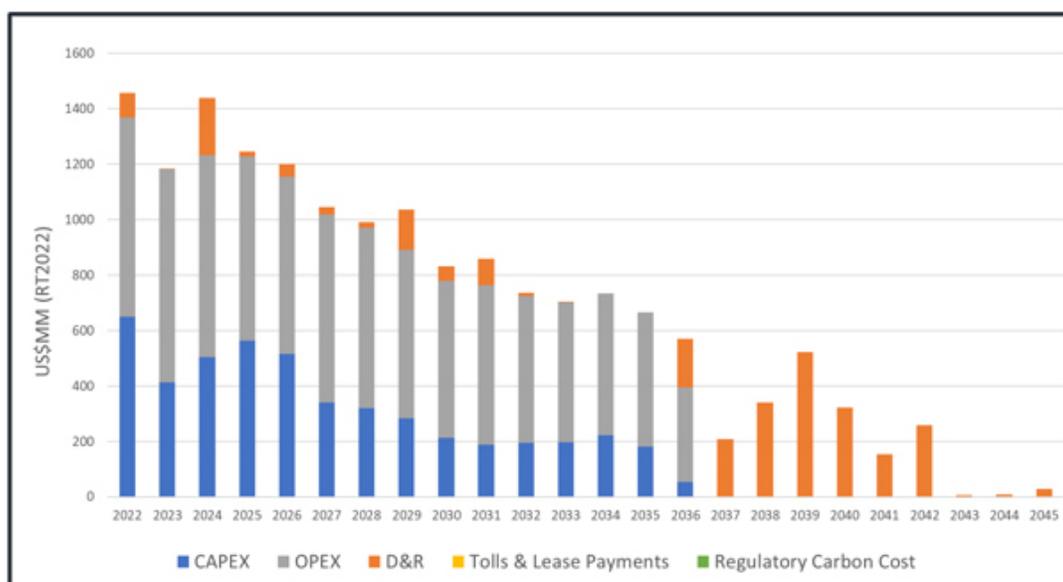


Figure 4.7: 100% NWS Gas Fields Cost Profile



4.2 North West Shelf Oil

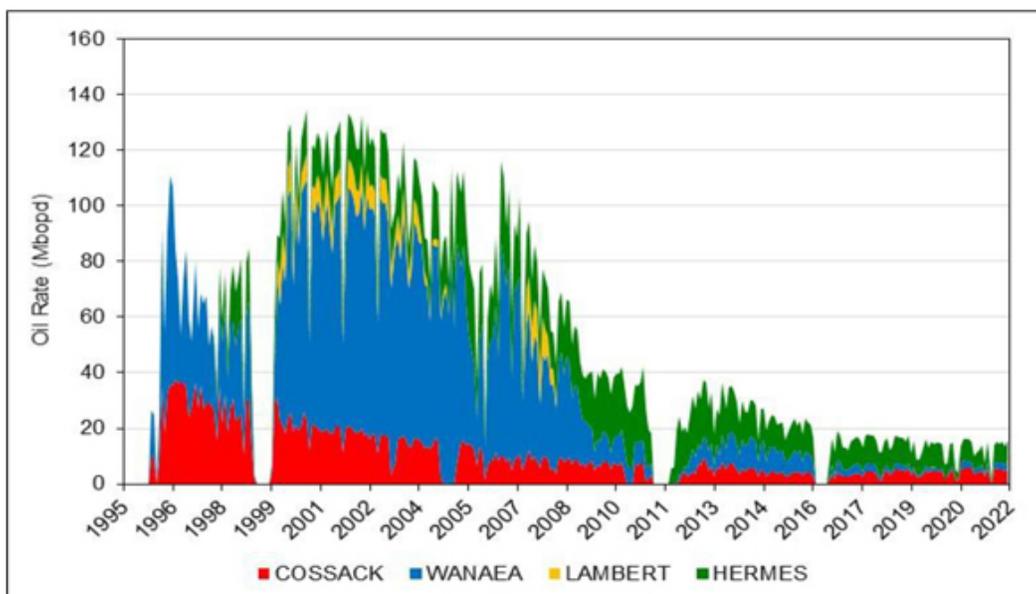
The NWS oil fields, located offshore Western Australia, consist of three producing fields (Cossack, Wanaea, and Hermes) and a fourth field, Lambert, which has ceased production (Figure 4.1). Additionally, there are three undeveloped discoveries: Egret, Eaglehawk and West Dixon. Woodside operates the NWS oil fields and holds a 33.33% stake in the joint venture which comprises BHP Petroleum, Chevron, BP, and MIMI.

4.2.1 Field Description and Recoverable Volumes

Oil production began in 1995 from the Cossack and Wanaea Fields (**Figure 4.8**) followed by Hermes and Lambert in 1997 and 1999 respectively. Production gradually ramped up until 2010, after which rates have been in decline. The Lambert Field stopped producing in 2008 after recovering 17.5 MMBbl of oil. The Cossack, Wanaea and Hermes Fields are producing through the Okha FPSO. **Table 4.5** shows a summary of the reservoir properties and the estimated remaining recoverable volumes are shown in **Table 4.6**.



Figure 4.8: NWS Oil Fields Production History



Source: Data from Woodside

Table 4.5: Subsurface Description of Producing NWS Oil Fields

| | Cossack Wanaea Lambert Hermes |
|-----------------------------|--|
| Initial Pressure (psia) | 4,240-4,510 |
| Initial Temperature (deg C) | 108-114 |
| Porosity (%) | 16.5-18.5 |
| Permeability (mD) | 200-800 |
| Fluid Type | Oil |

Table 4.6: Estimates of Gross Remaining Technically Recoverable Volumes by Field as of 31 December 2021

| Field | Status | Produced | | Remaining Recoverable | | | |
|---------|-----------|--------------------------|------------|-----------------------|----------------|---------------|----------------|
| | | | | Low Estimate | | Best Estimate | |
| | | Oil & Condensate (MMBbl) | Gas (Bscf) | Oil (MMBbl) | Raw Gas (Bscf) | Oil (MMBbl) | Raw Gas (Bscf) |
| Cossack | Producing | 97 | 13 | 9 | 0.1 | 11 | 0.6 |
| Wanaea | Producing | 270 | 306 | 1 | 0.0 | 5 | 0.3 |
| Lambert | Ceased | 18 | 5 | 0 | 0.0 | 0 | 0.0 |
| Hermes | Producing | 118 | 42 | 15 | 0.1 | 15 | 0.8 |

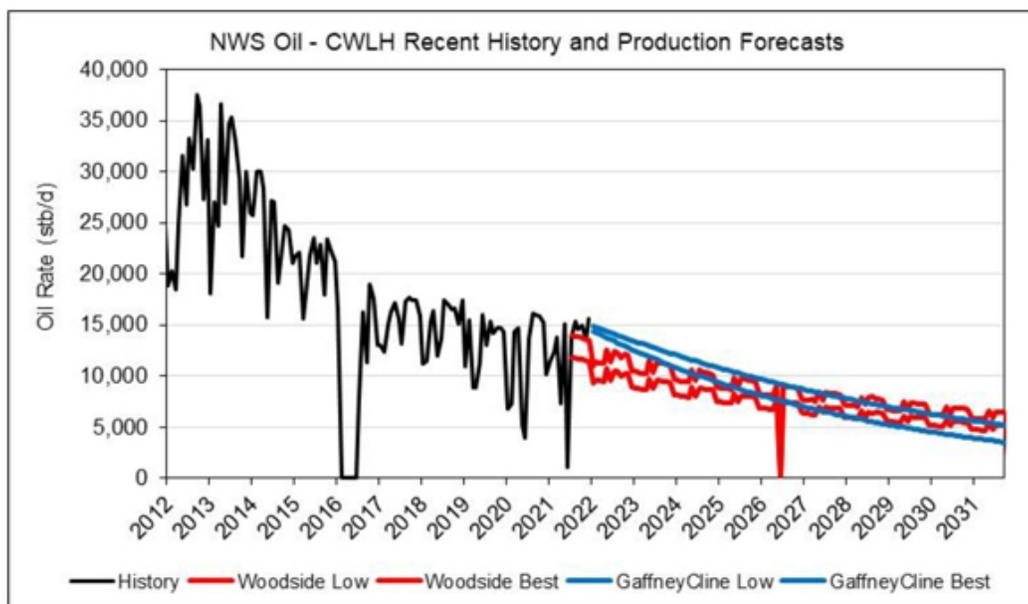
Note: Volumes shown here are remaining technically recoverable volumes with no economic cut-off applied.

4.2.2 Field Development and Production Profiles

GaffneyCline has reviewed Woodside’s production forecasts for producing fields by carrying out DCA at the aggregated field level. No future activities are planned for the producing fields.

GaffneyCline’s overall NWS oil production forecasts are shown in **Figure 4.9** in comparison to Woodside’s. Overall, GaffneyCline’s forecasts start at higher initial rates, but have steeper decline rates. Woodside’s initial rates are influenced by production rates in the first half of 2021, which are on average lower than in the second half of 2021. The volumes under both GaffneyCline and Woodside’s profiles are within tolerance and GaffneyCline has accepted Woodside’s forecasts in **Figure 4.9**, which correspond to the recoverable volumes in **Table 4.6**, for reporting Reserves.

Figure 4.9: Comparison of GaffneyCline and Woodside NWS Oil Technical Profiles



4.2.3 Contingent Resources

GaffneyCline has reviewed Woodside’s estimates of Contingent Resources using a similar methodology to the NWS Gas review and has found Woodside’s estimates to be reasonable. Woodside’s Contingent Resources opportunities in NWS Oil and their estimated 2C volumes are reported in **Table 4.7** and **Table 4.8**.



Table 4.7: Gross Contingent Resources for Developed NWS Oil Fields as of 31 December 2021

| Field | PRMS Sub-Classification | 2C Contingent Resources | | Descriptions |
|---------------|-------------------------|-------------------------|----------------|----------------------------------|
| | | Oil (MMBbl) | Dry Gas (Bscf) | |
| Cossack | Dev on hold | 6.9 | 0.94 | 1 infill well |
| | Dev unclarified | 6.4 | 0.87 | 1 facility upgrade |
| | Dev not viable | 0.7 | 0.10 | 1 well workover |
| Wanaea | Dev not viable | 0.9 | 1.15 | 4 well workover, 1 well workover |
| Lambert | Dev on hold | 0.9 | 0.29 | 1 well workover |
| Hermes | Dev on hold | 0.2 | 0.08 | 1 facility upgrade |
| | Dev unclarified | 7.2 | 2.82 | 1 facility upgrade |
| Totals | | 23.2 | 6.24 | |

Note: Raw gas CR were calculated using GOR of 138, 1,289, 330 and 395 scf/stb for Cossack, Wanaea, Lambert and Hermes respectively.

Table 4.8: Gross Contingent Resources for Undeveloped NWS Oil Fields as of 31 December 2021

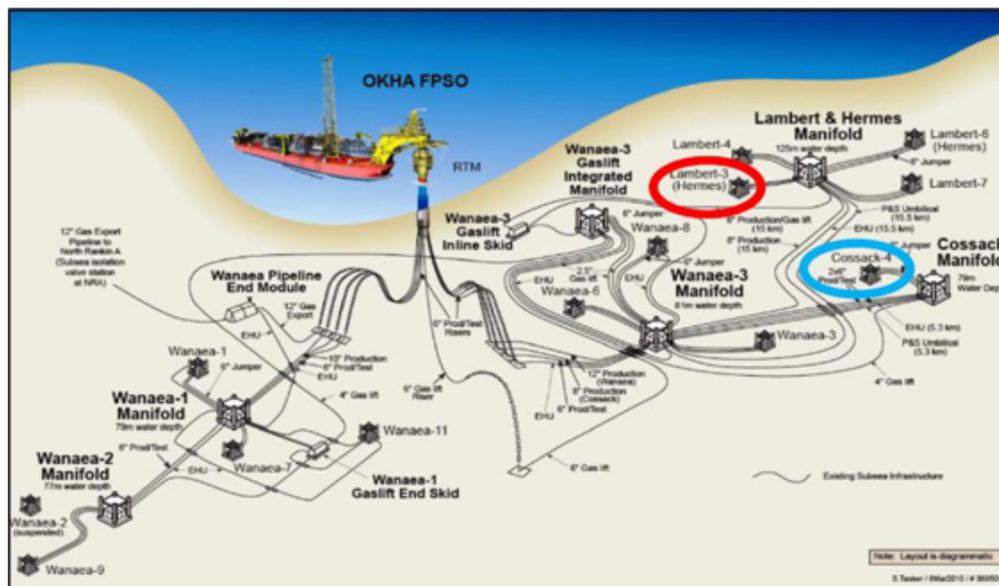
| Field | Development Status | 2C Contingent Resources | |
|---------------|--------------------|-------------------------|----------------|
| | | Oil (MMBbl) | Dry Gas (Bscf) |
| Eaglehawk | Dev not viable | 0.3 | 0.00 |
| Egret | Dev not viable | 7.3 | 6.70 |
| West Dixon | Dev not viable | 2.3 | 0.00 |
| Totals | | 9.9 | 6.70 |

4.2.4 Facilities and Costing

The NWS Oil fields produce to the Okha FPSO (**Figure 4.10**). The development originally used the Cossack Pioneer FPSO, however this was replaced by the Okha in 2011. The four fields are developed with 13 subsea wells in 80 to 100 m water depth, of which five are in fulltime production and eight are shut in. The Okha processing capacity of 60 Mbopd and 150 Mblpd is greater than current production rates. Okha UWILD (Under Water Inspection In Lieu of Drydocking) was completed in 2021. The subsea infrastructure has experienced integrity issues, however, Woodside’s management of change process is used to manage any integrity issues as they arise. Facility lifetime extension projects have been completed.



Figure 4.10: NWS Oil Fields Development



4.2.4.1 Facilities Operability, Integrity, and Infrastructure

The NWS oil facilities (OKHA FPSO) have been in service for over 25 years with production outages every five years (2011, 2016, and 2021) for planned dry dock and vessel inspection. As noted above, the subsea infrastructure has experienced reliability issues (primarily in the controls system) which are being addressed in the maintenance and repair program. In 2020, OKHA system reliability, at 86%, fell below targeted levels. The 2021 turnaround work scope should improve this performance.

The OKHA production system allows independent oil export, supported by a gas export pipeline to North Rankin A.

4.2.4.2 Decommissioning and Restoration (D&R) Planning

As noted in Section 1.1.4, current operational planning is focused on facilities uptime and integrity, with limited near-term D&R activity. The Operator has, however, developed a phased D&R plan commencing at the end of field life and extending over 8 years thereafter. Recent regulatory focus on prompt D&R planning and execution may accelerate this phasing.

4.2.4.3 Cost Review

GaffneyCline has reviewed a detailed (30 line items) cost forecast provided by WEL covering capital costs (CAPEX), operating costs (OPEX), and D&R costs for the NWS oil operations from 2021 to the end of field(s) life and completion of D&R activities. GaffneyCline’s review focused on consistency (all costs in RT2022 basis and consistent with the activity plan and production profile), and cost levels (checks focusing on OPEX vs. annual production, and D&R estimates). The detailed costs were analyzed and categorised to support economic analysis. GaffneyCline accepted WEL’s CAPEX and OPEX cost forecasts as reasonable. D&R cost estimates, however, were materially increased in our review to reflect current D&R scope and the full exploration, appraisal and production well count remaining.



Gross CAPEX for further development activities relating to the NWS oil Reserves case is estimated to be US\$80 MM.

4.2.5 GaffneyCline's Production and Cost Valuation Profiles NWS Oil

GaffneyCline's valuation scenario production profile for Woodside's NWS oil assets is given in **Figure 4.11** with the associated real term cost profiles provided in **Figure 4.12**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing fields listed in **Table 4.6**. (The profile comprises field level forecasts from Cossack, Wanaea and Hermes. No production is expected from Lambert. No CR projects have been included).

The regulatory carbon cost assumption for NWS oil is as per Woodside's below baseline assumption of zero for this project.

Figure 4.11: 100% NWS Oil Fields Production Profile

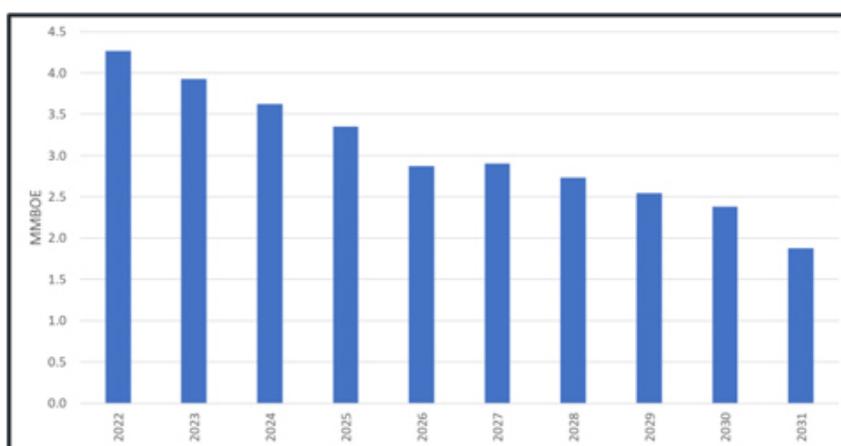
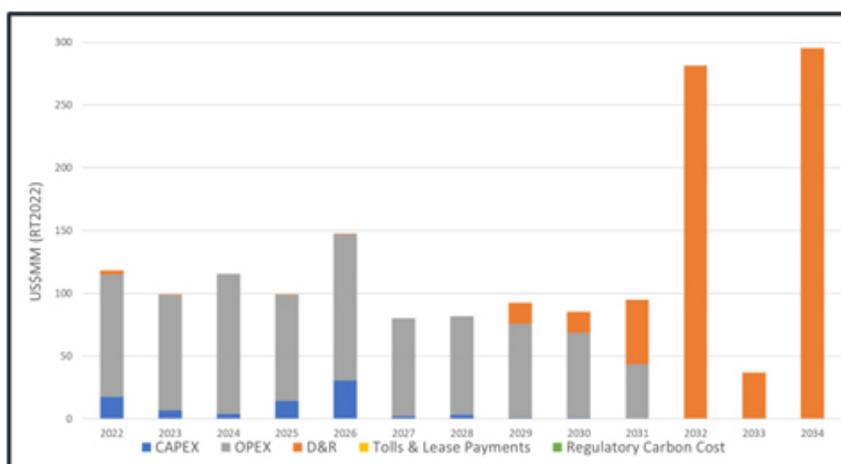


Figure 4.12: 100% NWS Oil Fields Cost Profile

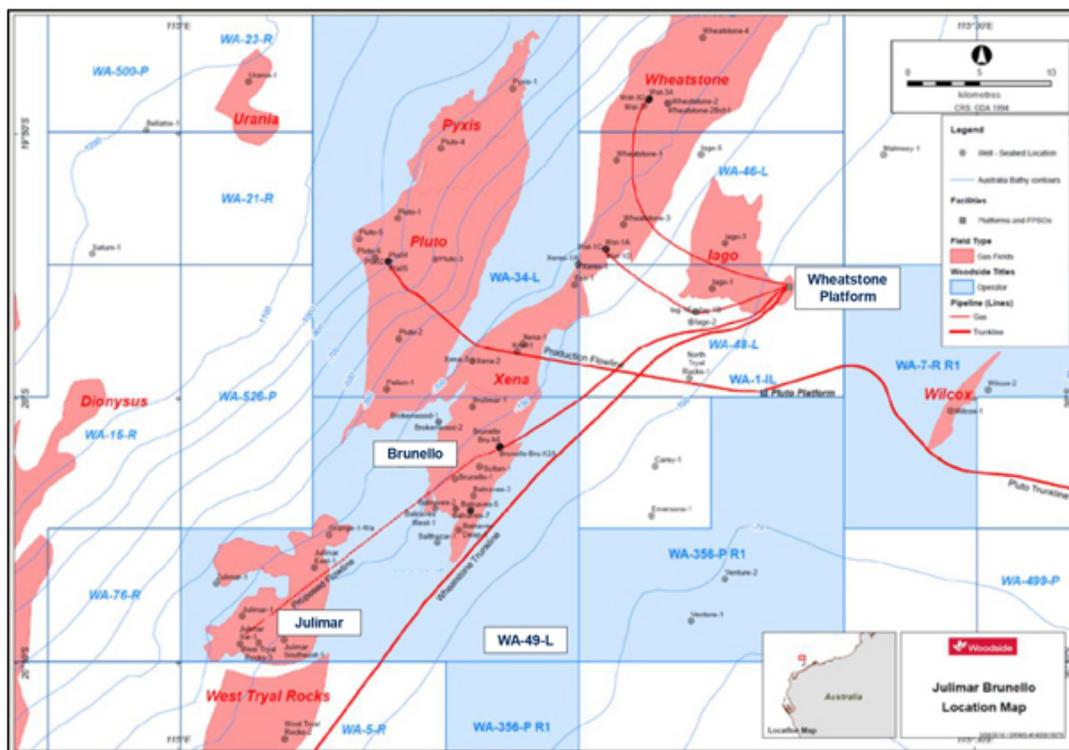


4.3 Wheatstone LNG (Brunello-Julimar)

4.3.1 Field Description

Woodside acquired its 65% interest in the Brunello and Julimar Fields from Apache in 2015. The fields are contained within the WA-49-L permit, located in the Carnarvon Basin, offshore Western Australia and together form the Julimar Development Project (**Figure 4.13**). The Julimar Development Project is a subsea development to supply raw gas and condensate from the fields to the Chevron-operated Wheatstone platform and from there to the Wheatstone Project's onshore LNG trains and domestic gas plant at the Ashburton North Strategic Industrial Area.

Figure 4.13: WA-49-L Location Map



Source: modified from Woodside

The Julimar Field was discovered in 2007 with the drilling of the Julimar-1 well which encountered gas bearing fluvial channel sands of the Triassic Mungaroo Formation. The field consists of NE-SW trending stacked Mungaroo fluvial channel belts which are often isolated via intra-formational seals and dipping shallowly to the north. In total there is approximately 600 m of accumulation thickness and the field is bounded by major faults to the east and west and stratigraphically trapped to the north. Multiple pressure regimes, fluid compositions, gas-water contacts and residual gas columns have been identified during appraisal drilling. Field development is heavily reliant on seismic data to define geobody extent and hydrocarbon contacts in unpenetrated sands. Woodside has completed the JDP2 drilling program and commissioning began in early December 2021.

The Brunello Field was also discovered in 2007 with the drilling of the Brunello-1/ST1 well approximately 17 km northeast of the Julimar-1 discovery well. Brunello-1/ST1 encountered 37 m of net pay in the Mungaroo. The field is located on the Brunello Horst and is composed of a number of gently dipping Triassic Mungaroo sandstones that sub-crop the regional Base Cretaceous Unconformity. The structure is low relief with a maximum gas column of ~40 m, bound to the south by a sub-crop boundary and to the east and west by faults. Communication between reservoirs is uncertain and pre-production depletion from neighbouring fields suggests complex communication pathways.

The Brunello Field is currently being produced via five wells. First gas was achieved in September 2017. JDP2 drilling which will see the initial development of the Julimar Field was completed in 4Q 2020 with first gas planned for late 2021.

GaffneyCline has made probabilistic (Monte Carlo) estimates of the GIIP for the Julimar and Brunello individual reservoirs for both fields (**Table 4.9**). Inputs allowed for uncertainties in mapping, petrophysical properties and fluid contacts.

Table 4.9: Estimates of GIIP for the Brunello and Julimar Fields

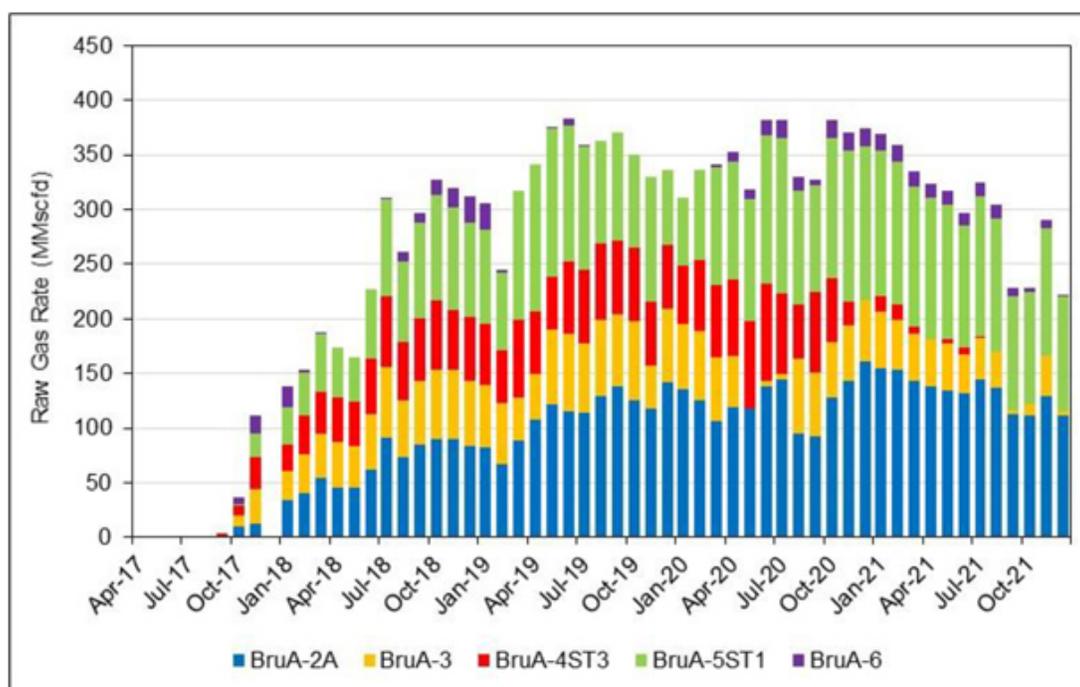
| Field | Reservoir / Sand | GIIP (on and off Block) (Bscf) | |
|-----------------------------|-------------------------|-----------------------------------|---------------|
| | | Low Estimate | Best Estimate |
| Brunello | B6 (TR28.0) | 348 | 448 |
| | B7 (TR27.3) | 86 | 134 |
| | B8 / B9 (TR27.0) | 357 | 449 |
| | B10 (TR26.0) | 412 | 547 |
| | B49 (TR21.3) | 47 | 82 |
| | B50 (TR 21.3) | 181 | 271 |
| | B60 (TR 20.6) | 149 | 216 |
| | Arithmetic Total | 1,580 | 2,146 |
| Julimar | J12 | 25 | 53 |
| | J14 | 68 | 89 |
| | J16 | 47 | 85 |
| | J25 | 167 | 285 |
| | J45 | 53 | 113 |
| | J50 | 111 | 156 |
| | J54 | 93 | 123 |
| | J56 | 217 | 285 |
| | J65 | 63 | 104 |
| | J67 | 107 | 144 |
| | J75 | 14 | 26 |
| | J85 | 59 | 114 |
| Arithmetic Total | 1,025 | 1,578 | |
| Arithmetic Total All | | 2,604 | 3,724 |

Gas production from Brunello commenced on 18 September 2017 from well BruA-4ST3, sand B6. The remaining four wells; BruA-2A (sand B8), BruA-3 (sand B7), BruA-5ST1 (sand B10) and BruA-6 (sand B50) were put on production the following month. Production from BruA-6 has been constrained (<20 MMscfd) due to higher than anticipated mercury levels in the deeper B50 reservoir. Cumulative raw gas production as of 31 December 2021 is 454 Bscf (**Table 4.10** and **Figure 4.14**). BruA-2A and BruA-5ST1 are the two main producers and have contributed 67% of total production thus far.

Table 4.10: Brunello Historical Gas Production as of 31 December 2021

| Well | Reservoir | Cumulative Produced Raw Gas (Bscf) |
|--------------|----------------|------------------------------------|
| BruA-2A | B8/B9 (TR27.0) | 161 |
| BruA-3 | B7 (TR27.3) | 69 |
| BruA-4ST3 | B6 (TR28.0) | 64 |
| BruA-5ST1 | B10 (TR26.0) | 148 |
| BruA-6 | B50 | 12 |
| Field | | 454 |

Figure 4.14: Brunello Historical Production as of 31 December 2021



BruA-4ST3 started to produce water in September 2020 and has been shut in since June 2021. BruA-2A experienced early formation water breakthrough in June 2021. The Brunello deep reservoirs (B50 and B60) have high mercury content, and currently B50 is only developed by the BruA-6 well, from which production is restricted.

In BruA-3 (Sand B7) the observed pressure is declining faster than expected, and in BruA-5ST1 (Sand B10) the pressure decline is less than previous forecast. Communication between the reservoir units is uncertain, pre-production depletion from neighbouring fields has suggested complex communication pathways with competitive drainage of Pluto/Xena fields. The B6 and B7 sands were originally thought to be connected, but production data shows communication between them to be negligible.

Julimar commenced production in the first week of December 2021 and total cumulative gas as of 31 December 2021 is 2.7 Bscf.

4.3.2 Field Development and Production Forecasts

Gas and condensate recovery factors have been estimated for all sands, taking into account historical performance. **Table 4.11** shows the recovery factor for gas and condensate assigned to the different units, used for the probabilistic calculation of Low and Best EUR volumes per reservoir. The resulting average raw gas and condensate EURs based on Monte Carlo probabilistic and deterministic methods are presented in **Table 4.12**.

Table 4.11: Recovery Factor Ranges Used for Resource Estimates

| Field | Reservoir / Sand | Gas RF (%) | | Condensate RF (%) | |
|----------|------------------|------------|------|-------------------|------|
| | | Low | Best | Low | Best |
| Brunello | B6 | 18% | 15% | 17% | 14% |
| | B7 | 79% | 80% | 73% | 76% |
| | B8/B9 | 47% | 49% | 37% | 41% |
| | B10 | 82% | 83% | 65% | 69% |
| | B50 | 30% | 43% | 26% | 38% |
| | B60 | 18% | 29% | 16% | 26% |
| Julimar | J12 | 67% | 73% | 61% | 68% |
| | J14 | 54% | 71% | 49% | 67% |
| | J16 | 46% | 62% | 41% | 58% |
| | J25 | 32% | 50% | 27% | 44% |
| | J45 | 20% | 53% | 17% | 46% |
| | J50 | 72% | 77% | 64% | 71% |
| | J54 | 58% | 60% | 52% | 56% |
| | J56 | 78% | 80% | 70% | 75% |
| | J65 West | 56% | 59% | 50% | 55% |
| | J67 | 63% | 69% | 56% | 64% |
| J85 | 23% | 55% | 20% | 48% | |

Table 4.12: Estimates of Ultimate Recovery for the Brunello and Julimar Fields

| Field | Reservoir / Sand | Ultimate Recovery (on and off block) | | | |
|-----------------------------|-------------------------|--------------------------------------|---------------|--------------------|---------------|
| | | Raw Gas (Bscf) | | Condensate (MMBbl) | |
| | | Low Estimate | Best Estimate | Low Estimate | Best Estimate |
| Brunello | B6 (TR28.0) | 64 | 65 | 0.8 | 0.8 |
| | B7 (TR27.3) | 67 | 107 | 0.9 | 1.5 |
| | B8 / B9 (TR27.0) | 198 | 254 | 5.8 | 8.9 |
| | B10 (TR26.0) | 340 | 453 | 6.8 | 9.6 |
| | B50 (TR 21.3) | 61 | 112 | 0.8 | 1.6 |
| | B60 (TR 20.6) | 31 | 61 | 0.4 | 0.9 |
| | Arithmetic Total | 761 | 1,053 | 15.5 | 23.3 |
| Julimar | J12 | 18 | 39 | 0.2 | 0.5 |
| | J14 | 40 | 62 | 0.5 | 0.8 |
| | J16 | 25 | 52 | 0.3 | 0.7 |
| | J25 | 62 | 142 | 0.9 | 2.3 |
| | J50 | 82 | 119 | 1.0 | 1.6 |
| | J54 | 55 | 74 | 0.6 | 1.0 |
| | J56 | 172 | 228 | 1.9 | 3.0 |
| | J65 | 37 | 62 | 0.4 | 0.8 |
| | J67 | 70 | 99 | 0.8 | 1.4 |
| | J85 | 17 | 58 | 0.3 | 1.0 |
| Arithmetic Total | 576 | 934 | 6.9 | 13.1 | |
| Arithmetic Total All | | 1,337 | 1,988 | 22.4 | 36.4 |

IPM-RESOLVE models have been prepared for supporting the production forecasting, by providing a sense of plateau lengths, Phase 3-4 well schedules, compression timings and decline rates. The final low and best estimate production profiles are generated by scaling Woodside’s raw gas and condensate profiles to match GaffneyCline’s low and best estimates of EUR. GaffneyCline’s Low estimate EUR utilises the average between an arithmetic addition and probabilistic addition of the individual Brunello and Julimar reservoirs to account for possible dependency criteria. Reservoirs J45 and B49 have been excluded based on the recent Julimar wells and Woodside development strategy. The summary of remaining recoverable volumes is provided in **Table 4.13** and **Figure 4.15** shows GaffneyCline’s low and best raw gas and condensate production profiles for the Woodside Phase 1-4 development scenarios.



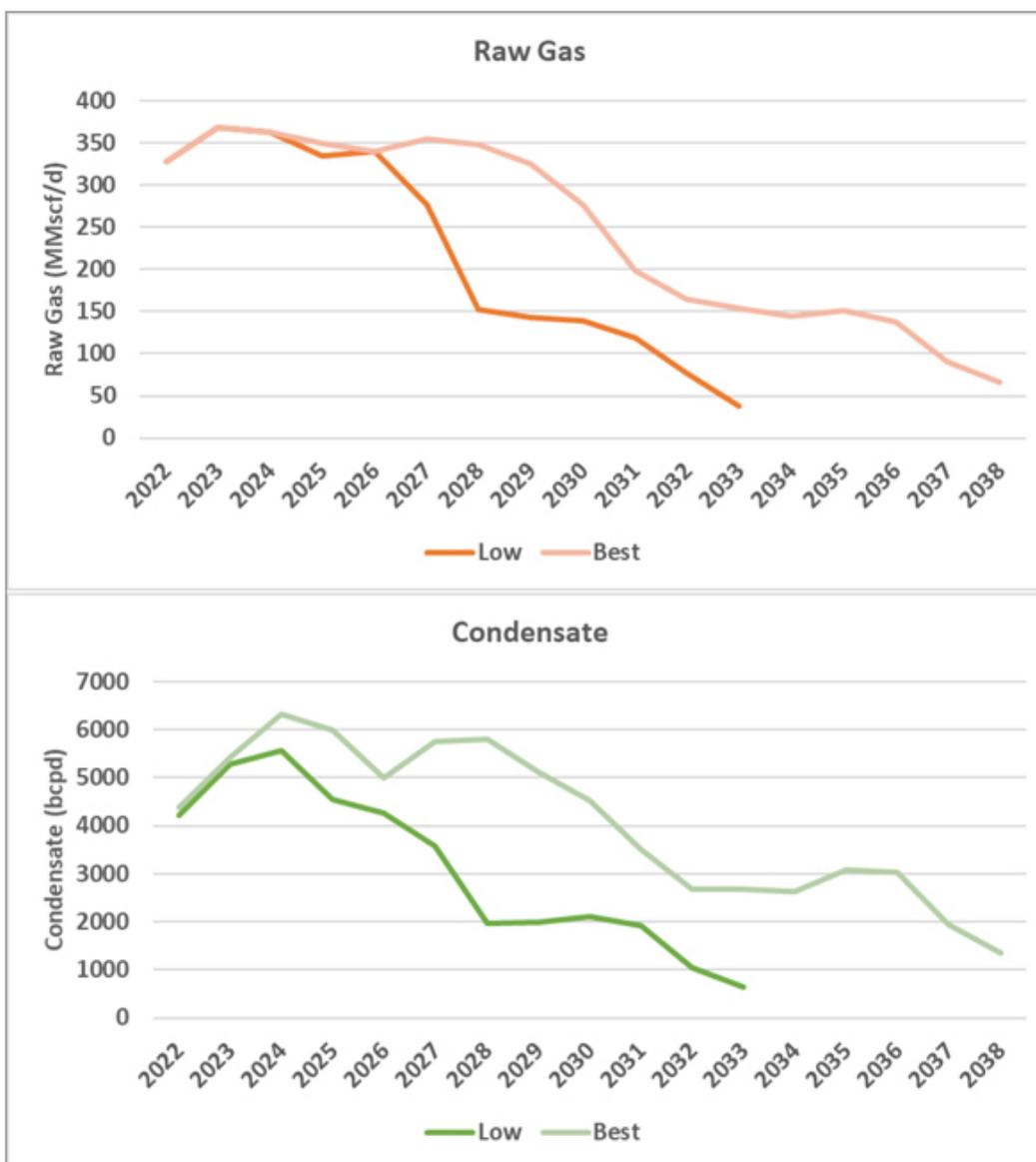
Table 4.13: Woodside Gross Remaining Recoverable Raw Gas and Condensate

| Commodity | Low Estimate | Best Estimate |
|--------------------|--------------|---------------|
| Raw Gas (Bscf) | 978 | 1,526 |
| Condensate (MMBbl) | 13.6 | 25.4 |

Notes:

1. Volumes shown here are remaining technically recoverable volumes with no economic cut-off applied.
2. Gas volumes reported in this table are “wellhead” or “wet” volumes. Adjustments to sales gas volumes are accounted for in the economic evaluation for Reserves reporting.

Figure 4.15: GaffneyCline Production Profiles Raw Gas and Condensate



4.3.3 Facilities and Costing

The Wheatstone LNG fields are developed as a combined subsea tie-back development to the Chevron-operated Wheatstone platform. The project is a phased development and is summarised in **Table 4.14**.

Table 4.14: Brunello and Julimar Development Project Summary

| Development Phase | Notional Timing | Field | Development |
|---------------------|--|------------------|--|
| JDP1 | Ready for Start-up (RFSU) 2017 (complete) | Brunello | 5 wells, Brunello manifold, two flowlines to Wheatstone Platform |
| Compression Stage 1 | Installed, commissioned May 2022 | Julimar/Brunello | Compression |
| JDP2 | Commissioned November 2021, online December 2021 | Julimar | 4 well subsea tie-back |
| JDP3 | October 2025 | Julimar | ~4 well subsea tie-back |
| JDP4 | April 2028 | Julimar/Brunello | ~2 well infill wells in existing manifolds plus mercury removal unit |
| Compression Stage 2 | 2031 | Julimar/Brunello | Compression |
| Compression Stage 3 | 2037 | Julimar/Brunello | Compression |

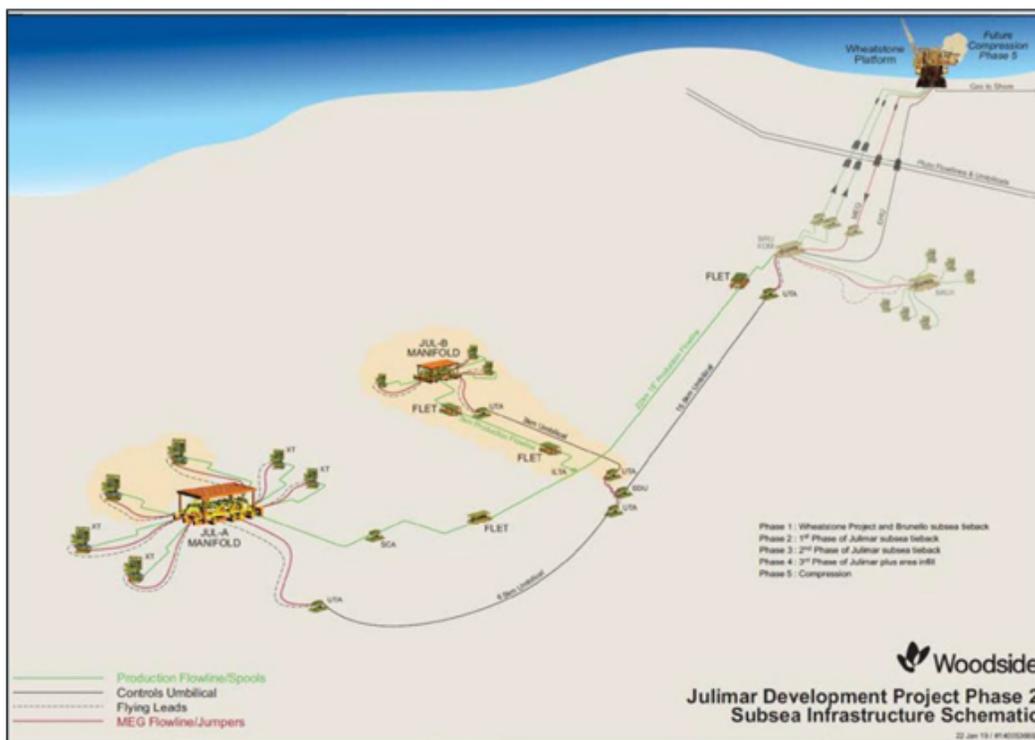
The development of Julimar and Brunello consists of subsea gas production wells drilled from three main drill centres. Each well is or is planned to be tied into a subsea manifold located at the drill centres. The manifolds will be connected using intra-field flowlines and connected to the Wheatstone Platform by twin raw gas production lines.

In the initial phase, which came on stream in 2017, the Brunello field was developed with five producing wells tied back 22 km to Wheatstone by two 18" flowlines. In a second development phase (currently in progress), the gathering system will be extended a further 22 km to tie in the Julimar field, and four Julimar development wells drilled. Phase 2 production commenced in December 2021. Subsequent phases will add up to six further Julimar development wells. The combined production is processed at the Wheatstone platform, where some 20% of capacity (or 388 MMscfd) is allocated to the Brunello-Julimar development. Within this overall constraint, production from the BruA-6 well must be limited to 20 MMscfd due to high mercury levels in this well. The upstream development is illustrated in **Figure 4.16**.

The Wheatstone platform, pipeline, and onshore LNG plant are operated by Chevron, with Woodside holding a 13% WI. After separation on the platform, gas and condensate are dehydrated and compressed for transport 225 km to the onshore LNG plant, together with gas and condensate from other Chevron-operated fields. The LNG plant is a two-train 10.4 MTPA liquefaction plant, which can also supply up to 200 TJ/day of domestic gas.



Figure 4.16: Brunello and Julimar Development Concept



Source: Woodside

4.3.3.1 Facilities Operability, Integrity, and Infrastructure

As a subsea tieback to the Wheatstone development, the reliability of the Julimar-Brunello development is largely dependent on the uptime of the host platform facilities and the downstream Wheatstone LNG plant. Brunello has been in production since late 2017. Apart from Wheatstone-related production outages (e.g. LNG train shut downs), Brunello has experienced occasional production curtailment related to miscellaneous subsea equipment failures and high mercury levels in the produced gas of one well.

4.3.3.2 Decommissioning and Restoration (D&R) Planning

Woodside's D&R plan commences in the final year of Julimar-Brunello production and extends over six years. This is a reasonable D&R project phasing and is accepted by GaffneyCline. It is likely that Julimar-Brunello D&R will be carried out as a part of the larger Wheatstone decommissioning, so the actual timing may depend on the Wheatstone field performance.

4.3.3.3 Cost Review

GaffneyCline has reviewed comprehensive cost forecasts provided by Woodside covering capital costs (CAPEX), operating costs (OPEX), and D&R costs for the offshore Julimar-Brunello and onshore Wheatstone operations from 2021 to the end of field(s) life and completion of D&R activities. GaffneyCline's review focused on consistency (all costs in RT2022 basis and consistent with the activity plan and production profile), and cost levels (checks focusing on OPEX vs. annual production, and D&R estimates). The detailed costs were analyzed and categorised to support economic analysis. GaffneyCline has accepted Woodside's detailed cost forecasts as reasonable. Gross CAPEX for further development activities relating to the Brunello and Julimar Reserves case is estimated to be US\$989 MM



4.3.4 Resources Estimates

Reserves are attributed to development of Brunello and Julimar (Section 4.3.2). Contingent Resources (Development Unclarified) are attributed for the re-perforation of a well (BruA-6) in a shallow reservoir (B49) in Brunello (**Table 4.15**). Further evaluation is required for feasibility due to mercury contaminants.

Table 4.15: Contingent Resources for Brunello as of 31 December 2021

| Field | Gross 2C Contingent Resources | |
|----------------|-------------------------------|--------------------|
| | Dry Gas (Bscf) | Condensate (MMbbl) |
| Brunello (B49) | 23.0 | 0.3 |

4.3.5 GaffneyCline’s Production and Cost Valuation Profiles Brunello-Julimar

GaffneyCline’s valuation scenario production profile for Woodside’s Brunello-Julimar assets is given in **Figure 4.17** with the associated real term cost profiles provided in **Figure 4.18**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing fields/ reservoirs listed in **Table 4.12**.

The regulatory carbon cost assumption for Brunello-Julimar is as per estimated carbon emissions that are above Woodside’s baseline assumption for this project.

Figure 4.17: 100% Brunello-Julimar Production Profile

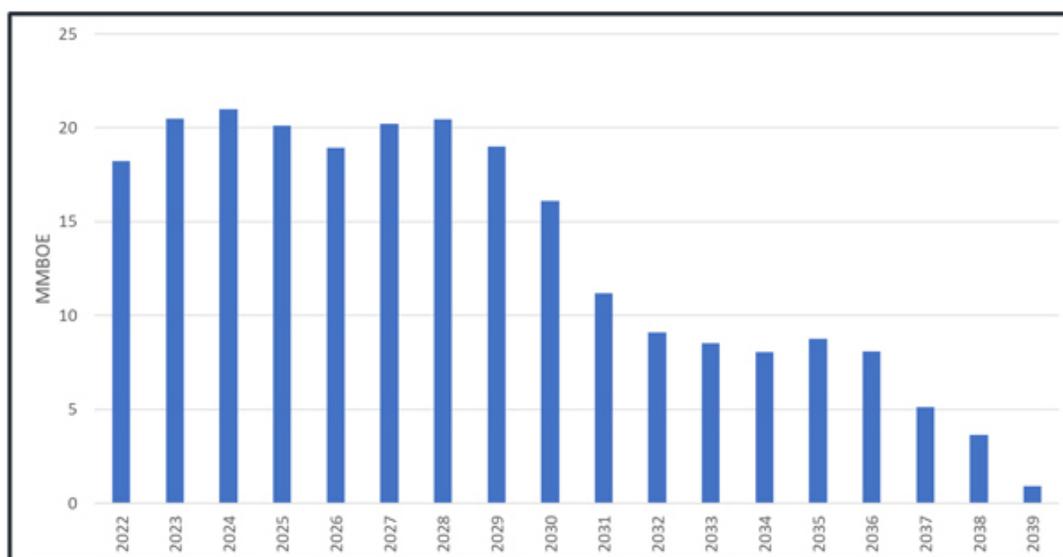
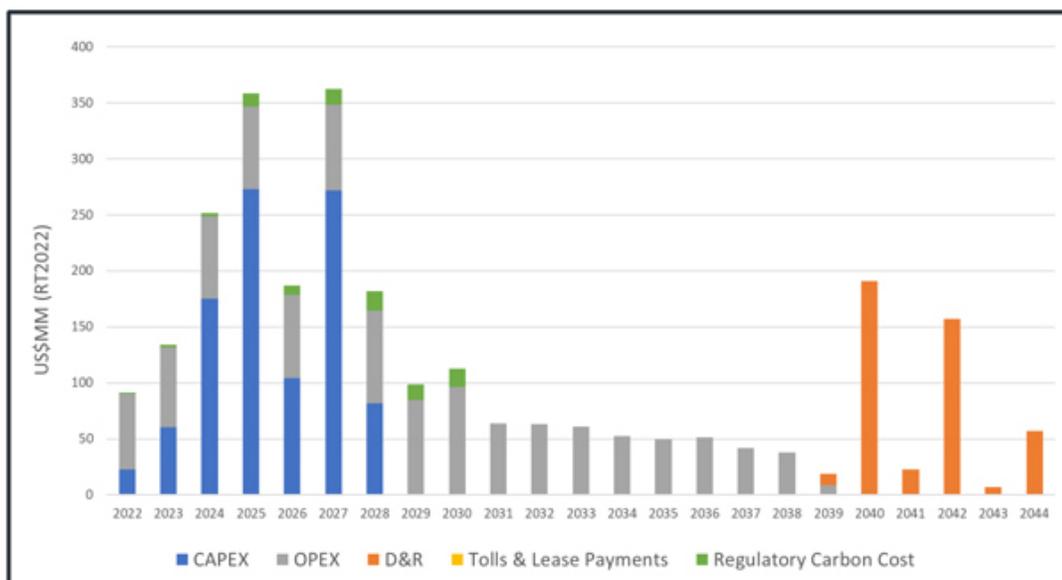


Figure 4.18: 100% Brunello- Julimar Cost Profile

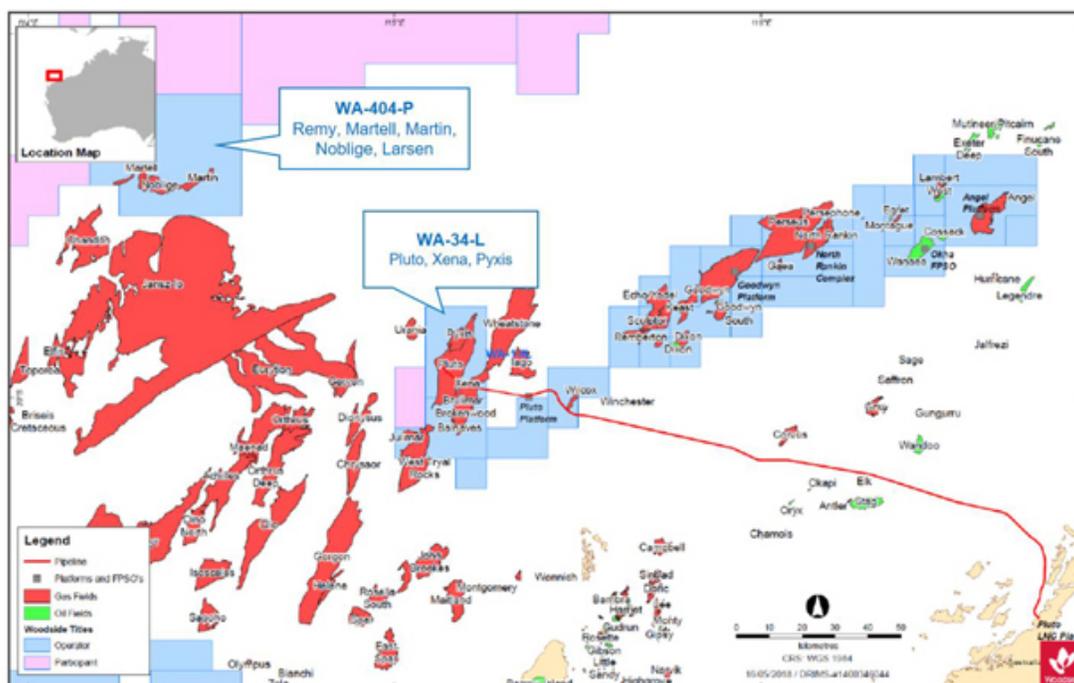


4.4 Pluto LNG

The Pluto LNG asset encompasses the Pluto, Xena and Pyxis Fields in the WA-34-L permit, in which Woodside has a 90% working interest, located offshore Western Australia approximately 190 km northwest of Karratha (**Figure 4.19**). The Pluto Field is in 850 m water depth, while Xena is in 200 m and Pyxis is in 960 m. Pluto was discovered in 2005, within the exploration permit WA-350-P, which was awarded to Woodside in 2003. This was followed by the discovery of Xena (well Xena-1ST1) in 2006. Five Pluto appraisal wells and two Xena appraisal wells were subsequently drilled. The main reservoir in Pyxis was penetrated by the Pluto-4 appraisal well in 2006 and was appraised by Pyxis-1 well in 2015. The production licence WA-34-L was granted in 2007 and production of gas and condensate started from Pluto and Xena in 2012. Pyxis came on stream in November 2021.



Figure 4.19: Greater Pluto Location Map



Source: Woodside

4.4.1 Field Description

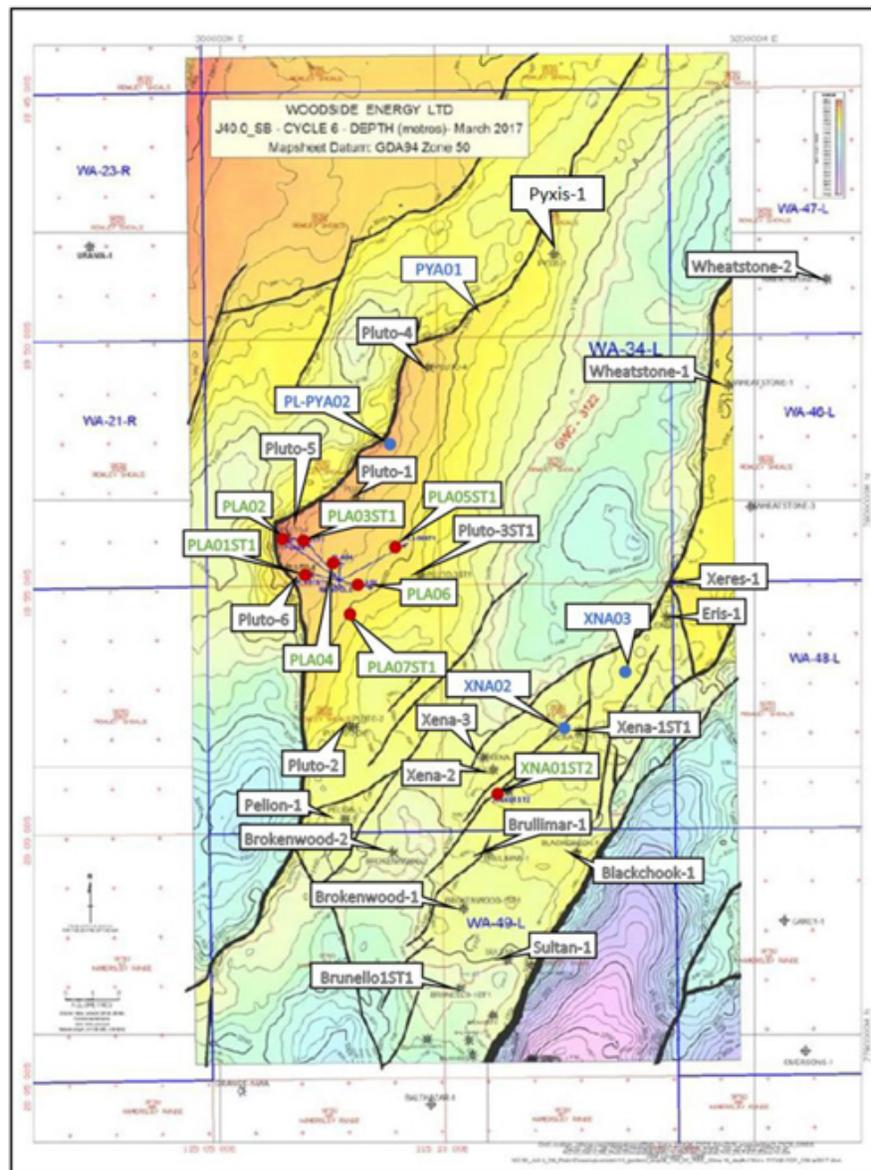
The Pluto-Xena-Pyxis group of fields is located in the Northern Carnarvon Basin, up on the northern flank of the Dampier Sub-basin as it transitions into the Rankin Platform. Nearby major fields include the Brunello-Julimar Fields to the south, Wheatstone Fields to the northeast, and Jansz-Io further to the west.

The reservoirs of the Pluto and Xena Fields are Late Triassic, fluvial deposits of the Mungaroo Formation, and the overlying Late Triassic, estuarine deposits of the Brigadier Formation. The Mungaroo reservoirs are generally good quality, with approximately 25% porosity and multi-Darcy permeability, with slightly less better sandstone quality in the Brigadier Formation. The gas bearing reservoir in the Pyxis Field is the J40, middle-shoreface shallow water sandstone of the Late Jurassic (Oxfordian) Eliassen Formation. The reservoir has excellent quality, with average porosity approaching 30% and 2.5 mD average permeability. The top of the reservoir is encountered at a depth of around 3,000 mss.

The Pluto structure is an easterly tilted fault block, with major bounding faults as its western, north-western and northern margins and dip closure to the south and east. The Xena structure is a north-south trending horst block with dip closure to the south and on trend with Wheatstone Field to the north-east. The Pyxis accumulation is a combination of structural-stratigraphic trap, with low relief dip closing the eastern and northern side, faults closing its western side, and a pinch-out on its southern side. A structure depth map of the J40 formation in **Figure 4.20** shows the location of the wells.



Figure 4.20: Structural Depth Map with Locations of Pluto, Xena and Pyxis Wells



Source: Woodside

4.4.2 Field Development and Production Forecasts

As of 31 December 2021, the greater Pluto area has been developed by eight subsea Pluto wells, including the Pluto north infill well PL-PYA02, which came online in November 2021. The Pluto/Xena gas fields have been partially developed with seven subsea wells in Pluto and one subsea well in Xena. All wells are still on production except for one well that watered-out. Pluto well PLA03 is unlikely to produce in the future, following water breakthrough in 2014. The Xena field is under development by a single well XNA01. Similarly, the Pyxis Field is under development by a single development well PYA01, which came online in November 2021. By 31 December 2021 Pluto-Xena had produced 2,730 Bscf of dry gas and 10.6 MMBbl of condensate, and Pyxis had produced 3.4 Bscf of gas.

Future development will consist of drilling two additional wells: one well in Xena (XNA02), to come online in 2023, and a Pluto infill well (PLA08) that is not yet sanctioned and will come online in 2024. These wells will all be tied back to the existing Pluto/Xena development.

On the facility side, the Pluto water handling unit (PWH) on the Pluto A platform is expected to come online July 2022 with a design capacity of 22,000 bwpd. This is far higher than the existing capacity of 330 bwpd and this will greatly increase the flexibility to continue to flow wells that have experienced formation water breakthrough.

Woodside generates production forecasts from an ensemble of history-matched dynamic models, supported by a new 4D seismic survey that was acquired in 2020.

GaffneyCline estimated recoverable volumes of raw gas by multiplying the GIIP estimates with gas recovery factors derived from sensitivities run on the dynamic simulation model. GaffneyCline then compared the recoverable volumes and forecasts from Woodside and observed that they were within audit tolerance of 10%, and therefore GaffneyCline accepts the forecasts from Woodside.

The production profile used by GaffneyCline for evaluation reflects ullage availability, venture-agreed allocated liquefaction capacity and estimated field deliverability over time. Both the low estimate and best estimate production forecasts show gas rates varying between 950 and 1,050 MMscfd from 2022 to 2025 inclusive before declining.

The Pluto production profiles are not presented herein due to the sensitive nature of the information. **Table 4.16** lists the remaining recoverable volumes.

Table 4.16: Pluto LNG Remaining Technically Recoverable Volumes as of 31 December 2021

| Field | Low | | Best | |
|------------------|----------------|--------------------|----------------|--------------------|
| | Raw Gas (Tscf) | Condensate (MMBbl) | Raw Gas (Tscf) | Condensate (MMBbl) |
| Pluto/Xena/Pyxis | 1.8 | 22 | 2.3 | 27 |

Note: Volumes shown here are remaining technically recoverable volumes with no economic cut-off applied.

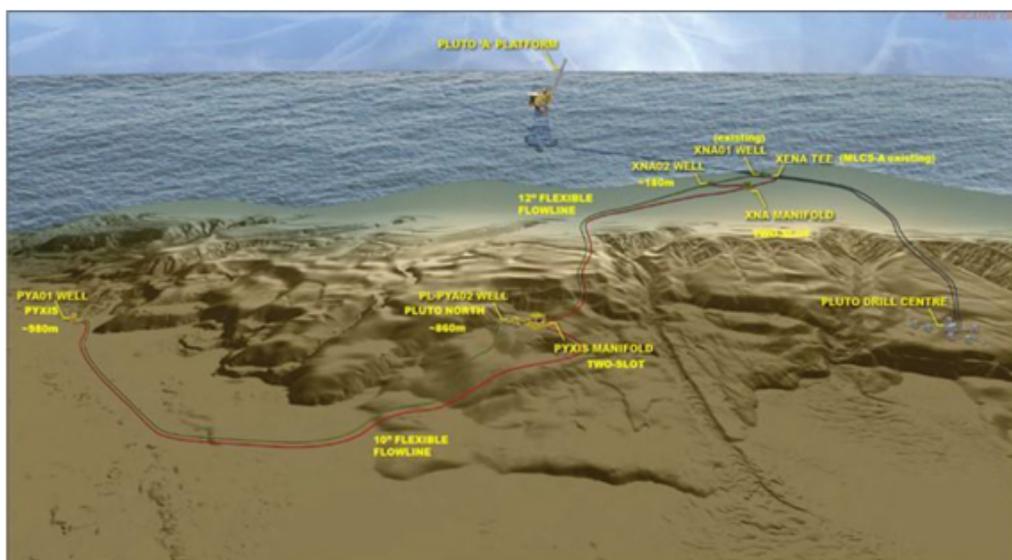


4.4.3 Facilities and Costing

The subsea wells of Pluto are tied back 27 km to the shallow water (85 m), minimum facilities, Pluto A platform (unmanned) where water handling and well control facilities are located. The single well Xena Field development also ties into this subsea system. From Pluto A, full reservoir production flows to shore in a 36" x 180 km trunk line to the Pluto LNG plant. The Pluto development wells are large-bore, high-capacity wells which, together the Xena well, can supply 900 MMscfd to Pluto LNG Train 1. No compression is currently installed, although the Pluto FDP recommends onshore depletion compression could be installed upstream of the LNG plant, if justified. The Pluto development is shown in **Figure 4.21**.

The Pluto LNG project, located some 5 km from the Karratha Gas Plant, currently consists of a single train, 5 MTPA, liquefaction facility together with up to 40 TJ/day of domestic gas supply consisting of 25 TJ/day from Pluto and 15 TJ/day from LNG trucking. Under the Scarborough field development, an additional train will be added to the Pluto LNG (see section 4.5 below).

Figure 4.21: Pluto LNG Development Scheme



Source: Woodside

4.4.3.1 Facilities Operability, Integrity, and Infrastructure

The Pluto offshore facilities and the onshore LNG plant have been in service since end 2012, with one full shutdown apparent at the end of 2019 for some 5 weeks and shorter shutdown/turnarounds (~2 week) late 2013 and 2015. This level of planned shutdown interval is normal for a facility of this nature. Facilities reliability was recorded at 97.2% in 2020.

The Pluto LNG facility provides gas sales access to the world LNG market, and is also linked to the Western Australian domestic market via the Dampier to Bunbury natural gas pipeline. Pluto LNG is located next to, and is interconnected with, the KGP, allowing some degree of capacity sharing between the two liquefaction facilities. The Pluto LNG site has expansion space available for additional train(s), with Train 2 currently under construction to support the Scarborough development.

4.4.3.2 Decommissioning and Restoration (D&R) Planning

Woodside plans to commence D&R planning 3 to 4 years prior to the forecast end of field life. D&R expenditure extends over 9 years (upstream) to 13 years (downstream), realistic phasing for a D&R project of this scale.

4.4.3.3 Cost Review

GaffneyCline has reviewed comprehensive cost forecasts provided by Woodside covering CAPEX, OPEX, and D&R costs for the Pluto offshore and onshore operations from 2021 to the end of field(s) life and completion of D&R activities. GaffneyCline has accepted Woodside’s detailed cost forecasts as reasonable.

Gross CAPEX for further development activities relating to the Pluto Reserves case is estimated to be US\$1,300 MM.

4.4.4 Resources Estimates

Reserves attributed to Pluto, Xena and Pyxis assume a minimum trunkline turn-down of 250 MMscfd.

Contingent Resources are attributed for incremental volumes estimated to be recoverable by reduction the trunkline turn-down rate from 250 MMscfd to 100 MMscfd (Development Pending) and for four infill wells (Development Unclarified) (**Table 4.17**).

Table 4.17: Gross Greater Pluto Contingent Resources as of 31 December 2021

| Project | Gas (Bscf) | Condensate (MMBbl) | Development Status |
|---------------------------------------|------------|--------------------|--------------------|
| Tail gas to 100 MMscfd | 59 | 0.7 | Pending |
| TR30, TR27 and Xena TR34 Infill wells | 198 | 2.3 | Unclarified |
| Pluto TR27.2 Channel Infill well | 59 | 0.7 | Unclarified |
| Total | 316 | 3.7 | |

4.4.5 GaffneyCline’s Production and Cost Valuation Profiles Pluto

GaffneyCline generates production profiles and associated cost profiles as discussed in earlier sections for KPMG valuation scenario inputs. Full life of project year on year Pluto production profiles are not presented herein due to the commercially sensitive nature of the information. The basis of the inputs to the profiles are however discussed in the preceding sections.

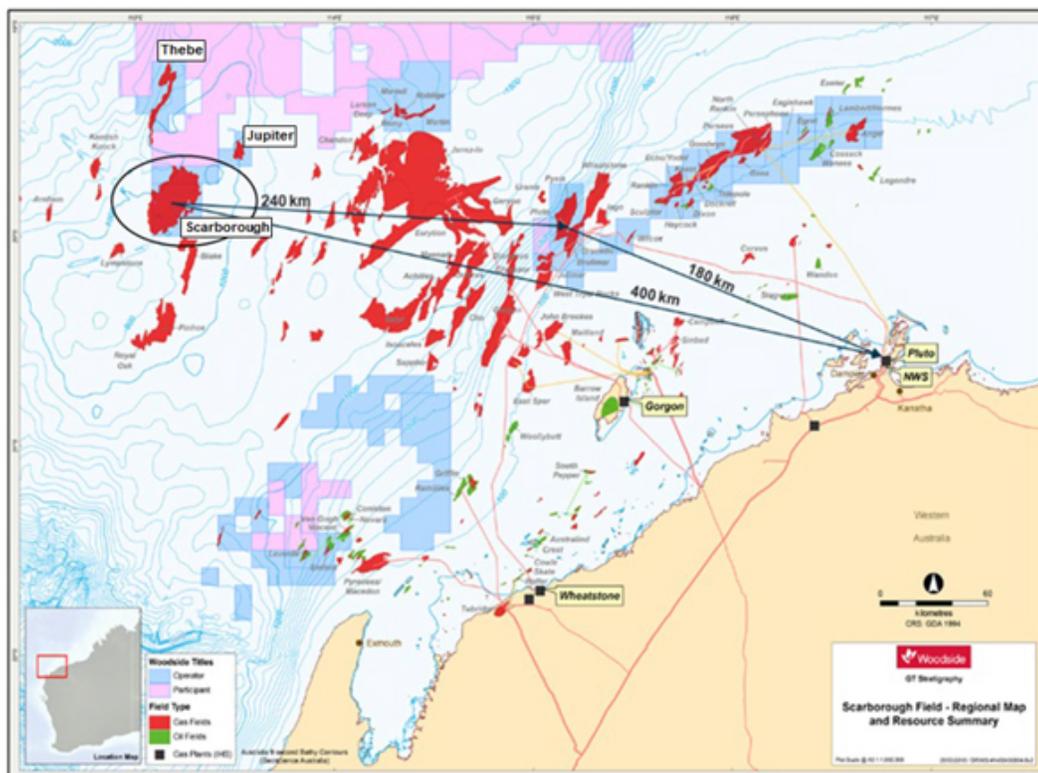
The regulatory carbon cost assumption for the Pluto Asset is as per Woodside’s above baseline assumption for this project.



4.5 Scarborough LNG

Woodside and BHP Petroleum have interests in the Scarborough Field, situated predominantly in leases WA-61-L (previously WA-1-R) and WA-62-L (previously WA-62-R) approximately 375 km from Karratha in water depth of ~1,400 m (**Figure 4.22**), and in the two satellite fields Jupiter and Thebe. In February 2020 an agreement was reached between Woodside and BHP Petroleum to align their participating interests across the two titles, resulting in Woodside holding a 73.5% interest and BHP Petroleum holding the remaining 26.5% interest in each.

Figure 4.22: Scarborough, Jupiter and Thebe Field Location Map



Source: Woodside

4.5.1 Field Description

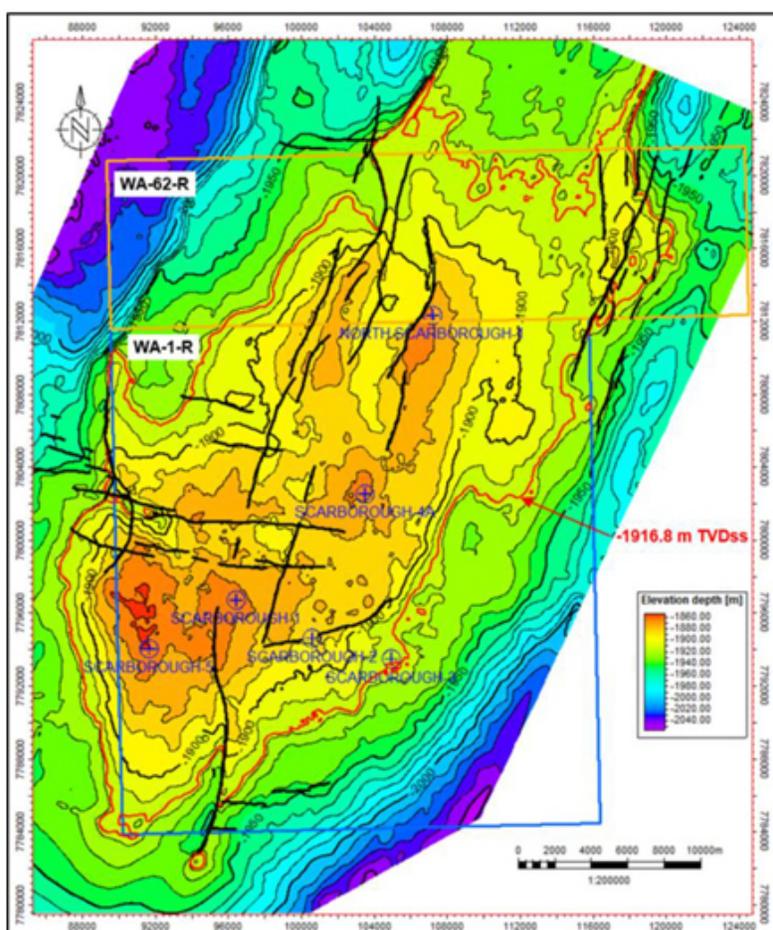
The field is formed of a four-way dip closed NNE trending anticline and was discovered in 1979 with the drilling of the Scarborough-1 exploration well, which intersected high quality gas bearing sandstones with a gross column of approximately 110 m. An appraisal well, Scarborough-2 was drilled in 1996 before the first 3D seismic survey covering the field was shot in 2004. Four subsequent appraisal wells were drilled on Scarborough between 2004 and 2021. Field appraisal confirmed a field wide GWC and a relatively uniform gas composition.

The reservoir interval is formed of the Early Cretaceous Lower Barrow Group. The provenance of the Scarborough Field reservoirs is the Australian craton with sediments transported via the prograding Barrow Group Delta system to a shelf break located approximately 50 km to the south of the Scarborough Field.

The reservoir sands consist of a three-tiered, basin floor turbidite fan. The Lower Fan unit (K17.04, K17.02, K16.9, K16.7 and K16.4) is a high-quality sand with high NTG and contains the majority of the GIIP. It is formed of amalgamated turbidite, channel and lobate sandstone deposition and represents the beginning of the waning of the Lower Barrow Group system. The overlying Middle (K17.1, K17.06) and Upper Fans (K17.3, K17.2) are more localised and discrete with lower NTG and represent the continued waning and backstepping of the depositional system.

Cores from Scarborough wells show poorly consolidated, fine to medium grained sands with minor clay components. The Lower Fan reservoir sands have porosity of 23 to 40% and permeability of 0.65 to 9 D. The Upper and Middle Fan sands have core porosity of 23 to 37% and permeability of 0.5 to 7.5 D. **Figure 4.23** shows a depth structure map of the K17.06 reservoir interval.

Figure 4.23: GaffneyCline Depth Structure Map of K17.06



GaffneyCline generated surface attributes for the reservoir units UF-K17.3, K17.2; MF-K17.1, K17.06 and LF-K17.04, K17.02, K16.9, K16.7, K16.4, which were utilised to evaluate uncertainty in GRV of the basin floor sands. Areal polygons were combined with the depth surfaces to estimate overall ranges of uncertainty in GRV. Reservoir parameters from GaffneyCline’s petrophysical analysis (NTG, porosity, water saturation) were used to make probabilistic and deterministic estimates per reservoir unit. The GIIP for each fan was subsequently estimated as an average between the probabilistic and deterministic outputs. GaffneyCline’s estimates of GIIP are given in **Table 4.18**.

Table 4.18: GaffneyCline’s Estimates of GIIP for the Scarborough Field as of 31 December 2021

| Fan | Reservoir | GIIP (Bscf) | |
|--------|-----------|-------------|-------|
| | | P90 | P50 |
| Upper | K17.3 | 148 | 321 |
| | K17.2 | 241 | 322 |
| Middle | K17.1 | 196 | 286 |
| | K17.06 | 1,924 | 3,082 |
| Lower | K17.04 | 2,915 | 3,643 |
| | K17.02 | 6,773 | 8,225 |
| | K16.9 | 1,730 | 2,105 |
| | K16.7 | 74 | 91 |
| | K16.4 | 78 | 95 |

Nearby offset wells, Jupiter-1 and Thebe-1 are the discovery wells of additional gas accumulations located to the NE and N of Scarborough respectively. The Jupiter gas accumulation is contained within the youngest section of the Triassic Mungaroo Formation. The Jupiter-1 well penetrated 16.3 m of net gas pay with average porosity of 23.6%. The reservoir consists of argillaceous sandstones, silts and clays. The Jupiter structure is located at the culmination of a plunging Triassic tilted fault block which is overlapped and overlain by the Upper Dingo Claystone which acts as the lateral and top seal for the field. A well-defined flat spot is observed on seismic data, coincident with a depth between the lowest known gas at 1,925 mss and the highest known water at 1,930 mss, and this is interpreted to be the GWC.

The Thebe gas accumulation is contained within fine-grained argillaceous sandstones of the Mungaroo Formation. The Thebe-1 well was drilled in 2007 and discovered gas at the top of the Mungaroo with a net pay section of 51.2 m and average porosity of 27.1%. An appraisal well, Thebe-2 was drilled in 2008 to test the northern extension of the field. The field is formed of two connected foot-wall accumulations developed by two offset, SW-NE trending en-echelon faults. The fault blocks are overlapped and overlain by the Dingo Formation which forms the top and lateral seal for the reservoir. The field GWC is defined at 2,317 mss based on pressure data and is consistent with a field wide flat spot associated with amplitude brightening in the seismic data.

Both the Thebe and Jupiter Fields offer future development opportunities to be used as backfill into the Scarborough FPU. GaffneyCline has reviewed probabilistic GIIP estimates provided by Woodside (**Table 4.19**).



Table 4.19: GaffneyCline' s Estimates of GIIP for the Jupiter and Thebe Fields as of 31 December 2021

| Field | GIIP (Bscf) | |
|---------|-------------|-------|
| | P90 | P50 |
| Jupiter | 379 | 791 |
| Thebe | 2,500 | 2,970 |

4.5.2 Development Plan and Production Forecasts

Scarborough

The Scarborough dry gas field will be developed with 13 subsea wells drilled in two phases, tied back to a semisubmersible hull Floating Production Unit (FPU). GaffneyCline estimated recoverable volumes of gas by multiplying the GIIP estimates with gas recovery factors derived from sensitivities run on the dynamic simulation model. Low estimate and best estimate estimates of gross technically recoverable volumes of gas are 7.6 Tscf and 11.9 Tscf respectively. GaffneyCline' s production forecasts are scaled from the Woodside forecasts to honour the GaffneyCline gas recoveries. The production profiles used by GaffneyCline for evaluation reflect ullage availability, venture-agreed allocated liquefaction capacity and estimated field deliverability over time. The forecasts show production starting in 2026 and ramping up to maintain rates between 1,300 MMscfd and 1,600 MMscfd from 2027 to 2034 in the low estimate and to 2041 in the best estimate before declining.

Scarborough production forecasts are not presented herein due to the sensitive nature of the information.

Table 4.20 lists the raw and dry gas, and condensate volumes that have been estimated using the same yields that Woodside has used. Condensate yields have been checked against oil and gas composition and are deemed reasonable.

Table 4.20: Scarborough Remaining Technically Recoverable Volumes

| Field | Low Estimate | | Best Estimate | |
|-------------|----------------|--------------|----------------|--------------|
| | Raw Gas (Tscf) | Cond (MMBbl) | Raw Gas (Tscf) | Cond (MMBbl) |
| Scarborough | 7.6 | 0 | 11.9 | 0 |

Thebe

The Thebe dry gas field will be developed to backfill production from the Scarborough gas field, and development will comprise eight vertical subsea wells, tied back to the Scarborough FPU.

Woodside estimates recoverable volumes using probabilistic estimates of GIIP and a recovery factor range from sensitivities run on the dynamic model. Gas recovery is limited by water breakthrough. GaffneyCline reviewed the volumetric estimates and recovery factors in order to formulate its independent opinion and found Woodside' s estimates of recoverable volumes to be optimistic. **Table 4.21** shows GaffneyCline' s estimates of GIIP and 2C Contingent Resources (Development Pending).



Table 4.21: GaffneyCline’ s Estimates of GIIP and Contingent Resources for the Thebe Field

| Parameter | Units | Best Estimate |
|-------------------------------|--------|---------------|
| GIIP | (Bscf) | 2,970 |
| RF | (%) | 35% |
| Gross 2C Contingent Resources | (Bscf) | 1,040 |

Jupiter

The Jupiter dry gas field will be developed to backfill production from the Scarborough and Thebe gas fields, and development will comprise two vertical subsea wells, tied back to the Scarborough FPU. Subsurface studies to mature the subsurface understanding of Jupiter are planned for 2021. This will include reprocessing the existing seismic data using Full Waveform Inversion (FWI) and updating the seismic interpretation for any new insights.

Woodside estimates recoverable volumes using a recovery factor range derived from dynamic models. Gas recovery is limited by water breakthrough. GaffneyCline reviewed the volumetric estimates and dynamic models in order to formulate its independent opinion and found Woodside’ s estimates of recoverable volumes to be optimistic.

Table 4.22 shows GaffneyCline’ s estimates of GIIP and Contingent Resources (Development Pending).

Table 4.22: GaffneyCline’ s Estimates of GIIP and Contingent Resources for the Jupiter Field

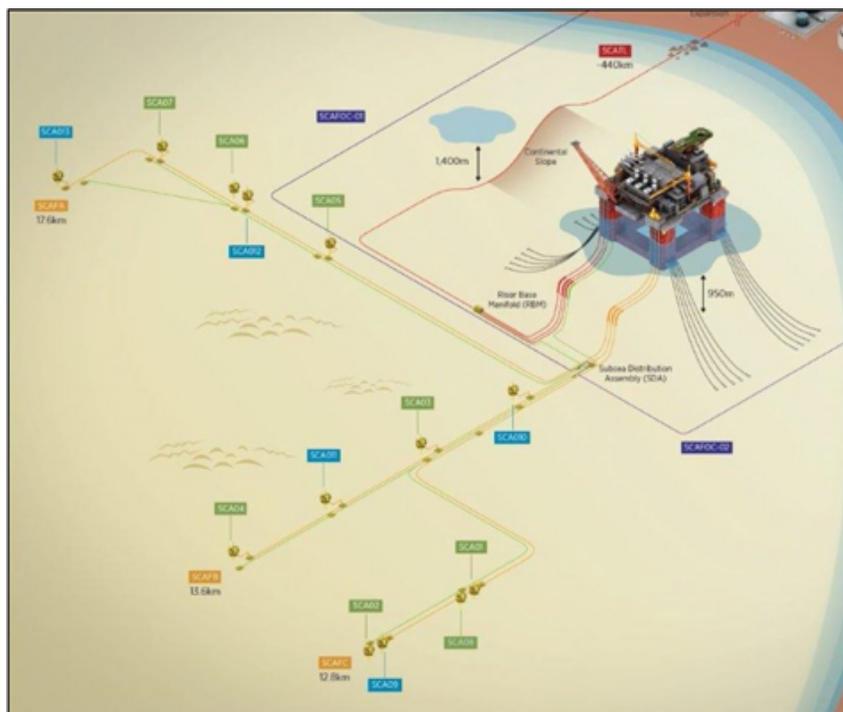
| Parameter | Units | Best |
|-------------------------------|--------|------|
| GIIP | (Bscf) | 791 |
| RF | (%) | 35% |
| Gross 2C Contingent Resources | (Bscf) | 277 |

4.5.3 Facilities and Cost Estimates

The Scarborough Field will be developed with subsea wells in some 1,400 m water depth, tied back to a semisubmersible floating production unit (FPU) moored in 950 m water depth. The subsea development is planned for up to thirteen wells, although the facility will commence production from a first phase of eight high-rate wells. Gas will be dehydrated and compressed on the FPU (capacity 1,750 MMscfd) and transported in a 32”/36” pipeline, 430 km to shore to the Pluto LNG plant at Karratha. The offshore development concept is shown in **Figure 4.24**.

Scarborough gas will be liquefied in a new Train 2 expansion to the existing Pluto LNG plant. Pluto Train 2 will have a capacity of 5 MTPA LNG and up to 225 TJ/day domestic gas supply. An additional 2 to 3 MTPA can be liquefied using capacity in Pluto Train 1, providing an overall deliverability of up to 8 MTPA LNG from the Scarborough field. To further optimise the utilization of installed capacity, a 5 km interconnector pipeline has been installed to link the Pluto and Karratha Gas Plant (KGP) LNG facilities, which can also deliver to the Western Australia domestic gas market through the Dampier to Bunbury pipeline. An overview of the Pluto Train 2 development is shown in **Figure 4.25**.

Figure 4.24: Scarborough Offshore Development Concept



Source: Woodside

Figure 4.25: Pluto Train 2 Overview



Source: Woodside



A Final Investment Decision (FID) was taken in November 2021, with first gas planned 48 months after FID and the first LNG cargo 6 months thereafter. Woodside has provided current, FID-ready capital and operating cost estimates for the initial phase of the Scarborough development. GaffneyCline has reviewed and accepted the development costs, with minor adjustments for consistency with its production profiles.

4.5.3.1 **Facilities Operability, Integrity, and Infrastructure**

The Scarborough offshore development is designed with a fibre optic cable link to the coast, allowing the facility to be monitored and operated from shore. The offshore FPU is designed to an overall reliability and availability target of at least 97%. Downstream, Scarborough gas will be processed in a dedicated new train at Pluto LNG facilities (Train 2).

Pluto Train 2 is interconnected with the existing Train 1, and (through T1).

4.5.3.2 **Decommissioning and Restoration (D&R) Planning**

Scarborough end of field life is not expected to occur before 2050, so D&R planning is at a conceptual level. Woodside's D&R estimate appears to be based on current good industry practice, i.e. full removal of the FPU and all subsea flowlines and equipment. This is a reasonable basis and is accepted by GaffneyCline.

4.5.3.3 **Cost Review**

GaffneyCline has reviewed comprehensive cost forecasts provided by Woodside covering CAPEX, OPEX, and D&R costs for the offshore Scarborough and onshore Pluto Train 2 operations from 2021 to the end of field life and completion of D&R activities. GaffneyCline has accepted Woodside's detailed cost forecasts as reasonable. Note that the construction costs of Train 2 and the offshore development have been substantially covered by contract, limiting the escalation risk.

Gross CAPEX for development of the Scarborough Reserves case is estimated to be US\$6,213 MM.

A substantial part of Scarborough's costs are incurred as tariffs paid by the Scarborough JV to the downstream Pluto Train 2 venture, for LNG and Domestic gas liquefaction and processing services. GaffneyCline has reviewed these tariff flows and adjusted to an RT2022 basis and GaffneyCline's production profiles.

4.5.4 **Resources Estimates**

Reserves are attributed to the Scarborough Field and Contingent Resources (Development Pending) are attributed to Thebe and Jupiter.

4.5.5 **GaffneyCline Production and Cost Valuation Profiles Scarborough**

GaffneyCline generated production profiles and associated cost profiles for KPMG valuation scenario inputs. Full life of project year on year Scarborough production profiles are not presented herein due to the commercially sensitive nature of the information. The basis of the inputs to the profiles are however discussed in the preceding sections. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the recoverable volumes of the sanctioned Scarborough field tabulated in **Table 4.20**.



The regulatory carbon cost assumption for Scarborough is as per Woodside's above baseline assumption for this project.

4.5.6 Recommended Valuation Range for Thebe and Jupiter Fields

The Thebe and Jupiter Fields may possibly be developed via a subsea tie-back to the Scarborough FPU as backfill opportunities. Thebe, being the larger accumulation, has a higher likelihood of being developed by 2040 to support the plateau production from the Scarborough field in the best-case scenario. GaffneyCline has utilised a transaction multiple range of 0.1 US\$/Mcf to US\$0.19 US\$/Mcf to provide a value range for these discoveries. This is discussed in more detail in Section 4.10.3 and shown in **Table 4.30** where selected market comparable transactions are reviewed. The estimated valuation range for the 520 Bscf net Woodside 2C resource (50% Woodside WI) is US\$52 MM to US\$99 MM.

GaffneyCline therefore recommends a valuation range of **US\$52 MM to US\$99 MM** for the Thebe discovered resource for KPMG's consideration.

Jupiter is a much smaller accumulation with a best estimate 2C of 277 Bscf (100%) so there may likely be a higher unit cost development associated with this accumulation. Jupiter also has drilling risk due to the shallow hazards. The Jupiter seabed conditions, due to the pockmarks, present an uncertainty on any future development and drilling drainage pattern. GaffneyCline recommends no material value for the discovered Jupiter field.

4.6 WA-404-P Permit

The WA-404-P asset encompasses undeveloped discoveries Remy, Martell, Martin, Noblige and Larsen Deep, all located within the WA-404-P permit, offshore Western Australia, approximately 100 km northwest of the Pluto Field in water depth of 1,500 m (**Figure 4.19**). The permit was awarded in 2007, with ten commitment exploration wells drilled since 2009. In addition to the commitment wells, an appraisal well, Noblige-2, was drilled in August 2011.

Development of these discovered gas accumulations is conceptually planned to backfill Pluto LNG.

4.6.1 Field Description

Martell-1 well was drilled in 2009 to target the Upper Mungaroo Formation within a constrained fault block (**Figure 4.26**). The well encountered gas from 2,750 mTVDss, penetrating a 113 m gas column. The interval has multiple layers with variable NTG. The reservoir is good quality with mean porosity of 23% and permeability of 900 mD. The Low, Best and High estimates of GIIP are 225, 384 and 559 Bscf.

The Larsen Deep gas accumulation was discovered by Larsen Deep-1 well, drilled in 2010. Gas was encountered within a sandstone of the Mungaroo Formation, at a depth of around 4,600 m TVDss. Three gas samples were recovered using a wireline formation tester tool. The discovered accumulation is thought to be trapped stratigraphically in a channel feature, as shown by amplitude response in the seismic data. The Low, Best and High estimates of GIIP are 19, 65 and 119 Bscf.

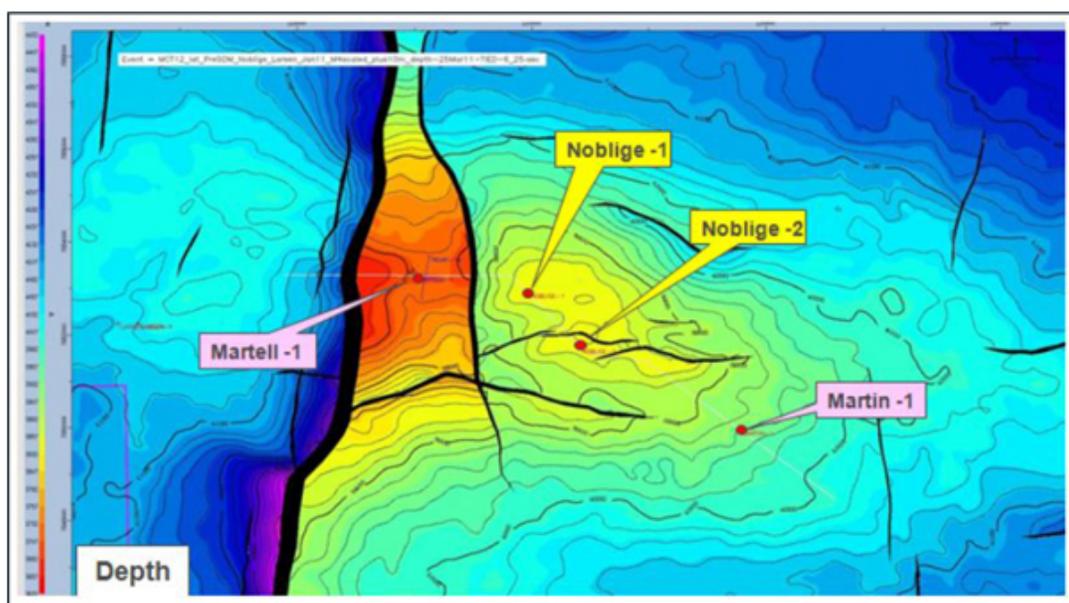


The Noblige-1 well was drilled in 2010 to target the Mungaroo Formation within a four-way dip closure. The well penetrated gas at multiple levels between depths of 3,280 m and 4,148 mTVDss. Noblige-2 appraisal well was drilled in 2011 to assess the range of reservoir quality away from the seismic 'bright spot' area. The well encountered three undrilled reservoirs and obtained downhole samples. The Low, Best and High estimates of GIIP are 364, 615 and 1,007 Bscf.

The Remy-1A well was drilled in 2010 in a horst block at the Mungaroo Formation level. The well encountered two main gas bearing intervals between 4,100 and 4,500 m TVDss. The Low, Best and High estimates of GIIP are 47, 130 and 358 Bscf.

Martin Field was discovered in 2011 by the drilling of Martin-1, which was targeting the Mungaroo Formation within a three-way dip closed structure. The well intersected a gas column at 4,623 m TVDss, with 83.6 m gross pay. The Low, Best and High estimates of GIIP are 108, 372 and 635 Bscf.

Figure 4.26: Depth Structure Map of Mungaroo Reservoir showing Locations of WA-404-P Main Discoveries



Source: Woodside

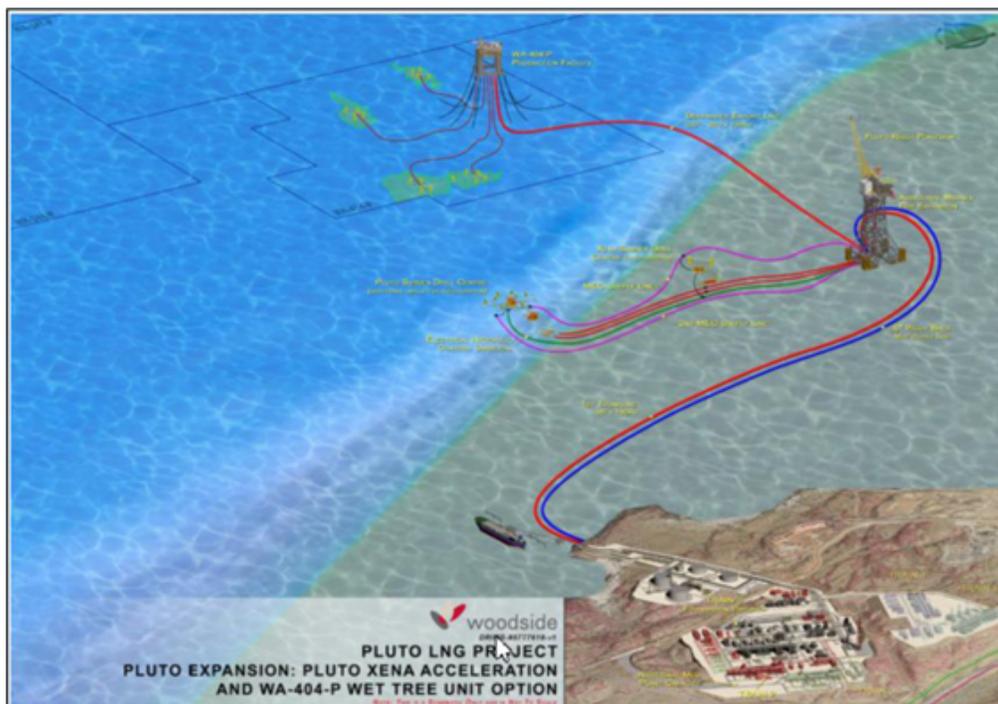
4.6.2 Development Plan and Production Forecasts

The fields are all undeveloped. **Figure 4.27** shows the conceptual development plan comprising a seven well wet-tree tieback to a conventional semi-submersible substructure and topsides, which is tied back subsea some 100 km to the Pluto trunkline. Due to the higher development costs, WA-404-P is only considered as a longer-term Pluto supply option with timing to meet deliverability requirements in approximately 2029.

Figure 4.28 shows the combined technical forecasts for projects within WA-404-P.

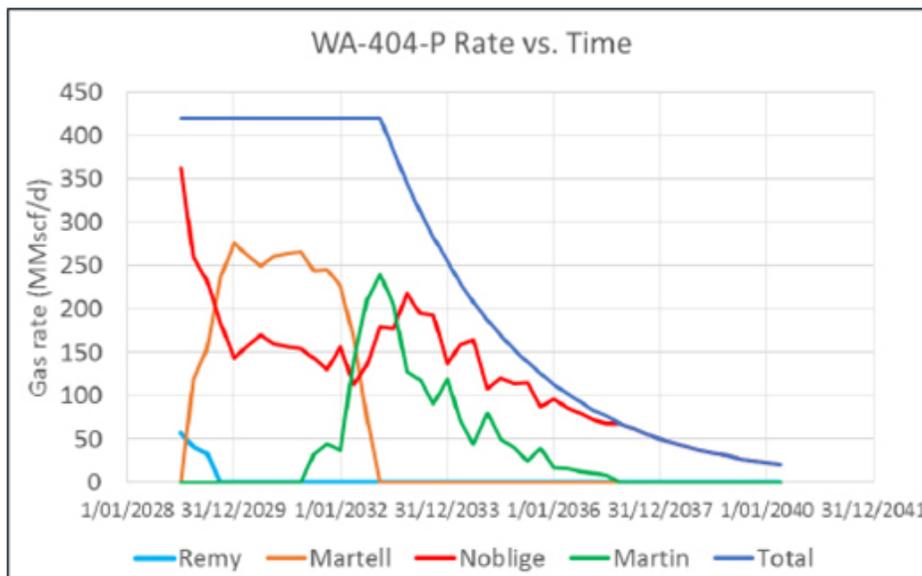


Figure 4.27: WA-404-P Development Plan



Source: Woodside

Figure 4.28: WA-404-P Technical Profiles (Undeveloped)



Source: Woodside



4.6.3 Resources Estimates

Table 4.23 lists the potentially recoverable volumes, which are classified as Contingent Resources (Development Not Viable).

**Table 4.23: WA-404-P Contingent Resources by Discovery
as of 31 December 2021**

| Field | Gas (Bscf) | Condensate (MMBbl) | Development Status |
|--------------|--------------|--------------------|--------------------|
| Larsen | 41 | 0.4 | Not Viable |
| Remy | 37 | 0.7 | Not Viable |
| Martel | 244 | 8.9 | Not Viable |
| Martin | 256 | 3.6 | Not Viable |
| Noblique | 428 | 5.9 | Not Viable |
| Total | 1,006 | 19.5 | |

GaffneyCline includes these volumes for completeness; however no value is assigned given their Development Status.

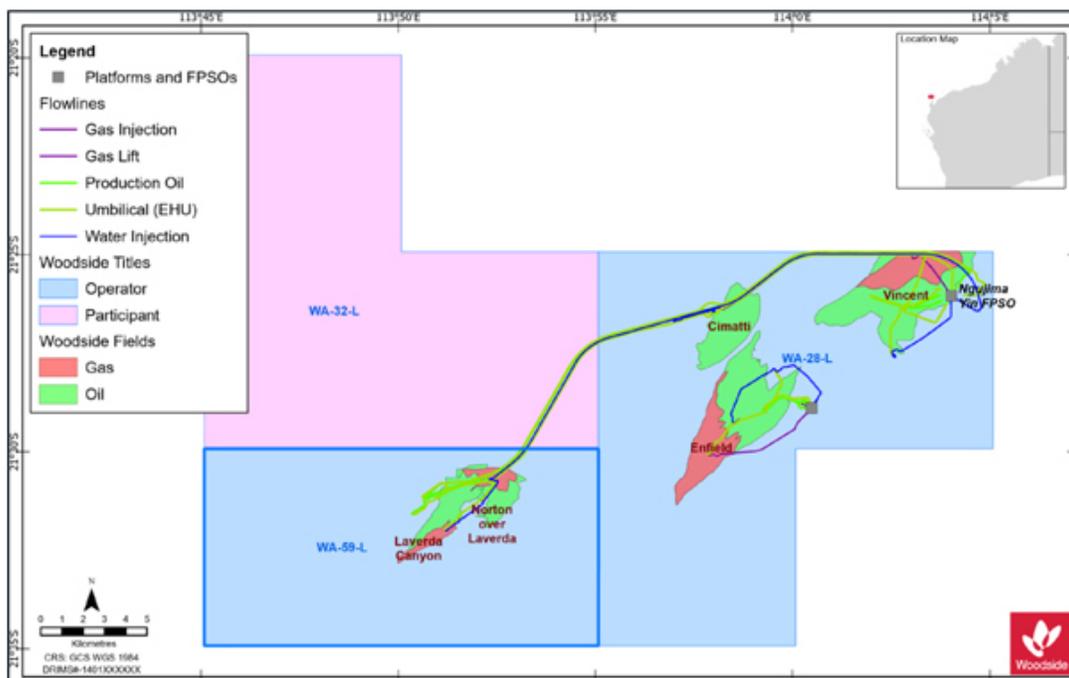
4.7 Greater Enfield Oil and Vincent

Greater Enfield consists of the following fields: Cimatti, Laverda Canyon and Norton over Laverda. Greater Enfield and the Vincent Field are on production via the Ngujima-Yin FPSO. The Enfield oil field itself ceased production in 2018. Vincent and Cimatti are located within the WA-28-L permit, at 380 m and 500 to 580 m water depth respectively. Laverda Canyon and Norton over Laverda are located within WA-59-L permit at approximately 800 m water depth. Woodside has 60% interest in both permits. The fields are located about 40 km off the North-West Cape of Western Australia (**Figure 4.29**). Additionally, in the Laverda area there are the undeveloped discoveries Laverda West, Laverda East, Opel and Norton Central. The Enfield Field produced 81 MMBbl, but is no longer in production and is being prepared for abandonment and decommissioning.

The Greater Enfield Fields are located in the Exmouth Sub-basin of the Northern Carnarvon Basin. The reservoirs of these fields are the Late Jurassic Macedon Sandstone and the Early Cretaceous Lower Barrow Group.



Figure 4.29: Greater Enfield Asset Location Map



Source: Woodside

4.7.1 Field Description

The Vincent-1 well was drilled in 1998, followed with an appraisal well, Vincent-2, in 1999. The Vincent accumulation comprises high quality sandstone units of Late Jurassic-Early Cretaceous age Lower Barrow Group. The hydrocarbon (oil with a gas cap) was found in a northeast-southwest trending low relief, three-way dip closure against a fault. Immediately to the north in the neighbouring permit, the Van Gogh Field was discovered in the same reservoir in 2003. However, it was subsequently found that the two fields are separate, likely due to stratigraphic barrier, and they have not been unitised. The reservoir is of high quality with average porosity of 29% and average permeability of 4.5 D. The Vincent Field is an oil rim reservoir with a gas cap of approximately 160 Bscf and is supported by a strong bottom water/edge water aquifer.

The Cimatti field was discovered by the Cimatti-1 well in 2010. It was appraised by Cimatti-2, a sidetrack well drilled immediately after the first well. Cimatti-1 targeted bright seismic amplitude at the Macedon Sandstone level and encountered 14.7 m of oil pay in a sandstone reservoir. The appraisal well encountered 5.9 m of oil pay 360 m to the northwest of the first well. The Cimatti structure is an elongated, northeast-southwest trending fault block at the east of the Enfield field. The reservoir was deposited in deep marine channels, and consists of high quality, clean, medium grained sandstone. The oil in Cimatti is relatively light compared to offset fields, with density of 31°API and viscosity of 0.5 cP and has a favourable mobility ratio for water flooding.

The Laverda Canyon Field was discovered by the Laverda-1 well, drilled in 2000, which encountered 64 m of oil with 9 m of gas cap in the Macedon Sandstone reservoir at a depth of around 1,980 m TVDss. The Macedon Sandstone in the Laverda Canyon Field is deposited as channel fill within a marine canyon. The reservoir consists of two excellent quality sandstone packages: a high NTG, 8 to 14 m thick Upper Sand with permeability of 3 to 4 Darcy, and a more stratigraphically complex, lower NTG, up to 80 m thick Lower Sand, with an average permeability of 1 to 2 Darcy. The Lower Sand has multiple cut and fill events evident on seismic and is overlain by 15 to 20 m of sandy siltstone. It is a low relief structure and contains a 60 m oil column, which is of intermediate gravity, similar to that in offset fields Enfield and Stybarrow.

The Norton over Laverda Field was drilled in 2011 by Laverda North-1 and -2 which encountered hydrocarbons in the Early Cretaceous sandstone of the Lower Barrow Group. The wells also encountered oil in the Macedon Sandstone to the north of Laverda Canyon. Another well, Laverda East-1 which was drilled in 2011 also penetrated Norton over Laverda and found hydrocarbon in the Cretaceous sandstone. The Norton over Laverda oil and gas pool in the Lower Barrow Sandstone is trapped in a three-way dipping structure against a fault at its northern side. The reservoir is composed of thin (15 to 20 m) alternating fluvial and tide-dominated lower delta plain and estuarine sandstones of multi-Darcy permeability.

The Enfield oil field ceased production in 2018, having been developed with two gas injectors, eight water injectors and eight oil producers in the Macedon Sandstone Member. The remaining project is to abandon and decommission this field.

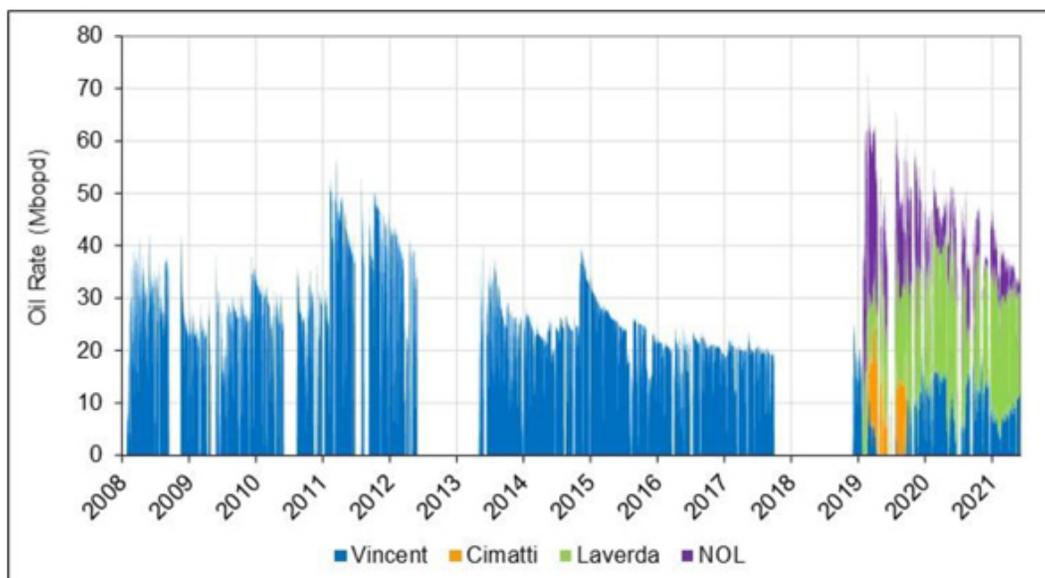
Laverda West, Laverda East, Opel, Norton Central and Skiddaw are undeveloped oil and gas fields located around the Laverda Canyon oil field, with relatively small estimates of recoverable volumes.

4.7.2 Field Development and Production Profiles

Vincent is developed with thirteen horizontal wells (seven bi-laterals and six tri-laterals). Two water injection wells are used for water disposal and there is one vertical gas injector for disposal of surplus gas. Production commenced in 2008 to the Ngujima Yin FPSO. Cimatti is fully developed with one horizontal production well and three water injection wells to keep the reservoir pressure above the bubble point. The Laverda Canyon Field is fully developed by two producer wells and three water injection wells. The Norton over Laverda Field is developed by three tri-lateral oil producing wells. The strong natural aquifer provides good pressure support to Norton over Laverda and the reservoir pressure remains above the bubble point. Cimatti, Laverda Canyon and Norton commenced production in 2019 via the Ngujima Yin FPSO. **Figure 4.30** shows the historical production from the four fields.



Figure 4.30: Historical Production of the Vincent and Greater Enfield Fields



GaffneyCline conducted performance analysis, decline curve analysis and analogue-based recovery factor checks to review Woodside’s estimates and production forecasts for the Vincent and Greater Enfield fields. Best estimate production forecasts were accepted for all the fields except Cimatti, for which GaffneyCline created its own profile. Low estimate production profiles were accepted for Vincent and the Laverda Canyon, and GaffneyCline created its own for Cimatti and the Norton over Laverda fields.

Figure 4.31 shows the combined technical forecasts for the Vincent and Greater Enfield projects and Table 4.24 lists the recoverable volumes. Termination of production forecast in 2028 is driven by the planned end of Vincent facilities’ life. Volumes associated with a possible extension to 2032 are classified as Contingent Resources.

There are currently no development plans for Laverda West, Laverda East, Opel, Norton Central and Skiddaw and their small volumes may not be able to support commercial development. Under PRMS, the estimates of recoverable volumes are classified as Contingent Resources (Development Not Viable).



Figure 4.31: Greater Enfield and Vincent Technical Profiles (Developed)

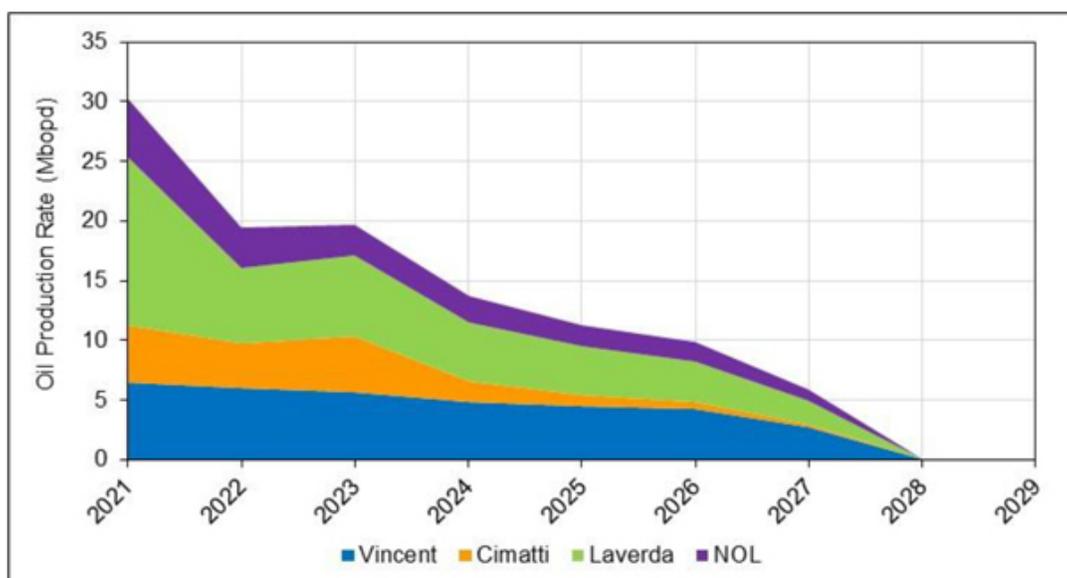


Table 4.24: Greater Enfield and Vincent Gross Technical Remaining Recoverable Volumes as of 31 December 2021

| Field | Cumulative Production (MMBbl) | Remaining Recoverable Oil (MMBbl) | |
|---------------------|-------------------------------|-----------------------------------|---------------|
| | | Low Estimate | Best Estimate |
| Vincent | 78.1 | 8.4 | 12.5 |
| Cimatti | 2.2 | 3.3 | 6.2 |
| Laverda Canyon | 15.0 | 13.4 | 15.1 |
| Norton Over Laverda | 8.0 | 3.1 | 6.3 |

Note: Estimates to planned end of facilities' life in 2028

4.7.3 Resources Estimates

Reserves are attributed to future production from the four producing fields.

Additionally, Contingent Resources are attributed to various projects, classified as Not Viable because the volumes are currently considered too small for commercial development and there are currently no plans to develop them (**Table 4.25**). Contingent Resources were also included for Ngujima Yin FPSO extension past 2028 and this is discussed further in the facilities section.

Table 4.25: Greater Enfield Contingent Resources as of 31 December 2021

| Field | 2C Contingent Resources | |
|---------------------|-------------------------|-------------|
| | Gas (Bscf) | Oil (MMBbl) |
| Vincent | - | 17.7 |
| Cimatti | - | 0.7 |
| Laverda Canyon | - | 9.3 |
| Norton over Laverda | - | 8.2 |
| Laverda West | 54 | 6.8 |
| Laverda East | 1 | 2.9 |
| Opel | 17 | 3.0 |
| Norton Central | - | 4.4 |
| Skiddaw | - | 0.6 |
| Totals | 72 | 53.6 |

4.7.4 Facilities and Costing

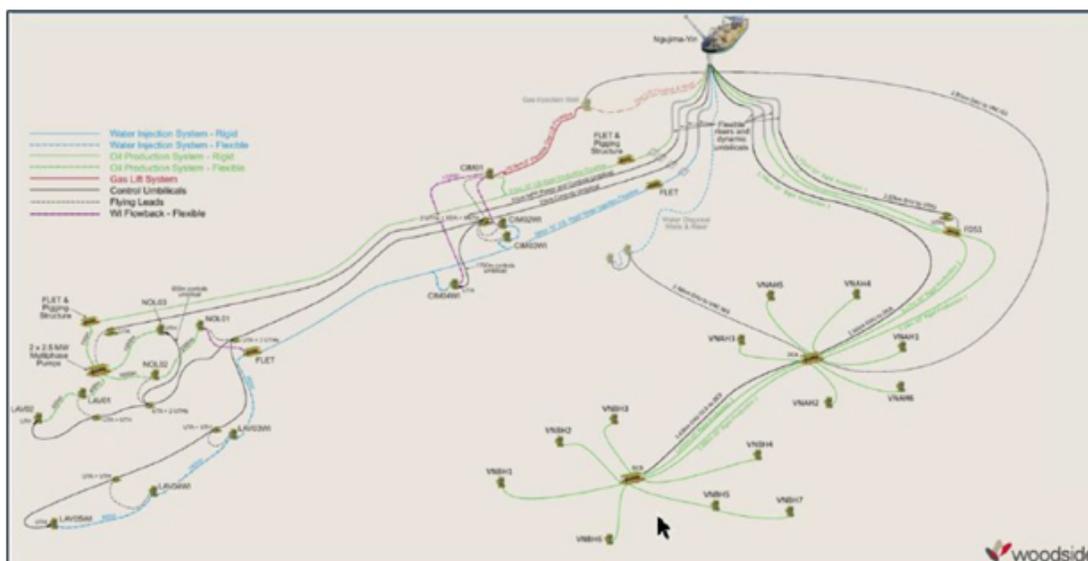
The Ngujima-Yin FPSO is located over the Vincent Field in 350 to 400 m water depth. Development commenced with the Vincent Field, with the other fields tied back via a 31 km x 16" flowline. The FPSO has a design production capacity of 120 Mbopd, 155 Mbwpd and 250 Mblpd (gross liquids). Production is currently limited by water production, clean-up and disposal capacity.

The FPSO provides oil processing, water injection supply and injection, gas lift and gas injection. Since installation, the FPSO has been shut down for scheduled inspection and refurbishment in 2012 and 2018. The next scheduled turnaround is an 82-day shutdown planned for 2023 (typically 5-year intervals). An overview of the Greater Enfield development is shown in **Figure 4.32**.

Limited information is available on the facilities integrity of the FPSO or subsea system, however the Operator notes concern with "facilities availability, particularly water injection system and multiphase pumps".



Figure 4.32: Greater Enfield Development Plan



Source: Woodside

4.7.4.1 Facilities Operability, Integrity, and Infrastructure

The Vincent and Greater Enfield oil facilities (Ngujima Yin NY FPSO) have been in service since early 2008 with production outages every five years (2013 and 2018/19) for planned dry dock and vessel inspection. In total, the facility has been offline for 25 months of its 162 month service life, or 84.5% overall uptime. Reliability in 2020 was somewhat better at 88.4%; however, a planned 5-yearly dry dock and inspection will result in 5 months planned downtime in 2023.

The NY production system allows independent oil export and is currently self-sufficient in fuel gas.

4.7.4.2 Decommissioning and Restoration (D&R) Planning

Current operational planning is focused on facilities uptime and integrity, with limited near-term D&R activity. Woodside has, however, developed a phased D&R plan commencing three years prior to the end of field life and extending over 8 years. GaffneyCline considers this a reasonable planning.

4.7.4.3 Cost Review

GaffneyCline has reviewed a detailed cost forecast provided by Woodside covering CAPEX, OPEX, and D&R costs from 2021 to the end of field(s) life and completion of D&R activities. GaffneyCline accepted Woodside's CAPEX and OPEX cost forecasts as reasonable. D&R cost estimates, however, were materially increased in our review to reflect current D&R scope and the full exploration, appraisal and production well count remaining.

Gross CAPEX for further development activities related to the Greater Enfield Reserves case is estimated to be US\$149 MM.



4.7.4.4 Nguijima Yin FPSO Extension

The Nguijima Yin FPSO (that handles Greater Enfield/Vincent Enfield production) has been in service since 2008 with regular 5-yearly (2013 and 2018/19) dry docking for inspection, maintenance and recertification. The next of these shutdowns is scheduled for 2023. The vessel is operating at 86.6% reliability, with downtime primarily related to the topsides operations (as opposed to wells & subsea).

Woodside are investing in topsides reliability upgrades and hope to have the FPSO reliability increased to 91% by 2024.

With continuing regular dry docking and maintenance, the vessel should be able to remain in service for another 5 to 10 years unless there is some fundamental (e.g. fatigue cracking) problem which may terminate its serviced life at 20 years. The 20-year design basis, while a theoretical minimum, is usually comfortably exceeded provided the Operator continues to inspect and maintain the vessel. GaffneyCline has therefore extended the production and cost profiles for valuation to account for this likely outcome.

4.7.5 GaffneyCline's Production and Cost Valuation Profiles Greater Enfield Oil and Vincent

GaffneyCline's valuation scenario production profile for Woodside's Greater Enfield Oil and Vincent asset is given in **Figure 4.33** with the associated real term cost profiles provided in **Figure 4.34**. All final sales products are converted to MMboe before aggregation utilising documented conversion factors in **Appendix IV**. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the recoverable volumes of the sanctioned Greater Enfield Oil and Vincent asset in **Table 4.24** with additional production post the facilities upgrade extending the life to 2032. GaffneyCline has considered the technical and commercial contingencies for the FPSO extension discussed in section 4.7.4.4 and considers the associated 2C Contingent Resource volume acceptable for the valuation profile.

The regulatory carbon cost assumption for Greater Enfield Oil and Vincent asset is as per Woodside's above baseline assumption for this project.



Figure 4.33: 100% Greater Enfield Oil and Vincent asset Production Profile

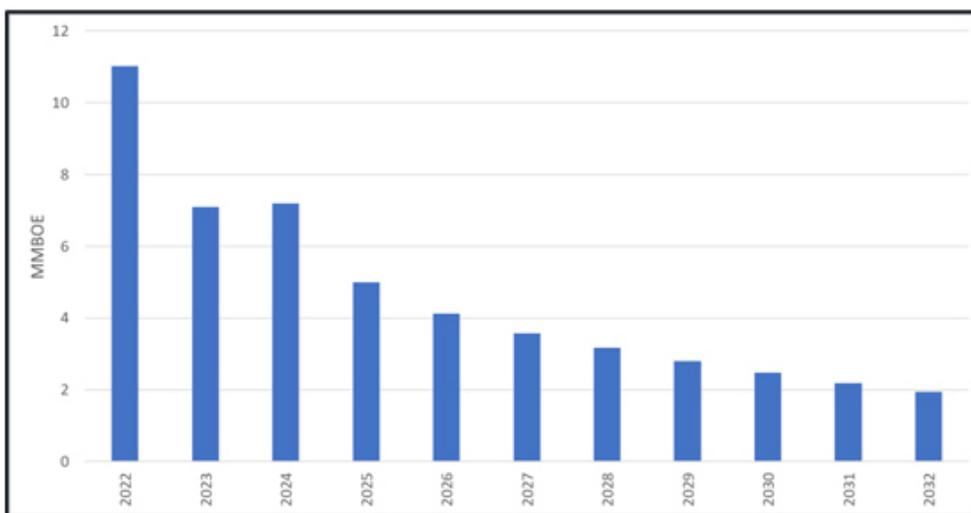
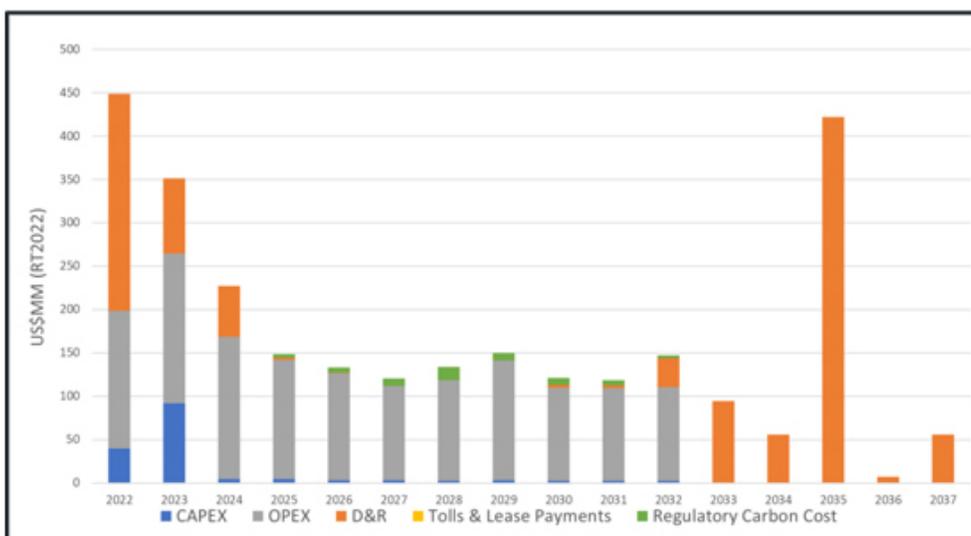


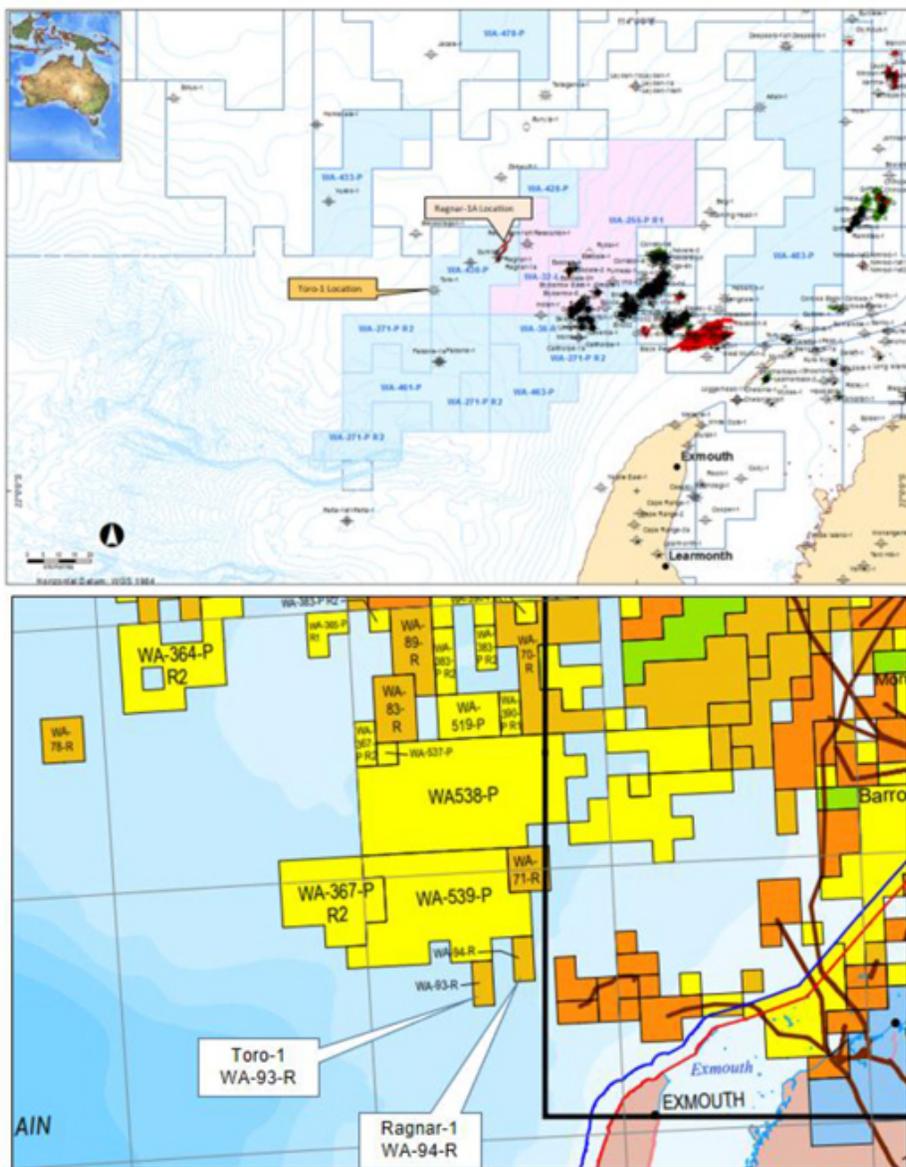
Figure 4.34: 100% Greater Enfield Oil and Vincent asset Cost Profile



4.8 Ragnar and Toro (WA-93-R and WA-94-R Leases)

The Ragnar-1 and Toro-1 wells were drilled in the WA-430-P permit in 2012 and 2014, respectively. In April 2020, when WA-430-P was surrendered, two smaller retention lease areas were carved out around the two assets: WA-93-R around Toro and WA-94-R around Ragnar. Woodside has 70% WI in each permit. These permits will expire in 2025, and Woodside is working to identify viable development options for them. **Figure 4.35** shows the locations of the wells and the location of the two new leases. Ragnar and Toro are located about 40 km from the Greater Enfield assets. Geologically, the wells were drilled in the Exmouth Sub-basin.

Figure 4.35: Location Maps of Toro and Ragnar (upper), WA-93-R and WA-94-R (lower)



Source: Woodside (upper), Australian National Petroleum Titles Administration - NOPTA (lower)

4.8.1 Field Description

Ragnar-1 encountered 75 m of gross gas column in the Triassic Mungaroo Formation sandstone units. Low, Best and High case estimates of GIIP for Ragnar are 241, 349 and 486 Bscf. The Ragnar structure is estimated to contain a mean ‘on-block’ recoverable raw gas volume of 277 Bscf.

Toro-1 was drilled approximately 22 km southwest of Ragnar in 1,160 m water depth as a follow-up to the Ragnar-1 discovery. The target was the Triassic Mungaroo sandstone reservoir in a two-way dipping horst block. The well encountered 151 m of gross gas column at 3,088 mss. The reservoir has 11 to 21% porosity and 25 to 200 mD permeability. A total of 9 fluid samples were acquired from two depths. Gas compositional analysis indicates an average CGR of 23 Bbl/Mscf. Non-hydrocarbons make up an average of 6 mole%.

Low, Best and High estimates of GIIP for Toro are 160, 234 and 326 Bscf. The Toro structure is calculated to contain a mean ‘on-block’ recoverable raw gas volume of 154 Bscf, not including inert components (CO₂, N₂). Approximately 3% of the structure is interpreted as lying outside the permit boundary.

4.8.2 Field Development Plan and Production Forecasts

An integrated field development study of the Ragnar Field was conducted in 2013 to investigate the opportunity to produce Ragnar via a subsea pipeline tied back to the Greater Laverda project. However, the volumes were considered too small to justify the plan.

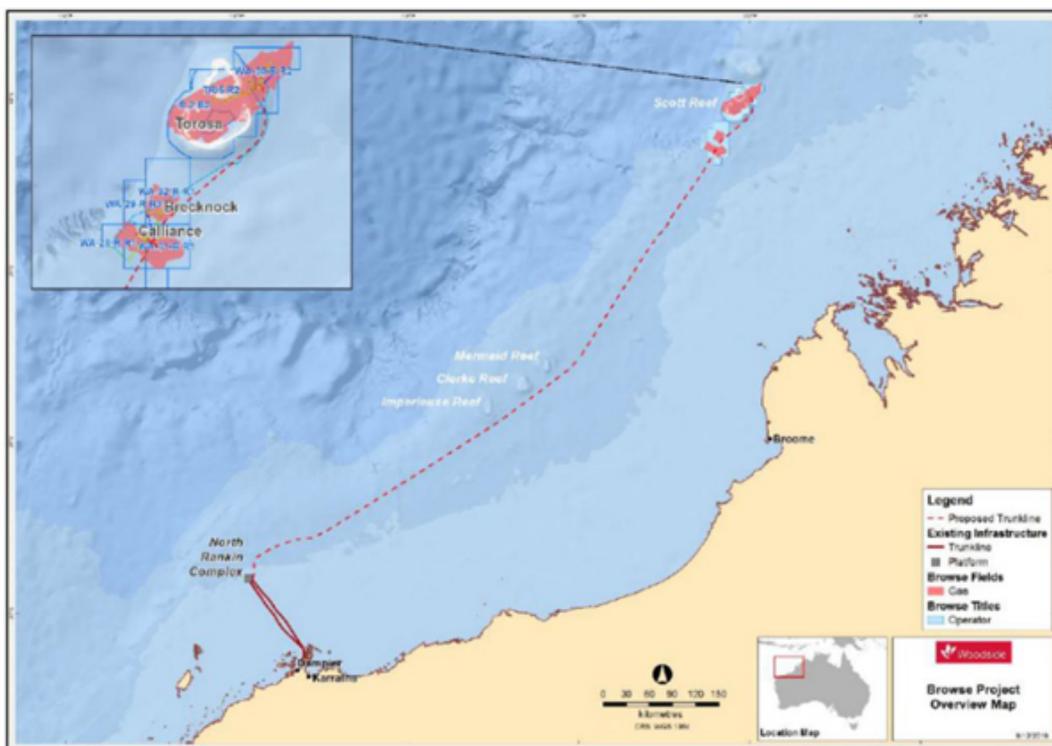
The Ragnar and Toro Fields are currently viewed as technically and commercially immature due to their small volumes and distance from infrastructure. Gross 2C Contingent Resources (Development Not Viable) of 385 Bscf gas and 3.2 MMBbl condensate are attributed to a potential development.

4.9 Browse (Torosa, Brecknock, and Calliance)

The undeveloped Torosa, Brecknock, and Calliance gas fields (collectively the Browse development) lie in the offshore Browse Basin, 425 km north of Broome, Western Australia (**Figure 4.36**). Gas was discovered at Torosa in 1971, Brecknock in 1979, and Calliance in 2000. Seventeen wells have been drilled across the fields, with twelve drilled since the petroleum retention leases (RLs) were first granted in 2003. Retention leases WA-28-R to WA-32-R (five) are in Commonwealth waters with two other leases in Western Australia State jurisdiction (TR/5 and R2). The Calliance and Brecknock fields lie in water depths of 500 to 700 m, while the Torosa field lies under Scott Reef with water depths varying from 0 to 475 m.



Figure 4.36: Browse Asset Location Map



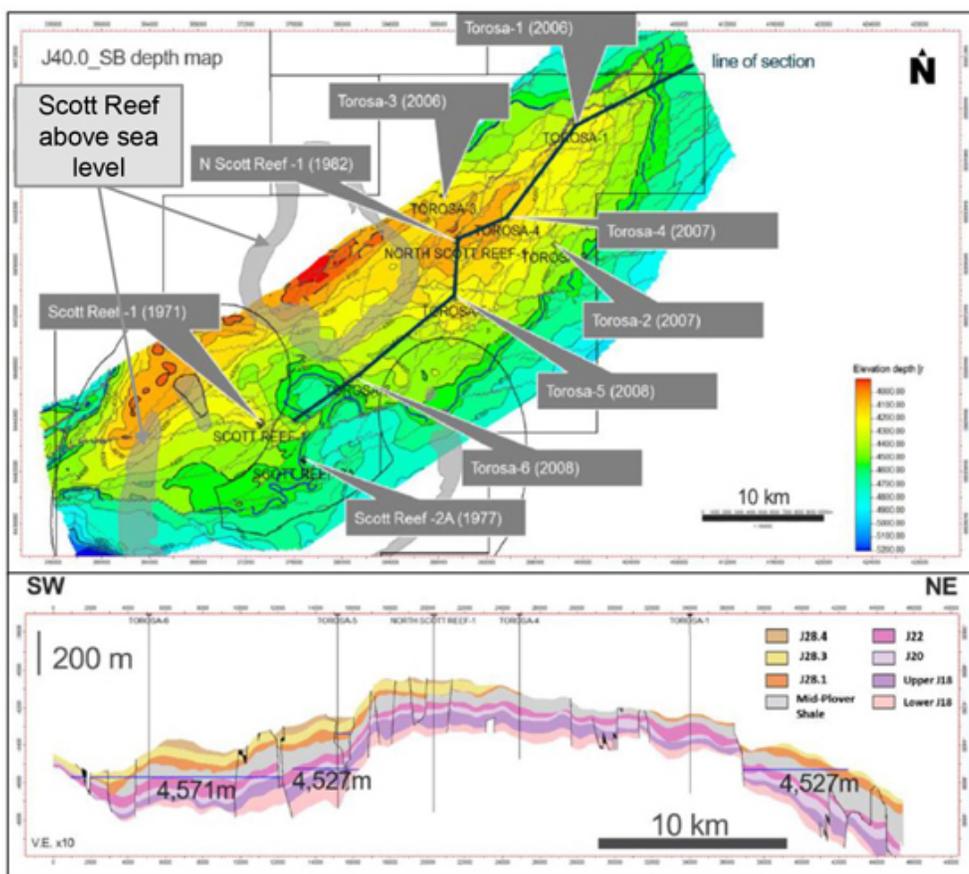
Source: Woodside

4.9.1 Field Description

Torosa

Torosa Field is 60 km long by 20 km wide with NE-SW oriented Jurassic-Triassic faults. It is fault-bounded to the west and dip closed to the north, south and east. The Jurassic J40.0 sequence boundary marks the top of the reservoir and the base of the regional seal in the area and is overlain by a thick sequence of shales and marls. Torosa is a complex structure on which nine exploration and appraisal wells have been drilled to date (**Figure 4.37**). Good quality 3D seismic data are available in the open water region, but there is a poorly imaged area under and adjacent to Scott Reef. This latter area also has a lower level of appraisal due to the limitations of the reef and associated physical environment imposing logistical issues.

Figure 4.37: Torosa Top J40 structure Map and Cross Section



Source: Woodside (GaffneyCline Modified)

Six drill stem tests were performed on three Torosa appraisal wells, Scott Reef-1, North Scott Reef-1 and Torosa-4, with rates varying from 10 to 46 MMscfd. The reservoir fluid is a lean gas condensate (CGR ~23 stb/MMscf) with moderate non-hydrocarbon content (8 to 12 mol% CO₂).

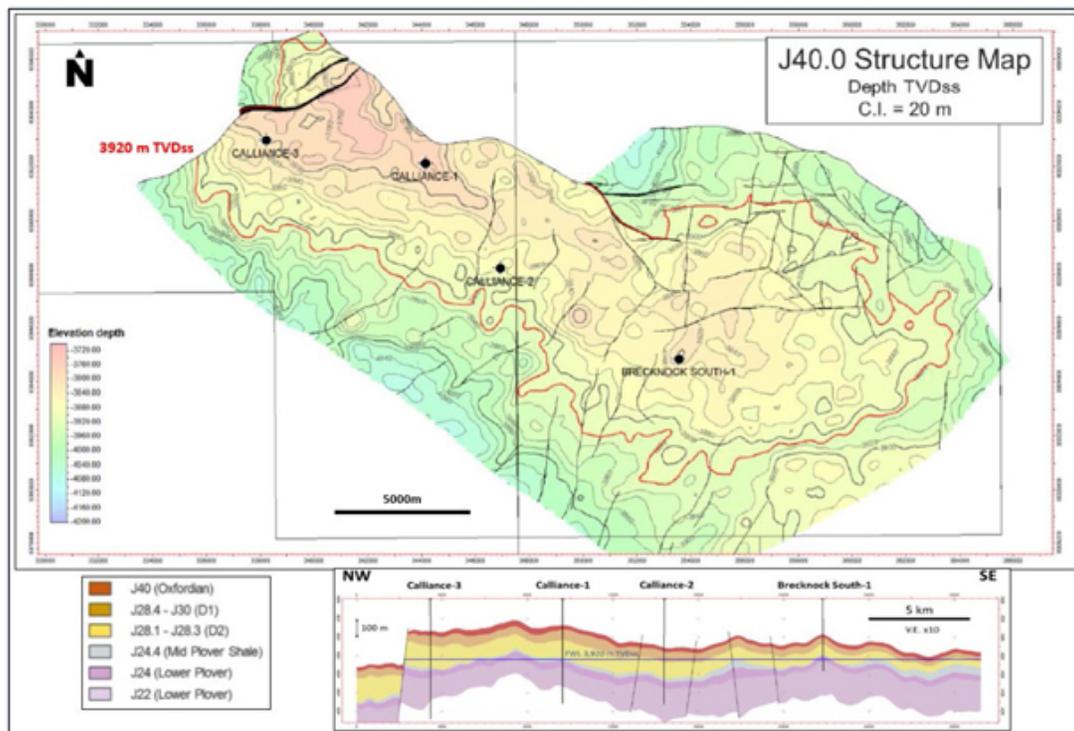
Woodside estimates that the proposed drainage plan will achieve good recoveries of 54% in the open water area. Volumes beneath Scott Reef are currently not part of the foundation project. The main uncertainties in Torosa are the Plover J28.3 reservoir distribution, J18 rock quality, fluid contacts across the field and potential compartmentalisation. An additional appraisal well is planned targeting volumes under North Scott Reef after field start-up.

GaffneyCline reviewed the static models provided by Woodside and considers the volume estimates as reasonable. The seismic interpretation was not reviewed but the documentation provided raised no concerns. Stratigraphic thicknesses of the reservoir intervals are an uncertainty in this syn-rift environment. The free water levels in the various fault blocks are also an uncertainty complicated by the distinct over-pressured aquifer. The overall recovery factor range of 33% to 39% is considered reasonable.

Calliance

Calliance is a broad low relief structure, 25 km long and 6 km wide as interpreted from the 3D seismic data and four exploration and appraisal wells (**Figure 4.38**). It consists of a NW-SE trending, tilted fault block at the Jurassic level. The field is bounded by major faults to the north and west, with a gentle dip closure to the south and east over older volcanic centres. The major NW-SE trending fault along its northern edge separates the field from the graben between Calliance and Brecknock. Calliance is covered by 3D seismic surveys which have been merged, reprocessed to pre-stack depth migration and includes a partial multi-azimuth (MAZ) depth migrated dataset.

Figure 4.38: Calliance Top J40 Structure Map and Cross Section



Source: Woodside (GaffneyCline Modified)

The Calliance Field was discovered by Brecknock South-1 in 2000. It encountered a 130 m gas column in the upper Plover Formation. The discovery was appraised by Calliance-1 (2005), Calliance-2 (2007) and Calliance-3 (2008). These wells were drilled 8-20 km northwest of the discovery well and penetrated a similar reservoir section with a maximum gas column at Calliance-1 of 180 m across the Vulcan and Plover Formations. In addition to the full suite of wireline log data, the three appraisal wells were extensively cored (~700 m) and two flow tests in Calliance-1 achieved rates of 41 MMscfd and 20 MMscfd.

The primary reservoir is interpreted to be well connected due to thick, good quality, high net-to-gross sands and generally short faults of minor throw. Reservoir fluid comprises a fairly lean gas condensate (CGR ~35 stb/MMscf) with moderate non-hydrocarbon molar content (8- 12% CO₂). Woodside estimates a recovery factor of 66%, which compares well with industry analogues given the challenging and remote operational environment. **Table 4.26** shows estimates of GIIP, which GaffneyCline has reviewed and considers reasonable. The main subsurface uncertainties are the depth conversion in the low relief east of the field, the performance of the secondary J28.4-J30 reservoir unit and the aquifer strength. One appraisal well and an additional 3D seismic survey are planned.

Brecknock

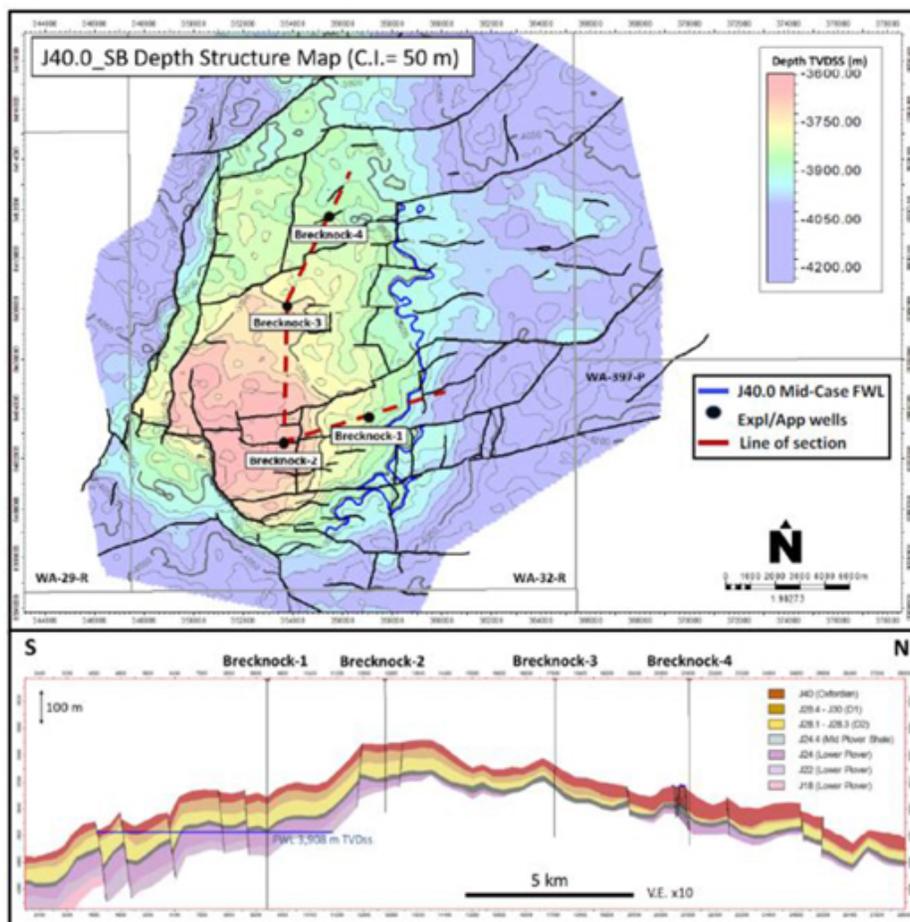
Brecknock is a dip and fault bounded anticlinal high relief structure consisting of the Plover Formation with moderate to good reservoir quality. The structure is 12 km by 8 km and is fault bounded on the west and south with dip closure at the Jurassic level to the east and north (**Figure 4.39**). The field is divided into regions by northeast to southwest trending faults. The Plover Formation reservoirs drape over a tilted Triassic basement fault block. Woodside report a change in seismic character from the flanks to the crest of the structure, which is interpreted to be due to the gradual thinning of the Plover reservoir section. The predominant reservoirs consist of fluvial, coastal, tidal and mouth-bar sediments that thin towards the crest and pinch-out to the north where the volcanics dominate. The two main reservoir units are the J22/J24 and J28.1-J28.3 with moderate to high net-to-gross, moderate to good porosities and permeabilities (100-1,000 mD). Two DSTs were performed in Brecknock-2 achieving rates of 44 MMscfd and 21 MMscfd.

The Brecknock development will depend on the production performance of the Calliance and Torosa fields. It is expected to be brought on stream in a second development phase to maintain plateau production rates at the Calliance/Brecknock FPSO. Four exploration and appraisal wells have been drilled on the structure. The reservoir fluid is a lean gas condensate (CGR ~25 Bbl/MMscf) with moderate non-hydrocarbon content (~8 mol% CO₂). Woodside's estimates of GIIP are indicated in **Table 4.26**.

GaffneyCline reviewed the static models provided by Woodside and considers the Contingent Resource estimates as reasonable based on the technical checks performed. No Seismic data were reviewed. The recovery factor range of 64% to 71% is considered reasonable for this geological environment and development plan.



Figure 4.39: Brecknock Top JB40 Structure Map and Cross Section



Source: Woodside (GaffneyCline Modified)

Woodside's estimates of gas initially-in-place and ultimate recovery volume ranges are shown in **Table 4.26** and **Table 4.27**.

Table 4.26: HCIP Estimates, Torosa, Calliance and Brecknock Fields, as of 31 December 2021

| Field | GIIP (Bscf) | | | CIIP (MMBbl) | | |
|--------------|---------------|---------------|---------------|--------------|------------|--------------|
| | Low | Best | High | Low | Best | High |
| Torosa | 13,353 | 18,318 | 24,514 | 283 | 373 | 519 |
| Calliance | 9,691 | 12,342 | 15,912 | 354 | 450 | 532 |
| Brecknock | 2,388 | 3,825 | 4,600 | 54 | 92 | 120 |
| Total | 25,432 | 34,485 | 45,026 | 690 | 915 | 1,170 |

Notes:

1. Volumes are shown gross, including inert gas.
2. Totals may not be exactly equal to the sum of individual entries due to rounding

4.9.2 Field Development Plan and Production Profiles

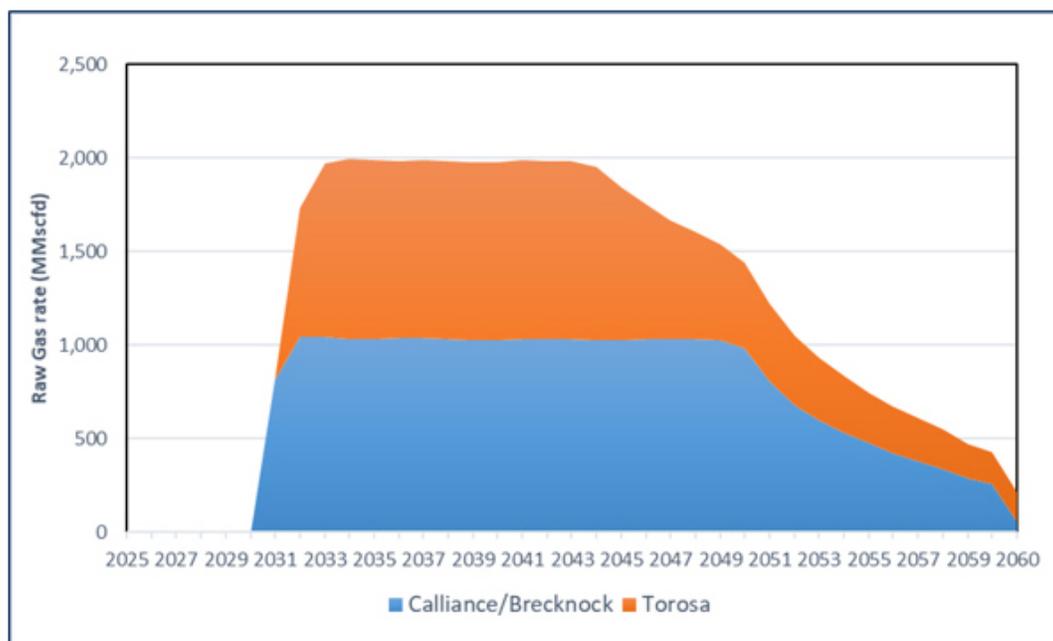
The development concept envisaged for the Calliance, Torosa and Brecknock Fields involves sub-sea wells tied back to two FPSOs, from where gas would be exported via pipeline to tie in to the existing Trunkline 2 (TL2) downstream of the North Rankin Complex, where it would join the supply of gas from the North West Shelf (NWS) fields to the onshore Karratha Gas Plant (see section 4.1). TL2 will be dedicated to Browse production.

The development is envisaged to be phased. In phase 1, twelve high rate, subsea wells would be drilled on Calliance and Torosa to supply the two FPSOs. Subsequent phases (2 to 4) will add up to twenty additional subsea wells in the base case. This would include 4 wells on the Brecknock field, which would be tied back to the Calliance FPSO when needed to maintain the plateau production rate. Technical data gathered as part of the initial development will help planning for subsequent phases.

The production profile presented by Woodside has first gas in 2030 and reaches the plateau rate of ~2 Bscfd by 2032, as shown in **Figure 4.40**. Wellhead gas is expected to have an average 10.5% of CO₂. Expected maximum condensate rates are 55 MBbl/d.

GaffneyCline reviewed the information included in the field development plan and conducted audit checks on fluid properties, recovery factors and deliverability. Woodside’s production profile is considered reasonable.

Figure 4.40: Woodside’s Combined “Browse to NWS” Production Profile



Source: Woodside

**Table 4.27: Estimates of Recoverable Gas and Condensate from Browse Fields
as of 31 December 2021**

| Field | Gross Best Estimate Recoverable Volumes | |
|--------------|---|--------------------|
| | Dry Gas (Bscf) | Condensate (MMBbl) |
| Torosa | 7,070 | 131 |
| Calliance | 6,790 | 211 |
| Brecknock | 2,460 | 49 |
| Total | 16,320 | 390 |

Notes:

1. Offshore Consumed in Operations (CiO) volumes of 689 Bscf are included in the above volumes.
2. Non-hydrocarbon components (mainly CO₂) of 1,717 Bscf are included in the above volumes.

4.9.3 Facilities and Cost Estimates

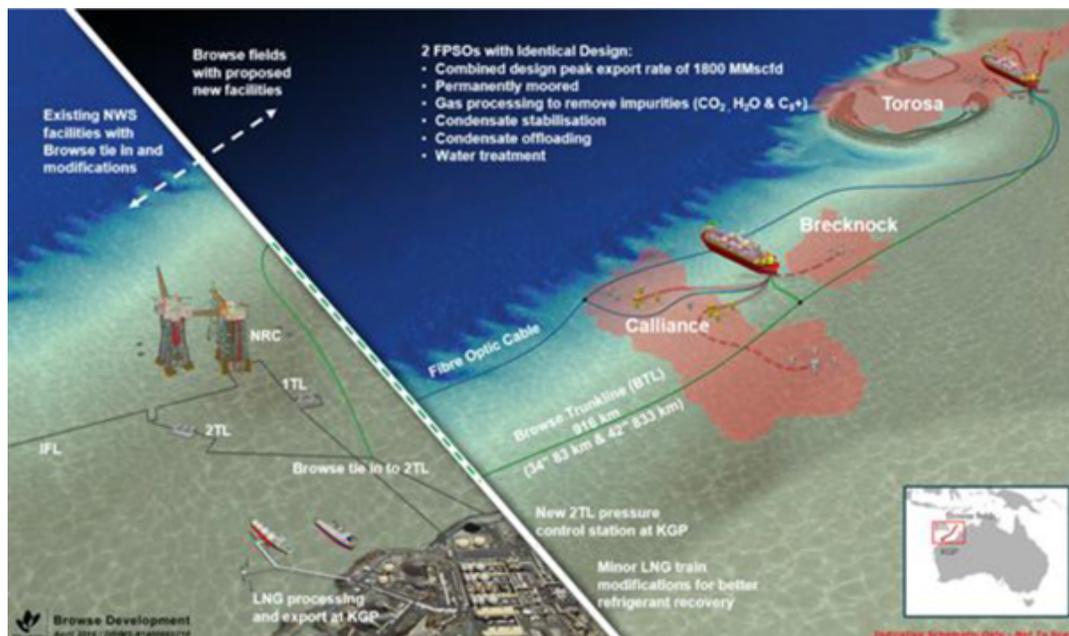
The Browse development has gone through a number of concept development phases. Despite the large volumes of gas present, the remote location has made development challenging. Initial concepts to develop the fields with a greenfield LNG plant at James Price Point (2010), and with Floating LNG (FLNG) vessels (2015) failed to meet economic hurdles. During these earlier studies, development via the NWS liquefaction facilities at the Karratha Gas Plant (KGP) was considered but discarded due to the lack of available capacity at KGP.

It is now clear that there will be sufficient liquefaction ullage available at KGP from 2030 onwards to process the full Browse production (see NWS section 4.1.4). The current “Browse to North West Shelf (NWS) Project” concept has therefore been selected following a review of 39 development options conducted from 2016 onwards. Use of the existing NWS facilities reduces overall project CAPEX compared to a full greenfield development and is economically more attractive.

The Browse development overview is shown in **Figure 4.41**. Each of the two FPSO’s will provide gas/liquids separation, gas processing and dehydration, condensate treatment and stabilization, and gas export compression. Gas exported to shore is expected to have 2.5% of CO₂, which will be further reduced at the LNG plant. In later years, depletion compression can be installed to improve recovery. The offshore facilities will be operated remotely via fibre optic cable link to an operations centre in Perth.



Figure 4.41: Browse Development Overview



The Torosa FPSO will supply gas to an 83 km x 34" pipeline, which will tie in to an 833 km x 42" pipeline from the Calliance FPSO to a tie in to the existing TL2 trunk-line to KGP, which will be dedicated to Browse production. In this way, full use is made of the existing NWS/KGP infrastructure and relatively minor modifications will be required to the KGP itself, apart from facilities life extension provisions.

The Browse development plan indicates a development period of 5 years from FID to first gas from the first (Calliance) FPSO. First gas on the second (Torosa) FPSO will follow 12 months later, allowing sequencing of the two vessels during construction.

The Browse to NWS Project is predominantly based on proven technologies with the development's two FPSOs and subsea and pipeline facilities within the range of industry experience, which should keep project execution risks manageable. The function of the FPSOs includes receipt of gas from the subsea system, acid gas removal and venting, gas hydrocarbon and water dew pointing, gas export compression, condensate stabilisation, storage and offloading, and produced water treatment for disposal. Woodside has included provisions in the design for potential future depletion compression, carbon capture and storage and produced water injection provided they are economically justifiable.

4.9.3.1 Facilities Operability, Integrity, and Infrastructure

The Browse development will be based on two FPSOs producing gas to the existing KGP. Significant investments are planned to the KGP to upgrade and extend facilities life.

The KGP is interconnected with the Pluto LNG facility via the Pluto-KGP interconnector and can also deliver gas to the Western Australia domestic gas market through the Dampier to Bunbury pipeline.

4.9.3.2 Decommissioning and Restoration (D&R) Planning

Browse end of field life is not expected to occur before 2050, so D&R planning is at a conceptual level.

4.9.3.3 Cost Review

GaffneyCline has reviewed comprehensive cost forecasts provided by Woodside covering capital costs (CAPEX), operating costs (OPEX), and D&R costs for the offshore Browse and onshore KGP operations from 2021 to the end of field life and completion of D&R activities. GaffneyCline has accepted Woodside’s detailed CAPEX and OPEX cost forecasts as reasonable. GaffneyCline has amended the D&R estimate in line with current industry practice, i.e. removal of subsea flowlines and equipment, removal of the FPU’s, and P&A of all wells. The export pipeline is assumed to be cleaned and left in situ.

Gross Life of Field CAPEX for the Browse development is estimated to be US\$20,813 MM, of which US\$14,337 MM estimated to first production.

4.9.4 Contingent Resources

GaffneyCline considers the potentially recoverable volumes for the Browse development project to be Contingent Resources (Development on Hold) as the JVP is yet to reach final commitment to develop. Contingent Resources volumes are shown in **Table 4.28**.

Table 4.28: Gross 2C Contingent Resources, Torosa, Calliance and Brecknock Fields, as of 31 December 2021

| Field | Gross 2C Contingent Resources | |
|---------------------------------|-------------------------------|--------------------|
| | Dry Gas (Bscf) | Condensate (MMBbl) |
| Torosa, Calliance and Brecknock | 14,603 | 390 |

Notes:

- Offshore Consumed in Operations (CiO) volumes of 689 Bscf are included in the above volumes.
- Non-hydrocarbon components (mainly CO₂) of 1,717 Bscf are included in the above volumes.



4.9.5 GaffneyCline’s Production and Cost Valuation Profiles for Browse

GaffneyCline’s valuation scenario production profile for Woodside’s Browse asset is given in **Figure 4.42** with the associated real term cost profiles provided in **Figure 4.43**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the recoverable volumes of the potential Browse Project 2C Contingent Resource Volumes documented in **Table 4.28**. The project Chance of Development (COD) is discussed in Section 4.9.6 with a recommendation for valuation purposes. Technical and commercial contingencies are also discussed that impact the project Chance of Development utilised for risk assessment.

The regulatory carbon cost assumption for the Browse Asset is as per Woodside’s below baseline assumption for this project.

Figure 4.42: 100% Browse Asset Production Profile

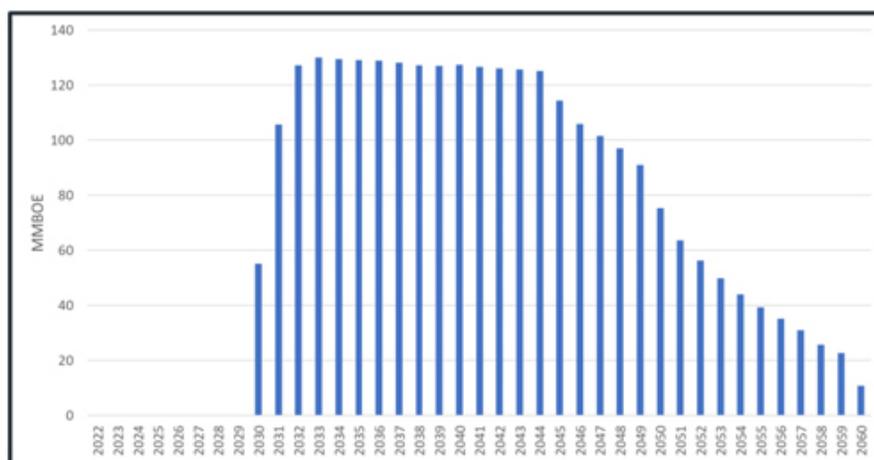
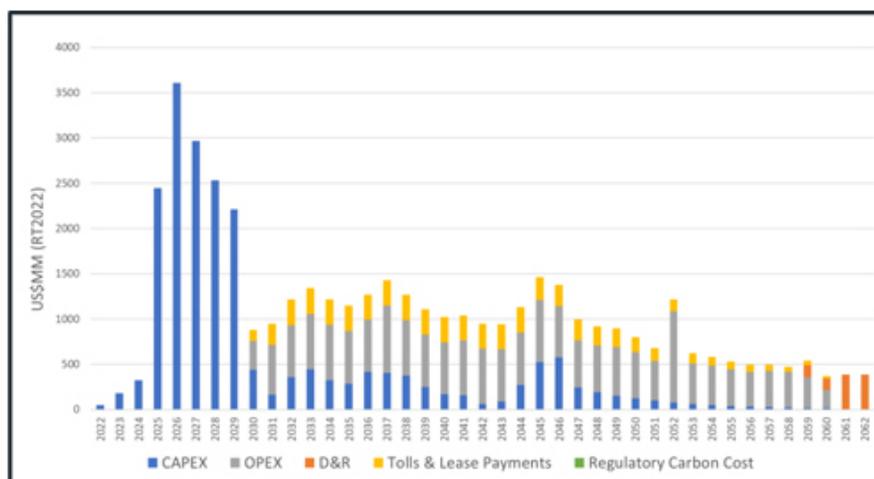


Figure 4.43: 100% Browse Asset Cost Profile





4.9.6 Browse Asset Chance of Development

The sub-classification status of the Browse Project is Contingent Resources - Development on Hold due to limited field project activity since 2010 and a number of other factors outlined below. An upstream development with a new greenfield LNG facility is not economically justifiable and the best chance of development is a backfill opportunity utilising existing LNG plants.

Woodside's current development planning case is backfilling the North West Shelf joint venture LNG trains starting in 2030. Agreement on the Browse development depends on the commercial negotiations regarding the tariffs to process the Browse gas into LNG and domestic gas. The NWS JV has six partners with equal shareholdings and potentially competing commercial interests. It is likely that the commercial negotiations between the Browse JV and the NWS JV could be a lengthy and difficult process.

The Browse raw gas has between 8.2% to 12.2% CO₂, and the current plan is to backfill the older less fuel-efficient NWS LNG plants. This will place the Browse development in a moderately high carbon intensity LNG project range. Projects with higher carbon emissions could attract further environmental scrutiny from various stakeholders. As a mitigation measure, the project may require carbon capture and/or carbon offsets that could erode the project economics. Woodside is in the initial stages of studying the possibility of carbon capture for the Browse development, but such costs are not available as part of the current evaluation case. Carbon mitigation measures may also result in significant delays or potentially the shelving of the project.

The Browse JV partners (Woodside, Shell, BP, Japan Australia LNG, PetroChina) need to agree on the Browse development plan as it is progressed. There is often a significant divergence on approaches related to carbon management with upstream players. There is also a growing divergence on economic hurdle rate requirements in relation to carbon intense projects. These issues between Browse JV partners could further delay the sanctioning of the project.

Considering the marginal economics, complex commercial negotiations, and environmental considerations, GaffneyCline considers the Browse project far from certain. Significant delays are still possible as there has been in the past for this project since the early 2000s. GaffneyCline recommends a 25% chance of development for KPMG's valuation analysis.

4.10 Greater Sunrise

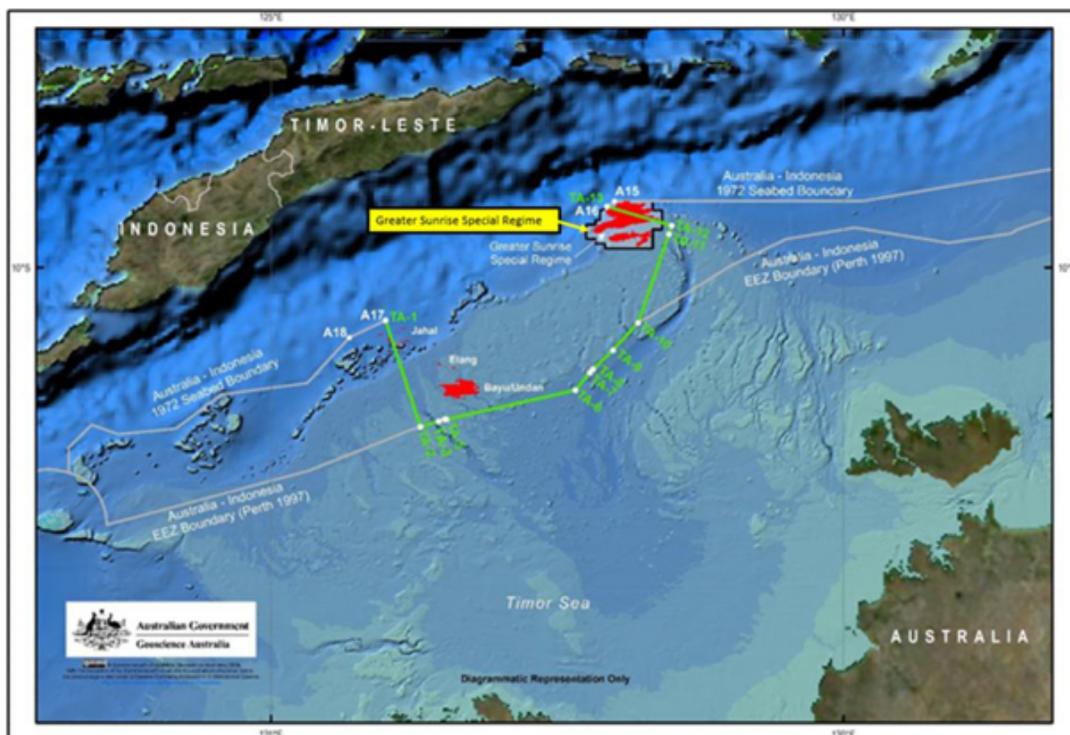
The Sunrise and Troubadour fields, collectively known as the Greater Sunrise Fields, are currently located in Retention Leases NT/RL2 and NT/RL4 in Australian waters, and in PSC 03-19 and PSC 03-20 in Timor-Leste waters (formerly in the Joint Petroleum Development Area). Woodside is the operator with 33.44% interest. Pursuant to the treaty between Australia and Timor-Leste establishing their maritime boundaries in the Timor Sea brought into force on 30 August 2019, the Governments of Australia and Timor-Leste and the Sunrise Joint Venture are required to enter a new production sharing contract which will replace the four current titles. Negotiations are ongoing. The Sunrise Joint Venture (SJV) participants are Woodside (Operator), Timor Gap and Osaka Gas.

Woodside has informed GaffneyCline that the same treaty establishes the “Greater Sunrise Special Regime” and that Annex B, Article 2 thereof includes the following text: “Title to Petroleum and Revenue Sharing:

1. *Timor-Leste and Australia shall have title to all Petroleum produced in the Greater Sunrise Fields.*
2. *The Parties shall share upstream revenue, meaning revenue derived directly from the upstream exploitation of Petroleum produced in the Greater Sunrise Fields:*
 - a. *in the ratio of 70 per cent to Timor-Leste and 30 per cent to Australia in the event that the Greater Sunrise Fields are developed by means of a Pipeline to Timor-Leste; or*
 - b. *in the ratio of 80 per cent to Timor-Leste and 20 per cent to Australia in the event that the Greater Sunrise Fields are developed by means of a Pipeline to Australia.”*

These fields lie approximately 150 km southeast of Timor-Leste and 450 km north of Australia in an area where the water depth varies between 100 and 600 m. North of the Sunrise Field the water depth increases to approximately 3,000 m in the Timor Trough (**Figure 4.44**).

Figure 4.44: Greater Sunrise Fields Location Map



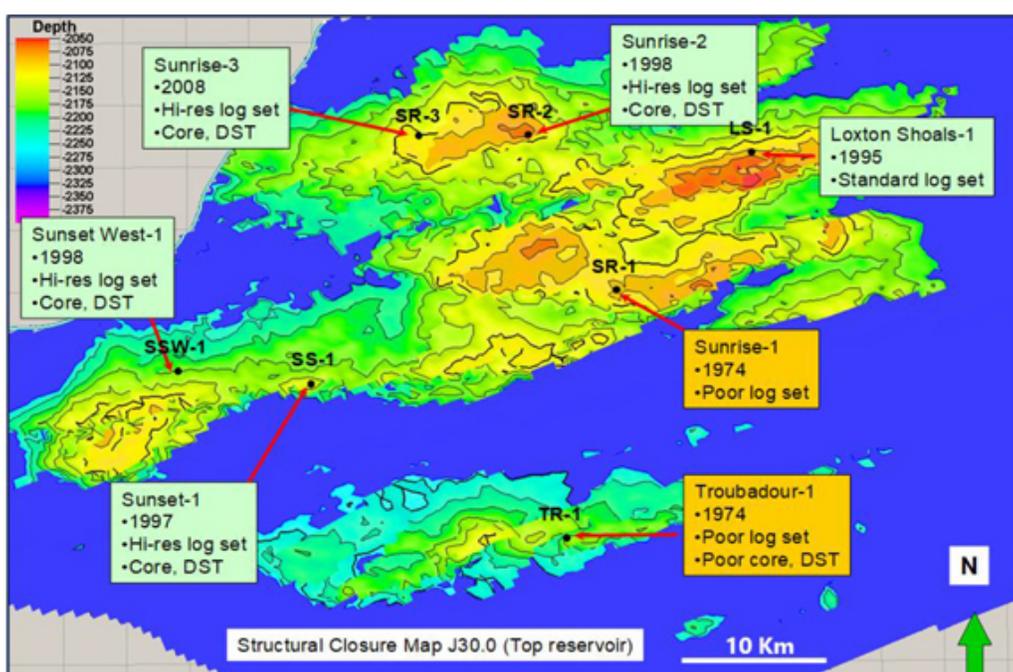
Source: Woodside

4.10.1 Field Description

The Greater Sunrise fields are located within the Bonaparte Basin on the Sunrise High, a major regional feature on the east of the Sahul Platform. The Greater Sunrise fields were discovered by the Troubadour-1 and Sunrise-1 wells in 1974. Since then, six appraisal wells have been drilled and, in 2000, the Mescal 3D seismic survey was acquired. Technical studies have confirmed the presence of a significant gas resource.

The 3D seismic data and well penetrations allow for the interpretation of the fault complex, which consists of large elongated east west trending fault blocks (75 x 50 km overall) with ~165 m of structural relief. A large fault (1 km throw) forms the northwest boundary of the closure, and a central easterly trending fault (150 m throw) separates the Sunrise Field from the Troubadour Field to the south. Smaller north-easterly and easterly faults with throws of less than 80 m are common. The Greater Sunrise map is presented in **Figure 4.45**.

Figure 4.45: Greater Sunrise Top Reservoir Map above Free Water Level

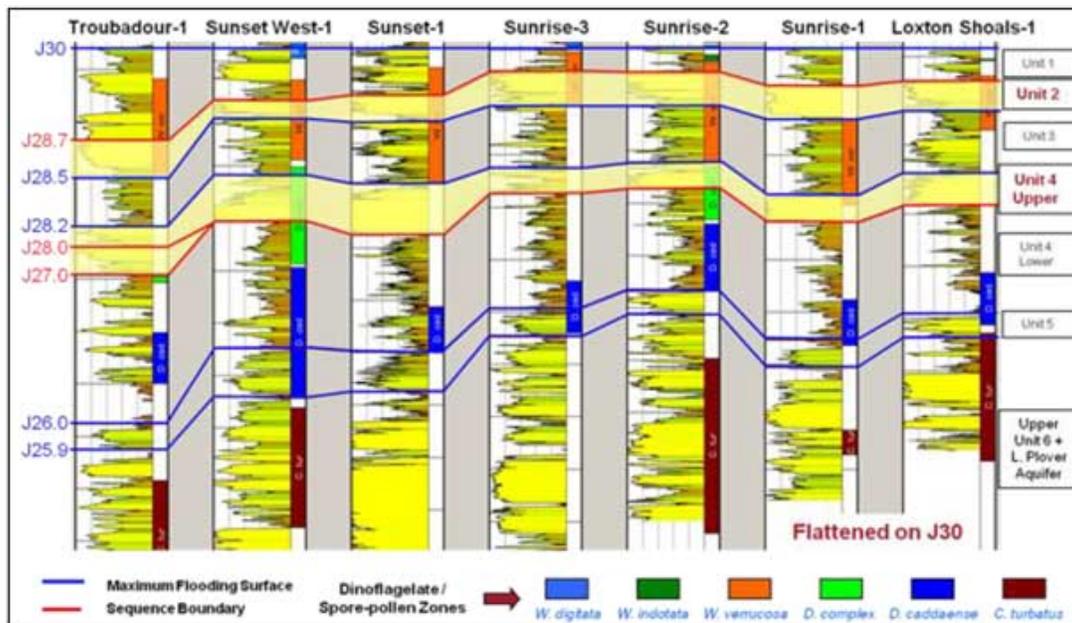


The gas bearing reservoir interval at Sunrise and Troubadour is 60 to 80 m thick and composed of inter-bedded marginal marine to marine quartzose sandstones, siltstones and shales of the Middle Jurassic Plover Formation. Within this section, the majority (approximately 80%) of the gas occurs within two laterally extensive, middle to upper shoreface sandstone intervals (Unit 2 and 4) with average thicknesses of approximately 10 m. These two intervals are separated by a ~30 m thick sequence of marginal marine to marine heterolithic deposits (**Figure 4.46**).

Transgressive marine siltstones and claystones of the Flamingo Group (Callovian to early Oxfordian age) overlie the Plover Formation, forming the top seal. Woodside interprets that the edge aquifers to the east, south and west are expected to provide reasonable pressure support and water influx.



Figure 4.46: Greater Sunrise Wells Cross Section



3D seismic data acquired in 2000 and reprocessed in 2007 and 2008 are of reasonable quality and the wireline well data are extensive, with the Sunrise-3 well proving to be an excellent source of reservoir and test data. The main subsurface uncertainties are GIIP (with structure and facies predominating), reservoir behaviour, particularly that of intra field faults and their transmissibility, and aquifer support. Subsurface uncertainty, particularly dynamic performance, is a major risk and the development will be phased so that technical data acquired in early phases can be used to optimise future phases.

4.10.2 Field Development Plan and Production Profiles

The Sunrise Joint Venture Participants have completed a technical and commercial evaluation of various development concepts including a Floating Liquefied Natural Gas (FLNG) facility located over the Sunrise Field. However, at this stage there is no preferred concept. In the FLNG concept studied, the annual average sales capacity was approximately 4.1 Mt p.a. and the facility would separate condensate for export. The development wells and associated subsea infrastructure would be installed across five development phases, including compression, resulting in approximately 26 wells in total. The first development phase would consist of approximately seven production wells and associated subsea facilities.

Learnings from initial phase static and dynamic reservoir performance data would be used to further optimise future development phases including development of the Troubadour Field.



Based on the FLNG development case studied, gas recovery incorporating compression is projected to be 54%. This equates to a Sunrise Joint Venture agreed dry gas, 2C Contingent Resource estimate of 5.13 Tscf. The Sunrise Joint Venture agreed condensate CR estimate is 226 MMBbl.

The currently reported Resources estimates are based upon the results of studies completed in 2009. Woodside classifies the Sunrise/Troubadour project as Contingent Resources Development Not Viable. Under PRMS, the project might also be classified On Hold, due to the uncertainty of regulatory conditions, fiscal terms and development concept. GaffneyCline adopted Woodside 's estimates of gross Contingent Resources (**Table 4.29**).

Table 4.29: GIIP and Gross Contingent Resources for Greater Sunrise as of 31 December 2021

| Field | GIIP (Bscf) | Gross 2C Contingent Resources | |
|-----------------|-------------|-------------------------------|--------------------|
| | | Gas (Bscf) | Condensate (MMBbl) |
| Greater Sunrise | 10,736 | 5,134 | 226 |

4.10.3 Recommended Valuation Range for Greater Sunrise

Due to ongoing negotiations with the Timor-Leste government on fiscal terms and potential development concepts, it is not possible to value Greater Sunrise using an income approach.

Most of the exploration and appraisal activity for this field was done during 1970s to early 2000s. The sunk cost approach for valuation does not provide a suitable reference for the assets as the cost information is old. There is also very limited on-going activity to calibrate the old cost information.

In GaffneyCline' s view there is most likely no open market for this asset as it has been in negotiation with a long history of stalemates due to proposed project marginal economics. Shell and ConocoPhillips sold their equity position in Greater Sunrise to the Timor-Leste Government in Q4 2018 for US\$ 300 MM and US\$ 350 MM respectively. The Timor-Leste government may possibly be the only interested buyer for this asset.

The previous transactions with the Timor-Leste government provide comparable transaction guidance on market value. Other similar transactions are also applicable to define the lower value range to account for the fiscal uncertainty with the PSC under negotiation and approaching PSC expiry in 2026. The weaker financial position of the Timor-Leste government to fund an additional equity purchase as well as their share of the development costs is also a consideration for utilising a lower value.

GaffneyCline selected similar transactions for the Contingent Resources in Timor-Leste and Australian offshore with public domain cross-checks (**Table 4.30**).



Table 4.30: Selected Market Comparable for Contingent Gas Resources

| Date | Asset | Seller | Buyer | Firm Price Paid | Net Resources | Firm Multiple |
|--------|----------------------------|----------------|------------------------|-----------------|---------------|---------------|
| | | | | US\$ MM | Bcf | US\$/Mcf |
| Nov 18 | Greater Sunrise | Shell | Timor-Leste Government | 300 | 1,624 | 0.18 |
| Oct 18 | Greater Sunrise | ConocoPhillips | Timor-Leste Government | 350 | 1,832 | 0.19 |
| Feb 18 | Scarborough | ExxonMobil | Woodside | 444 | 3,650 | 0.12 |
| Jul 16 | Scarborough, Jupiter/Thebe | BHP Petroleum | Woodside | 250 | 2,600 | 0.10 |

Notes:

1. Source: GaffneyCline analysis, Public Domain.
2. Contingent payments excluded from analysis as timing during transaction was speculative.

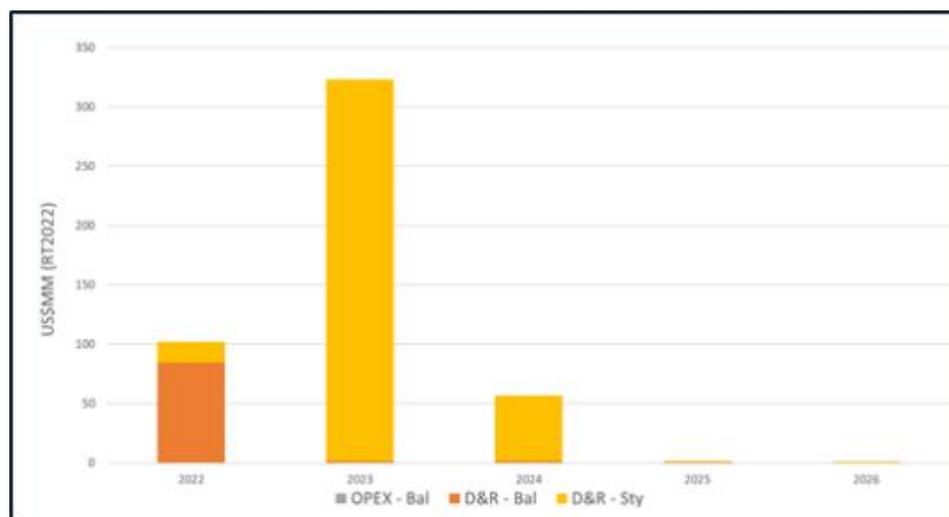
Based on the transaction multiple range of 0.1 US\$/Mcf to US\$0.19 US\$/Mcf from **Table 4.30**, the estimated valuation for the 2039 Bscf net raw gas of Woodside' s 2C resource is US\$204 MM to US\$387 MM.

GaffneyCline therefore recommends a valuation range of **US\$204 MM to US\$387 MM** for the Greater Sunrise discovered resources for KPMG' s consideration.

4.11 Australian Non-Producing Assets

In addition to discovered and producing assets described above, Woodside also have outstanding D&R obligations in respect of two fields that have ceased production, where decommissioning and restoration activities are in planning or in progress. GaffneyCline has reviewed the D&R estimates of these fields, Balnaves and Stybarrow, and accepted or updated the costing basis in line with current industry practise (**Figure 4.47**).

Figure 4.47: Woodside100% D&R Balnaves and Stybarrow Cost Profile



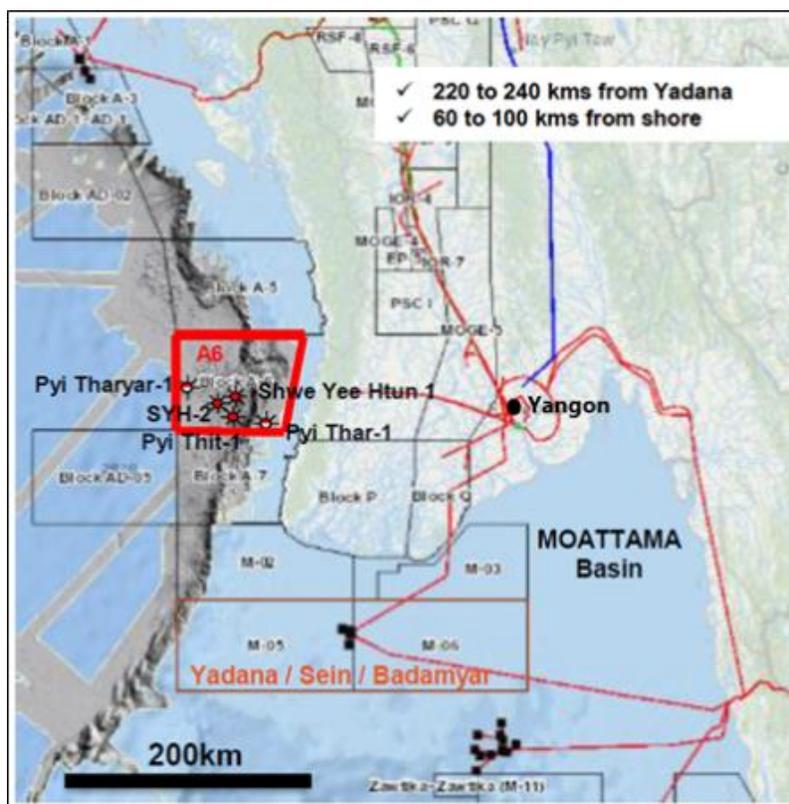
5 Woodside Myanmar

At the effective date of this ITSR, Woodside had an interest in offshore Block A6 in Myanmar. However, Woodside issued an ASX announcement in January 2022 that it had decided to withdraw from its interests in Myanmar. Nonetheless, given this ITSR's effective date, the asset is included in the ITSR and is briefly described below.

Woodside's Myanmar Block A6 is operated by TotalEnergies (**Figure 5.1**) and covers an offshore area of 8,928 km² in the Rakhine Basin of Western Myanmar. The A6 Block is situated in a water depth ranging from 30 to 2,500 meters and is located 260 km west of Yangon and 250 km northwest of the Yadana/Sein/Bandamyar offshore gas fields also operated by Total. The joint venture comprises Woodside (40%), MPRL (Government Liaison operator, 20%) and TotalEnergies (40%). However, after government back-in to any development, Woodside's interest would be reduced to 25%.

The Block A-6 PSC expires on the 23 December 2022. JV partners have been under negotiation with MOGE (Myanmar national oil company) for PSC retention. However, the future of any development in Block A-6 is uncertain due to the political situation in Myanmar. Note that on 27 January 2022 (after the effective date of this ITSR), Woodside announced it was withdrawing from its interests in Myanmar.

Figure 5.1: Woodside's Block A6 Myanmar



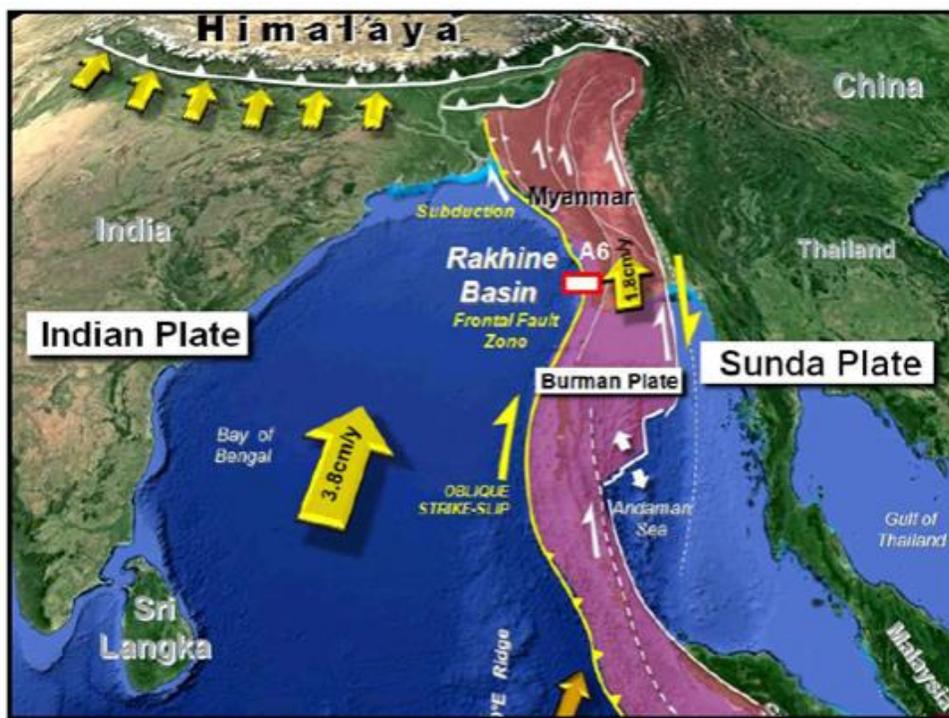
Source: Woodside (GaffneyCline Modified)

5.1.1 Field Description

The Rakhine Basin lies offshore Myanmar at the junction between the Indian and Sunda tectonic plates that are separated by a strike-slip frontal fault zone (Figure 5.2).

The basin receives sediment influx in the northern part from the Bramaputra/Gange system, whereas sediments from the paleo-Irrawady system fill the eastern part of the basin, where the A6 Block is located. The front thrust compression induced the Saung anticline structure, where several confined turbiditic channels are identified, which form the basis of the LCC-3C and LCC-1A discoveries.

Figure 5.2: Structural Setting



Source: Woodside

The Shwe Yee Htun (LCC-3C) gas accumulation was discovered by the Shwe Yee Htun-1 well, which was drilled between November 2015 and January 2016. Shwe Yee Htun-1 encountered 127.5 m of gross gas column, with 32 m of net sand in turbidite Pliocene Formation sandstone units. The Shwe Yee Htun gas accumulation was appraised by the Shwe Yee Htun-2 well between July and September 2018. Shwe Yee Htun-2 encountered 168 m of gross gas column with 41 m of net sand in the same formation. The Pyi Thit (LCC-1A) gas accumulation was discovered by the Pyi Thit-1 well in July 2017. Pyi Thit-1 encountered 65 m of gross gas column, with 32 m of net sand in Pleistocene Formation sandstone units.

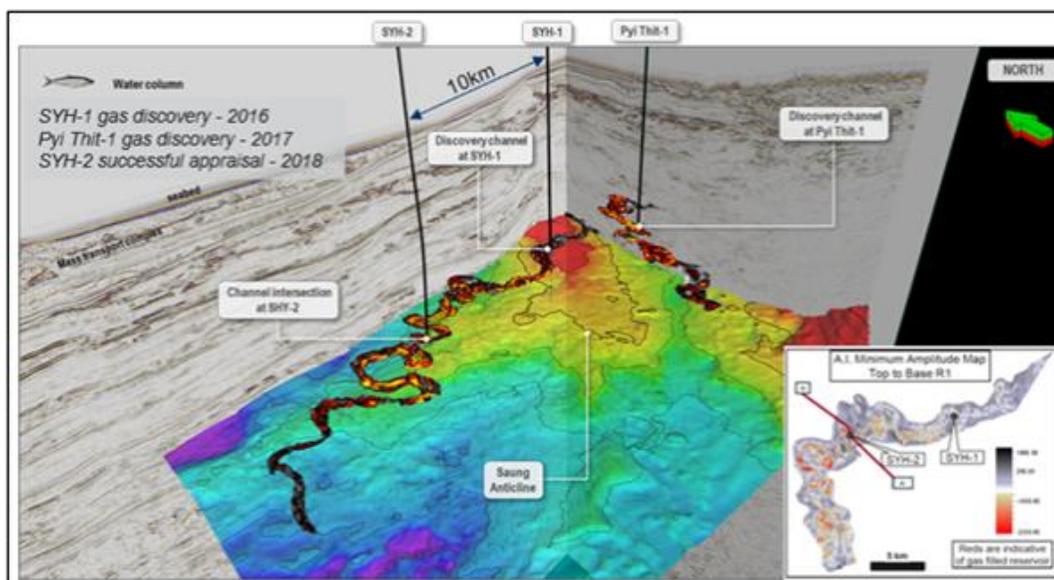
Gas compositional analysis of the numerous samples acquired indicates, on average, almost pure methane of biogenic origin (99.5% C1).

LCC-3C

Four LCC-3C gas bearing reservoirs were penetrated (R1, R2U, R2L and R3) by the two exploration/appraisal wells with biogenic dry gas and net sand thicknesses encountered of 10 to 20 m per reservoir. A porosity range of 18 to 23 % was measured with permeability at 50 to 65 mD estimated by the SYH-2 drill stem test (DST). The DST was performed across a 35 m section of the reservoir and flowed at ~53 MMscfd on a 40/64" choke over 80 hours.

The Free Water Level encountered is consistent with the DHI (Direct Hydrocarbon Indicator) observed on the seismic (**Figure 5.3**). GaffneyCline reviewed the static model provided by Woodside and considers the volume estimates as reasonable based on the technical checks performed. The volumes were reproduced in the Petrel model provided with estimates also confirmed utilising a 1D-Monte-Carlo analysis with GaffneyCline's vetted reservoir parameters. The mapped turbidite channels utilising the seismic amplitudes defined the lateral reservoir extents. This is one of the major uncertainties along with vertical connectivity, Net to Gross distribution and subsequent production contribution from thin and poorer facies in this slope turbidite environment. The recovery factor range of 64%, 69% and 73% are considered reasonable for this geological environment.

Figure 5.3: Shwe Yee Htun (LCC-3C) and Pyi Thit (LCC-1A)



Source: Woodside

LCC-1A

Three LCC-1A gas bearing reservoirs were penetrated (R1, R2 and R3) by the Pyi Thit 1 (PYT-1) exploration well which was plugged and abandoned on the 20 August 2017. Biogenic dry gas at ~99.5% C1 was encountered with net sand thicknesses of 20 to 30 m per reservoir. The porosity range was measured from 20 to 25% with a permeability at 150 mD as estimated by the PYT-1 DST. The DST was performed across a 29 m section of the reservoir and flowed at ~50 MMscfd on a 44/64” choke over 44 hours with strong reservoir pressure support. GaffneyCline reviewed the static model provided by Woodside and considers the volume estimates as reasonable based on the technical checks performed. A similar workflow to the LCC-3C review was also performed with similar uncertainties also applicable as discussed above. The recovery factor range of 64 to 70% is considered reasonable for this geological environment.

Table 5.1 includes the Gross Contingent Resource proposed by Woodside which GaffneyCline has reviewed and considers within audit tolerance for the LCC-3C and LCC-1A culmination.

Table 5.1: Myanmar GIIP and Gross Contingent Resources as of 31 December 2021

| Reservoir | GIIP (Bscf) | Gross 2C Gas Contingent Resources (Bscf) |
|--------------|--------------|--|
| LCC-3C | 2,590 | 1,787 |
| LCC-1A | 740 | 480 |
| Total | 3,330 | 2,267 |

Notes:

1. The Offshore Consumed in Operations (CiO) volumes are 33 Bscf for the LCC-3C and the LCC-1A joint development proposed by Total the operator.
2. Contingent Resources reported are 100% of the volumes estimated to be recoverable from LCC-3C and LCC-1A culmination in the event that it is developed.
3. The volumes reported here are “unrisked” in the sense that no adjustment has been made for the risk that LCC-3C and LCC-1A may not be developed in the form envisaged or may not go ahead at all (i.e. no “Chance of Development” factor has been applied).

5.1.2 Field Development Plan

The currently defined development plan consists of a subsea tie back to a new dehydration and compression platform located 65 km away on the shelf, and an export pipeline tied in downstream of Yadana (to a new riser platform). The number, phasing and location of the wells is still being optimised, but due to the current political instability in Myanmar, Woodside and the JV partners have all decisions under review.

The development concept envisages ten near-vertical gas producing wells with open hole gravel pack (OHGP) completions (six wells at start-up, two infill wells and two contingency wells drilled at a later stage to maintain the plateau).

A plateau rate of 400 MMscfd is envisaged with a shallow water hub on the shelf of the block where a conventional integrated processing platform would enable pressure break and gas treatment for further export. The platform would be installed by float-over with an export flowline of 265 km connected with a riser platform to both MGTC (Thailand export pipeline) and the Yangon domestic pipeline.



Woodside has indicated that the project is currently “sub-commercial and technically immature”, so GaffneyCline considers the project maturity sub-class as Development Not Viable.

5.1.3 Recommended Valuation Range for Myanmar Asset

The status of the block A-6 development is on hold due to the political situation in Myanmar as a result of the recent return to military rule. Woodside and partner TotalEnergies have stopped their project activities. Woodside has also demobilised all its offshore personnel and ceased any exploration activity in the country. The Block A-6 PSC expires on the 23 December 2022. JV partners are under negotiation with MOGE (Myanmar national oil company) for PSC retention.

Given the uncertain political situation in Myanmar, both TotalEnergies and Woodside initially indicated to keep new projects under review until the political situation improves. The lack of investment commitment during PSC renewal negotiations so close to expiry could also lead to unfavorable terms or even no contract renewal. This makes the project timing and fiscal terms very difficult for modelling under an income approach.

There is also limited market comparable data available for Myanmar. The political situation from February 2021 after the military coup has also made any past transactions difficult to use as a comparable reference point. There is a very low investor appetite for Myanmar due to the risk of external sanctions, boycotts, or the worsening security situation. GaffneyCline considers that there is most likely no open market for this asset especially as the contract expiry approaches.

The Woodside share for Block A-6 cost spend to year end 2021 is US\$165 MM. The Myanmar government could be the buyer of last resort for this asset by partially or fully paying for the Woodside costs spent. Considering the political environment and negotiation position of the Myanmar government such buyout seems an unlikely scenario before the PSC expiry in late 2022.

GaffneyCline verified with Woodside that liabilities and commitments for keeping current assets in Myanmar are not material. Overall, GaffneyCline recommends no material value to be assigned to the Myanmar assets.

Woodside announced on the 27 January 2022 to completely exit their Myanmar oil and gas investments and write-off all investments in the country.



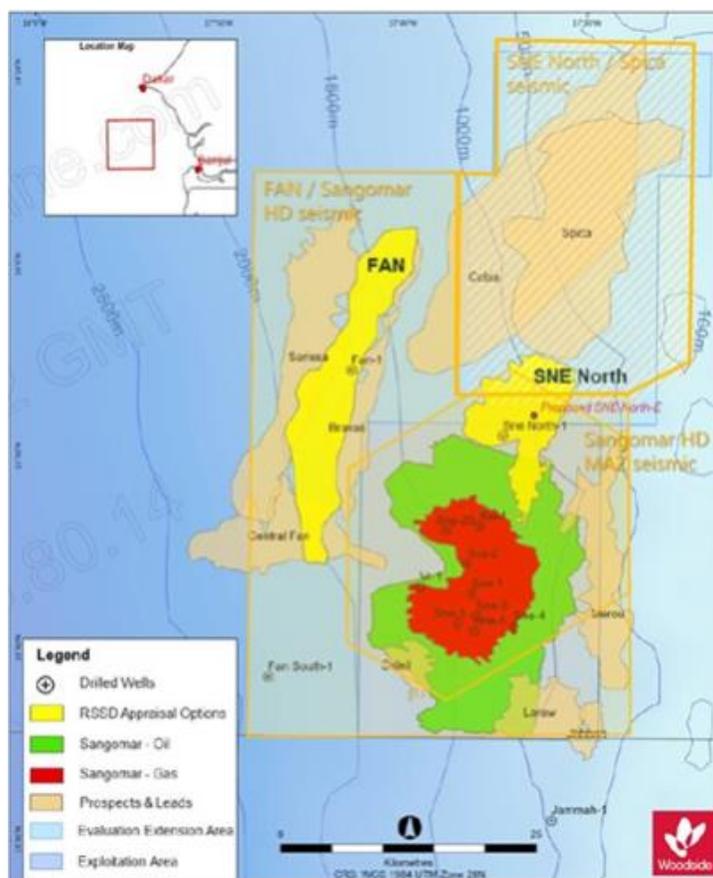
6 Woodside Senegal

Woodside is operator of the Rufisque Offshore, Sangomar Offshore and Sangomar Deep Offshore (RSSD) Production Sharing Contract (PSC), which contains the Sangomar Exploitation Area, and is also operator of an Evaluation Extension Area (EEA), in which two discoveries, FAN and SNE North are located. Woodside has 82% participating interest in the Sangomar Exploitation Area and 90% in the EEA, the remaining 18% and 10% being held by PetroSen (the Senegalese National Oil Company). The Sangomar Field was previously known as SNE.

The EEA was due to expire in October 2021 and the RSSD JV submitted a PSC extension application to the Ministry of Energies in August 2021 for a period of three years. The RSSD JV remains on title whilst discussions on the terms of the extension are ongoing.

The RSSD licence is located offshore Senegal, approximately 100 km southwest of Dakar, in water depth ranging from less than 200 m to more than 2,000 m (**Figure 6.1**).

Figure 6.1: Location Map of the RSSD Licence and Discoveries



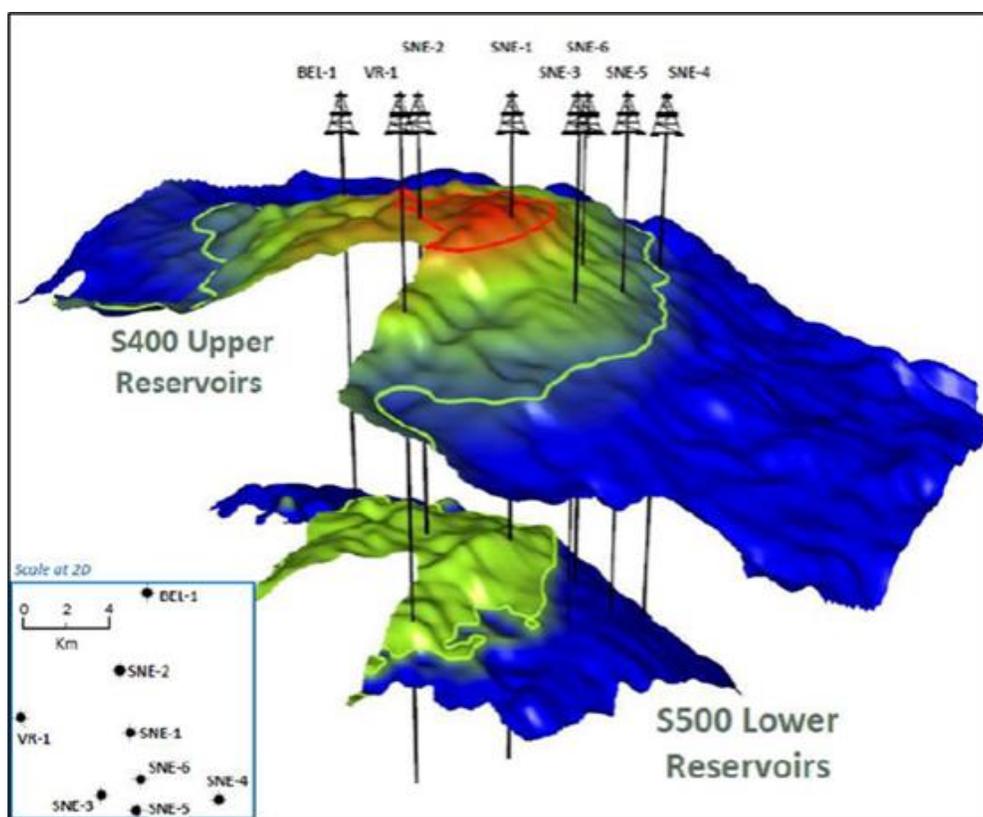
Source: Woodside

6.1 Sangomar Field

6.1.1 Field Description

Sangomar was discovered in 2014 by exploration well SNE-1 and has been appraised by seven further wells, SNE 2-6, BEL-1 and VR-1 (**Figure 6.2**). The exploration and appraisal wells found hydrocarbons at several horizons and confirmed two key reservoir zones: the S400 zone (S440, S460, S470, S480 and S490 reservoirs) and the deeper S500 zone (S520 and S540 reservoirs). The appraisal campaign has provided a good dataset comprising well data, geophysical logs, core, pressures and drill stem tests. Recent acquisition of a multi-azimuth seismic dataset has resulted in the re-interpretation of the field. These data provide the basis for the ongoing field development and can act as a baseline survey for any future 4D seismic acquisition. The multi-azimuth 3D seismic resulted in a change to the drilling sequence and reservoirs targeted in the first development well, drilled late in 2021, the results of which are interpreted to be positive.

Figure 6.2: Sangomar Reservoir Units and Appraisal Wells



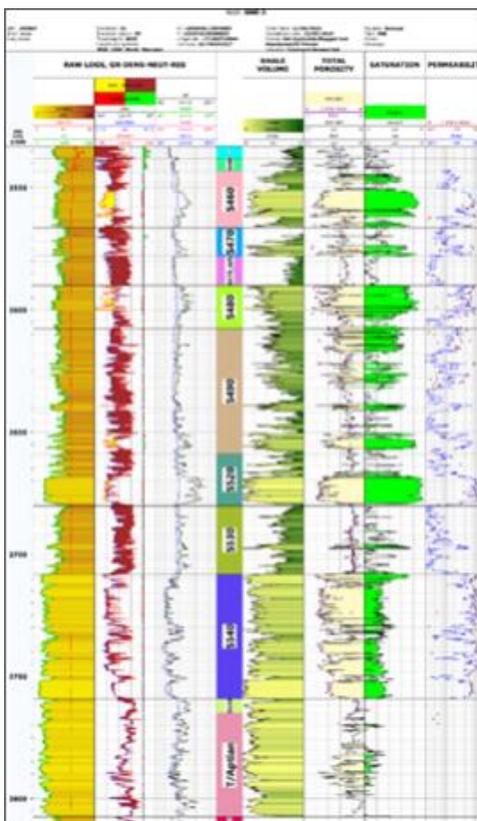
Source: Woodside

The multi-azimuth seismic data provides a significant uplift in data quality compared to the legacy 3D seismic (reprocessed several times). These new data provide better illumination of the reservoir and particularly provide a better image of the S400 reservoir interval.

The S500 sandstone reservoirs are interpreted to be lobe and channel deposits of submarine turbidites in a pro-delta setting, which infilled karstified topography at the top of the underlying carbonate platform. The S520 and S540 reservoirs, to be developed in Phase 1, comprise fine-grained, moderately to well sorted sandstones and present as stacked sands with blocky log profiles (**Figure 6.3**).

The lower S400 reservoir (S440 to S490) are finer grained sandstones, and are more variable than the S500 reservoirs, consisting of silty to very fine grained, moderate to well sorted sands with silty claystones and heterolithics, with high levels of bioturbation throughout. The S460 and S480 reservoirs are to be developed in Phase 1 and are considered to have been deposited by low-density turbidite flows within a pro-delta setting. Core and seismic data have been analysed and deposition is interpreted to have occurred as a complex of sediment wave features with a proportion of the deposition occurring within small channel features and levee settings. The multi-azimuth 3D seismic has provided additional higher resolution data and the interpretation of the sand-wave geometry is being refined and the results incorporated into the well planning.

Figure 6.3: Sangomar Type Well (SNE-2)



Source: Woodside

Average reservoir properties for the primary Sangomar reservoirs as reported in the Exploitation Plan are shown in **Table 6.1**.

Table 6.1: Sangomar Average Reservoir Properties

| Item | SNE 460 | SNE 480 | SNE 520 | SNE 540 |
|----------------------------------|---------|---------|---------|---------|
| Average gross thickness (m) | 21 | 22 | 20 | 51 |
| Average net to gross (%) | 64 | 70 | 42 | 58 |
| Net porosity (%) | 22 | 22 | 24 | 24 |
| Net permeability (mD) | 57 | 91 | 456 | 453 |
| Average pay water saturation (%) | 32 | 31 | 13 | 23 |

In addition to the principal S400 and S500 reservoirs, a number of minor reservoirs have been found to be hydrocarbon bearing. The shallowest reservoirs are the gas bearing S410/S420, comprising mudstones and siltstones, heterolithic and thin bedded sandstones. The S410 has a higher net to gross ratio than the underlying S420. Pressure data indicate that the S410 and S420 are separate reservoirs and also that they lie on a separate pressure regime to the underlying oil field. The gas has a lower CO₂ content (<2%) than the main field.

The S440 reservoir is the shallowest oil-bearing reservoir and is relatively thin, comprising mudstone lithologies with thin sandstones, interpreted to have been deposited by distal low-density turbidity flow. The sediment may be infilling the lows between the sand waves in the underlying S460 reservoir.

The S470 oil bearing reservoir lies between the S460 and S480 reservoirs and is mudstone dominated but includes 1 to 4 m thick sharp based sandstones. These are interpreted to have been deposited as part of a developing lobe complex. None of these reservoirs are planned to be developed during Phase 1. Data and information gathered during Phase 1 will be required to assess their commercial potential.

From 2015 to 2017 DSTs were performed in SNE-2 (S520 and S490), SNE-3 (S490 and S480) SNE-5 (S480, S470 and S460) and SNE-6 (S480). The S540 reservoir has not been flow tested.

More than 80% of the estimated recoverable volumes attributed to the first phase of development are expected to be recovered from the S520 reservoir, in which a single DST in well SNE-2 was performed. Analysis of this test showed no barriers to flow at least to an estimated radius of 1.2 km, and high average effective oil permeability greater than 750 mD. In contrast every DST in the S460 and S480 has been interpreted with two or more boundaries, confirming the different flow characteristics (more tortuosity) of these reservoirs in comparison with the S520. Estimates of permeability for the S400 reservoirs vary between 30 mD and 210 mD.

An interference test involving SNE-5, SNE-6 and SNE-3 showed continuity over a distance of 1.5 km within the S480 reservoirs in the north-south direction but no continuity in the east-west direction over a distance of 2.0 km. This is consistent with the wavy nature of the sand deposition. Anisotropy of reservoir continuity results in uncertainty in the efficacy of the planned waterflood in the S400 reservoirs.



A comprehensive dataset of static pressures has been acquired in wells SNE-1 to 6, VR-1, BEL-1, as well as SNE North-1 and FAN-1. Best estimate fluid contacts from interpretation of pressure gradients are shown in **Table 6.2**. The GOCs in the S460 and S480 are for all practical purposes the same, as are the FWLs in the S520 and S540. Woodside has indicated that the second development well, drilled late in 2021 targeting the crest of S520, confirmed that no gas cap had been intersected there. This is interpreted to be a positive outcome.

Table 6.2: Sangomar Fluid Contacts from Pressure Measurements

| Reservoir | FWL | GOC | Column Height |
|-----------|-------|-------|---------------|
| | (mss) | (mss) | (m) |
| S460 | 2,673 | 2,585 | 88 |
| S480 | 2,673 | 2,587 | 86 |
| S520 | 2,684 | N/A | N/A |
| S540 | 2,682 | N/A | N/A |

Reservoir pressure and downhole fluid analysis indicate that BEL-1 is in a separate compartment to the core area of the field. However, this is expected to impact primarily the S400 reservoirs and it is not regarded material for the Phase 1 development.

Reservoir fluid properties from sampling are summarised in **Table 6.3**. The SNE reservoir fluid shows depth and lateral variation in properties such as saturation pressure, density, GOR and viscosity. These variations are more evident in the S400 reservoirs than the S500 reservoirs, although data coverage in the S500 reservoirs is lower.

Table 6.3: Sangomar Reservoir Fluid Properties

| Item | S520 | S520 | S470 | S480 | S480 |
|-------------------------|-------|-------|-------|-------|--------------|
| Well | SNE 2 | SNE 1 | SNE 3 | SNE 4 | SNE 1 |
| Fluid type | oil | oil | oil | oil | gas |
| Sample depth (mss) | 2,668 | 2,667 | 2,618 | 2,694 | 2,591 |
| CO ₂ (mol %) | 13.4 | 12.0 | 7.4 | 0.4 | 14.6 |
| GOR flashed (scf/stb) | 897 | 798 | 848 | 507 | N/A |
| Oil API | 32 | 32 | 32 | 28 | N/A |
| Dew Point (psia) | N/A | N/A | N/A | N/A | 3,551 @ 69°C |

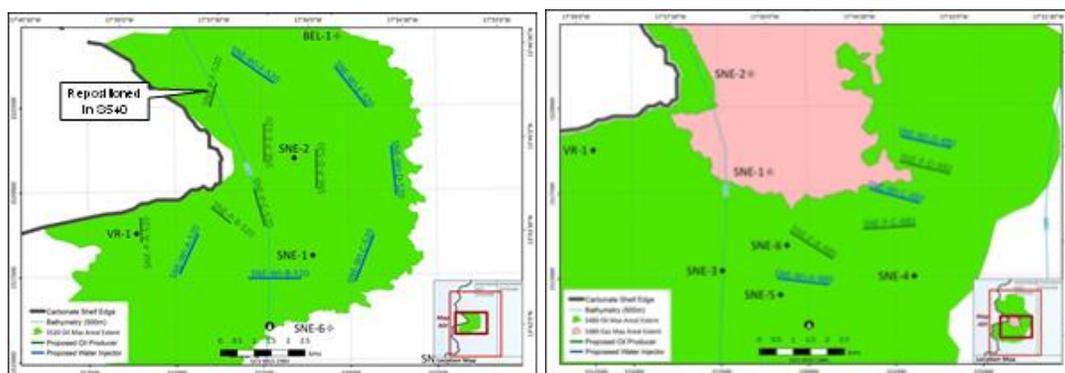


6.1.2 Field Development and Production Profiles

Sangomar is being developed in a phased approach, with Phase 1 focused on the less complex high quality S520 reservoir and smaller scale developments of the S540, S460 and S480 reservoirs having an evaluation component. Phase 1 has 23 development wells and provides pre-investment in the FPSO and subsea infrastructure that will support later phases.

The development plan for the S520 consists of six horizontal producers and six horizontal peripheral water injectors located close to the OWC (**Figure 6.4**). Injectors and producers are expected to have between 750 m and 1,500 m of reservoir section open to flow. The development plan for the S540 reservoir consists of a high-angle production well and a gas injector in the aquifer to dispose of Phase 1 gas that cannot be commercialised and potentially to provide some pressure support. The S540 reservoir is expected to have a strong aquifer and the primary drive mechanism is natural aquifer influx.

Figure 6.4: Sangomar Development Well Locations in S520 (Left) and S460 (Right) Reservoir



Source: Woodside

Woodside has recently adjusted the arrangement of producers to five (from six) in the S520 and two (from one) in the S540. The extra producer in the S540 is also the first development well (originally SNE-P-F-520 in **Figure 6.4**, now SNP-20), which has been drilled, penetrating all reservoirs, as expected, and was completed with a horizontal section in the S540 reservoir late in 2021. Additionally, several batch wells have been drilled to top reservoir, and one has been drilled through the crest of the S520, confirming the absence of a gas cap late in 2021. Woodside advised that as of 31 December 2021, development well SSP-16 had landed in the S520 reservoir.

S460 and S480 have the highest STOIP but expected recovery factors are lower and more uncertain than in the S520. The Phase 1 development concept for the S460 and S480 reservoirs consists of injector-producer pairs with parallel horizontal sections (one pair in the S460 and three pairs in the S480). In the S480 reservoir, the horizontal sections are oriented approximately ESE-WNW, i.e. transverse to the strike direction of sandstone waves to maximise the exposure of each injector and producer pair to multiple common sandstone packages (**Figure 6.4**). The proposed horizontal reservoir section for these wells is 1,500 m. Woodside advised that as of 31 December 2021, development well SSG-05 had landed in the S460 reservoir.

Phase 1 had FID in January 2020 with first oil scheduled for 2023. A gas injector in the S460 is planned to re-inject Phase 1 gas.

Reserves are attributed to Phase 1 of the Sangomar development. However, the efficacy of a waterflood in the S400 reservoirs has not been demonstrated and there are no analogue fields with successful waterflood to rely on. Therefore, Reserves for the Phase 1 development of the S400 reservoirs have been assigned for a depletion case only, with the balance of the estimated volumes recoverable from a waterflood being classified as Contingent Resources, the contingency being the successful demonstration of waterflood performance.

Phases 2 to 5, with 32 additional development wells, are expected to start production from 2027 and will exploit the S460 and S480 reservoirs further. Pending modifications introduced using learnings from Phase 1, eight injector-producer pairs are planned for S460 and seven pairs for S480. An additional gas injector is also planned for S460 in Phase 2. Contingent Resources are attributed to Phases 2 to 5. Phases 1 to 5 comprise the Full Field Development of Sangomar.

Concurrent with Phases 2 to 5 is the development with three wells and export of the associated and non-associated gas (the “Gas Export” project). Three additional gas production wells are envisaged in the S410 reservoir to supplement solution gas and provide a nominal gas export rate of approximately 70 to 80 MMscfd. The FPSO has been designed to accommodate the Gas Export project with little modification. However, many contingencies remain to be addressed, including definition of a market, pipeline export routes, gas sales contracts and flow rates. Contingent Resources are attributed to the Gas Export.

Beyond the Full Field Development, further long-term opportunities for infill drilling, enhanced oil recovery, development of minor reservoirs (S440 and S470) and exploration opportunities might be considered. No Contingent Resources are currently attributed to these notional developments.

Estimates of STOIP and technically recoverable resources (TRR) for the Phases as per Woodside’s latest estimates are shown in **Table 6.4**. As described in previous sections, the exploitation plan has recently been modified by the replacement of a S520 production well with a S540 production well. The effect of this change and the results of the initial wells drilled late in 2021 are not reflected in the volumetric estimates shown in **Table 6.4**, as Woodside is currently evaluating the information. However, the results of drilling thus far are positive and therefore GaffneyCline has accepted the field level estimates of recoverable volumes shown in **Table 6.4** as a basis for reporting Reserves and Contingent Resources.

Sangomar is being developed with an FPSO connected to the subsea production system by flexible risers. The subsea infrastructure will consist of two 8” nominal diameter production flowline loops to the north and south of a large canyon on the sea-floor. Eighteen of the 23 Phase I wells are on the southern loop. The FPSO is a 100 Mbopd capacity double-hulled VLCC-conversion with a total liquids capacity of 130 Mblpd and will be permanently turret moored in the eastern side of the field in water depth of 780 m for the duration of the field life.

The produced gas will be processed and used as fuel and for lifting oil production and the excess gas will be reinjected in Phase I. The FPSO will have a gas handling capacity of 130 MMscfd with the ability for backflow to the FPSO for start-up gas or for associated and non-associated gas to be supplied to shore for a later gas export. In addition to the Phase 1 wells, the FPSO has flexibility for 65 more wells. COVID-19 has delayed the VLCC donor vessel arrival at the conversion yard, but the FPSO execution schedule remains on schedule to achieve first oil in 2023.



Table 6.4: Sangomar Estimates of Recoverable Volumes for Phased Development

| Case | Reservoir | STOIIP (MMBbl) | TRR (MMBbl) | | | Recovery Factor | |
|------|--------------|----------------|-------------|------------|------------|-----------------|------------|
| | | | Phase 1 | Phases 2-5 | Full Field | Phase 1 | Full Field |
| Low | S460 | 1,105 | 11 | 51 | 62 | 1% | 6% |
| | S480 | 1,142 | 32 | 55 | 87 | 3% | 8% |
| | S520 | 273 | 117 | 0 | 117 | 43% | 43% |
| | S540 | 114 | 2 | 0 | 2 | 2% | 2% |
| | Total | 2,634 | 162 | 106 | 268 | 6% | 10% |
| Best | S460 | 1,771 | 14 | 121 | 135 | 1% | 8% |
| | S480 | 1,321 | 42 | 131 | 173 | 3% | 13% |
| | S520 | 374 | 170 | 0 | 170 | 45% | 45% |
| | S540 | 129 | 6 | 0 | 6 | 4% | 5% |
| | Total | 3,595 | 231 | 253 | 484 | 6% | 13% |

Source: Woodside

6.1.3 Cost Estimates

GaffneyCline has reviewed a range of project cost and supporting documentation provided by Woodside.

The CAPEX appears to be reasonable, based on GaffneyCline’s experience. CAPEX for the 2P Reserves case is shown in **Table 6.5**. The potential benefit of water injection in the S460/480 reservoirs has been excluded from the Reserves cases, and accordingly the Phase 1 CAPEX has been adjusted down to include only the cost of one of the four intended S460/480 water injectors. Note that all four injection wells are intended to be drilled in Phase 1 of the current development plan. Any benefit from the effectiveness of the waterflood of the S460/480 reservoirs is accounted for in the Contingent Resources.

Table 6.5: Sangomar Capital Cost Estimate for Reserves Case

| Phase 1 (US\$ (MM)) | 2022 | 2023 | 2024 |
|--------------------------------------|--------------|------------|-----------|
| Drilling and Completion CAPEX | 556 | 370 | 35 |
| FPSO CAPEX | 398 | 220 | - |
| Subsea and Pipelines CAPEX | 282 | 31 | 4 |
| Project Owners Costs & General CAPEX | 155 | 154 | 32 |
| Total | 1,391 | 775 | 71 |

Gross CAPEX for development of the Sangomar Contingent Resources case is estimated to be US\$6,157 MM.

The OPEX estimates for the development were evaluated by GaffneyCline, taking into consideration the planned activities and work programs outlined in the documentation. The total OPEX comprises of FPSO, drilling and completion, and subsea and pipelines, of which the FPSO contributes most significantly to the total OPEX.



FPSO OPEX is broken down into fixed (including crew and routine maintenance), variable (including marine services and FPSO chemicals) and Woodside operator costs (including Senegal in-country costs).

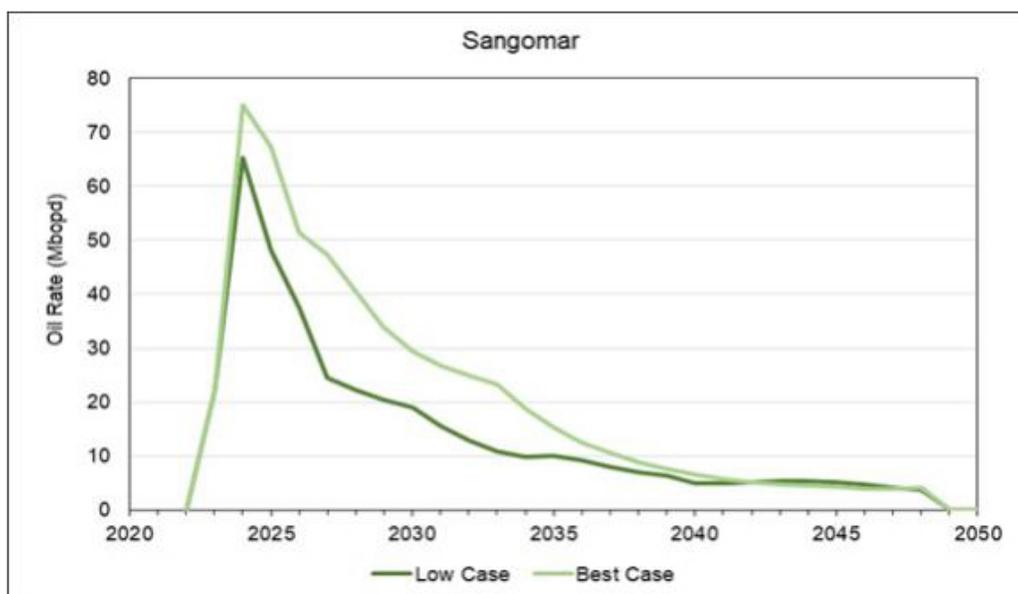
The OPEX costs have been reviewed and appear to be credible, based on GaffneyCline's experience. The Phase 1 OPEX profiles have been adjusted in the 1P and 2P Reserves cases to reflect the anticipated reduction in OPEX due to the inclusion of only one of the four intended S460/480 water injectors in the Reserves case. Further adjustments have been made to OPEX to account for changes in the variable OPEX components of the FPSO, drilling and completion and subsea and pipelines OPEX costs resulting from differences between the Woodside production profiles compared with the GaffneyCline profiles.

For the Reserves cases, the Phase 1 ABEX has been adjusted to account for the inclusion of only one of the four intended S460/480 water injection wells.

6.1.4 Reserves and Contingent Resources

Oil Reserves are attributed to the Phase 1 development, scheduled to start production in 2023, excluding the potential benefit of the water injection in the S400 reservoirs. The low and best estimates of gross recoverable volumes before imposing economic cut-offs are 143 and 204 MMBbl and the profiles are shown in **Figure 6.5**.

Figure 6.5: Sangomar Oil Production Profiles for Phase 1 Reserves Cases



Contingent Resources are attributed to the effective waterflood of the S400 reservoir of Phase 1 (Development Pending) and for development Phases 2 to 5, which are contingent on the performance of the S400 reservoirs during Phase 1 and scheduled to commence production in 2027/2028 (Development Unclarified) (**Table 6.6**). Contingent Resources are also attributable to a gas export project under evaluation and potentially commencing production in 2027, notionally delivering 72 MMscfd to shore for a period of 13 years or more (Development Unclarified).

**Table 6.6: Sangomar Gross 2C Contingent Resources
as of 31 December 2021**

| Project | Gross 2C Contingent Resources | | Development Status |
|------------------------------|-------------------------------|------------|--------------------|
| | Oil / Condensate (MMBbl) | Gas (Bscf) | |
| Phase 1 effective waterflood | 27 | - | Pending |
| Phases 2 to 5 | 253 | - | Unclarified |
| Gas Export | 8 | 367 | Unclarified |
| Total | 288 | 367 | |

6.1.5 Infrastructure, Health, Safety and Environment

GaffneyCline has reviewed the environmental protection documentation provided by Woodside and has concluded that the documents are comprehensive and fit for purpose for such a development. The documents have systematically identified and assessed the significant environmental and socio-economic impacts associated with the development activities including any potential accidents and approved by the Senegalese Ministry of Petroleum and Energy. A decommissioning philosophy is mentioned, but further granularity will be required closer to the time, which can be managed through supplementary impact assessments and updates to project risk registers. The other relevant documentation reviewed by GaffneyCline is generally comprehensive and robust and provides confidence that the project will be able to meet the required standards.

Personnel will be transported to the offshore location by helicopter, which will be chartered from existing facilities at Dakar’s Blaise International Airport, as well as by marine transfer with FPSO modifications included for this option. The Dakar multi-users’ logistics and supply base is already developed and currently supports the drilling campaign.

GaffneyCline has reviewed the extensive Human Resources related documentation including the Sangomar Local Content Strategy, Code of Conduct, Whistleblower Policy, Anti-Bribery and Corruption Policy, Human Rights Policy, Diversity and Inclusion Policy. All the documents reviewed are comprehensive and provide assurance that policies and legislation are being followed, that the employee rights and responsibilities are protected with clear monitoring, evaluation and reporting structures.

GaffneyCline has also reviewed the Occupational Health and Safety documentation which is mainly covered in the ESIA (Section 10) as well as the Sangomar Project Health, Safety and Environment Management Plan, Woodside’s Health, Safety, Environment and Quality Policy and the Sangomar Field Development Oil Pollution Emergency Plan. In addition, the ESIA covers Community Health and Safety relating to coastal communities as well as other marine users operating in the vicinity of the offshore area. The HSE documentation demonstrates a sound understanding of the HSE risks associated with the project.



6.2 Fan Discovery

The FAN discovery (well FAN-1) lies to the north-west of the Sangomar Field within the EAA and oil was encountered in Cenomanian aged sandstone, i.e. in different formations to the Sangomar Field. The reservoirs are generally thinly bedded and have low porosity and permeability. A second well, FAN South-1, was drilled to the south of the FAN-1 discovery and encountered hydrocarbons in a pressure isolated accumulation. The multi-azimuth seismic is expected to provide information on the distribution of the reservoir in the FAN discovery. If this interpretation is encouraging, it is anticipated that the discovery will be appraised, with potential to develop it as a satellite to Sangomar. Currently, nominal 2C gross Contingent Resources (Development Unclassified) of 90 MMBbl are attributed to FAN. Estimates of recoverable volumes for FAN are subject to a very wide range of uncertainty.

6.3 GaffneyCline's Valuation Profiles and COD for Sangomar

6.3.1 GaffneyCline's Production and Cost Valuation Profiles for Sangomar

GaffneyCline's valuation scenario production profile for Woodside's Sangomar asset is given in **Figure 6.6** with the associated real term cost profiles provided in **Figure 6.7** and **Figure 6.8** (split by Reserve and Resource class). All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the recoverable volumes of the sanctioned Sangomar Project (Phase 1) with a component of the 2C Contingent Resource Volumes from subsequent phases documented in **Table 6.4**. The project Chance of Development (COD) is discussed in Section 6.3.2 with a recommendation for valuation purposes. Technical and commercial contingencies are also discussed that impact the project Chance of Development utilised for risk assessment.

The regulatory carbon cost assumption for the Sangomar Asset is as per Woodside's non applicability assumption for this project.

Figure 6.6: 100% Sangomar Asset Production Profiles

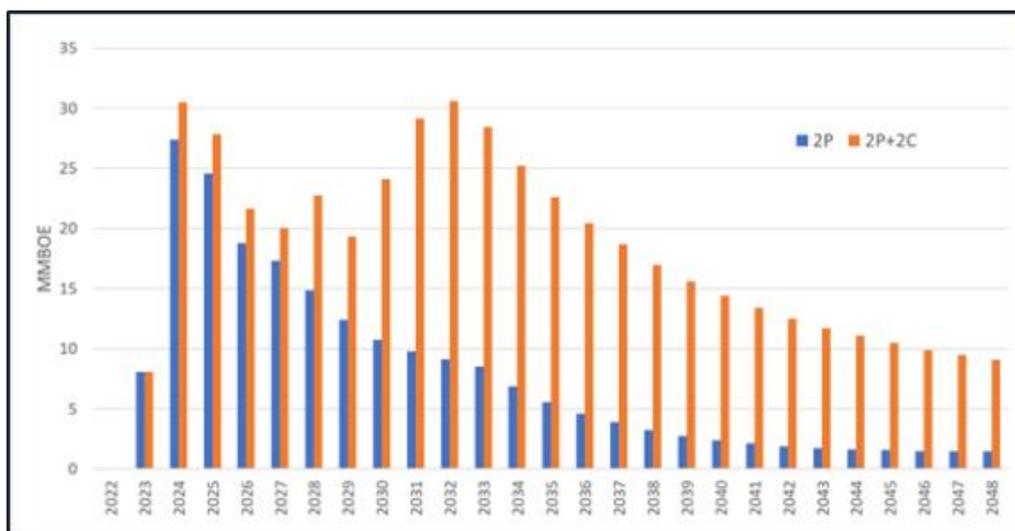


Figure 6.7: 100% Sangomar Asset Costs 2P + 2C Case Profile

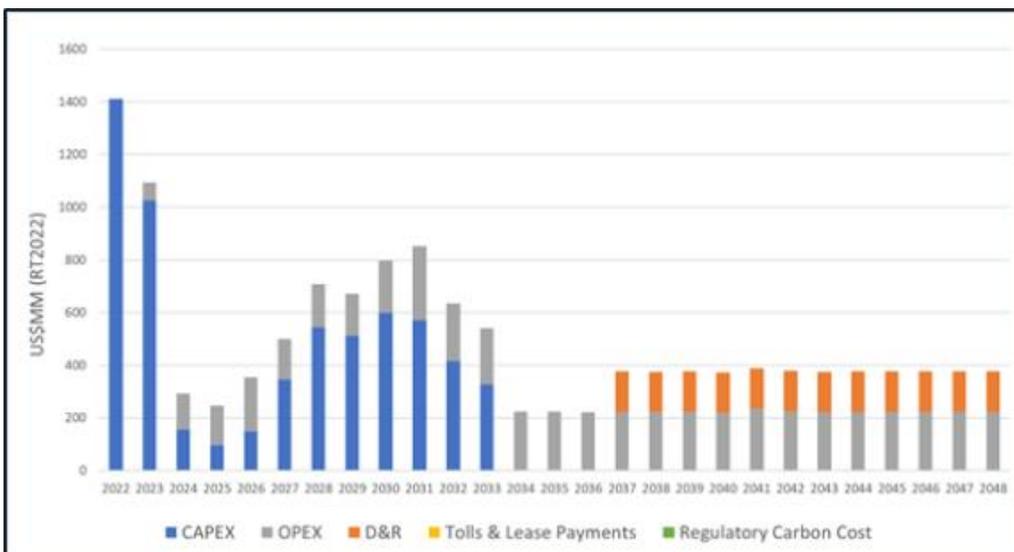
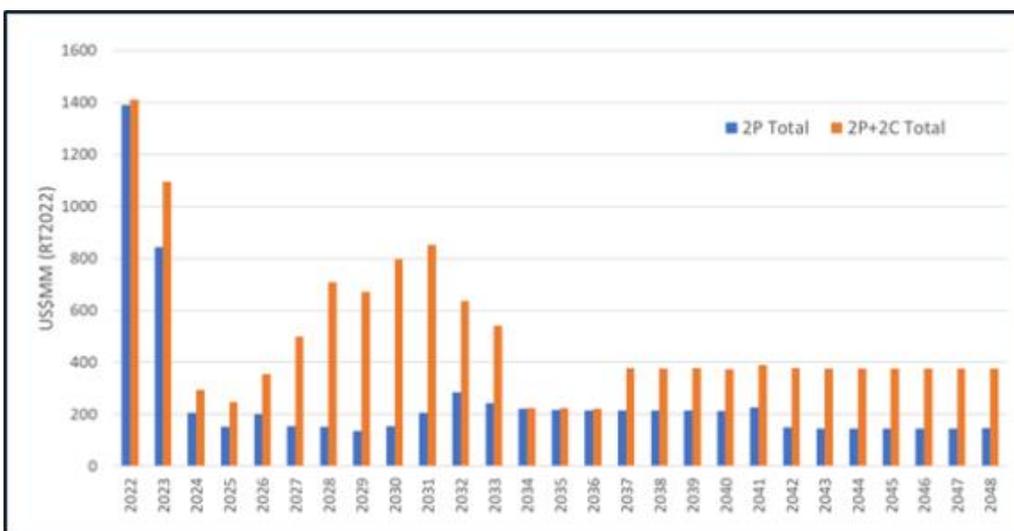


Figure 6.8: 100% Sangomar Asset Cost Profiles (separated for Reserves and Contingent Resources)



6.3.2 Sangomar Chance of Development

The Sangomar Phase 1 project excluding the Phase 1 waterflooding of the S400 Reservoir is classified as Reserves by GaffneyCline and therefore has no COD associated risk (2P 204 MMbbl). GaffneyCline considers the waterflooding in the S400 as requiring a proof of concept/pilot before it is classified as Reserves.

Contingent Resources in Sangomar include incremental recoverable volumes associated with Phase 1 waterflooding in the S400 reservoirs and recoverable volumes from subsequent development phases, which also focus on the S400 reservoirs. The classification status of recoverable volumes from Phase 1 waterflooding in the S400 is Contingent Resources - Development Pending, as development activities (Phase 1 injection wells in the S400 reservoirs) are ongoing to confirm its technical feasibility and subsequent commerciality. The classification status of Phases 2 to 5 volumes is Contingent Resources - Development Unclassified, as development is dependent on the Phase 1 outcome. A single value of chance of development is recommended as input to KPMG's valuation because the risk to the recoverable volumes associated with the Phase 1 water injection and Phases 2 to 5 are largely similar given the unusual nature of the sand geometry.

Although waterflooding is an industry-standard secondary recovery methodology, the unique depositional characteristics of the Sangomar S400 reservoirs mean the efficacy of this technique is highly uncertain in these formations. The operator has not presented and GaffneyCline is not aware of any valid analogues for recovery from water injection in the S400 reservoirs. Therefore, waterflooding must be demonstrated to be economically viable in the S400 reservoirs during Phase 1.

A positive outcome from Phase 1 waterflooding in the S400 reservoirs is expected to lead to a commitment to proceed with Phase 2 and later phases by the joint venture. Conversely, a negative outcome from Phase 1 waterflooding is likely to have an equivalent negative impact on Phases 2 to 5.

Considering the above, GaffneyCline recommends a 50% chance of development applied to all the Sangomar Contingent Resources for KPMG's valuation analysis. The COD is recommended to be applied to the incremental value difference of the 2P+2C (484 MMbbl) profile after the valuation is determined for the 2P profile only.



7 Woodside Canada

Woodside has an interest in a single asset in Canada, the Liard unconventional gas discovery.

7.1 Liard Basin Unconventional Gas (Canada)

Through its subsidiary, Woodside Energy International Canada, Woodside holds a 50% non-operated working interest in unconventional gas discoveries in the Liard Basin, located approximately 800 km northwest of Calgary, Alberta in northwest British Columbia (**Figure 7.1**). Woodside acquired Apache Canada Ltd.'s interest in the Liard Basin in April of 2015 as well as a 50% interest in the proposed Kitimat LNG (KLNG) facility at Bish Cove in British Columbia. Woodside transferred its role as upstream operator to Chevron in May 2015. Following relinquishments of ten leases due for expiry late in 2020, the remaining acreage is restricted to a "Core Area", covering approximately 1,700 km² which would be the focal point of any future development. Chevron, the operator, has until recently held the remaining 50% in both KLNG and the Liard Basin unconventional gas discoveries.

Figure 7.1: Location Map of Liard Basin



Source: Woodside

Development of the Liard Basin unconventional gas was intended to provide feedstock to the proposed KLNG facility via the existing third-party regional pipeline network and a proposed 480 km Pacific Trail Pipeline. However, Chevron announced its intention to divest its 50% interest in KLNG in December 2019 and this was followed by Woodside announcing in May 2021 that it also intends to exit its 50% non-operated participating interest in KLNG. The exit includes divestment or wind-up and restoration of assets, leases and agreements covering the 480 km Pacific Trail Pipeline route and the site for the proposed LNG facility at Bish Cove. This is ongoing.

Further work on the development of the Liard Basin unconventional gas has been suspended and Chevron has been relinquishing infrastructure-free leases, in accordance with its broader KLNG exit activities. However, Woodside announced that while it intends to exit KLNG, it intends to retain its upstream position in the Liard Basin, to investigate potential future natural gas, ammonia and hydrogen opportunities. This entails Woodside taking on those infrastructure-free leases (29 in total) at 100% as Chevron relinquishes. Woodside expects that the transfer of the 29 leases will be completed in Q1 2022. Woodside has indicated that all applicable leases have been included under a proven resource mechanism and require no further appraisal drilling and allowing unlimited annual renewals beyond the initial 10-year period, with minimal annual renewal payments (of ~US\$0.7 MM). Leases with infrastructure remain jointly held, with Chevron as Operator.

GaffneyCline has classified the unconventional gas in the Liard Basin as Contingent Resources “Development Not Viable” on the grounds that there are no plans to develop or acquire additional data for the foreseeable future.

The Kotcho Shale Formation, the reservoir for the unconventional resources, is approximately 200 m thick and is deeply buried, at ~4,500 mss. It has high pressure of ~15,000 psia and high temperature of ~170°C. The gas is dry, comprising ~92% methane and ~8% carbon dioxide. A total of eleven exploration and appraisal wells have been drilled, six of which have been stimulated in the Kotcho Shale and put on production for various lengths of time. Woodside has indicated that a total of ~74 Bscf of gas has been produced. All wells have been shut-in since June 2019, with three suspended for potential future completion. Fracturing with up to 19 stages has been implemented successfully in two of the appraisal wells. Peak rates of up to 60 MMscfd were achieved and analysis of the production and test data by third party specialists has led to estimates of ultimate recoverable volumes per well (over 30 years) ranging from 30 to 170 Bscf.

There is a reasonable database for the Kotcho Shale Formation from seismic data and well penetrations as well as experience with fracturing and producing from the formation. A 3D seismic survey is available over the core area and this is supplemented with a good quality 2D seismic dataset. The Kotcho Shale Formation is well defined by seismic data, and extends beyond the licence area. GIIP for the development area within licence has been estimated from reservoir properties measured in the wells and extrapolated and interpolated from the well data. Woodside has estimated the GIIP to be approximately 51.6 Tscf within the development area. The formation is interpreted to have porosity of 1% to 7% and permeability of 12 to 360 nD (0.000012 to 0.000360 mD).

The conceptual development plan prepared by Chevron prior to its decision to exit was to supply feed to the proposed KLNG plant from the Liard core area with some 380 multi-stage fractured horizontal wells. While this concept is no longer relevant, the technical work undertaken to evaluate the envisaged project provides a basis for estimating potential recoverable volumes from Liard.

Woodside has used production data from the appraisal wells to develop well type curves, comprising estimates of initial well rates, decline rates and recovery per well, combined with assumptions of well spacing and drainhole length. Woodside has estimated the potential ultimate recovery from the field to be ~30.3 Tscf, corresponding to a recovery factor of 59%. After deductions for fuel and flare and for non-saleable non-hydrocarbons, the best estimate gross sales volume is ~26.7 Tscf. Woodside’s working interest 2C Contingent Resources, based on 50% equity are 13.35 Tscf. Woodside has indicated that its equity will be 94.9%, once all the infrastructure-free leases have been transferred.



While the production forecasts and estimates of recoverable volumes have been based on data acquired from the field, there is much uncertainty in the way the field might be developed in the future and in the estimation of Liard Basin recoverable volumes.

No robust analogues for the Liard Basin reservoirs have been identified with characteristics of depth and pressure similar to the Kotcho Shale Formation reservoirs from which to draw experience. Based on information provided by Woodside of other shale gas resources, GaffneyCline notes that Woodside's estimates of recovery factor and recovery per well for Liard (~80 Bscf) appear to be high, although the high pressure of the formation and the leanness of the gas are favourable characteristics for recovery. Nonetheless, the absence of valuable liquids in the produced wellstream and the high cost of drilling due to depth reduce the attractiveness of the development of Liard. Uncertainty in the estimated resources is secondary to the project risk, i.e. the chance of development, which GaffneyCline estimated to be less than 15%.

7.2 Recommended Valuation Range for Liard Asset Canada

Chevron and Woodside had been pursuing the sale of their stake in the Kitimat LNG project since 2019. The exit included the divestment or wind-up and restoration of assets, leases and agreements covering the 480 km Pacific Trail Pipeline (PTP) route and the site for the proposed LNG facility at Bish Cove. There have not been favourable responses from potential buyers in the past.

A winddown and site restoration is currently ongoing by Chevron and Woodside. Woodside indicate that the site restoration work will continue during the coming years. The PTP parentship was sold in early December 2021 to a Canadian infrastructure operator Enbridge. The proposed Kitimat LNG processing facility was not part of the Enbridge deal.

Woodside estimated their own share of future winddown liabilities to be between 70 to 75 US\$ MM. GaffneyCline is unable to verify these liabilities without appropriate details which were not provided.

Woodside is retaining an upstream position in the Liard Basin, via the transfer of 29 non-infrastructure related Liard Basin leases (60% completion at time of writing), to study low-cost natural gas, ammonia and hydrogen opportunities in Canada.

There could be an option value in the upstream assets as cost to maintain them is insignificant. Given the lack of response from the marketplace in the past, the option value of this asset seems to be lower than the liabilities attached in winding down the asset. It is likely that a negative value was assigned by market participants during the Chevron and Woodside sales process.

In GaffneyCline's opinion the remaining Liard Basin asset value is likely between negative 50 million and zero as future Kitimat asset winddown liabilities would likely offset the potential option value of the Liard upstream asset. GaffneyCline recommends no material value to be assigned to the Liard assets.



8 Woodside Global Exploration Portfolio

Woodside's global exploration portfolio consists of assets in Australia, Senegal, Korea and Congo. They contain prospects and leads ranging from NFE opportunities in Australia and Senegal to stand-alone exploration projects in Australia, Korea and Congo.

All of the prospects/leads discussed here could potentially be drilled within the next five (5) years; additional prospectivity with no firmly planned drilling has been excluded from the assessment.

Woodside has identified nine gas prospects/leads with 2U (best estimate) Prospective Resources varying between 30 and 769 Bscf and Chance of Geologic Success (Pg) between 15% and 72%, plus 2 oil prospects with 2U Prospective Resources varying between 40 and 375 MMBbl and Pg between 24% and 91%.

All the prospects are anticipated to be drilled within the next five (5) years; additional prospectivity with no planned drilling has been excluded from the assessment.

8.1 Australia

The majority of Woodside's exploration portfolio is in Australia (**Table 8.1**). The prospects and leads are all gas and are located in the mature and well drilled sub-basins of the Northern Carnarvon Basin; with most located reasonably close to developed fields or at least to currently undeveloped discoveries.

Table 8.1: Woodside's Australian Exploration Portfolio

| Sub-Basin | Permit | Woodside Equity | Prospect name | HC Type | Drill year |
|-----------------|---------------------|-----------------|---------------|---------|------------|
| Barrow | WA-356-P / WA-536-P | 65% | Carey South | Gas | 2023 |
| Barrow | WA-536-P | 65% | Carey North | Gas | 2025 |
| Barrow | WA-49-L | 65% | Gemtree | Gas | 2023 |
| Barrow | WA-49-L | 65% | Penfolds | Gas | 2024 |
| Dampier | WA-5-L | 16.70% | Castor Deep | Gas | 2024 |
| Exmouth Plateau | WA-404-P | 100% | Armagnac | Gas | 2024 |
| Exmouth | WA-28-L | 62% | Norton East | Gas | 2022 |

The four assets in the Barrow sub basin, i.e. Carey South, Carey North, Gemtree and Penfolds, are located in the proximity of Brunello, Julimar, Pluto, Xena, and Iago gas producing fields, and are covered by 3D seismic data. The prospects target the Triassic age Mungaroo Formation, which has been proven to be productive in the area. The assets are considered to have relatively high chance of geologic success, with the remaining risks in specific prospects generally related to trap integrity and/or reservoir quality. Woodside plans to drill these assets in years 2023 to 2025, although the stated drill chance varied from 25% to 75%. The gas resources are generally envisioned as a backfill to the Wheatstone project, with tieback to the Brunello platform.

Castor Deep is located within the area of the North West Shelf gas producing fields, and targets the Late Triassic age sandstone reservoirs of the Mungaroo and Brigadier Formations. The prospect is covered by 3D seismic data and shows bright amplitudes at the reservoir levels. The chance of geologic success for the prospect is considered relatively high, with the reservoir effectiveness and trap integrity considered as the remaining risks. Currently, Woodside plans to drill the asset in 2024, with 25% chance of drill. The envisioned development is a pipeline to the nearby producing NWS platform.

Armagnac is a gas prospect identified through strong amplitude response in 3D seismic data. Located in the Exmouth Plateau, the prospect targets the Triassic age sandstone reservoir of the Mungaroo Formation, in a combined structural and stratigraphic trap. The chance of success of the prospect is elevated by the presence of strong seismic attributes. Woodside's current plan places the drill year for Armagnac at 2024, with 50% chance of drill. Several gas discoveries of similar type have been found within the same permit, but none of these have been developed.

Norton East, located in the Exmouth sub basin, is a gas prospect with a three-way dip closure trap identified through 3D seismic data. The prospect is located in the proximity of several currently producing oil and gas fields of the Greater Enfield area. The prospect targets several sandstone reservoirs of the Early Cretaceous and Late Jurassic, which have been found to be productive in the area. The chance of geologic success of the prospect is considered relatively high, with remaining risks in the reservoir quality and trap integrity. Woodside's current plan is to drill the prospect in 2022, with 25% chance of drill. The conceptual development plan is a subsea tieback to the nearest Greater Enfield facility.

8.2 Senegal

The SNE North oil prospect lies to the north of the Sangomar Field, offshore Senegal. The Sangomar Phase 1 development is currently underway and the SNE North Prospect is expected to be drilled during the current drilling campaign (2H 2022). The prospect is assessed by Woodside to have a high chance of geologic success as hydrocarbons within the mapped closure have been established by the SNE North-1 exploration well which demonstrated the presence of gas in a separate accumulation to the Sangomar Field. The next well is designed to test the potential for an oil-leg below these gas bearing reservoirs.

The SNE North Prospect has been mapped using the recently reprocessed Maz 3D seismic data and the Prospective Resources estimates are based on the interpretation of these data. GaffneyCline has reviewed the Prospective Resources and associated chance of geologic success and finds them to be robust estimates.

If the exploration well is successful, it is anticipated that the discovery will be developed as a subsea tie-back to the Sangomar Field FPSO.

8.3 Congo

Woodside has a 42.5% working interest (50.0% paying interest) in deep water Block Marine XX offshore Congo, operated by TotalEnergies. The block was awarded following the 2016 Bid Round. Woodside has a 50% working interest. Woodside has an exploration well commitment and is currently planning to drill the Niamou Marine Prospect in 2023 (drill chance 50%).

The Niamou Marine prospect is a large sub-salt closure mapped on 3D seismic data. In the maximum case, the mapped closure extends into Gabon's offshore acreage. The prospect is located in 2,400 m water depth.

Woodside has considered both oil and gas cases (50:50 chance factor), based on basin modelling and potential source rock kinetics. The gas case is evaluated as uneconomic, and the oil gas is marginally economic even at very high resource volumes.

The critical issue in the evaluation of the Niamou Marine prospect is reservoir quality and therefore recovery per well. In the current model the well count is high (reflecting the relatively low reservoir quality) and this with the water depth of the prospect.

The project currently fails to meet Woodside corporate metrics.

8.4 Korea

Woodside's South Korean exploration portfolio comprises Blocks 8 and 6-1N, where Woodside holds 50% working interest. The blocks contain two leads located in the northern part of the Ulleung Basin, which is an immature, deepwater, Neogene back-arc basin, located east of the Korean peninsula. The leads are located in about 2,000 m water depth, some 50 km north of the currently producing gas field, Donghae-1. Of the two wells nearest to the leads (20 km away), one was a dry hole and one, Hongge-1, was a sub-commercial discovery, encountering gas within Middle Miocene sandstone reservoirs.

The Daeye and Jibgae leads were identified based on 2008 vintage 2D and 2014 vintage 3D data; however, a new set of 3D seismic data was acquired in 2021 and is being integrated in the interpretation of the leads. The two leads are considered high risk and are at the immature stage of the exploration. Woodside's current plan places one well in each lead, with the Daeye well given a 75% chance of drill and the Jibgae well a 25% chance of drill. The conceptual development plan involves a subsea tieback to a greenfield onshore domestic gas plant.

8.5 Exploration Valuation Methodology

All exploration prospects for Woodside and BHP Petroleum are offshore. GaffneyCline utilised an Expected Monetary Value (EMV) valuation method as the primary approach for recommending exploration value to KPMG. EMV method captures the binary nature of the exploration success and values the resulting outcome. There is limited market comparable information available for offshore exploration to use a market approach. GaffneyCline reviewed the exploration targets provided they are sufficiently mature and included by Woodside and BHP Petroleum in their five-year drilling program. The sunk cost approach is not a reflection of forward monetary value of mature prospects compared to the EMV method thus not utilised for value recommendations.

The EMV method is an approach that seeks to test potential future value based on a quantified assessment of risk and reward. The approach risk-adjusts a Discounted Cash Flow (DCF) analysis of an assumed discovery on a prospect by the assessed Geological Chance of Success (GCoS), and then deducts the amount of risk capital exposed.

The EMV formula:

$$EMV = NPV (\text{successful development}) * GCoS * CoD - [(1 - GCoS) + GCoS * (1-CoD)] * Risk Capital$$

Where:

NPV = Net Present Value of an assumed discovery of Median (P50) size on the prospect is utilised for this valuation by GaffneyCline

CoD = Chance of Development. For this valuation, CoD was assumed to be 100%

Risk Capital = Dry hole well cost (post tax and discounted)

Key Assumptions

Discount Rate

EMV analyses were conducted using a low discount rate and a high discount rate for each asset based on its location. **Table 8.2** below summarised the various discount rates by country, which were provided by KPMG.

Table 8.2: Discount Rate Range for EMV Calculations

| Country | Low | High |
|--------------------------|-----|-------|
| Australia | 12% | 14% |
| United States of America | 12% | 14% |
| Canada | 12% | 14% |
| South Korea | 12% | 14.5% |
| Trinidad and Tobago | 14% | 17% |
| Senegal | 15% | 19% |
| Mexico | 13% | 16% |
| Republic of Congo | 20% | 25% |

Oil and Gas Prices

KPMG oil and gas price forecasts were used in the DCF analyses.

Productions, Costs and GCoS

GaffneyCline audited 2U best case (P50) recoverable volumes and geological chances of success. GaffneyCline adjusted these numbers based on the review of available geological information provided. GaffneyCline audited the notional development plans, production, and cost profiles. GaffneyCline adjusted the Woodside and BHP Petroleum provided production and cost profiles based on GaffneyCline estimated 2U volumes and the latest schedule.

Fiscal Terms

Simple fiscal terms of each asset have been modelled for DCF analysis based on GaffneyCline's understanding of the terms.



8.6 Recommended Value Range for Woodside' s Exploration Assets

Woodside provided detailed assumptions for exploration valuations for seven prospects. Four of these prospects are in Australia, namely Carey South, Gemtree, Castor Deep and Norton East. One each are in Senegal, South Korea and Congo namely SNE North, Daege and Niamou Marine respectively.

GaffneyCline calculated EMV positive numbers for only the Gemtree and Norton East prospects with an aggregated range of US\$78 MM to US\$118 MM.

Woodside' s internal evaluation shared with GaffneyCline results in positive EMV for all prospects. The major difference between the GaffneyCline and Woodside EMVs is primarily due to the lower discount rate of 8% across the portfolio utilised by Woodside, the P50 volume and GCoS adjustments by GaffneyCline, and a more complex risking method based on various scenarios employed by Woodside. GaffneyCline has employed a consistent methodology for all prospect EMVs estimated to minimise any bias.

The GaffneyCline recommended value range for Woodside' s Exploration Assets is **US\$78 MM** to **US\$118 MM** for KPMG' s consideration.



BHP Petroleum Assets

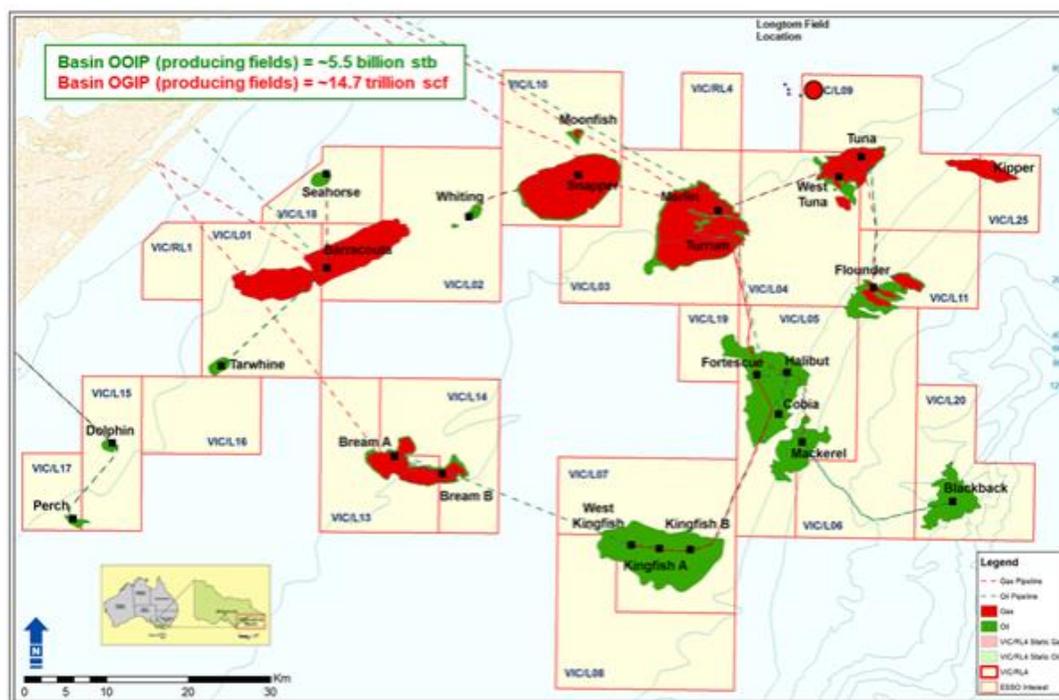
9 BHP Petroleum Australia

BHP Petroleum has interests in the NWS gas and oil projects, and in the Scarborough LNG project (including the Jupiter and Thebe Fields). Woodside also has interests in these same assets, and they are described in Section 4.1 (NWS) and in Section 4.5 (Scarborough, Jupiter and Thebe), and are not repeated here. The remainder of BHP Petroleum’s Australian assets are described below.

9.1 Bass Strait

The Bass Strait oil and gas fields (Figure 9.1) are located within the Gippsland basin, offshore the south-eastern margin of Eastern Victoria, Australia. BHP Petroleum has interests in a total of eleven gas fields, four of which have oil rims, and thirteen oil fields.

Figure 9.1: Oil and Gas Fields of the Gippsland Basin

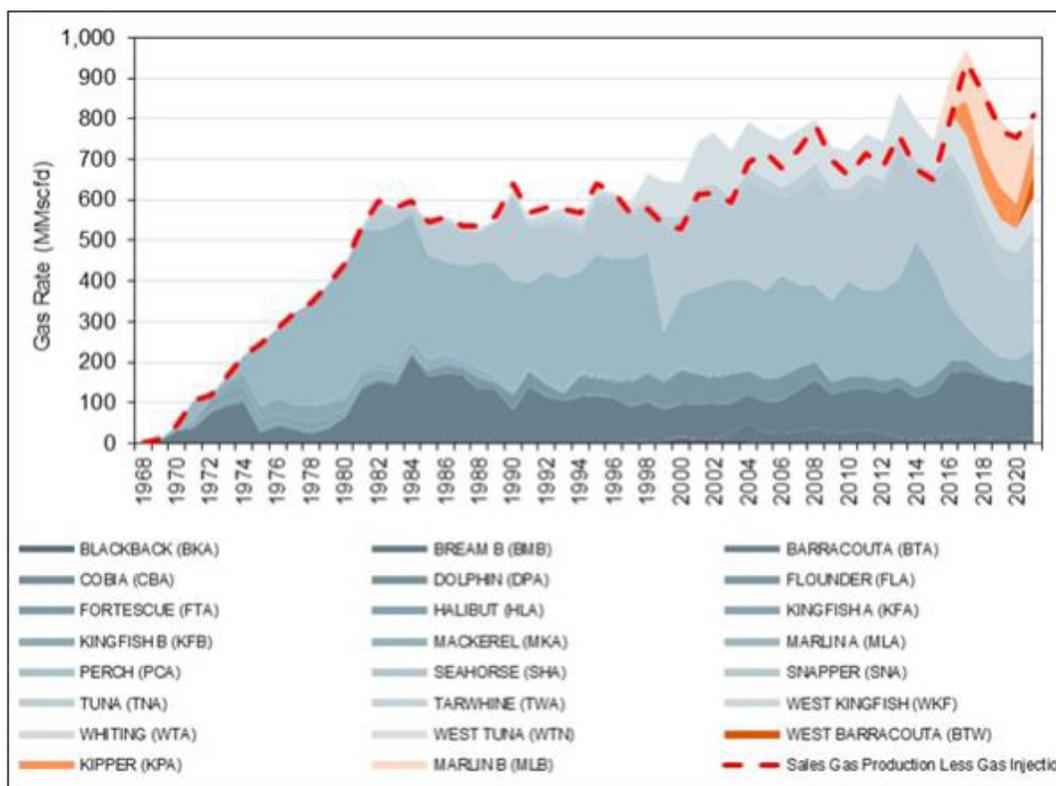


Source: BHP Petroleum

9.1.1 Field Description

Based on the data provided by BHP Petroleum, during the latter part of 2021 the fields are producing at aggregate rates of ~830 MMscfd of sales gas, 26 Mbd of oil/condensate and 36 Mbd of NGL, with the majority of current gas production coming from the Snapper, Barracouta, Tuna, Turrum and Kipper Fields (Figure 9.2 and Figure 9.3). There is significant seasonal variation in gas demand in Victoria with greater gas demand in the winter months compared to the summer months.

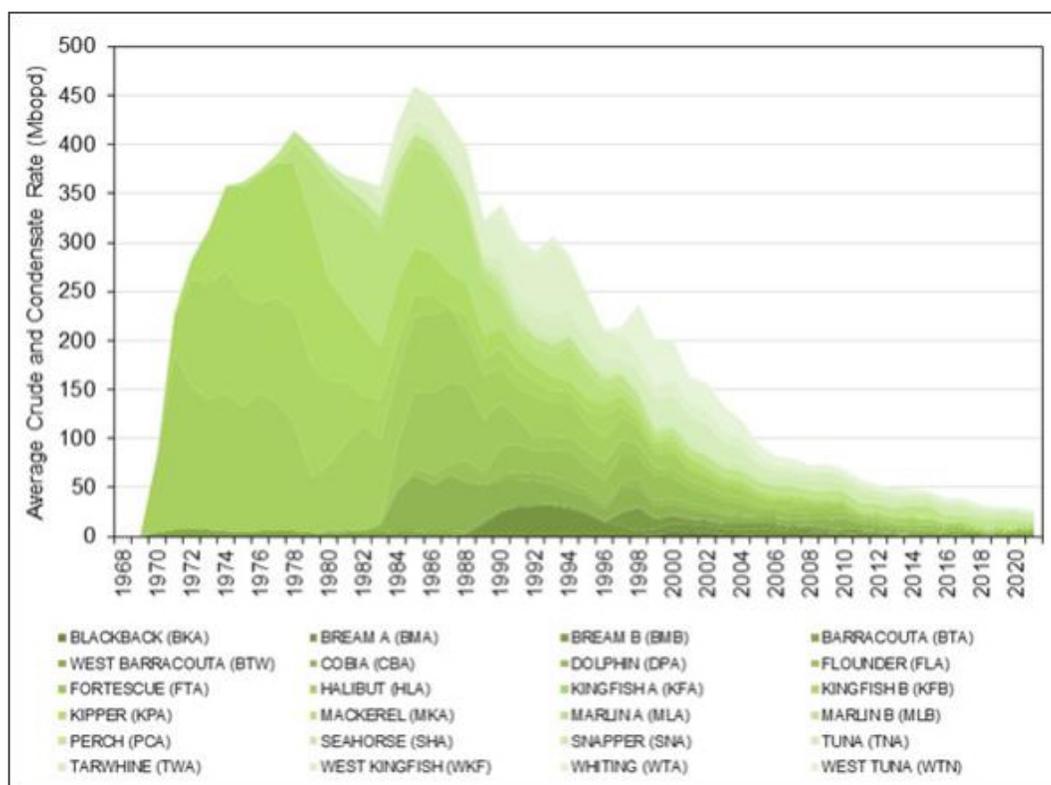
Figure 9.2: Bass Strait Historical Gas Production



Source: GaffneyCline from BHP Petroleum data



Figure 9.3: Bass Strait Historical Oil and Condensate Production



Source: GaffneyCline from BHP Petroleum data

BHP Petroleum’s Bass Strait assets can be grouped into five predominantly gas producing hubs (Barracouta, Snapper, Marlin/Turrum, Tuna/West Tuna & Kipper Hub), and a group of oil fields slightly further offshore (**Figure 9.1**). A list of BHP Petroleum’s Petrolook Reserve database is provided in **Table 9.1**. The list includes producing oil and gas fields and a large number of projects that are in various stages of evaluation and maturity, as well as several depleted fields. Seven additional depleted oil fields are not included in **Table 9.1**.

Reserves are attributed to the producing gas and oil fields. Four projects (North Turrum, Wirrah, Sweetlips and East Pilchard) are relatively mature Contingent Resources.

With the exception of Kipper, which is governed by the Kipper Unit Joint Venture in which BHP Petroleum has 32.5% interest, the rest of the fields are governed by the Gippsland Basin Joint Venture which consists of Esso (50%) and BHP Petroleum (50%) with Esso as the operator.

Produced wet gas is transported via pipeline to the Esso’s Longford gas plant in Gippsland Victoria where the gas is processed and dried. Sales gas (mainly methane and ethane) is sold to the domestic market. Condensate is knocked out at the offshore platforms where it is combined with crude produced from the Kingfish, Cobia and Fortescue Fields and sent to the Longford crude stabilization plant. From Longford, stabilized crude & condensate and LPG are further piped via a 187 km long pipeline to the Long Island point facility at Hastings, Victoria before being further processed sold.

Table 9.1: Bass Strait Fields Summary (from BHP Petroleum)

| Main Platform / Hub | Fields | Field Type | Development Status |
|----------------------|---------------------|---|--------------------------|
| Barracouta Hub | Barracouta | Producing Main Gas Field | Producing |
| | BTA West | Producing Main Gas Field | Producing |
| | BTA Deep Gas | Tight Deeper Sands of Main Field | Development Not Viable |
| | Whiptail | Barracouta Satellite Oil Field | Development Not Viable |
| | Mulloy | Barracouta Satellite Oil Field | Development Not Viable |
| | Tarwhine Prod | Barracouta Satellite Oil & Gas Field | Development Not Viable |
| | West Whiptail | Barracouta Satellite Oil Field | Development Not Viable |
| | Luderick | Barracouta Satellite Oil & Gas Field | Development Not Viable |
| Snapper Hub | Snapper | Producing Main Gas Field | Producing |
| | Snapper Deep | Tight Deeper Sands of Main Field | Development Not Viable |
| | Moonfish | Producing Oil & Gas Field | Producing |
| | Moonfish Gas N1.9 | Producing Secondary Gas Field | Producing |
| | Moonfish W | Snapper Satellite Gas Field | Development Not Viable |
| | Wirrah | Snapper Satellite Oil & Gas Field | Development Pending |
| | Sweetlips | Snapper Satellite Gas Field | Development Pending |
| | Whiting | Snapper Satellite Oil & Gas Field | Development Uncertain |
| | Emperor | Snapper Satellite Oil & Gas Field | Development Not Viable |
| Marlin / Turrum Hub | Turrum | Producing Main Gas Field | Producing |
| | Turrum - Marlin N-1 | Producing Secondary Gas Fields/Reservoirs | Producing |
| | North Turrum | Turrum Phase 3 (5 Well Development) | Development Pending |
| | SE Remora | Turrum Satellite Oil & Gas Field | Development Not Viable |
| | Remora | Turrum Satellite Oil & Gas Field | Development Not Viable |
| | Sunfish | Turrum Satellite Oil & Gas Field | Development Not Viable |
| Tuna / West Tuna Hub | Tuna M-1 | Producing Main Gas Field | Producing |
| | Tuna Other | Producing Secondary Oil & Gas Fields | Producing |
| | Tuna-C-Gas | Tight Deeper Sands of Main Field | Development Not Viable |
| | SE Longtom | Tuna Satellite Gas Field | Development Not Viable |
| | Angelfish | Tuna Satellite Gas Field | Development Not Viable |
| | Flounder | Tuna Satellite Depleted Oil & Gas Field | Development Not Viable |
| Kipper Hub | Kipper | Producing Main Gas Field | Producing |
| | East-Pilchard | Kipper Satellite Gas Field | Development Unclearified |
| | Scallop | Kipper Satellite Oil & Gas Field | Development Not Viable |
| | Grunter | Kipper Satellite Oil & Gas Fields | Development Not Viable |
| Oil Fields | West Kingfish | Producing Oil Field | Producing Oil |
| | Cobia | Producing Oil Field | Producing Oil |
| | Halibut | Producing Oil Field | Producing Oil |
| | Central Fields | | Development Not Viable |
| | Yellowtail | Cobia Satellite Oil Field | Development Not Viable |
| | Gudgeon | Cobia Satellite Oil Field | Development Not Viable |

9.1.2 Field Development and Production Profiles

Reserves associated with most of the Bass Strait fields were based on production forecasts generated from BHP Petroleum's Bass Strait Network model, an integrated subsurface and surface network model that incorporates reservoir material balance and flow throughout the production system, accounting for production constraints from each part of the network. This is coupled to a plant model, tuned to match the liquid yields from the prior two years, to calculate forward estimates of NGLs and condensate.

GaffneyCline reviewed the BHP Petroleum 1P/2P integrated Bass Strait Network model, as well as the excel-based plant model. GaffneyCline has also re-run the 1P network model and verified that the outputs of the 1P network model align with the inputs into the plant model. The plant model utilised a custom-built macro script and takes inputs from the network model (namely gas rate, mass flow rate and compositional information) on a monthly basis, and generates outputs at a product level (namely sales gas in TJ, condensates, as well as NGLs - ethane, propane and butane). No abnormal observations were observed from spot checks on the plant model.

GaffneyCline further re-ran the plant model to verify that the outputs from the plant model are in line with the inputs into the results tool that further conditions the production forecasts which serves as inputs into the Petrolook Reserve volumes. Finally, GaffneyCline verified that the Reserve numbers reported by BHP Petroleum in its PetroLook and Resource Estimators Report (RER) do not materially deviate against the production forecast inputs provided by BHP Petroleum's business planning team, as well as the Low Case standardised measure of oil and gas (SMOG) forecasts. Based on these inputs, GaffneyCline generated a set of production forecast based on the plant model outputs and SMOG inputs. These production forecasts were used as the basis for the economic evaluation.

Individual fields have been grouped into the five main producing hubs and other oil fields (**Table 9.1**). Due diligence checks specific to the individual major fields (Barracouta, Snapper N1, Turrum L, Tuna M-1 and Kipper) have been performed.

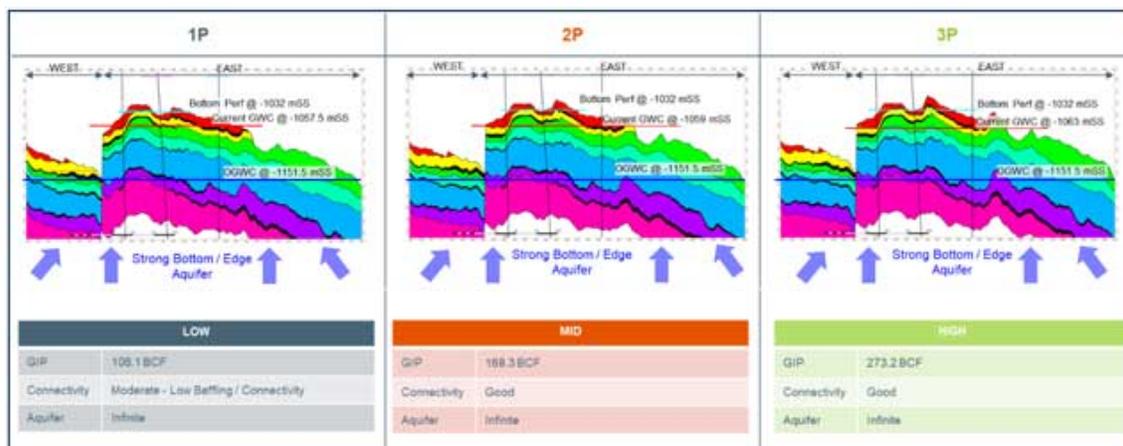
Barracouta

The Barracouta N-1 gas field was the first offshore field discovered in Australia, in 1965 and gas production started in 1969. More recently in 2021, West Barracouta was developed via a 2 well subsea tieback.

The main depositional environment is coastal braid plains comprising high NTG fluvial sands with interbedded shales and extensive coals, as well as beach/shoreface successions comprising high NTG shoreface sands with localised dolomitisation. The field features excellent reservoir properties, with mean porosity ~23 to 30%, mean permeabilities ranging from 1 to 10D. Production is from a thick gas column (~140 m gross), with an oil rim (~8 m), supported with strong bottom water drive. **Figure 9.4** summarises the geologically derived remaining gas in place and provides a visual indication of the movement of the original gas water contact to current estimates of the gas water contact.



Figure 9.4: East Barracouta, Remaining Gas in Place and Movement of the Gas Water Contact



Source: BHP Petroleum

Gross cumulative production is ~2 Tscf of sales gas, 32.0 MMBbl of condensate and 88 MMBbl of NGLs, coming from ten producing wells in Barracouta, and two subsea tiebacks in West Barracouta. Currently, most of East Barracouta has been produced and the gas that remains is mainly attic gas.

Recent drilling results in West Barracouta were better than expected, which resulted in an increase in the remaining gas in place from the pre-drill estimates of 164 Bscf (low) and 225 Bscf (best) to 246 Bscf (Low) and 437 Bscf (Best). There are no plans for future development in Barracouta or West Barracouta. Estimates of remaining gas in place and remaining recoverable volumes are summarised in **Table 9.2**. GaffneyCline has reviewed the supporting technical work and these estimates appear reasonable.

Table 9.2: Barracouta N-1 Gas Field Remaining GIIP and EURs Summary from IPM MBal Models

| Reservoir | Category | Remaining GIIP (Bscf) | Remaining Recoverable (Bscf) | Implied Recovery Factor |
|----------------|----------|-----------------------|------------------------------|-------------------------|
| BTA N-1 (East) | Low | 106 | 48 | 45% |
| | Best | 168 | 97 | 58% |
| BTA N-1 (West) | Low | 246 | 138 | 56% |
| | Best | 437 | 288 | 66% |

Notes:

- GIIP for BTA N-1 (East) only considered attic volumes above the OWC as of 1 January 2020.
- BTA N-1 (West) only came onstream in April 2021.

Snapper N-1/Moonfish

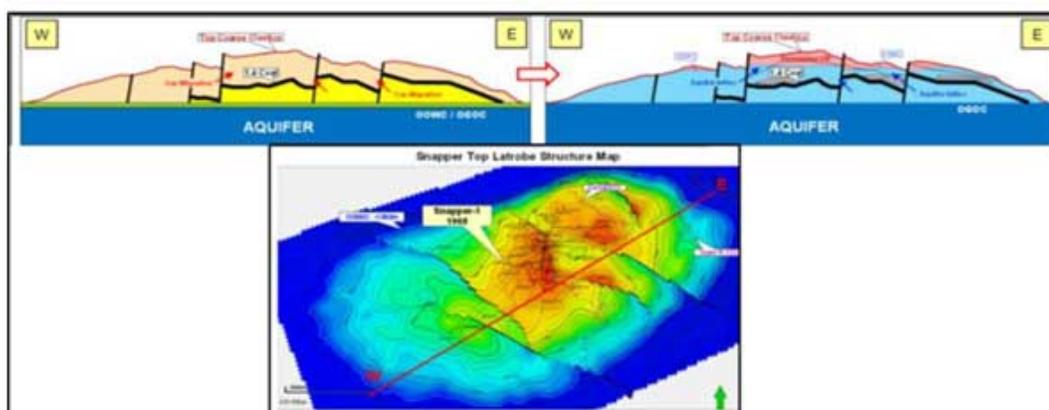
The Snapper N-1 gas field was discovered in 1968 and started production in 1981. A small satellite field to the north of Snapper called Moonfish, was also developed from the Snapper platform.

The main depositional environment is Eocene aged amalgamated fluvial sandstones. The field features excellent reservoir properties, with mean porosity around 25%, mean permeability ranging from 1 to 10 D. Production is from a thick gas column (max. 200 m gross), with an oil rim (~6 to 7 m) and is supported by strong bottom water drive.

As of 1 July 2021, gross cumulative production is 2.57 Tcf of sales gas, 51.0 MMBbl of condensate and 93.9 MMBbl of NGLs, coming from 27 producing wells.

Similar to East Barracouta, most of the gas from the Snapper Field has been produced and mostly attic gas remains in the N-1 upper sands. Reservoir monitoring has indicated that there are variable contacts across the field, along with some minor pockets of gas usually below coals. **Figure 9.5** shows a schematic cross section of the field which provides a visual indication of the movement and current interpretations of the gas water contact.

Figure 9.5: Field Schematic of Snapper and Contact Movement



Source: BHP Petroleum modified by GaffneyCline

Snapper is a mature producing field with good coverage from 45 wells. There is also an abundance of historical pressure data, as well as GWC surveillance in recent years to help constrain the forecasting model. Uncertainties in the material balance model relate mostly to parameters such as trapped gas saturation and sweep efficiency. There are no plans for future development in Snapper.

Production forecasts are based on material balance models which feeds into the integrated Bass Strait Integrated Production Modelling (IPM) network model. Remaining GIP and estimates of remaining recoverable volumes are summarised in **Table 9.3**. GaffneyCline has reviewed the supporting technical work and these estimates appear reasonable.

Table 9.3: Snapper Field GIIP, Remaining GIP and Remaining Recoverable Volumes

| Reservoir | Category | GIIP (Bscf) | Remaining GIP (Bscf) | Remaining Recoverable Gas (Bscf) |
|-----------------|----------|-------------|----------------------|----------------------------------|
| N+1 and Gurnard | Low | 3,409 | 372 | 205 |
| | Best | 3,868 | 513 | 317 |

Turrum L

The Turrum L gas field was discovered in 1966 and started gas production in 1997 via two Marlin-A platform recompletes. In 2004, a five well Phase 1 oil development commenced production targeting the L500 oil sands. In 2015, the Marlin-B platform was completed as part of the greater Kipper-Tuna-Turrum development together with a 5 well Phase 2 development, targeting the main L105-L400 gas sands with 4 of the 5 wells. The other well targeted the L500 oil sands.

The main depositional environment of the field is Paleocene aged fluvial channel and overbank deposits. The geological system is complex, consisting of stacked reservoir sands, multiple pressure zones and gas water contacts. The sands can broadly be grouped into five intervals, namely L60-99, L100, L105-L400, L420 and L500. Of these, the L60-90, L105-400 and L500-510 are currently on production.

The field features highly variable reservoir properties ranging in quality from low/moderate to excellent, with porosity around 12 to 20% and permeability ranging from 50 to 1,500 mD. Production is from a thick gas column (~400 m gross for L105-L400 gas reservoirs, 80-100 m gross for the L500-L520 gas and oil reservoirs). Net-to-gross for the L105-L400 sands is low to moderate, around 15 to 40% net sand. The drive mechanism is depletion drive for the shallower gas sands, and moderate aquifer drive for the deeper oil and gas sands. Gross cumulative production from the L105-400 reservoir is ~200 Bscf of sales gas, ~6 MMBbl of condensate and ~8 MMBbl of NGLs, coming from four producing gas wells. Gross cumulative production from the L500-510 reservoir is ~82 Bscf of free & solution gas, ~9 MMBbl of oil/condensate and ~4 MMBbl of NGLs. The L500-510 oil reservoir was producing until March 2020, after which gas cap blowdown commenced. Production is currently constrained to control sand production. The L60-99 reservoir recently came on stream and as of 31 December 2021 had produced 0.02 MMBbl of condensate, 0.03 MMBbl of NGL and 0.88 Bscf of gas.

Undeveloped Reserves are associated with the future installation of sand control. BHP Petroleum’s current assumption is that three wells (B10, 15 & 16) will be recompleted with 7” tubing during sand control installation in February 2023, which will then restart at high rates. Undeveloped Reserves include all volumes from 2,500 psi until abandonment since existing geomechanics work shows the onset of shear failure at around 2,500 psi. This is in line with actual field observations from the B4 well where sand was observed. Given that initial reservoir pressure was around 3,600 psia and the depletion drive nature of the field, there are significant volumes associated with production below the current 2,500 psi limit. **Table 9.4** provides a summary of the incremental volumes associated with this sand control project for the main fault block. The Turrum sand control project appears to be firm with a possible six month deferral of the start-up timing associated with overall optimization of Gippsland gas production and plant capacity.



There are also additional workovers planned to install smaller tubing to manage liquid loading due to pressure depletion, which has had the impact of accelerating production and reducing the fuel/flare burden of Turrum. GaffneyCline has also reviewed the inputs and forecasts from BHP Petroleum's MBAL model for Turrum L105-400 and overall, the technical work appears reasonable.

Table 9.4: Turrum Field Estimates of Gas Recovery With and Without Sand Control.

| Reservoir | Category | GIIP (Bscf) | Gross Produced Wet Gas (Bscf) | Gross Remaining Recoverable Gas (Bscf) | |
|--|----------|-------------|-------------------------------|--|-------------------------------|
| | | | | Without Sand Control | Incremental With Sand Control |
| Main Fault Block (wells B10, B15, B16) | Low | 707 | 211 | 55.4 | 275.9 |
| | Best | 830 | 211 | 109.1 | 329.0 |

Note: Excludes L130L sand.

Tuna M-1

The Tuna M-1 gas and oil field was discovered in 1968. The field commenced production from the oil rim in 1997 with 51 predominantly horizontal oil producers and gas injection in eight wells for pressure support. Subsequently, gas cap blowdown commenced in 2014.

The main depositional environment is marine shale grading upwards through lower shoreface, upper shoreface and estuarine units. The M sand is the main producing reservoir, which features excellent reservoir properties, with mean porosity around 24% and mean permeability ranging from 800 to 3,000 mD. Production is from an 80 m gas cap and an oil rim, originally 12 m thick, but now less than 1 m, assisted by strong edge/bottom water drive.

As of 1 July 2021, gross cumulative production was 194.5 Bscf of sales gas, 12.4 MMBbl of condensate and 25.7 MMBbl of NGLs. Currently, the field is producing mostly gas with minor oil.

Production forecasts are based on material balance models that feed into the Bass Strait Network model. GIIP and recoverable volumes from the tank model are summarised in **Table 9.5**.

Pressure and fluid contact data exists to help constrain the material balance forecast models. Even though there is a range of scatter observed in the pressure data, the overall trend is still quite evident. As for the fluid contact, there has been movement associated with pre-production gas cap expansion and gas injection prior to gas cap blowdown. The inputs and forecasts from BHP Petroleum's MBAL model for Tuna M-1 have been reviewed and the history match of pressure and fluid contact has been checked. Overall, the technical work appears reasonable.

Table 9.5: Tuna Field GIIP and Remaining Recoverable Volumes

| Reservoir | Category | GIIP (Bscf) | Produced Gas (Bscf) | Remaining Sales Gas (Bscf) |
|-----------|----------|-------------|---------------------|----------------------------|
| Tuna M-1 | Low | 567 | 176 | 215 |
| | Best | 667 | 176 | 281 |

Note: Low and Best Case GIIPs are based on deterministic map based assessments. No current static model is available.

Kipper

The Kipper gas field was discovered in 1986. The field commenced production in 2017, tied back to the West Tuna platform.

The main depositional environment comprises coarse-grained braided fluvial deposits that are inter-bedded with flood plain mudstones, within the Golden Beach group. The field features good reservoir properties, with mean porosity around 16% and mean permeability ranging from <100 to 1,000 mD. Production is from a thick gas interval (~310 m gross intersected by Kipper-1), overlying a stratigraphically trapped, non-commercial, thin oil column. The drive mechanism is expected to be depletion drive.

As of 1 January 2021, gross cumulative production was 117.1 Bscf of sales gas, 3.1 MMBbl of condensate and 2.8 MMBbl of NGLs. As of September 2021, the field is producing at a rate of 123 MMscfd of gas, 1,521 bpd of condensate and 4,167 boepd of NGL from 2 wells (Kipper-A2 & Kipper-A4).

There are two main future development activities associated with Kipper. Phase 1B is associated with an infill well expected to be drilled in the next 5 years, mainly to accelerate production. The second development activity is the installation of compression facilities at West Tuna. The timing of compression is expected to be May 2024. Undeveloped Reserves are attributed to these projects.

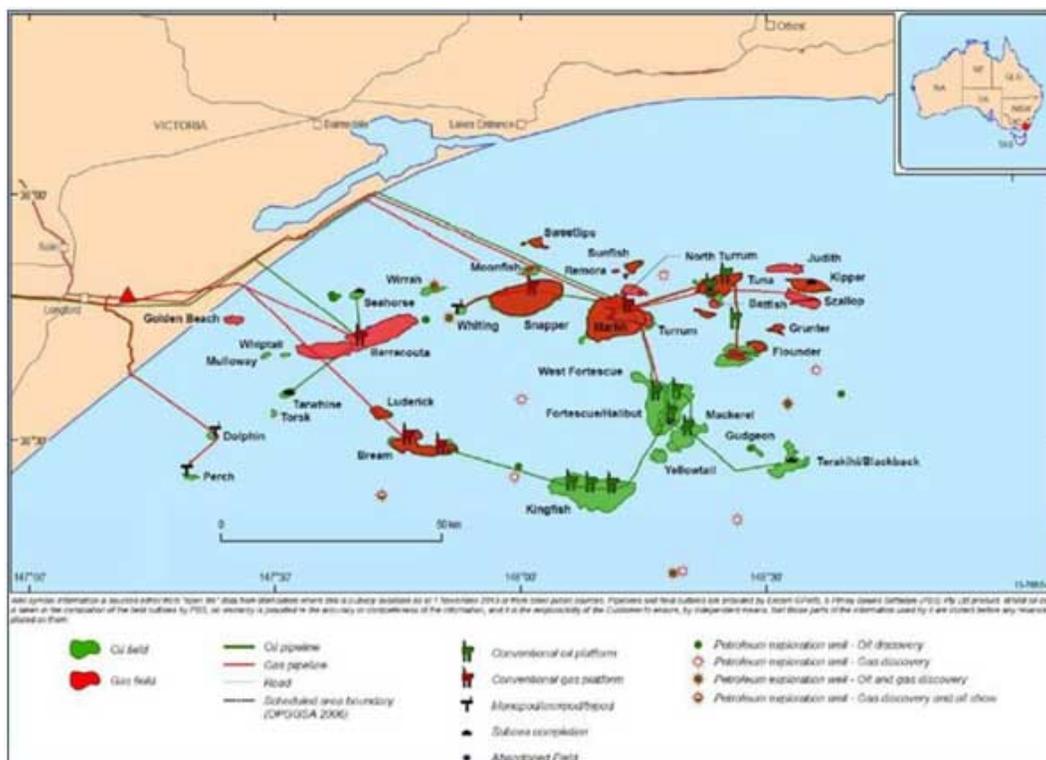
GaffneyCline notes that BHP Petroleum's Reserve estimates align very closely with the Operator's own Reserve estimates. GaffneyCline reviewed the technical basis for estimating production profiles and Reserves and notes that the models have considered uncertainties relating to GIIP and reservoir connectivity as well as uncertainty in pressure associated with extrapolating wellhead pressure down to the reservoir datum. Overall, the technical work appears reasonable.

9.1.3 Facilities and Cost Estimates

The Bass Strait assets have been producing oil and gas since 1969. Thirteen oil fields and eleven gas fields have been developed with an integrated production system. Oil and gas production from nearly 300 active development wells is dewatered/dehydrated offshore and transported onshore in multiple gas and oil flowlines and pipelines. An overview of the Bass Strait development is shown in **Figure 9.6**. Fields and assets where BHP Petroleum hold no equity have been obscured for clarity.



Figure 9.6: Bass Strait Offshore Development Layout



Source: BHP Petroleum (Modified by GaffneyCline)

All of the fields, except Blackback, are located in water depths between 40 to 100 m, so most of them are conventional steel jackets. For some of the smaller tiebacks, mono-tower platforms or subsea tiebacks have been used. Two large, concrete gravity-based platforms are installed. **Table 9.6** shows the total wells and facilities inventory, onshore and offshore.

As noted above, the offshore facilities produce oil and gas to the onshore plants at Longford and Long Island. The Longford plant is a multi-train facility that conditions and compresses gas to sales specification, stabilizes crude, and separates Natural Gas Liquids (NGL) for further processing at the Long Island Point plant.

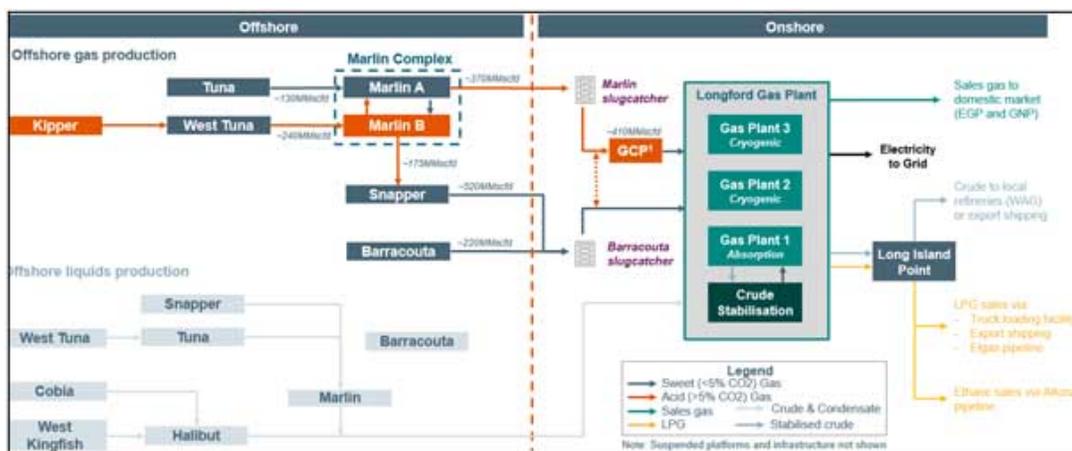
The Long Island Point plant, located 190 km from Longford, processes NGL's into ethane, propane and butane products for sale; and serves as a crude oil storage terminal for Bass Strait crude prior to domestic or export sales.

Table 9.6: Bass Strait Wells and Facilities Inventory

| Category | Asset Type | Number |
|------------------------|-----------------------|-------------|
| OFFSHORE | | |
| Fields | Oil fields | 13 |
| | Gas Fields | 7 |
| | Gas Cap | 4 |
| Wells | Active wells | ~300 |
| | Inactive wells | ~300 |
| | E&A wells | ~200 |
| Facilities | Steel Jackets | 16 |
| | Concrete Gravity Base | 2 |
| | Monotowers | 2 |
| | Subsea | 5 |
| Flowlines & Umbilicals | Flowlines | Multiple |
| | Umbilicals | Multiple |
| ONSHORE | | |
| Plants | Gas/oil processing | 1 |
| | NGL products | 1 |
| Pipelines | Pipelines | 16 (922 km) |

An overall block diagram of the offshore and onshore facilities is shown in **Figure 9.7**.

Figure 9.7: Bass Strait Development Block Diagram



Source: BHP Petroleum

9.1.3.1 Facilities Operability, Integrity, and Infrastructure

The Bass Strait development has been in production since 1969 with both gas and oil producing fields. As noted above, the system is complex with multiple producing fields, export pipelines and processing plants. Overall facilities integrity is managed within a long-term (10 years) shut-down planning driven by annual planned shutdowns of GP2 in the Longford Gas Plant of between 5 and 45 days/annum, generally planned for December. Within this shutdown window, offshore platform shutdowns are planned of 5 to 30 days duration depending on the maintenance and modifications workload required. Using this approach, the Operator has been able to deliver wintertime offshore platform availability (excluding planned shutdowns) of 75.3% up to 100% (averaging 93.4%) over the three-year period 2018-2020. During this same period, all platforms were online and available to produce for 63.7% of the wintertime high demand period.

Through the Longford Gas Plant, the Bass Strait fields are connected to the Victoria and Eastern Australia Gas markets. Longford has the facilities to process and deliver gas to the domestic market. Through the Long Island Point facility, oil, condensate, propane, butane and ethane can be processed and delivered to domestic or international markets.

9.1.3.2 Decommissioning and Restoration (D&R) Planning

D&R planning and execution is in progress in the Bass Strait development. Currently D&R focus is on the legacy oil fields, which have ceased production, commencing with P&A of platform wells and legacy exploration wells. The Operator's D&R planning extends over the next 20 years, averaging over US\$100 MM per year. D&R planning is being managed as an ongoing activity, integrated into the offshore operations planning.

9.1.3.3 Cost Review

GaffneyCline has reviewed cost forecasts provided by BHP covering capital costs (CAPEX), operating costs (OPEX), and D&R costs for the Bass Strait operations. GaffneyCline's review aligned the cost and production profiles and rebased all costs to a RT2022 basis. Where available, costs were checked against alternative available documentation and against historical cost levels. D&R costs were checked against the Operator's recent delivered costs, current estimates, and recent Australian experience.

Gross CAPEX for further development activities related to the Bass Strait Reserves case is estimated to be US\$490 MM and gross CAPEX for development of the Contingent Resources case is estimated to be US\$794 MM.



9.1.4 Contingent Resources

BHP Petroleum has a large portfolio of potential projects, but many are associated with small volumes of economically non-viable developments. Contingent Resources are assigned to four projects that are the most mature from a technical and economic viability perspective: North Turrum, Sweetlips, Wirrah and East Pilchard (Table 9.7).

**Table 9.7: Bass Strait 2C Gross Contingent Resources
as of 31 December 2021**

| Field | Oil and Condensate (MMBbl) | Gas (Bscf) | Development Status |
|------------------------------------|----------------------------|--------------|--------------------|
| Bass Strait - North Turrum Phase 3 | 10.3 | 129.0 | Pending |
| Bass Strait - Sweetlips / Wirrah | 22.3 | 107.2 | Pending |
| Bass Strait - East Pilchard | 3.5 | 40.9 | Unclassified |
| Total | 36.1 | 277.1 | |

The North Turrum project is associated with Phase 3 development, which is a five well program from the Marlin B platform: three wells in North Turrum targeting acid gas bearing Latrobe L105-400 sands and two wells in Marlin 1-4 targeting acid gas bearing Latrobe L100-L400 sands. The plan is to utilise the recently acquired CGG multi-client seismic data to optimise well placement. The development could be combined with the Turrum sand control project in order to split costs. Planned start-up is in 2024. Sweetlips (10.9 km North of Snapper) and Wirrah (18 km West of Snapper) are satellite fields of the Snapper Field. The project has been evaluated by the Operator but is currently not in the approved plan. The current development concept is to tie back these nearfield gas discoveries to the Snapper platform, similar to what was recently done in West Barracouta. Such a tieback would allow for high deliverability sweet gas to help extend plateau production. The development is technically mature, but economically uncertain. Notional start-up date is late 2025.

East Pilchard is a gas field located south-west of the Kipper Field. The proposed development concept is a single well subsea development of the Upper 3 sands, tied back to Kipper. The development has some synergy with Kipper Phase 1B drilling (1 infill well). However, compared to North Turrum, Sweetlips and Wirrah, East Pilchard is less mature and has a relatively lower economic viability. There are also technical risks associated with uncertainties associated with reservoir connectivity and thin sands, plus miss-alignment on the preferred development concept and project timing between BHP Petroleum and the Operator. Notional start-up date is in early 2026.



9.1.5 GaffneyCline’s Production and Cost Valuation Profiles: Bass Strait

GaffneyCline’s valuation scenario production profile for BHP Petroleum’s Bass Strait gas and oil assets is given in **Figure 9.8** with the associated real term cost profiles provided in **Figure 9.9**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing fields and selected 2C resources. The aggregated MMboe Net production profile is from the BHP Petroleum interests in the eleven gas fields, four of which have oil rims, and 13 oil fields documented above which are producing along with the North Tarrum, Sweetlip, Wirrah and East Pilchard 2C Contingent resources. The Contingent Resources considered likely to proceed by GaffneyCline is based upon the review of the overall Bass Strait portfolio.

The Contingent Resource projects included in the valuation profiles have been assessed as high confidence due to several factors. These projects are currently active, as evident from the recently acquired seismic data (as discussed in section 9.1.4), and there is ample technical work available demonstrating these projects are currently being evaluated based on GaffneyCline’s review. The recently completed West Barracouta development has demonstrated the technical and commercial feasibility for nearfield gas discoveries tied back to an existing platform, which is the development concept for these four Contingent Resource projects. Finally, given the mature nature of the Bass Straits asset, it would be logical for the operator to seek to develop nearby accumulations to extend the length of the plateau and the economic life of the asset. For these reasons, GaffneyCline has assessed these projects to be high confidence with a very good incremental IRR and their contingencies are therefore acceptable for valuation purposes.

The regulatory carbon cost assumption for the Bass Strait gas and oil assets is as per BHP Petroleum’s below the baseline assumption for this asset group.

Figure 9.8: BHP Petroleum Net Bass Strait Gas and Oil fields Production Profile

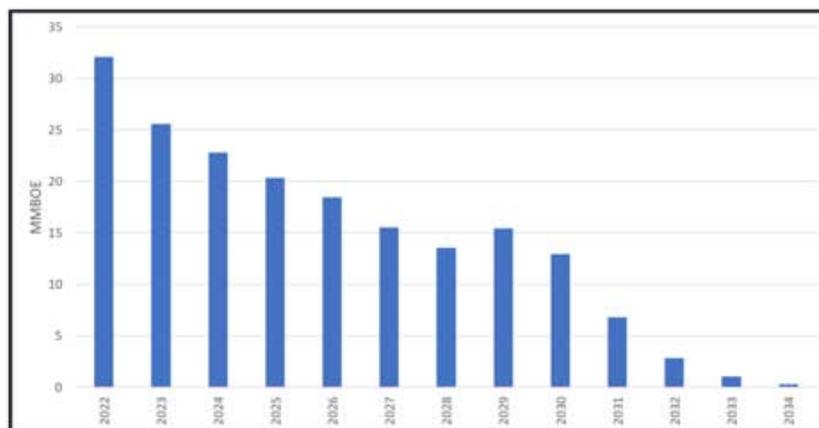
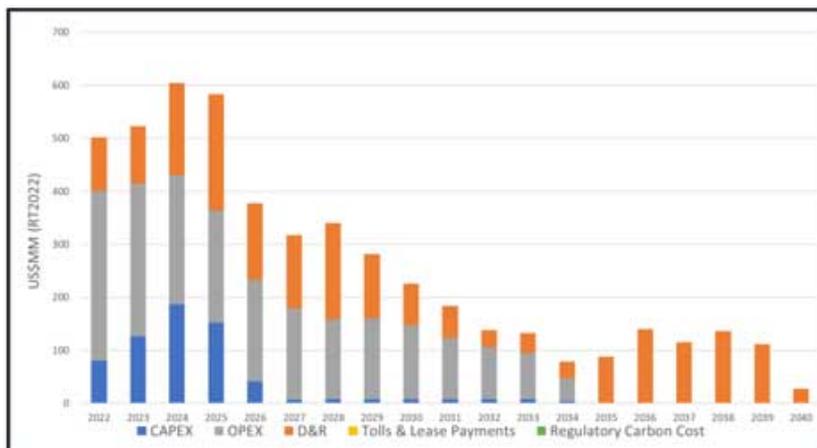


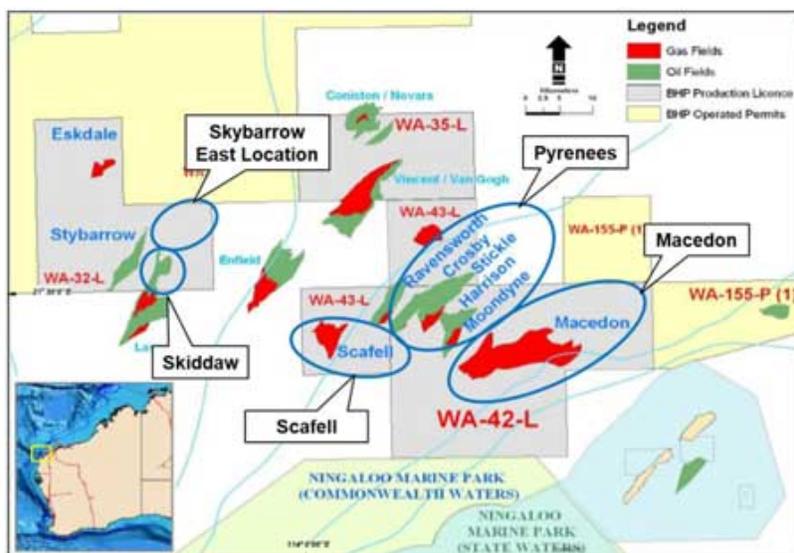
Figure 9.9: BHP Petroleum Net Bass Strait Gas and Oil Fields Cost Profile



9.2 Macedon

Macedon is a dry gas field located in Block WA-42-L in the Exmouth Sub-basin, about 40 km north of Exmouth in Western Australia in water depth of 160 to 190 m, in which BHP Petroleum has a 71.43% working interest. It has been developed with four subsea wells and gas is produced to the onshore Macedon gas plant, through a 90 km pipeline. First gas production was in 2013. **Figure 9.10** shows the locations of Macedon and other nearby fields.

Figure 9.10: Location Map of Macedon, Pyrenees, Skybarrow, Skiddaw and Scafell



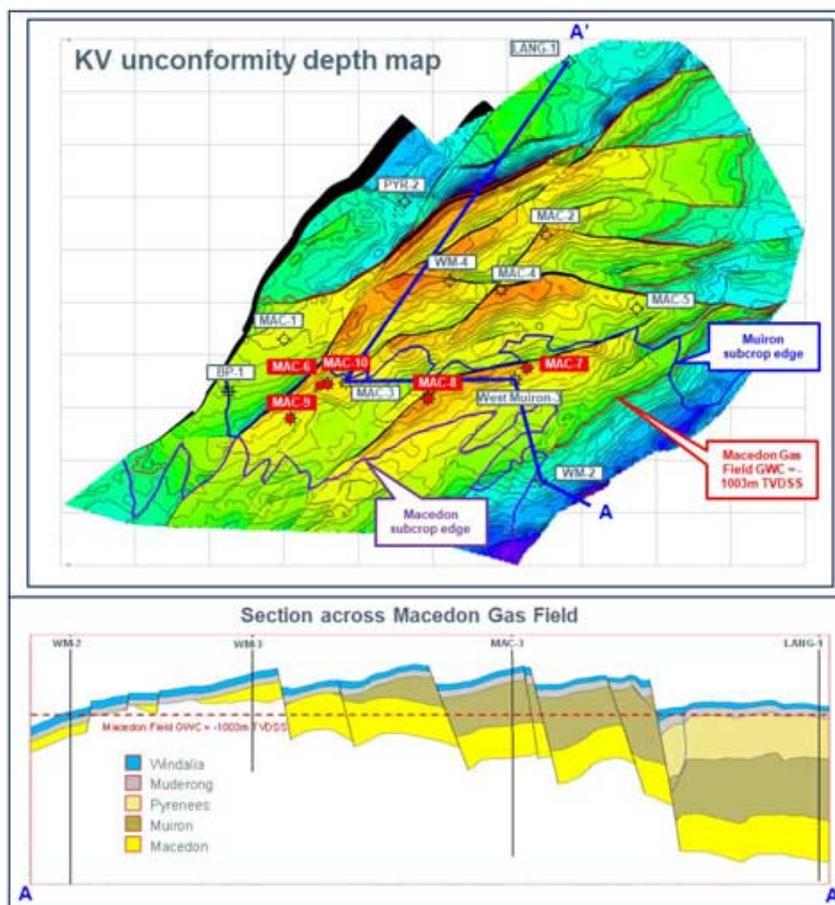
Source: BHP Petroleum

9.2.1 Field Description

Dry gas was discovered in the Macedon sandstone in 1992 by the West Muiron-3 well and the field was appraised by six wells between 1993 and 1994. Four production wells and one producer/injector well were drilled between 2009 and 2010 (the injector/producer Macedon-6 well had injected Pyrenees excess gas into Macedon and now produces Pyrenees fuel gas). The Macedon field is a large structural-stratigraphic feature consisting of several segments; notably three rotated fault blocks that form structural highs at the base of the regional Muderong Shale seal with the sandstone reservoirs sub-cropping the seal, creating a larger stratigraphic closure.

The depth structure map, along with a cross section, is shown in **Figure 9.11**. The reservoir is a high-quality stacked slope turbidite sand, and has average NTG of 72%, porosity of 29% and 2,700 mD permeability. A secondary reservoir is provided by the Muiron member, which is a product of transgressive inner shelf or slope fan complex, and has average NTG of 35%, porosity of 23% and 60 mD permeability.

Figure 9.11: Macedon Depth Structure Map and Cross Section



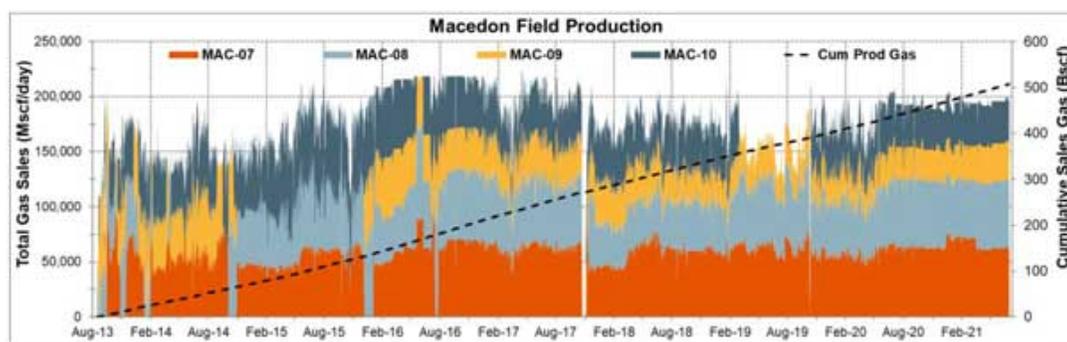
Source: BHP Petroleum

9.2.2 Field Development and Production Forecasts

The Macedon development comprises four subsea wells (Macedon-7, 8, 9, and 10) located in the Central and Southern Field Segments, providing drainage to all segments of the reservoir. The Northern Segment does not contain a well due to its low volumes and proximity to water. However, fault-seal studies have confirmed that this segment is not structurally isolated and can be drained by the development wells in the Central segment.

Peak production of some 220 MMscfd was achieved in 2016, with current production just below 200 MMscfd (**Figure 9.12**). The total raw gas and condensate production until 30 June 2021 is 518 Bscf (507 Bscf sales gas) and 33.6 MBbl, respectively. Total fuel and flare consumption is 10.3 Bscf. Macedon fuel burn rate is approximately 3.6 MMscfd based on historical trends.

Figure 9.12: Macedon Historical Production



Source: BHP Petroleum

Due to friability of the reservoir, sand control was required, and open-hole gravel pack completions were installed in development wells. The completions provide a maximum allowable rate of 100 MMscfd per well.

GaffneyCline has reviewed the material balance (P/Z plot) provided by BHP Petroleum, including plots illustrating the history match of gas rate, bottom-hole and tubing-head pressures until mid-March 2021 and forecasts from numerical models. Overall, the technical work appears reasonable, and GaffneyCline has accepted the Low and Best estimate production forecasts prepared by BHP Petroleum for the purposes of estimating Reserves. The gross volumes are presented in **Table 9.8** and production profile depicted in **Figure 9.13**.

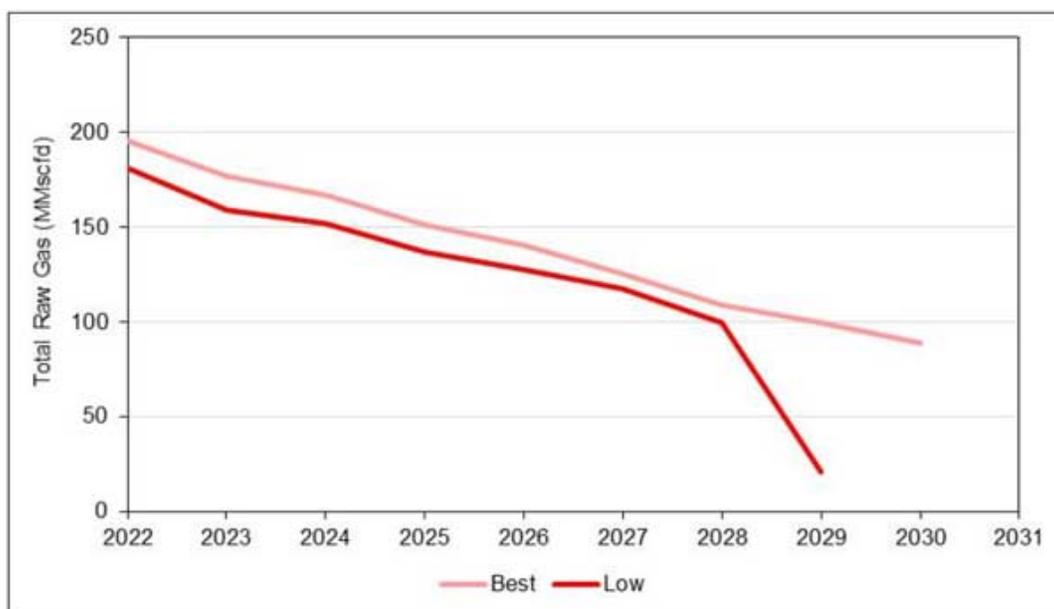
Currently, end of field life is determined by the minimum flowrate of 50 MMscfd, or the minimum arrival pressure at the Macedon plant (26 barg). A wet gas compression project is under consideration at the plant that would reduce the minimum arrival pressure to 15 bara. Additional fuel gas is supplied to the Pyrenees FPSO via the Macedon-6 well. Excess Pyrenees gas is injected into the Macedon reservoir for storage and to be recovered in the future.

Table 9.8: Macedon Low and Best Estimate Gross Volumes (Bscf)

| | Low Estimate (Bscf) | Best Estimate (Bscf) |
|--------------------------------|---------------------|----------------------|
| Macedon Sales Gas | 339 | 412 |
| Macedon Fuel Gas | 10 | 12 |
| Pyrenees Fuel Gas from Macedon | 14 | 34 |
| Total | 363 | 457 |

Note: Pyrenees fuel from Macedon is not available for sale and reported herein for completeness.

Figure 9.13: Macedon Gas Production Profiles



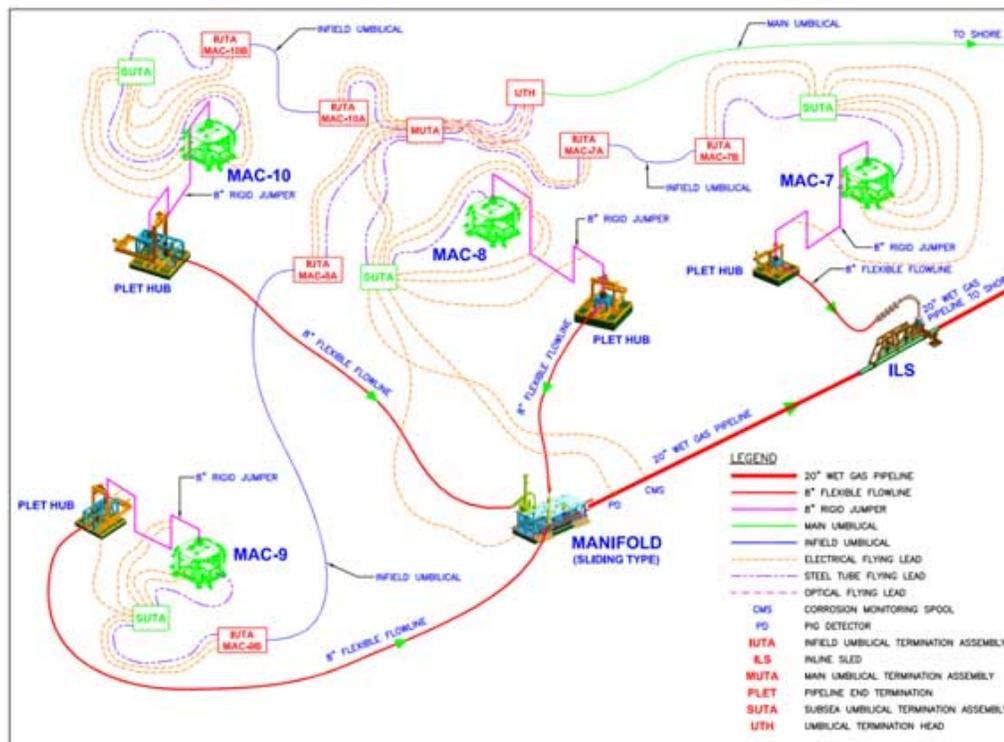
Source: GaffneyCline from BHP Petroleum Data

9.2.3 Facilities and Cost Estimate

The Macedon plant is designed to process a maximum of 220 MMscfd of gas and delivers to the Western Australia domestic gas market via the Dampier to Bunbury Natural Gas Pipeline (DBNGP). The development is designed to be a reliable supplier of gas with production availability above 95%. The Macedon offshore configuration is shown in **Figure 9.14**.



Figure 9.14: Macedon Offshore Development Layout



Source: BHP Petroleum

9.2.3.1 Facilities Operability, Integrity, and Infrastructure

The Macedon Field has been on production since August 2013 with only one full shutdown during that period (late 2017). Despite occasional problems with communications/control problems with some of the subsea wells, overall system availability has exceeded 98%.

The Macedon gas plant provides gas to the Western Australia domestic gas market, via the DBNGP.

9.2.3.2 Decommissioning and Restoration (D&R) Planning

Macedon D&R activities are planned to commence two years prior to end of field life and be carried out over a 9-year period. This is realistic, typical of current industry D&R planning, and accepted by GaffneyCline.

9.2.3.3 Cost Review

GaffneyCline has reviewed cost forecasts provided by BHP covering capital costs (CAPEX), operating costs (OPEX), and D&R costs for the Macedon operations. GaffneyCline's review aligned the cost and production profiles and rebased all costs to a RT2022 basis. Where available, costs were checked against alternative available documentation and against historical cost levels. D&R costs were checked against current estimates, and recent Australian experience.

9.2.4 Contingent Resources

BHP Petroleum’s estimates of gross Contingent Resources are shown in **Table 9.9**. GaffneyCline has reviewed BHP Petroleum’s analyses, including BHP Petroleum’s dynamic simulation models, and has accepted BHP Petroleum’s gross Contingent Resources. The Macedon Front End Compression project is the most mature, classified under PRMS as Development Pending. The Macedon Front End Compression project has been assessed by GaffneyCline as a technically mature project. It forms the basis of the Macedon field’s further development for late life incremental recovery and is ranked highest in the available project opportunities order with very good economics with a plan to commence in May 2024 after FID is reached. The two infill wells are relatively immature and are classified as Development Unclassified while the Black Pearl tie-back project is Not Viable.

Table 9.9: Macedon Gross 2C Contingent Resources

| Project | Development Status | Gas (Bscf) |
|-------------------------------|--------------------|------------|
| Macedon Front End Compression | Pending | 57 |
| Muiron Infill Well | Unclassified | 53 |
| Macedon Infill Well | Unclassified | 29 |
| Black Pearl Infill Well | Not Viable | 10 |
| Total | | 150 |

9.2.5 GaffneyCline’s Production and Cost Valuation Profiles- Macedon

GaffneyCline’s valuation scenario production profile for BHP Petroleum’s Macedon asset is given in **Figure 9.15** with the associated real term cost profiles provided in **Figure 9.16**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing Macedon field discussed in the previous Macedon sections. The Macedon Front End Compression project is also included in the valuation profile as it is the most technically mature and GaffneyCline considers the implementation as standard industry practice. The project has a very good incremental IRR also based on GaffneyCline’s commercial review with the main contingency being FID.

The regulatory carbon cost assumption for the Macedon asset is as per BHP Petroleum’s below baseline assumption for this asset group.



Figure 9.15: BHP Petroleum Net Macedon Production Profile

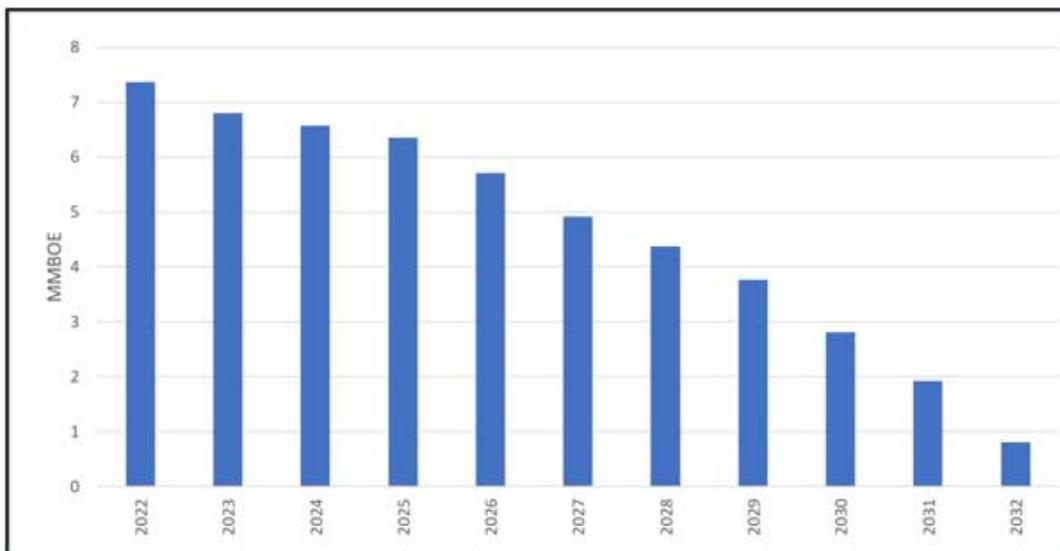
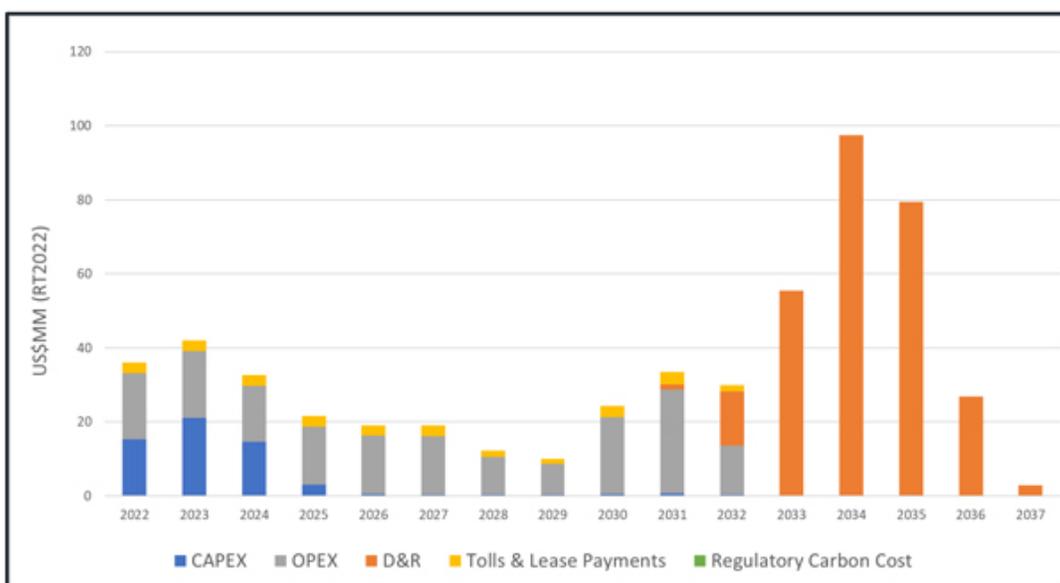


Figure 9.16: BHP Petroleum Net Macedon Cost Profile



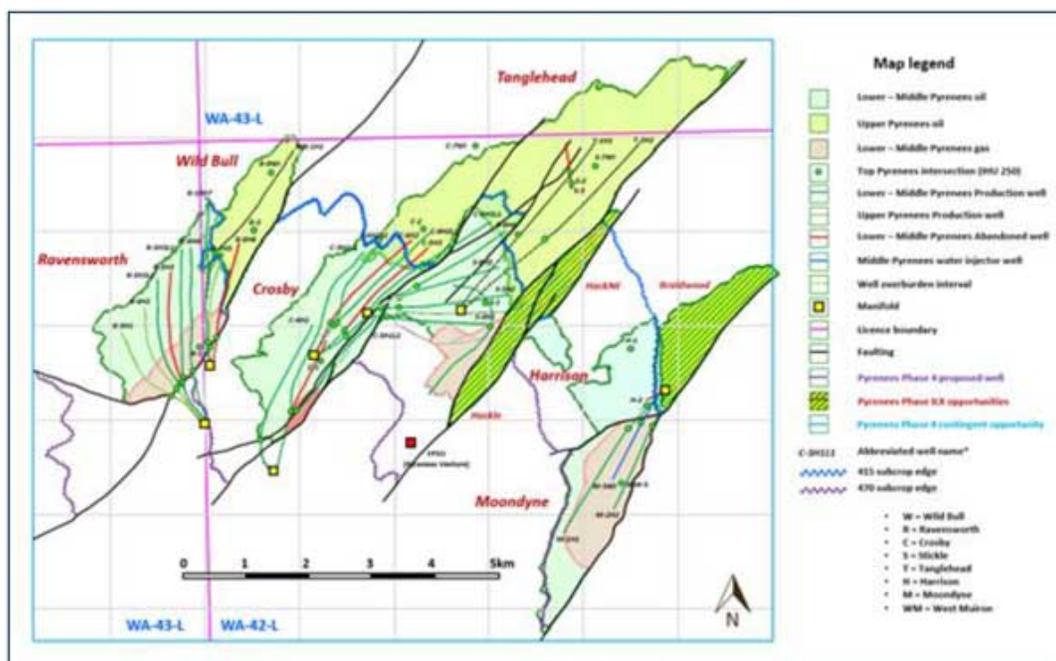
9.3 Pyrenees

The Pyrenees oil development comprises a group of fields (**Figure 9.10**) located in 200 m water depth in the Exmouth Sub-basin, 40 km NW of Exmouth in Western Australia in Blocks WA-42-L (BHP Petroleum interest 71.43%) and WA-43-L (BHP Petroleum interest 39.999%). Production commenced in 2010 and the oil is processed on the Pyrenees Venture FPSO.

9.3.1 Field Description

The asset comprises several oil accumulations trapped in a series of stair-stepping, northeast-southwest trending, fault blocks, and in dipping reservoirs truncated by an unconformity. The main fault blocks are Ravensworth, Crosby, Stickle, and Harrison, but further stratigraphic separations divided the field into seven pools (**Figure 9.17**). Oil was first encountered in the field in 1993 by West Muiron-5 well, which penetrated the Middle Pyrenees Moondyne pool. In 2003, Ravensworth-1 and Crosby-1 found oil in the respective fault blocks, followed by Stickle-1 and Harrison-1 in 2004.

Figure 9.17: Pyrenees Oil Pools and Well Locations



Source: BHP Petroleum

The Pyrenees reservoirs are the Early Cretaceous sands of the Barrow Group found at around 1,200 mss. The reservoirs have high quality, with NTG of over 90%, average porosity 28% and average permeability 4,500 mD. The sandstones are the products of progradational wave-dominated shelf margin delta, with extensive shoreface deposits. The reservoirs are divided into three groups: Lower, Middle, and Upper Pyrenees. The oil is biodegraded with 19 deg API gravity.

9.3.2 Field Development and Production Forecasts

The initial development consisted of the subsea development of Ravensworth, Crosby and Stickle oil and gas fields. Development drilling started in January 2009 and production commenced in 2010. The first infill well, STI-8H4, came online in July 2012.

Phase 2 of the development was completed during 2014 which included the development of the Upper Pyrenees (Tanglehead and Wild Bull) with first oil in January 2014 and Moondyne fields with first oil in April 2014.

The Phase 3 drilling campaign was executed during 2015 and 2016 and consisted of two new wells (STI-9H5 and RAV-10H7), one single lateral re-entry of an existing well (CRO-5H3) and three dual lateral re-entries of existing wells (RAV-5H3, CRO-6H4, and CRO-3H1).

The Pyrenees development comprises the following components:

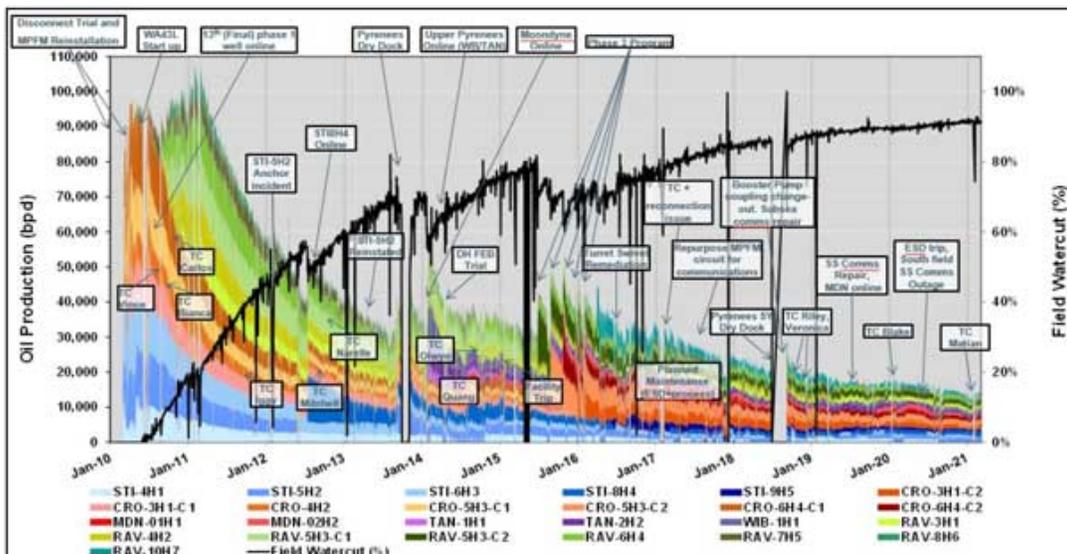
- Twenty-six subsea wells, made up of the following:
 - 21 production wells (seven in Ravensworth, four in Crosby, five in Stickle, one in Wild Bull, two in Tanglehead, and two in Moondyne).
 - Three vertical produced water disposal wells (one each in Ravensworth (failed), Crosby, and Stickle Fields).
 - One horizontal water disposal well that provides pressure support to the Moondyne field.
 - One gas injection/production well (Macedon-6) in the nearby Macedon gas field.
- Flowlines from the subsea wells to subsea manifolds, and flowlines from subsea manifolds to a Floating Production Storage and Offloading facility (FPSO).

Historical production performance on a well-by-well basis is shown in **Figure 9.18**. To date, approximately 152 MMBbl of oil has been produced at Pyrenees.

A number of characteristics affect oil recovery from the Pyrenees fields including moderately viscous oil (8 to 11 cp), thin oil columns (0 to 37 m), high permeability and high NTG sands and large active aquifer beneath most of the oil column. These attributes typically lend themselves to high field recoveries, a significant portion of which can be contained in characteristic long production “tails”. Estimates of recoverable volumes have been made by production analysis that are consistent with simulation-based estimates.



Figure 9.18: Pyrenees Production History



Source: BHP Petroleum

BHP Petroleum uses an Integrated Production Model (in the GAP software) to optimise forecasts within facility constraints. The GAP model is used by BHP Petroleum for both short and long-term forecasting. The producing wells and fields are constrained by a combination of network and facility limitations, specifically the network backpressure and facility water processing. Due to the fluid handling constraints, several wells are cycled while other wells require additional gas lift for flowline stability at the expense of other wells. It is expected these trends will continue in the future. Based on historical performance, well productivity and reservoir pressure tend to remain relatively constant over time. The Low and Base case forecast assumptions shown in **Table 9.10**.

Table 9.10: Field Life Assumption Summary

| | Low Case | Best Case |
|----------------------|----------|-------------------------|
| Well Water Cut (WCT) | 96% | Not imposed Typical 98% |
| End of Facility Life | FY2035 | FY2035 |

GaffneyCline carried out a review of estimates of remaining recoverable volumes by analysing historical performance, using DCA for the main fields. Low and best estimate forecasts were generated for the period from 1 July 2021 to 31 January 2028 (BHP Petroleum low estimate economic limit) and to 30 June 2036 (end of facility life for best estimate). GaffneyCline estimated remaining oil volume for both low and best cases summary is presented in **Table 9.11**.

Pyrenees fuel gas consumption averaged around 10 MMscfd until mid-2020. Since then, fuel and flare usage has reduced to approximately 8.5 MMscfd due to compressor restaging. These reductions have been included in the fuel forecast. As Pyrenees gas caps have been blown down and oil rate reduces, the remaining produced gas volume is no longer enough to power the facility. Gas produced from the Macedon field via Macedon-6 is used to make-up the difference required.

Table 9.11: Estimated Gross Technical Remaining Recoverable Volumes by Field as of 31 December 2021

| Field | Development Status | Produced Oil (MMBbl) | Remaining Recoverable Oil (MMBbl) | |
|--------------|--------------------|----------------------|-----------------------------------|---------------|
| | | | Low Estimate | Best Estimate |
| Crosby | Producing | 43.8 | 5.0 | 9.3 |
| Moondyne | Producing | 2.7 | 0.9 | 1.2 |
| Ravensworth | Producing | 42.3 | 4.8 | 8.9 |
| Stickle | Producing | 39.5 | 6.0 | 9.8 |
| Tanglehead | Producing | 5.0 | 1.0 | 1.8 |
| Wild Bull | Producing | 3.1 | 0.3 | 0.7 |
| Total | | 136.4 | 18.0 | 31.7 |

According to the WA-43-L tie-in agreement, all gas produced into the Pyrenees production network becomes the property of the WA-42-L joint venture. This affords BHP Petroleum rights to 71.43% of the total fuel gas. Fuel gas volumes incorporate the results of Phase 2 and Phase 3 drilling campaign.

Assessment of the fuel gas component has been evaluated by using the gas production forecasts associated with each of the Low, Best and High oil production profiles. In order to generate fuel gas forecasts, flare volumes (1.5 MMscfd) were subtracted from the Pyrenees produced gas profile. Any remaining gas is booked under the Pyrenees fuel reserves entity. As Pyrenees gas caps have been blown down and oil rate reduces, this remaining produced gas volume is no longer enough to power the facility. Gas produced from the Macedon Field via Macedon-6 is used to make-up the difference required to provide the required 7 MMscfd of fuel gas. The volumes from the Macedon reservoir are booked under the Macedon entity. As Pyrenees gas production continues to decline, a higher rate of gas will be required from the Macedon gas field. In the case of the Macedon-6 well watering out before the end of Pyrenees field life, a small scope of subsea work would enable gas to flow from the Macedon field or Dampier-Bunbury Pipeline via the Macedon network back to the FPSO.

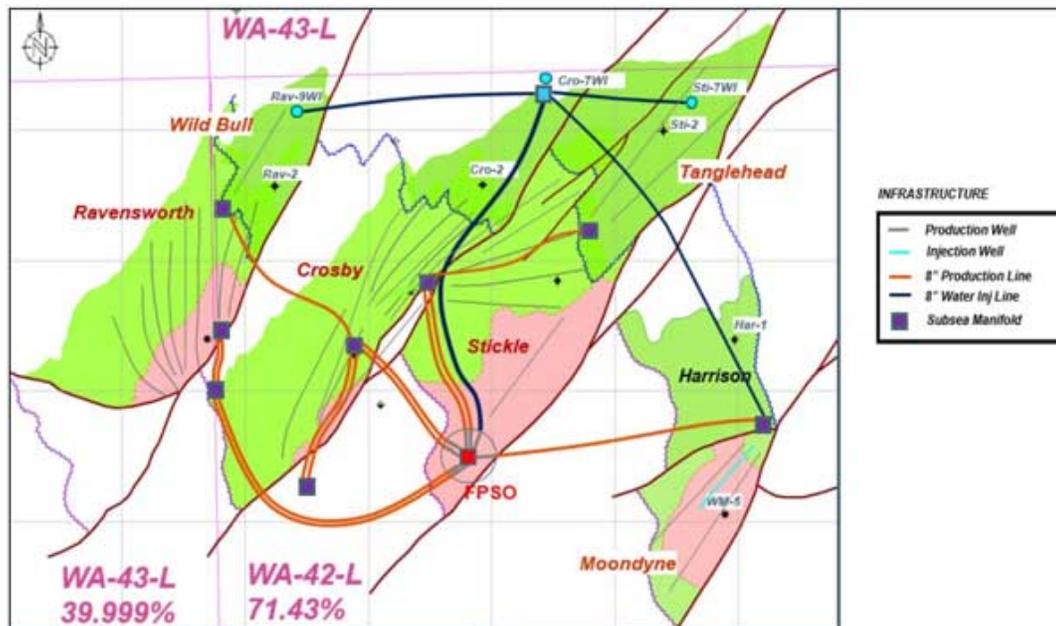
9.3.3 Facilities and Cost Estimates

The Ravensworth, Wild Bull, Crosby, Tanglehead, Stickle, Harrison, and Moondyne Fields are developed with subsea wells tied back to the Pyrenees Venture FPSO (**Figure 9.19**). Oil is exported to the buyer's vessel from the Pyrenees Venture FPSO. Gas is used as fuel or reinjected into the Macedon Field.

Since first oil in 2010, the FPSO has been regularly dry docked in 2014 and 2019, with the next scheduled dry docking expected in 2024, assuming a 5-year scheduled interval. Field production is constrained by the FPSO water handling limit, currently approximately 148 Mwbpd.



Figure 9.19: Pyrenees Venture Development Layout



Source: BHP Petroleum

9.3.3.1 Facilities Operability, Integrity, and Infrastructure

The Pyrenees development has been in production since February 2010, with 5-yearly planned dry docking for FPSO inspection and refurbishment. The subsea system has experienced problems with communications failures. At an overall system level, the Operator tracks “deferment”, that is, the oil production delayed because of unplanned facilities outages. Over the last three and a half years, deferment has averaged 937 bopd, or some 5.5%. This is consistent with the Operator’s planned uptime for production forecasting. The primary cause of deferment is recorded as “weather”, i.e. precautionary cyclone shutdowns.

9.3.3.2 Decommissioning and Restoration (D&R) Planning

Pyrenees D&R activities are planned to commence two years prior to end of field life and be carried out over a 9-year period. This is realistic, typical of current industry D&R planning, and accepted by GaffneyCline.

9.3.3.3 Cost Review

GaffneyCline has reviewed cost forecasts provided by BHP covering capital costs (CAPEX), operating costs (OPEX), and D&R costs for the Pyrenees operations. GaffneyCline’s review aligned the cost and production profiles and rebased all costs to a RT2022 basis. Where available, costs were checked against alternative available documentation and against historical cost levels. The Operator’s D&R costs were adjusted in line with GaffneyCline’s experience of current Australian D&R costs.



9.3.4 Contingent Resources

The 2C Contingent Resources are presented in **Table 9.12**. These are part of Phase 4 and have passed Gate 3 (Project Sanction) of BHP Petroleum’s future opportunities timeline. They are currently classified as Contingent Resources Development Pending, although their migration to Reserves is imminent (subject to favourable economic evaluation). The remaining 2C Contingent Resources volumes are shown in **Table 9.13**. These are part of Pyrenees Phase 5 development plan and are not included in BHP Petroleum’s five-year plan. They are at various stages of maturity as shown in **Table 9.13**, but as a group have been classified Development Unclassified.

Table 9.12: GaffneyCline Gross Contingent Resource for Pyrenees Phase 4 as of 31 December 2021

| Field | Development Status | Oil (MMBbl) | Remarks |
|--------------|--------------------|-------------|---------------|
| Crosby | Pending | 2.7 | Water Shutoff |
| Stickle | Pending | 1.8 | STI-4H1 |
| Total | | 4.5 | |

Table 9.13: GaffneyCline Gross Contingent Resource for Pyrenees Phase 5 as of 31 December 2021

| Field | Development Status | Oil (MMBbl) | Remarks |
|--------------|------------------------|-------------|------------------|
| Crosby | Unclassified | 3.0 | CRO-4H2 DL |
| Moondyne | Not Viable | 4.0 | Infill Drilling |
| Ravensworth | On-Hold and Not Viable | 3.3 | RAV-8H6 |
| Stickle | Unclassified | 1.4 | STI-6H1 |
| Tanglehead | Unclassified | 1.6 | TAN-2H2 DL |
| Wild Bull | On-Hold | 1.9 | Wild Bull-2H2 SL |
| Harrison | On-Hold | 3.5 | HAR-3H1 TL |
| Total | | 18.5 | |

9.3.5 GaffneyCline’s Production and Cost Valuation Profiles-Pyrenees

GaffneyCline’s valuation scenario production profile for BHP Petroleum’s Pyrenees oil assets is given in **Figure 9.20** with the associated real term cost profiles provided in **Figure 9.21**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing fields listed in the previous Pyrenees Sections up to and including Phase 4 only based on GaffneyCline’s assessment of the contingencies. Phase 4 has passed the technical and commercial Gate 3 of the BHP Petroleum project sanction process. BHP Petroleum plan to migrate the volumes to Undeveloped status in FY22. The technical work for completion optimisation in the reservoir dynamic model is in progress and RFSU (Ready for Start-up) is expected to be in August 2022. Economically the project has a very good incremental IRR.



The regulatory carbon cost assumption for the Pyrenees oil assets is as per BHP Petroleum's below baseline assumption for this asset group.

Figure 9.20: BHP Petroleum Net Pyrenees Production Profile

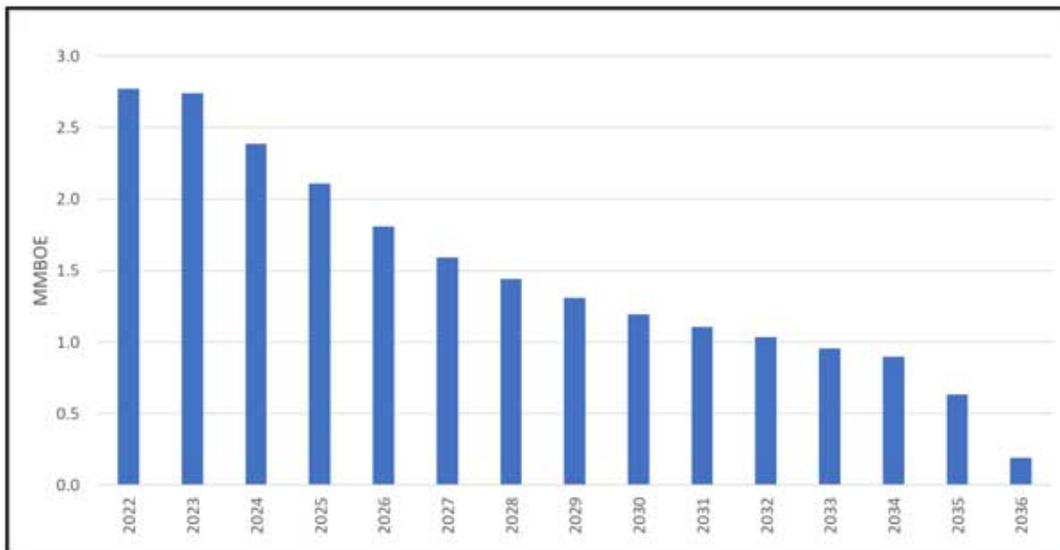
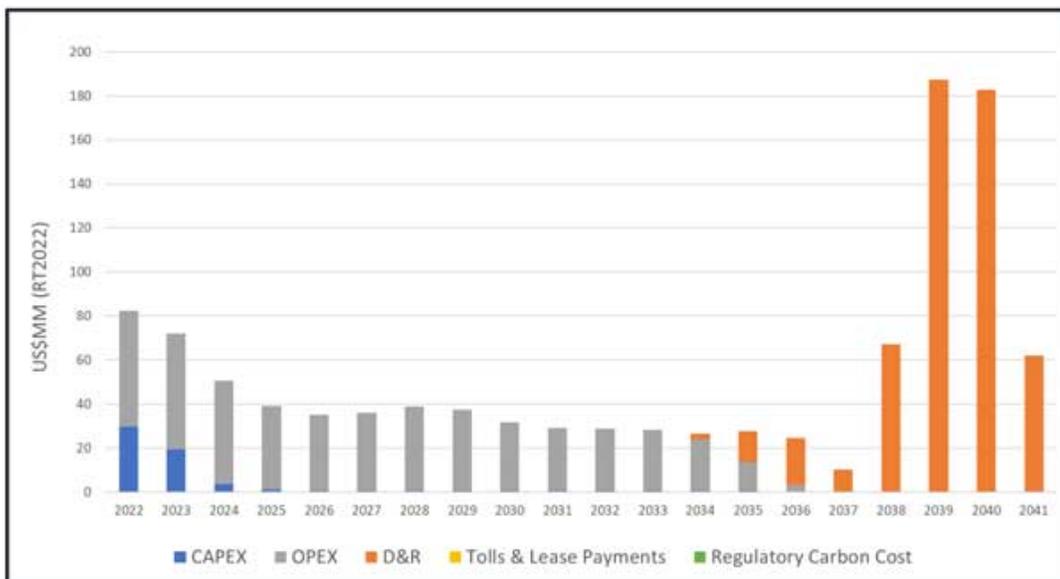


Figure 9.21: BHP Petroleum Net Pyrenees Cost Profile



9.4 Scafell

The offshore Scafell gas field is located in the NW Shelf of Australia, approximately 120 km west of Onslow and 40 km north of Exmouth within the existing Pyrenees field production license WA-43-L (Figure 9.10). BHP Petroleum is the operator of WA-43-L with a 39.999% interest; Santos holds a 31.501% interest and Inpex a 28.500% interest. The permit forming the production lease was originally granted in September 2009. The Scafell gas field will be developed and produced under the existing production license WA-43L. Under the provisions of the Offshore Petroleum Act 2006, the duration of the license is indefinite up until no petroleum recovery operations have been carried for 5 years.

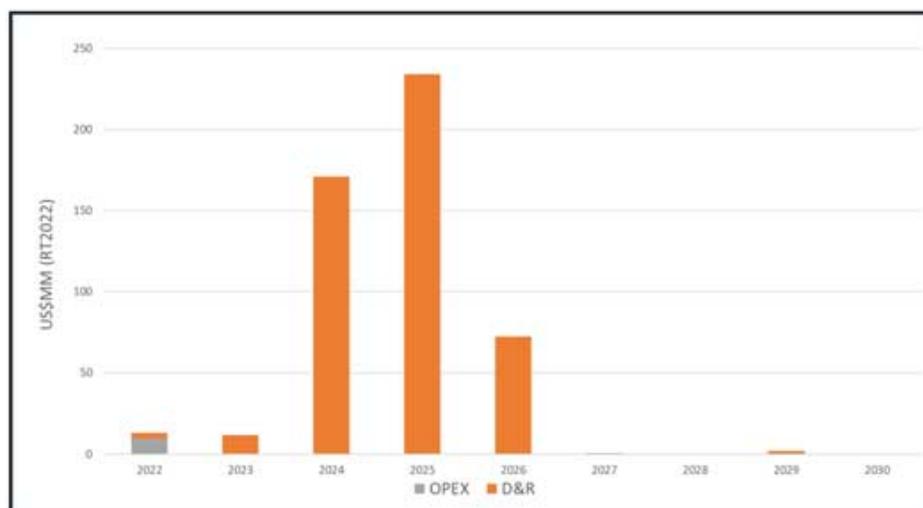
Scafell is a complex structural/stratigraphic trap approximately 3 km by 4 km in size and reservoir depth of ~1,300 to 1,500 mss in water depth of 282 m. The reservoir has excellent properties, with porosity of 25% and permeability between 300 and 1,800 mD encountered at the Scafell-1 location. Gas properties are expected to be similar to the adjacent Macedon gas field (lean and dry). Development of Scafell is planned to be a tie-back to the Macedon manifold and timing will depend on when the Macedon gas production comes off plateau or when there is an increase in WA domestic gas demand.

For Scafell, BHP Petroleum has 2C gross Contingent Resources of 94.5 Bscf (sales gas plus fuel gas for Pyrenees oil field), sub-classified as Development Not Viable. The development project has not been sanctioned and no recent progress has been made. The unitised development plan has not been finalised, and no gas contract has been signed.

9.5 Other Australian Assets

In addition to discovered and producing assets described above, BHP also have outstanding D&R obligations in respect of three fields that have ceased production, where decommissioning and restoration activities are in planning or in progress. GaffneyCline has reviewed the D&R estimates of these fields, Minerva, Griffin, and Stybarrow, and accepted or updated the costing basis in line with current industry practise (Figure 9.22).

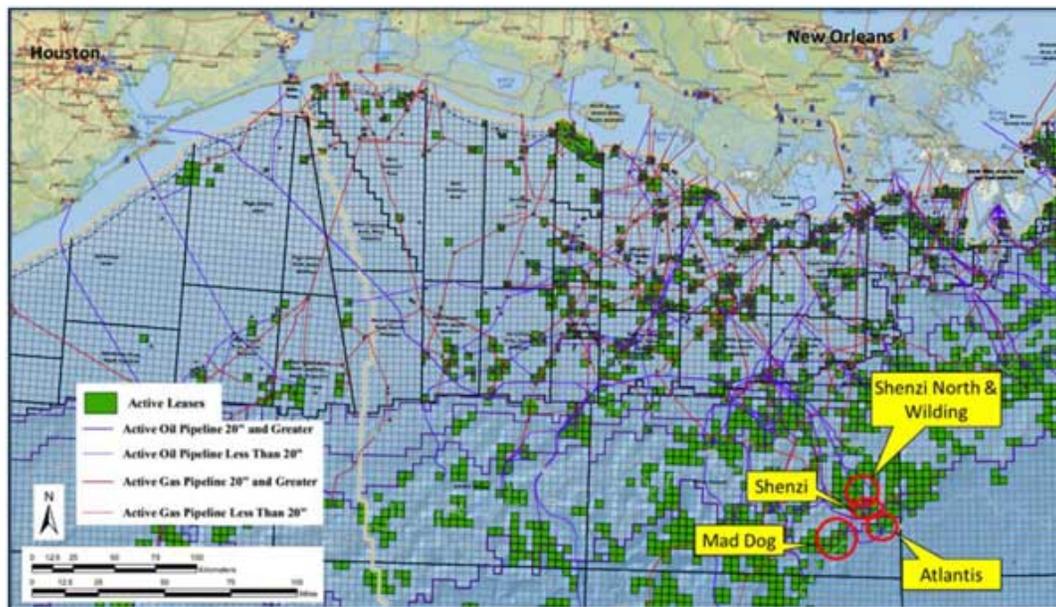
Figure 9.22: BHP Petroleum Net D&R Costs Minerva, Griffin and Stybarrow



10 BHP Petroleum United States Gulf of Mexico

BHP Petroleum has interests in four developments in close proximity in the US GOM: Shenzi, Shenzi North and Wilding, Atlantis and Mad Dog (Figure 10.1).

Figure 10.1: Location Map of BHP Petroleum's Assets in US GOM



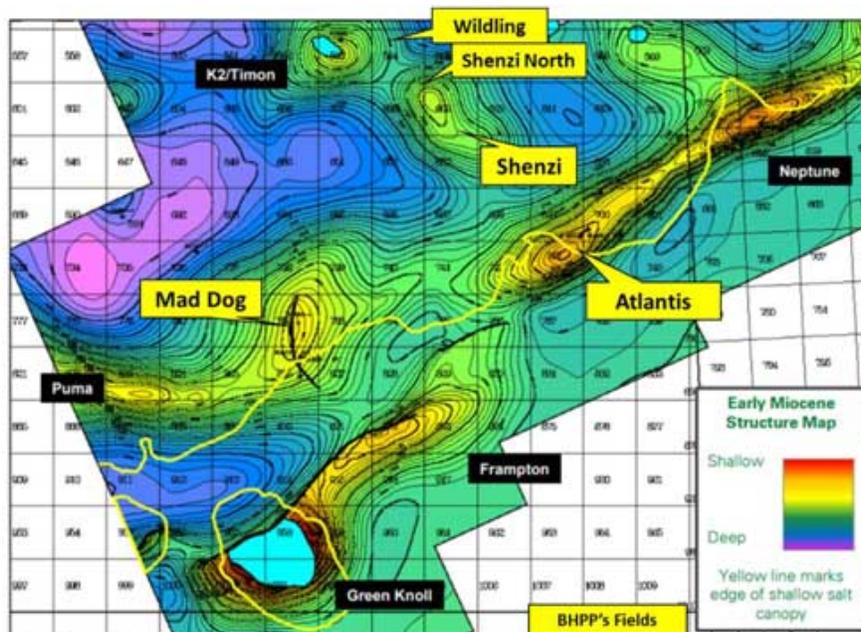
Source: Modified from BOEM (US Bureau of Ocean Energy Management (Visual-1-Active- Leases-and-Infrastructure_2.pdf as of May05, 2021)).

A depth structure map (Early Miocene) shows the relationship of the major structural highs and oil fields (Figure 10.2).

The dominant features are a series of SW-NE trending, elongated, high-relief structures from Green Knoll in the south, through Frampton, Atlantis and Neptune in the NE. They are primarily compressional salt-cored anticlines that trend roughly parallel to the leading edge of the shallower, overthrust (allochthonous) salt body (yellow line on map). Landward of these high-relief structures are more subtle, four-way structural closures formed primarily as drape over remnant salt-cored areas; Puma-Mad Dog in the SW and Shenzi and K2 to the north.



Figure 10.2: Early Miocene Structure Map



Source: Modified After: Walker, C. D., and G. A. Anderson, 2016, Simple and efficient representation of faults and fault transmissibility in a reservoir simulator: Case study from the Mad Dog Field, Gulf of Mexico: Gulf Coast Association of Geological Societies Transactions, v. 66, p. 1109- 1116. http://www.gcags.org/exploreanddiscover/2016/00177_walker_and_anderson.pdf. 2016.

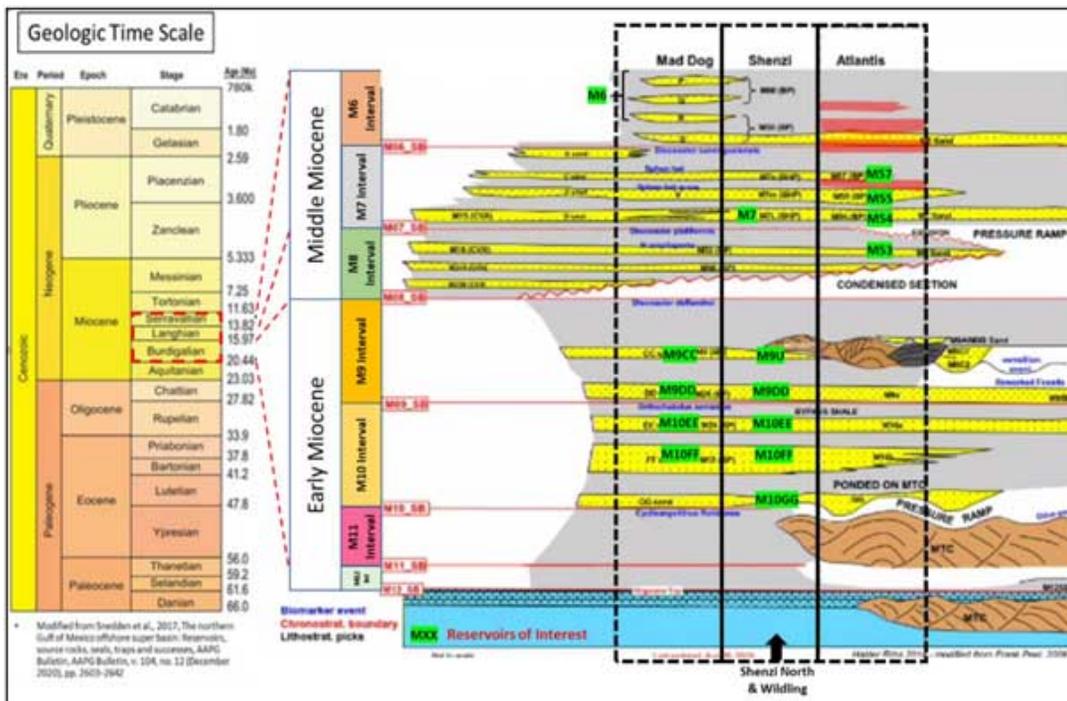
Seismic interpretation, supported by drilling, has demonstrated that underlying salt was actively moving upward, and at times laterally, during the deposition of the overlying sediments. This movement most importantly affected the Miocene sands. During and after the large-scale salt movement, extensional fault movement, contemporaneous with sediment deposition, caused significant, localised sand thickness. These crestal extensional faults, and the accompanying sediment thickness variations, cause compartmentalisation seen in all the fields.

The BHP Petroleum Fields are either north of, or straddle, the southern limit of allochthonous salt (yellow line in **Figure 10.2**), therefore either the whole or a significant portion of these fields are sub-salt. The presence of the shallow salt generates problems with seismic imaging, requiring latest seismic acquisition and processing technologies to ensure optimum fault and reservoir definitions.

A generalised stratigraphic column showing the nomenclature for the BHP Petroleum fields is shown in **Figure 10.3** (Shenzi North and Wildling are similar to Shenzi). The primary reservoirs at Mad Dog, Shenzi, Shenzi North and Wildling are Early Miocene M9 and M10 deep-water turbidite fans. These sands are also present at Atlantis but are more shale-prone and are not development targets. At Atlantis, the primary reservoirs are the thick, blocky Middle Miocene M55 and M54 turbidite basin floor sheet fans. The age equivalent sand, the M7, is more channelised in Shenzi, Shenzi North and Wildling where it is a secondary reservoir target. The secondary reservoirs are Middle Miocene M57 and M53 intervals in Atlantis and the M6 in Mad Dog.



Figure 10.3: Geological Time Scale, Stratigraphic Nomenclature of BHP Petroleum's GOM Fields



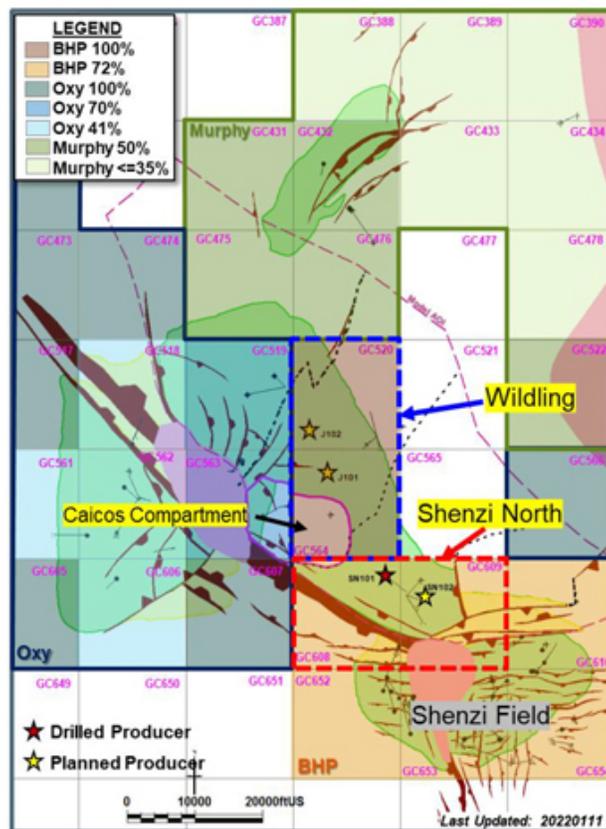
Source: GaffneyCline Modified from BHP Petroleum

BHP Petroleum has undertaken seismic interpretation, petrophysical analysis, static geological modelling, decline curve analysis and reservoir simulation for these fields, which were made available to GaffneyCline for review.

10.1 Shenzi

The Shenzi Field was discovered in 2002 in the Green Canyon area of the Gulf of Mexico in approximately 1,340 m water depth. It lies mainly in the 4-block area comprised of OCS blocks GC-610, 652, 653 and 654, and partly extends into GC 608 and 609 (Figure 10.4). The reservoir depths are approx. 6,700 to 8,530 mss. The field is operated by BHP Petroleum with 72% WI and Repsol holds the remaining 28% WI.

Figure 10.4: Lease Ownership Status for Shenzi, Shenzi North and Wildling



Source: BHP Petroleum

10.1.1 Field Background

The Shenzi structure is a large, salt-cored, four-way dip closure with a series of extensional faults that radiate out from the salt core shown in pink (**Figure 10.5**). Faults and salt-welds are shown in purple.

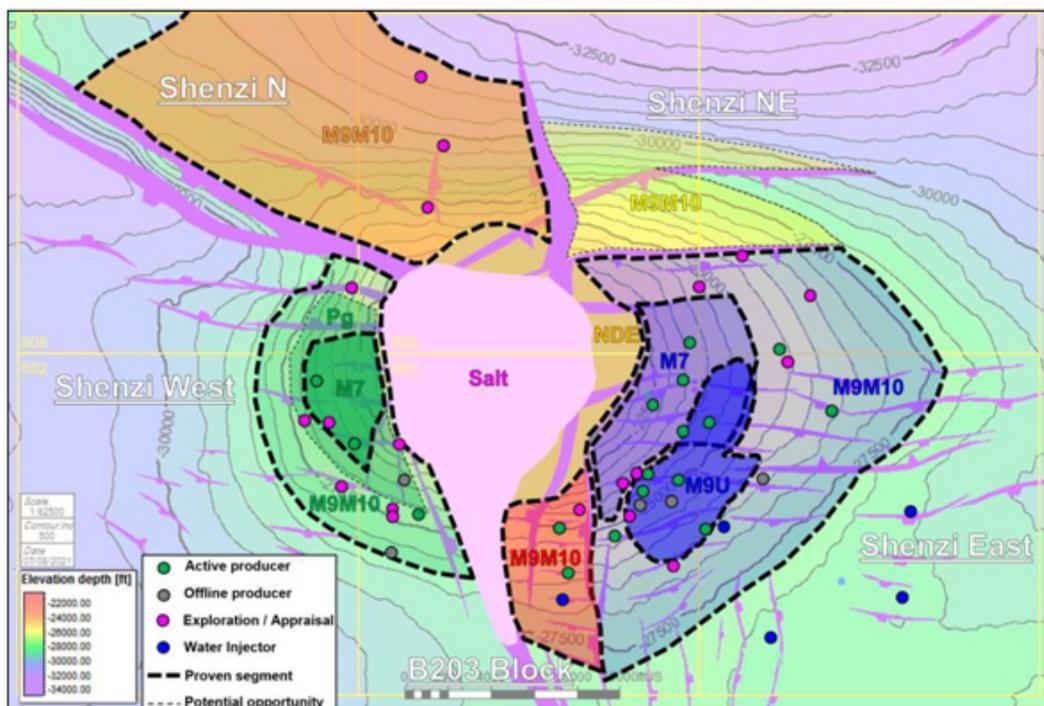
Seismic and well information shows the Shenzi Field to be compartmentalised according to geological structure (sealing faults, salt-welds, etc.) and stratigraphy. The two largest structural compartments are found on the west (Shenzi West) and east (Shenzi East). They are separated by the salt stock and welds, each with its own oil-water contact for the primary M9/ M10 reservoirs.

In the south-east, well results show a smaller structural compartment, B203. The boundaries for this block (B203 Block) are defined to the west by a large seismically defined salt feeder/weld and structural normal fault, down thrown to the west, that separates the segment from West Shenzi. It is compartmentalised to the east by structural normal faults that are mapped partially with seismic, as well as faults and missing section identified in wells and to the north by sand pinch out. The lack of pressure communication to the east is supported by pre-production pressure measurements, production history and well-based pressure gauge responses.



Outside of the Shenzi Field are two additional structural compartments; Shenzi North (located northwest of the field) and the undrilled North-eastern compartment (Shenzi NE). The Shenzi North compartment has been drilled and is included in the Greater Wildling development project (Section 10.2).

Figure 10.5: Shenzi Field Structure



Source: BHP Petroleum

In addition to the structural subdivisions, there are three stratigraphic producing intervals; one on the west side and three on the east side including the younger M9U and M7 reservoirs.

The M9U reservoir is an Early Miocene sand within the upper M9 sequence deposited as local channelised turbidite fan lobes that are highly deformed by mass transport processes. Based on well data, the M9U interval is of variable thickness and laterally discontinuous. Seismic data provide resolvable M9U reservoir edges on the western and northern parts of the structure. Over the rest of the structure, reservoir extent is determined by well control and a depositional environment model.

The M7 reservoir is a laterally extensive Middle Miocene amalgamated and channelised sheet sand complex. Well data indicate that the M7 sand thins toward the north, onto what is interpreted to be a paleo-ridge. Additionally, seismic data indicate the interval thins from the east flank toward the current structural high associated with the salt diapir.

The Shenzi Field is entirely covered by an allochthonous salt sheet resulting in a challenging seismic imaging environment. The original 3D seismic was acquired in 2002, followed by an additional acquisition in 2006 that was reprocessed in 2009 and 2014, resulting in improved interpretation that showed significant uplift in many areas, better salt definition, illumination of the east flank, and the interpretation of E-W trending reverse faults in the east flank.

In 2019, an ocean bottom node (OBN) seismic survey was acquired leading to the interpretation of new faulting regimes and building of new reservoir models. The resolution of the new OBN seismic dataset is an improvement over the previous data. Small throw faults are still difficult to identify. While the seismic resolution is improved, however, it is greater than the sand thickness (~30 m). Therefore, seismic interpretation needs to rely on mapping packages of reflections and not a single trough or peak that ties to a single sand. Assessment of lateral stratigraphic changes in the thickness of the sand bodies and delineation of slump features remain uncertain. Despite the relatively low resolution of the seismic data, the overall data quality is very good for sub-salt seismic. Overall, the resulting structure maps from seismic interpretation, tied back reasonably well to the available well data.

Well data comprising modern well logs, cores, formation pressure and fluid sample PVT data exist in the field. GaffneyCline reviewed available reservoir and fluid data. The reservoir units are predominantly clean sandstones at depths of about 6,650 to 8,670 mss, with average porosity range of 20% to 23%. The average model permeability ranges from 20 to 500 mD. Shenzi is a highly under-saturated oil field with reservoir pressures ranging from ~12,000 to ~14,900 psia and saturation pressure ~1,500 to 2,300 psia. Oil gravity is 30 to 34 °API, GOR is 250 to 550 scf/stb and viscosity is 1.1 to 1.2 cP.

10.1.2 Field Development

As of 31 October 2021, about 43 wells and side-tracks (excluding wells in the Shenzi North block), have been drilled in the Shenzi Field, of which twenty wells are producers and five are water injectors (**Figure 10.5**). Eighteen of the twenty development wells are tied back to the Shenzi Tension Leg Platform (TLP) via manifolds B, G, C and H, with the remaining two tied back to the Marco Polo TLP via manifold K (**Figure 10.6**).

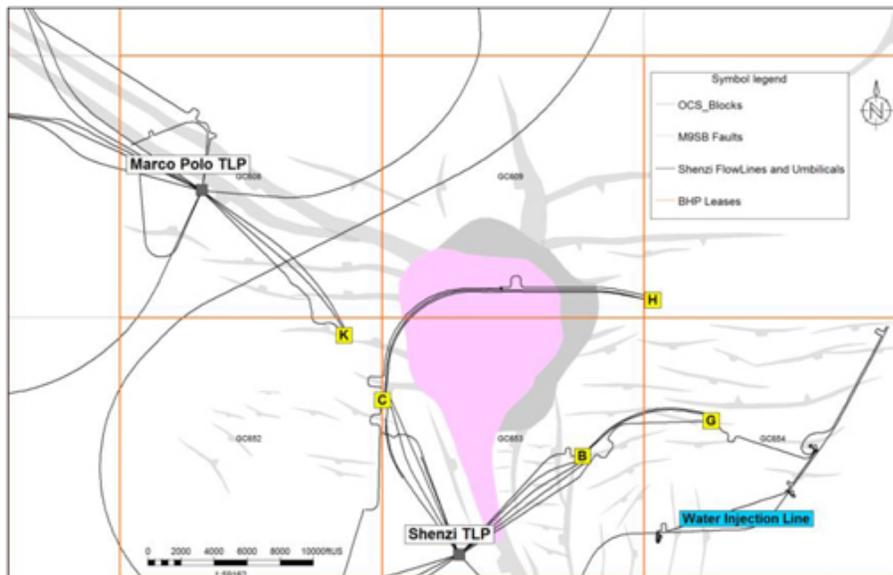
Production started in 2007 from wells in the South-West fault block, producing to the Marco Polo production facility. Production from the other fault blocks to the Shenzi Tension Leg Platform (TLP) commenced in 2009.

The Shenzi TLP has a nameplate capacity of 100 Mbopd oil production and 125 Mbwpd water injection capacity. Gas lift capabilities are present and enabled at the B and the C manifolds. Sales oil and gas is exported through a third party operated Poseidon and CHOPS export pipeline system.

The production peaked above 100 Mbopd in 2009 but has since declined to around 42 Mbopd as of May 2021 (**Figure 10.7**). A water injection program was implemented with injection starting in May 2012. In addition, subsea multiphase pumping (SSMPP) capabilities is being implemented for the Shenzi TLP and expected to be operational in late 2022.

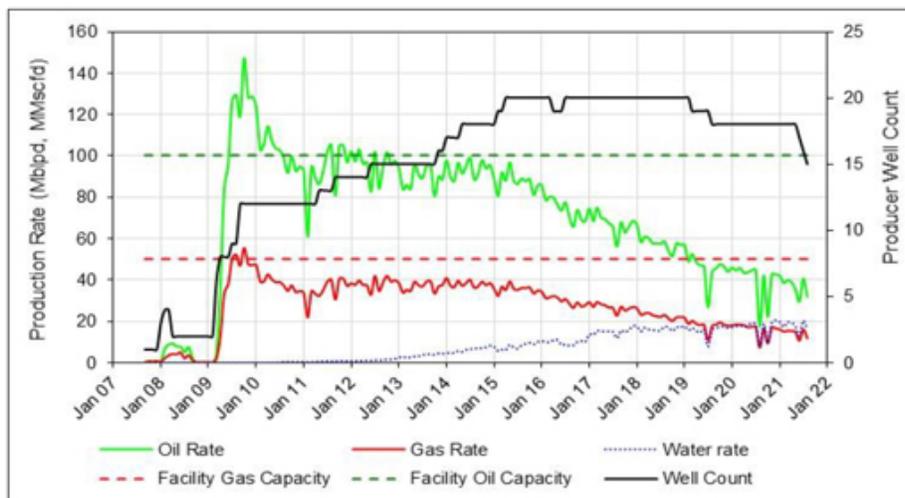


Figure 10.6: Shenzi Facility Overview



Source: BHP Petroleum

Figure 10.7: Shenzi Field Historical Production



Source: BHP Petroleum

Note: Facility capacity of Shenzi TLP reflected on the plot, while production is both to the Shenzi and Marco Polo TLPs

The M9/M10 sands are produced in a commingled fashion from all five zones: DD, EE12, EE, FF, and GG. The M9U and M7 reservoirs were developed as single zone frac-pack completions from stand-alone wells and have not been commingled with the M9/M10 reservoirs. The primary drive mechanism providing pressure support to production wells is aquifer influx. The East (M9/M10), and East (M9U) reservoirs have been developed with water injection for additional pressure support. The injectors have been drilled, completed and brought on stream after production had commenced. At the time of drilling, pressure depletion was observed in all the injection wells confirming connectivity to the oil producers.

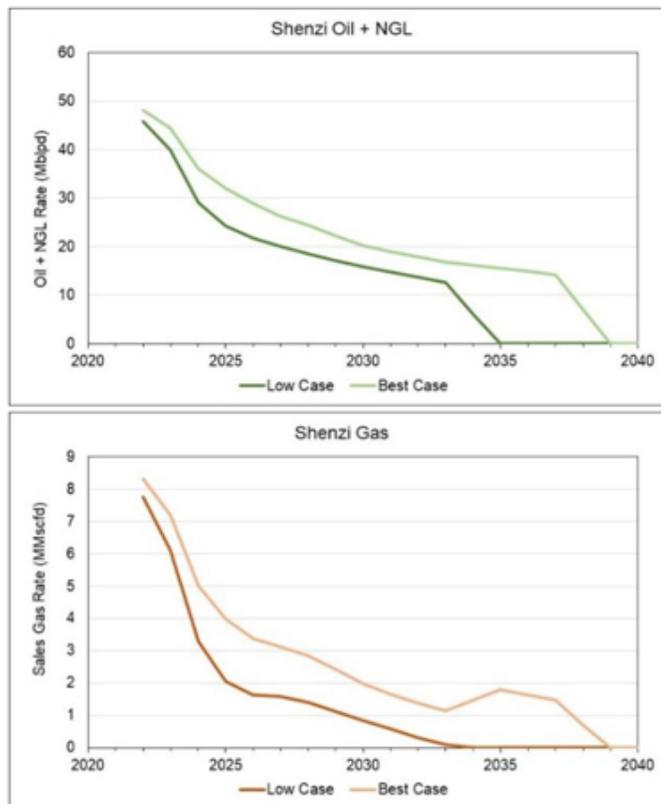
GaffneyCline reviewed the STOIP, production forecasts and estimated recoverable volumes for the target compartments in the field from the static geological and simulation models (DCA only for the B203 block) provided by BHP Petroleum. In particular, GaffneyCline reviewed the history match of the simulation models and where possible performed decline curve analysis of existing wells with long term production history to validate the simulation results. Overall, GaffneyCline found the production forecasts from the simulation models to be reasonable.

10.1.3 Resources Estimates

Reserves in the Shenzi Field are attributed to current producing wells, two sanctioned development well side-tracks targeting the M9U compartment (with the first well put on production in 2021 and the second well expected to start producing in 2022) and the benefit of the SSMPP implementation (expected to be operational in 3Q 2022). The Low and Best Case production profiles upon which the Reserves estimates are made are shown in **Figure 10.8**.



Figure 10.8: Shenzi Production Profiles for Reserves Cases



Source: GaffneyCline from BHP Petroleum Data

Contingent Resources are associated with unsanctioned future Shenzi East M9/M10 opportunities that include conversion of an existing producer to an injector, side-track of a watered-out producer in the B203 Block to the Shenzi East Block, and an additional pair of infill vertical producer/injection wells. These opportunities are additional activities or projects to achieve incremental volumes from the existing producing reservoirs and are assessed using numerical simulation models. These projects do not require any additional appraisal activity. However, the evaluation of these resources is still at the early decision gate of the BHP Petroleum's project tollgate review process, hence they are captured as Contingent Resources (Development Unclassified).

BHP Petroleum has identified additional potential opportunities beyond those listed above, including future infill wells, sidetracks or workovers, and facility design life extension that might offer upside potential in the future, but for which no Contingent Resources have been attributed on the basis that they are not yet been adequately substantiated.

Estimated gross 2C Contingent Resources (Development Unclassified) for the combined group of three projects is 35 MMBbl of liquids and 9 Bscf of gas.

10.1.4 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation which GaffneyCline has reviewed.

For the 2P Reserves, CAPEX is primarily allocated for two well sidetracks combined with the installation of a subsea multi-phase pumping system. CAPEX in the Contingent Resource case comprises of a series of well related projects to increase production, including new wells, side-tracks or well conversions. The BHP Petroleum CAPEX costs have been reviewed and appear to be credible, based on GaffneyCline' s experience. CAPEX for the development for the 2P Reserves cases is shown in **Table 10.1**, and CAPEX for the Contingent Resources case in **Table 10.2**.

Table 10.1: Shenzi Capital Cost Estimate - 2P

| CAPEX | US\$ (MM) |
|--------------|-----------|
| Development | 39 |
| Sustaining | 21 |
| Total | 59 |

Note: Totals may not exactly equal the sum of individual entries due to rounding

Table 10.2: Shenzi Capital Cost Estimate - Contingent Resources

| CAPEX | US\$ (MM) |
|--------------|------------|
| Development | 439 |
| Total | 439 |

The OPEX estimates for the Reserves and Contingent Resources were evaluated by GaffneyCline, taking into consideration the planned activities and work programs outlined in the documentation. The total OPEX is broken down into lifting costs, processing and storage, workovers, transportation, and overhead costs. Of these cost components transportation and processing and storage are variable, proportional to the production rate.

The OPEX costs have been reviewed and appear to be credible, based on GaffneyCline' s experience. The OPEX profiles have been adjusted to account for changes in the variable OPEX components of the total OPEX resulting from differences between BHP Petroleum' s production profiles compared with the GaffneyCline profiles.

For the 1P and 2P Reserves cases and the Contingent Resources case, ABEX costs have been reviewed and adopted unchanged.



10.2 Shenzi North and Wildling

The Shenzi North and Wildling oil fields, which were discovered in 2015 and 2017 respectively, make up the greater Wildling development area, located directly north of the BHP Petroleum operated Shenzi development. The Shenzi North development is focused on GC608 and GC609 while the Wildling development is focused on the GC564 and GC520 blocks in the North (**Figure 10.4**). Both Shenzi North and Wildling are operated by BHP Petroleum with working interests of 72 % and 100% respectively. Repsol holds the remaining 28% working interest in Shenzi North.

10.2.1 Field Description

The Greater Wildling discovery consists of Miocene turbidite sandstone reservoirs charged by oil originating from the Jurassic-Tithonian source rocks. The field has a large footprint with complex trap edges that are not well defined. Greater Wildling was discovered and partly appraised with the Shenzi North well, which had three side-tracks, giving a total of four reservoir penetrations. The field was further appraised with the Caicos and Wildling-2 (two penetrations) wells. The Wildling-1 well in GC521 was abandoned during drilling before reaching reservoir depth.

The original seismic interpretation of the Greater Wildling area was from a re-processed 2018 CGG 25Hz RTM (Reverse Time Migration) as well as a Kirchhoff Pre-Stack Depth Migration (PSDM) product. BHP Petroleum has recently purchased a new Ocean Bottom Nodal (OBN) seismic data set that is being integrated into new maps in the area. Seismic resolution of the new OBN seismic dataset is an improvement over the previous data, however low frequency at target depths limits vertical resolution of the seismic especially in high signal to noise areas. Furthermore, seismic character varies from well to well across the basin at the target M10U interval.

Based on pressure and fluid observations it is known that the Caicos area is isolated from both Wildling and Shenzi North areas within the main M10U horizon. Some uncertainty remains on the exact location of pressure/fluid boundaries between the wells.

The majority of the STOIP and the expected ultimate recovery is contained within the primary target M10U reservoir sands. M10U is interpreted as being a lobe dominated system throughout most of the Greater Wildling area. The secondary reservoirs (M7, M8 and M9) are interpreted to be channelised turbidites that are aurally discontinuous and have lower net to gross compared to the M10U sand. The secondary targets are assessed to have significantly smaller volumes compared to the primary M10U reservoir.

The primary M10U formation has been found at depths of 8,200 to 9,630 mss in the development area, with average porosity of ~15% and average permeability of about 32 to 50 mD. The Greater Wildling area contains a highly under-saturated oil with reservoir pressure ~17,150 psia and saturation pressure ~1,788 psia. Oil gravity is 30 to 32 °API, GOR is 380 to 520 scf/stb and viscosity is 1.7 to 2.8 cP.



10.2.2 Field Development

The current conceptual development plan is a daisy-chained subsea tie-in to existing Shenzi production facilities and will benefit from the planned SSMPP for the Shenzi TLP. Shenzi North development comprises two producers, SN101 and SN102, in leases GC608 and GC609 respectively. Well SN101 was drilled late 2020 to early 2021. The proposed Wildling field development comprises two oil producers: Well J101 in lease GC564 and Well J102 in lease GC520.

The Shenzi North development entered Execution phase in 2021 after project sanction by BHP Petroleum in August 2021 and by Repsol in September 2021. The Wildling Field development is currently in Definition phase, with project sanction possible in late 2022, depending on the results of drilling of the appraisal/development well J101.

Both the Shenzi North and Wildling projects target areas with large STOIP, and the expected recovery factors based on depletion drive are modest. BHP Petroleum is considering water injection as a possibility for future phases of development to improve recovery. Understanding of reservoir quality, connected volume and potential baffles gained from the production performance under depletion drive will help to plan a waterflood.

10.2.3 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation which GaffneyCline has reviewed.

The Shenzi North and Wildling development plans each comprise two well subsea tiebacks to the Shenzi tension leg platform, including manifolds, high integrity pressure protection systems, and multi-phase flow meters.

BHP Petroleum's CAPEX costs for both Shenzi North and Wildling have been reviewed and appear to be credible, based on GaffneyCline's experience. CAPEX for the combined development is shown in **Table 10.3**.

Table 10.3: Shenzi North + Wildling Gross Capital Cost Estimate

| CAPEX | US\$ (MM) |
|--------------------------|------------|
| Shenzi North Development | 349 |
| Wildling Development | 650 |
| Total | 999 |

The OPEX estimates were evaluated by GaffneyCline, taking into consideration the planned activities and work programs outlined in the documentation. The total OPEX is broken down into lifting costs, processing and storage, workovers, transportation, and overhead costs. Of these cost components transportation and processing and storage are variable, proportional to the production rate.

The OPEX costs have been reviewed and appear to be credible, based on GaffneyCline's experience. The OPEX profiles have been adjusted to account for changes in the variable OPEX components of the total OPEX resulting from differences between BHP Petroleum's production profiles compared with the GaffneyCline profiles.



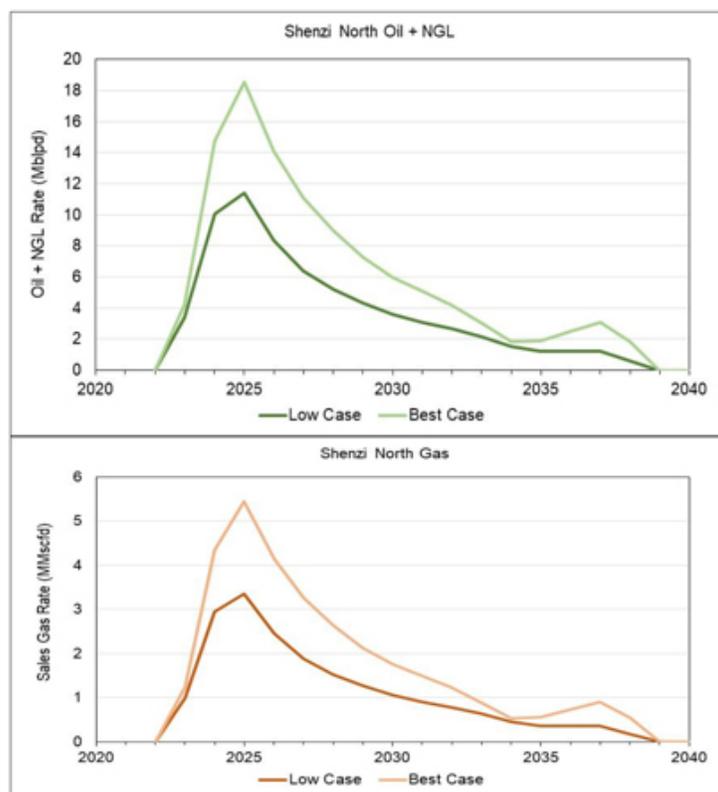
10.2.4 Resources Estimates

GaffneyCline reviewed the static geological and simulation models, sensitivity runs and analogue study that form the basis for the production forecast for the Greater Wildling development project. Both the static and simulation models reflect reasonable best effort interpretations given the limited well data over a large area and uncertainty in reservoir quality, continuity, and deliverability. In absence of actual well test and production history, oil recovery per well in the K2 field to the West and Shenzi West segment to the south have been used to assess reasonableness of the estimated recoverable volumes per well in the Greater Wildling simulation models. However, GaffneyCline notes that there is still uncertainty in these estimates since the Greater Wildling area is targeting the M10 formation at slightly deeper depths and lower porosity than the K2 and Shenzi West wells.

Reserves are attributed to two sanctioned development wells in Shenzi North: SN101 targeting the M10U and M9L reservoirs, and SN102 targeting M10U and M7U3 reservoirs. Both wells are expected to start production in 2024. The low and best Estimate production profiles upon which the Reserves estimates are made are shown in **Figure 10.9**.

Gross 2C Contingent Resources (Development Pending) of 37 MMBbl oil and 11 Bscf gas are attributed to Wildling. An appraisal/development well is planned for the Wildling field mid 2022 prior to a sanction decision end 2022. Additional Contingent Resources for water injection that are currently carried by BHP Petroleum as Development Not Viable are not reported here.

Figure 10.9: Shenzi North Production Profiles for Reserves Cases



10.2.5 GaffneyCline' s Production and Cost Valuation Profiles- Shenzi/Shenzi North and Wildling

GaffneyCline' s valuation scenario production profile for BHP Petroleum' s Shenzi, Shenzi North and Wildling oil assets is given in **Figure 10.10** with the associated real term cost profiles provided in **Figure 10.11**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and costs are net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing Shenzi and planned Shenzi North and Wildling Fields.

Shenzi Contingent Resources are associated with unsanctioned future Shenzi East M9/M10 opportunities that include conversion of an existing producer to an injector, side-track of a watered-out producer in the B203 Block to the Shenzi East Block, and an additional pair of infill vertical producer/injection wells. These opportunities are additional activities or projects to achieve incremental volumes from the existing producing reservoirs and are assessed using numerical simulation models. These projects do not require any additional appraisal activity. However, the evaluation of these resources is still at the early decision gate of the BHP Petroleum' s project tollgate review process, hence they are captured as Contingent Resources (Development Unclassified). However, GaffneyCline has assessed these volumes as appropriate for valuation purposes after review of the contingencies described above and the very good incremental IRR of the projects.

The Shenzi North development entered Execution phase in 2021 after project sanction by BHP Petroleum in August 2021 and by Repsol in September 2021 and is included in the valuation profile based on GaffneyCline' s technical and commercial review.

Contingent Resources (Development Pending) are included for Wildling based on the available dynamic models provided for review and the reasonableness of the estimated recoverable volumes per well in the Greater Wildling simulation models and the incremental economics of this near-field development. The Wildling Field development is currently in Definition phase, with project sanction possible in late 2022, depending on the results of drilling of the appraisal/development well J101. GaffneyCline has reviewed these contingencies and considers the volumes appropriate for inclusion in the valuation profile.



Figure 10.10: BHP Petroleum Net Shenzi/Shenzi North and Wildling Asset Production Profile

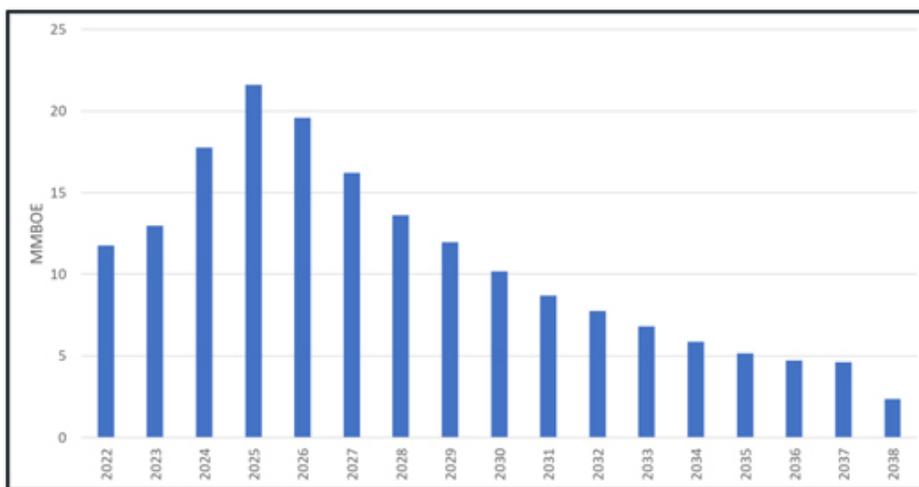
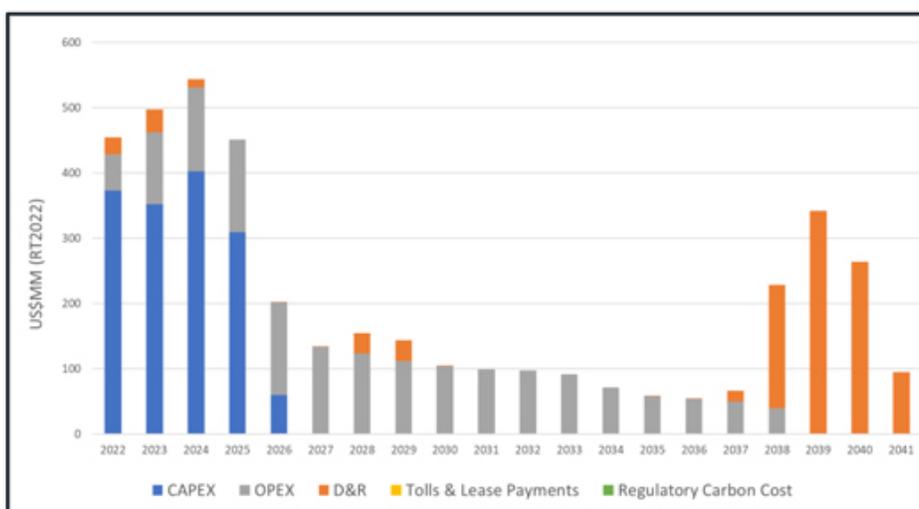


Figure 10.11: BHP Petroleum Net Shenzi/Shenzi North and Wildling Asset Cost Profile



10.3 Atlantis

The Atlantis Field was discovered in 1998 in Gulf of Mexico Green Canyon Blocks 699, 742, 743 and 744 (Figure 10.1) in water depths of 1,370 to 2,130 m. The field is operated by BP (WI 56%) and BHP Petroleum holds 44% WI.

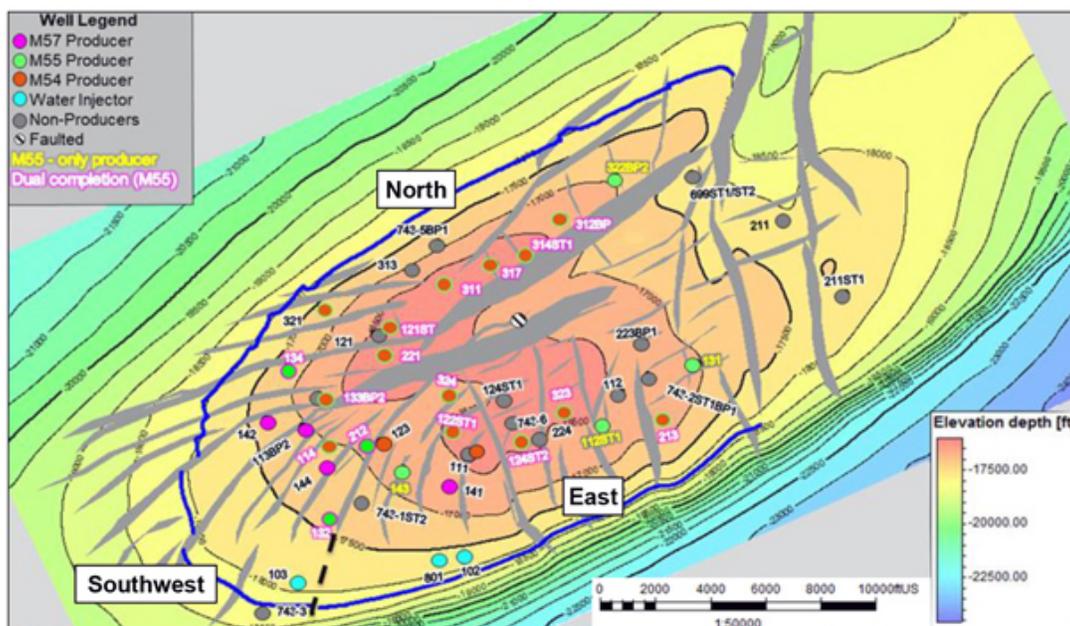
10.3.1 Field Description

The Atlantis structure is a large, southwest to northeast trending faulted anticline (Figure 10.12). Much of the field contains normal faults that radiate outward from the crest, subdividing the field in several structural compartments. The three major compartments are North, Southwest and East, though the field can be further subdivided into more compartments.

Atlantis straddles the southern limit of the overlying allochthonous salt in the subsurface and the resulting Sigsbee Escarpment. The salt canopy covers some 60% of the field impacting seismic quality with the best quality seismic in the south-west area of the field that is not under the salt canopy.

The original seismic dataset was a 2005-vintage rich-azimuth survey reprocessed several times to an RTM (Reverse Time Migration) as well as a Kirchhoff Pre-Stack Depth Migration (PSDM) product. Recently, new Ocean Bottom Nodal (OBN) seismic data set was acquired. The seismic had a dual purpose; first, to improve imaging of faults internal to the field to define possible flow barrier and second, for the purpose of generating 4-D (time lapse) seismic. The results of the 4-D seismic interpretation have been very beneficial in targeting future wells especially in the Southwest compartment.

Figure 10.12: Atlantis Top M55 Reservoir Structure Map



Source: BHP Petroleum

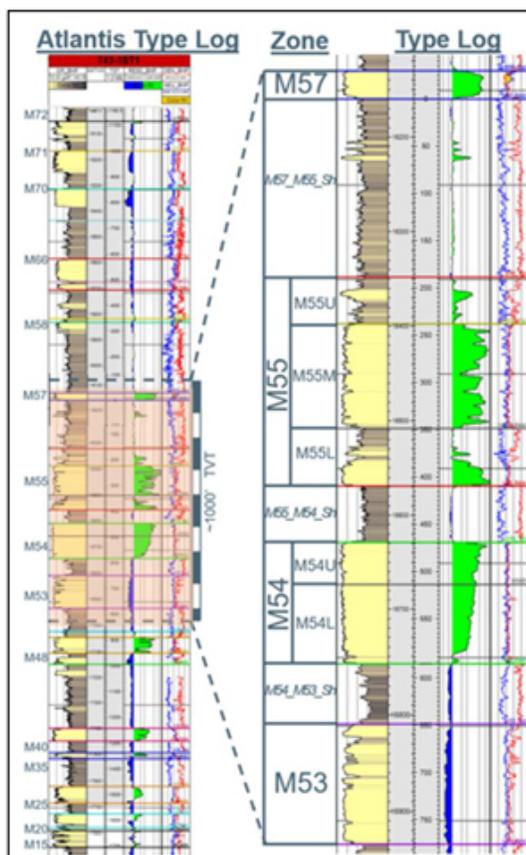
The objective intervals are the Middle Miocene age (M57, M55, M54 and M53) deep-water turbidite sandstone reservoirs encountered at depth ranging from 4,900 to 5,600 mss (**Figure 10.13**). These sands are interpreted as turbidite basin-floor sheet fans.

Other secondary reservoirs in the field are the lower Miocene (M48/M40) and deep Miocene (M35 to M15) sands that have been found to have hydrocarbons, predominately high viscosity oil that would be difficult to produce. Various gas bearing intervals have also been encountered.

MWD/LWD, wireline, static pressure, fluid data and whole cores (from some wells) have been obtained and show that sand and fluid quality are laterally consistent and predictable, unless faulted out. Well logs and core information indicate sands are high quality with average porosity of 27 to 30% and average permeability of 600 md to 850 mD.

The M54 and M55 reservoirs contain under-saturated oil while the M57 fluid has a higher bubble point oil with free gas being found in various locations in the Southwest/East section of the field. In general oil gravity range from ~25 to 31° API and oil viscosity is 1.6 cp to 2.95 cp (excluding the Lower/Deep Miocene reservoirs). The associated 'wet gas' produced with the crude oil is further processed onshore to remove natural gas liquids 'NGL' and condensate.

Figure 10.13: Atlantis Type Log



Source: BHP Petroleum

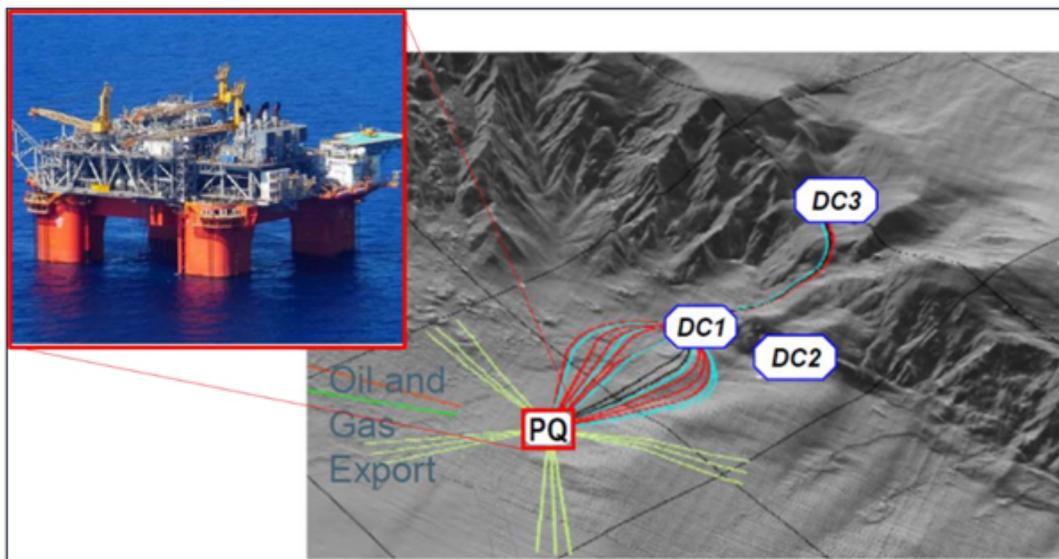
10.3.2 Field Development and Production Profiles

The Atlantis development concept comprise three drill centres that are connected to a moored semi-submersible PQ (production quarters) facility with subsea flowlines (**Figure 10.14**).

The production facility has an oil and gas production handling capacities of 200 Mbopd and 180 MMscfd respectively. The facility is also designed for produced water handling and water injection capacities of 75 Mbwpd, however current produced water handling capacity is 40 Mbwpd and current water injection capacity is 50 Mbwpd. The facility has a design life up to 2039, and there are plans to extend the life to 2047.



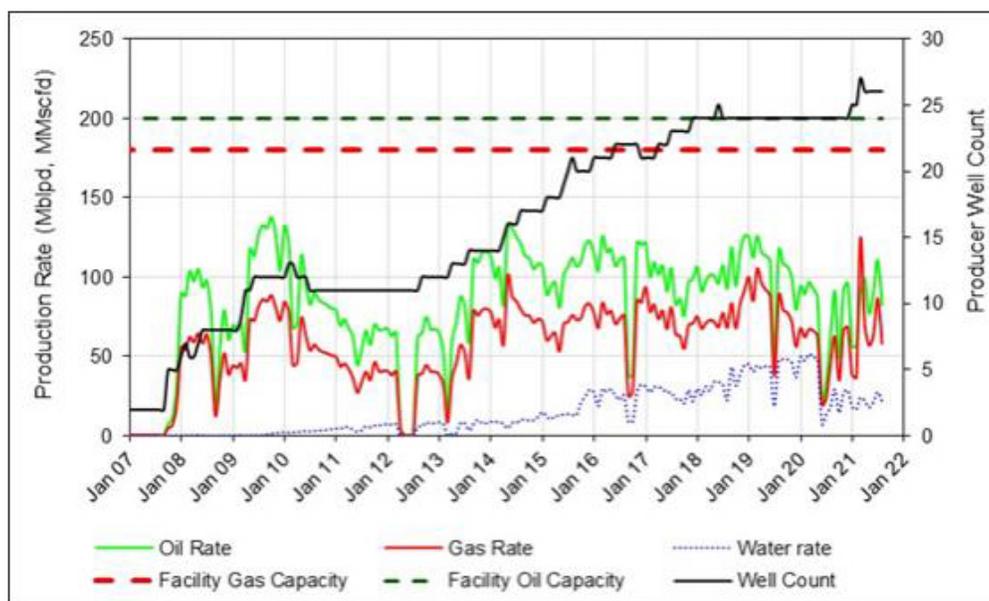
Figure 10.14: Atlantis Facility Overview



Source: BHP Petroleum

About 46 wells, including side-tracks, have been drilled in Atlantis, of which 29 are producers and three are water injectors (Figure 10.12); three producers and one injector are currently offline. Peak oil production of ~138 Mbopd occurred in 2009 and the production rate as of August 2021 was about 82 Mbopd (Figure 10.15).

Figure 10.15: Atlantis Historical Production



Source: BHP Petroleum

Oil and sales gas are exported through the Caesar and Cleopatra export pipeline system. BHP Petroleum equity is 25% in the Caesar pipeline and 22% in the Cleopatra pipeline.

The Atlantis Field has been developed in a phased approach: Phase 1 development from 2009 to 2010 and Phase 2 from 2013 to 2017. Phase 3 development was sanctioned in February 2019 and the Phase 3 drilling/completion campaign began in October 2019 (expected to end Q1 2023), consisting of eight new wells targeting one or two intervals in M54/M55/M57 and two subsea 4-well manifolds. By September 2021, five of the eight Phase 3 wells had been drilled, with three being completed and put online and two requiring sidetracks. For one of the two wells requiring a sidetrack, the target location is not yet firm and estimates of potentially recoverable volumes are currently classified as Contingent Resources. Beyond Phase 3, continuous drilling (yet to be sanctioned) is assumed until 2029 to bring online 12 additional producers and five water injectors.

There is some uncertainty in the amount of future water injection well drilling and facility expansion due to the production evidence of strong aquifer support in the North and Southwest areas of the field. BP and BHP Petroleum believe that there is potential upside to be realised from water injection in East M54/M55 and the opportunity assessment is being progressed, as well as the M57 in the Southwest. This opportunity will require an increase in water injection capacity from the current 50 Mbwpd to slightly over 113 Mbwpd.

One of the future Phase 3 wells is planned to be a dual zone M57/M55 well, and another an M57 horizontal producer. After Phase 3, the M57 may be further developed by two injectors and two producers.

The M53 reservoir is completed in the North 312 well, as the lower interval in a smart completion with the M55/54 commingled in the upper completion. The M55/M54 completion is being produced in cycles due to low reservoir energy in the area. There is opportunity to produce the M53 sand when the M55/M54 completion is shut-in. Currently, two M53 wells are carried in Contingent Resources: one dual-zone M55/M53 well in the East and one dual-zone injector in the East.

There are currently no producers in the M40 and M48 reservoirs. A Phase 3 well found oil with higher viscosity than the Middle Miocene in one of these reservoirs. There is no immediate plan to develop these reservoirs.

10.3.3 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation.

BHP Petroleum CAPEX costs have been reviewed for each of the 2P, and Contingent Resources cases.

For the 1P and 2P cases the CAPEX appears to be credible, based on GaffneyCline's experience of comparable scopes (**Table 10.4**).



Table 10.4: Atlantis Gross Capital Cost Estimate - 2P

| US\$ MM | Total |
|--------------|------------|
| Development | 290 |
| Sustaining | 334 |
| Total | 624 |

The Contingent Resources CAPEX costs comprise of a series of projects including:

- DC322ST and WIX50 - a well sidetrack plus drilling of two new injector wells to utilise the current water injection capacity;
- DC1, DC2, and DC3 expansions, involving drilling a total of eleven new producer wells; and
- MFX-SSMPP, involving the drilling of four new injectors to increase water injection capacity and installation of subsea multiphase pumps to provide artificial lift, reducing manifold pressures and accelerating production.

The BHP Petroleum CAPEX costs for each of the projects have been reviewed and appear to be credible, based on GaffneyCline’s experience of comparable developments. Adjustments have been made to the CAPEX to reflect the removal of one of the four producers wells in the DC2 development (well G54), and one of the four producers wells in the DC3 development (well X54) (**Table 10.5**).

Table 10.5: Atlantis Capital Cost Estimate - Contingent Resources

| CAPEX | US\$ (MM) |
|-------------------------------|--------------|
| DC322ST and WIX50 Development | 227 |
| DC1 - Development | 221 |
| DC2 - Development | 253 |
| DC3 - Development | 259 |
| MFX - SSMPP - Development | 747 |
| Total | 1,707 |

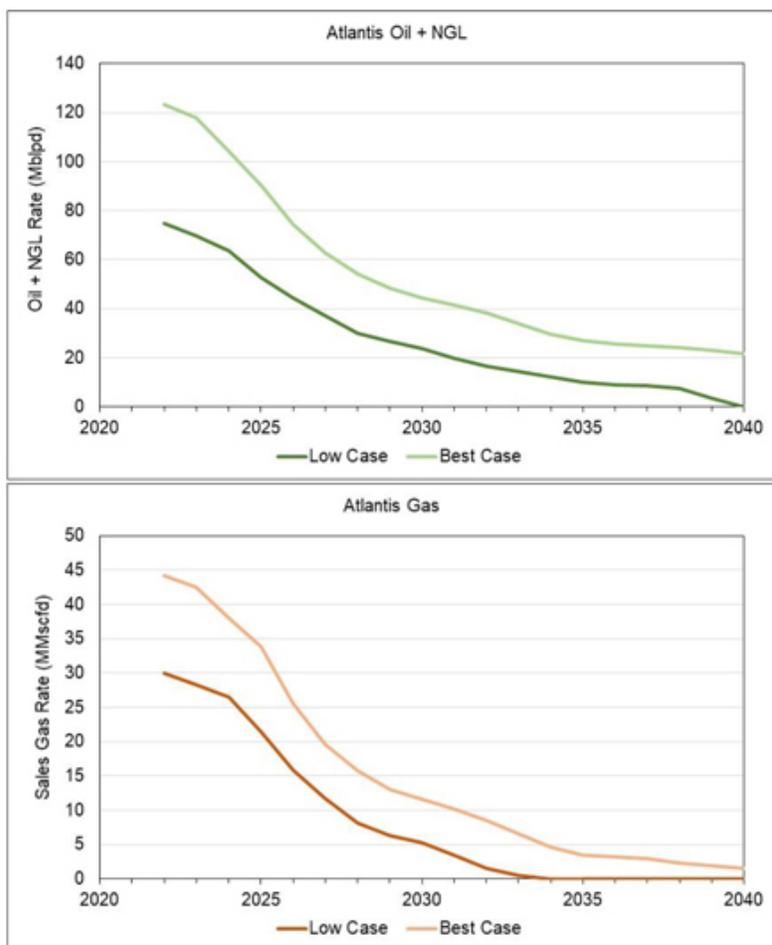
The OPEX costs provided in the economic model and supporting documentation have been reviewed and appear to be credible, based on GaffneyCline’s experience. The OPEX profiles have been adjusted in the 2P and Contingent Resources cases to account for changes in the variable OPEX components of the OPEX costs resulting from differences between BHP Petroleum’s production profiles compared with the GaffneyCline profiles.

10.3.4 Resources Estimates

Reserves in Atlantis are associated with existing producing wells and approved outstanding Phase 3 wells. GaffneyCline reviewed the simulation models that form the basis for the production forecast for these activities, in particular the history match to existing wells’ production and pressure data and found the models and forecasts to be reasonable. The low and best estimate production profiles upon which the Reserves estimates are made are shown in **Figure 10.16**.



Figure 10.16: Atlantis Production Profiles for Reserves Cases



Source: GaffneyCline from BHP Petroleum Data

Contingent Resources are attributed mostly to asset development projects being actively worked on, but are yet to be sanctioned (**Table 10.6**):

- One to two new water injection wells and a sidetrack of a failed producer to the central compartment targeting the M55/M53 reservoirs.
- Expansion of Drill Centre 1 with three new infill wells targeting the M57/M55/M54 reservoirs.
- Facilities expansion to incorporate subsea multiphase pumps (SSMPP) that will boost production as well as four new water injectors for the M57/M55/M54/M53 reservoirs.
- Expansion of Drill Centre 3 with four infill wells in reservoirs M55/M54.
- Expansion of Drill Centre 2 with four infill wells in reservoirs M55/M54.

The Contingent Resources projects are part of BHP Petroleum’s five-year plan for the asset and target existing producing reservoirs in the field. The incremental volumes from these projects have been assessed using simulation models. The target location of these activities and resource outcomes are contingent on the performance of the existing producers and ongoing Phase 3 development, thus are subject to potential revisions. Hence most are sub-classified as Development Unclassified. BHP Petroleum have also considered some of the projects to be commercially non-viable based on their internal assessment (technical and economic assessment as of June 30, 2021). However as discussed below additional BHP Petroleum economic modelling subsequent to that assessment and GaffneyCline’s review have resulted in the inclusion of these projects.

GaffneyCline reviewed the production profiles associated with these incremental activities and found most to be reasonable. However, for a variety of technical reasons, GaffneyCline made downward adjustments to the incremental volumes attributed to the G54 producer in the Southwest compartment, wells WI_Un54, X54 and Ve54 in the East compartment, and well nF54 in the North compartment.

GaffneyCline has not reported Contingent Resources for the Lower and Deep Miocene reservoirs that have been found to have high viscosity crude, or for a potential late life shallow gas development and facility design life extension beyond 2047, all of which are currently considered not viable based on their preliminary technical and economic assessment.

In Table 10.6 even though BHP Petroleum documentation assigns a Not Viable* development sub-classification for the Contingent Resources Drill Centre 2 & 3 expansion projects, GaffneyCline has assessed these projects as technically mature with a very good incremental IRR. GaffneyCline has kept the operator documented development sub-classification for consistency; however, subsequent economic models provided separately by BHP Petroleum (without updated documentation) indicate commercially viable projects consistent with GaffneyCline’s assessment. Furthermore all projects listed below are part of BHP Petroleum’s five-year plan with technically mature work available for assessment and economics.

Table 10.6: Atlantis Gross 2C Contingent Resources as of 31 December 2021

| Project | Gross 2C Contingent Resources | | Development Status |
|--|---------------------------------|------------|--------------------|
| | Oil, Condensate and NGL (MMBbl) | Gas (Bscf) | |
| Water injectors and a sidetrack producer | 37.8 | 16.6 | Unclassified |
| Expand Drill Centre 1 with three wells | 40.0 | 16.1 | Unclassified |
| SSMPP and four water injection wells | 74.3 | 31.7 | Unclassified |
| Expand Drill Centre 3 with four wells | 22.2 | 10.3 | Not Viable* |
| Expand Drill Centre 2 with four wells | 26.5 | 12.1 | Not Viable* |



10.3.5 GaffneyCline’s Production and Cost Valuation Profiles- Atlantis

GaffneyCline’s valuation scenario production profile for BHP Petroleum’s Atlantis oil asset is given in **Figure 10.17** with the associated real term cost profiles provided in **Figure 10.18**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing Atlantis field and the five planned Atlantis Contingent Resources projects documented in the previous sections. GaffneyCline has independently assessed the five Contingent Resources projects and their technical and commercial maturity and considers them appropriate for valuation as discussed in section 10.3.4. As most projects are expansion projects with additional drillable wells from existing infrastructure with very good incremental IRR assessments, GaffneyCline considers these projects appropriate for valuation. The target location of these activities and resource outcomes are contingent on the performance of the existing producers and ongoing Phase 3 development, thus are subject to potential revisions.

Figure 10.17: BHP Petroleum Net Atlantis Asset Production Profile

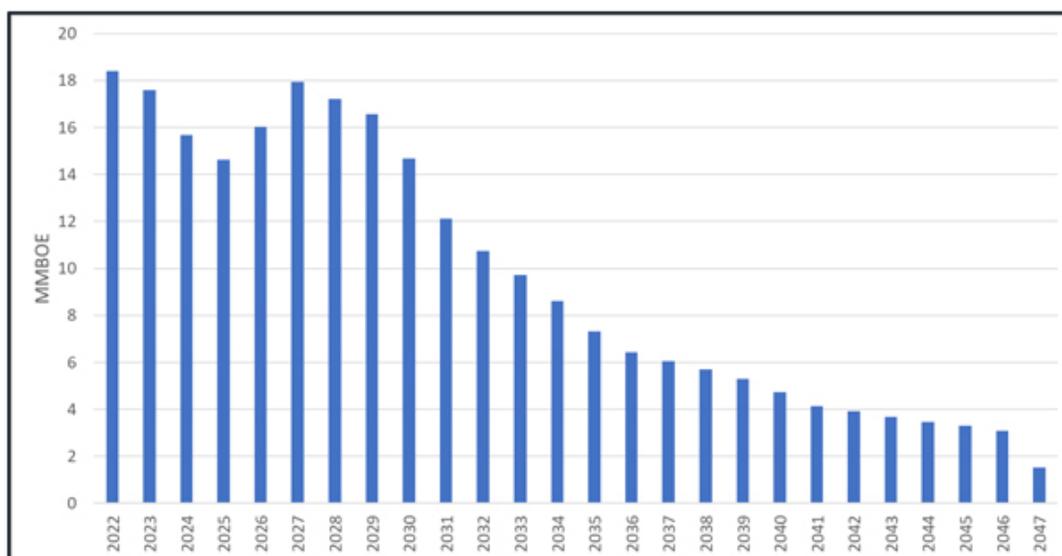
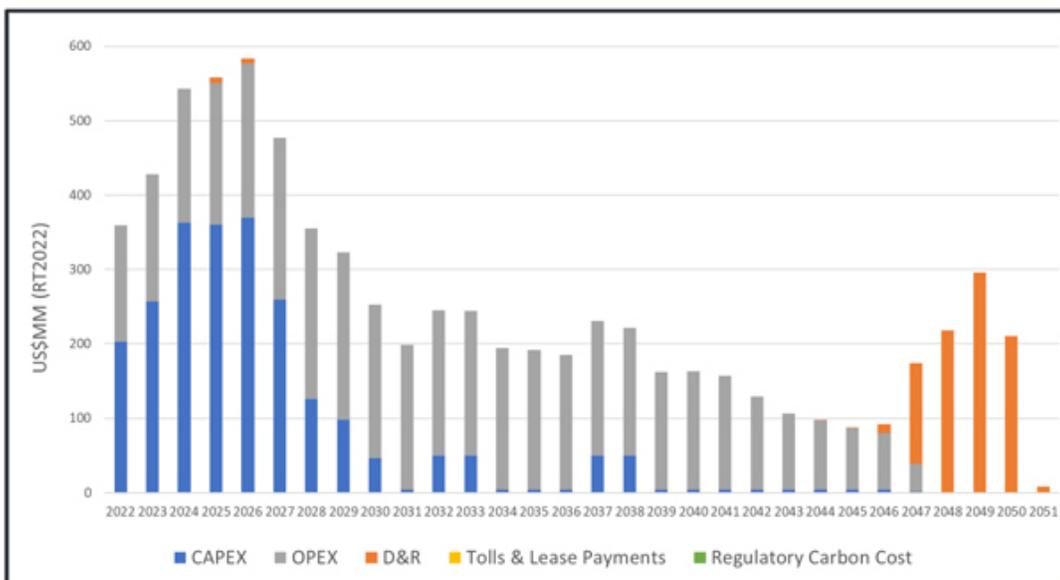


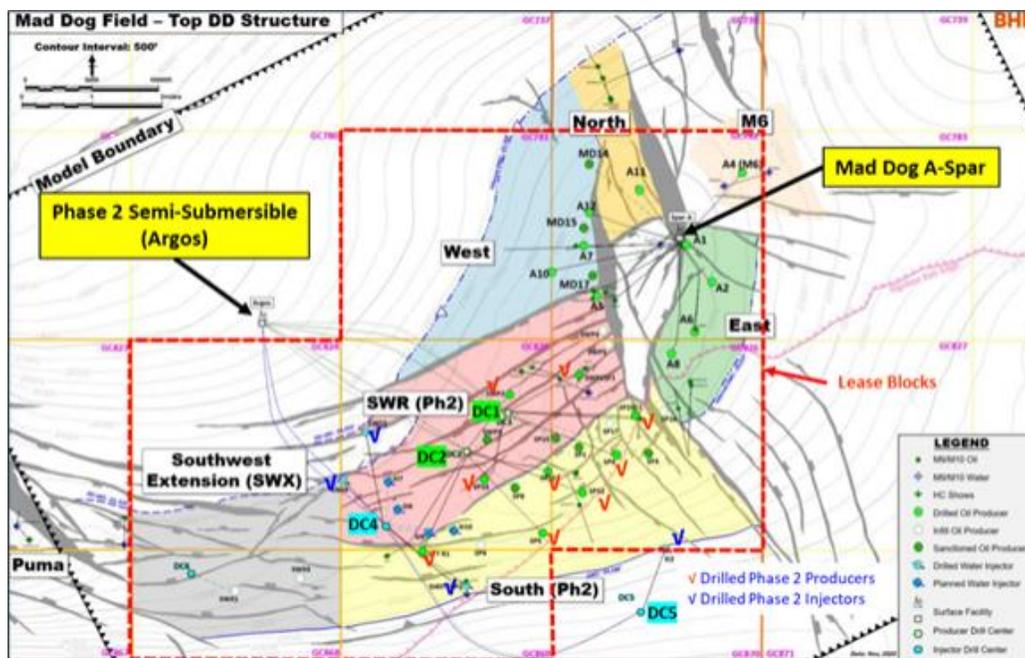
Figure 10.18: BHP Petroleum Net Atlantis Asset Cost Profile



10.4 Mad Dog

The Mad Dog Green Canyon 826 Field was discovered in 1998 in the Gulf of Mexico in approximately 1,340 m water depth (**Figure 10.1**). The Mad Dog Lease area comprises seven blocks in the Green Canyon area: GC 781, 782, 824, 825, 826, 868 and 869 (**Figure 10.19**). The field is operated by BP (WI 60.5%) and BHP Petroleum and Chevron hold 23.9% and 15.6% WI respectively. First production occurred in January 2005. There are ten producing wells (**Figure 10.19**).

Figure 10.19: Mad Dog Field Overview, Structure Map, Wells and Facility Locations



Source: BHP Petroleum

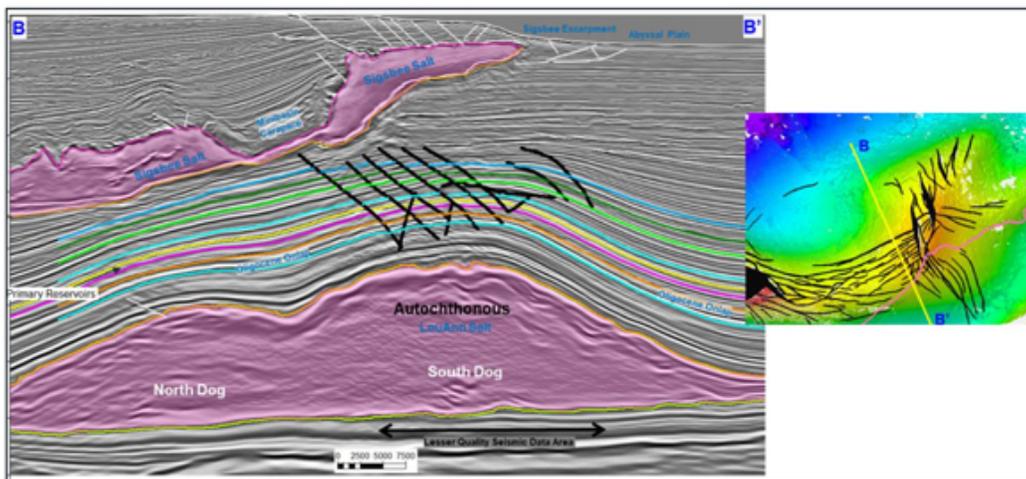
10.4.1 Field Description

The Mad Dog Field is a large, north-south trending, faulted, compressional anticline in the Western Atwater Fold Belt with oil trapped in Middle (M6) and Lower Miocene (M9/M10) turbidite reservoirs. Over 75% of the field is overlain by the Sigsbee Salt; the Sigsbee Salt limit (pink line in **Figure 10.19**) runs diagonally from SW to NE across the southern flank of the field.

The field contains a series of normal faults that radiate outward from the crest, subdividing the field into several structural compartments. The five major field compartments are East, North, West, Southwest Ridge (SWR) and South (**Figure 10.19**). The Southwest Extension (SWX) is an extension of the SWR and South compartments, though several other compartments could be interpreted.

The Mad Dog structure is supported by an autochthonous salt body (**Figure 10.20**), with associated extensional faults forming a crestal graben. Despite being at the crest of the structure, the graben area does not have trapped hydrocarbons.

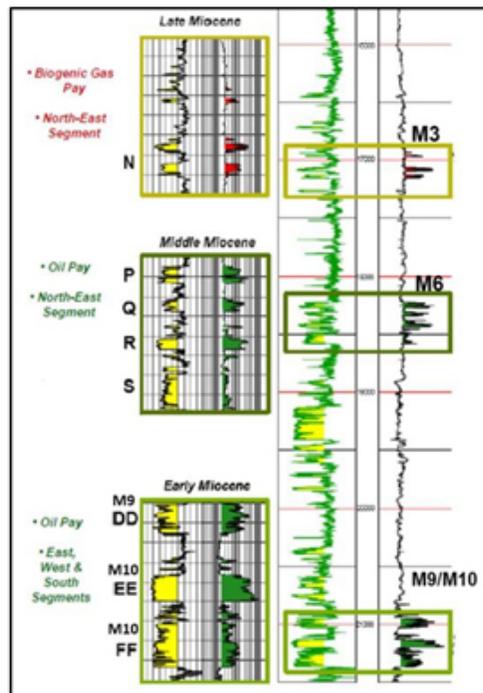
Figure 10.20: Seismic Cross section through Mad Dog



Source: BHP Petroleum

A Mad Dog type log and stratigraphic nomenclature used at Mad Dog Field is shown in Figure 10.21.

Figure 10.21: Mad Dog Type Log



Source: Walker, C. D., and G. A. Anderson, 2016, Simple and efficient representation of faults and fault transmissibility in a reservoir simulator: Case study from the Mad Dog Field, Gulf of Mexico: GCAGS Explore & Discover Article #00177, http://www.gcags.org/exploreanddiscovery/2016/00177_walker_and_Anderson.pdf Gulf Coast Association of Geological Societies.

The primary reservoirs are thick, blocky Lower Miocene (M9/M10) sands, designated as M9DD, M10EE, and M10FF. At Mad Dog individual sands are often more than 30 m thick and are stacked/amalgamated into 100 to 120 m thick sand packages with good porosity of 24% to 27% and permeability of about 500 to 650 mD. The M9/M10 reservoirs are oil bearing in the East, West, North, South-West Ridge and South segments of the structure. Some of the interbedded shales are likely to be continuous and may be flow barriers while others are limited in extent and may be flow baffles. Actual oil-water contacts (OWCs) for the Lower Miocene sands were intersected in two wells.

The Mad Dog Deep 2 well encountered an OWC in the M10 FF Sand in the south-eastern portion of the field. On the west side, an OWC was intersected in the M10 FF sands by the Mad Dog-11 down dip appraisal well. On the south side, an ODT was encountered in the Lower Miocene sands in the MDS-ST1 down dip appraisal well. The northern appraisal wells (down dip) encountered oil in the M9 and oil and water in the M10. The A-11 North graben well drilled in 2016 encountered oil all the way to the base of the M9/M10 sand.

The oil in the M9/M10 is undersaturated with oil gravity ranging from 26.5 to 33° API and oil viscosity from 2.17cP to 7.61 cP.

The M9 CC sand, Upper Miocene (M3) and Middle Miocene (M6) are minor reservoirs. Oil has been encountered in the CC and M6 and gas has been encountered in the M3 reservoir.

The most significant geological uncertainty associated with the Mad Dog Field is structural complexity (although sand quality is laterally consistent and predictable within the M9/M10 reservoirs). Faults were encountered in most of the wells drilled to date with evidence of some compartmentalisation on a field level. The issues revolve around the sealing nature of these faults, the number and location of compartments, volumes within compartments and their connectivity to the aquifer.

A wide-azimuth towed streamer (WATS) 3D seismic survey was acquired in 2004-2005 and reprocessed several times between 2006 to 2010 using different migration algorithms with the final product based on using tilted transverse isotropic (TTI) migration. Interpretation of the TTI volume currently serves as the basis for fault placement, segment definition in the field and STOIP estimation. Subsequent seismic volumes have not been used for any resources estimates but rather used to help validate the existing TTI-based geomodel. An Ocean Bottom Nodal (OBN) 3D seismic survey was acquired between 2017 and 2019. The interpretation from this OBN data (see an example in Figure 10.20) forms the basis for a recent update to the geological model and new simulation modelling still in progress.

10.4.2 Field Development and Resources Estimates

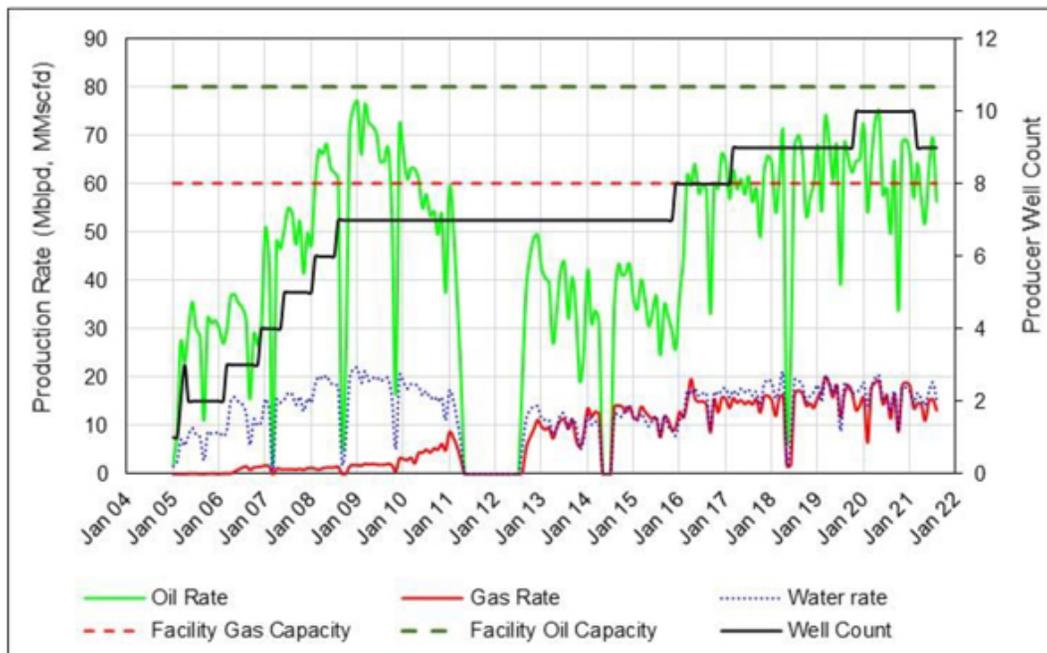
The Mad Dog A-Spar facility comprises a 16-slot (capable of 13 production wells), dry-tree, floating spar hull with integrated production and drilling capabilities. It is a production quarters (PQ) truss spar host with an original nameplate capacity of 80 Mbopd (upgraded to 100 Mbopd in 2016), 40 MMscfd of gas, and 50 Mbwpd. Currently, it has no water injection capability. An 8-well gas lift manifold was set in April 2009. Mad Dog's historical production is shown in **Figure 10.22**. Current oil production rates are ~65 Mbopd, with watercut ~20%.



The design life of many of the major components of the A-Spar facility is 20 to 30 years, putting the original design life to December 2024. BP has performed several studies to quantify both the work scope and CAPEX required to extend the life of the facility to recover the significant remaining potential. BP has adopted 2045 as the end of field life for their business planning purposes.

Oil and sales gas are exported through the Caesar and Cleopatra export pipeline system. BHP Petroleum equity is 25% in the Caesar pipeline and 22% in the Cleopatra pipeline.

Figure 10.22: Mad Dog A-Spar Historical Production



Source: BHP Petroleum

The A-Spar development plan has three remaining wells to be drilled in the West Segment and two future side-track opportunities (one in the East and the other in the West Segment). Drilling operations are planned to commence in February 2022.

The Phase 2 project, currently in progress, comprises a semisubmersible floating production facility 'Argos' with a name plate capacity of 110 Mbopd and 140 Mbwpd water injection. Fourteen producers and eight water injectors are initially planned from drill centres connected to the facility via subsea flowlines. Nine producers and four injectors in the Phase 2 development plan have been drilled of which six producers and one injector have been completed. Start-up of production is planned for the second quarter of 2022.

GaffneyCline reviewed the simulation models that form the basis for production forecast of the A-Spar existing and future wells, and Phase 2 development wells, and consider them to be reasonable. In particular, GaffneyCline reviewed the quality of the calibration of the models with production and pressure data.



10.4.3 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation. GaffneyCline has reviewed the CAPEX provided by BHP Petroleum for each of the 1P, 2P and 2C Contingent Resources cases for Mad Dog A-Spar and Mad Dog Phase 2.

Mad Dog A-Spar

For the 1P and 2P Reserves cases costs are related to the original A Spar development (Mad Dog A-Spar Base) and to the A Spar infill programme (Mad Dog Approved).

The Contingent Resources CAPEX costs comprise of the following two projects:

- Expansion of the Phase 2 water injection to West and North segments; and
- A-Spar life extension and tie-back to Argos.

Table 10.7: Mad Dog A-Spar Capital Cost Estimate - 2P

| CAPEX | US\$ (MM) |
|--------------|------------|
| Development | 159 |
| Sustaining | 197 |
| Total | 355 |

Note: Totals may not exactly equal the sum of individual entries due to rounding

Table 10.8: Mad Dog A-Spar Capital Cost Estimate - Contingent Resources

| CAPEX | US\$ (MM) |
|--------------|------------|
| Development | 376 |
| Total | 376 |

Mad Dog Phase 2

For the 1P and 2P Reserves cases costs comprise of costs related to the second phase of development targeting the southern flank of the field with a semi-submersible floating production unit (Mad Dog Phase 2). The Contingent Resources CAPEX costs comprise of the following two projects:

- Infill drilling in the Phase 2 area; and
- Development of the South-West Extension area between Mad Dog and Puma.

The BHP Petroleum CAPEX costs for each of the projects have been reviewed and appear to be credible, based on GaffneyCline' s experience of comparable developments.

Table 10.9: Mad Dog Phase 2 Capital Cost Estimate - 2P

| CAPEX | US\$ (MM) |
|--------------|------------|
| Development | 611 |
| Total | 611 |

Table 10.10: Mad Dog Phase 2 Capital Cost Estimate - Contingent Resources

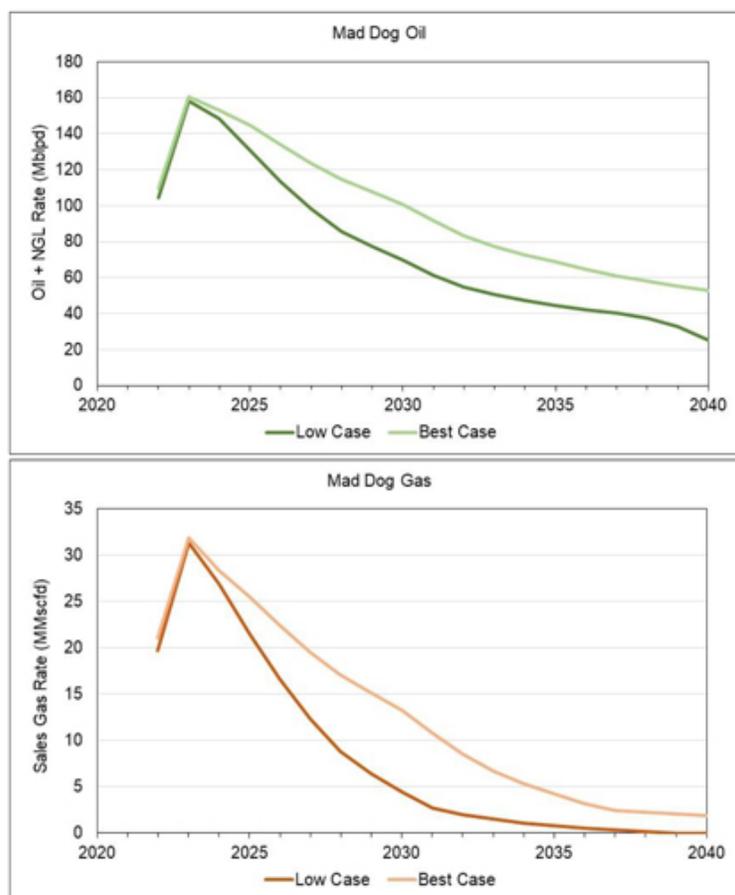
| CAPEX | US\$ (MM) |
|--------------|------------|
| Development | 461 |
| Total | 461 |

The OPEX costs provided in the economic model and supporting documentation have been reviewed and appear to be credible, based on GaffneyCline’s experience. The OPEX profiles have been adjusted in the 1P, 2P and Contingent Resources cases to account for changes in the variable OPEX components of the OPEX costs resulting from differences between BHP Petroleum’s production profiles compared with the GaffneyCline profiles.

10.4.4 Resources Estimates

Reserves are attributed to Mad Dog for future production from existing infrastructure and wells, and for the implementation of Phase 2 with production schedule to start in 2022. The low and best estimate production profiles upon which the Reserves estimates are made are shown in **Figure 10.23**.

Figure 10.23: Mad Dog Production Profiles for Reserves Cases





Contingent Resources (**Table 10.11**) are attributed to the following future projects:

- Expansion of Phase 2 water injection system from 140 to 210 Mbwpd into the West and North Segments benefiting A-Spar recovery. Low salinity water injection is planned with the intention of enhancing oil recovery by reducing the residual oil saturation. Decision Gate 2 (end Selection Stage) is expected to be passed early in 2022.
- Development of the South-West Extension area between Mad Dog and Puma. The South-West extension area is a proved oil accumulation but is staged for development after the current Phase 2 development, hence the technical work in this area is less matured. The development strategy including decision for further appraisal drilling in this area will depend on the outcome of the current Phase 2 development.
- Infill drilling to supplement the Phase 2 wells, and contingent on the outcome of Phase 2. Three wells are provisionally included in the plan.
- Additionally, Contingent Resources are attributed to extension of the A-spar beyond 2045. The facility extension study beyond 2045 is still yet to be undertaken, hence the volumes produced to the A-Spar beyond 2045 is currently considered Contingent Resources (Development Unclassified).

Table 10.11: Mad Dog Gross 2C Contingent Resources as of 31 December 2021

| Project | Gross 2C Contingent Resources | | Development Status |
|---------------------------------------|---------------------------------|------------|--------------------|
| | Oil, Condensate and NGL (MMBbl) | Gas (Bscf) | |
| Expand Phase 2 water injection | 66.7 | 1.6 | Pending |
| South-West Extension | 86.7 | 10.8 | Unclassified |
| Phase 2 supplementary infill drilling | 101.6 | 5.1 | Unclassified |
| A-Spar extension | 38.7 | - | Unclassified |

BHP Petroleum has identified additional potential opportunities beyond those listed above, which might provide upside potential in the future, but for which no Contingent Resources have been attributed on the basis that they are not yet been adequately substantiated.

10.4.5 GaffneyCline’s Production and Cost Valuation Profiles- Mad Dog

GaffneyCline’s valuation scenario production profile for BHP Petroleum’s Mad Dog oil asset is given in **Figure 10.24** with the associated real term cost profiles provided in **Figure 10.25**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing Mad Dog Field and the four planned Mad Dog Contingent Resources projects documented in the previous sections.



GaffneyCline has independently assessed the four Contingent Resources projects and their technical and commercial maturity and considers them appropriate for valuation. As most projects are expansion projects with additional drillable wells from existing infrastructure with very good incremental IRR assessments, GaffneyCline considers these projects appropriate for valuation after consideration of the contingencies described in section 10.3.4.

Figure 10.24: BHP Petroleum Net Mad Dog Asset Production Profile

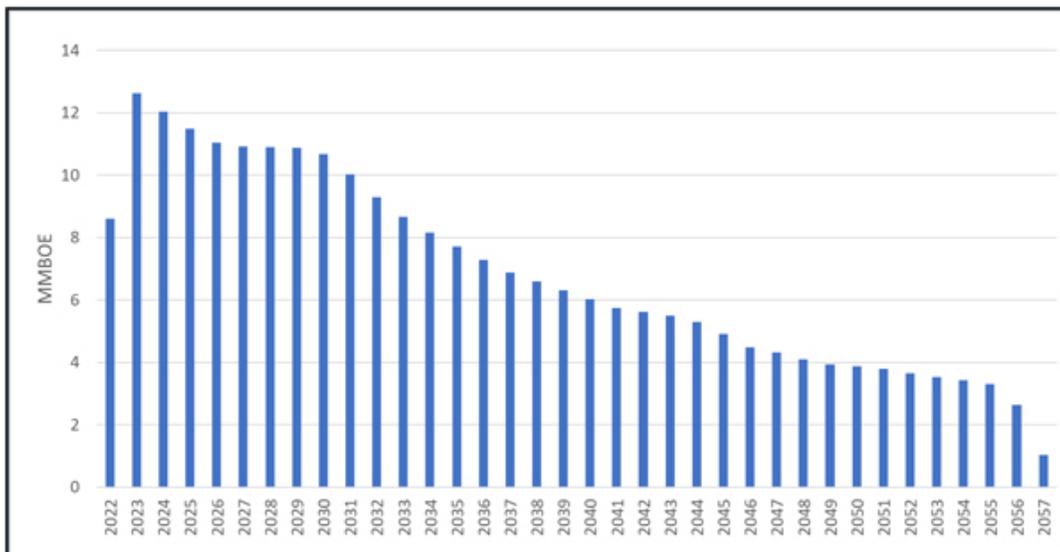
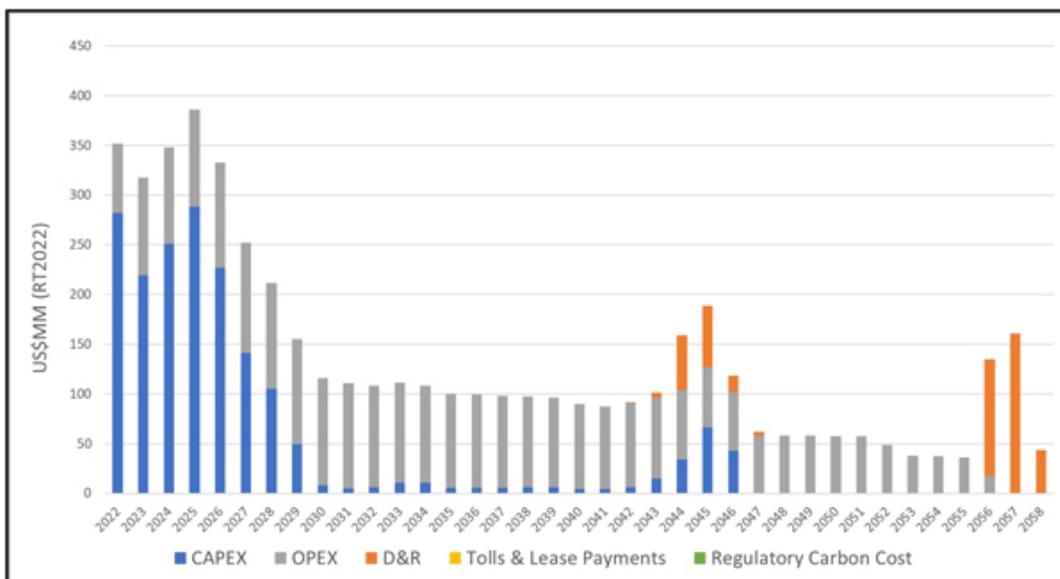


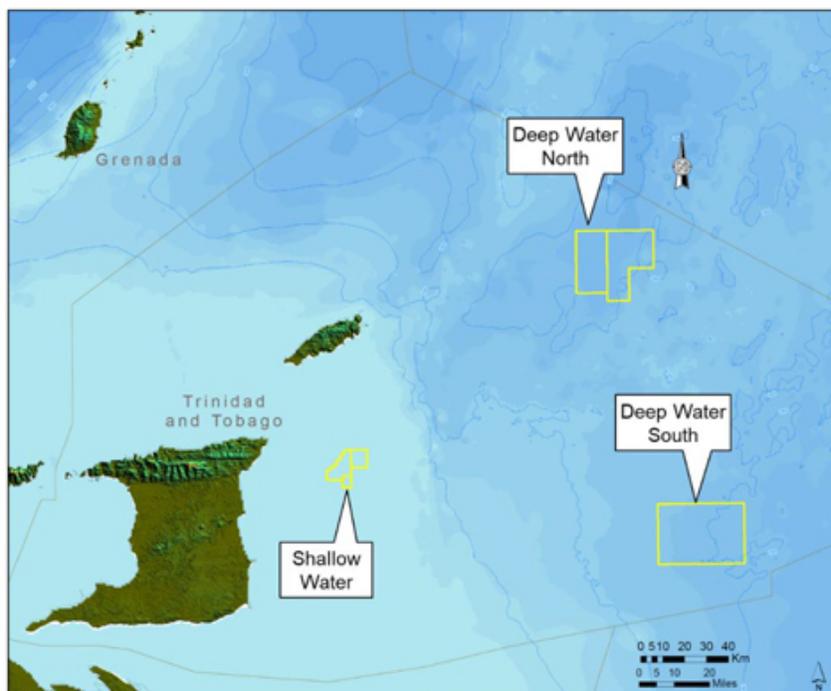
Figure 10.25: BHP Petroleum Net Mad Dog Asset Cost Profile



11 BHP Petroleum Trinidad and Tobago

BHP Petroleum holds licences in three offshore areas: Shallow Water, Deep Water North and Deep Water South (**Figure 11.1**). The Shallow Water area contains producing oil and gas assets and undeveloped discoveries of the Greater Angostura Complex. The Deep Water North area contains the multi-field Calypso gas development currently under appraisal and the Deep Water South area contains gas discoveries currently under evaluation.

Figure 11.1: Location Map of BHP Petroleum's assets Offshore Trinidad and Tobago

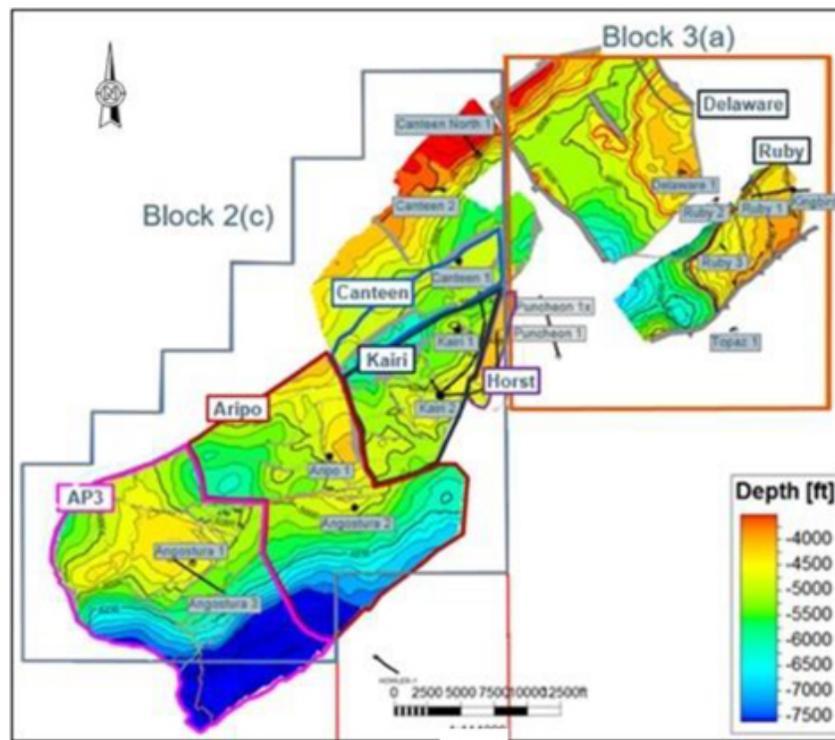


Source: BHP Petroleum

11.1 Shallow Water–Greater Angostura Complex - Block 2(c) and 3(a)

The shallow water Greater Angostura Complex comprises multiple accumulations located within Block 2(c) and Block 3(a) (**Figure 11.2**). Block 2c contains producing oil and gas assets (AP3, Aripo, Horst, Kairi and Canteen) and discoveries (Howler, Canteen North). Block 3(a) contain the Ruby (oil and gas) and Delaware (gas) fields, which came on stream in 2021. BHP Petroleum is the operator under a Production Sharing Contract (PSC) and holds a 45% working interest in the producing assets in Block 2(c) with partners National Gas Company of Trinidad and Tobago (30%) and Chaoyang (25%), and a 68.46% stake in Block 3(a) with the National Gas Company of Trinidad and Tobago as partner. BHP Petroleum has 64.3% working interest in the Howler discovery, which has been incorporated in Block 2(c) with its PSC terms, with Chaoyang as partner.

Figure 11.2: Location Map of Fields in Greater Angostura Complex



Source: BHP Petroleum

11.1.1 Field Description and Development History

The discovery well Angostura-1, intersected ~290 m of gas in Early Oligocene sands in Block 2(c) in 1999. Oil was discovered by Kairi-1 in 2001, also in Block 2(c). During the Exploration Phase of the Block 2(c) PSC, a total of four exploration and three appraisal wells were drilled, discovering significant oil and gas resources within a large, faulted structure in the same Oligocene sandstone reservoir. Oil rims in Kairi, Canteen and Horst fields have been developed and came on stream from 2005 to 2008. The Aripo and AP3 gas fields came on stream in 2011 and 2016 respectively.

During the Exploration Phase of the Block 3(a) PSC, five exploration and two appraisal wells were drilled. Gas was discovered in Delaware-1 in 2003 and oil in Ruby-1 in 2006. Declaration of Commerciality for Block 3(a) was in 2018 and development of Ruby and Delaware fields was sanctioned in 2019. Development drilling in Ruby started late in 2020 and production is to the Block 2(c) facilities. First oil production from Ruby started in May 2021 and first gas production from Delaware commenced in August 2021.

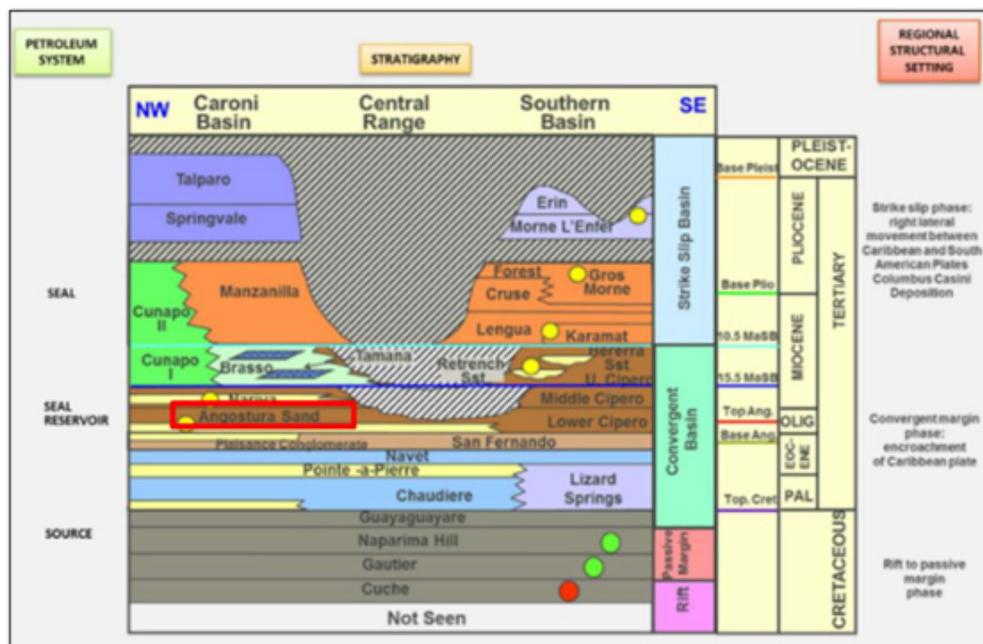
With the development of Ruby and Delaware fields in Block 3(a), the PSC for both Block 3(a) and Block 2(c) has been extended to 2031.

The broad antiformal feature of Greater Angostura is in an area with complex tectonic history and the faults in the field create an intricate structural picture. Major faults have compartmentalised the Greater Angostura structure into at least five or six separate production units. However, due to the high sand content and the large gross thickness, many of the intra-field faults are not completely sealing, but may act as partial flow barriers over the producing life of the field. Most of the tested fault blocks appear to contain different gas-oil and oil-water contacts, and between some blocks, different pressure regimes.

AP3 and Aripo have thin oil rims (11 m) with large gas caps. The Canteen-1 and Kairi compartments contain thicker, but separate, oil columns (96 and 133 m respectively) with gas caps. The Horst block has a 30 m oil rim with a large gas cap.

The fields produce from an Early to Middle Oligocene-aged sand formation named the Angostura Sandstone (**Figure 11.3**). It ranges in thickness from less than 100 m to over 450 m. The Angostura Sandstone is interpreted to be a turbidite-dominated gravity flow depositional system in the upper to mid-slope environments, either a fan delta-fed slope or a detached turbidite system, relatively close to its source area. The depositional model is described by a series of laterally coalescing, northwest derived shelf type fan deltas that are banked against a northeast-southwest trending thrust fault bordering an Oligocene 'Northwest Trinidad High.

Figure 11.3: Stratigraphic Column of Greater Angostura Complex



Source: BHP Petroleum

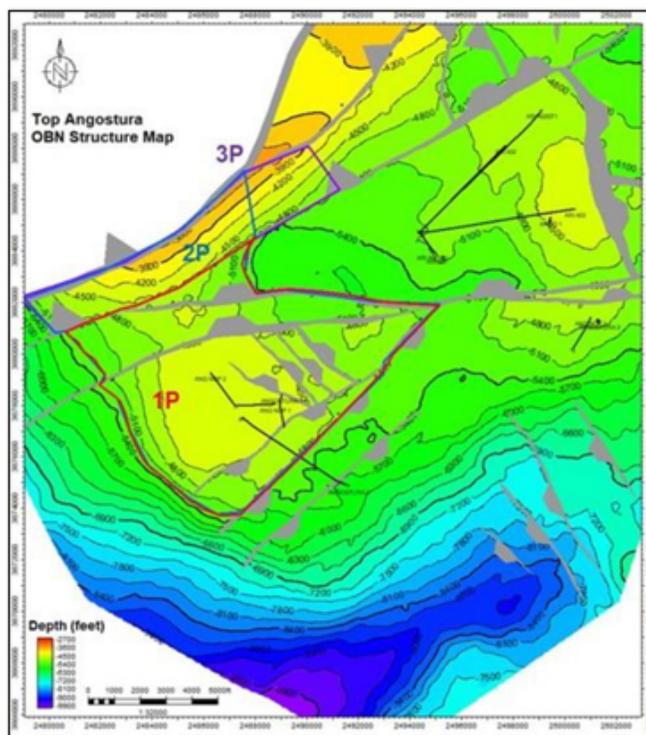
The structure was originally covered by a 3D OBC (Ocean Bottom Cable) seismic dataset obtained in 1997. The quality of these data and the complexity of the structure left a large amount of uncertainty in the mapping. Since then, several newer 3D seismic surveys (Angostura in 2001, Darien 2003, Emerald 2004) have been acquired and processed for better seismic imaging. The Angostura Field seismic survey was reprocessed and a PSDM volume was delivered in 2005 to improve resolution. In 2008 another reprocessing project was carried out utilising the latest technologies. However, imaging remained a challenge and the ability to map top and base reservoir away from well control remained difficult.

The 2018 Trinidad OBN (Ocean Bottom Node) seismic survey was designed to improve imaging to, inter alia, plan the placement of the horizontal wells of the Ruby development. Processing used Full Waveform Inversion technology and allowed for higher confidence in defining reservoir extent.

AP3 Field (Block 2c)

Six wells have been drilled in the AP3 Field. Angostura-1 was the discovery well and encountered a gas filled Angostura Sandstone interval. Angostura-2 was an appraisal well drilled northeast of the discovery well and found a gas interval that was lower in pressure than the original well and a thin oil column (11 m) with water bearing sandstone below. The Angostura-3 appraisal well was drilled between the other two previous wells and encountered a thin gas section apparently connected to the discovery well, then faulted into a water bearing sand which looks to be the Angostura-2 reservoir. As part of the AP3 project, three development wells were drilled and completed. These are currently all on production. Dynamic data show larger GIIP than estimated by mapping seismic data around the wells. Connected GIIP has been estimated using multi-tank material balance and diagnostic plots. Low and best estimate resources estimates are based on material balance and history matched reservoir simulation models respectively (**Table 11.1**).

Figure 11.4: Depth Structure Map of AP3 Field



Source: BHP Petroleum

Aripo Field (Block 2c)

Four wells have been drilled in Aripo. Aripo-1 found gas bearing Angostura Sandstone with a thin oil column and water bearing sand. Pressures suggest a possible connection between the Angostura-2 eastern area and Aripo-1. Three development wells were drilled and completed. Pressure decline due to production from the Kairi field indicates communication between these fault blocks. Over 90% of the ultimate recovery has been produced. Resources estimates are based on well performance extrapolation using 500 psi abandonment pressure (**Table 11.1**).

Kairi Field (Block 2c)

Kairi Field, discovered by Kairi-1 and appraised by Kairi-2 has been the predominant oil producing segment of the Angostura complex. To date 15 development wells have been drilled from the two wellhead platforms (excluding Kairi Horst). Eleven are horizontal or highly deviated oil producers and four are gas injection wells. Development drilling has confirmed the geologic complexity of the area. Additional faulting and different fluid contacts have been encountered in some of the wells. Low and best estimate Resource estimates are based on DCA and reservoir simulation respectively (**Table 11.1**). More than 95% of the ultimate recovery has been produced.

Canteen Field (Block 2c)

The Canteen oil accumulation was discovered by Canteen-1. Seven development wells were drilled: four horizontal oil producers and one deviated gas injection well in the main producing area of Canteen, and a gas injector to support a horizontal oil producer that was drilled into the western area. Low and best estimate Resource estimates are based on DCA and reservoir simulation respectively (**Table 11.1**). More than 97% of the estimated ultimate recovery has been produced.

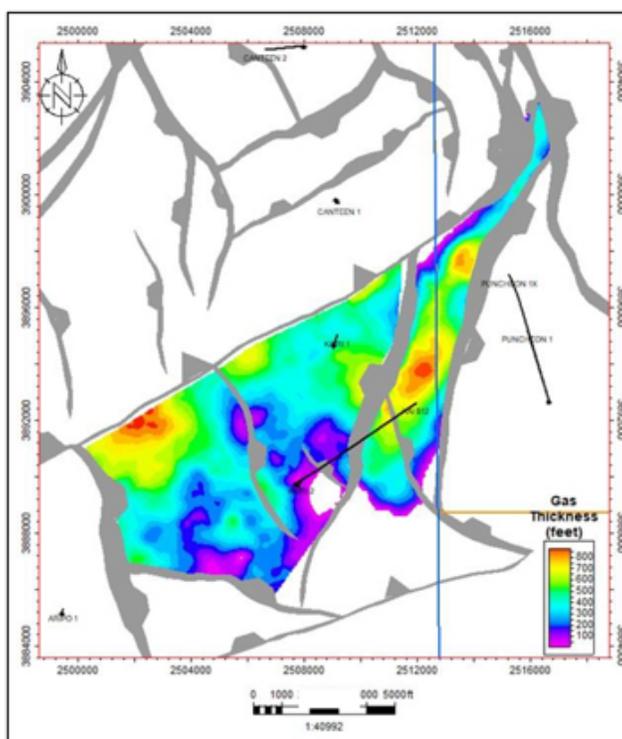
Horst Field (Block 2c)

A well drilled northeast from the Kairi-A platform in 2005 to test the Kairi Horst feature failed to find the Angostura Sandstone. In 2007, a second well from Kairi-B confirmed the presence of both oil and gas in the Horst block, encountering approximately 180 m of gross gas and 30 m of gross oil in the Angostura Sandstone. Pressures measured in the well, as well as different fluid contacts, show that the Kairi Horst is in a separate reservoir compartment from the other parts of the field. The well was completed as an oil producer, but later converted to a gas injector to support a horizontal oil producer drilled in 2011, which had gas breakthrough within half a year. Both wells have produced since 2014 at high GOR and are currently producing mainly gas.

Dynamic data show larger GIIP than estimated from mapping of OBN seismic data and this is likely due to connection to the Olistostrome (**Figure 11.5**). Low and best estimate Resource estimates are based on DCA and reservoir simulation respectively (**Table 11.1**).



Figure 11.5: Hydrocarbon Pore Thickness Map of Olistostrome above Kairi and Horst Field



Source: BHP Petroleum

Resources Estimates for AP3, Aripo, Kari, Canteen and Horst

Reserves are attributed to the AP3, Aripo, Kari, Canteen and Horst Fields. Estimates of recoverable volumes shown in **Table 11.1** form the basis for the Reserves estimates.

Table 11.1: Estimates of Initially In Place and Recoverable Volumes for Angostura Projects

| | Field | Initially in Place | | Ultimate Recovery | |
|--------------------|-------------------|--------------------|--------------|-------------------|--------------|
| | | Low | Best | Low | Best |
| Gas (Bscf) | AP3 | 560 | 650 | 459 | 544 |
| | Aripo | 505 | 518 | 386 | 406 |
| | Kari | 478 | 531 | 331 | 372 |
| | Canteen | 80 | 95 | 29 | 35 |
| | Horst | 240 | 280 | 181 | 217 |
| | Block 2(c) | 1,863 | 2,074 | 1,387 | 1,574 |
| Liquids (MMBbl) | Kari | | 223 | 58.2 | 58.8 |
| | Canteen | | 81 | 24.8 | 25.0 |
| | Horst | | 9 | 0.7 | 0.7 |
| | Condensate | | - | 0.7 | 0.8 |
| | Block 2(c) | | 313 | 84.4 | 85.3 |

Note: Volumes exclude estimates of fuel.

Contingent Resources in the Greater Angostura Complex within Block 2(c) comprise gas in the Canteen North area (discovered by the Canteen North exploration well in 2011), the Howler area (discovered by the Howler exploration well in 2003), the Nariva age sands (gas discovered by the ANG-NOP-02 well in 2016) and additional gas production from the Canteen, Kairi, Aripo and Horst fields attributed to lowering field abandonment pressure below that currently assumed for the Reserves case.

Canteen North (Block 2c)

Canteen North was discovered in 2011 north of the oil-bearing Canteen Field. Gas was encountered in well-developed olistostrome sands with a GWC in the upper Angostura thin beds. The thin beds are interpreted as a transgressive phase of the Angostura Sandstone. The majority of GIIP is in the olistostrome sands (**Table 11.2**). Based on regional analogues and weak aquifer drive, ultimate recovery is estimated at 62 Bscf (65% recovery factor). Canteen North is one of the development opportunities in the area when gas ullage become available.

Table 11.2: Best Estimate Reservoir Properties and GIIP for Canteen North

| Field / Reservoir | NTG (v/v) | Porosity (v/v) | Water Saturation | GIIP (Bscf) |
|------------------------|-----------|----------------|------------------|-------------|
| Olistostrome/thin beds | 0.3 | 0.2 | 0.4 | 77 |
| Angostura | 0.7 | 0.18 | 0.22 | 19 |

Howler Field (Block 2c)

The Howler-1 discovery well was drilled in Block 2c south of the Angostura Development Area and encountered hydrocarbons in the Naparima Hill carbonate reservoir, flowing gas during a drill-stem test (DST). After declaration of commerciality, the Howler area has been assimilated into Block 2c.

The presence of matrix porosity with enhanced permeability from fractures is the main uncertainty and it is believed that an additional appraisal well will be required.

GIIP (**Table 11.3**) and recoverable gas from the Naparima Hill Formation have been estimated probabilistically. The best case assumes effective gas reservoir to be found down to 500 m below the end-of-thrust (ET) unconformity and the gas water contact (2,545 mss) at the intersection of the Howler gas gradient and Kairi-1 water gradient. The recovery factor (75%) assumes primary depletion through a network of natural fractures enhanced with compression. Analog fields, which produce from fractured and low porosity reservoirs, indicate a wide variation in well quality and recovery per well. Recovery per well ranges from 25 to 80 Bscf.

Table 11.3: Best Estimate Reservoir Properties and GIIP for Howler Field

| Field / Reservoir | NTG (v/v) | Porosity (v/v) | Water Saturation (v/v) | Permeability (mD) | GIIP (Bscf) |
|-------------------|-----------|----------------|------------------------|-------------------|-------------|
| Naparima Hill | 0.85 | 0.15 | 0.65 | 10 | 364 |

Significant uncertainty requires further study prior to drilling any additional appraisal wells. Recoverable volumes are classified as Contingent Resources and sub-classified as Not Viable as development is uneconomic at prevailing costs and gas prices.

Delaware Field (Block 3a)

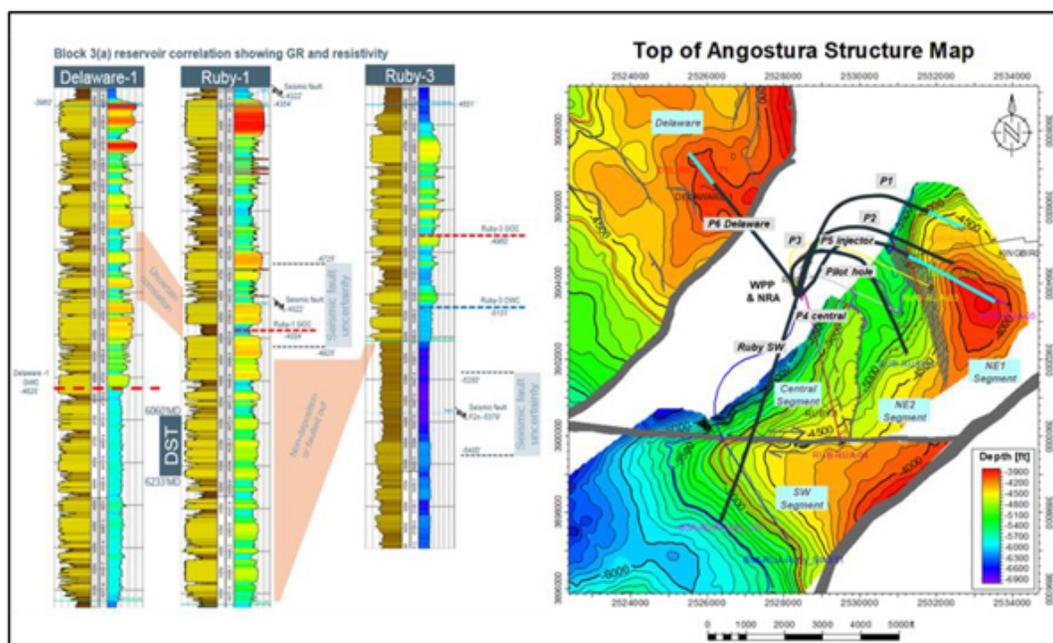
The Delaware-1 well was drilled in 2003 at the crest of the Delaware thrust sheet, which dips to the NNW (Figure 11.6), discovering gas. One deviated gas producer has been drilled. Resources estimates are shown in Table 11.4.

Ruby Field (Block 3a)

The Ruby-1 exploration (2006) and Ruby-3 appraisal (2016) wells found oil and gas in commercial quantities. However, the Ruby-3 well found an oil-water contact and gas-oil contact shallower than the oil-down-to and gas-oil contact in the initial Ruby-1 well, indicating compartmentalization. Reservoir sand properties are good, with porosity ranging from 12 to 23% (average about 15%) and permeability ranging from tens of milli-Darcies to over 5 Darcy (average around 240 mD). The NTG ranges from 50% to 75% with average about 67%.

Development wells were drilled in 2020 and 2021. The development plan involves four horizontal wells with an injector for pressure maintenance, later followed by gas cap blow down when ullage for sales gas becomes available. Long horizontal reservoir sections (~600 m) are drilled with an orientation designed to maximise contact with stratigraphy and mitigate potential compartmentalisation risk.

Figure 11.6: Type Logs and Structure of Delaware and Ruby Fields



Source: BHP Petroleum

The pilot development well into the NE2 segment drilled in 2021 delivered unexpected results, encountering the top Angostura 120 m deeper than prognosed, with a thinner sand and FWL shallower than the lowest known hydrocarbon depth in the NE1 segment intersected by Ruby-1. The appraisal exploration well into the SW segment encountered the Angostura sandstone deeper than prognosed and water bearing.

Estimates of ultimate recovery (**Table 11.4**) are based on the new OBN seismic, results of the development wells and initial production performance.

Table 11.4: Gross Resources Estimates for Delaware and Ruby Fields

| Field | Low | | | Best | | |
|---------------------|-------|-------------------|--------|-------|-------------------|--------|
| | HCIIP | Ultimate Recovery | RF (%) | HCIIP | Ultimate Recovery | RF (%) |
| Ruby oil (MMBbl) | 18.5 | 3.2 | 17 | 25.9 | 4.1 | 16 |
| Ruby gas (Bscf) | 64.6 | 17.6 | 27 | 101.1 | 33.9 | 34 |
| Delaware gas (Bscf) | 56.3 | 23.4 | 42 | 66.3 | 29.9 | 45 |

11.1.2 Field Development and Production Profiles

Development of the Angostura oil (Kairi, Canteen and Horst) was sanctioned in February 2003 and drilling began in October 2003, with oil production starting in January 2005 from Kairi. The oil development utilises horizontal and highly deviated producing wells and deviated gas injection wells, drilled from three fixed wellhead platforms. Produced gas is re-injection into the gas caps for pressure maintenance. In late life a gas cap blow down is planned. The wells produce to a fixed central production platform (CPP) that is bridge connected to one of the wellhead platforms. The central facility hosts living quarters, gas compression equipment for re-injection, and the production facilities necessary to deliver stabilised crude to onshore storage facilities at Galeota Point on the southeast coast of Trinidad. Oil is exported via a catenary anchor leg mooring (CALM) buoy and tanker loadings. Produced gas, less fuel requirements, is re-injected. Produced water is treated and discharged into the sea.

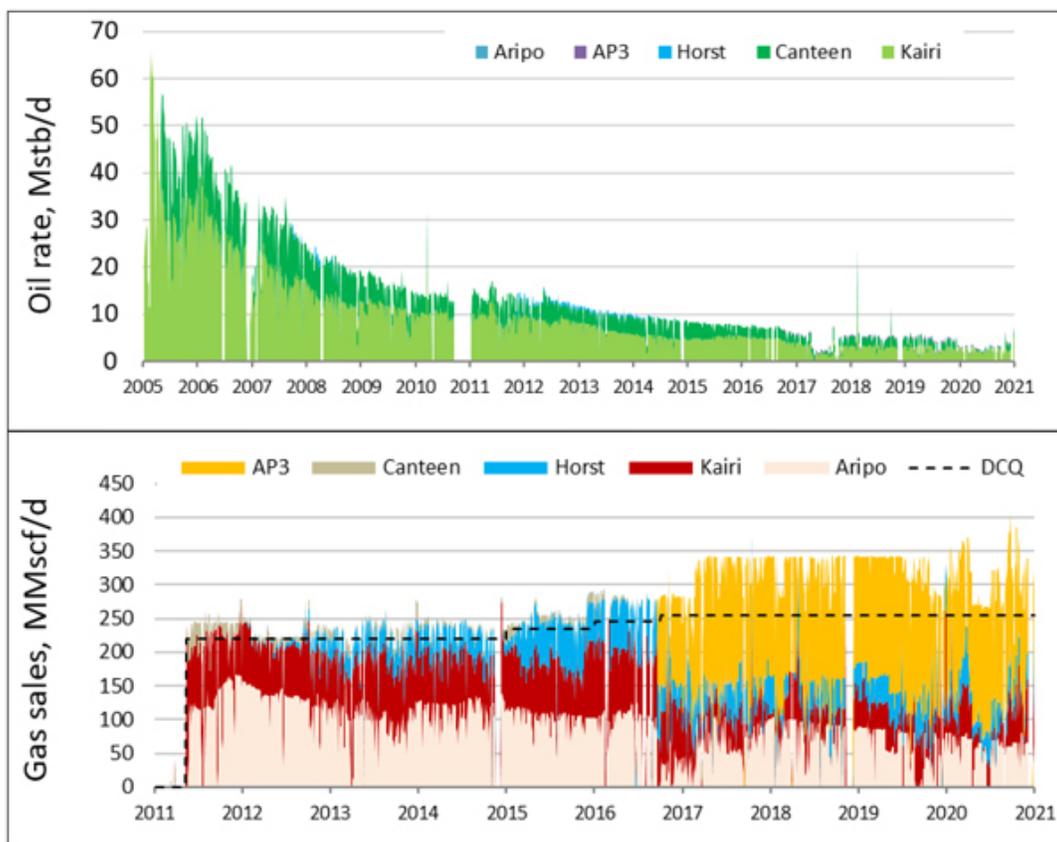
In August 2008, the Angostura Gas Project (AGP) was sanctioned. The development comprises three dedicated gas wells Aripo and provides additional facilities on a new gas export platform (GEP) necessary to produce, process, and deliver natural gas from the gas caps of Kairi, Canteen, Horst and Aripo to the Natural Gas Company of Trinidad and Tobago (NGC) for the domestic market. Under the sales agreement, NGC takes delivery of the gas at an offshore sales delivery point at the GEP. The gas export pipelines, export risers and associated infrastructure are owned, operated, and maintained by NGC. Development of AP3 was sanctioned in 2014 and consisted of 3 subsea gas wells tied back to GEP.

The fields are believed to have limited aquifer support. Pressure data acquired after production commenced indicate communication through the aquifer in the Greater Angostura structure. Faults appear to have low sealing capacity and although compartmentalisation causes baffling to flow, communication across faults occurs with differential pressure depletion.



As of June 2021, 31 development wells have been drilled in Block 2(c): 17 horizontal or highly deviated oil wells and eight deviated gas injection wells in Kairi, Canteen and Horst fields, and six dedicated gas producers in Aripo and AP3. Current oil production is ~3,500 bopd coming mainly from Kairi and Canteen. The AP3 and Aripo fields are currently producing the bulk of the total gas sales of ~340 MMscfd (Figure 11.7), with Horst, Kairi and Canteen fields contributing the remaining sales gas. The combined complex has produced an estimated 80 MMBbl of oil through June 2021 and a total of 967 Bscf of natural gas has been sold.

Figure 11.7: Historical Production from Greater Angostura Complex



Source: BHP Petroleum

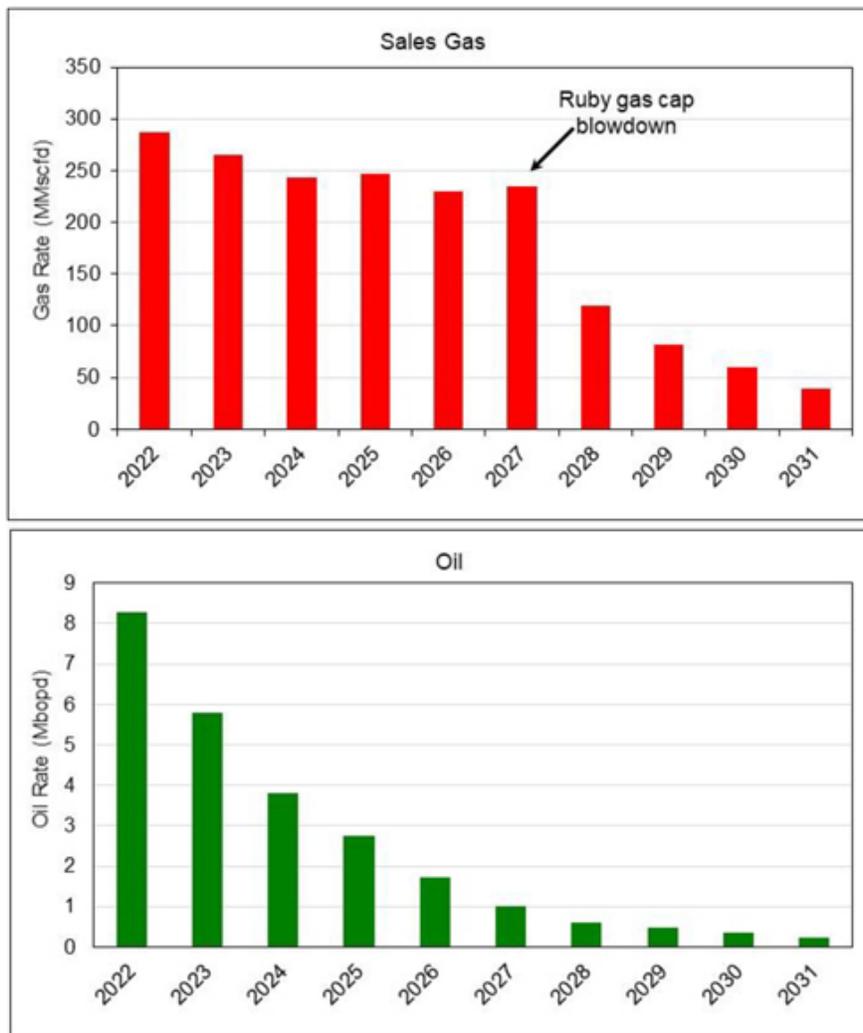
The Ruby/Delaware development of 2020 comprises six wells: four horizontal oil producers and one horizontal gas injection well in Ruby and one deviated gas producer in Delaware. Wells are drilled from a single, unmanned wellhead protector platform (WPP) tied back to the existing Block 2(c) processing facilities (CPP) via 3 flowlines: a production flowline from WPP to CPP for Ruby, an injection flowline from CPP to WPP and a production flowline from WPP to GEP for Delaware. Produced gas will be re-injected in Block 3(a) or exported as sales gas. Metering and allocation instrumentation have been installed on the CPP to distinguish new production from Block 3(a) from existing production in Block 2(c).



The nominal capacity of the processing facilities on the CPP is 100 Mbopd with a gas-handling limit of 350 MMscfd. The expected maximum current daily production rate from the field is ~6 Mbopd and 340 MMscfd of gas. All the gas that is not used for sales, fuel and flare is re-injected into the eight gas injection wells in Canteen, Kairi and Ruby. Current daily injection target is approximately 160 MMscfd.

Figure 11.8 shows overall constrained production profiles for Block 2(c) (AP3, Aripo, Horst, Canteen, Kairi Fields) and Block 3(a) (Ruby and Delaware fields) combined.

Figure 11.8: Production Profiles for Block 2(c) and Block 3(a)



Source: Based on data provided by BHP Petroleum

11.1.3 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation which GaffneyCline has reviewed.

For both Block 2(c) and Block 3(a) the 2P Reserves CAPEX comprise of risk reduction and improvement capital costs, but no significant facilities CAPEX expenditure. The BHP Petroleum CAPEX costs have been reviewed and appear to be credible, and have been adopted unchanged. CAPEX for the 2P Reserves case from 31 December 2021 is shown in **Table 11.5**.

Table 11.5: Block 2(c) and Block 3(a) Capital Cost Estimate - 2P

| CAPEX - US\$ (MM) | Block 2(c) | Block 3(a) |
|-------------------|------------|------------|
| Development | | |
| Sustaining | 42 | 26 |
| Total | 42 | 26 |

The OPEX for the 2P Reserves is broken down into fixed operating overhead costs, lifting costs and processing and storage. The OPEX costs have been reviewed and appear to be credible, based on GaffneyCline's experience. The OPEX profiles have been adjusted to account for changes in the variable OPEX components of the total OPEX resulting from differences between BHP Petroleum's production profiles compared with the GaffneyCline profiles, and allocation of the total OPEX adjusted between 2(c) and 3(a) based on the relative production rates.

11.1.4 Resources Estimates

Reserves are attributed to the AP3, Aripo, Kairi, Canteen, Horst, Ruby and Delaware fields. Coupled simulation models are used to forecast performance of the Canteen, Kairi, Horst, Aripo and AP3 fields together. The forecast assumption is that 255 MMscfd will be produced from Block 2(c) leaving an ullage of 85 MMscfd for gas from Block 3(a) Ruby/Delaware fields.

Contingent Resources in Block 2(c) (**Table 11.6**) include volumes that are associated with the Canteen North and Howler discoveries and production associated with the Canteen, Kairi, Horst and Aripo Fields at lower abandonment pressure than currently assumed. In 2016, a gas discovery was made in the Nariva age sands during the drilling of the ANG-NOP-02 well. All these Contingent Resource volumes are sub-classified as Not Viable as no plans exist to mature these development opportunities.

Table 11.6: Gross 2C Contingent Resources for Block 2(c) as of 31 December 2021

| Field | 2C Contingent Resources | |
|----------------------------|-------------------------|--------------------|
| | Gas (Bscf) | Condensate (MMBbl) |
| Canteen North | 62 | - |
| Howler | 274 | 1.6 |
| Nariva | 8.7 | - |
| Lower Abandonment Pressure | 25.2 | - |
| Total | 370 | 1.6 |

11.1.5 GaffneyCline's Production and Cost Valuation Profiles-Block 2c

GaffneyCline's valuation scenario production profile for BHP Petroleum's Trinidad and Tobago Block 2c asset is given in **Figure 11.9** with the associated real term cost profiles provided in **Figure 11.10**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing Trinidad and Tobago Block 2c asset projects documented in the previous sections. Block 2c profiles contains producing oil and gas assets AP3, Aripo, Horst, Kairi and Canteen.

Figure 11.9: BHP Petroleum Net Trinidad and Tobago Block 2c Asset Production Profile

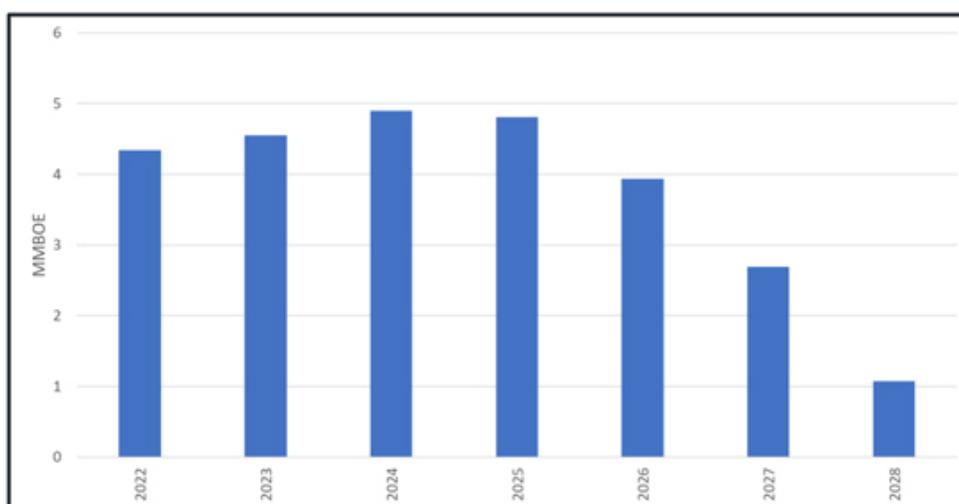
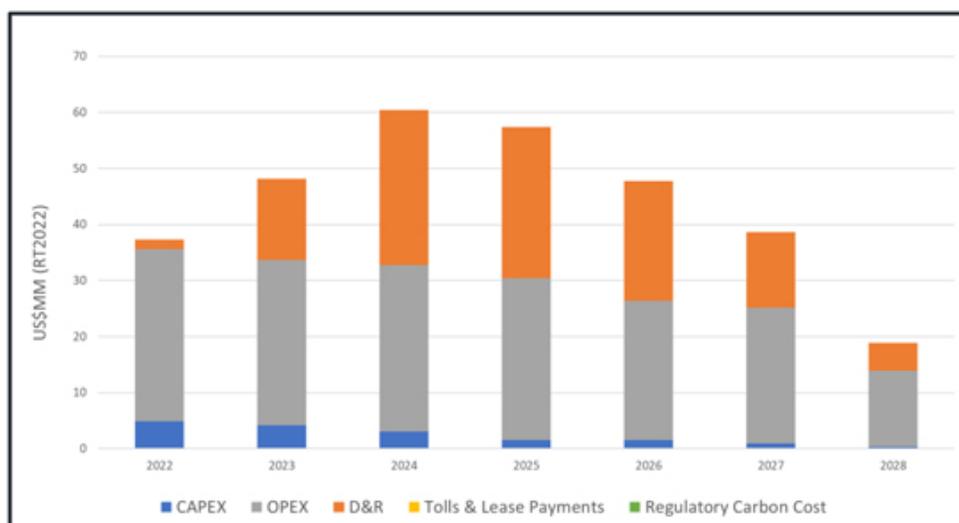


Figure 11.10: BHP Petroleum Net Trinidad and Tobago Block 2C Asset Cost Profile



11.1.6 GaffneyCline's Production and Cost Valuation Profiles-Block 3a

GaffneyCline's valuation scenario production profile for BHP Petroleum's Trinidad and Tobago Block 3a asset is given in **Figure 11.11** with the associated real term cost profiles provided in **Figure 11.12**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the remaining recoverable volumes of the producing Trinidad and Tobago Block 3a asset projects documented in the previous sections. Block 3a contain the Ruby (oil and gas) and Delaware (gas) fields, which came on stream in 2021.

Figure 11.11: BHP Petroleum Net Trinidad and Tobago Block 3a Asset Production Profile

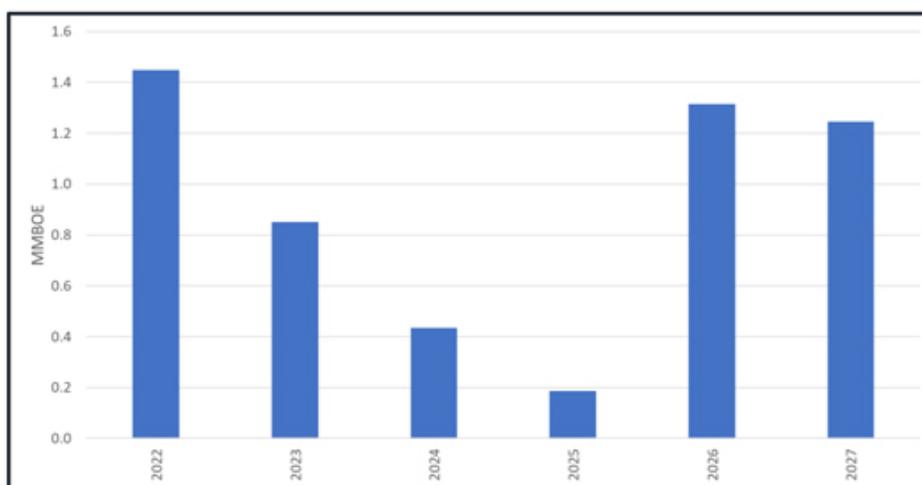
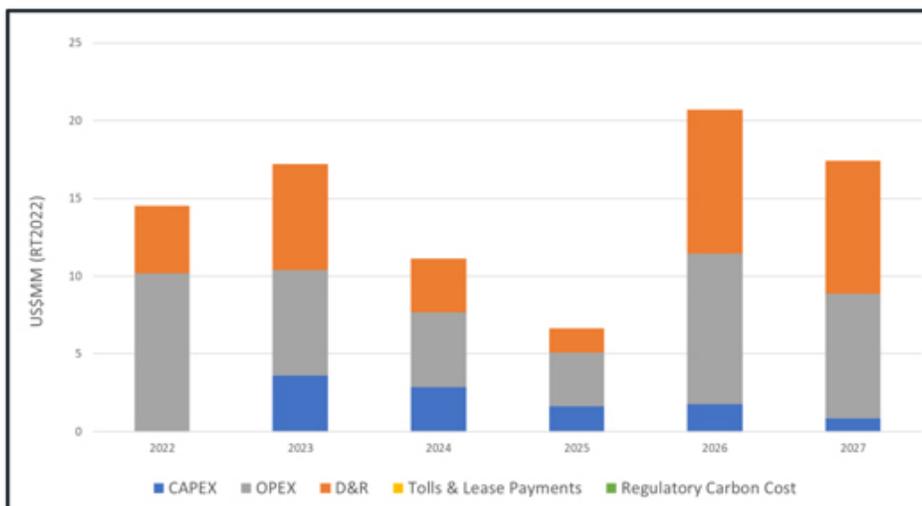


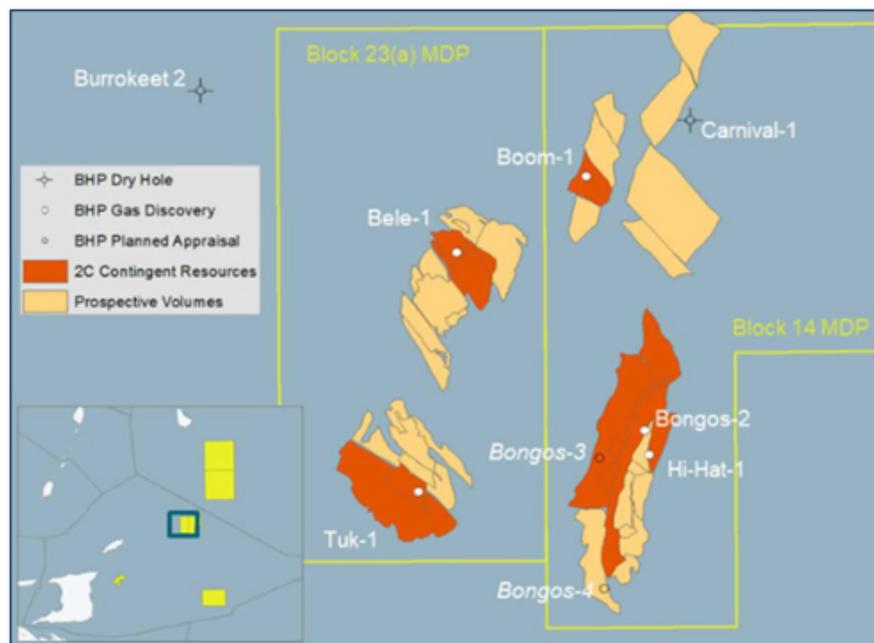
Figure 11.12: BHP Petroleum Net Trinidad and Tobago Block 3a asset Cost Profile



11.2 Deep Water North - Calypso Development

The Deep Water North area covers Blocks 23(a) and 14 (**Figure 11.13**), approximately 170 km northeast of the island of Tobago with a water depth of 2,000 m. BHP Petroleum is the operator and has a 70% working interest with BP as partner. BHP Petroleum drilled seven exploration wells and made five discoveries (Bongos, Bele, Tuk, Hi-Hat, Boom), with the Burroket and Carnival wells being unsuccessful. The discoveries are expected to be developed in a single development referred to as Calypso.

Figure 11.13: Location Map of Deep Water North Calypso Development



Source: BHP Petroleum

11.2.1 Field Description

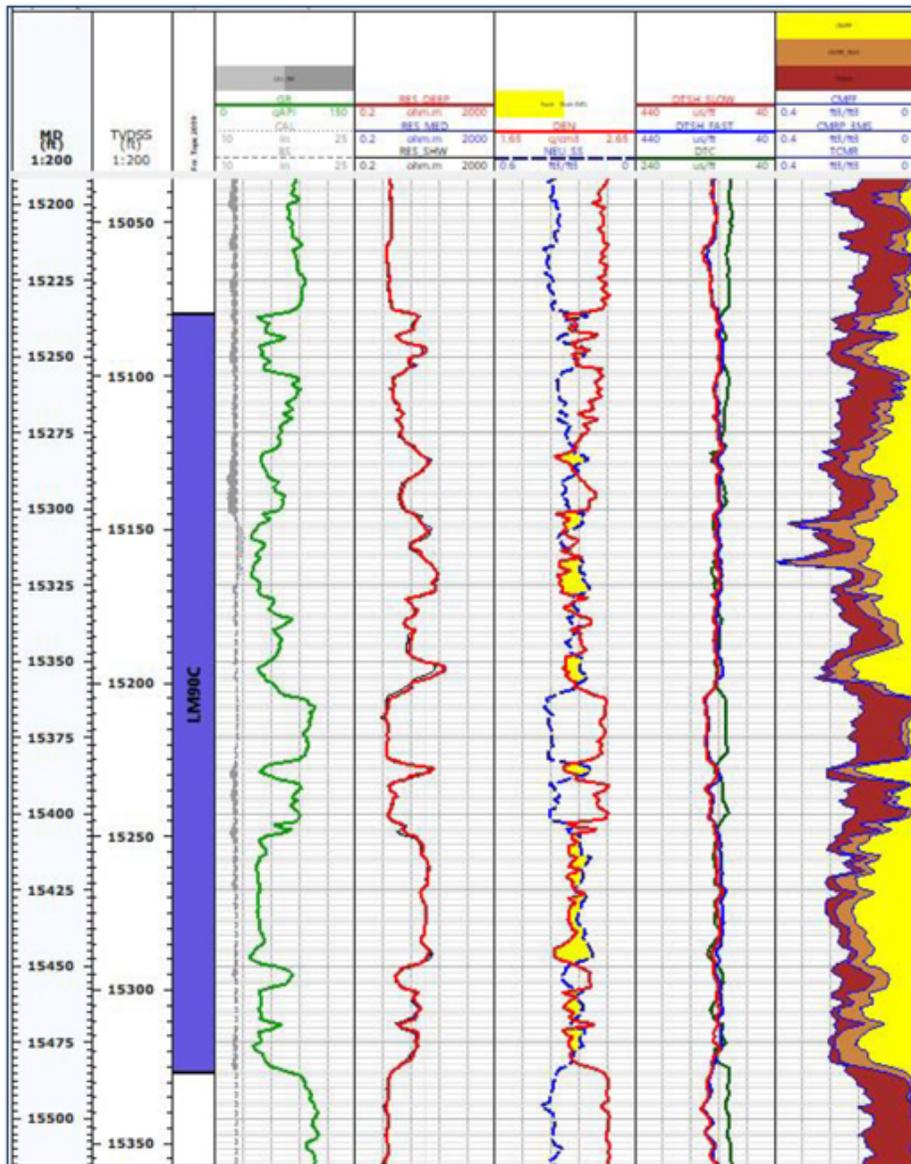
Bongos was discovered in 2018 and contains thermogenic gas in a shallow PO2 and deeper LM90C reservoir. Exploration wells were drilled in 2019 in the Bele, Tuk, Hi-Hat and Boom prospects. Mixed thermogenic and biogenic gas was discovered in Bele and Tuk in the PO15 and PO2 reservoirs, and thermogenic gas was found in the PO2 reservoir in Hi-Hat and the LM97 reservoir in Boom. Two appraisal wells have been drilled in the Bongos field in 2021.

Seismic data were acquired in 2014. A complete suite of wireline logs and comprehensive set of side-wall core data, pressure and fluid samples were acquired in the exploration wells. Whole core data was collected in two side-tracks of the Bele-1 well. A type log for the Bongos LM90 sandstone reservoir is shown in (**Figure 11.14**).

Following reinterpretation of 2018 reprocessed seismic data and updated petrophysical models, static geomodels were built and used for dynamic simulation to assess resource for Bongos, Bele and Tuk. Three separate models were built (Bongos PO2, Bongos LM90C and Bele/Tuk PO15/PO2).



Figure 11.14: Composite Type Logs Bongos Field (Well Bongos 2)



Source: BHP Petroleum

The Bongos PO2 sands are interpreted to be stacked amalgamated sheet sands, likely deposited toward the margin of a channelised lobe sequence. The lower portion of the Bongos LM90C is interpreted to be stacked amalgamated sands, likely deposited toward the margin of a channelised lobe sequence. In the upper portion, the LM90C sands are interpreted to be stacked axial/off-axial channel fill sands capped by a series of levee deposits, and finally, by a mass transport complex (MTC).

The Bele and Tuk PO15 and PO2 sands are interpreted to be stacked amalgamated sheet sands, likely deposited toward the axial portion of a channelised lobe sequence. The Hi-Hat PO2.250 sand is interpreted to be an internal levee to the PO2.250/200 meandering channel. The lower and upper portions of the Boom LM97 sands are interpreted to be stacked amalgamated sands, likely deposited toward the axial portion of a channelised lobe sequence, that have been modified locally by an overlying MTC.

The data used for the integrated reservoir interpretation of the area entailed all available logs and the 3D seismic reprocessed 2018 full stack volume including six well penetrations, detailed well correlations, reservoir facies from log and core, and pressure information for both PO2 and LM90C reservoir sections. Seismic interpretation was used to determine the extent of hydrocarbon traps, faults and compartmentalization, gas water contacts (from combination of structural contour maps and evidence of seismic amplitude conformance), gross rock volume, geomorphology of the gross depositional environment and the approximate extent and thickness of the main reservoirs.

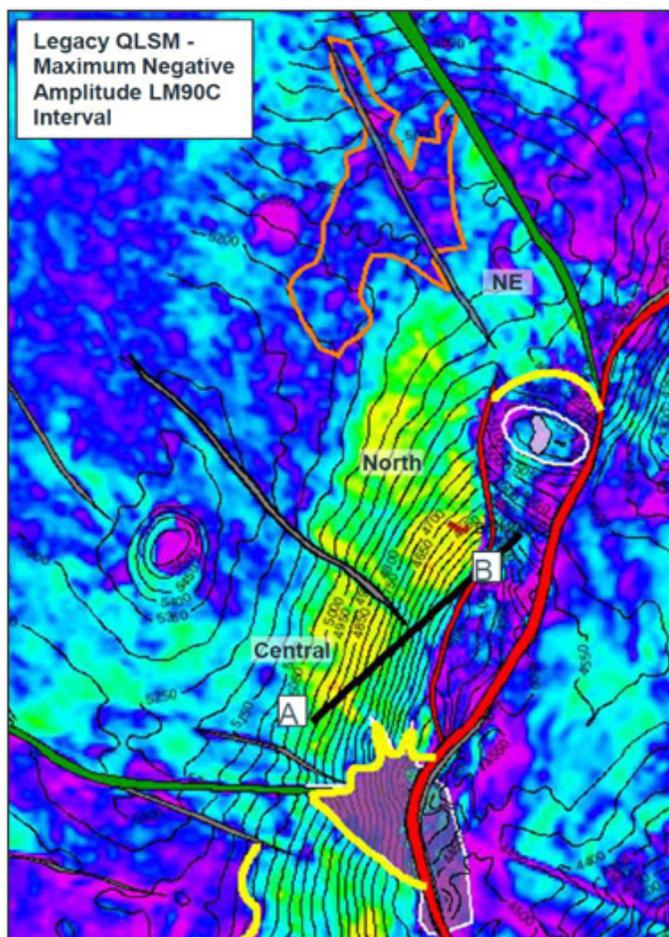
Average reservoir properties show high porosity of 25% or more, while permeability is variable between reservoirs and fields, with some reservoirs having low values (20 to 30 mD) while others have permeability measuring hundreds of milli-Darcies. Net reservoir varies between 30 m and 200 m.

Gas samples as well as water samples were collected during the exploration phase and PVT analysis indicates that the gas encountered in the reservoirs is dry with high methane content ranging from 96% to 99% for the shallowest reservoir (Bele PO15 at 3,350 mss) and no H₂S. The Bongos LM90C has a low condensate yield (CGR of 2 Bbl/MMscf). The reservoir pressure ranges from 5,600 psia to 10,000 psia and reservoir temperature from 137°F to 167°F.

MDT pressures from the Bongos and Boom Fields indicate pressure equilibrium at initial conditions in all wells that intersected the LM90C interval. No GWC has been encountered in the wells (GDT is 4,672 mss). The seismic derived GWC from DHI analysis (Figure 11.15) is 5,160 mss, which corresponds closely to a pressure derived FWL assuming gas pressure in Bongos LM90C and pressures taken in the water bearing LM90C in Boom field (FWL of 5,190 mss). This equates to a gas column of ~610 m. Appraisal well Bongos-3 encountered hydrocarbons approximately 30 m shallower than expected from seismic data and found slightly better reservoir properties. In the Bongos Field, analysis of dip closure, major faults (thrust faults, normal faults) and erosional truncation suggests that three areas of the LM90C reservoir can be distinguished (South, Central, North, and North-East) (**Figure 11.15**). However, juxtaposition of formations across faults according to interpretation of fault throw suggest that these three areas can potentially be combined into a single North Segment, considered discovered by the Bongos-2 well. Bongos-4 was drilled in the South segment and encountered hydrocarbons approximately 30 m shallower than expected from seismic data. The seismic amplitude was confirmed by the well although the extent of the anomaly to the south of the well is smaller than the mapped closure.



Figure 11.15: Bongos LM90C Regions

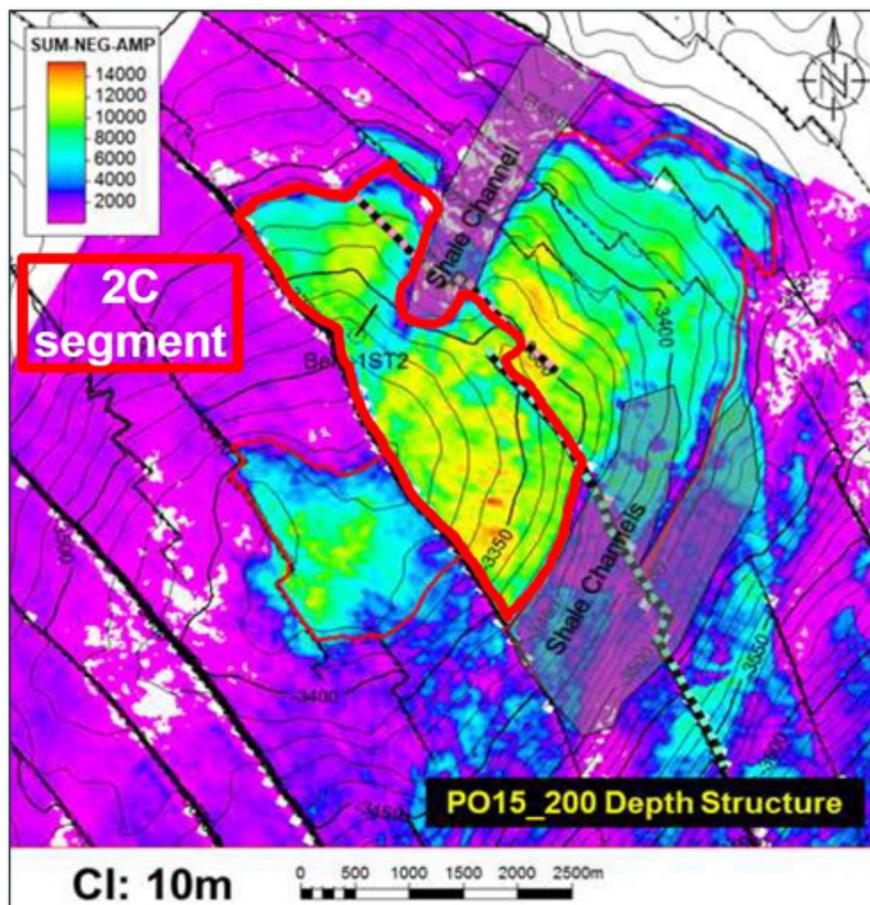


Source: BHP Petroleum

The 200 and 300/400 zones in the PO2 sand of the Bongos field are not in pressure equilibrium and no GWC has been encountered (GDTs are 3,795 mss and 3,909 mss respectively). The seismic derived GWCs are 3,974 mss and 4,000 mss respectively resulting in gas columns of ~213 m and 120 m. The extent of the interpreted 200 and 300 zone accumulations are bounded by dip closure, stratigraphic truncation, and the major thrust fault. The 200 zone is divided into two segments based on seismic. Based on the seismic derived GWCs, it can be concluded that the aquifers from LM90C and PO2 are not connected (2,500 psi pressure offset) in the Bongos Field.

In the Bele Field, the three gas bearing zones in the PO15 sand are in pressure equilibrium at initial conditions. The main compartment penetrated by well Bele-1 is bounded by faults, a shale channel and the GWC evidenced by seismic conformance (**Figure 11.16**). A GWC has been encountered in Bele-1 well in the PO2 sand, zone 300 at 3,776 mss and corresponds well with the MDT derived FWL. The 100, 200 and 300 zones in the PO2 sand are in pressure equilibrium but the water bearing zone 400 is not in pressure equilibrium and MDT pressures show a 25 psi offset. The main compartment is bounded by sealing faults and the GWC.

Figure 11.16: Bele PO15 Discovered Polygons

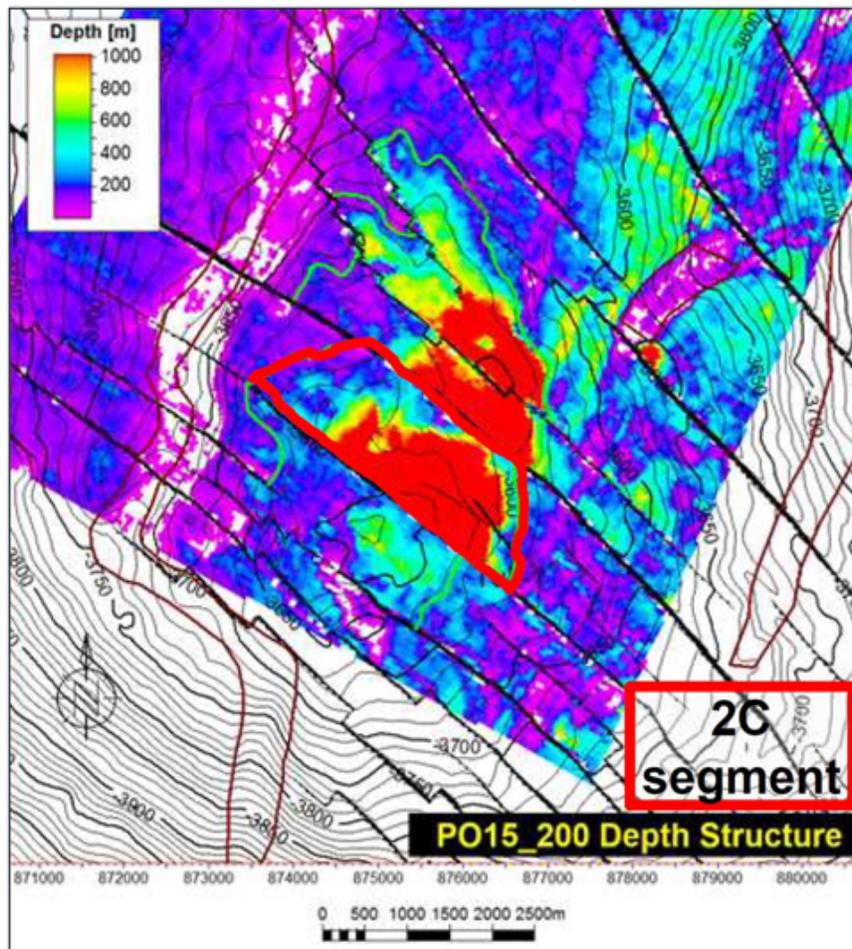


Source: BHP Petroleum

In the Tuk Field a GWC has been encountered in the PO15 sand zone 200 at 3,600 mss and this corresponds well with the MDT derived FWL. MDT pressures in the 300 zone indicate a slight offset of 3 psi from the 200 zone and it is likely, but not certain, that they are in pressure equilibrium. Based on DHI analysis, two compartments are distinguished, bounded by the GWC and faults. Only the southern block has been penetrated by a well (discovered), whereas the northern block is prospective (**Figure 11.17**).

The PO2.200 and PO2.300 are both gas bearing sands. Thin laminated sands were found in the upper section of the 200 zone. The PO2.400 is interpreted as a gas bearing shaly sand with a GWC at 4,238 mss. MDT pressures indicate that zone 200 and 300 are in pressure equilibrium, whereas zone 400 shows a 40 psi offset when a seismic derived GWC is assumed for the 200/300 zone. The southern and northern area are separated by a sealing fault (**Figure 11.17**). The southern segment is interpreted to have a shared GWC across faults based on DHI analysis.

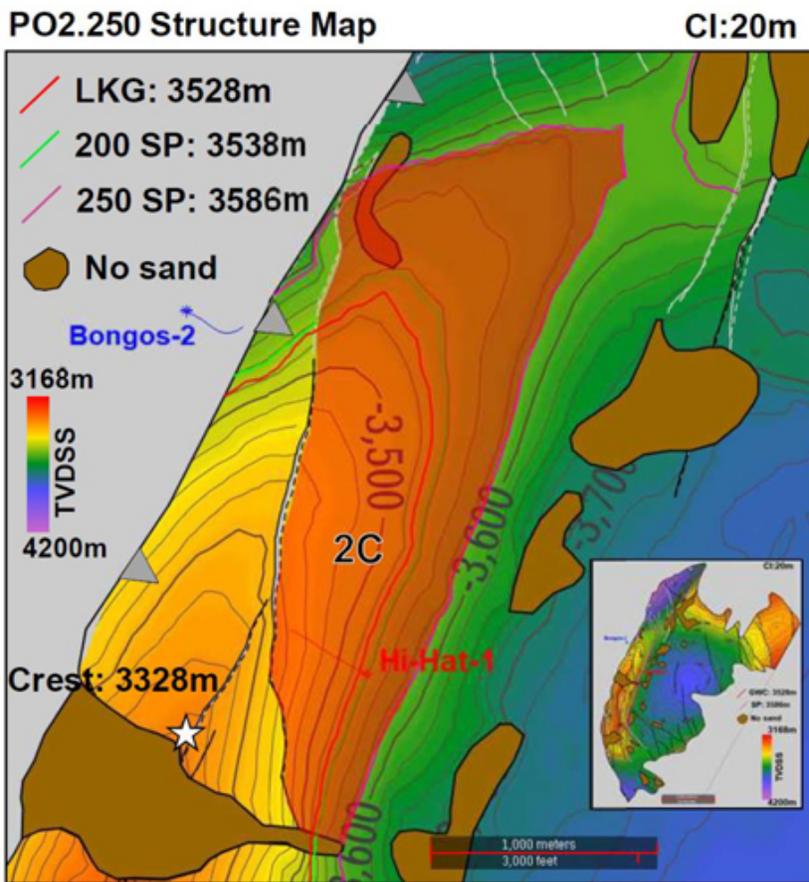
Figure 11.17: Tuk PO15 Discovered Polygons



Source: BHP Petroleum

The Hi-Hat structure is a stratigraphic trap created by overlying younger channels, limited to the west by the major thrust fault separating Bongos from Hi-Hat (**Figure 11.18**), and with a downdip limit defined as the structural spill point of the PO2.250 sand. Gas was found to the base of the PO2.250 sand and PO2.300 was fully water bearing. A FWL of 3,528 mss is inferred from MDT pressures, which is the same depth as the base of the PO2.250 sand. However, the GWC in the PO2.250 sand is interpreted to be controlled by the present-day structural spill point of the northern Hi-Hat PO2.250 segment (3,586 mss).

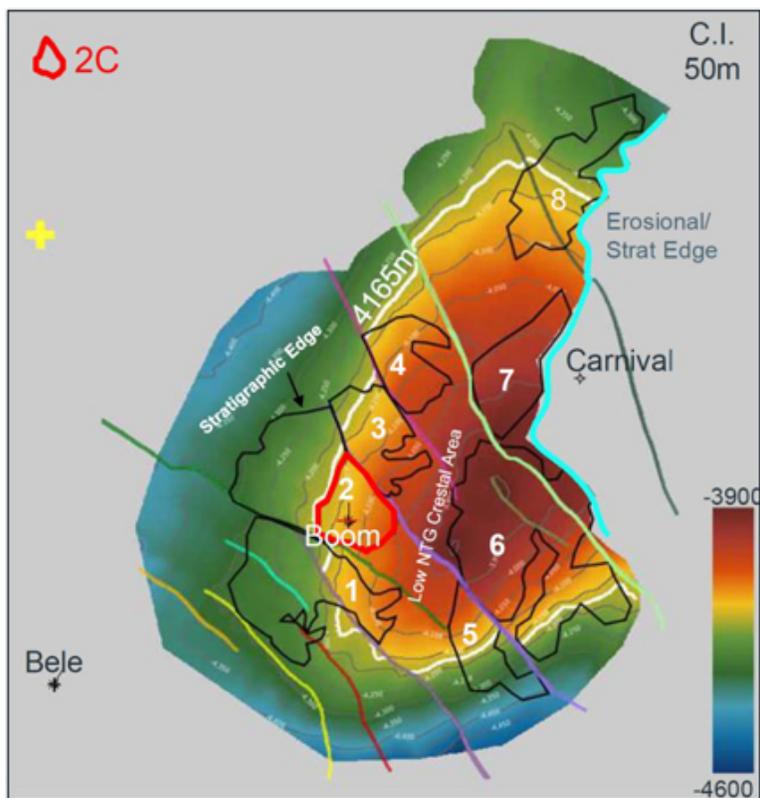
Figure 11.18: Hi-Hat PO2.250 Structure



Source: BHP Petroleum

A GWC was encountered in Boom-1 well close to the base of the LM97 lower sand at 4,165 mss. MDT pressure indicate that the upper and lower sand lobes are in pressure equilibrium. One valid pressure was taken in the water at the base of LM97 lower sand, supporting the observed GWC. Seismic interpretation shows that the Boom structure is compartmentalised, bounded by faults, the GWC, a stratigraphic edge, a low NTG crestal area due to stratigraphic pinch-out, and an erosional/stratigraphic edge in the NE (LM97 not present in Carnival well). E-W connectivity is unlikely (**Figure 11.19**).

Figure 11.19: Boom LM97 Structure



Source: BHP Petroleum

GIIP has been estimated using static models (Bongos, Bele and Tuk) or probabilistic (GeoX software) models (Boom and Hi-Hat) built from the comprehensive seismic and drilling derived dataset acquired to date. Best estimates of GIIP have been made for the compartments and reservoirs that have been intersected by exploration/appraisal wells and are therefore considered discovered.

11.2.2 Field Development Plan

A semi-submersible FPU centrally located between the Bele, Bongos and Tuk Fields, with a production capacity of 800 MMscfd gas, 4 Mbwpd of produced water and arrival pressure of 600 psi is one of the development concepts under consideration and has been used to estimate recoverable volumes. Wells will be produced via a daisy chain to the FPU. Gas export options including a pipeline to shore and selling to the Trinidad and Tobago domestic market and to LNG export are being considered.

The FPU development concept assumes 16 wells in the Bongos LM90C, Bele and Tuk reservoirs with single zone completions. Ten of these development wells are in penetrated and discovered fault blocks (Contingent Resources Unclassified) and six wells in adjacent un-penetrated blocks (Prospective Resources). Currently, the discovered Bongos PO2, Boom and Hi-Hat reservoirs are excluded from the FPU development concept. BHP Petroleum is currently anticipating a possible start-up date for Calypso area development in the late 2020s.

11.2.3 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation which GaffneyCline has reviewed.

Overall CAPEX is subdivided into each of the main development items comprising wells, facilities and pipelines. Each of these CAPEX elements has been reviewed and appear to be credible, based on GaffneyCline's experience of comparable developments. CAPEX is shown in **Table 11.7**.

Table 11.7: Calypso Gross CAPEX Estimates

| CAPEX | US\$ (MM) |
|-------------------|--------------|
| Appraisal Wells | 145 |
| Development Wells | 1,527 |
| Facilities | 2,461 |
| Pipelines | 548 |
| Total | 4,681 |

The overall annual OPEX estimate for the development has been reviewed by GaffneyCline, taking into consideration the planned development. The OPEX profiles have been adjusted in the Contingent case to account for changes in the expected variable OPEX components of the overall OPEX resulting from differences between the BHP Petroleum production profiles compared with the GaffneyCline profiles.

11.2.4 Resources Estimates

Recoverable volumes for discovered and prospective reservoirs selected for development in Bongos, Bele and Tuk (**Table 11.8**) were estimated based on dynamic simulation models. For Hi-Hat and Boom, which are not currently included in the FPU concept, recovery factors were derived using type curves from Bele and Bongos, adjusted for permeability and pressure differences.

Estimated recovery factors ranging from 44% to 71% are comparable to those of fields with analogous reservoir connectivity and moderate aquifer support. The recovery factor in Bele PO15 (44%) is lower than the other fields because only one well is assumed for a connected GIIP of 437 Bscf. The ultimate recovery per well is in the range 100 to 600 Bscf, except for the development well in Hi-Hat (18 Bscf).

The following Resources are attributed:

- Gas Contingent Resources are attributed to the discovered reservoirs that are included in the development and will be penetrated by at least one development well. Gross 2C Contingent Resources: 3,692 Bscf of gas (Development Unclarified).
- Gas Contingent Resources are attributed to the discovered reservoirs that are not currently included in the development. Gross 2C Contingent Resources: 418 Bscf of gas (Development Not Viable).
- Gas Prospective Resources are attributed to low-risk prospects that are provisionally included in the development concept. Gross 2U Prospective Resources: 1,024 Bscf of gas.



Besides the “high graded” Prospective Resources that are included in the provisional development plan, numerous other prospective targets have been identified in the area which offer upside potential.

Following the drilling of the two appraisal wells in 2021 volumes in the Bongos South block are now considered discovered and preliminary results of the appraisal wells have been included in the estimation of their Contingent Resources.

Further technical evaluations and feasibility studies are planned to mature the Calypso development.

**Table 11.8: GIIP and Recoverable Volumes for Calypso Reservoirs
as of 31 December 2021**

| Field / Reservoir | Block | GIIP (Bscf) | No. of Development Wells (Base Case) | Gross Recoverable Gas (Bscf) | Classification |
|--------------------------------------|----------|-------------|--------------------------------------|------------------------------|-------------------------------|
| Bongos PO2 | N | 460 | - | 281 | Contingent Not Viable |
| Bongos LM90C | C, N, NE | 2,543 | 3 | 1,761 | Contingent Unclarified |
| | S | 966 | 1 | 601 | Contingent Unclarified |
| Bele PO15 | Main | 437 | 1 | 193 | Contingent Unclarified |
| | NE | 455 | 1 | 194 | Prospective |
| Bele PO2 | Main | 306 | 1 | 176 | Contingent Unclarified |
| | NE | 174 | 1 | 89 | Prospective |
| | SW (D) | 366 | 1 | 315 | Prospective |
| | SW (F) | 213 | 1 | 148 | Prospective |
| Tuk PO15 | S | 124 | 1 | 86 | Contingent Unclarified |
| Tuk PO2 | S | 1,228 | 3 | 875 | Contingent Unclarified |
| | N | 471 | 2 | 278 | Prospective |
| Hi-Hat PO2 | | 29 | - | 18 | Contingent Not Viable |
| Boom LM97 | 2 | 188 | - | 119 | Contingent Not Viable |
| Base Case Total (Contingent) | | | 10 | 3,692 | Contingent Unclarified |
| Base Case Total (Prospective) | | | 6 | 1,024 | Prospective |
| Other Contingent Total | | | - | 418 | Contingent Not Viable |

11.2.5 GaffneyCline’s Production and Cost Valuation Profiles-Calypso

GaffneyCline’s valuation scenario production profile for BHP Petroleum’s Trinidad and Tobago Calypso asset is given in **Figure 11.20** with the associated real term cost profiles provided in **Figure 11.21**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the recoverable volumes of the defined development project documented in the previous sections. The base case FPU development profile assumes 16 wells in the Bongos LM90C, Bele and Tuk reservoirs with single zone completions. Ten of these development wells are in penetrated and discovered fault blocks (Contingent Resources Unclassified) and six wells in adjacent un-penetrated blocks (Prospective Resources). Risk assessment for valuation is discussed in section 11.2.6. Technical and commercial contingencies are also discussed that impact the project Chance of Development.

Figure 11.20: BHP Petroleum Net Trinidad and Tobago Calypso Asset Production Profile

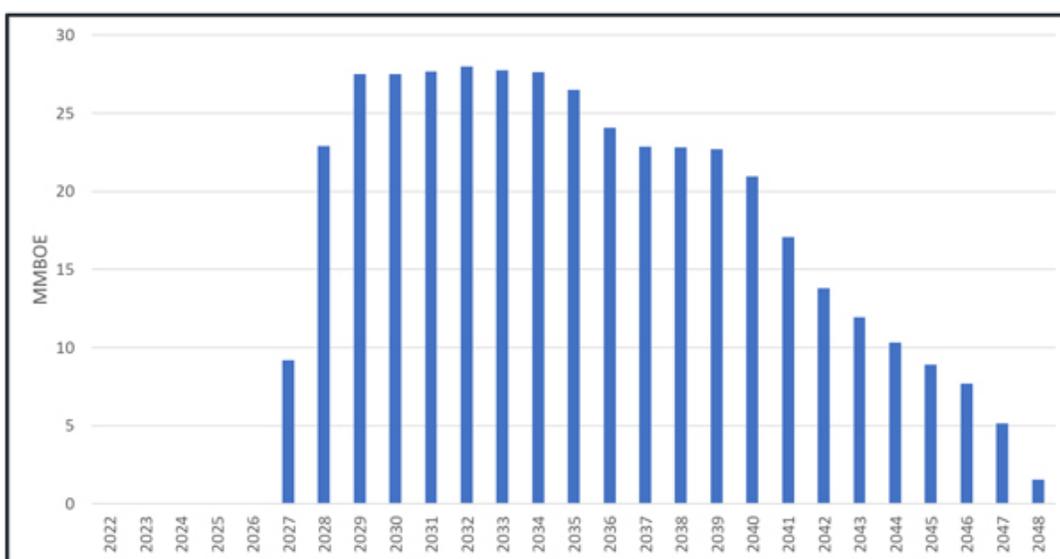
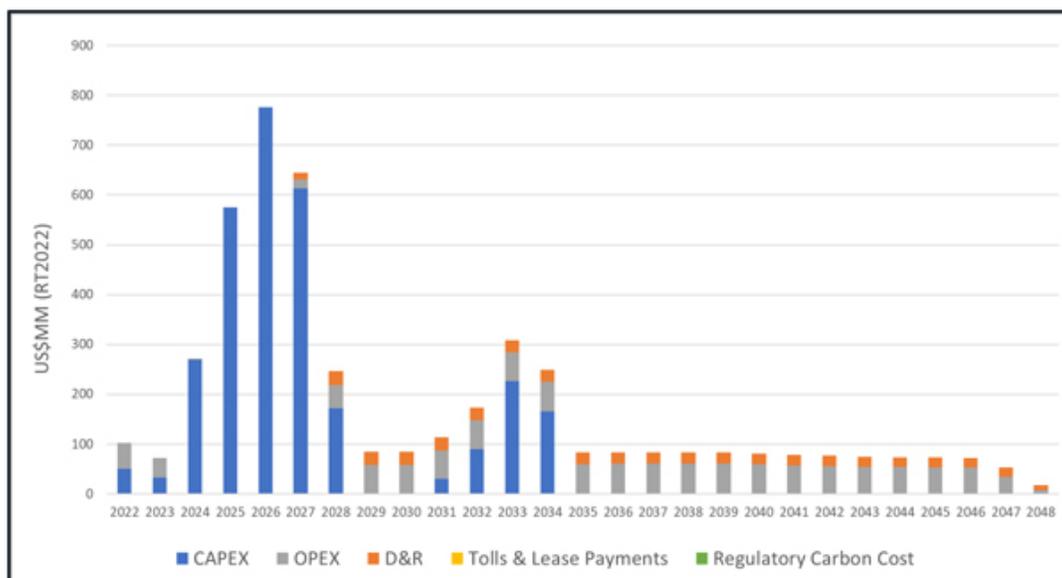


Figure 11.21: BHP Petroleum Net Trinidad and Tobago Calypso asset Cost Profile



11.2.6 Calypso Asset Chance of Development

The classification status of the Calypso Project is Contingent Resources - Development Unclassified.

The base case development of Bongos LM90C, Bele and Tuk fields has passed Gate 0 in BHP Petroleum's Stage Gate Process (project has been initiated and moved into Assessment Phase / Feasibility Phase). The project is actively being worked and two appraisal wells were drilled in 2021 into the Bongos field with positive results (the GWC in the main block was confirmed and gas was discovered in the southern block). Sufficient gas has been discovered in the area to enable a stand-alone hub development. No further exploration/appraisal wells are planned/envisaged by BHP Petroleum.

The base case development includes risked development wells into adjacent (prospective) faults blocks, which have a high chance of being gas bearing (>85%) based on seismic evidence. The base case for only the discovered volumes in Bongos LM90C, Bele and Tuk fields is marginal (10 wells, 3.7 Tscf gross recoverable gas, NPV~0). The base case development including six additional (risked) development wells adds 0.9 Tscf recovery and yields a positive NPV. There is more upside by including Bongos PO2, Boom and Hi-Hat fields in the development, which would add 1.1 Tcsf risked recovery for the additional seven wells (Full Development Case).

The gas is 97-99% methane with low CO₂ content (<0.15%) and no H₂S.

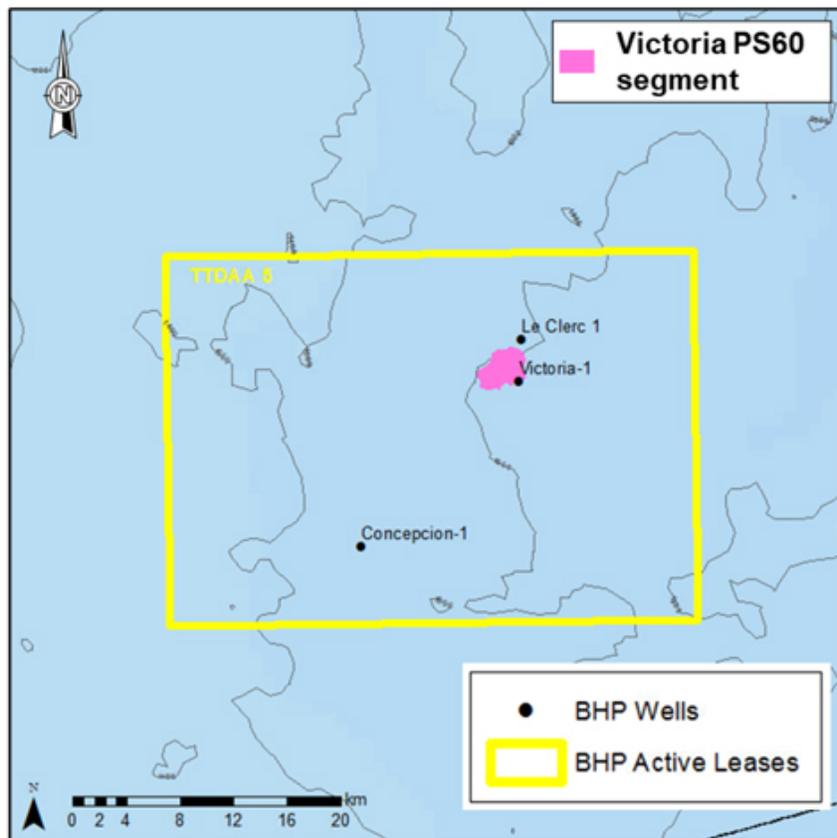
Based on above considerations Gaffney Cline recommends a 70% chance on development for Calypso for KPMG's valuation analysis.



11.3 Deep Water South - Magellan Development

The Deep-Water South area, also called Magellan, covers Block TTDA 5. BHP Petroleum signed a PSC in 2013 for exploration in TTDA5, approximately 200 km east of the island of Trinidad with water depth of 1,800 m (**Figure 11.22**). BHP Petroleum is operator and has a 65% working interest with Shell as partner (BG farmed-in in 2014 and BG was later acquired by Shell). BHP Petroleum made two discoveries with exploration wells Victoria-1 and LeClerc-1, whereas the Concepcion-1 exploration well was unsuccessful.

Figure 11.22: Location Map of the Victoria and LeClerc Discoveries, TTDA Block 5



Source: BHP Petroleum

11.3.1 Field Description

LeClerc was discovered in 2016 and encountered dry biogenic gas in the Pliocene PO20 and PO2 reservoirs. In 2018 an exploration well was drilled in Victoria Prospect and encountered dry biogenic gas in the Pleistocene PS60 reservoir and found low residual gas saturations in the deeper PS54 and PO94 sands. The Pliocene is characterised mostly by deep water turbidites and basin floor fan systems, while the Pleistocene comprises leveed-channel and channelised lobe complexes.

A complete suite of wireline logs, MDT pressure data and fluid samples were acquired in the exploration wells. Side-wall core data were acquired in LeClerc-1 and whole core data was collected in Victoria-1. BHP Petroleum acquired a proprietary narrow-azimuth 3D seismic survey over the Trinidad and Tobago TTDA-5 and TTDA-6 licenses area in 2014 and a Pre-Stack Depth Migration (PSDM) was completed in 2015. Subsequent reprocessing of the data in 2017 provided an improved velocity model and imaging. Coloured-inversion (CI) and fluid volumes were produced from the 2017 PSDM to aid in structural interpretation and predict the presence of hydrocarbons.

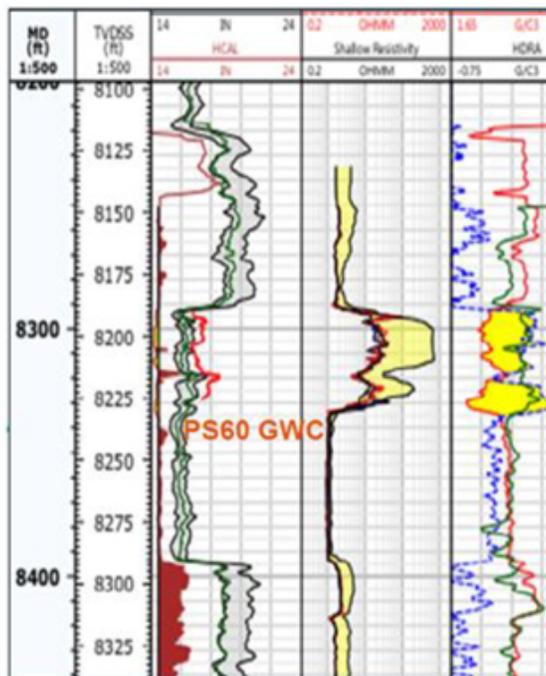
Interpretation from seismic data as well as the GWC penetrated in the Victoria-1 well form the basis of the segment definition and GIIP estimates (2017 reprocessed data was not used for resource estimates). Top and base horizons for the reservoirs were mapped on the reflectivity and CI volumes and were used to define the segment definition of the reservoirs. Amplitude extractions performed on the CI and fluid volumes were used to determine the sand extents and the GWC' s for each reservoir.

Type logs for the PS60 reservoir (**Figure 11.23**), PO20 and PO2 (**Figure 11.24**) show the sands to be blocky and good quality. Average reservoir properties are good, with porosities of 20 to 30% or more, and permeability up to several hundred milli-Darcies.

The Victoria PS60 reservoir is at a depth of ~2,500 mss, with pressure of ~3,790 psi and temperature of ~73 degF. The LeClerc PO20 and PO2 reservoirs are deeper, at ~4,020 mss and ~4,640 mss respectively, with pressures of ~7,410 and 7,980 psi and temperatures of ~149 and ~173 degF.

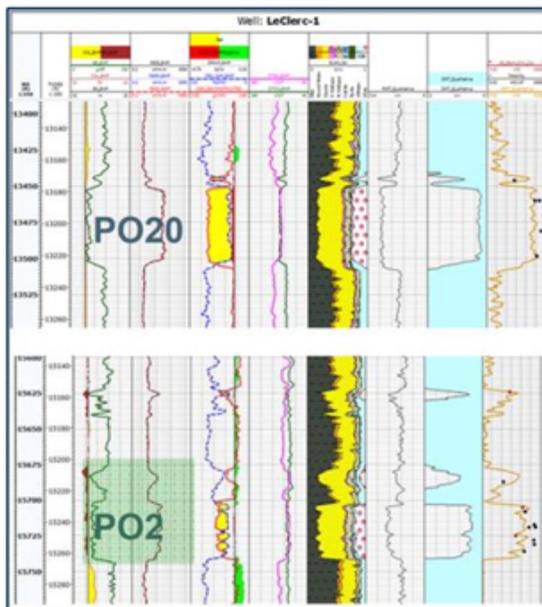


Figure 11.23: Composite Type Log Victoria PS60



Source: BHP Petroleum

Figure 11.24: Composite Type Log of LeClerc PO20 and PO2 Reservoirs

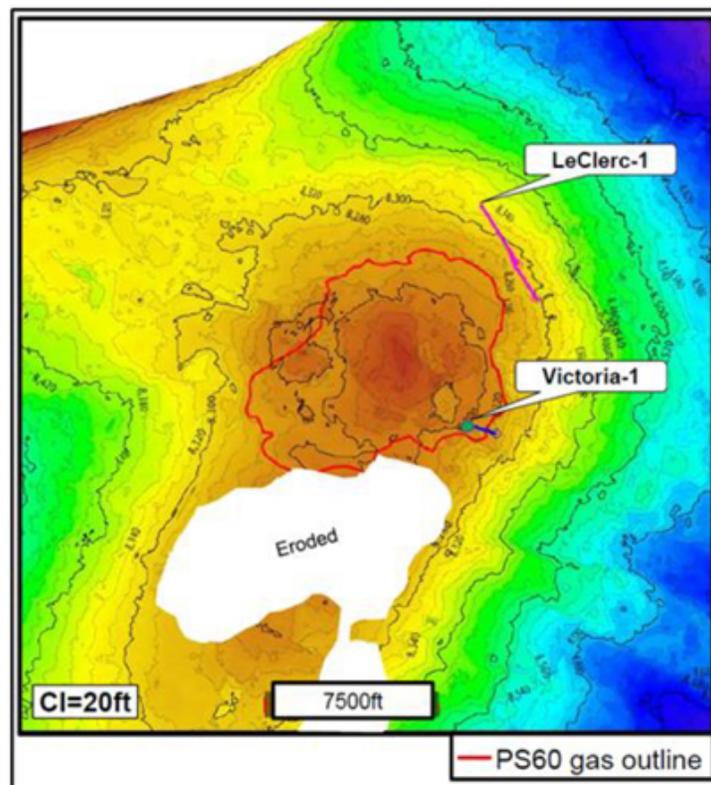


Source: BHP Petroleum

Multiple gas samples (both wells) and water samples (Victoria-1) were collected, and PVT analysis indicates that the gas encountered in the reservoirs is dry with high methane content of 99% and no H₂S. Water salinity in Victoria PS60 is 34,000 ppm.

The Victoria-1 well penetrated the gas water contact in the PS60 at a depth 2,508 mss, a depth supported by the interpretation of MDT pressures. The gross rock volume is defined by the structural closure of the gas water contact and top surface of the PS60 as defined by the seismic interpretation (**Figure 11.25**). The contact conforms to structure except for the southeast quadrant which is interpreted to be eroded and the northwest quadrant which is interpreted to be a stratigraphic edge.

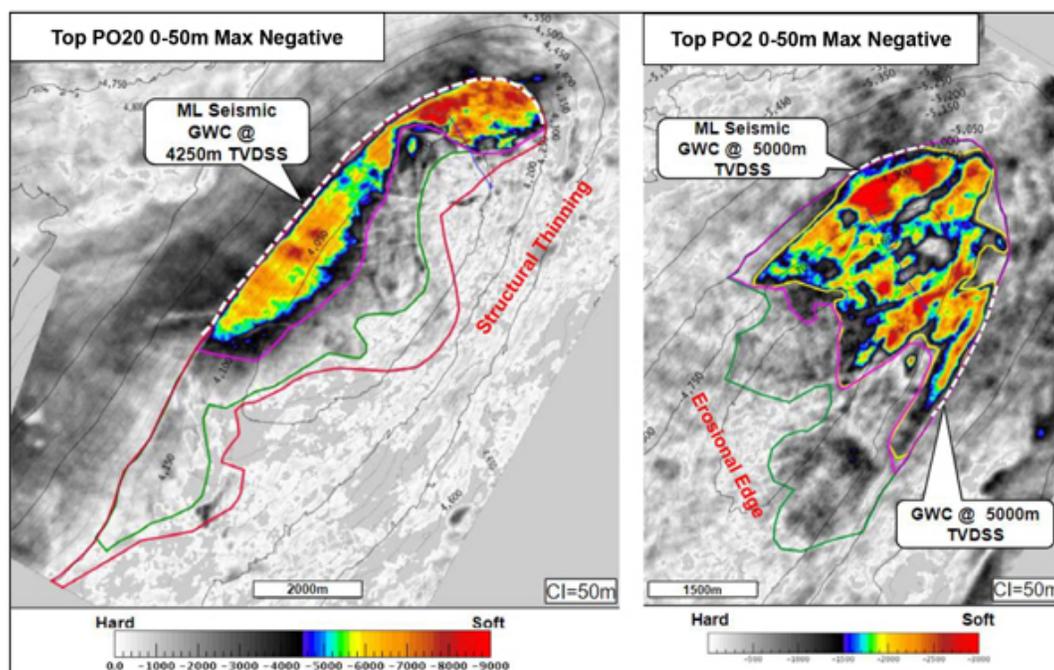
Figure 11.25: Victoria Top Structure and Seismic Amplitude Map PS60



Source: BHP Petroleum

In the LeClerc Field the PO20 and PO2 sands were found fully gas bearing and no GWC has been encountered. However, the structure is well imaged and both reservoirs have distinct, depth conforming seismic amplitude shutoffs (**Figure 11.26**), which give an indication of the GWC.

Figure 11.26: LeClerc PO20 and PO2 Seismic Amplitude Map



Source: BHP Petroleum

11.3.2 Conceptual Field Development Plan

Current development concepts under consideration involve subsea wells at LeClerc and Victoria tied back to a semi-submersible host in deep water with export line to shore or tied back to a host platform or directly to shore (~250 km). Currently, discovered volumes are below the threshold for economic development and are sub-classified as Development Not Viable.

11.3.3 Resources Estimates

Based on the seismic interpretations of the basin, it is likely that the aquifers are active and large. Recovery factors have been estimated using analytical methods on the assumption that the drive mechanism would be a combination of aquifer influx and pressure depletion. This approach takes account of reservoir swept by water encroachment, the trapped residual gas saturation and pressure behind the flood front, abandonment pressure in depleted un-swept gas zones and reservoir connectivity. Recovery factor ranges from 48% to 59% (**Table 11.9**) are reasonable and comparable to the lower end of the range for analogue fields with moderate to strong aquifer support. LeClerc PO2 sand is expected to have a lower connectivity than LeClerc PO20 and Victoria PS60. The Victoria recovery factor is lower than LeClerc PO20 as the PS60 reservoir is much shallower with lower reservoir pressure. Further, a tie-back development will have higher abandonment pressures than deep water development with a stand-alone host.

Total gross gas 2C Contingent Resources (Development Not Viable) of 482 Bscf have been attributed to the discoveries.

Table 11.9: Estimated GIIP and Gross 2C Contingent Resources for LeClerc and Victoria as of 31 December 2021

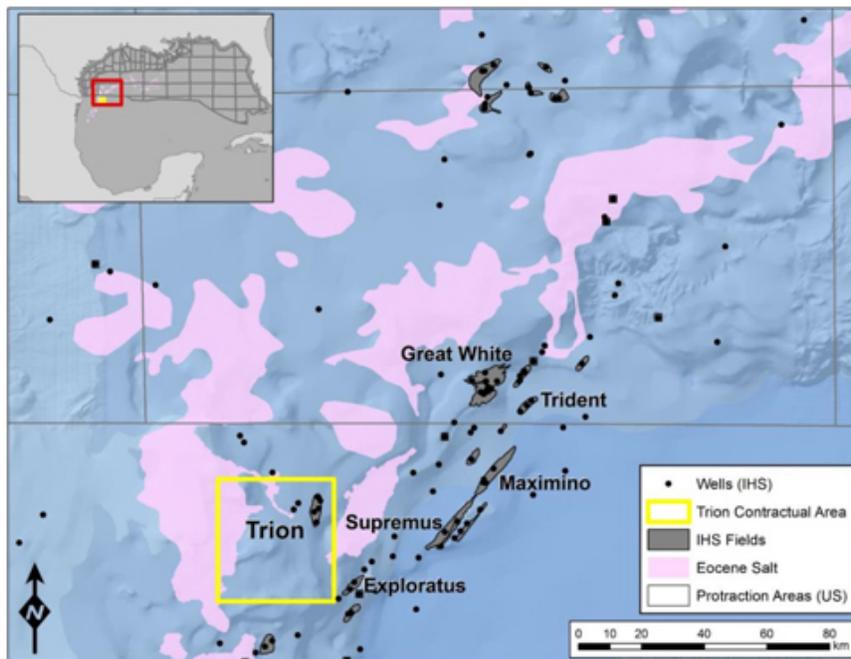
| Field / Reservoir | GIIP (Bscf) | Recovery Factor | 2C Gas Contingent Resources (Bscf) |
|-----------------------|-------------|-----------------|------------------------------------|
| LeClerc PO20 | 391 | 59% | 231 |
| LeClerc PO2 | 194 | 48% | 94 |
| Victoria PS60 | 313 | 50% | 157 |
| Magellan Total | 898 | | 482 |



12 BHP Petroleum Mexico

BHP Petroleum holds a 60% participating interest in the Trion Contractual Area (AE-0092 and AE-0093) located in the deep-water Gulf of Mexico offshore Mexico and is also the operator. PEMEX Exploration & Production Mexico holds the remaining 40% interest (**Figure 12.1**). The initial lease terms run to March 2052 with potential for lease extensions pending government approval.

Figure 12.1: Location Map of Trion Field



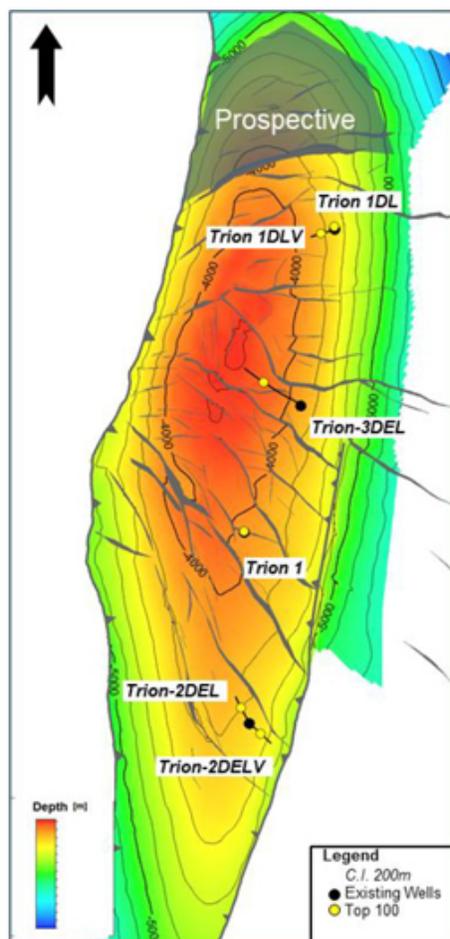
Source: BHP Petroleum

12.1 Trion

12.1.1 Field Background

Trion was discovered by Pemex in 2012 with the Trion -1 exploration well (**Figure 12.2**) in water depth of ~2,500 m. Pemex appraised the field with well Trion-1DL and side-track Trion-1DLV. BHP Petroleum appraised the field further with wells Trion-2DEL and side-track Trion-2DELV, and with Trion-3DEL. Two Eocene age reservoirs have been delineated; the overlying 100 Fan, which contains the bulk of the oil, and 350 Fan. The four wells provide good coverage of the field in a north to south direction, but are all located east of the central line, and provide little data on east-west variation in reservoir presence and quality, which is based on interpretation of the 3D seismic data. The majority of the estimated resources are on the east side of the field with limited development expected on the west side.

Figure 12.2: Depth Structure Map of Top 100 Fan



Source: BHP Petroleum

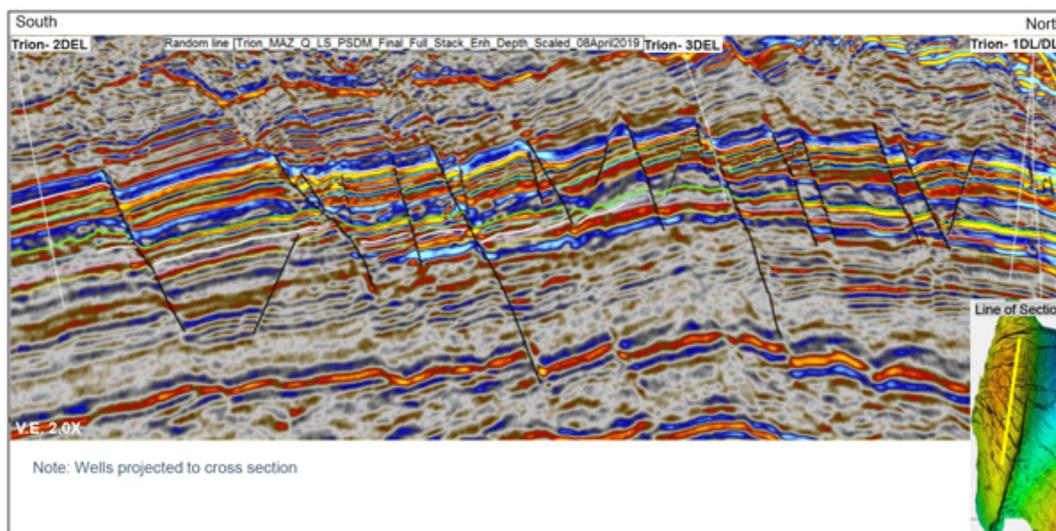
A comprehensive suite of wireline logs has been acquired in all wells. Whole cores were obtained in Trion-1, Trion-1DL and Trion-2DEL/V, and sidewall cores were recovered from Trion-1, Trion-2DEL/V and Trion-3DEL. A DST was carried out in Trion-1DLV, “mini-DSTs” using a dual packer configuration were carried out in Trion-1, and Interval Pressure Transient Testing (IPTT), using a Saturn tool (Saturn 3D Radial Probe) was carried out in Trion-2DEL/V and Trion-3DEL. A comprehensive set of fluid samples has been acquired.

Three dimensional seismic surveys were acquired in 2012 (wide azimuth) and in 2017 (wide and narrow azimuth). A multi-azimuth reprocessing project of these two datasets was undertaken in 2019. In 2020-2021 a 3D ocean bottom node (OBN) survey was acquired, which has greatly enhanced definition in the crest and west of the structure where seismic imaging had previously been poorer due to a shallow anomaly. BHP Petroleum is still in the process of interpreting the OBN dataset and it is likely that the information will lead to refinements of the development plan, although the focus of the development is on the eastern side of the structure where good seismic data existed prior to the OBN.

Seismic and well data have been used to map the Trion structure and seismic attributes have been used to condition the interpretation of the 100 Fan and 350 Fan reservoirs. Each survey has improved the knowledge and understanding of the reservoirs, allowing the distribution of lithology, porosity and fluids within the reservoir interval to be enhanced. The top and base of each of the reservoir units can be seismically mapped and these surfaces are key to the reservoir model.

The Trion discovery is a north-south oriented anticline bounded to the east and west by reverse faults and is mapped as dip closed to the north and south. The anticline formed due to compressional forces and the movement of nearby salt. The structure is internally faulted (**Figure 12.3**) and the dominant fault direction is NNW-SSE. Some faults are interpreted to compartmentalise both reservoirs, giving rise to multiple fluid contacts, while others might potentially create baffles to flow.

Figure 12.3: Seismic Section Showing Reservoir Architecture



Source: BHP Petroleum

BHP Petroleum has identified a prospect (Trion North Prospect) at the northern end of the Trion Field. This is, in essence, the northern “nose” of the anticline that contains the Trion discovery. It is considered a prospect as the fault that separates it from the field area is large and potentially offsets the 100 Fan and 350 Fan reservoir intervals. The seismic attributes seen in the field are also present in the Trion North Prospect; however, their development is less well defined and the conformance with structure poorer. BHP Petroleum interprets these differences being the effect of velocity issues in this part of the structure.

The 100 Fan is further subdivided into three sandstone units, the upper, middle and lower lobes, separated by shales. The 350 Fan does not have such clear subdivisions. At the crest of the structure, the depth of the 100 Fan is ~3,800 mss and that of the 350 Fan is approximately 3,950 mss.



The reservoirs are interpreted as deepwater sandstones deposited as lobe complexes with a SW-NE trend. Seismic data have been used to condition the distribution of facies and porosity in the static model. The sandstones are thick with average net thickness from well intersections of 77 m for the 100 Fan and 35 m for the 350 Fan. Average well porosities are also high at 29% and 25% for the 100 Fan and 350 Fan respectively and permeabilities are moderate, at 162 and 42 mD (Table 12.1).

Table 12.1: Trion Petrophysical Property Averages from Wells

| Property | 100 Fan | 350 Fan |
|---------------------|---------|---------|
| Gross thickness (m) | 116 | 92 |
| Net thickness (m) | 77 | 35 |
| NTG ratio | 66% | 36% |
| Porosity | 29% | 25% |
| Water saturation | 42% | 39% |
| Permeability (md) | 162 | 42 |

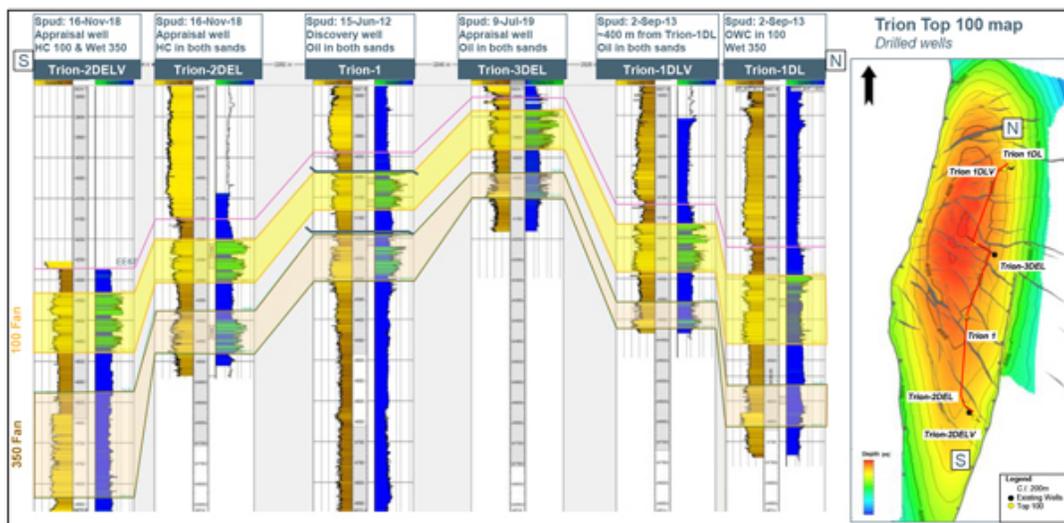
The reservoir structure has considerable relief with an oil column of more than 700 m in the 100 Fan (**Figure 12.4**). Reservoir pressure ranges from 6,400 to 7,100 psia in the 100 Fan and from 6,600 to 7,300 in the 350 Fan. Reservoir temperature varies in depth from 130 to 175 degF. High structural relief favours recovery by waterflooding and gas injection, the recovery mechanisms of choice.

During the DST of Trion-1DLV, a 19 m interval out of a gross thickness of 86 m was perforated. The DST was carried out under sub-optimal conditions with large string size causing unstable flow, high skin (10) caused by completion method and intermittent weather disruptions. Nonetheless, interpretation of the available data showed no barrier within the 365 m radius of investigation and permeability of approximately 74 mD.

Formation pressures measured in several wells have shown the likelihood of compartmentalisation of the reservoirs. The overall interpretation, which BHP Petroleum has used in its reference case model and is reasonable, is that barriers are present in the 350 Fan between Trion-2DEL/V and Trion-1 and between Trion-1DLV and Trion-3DEL, and that similar barriers might be present in the 100 Fan. It is also possible that there are more compartments in the field, and BHP Petroleum has taken this into consideration for well planning.



Figure 12.4: Cross Section Across Trion Structure



Source: BHP Petroleum

Within the 100 Fan, all wells had ODTs, except Trion-1DL, which intersected an OWC at 4,335 mss, supported by pressure data and petrophysical interpretation. Within the 350 Fan, Trion-1DL and Trion-2DELV intersected water bearing formation and all other wells had ODTs, except Trion-1DLV, which might have intersected an OWC at its base, at 4,487 mss, a depth that is supported by extrapolation of pressure gradients. Extrapolation of pressure gradients in Trion-2DELV implies an OWC at 4,578 mss.

BHP Petroleum has relied on seismic evidence for identifying fluid contacts, supported by petrophysics and interpretation of pressure gradients. The field has been divided into seven regions with different fluid contacts based largely on seismic attribute evidence. In the 100 Fan, the OWC is interpreted to vary between 4,368 and 4,510 mss and in the 350 Fan, between 4,450 and 4,578 mss.

No free gas has yet been intersected, but oil properties suggest the likely presence of a gas cap in the 350 Fan, with a GOC interpreted at 3,962 mss in the Trion-1DL/V area and 4,017 mss elsewhere. Oil samples from the 100 Fan suggest that the saturation pressure of the oil in this reservoir is less than the pressure projected at the crest of the structure and hence that the presence of a gas cap is unlikely.

The 100 Fan and 350 Fan have significantly different fluid properties and oil samples also show vertical and horizontal variation in composition within the reservoirs. In the 100 Fan the API density decreases with increasing depth from 26 to 17 °API while in the 350 Fan the API density decreases from 34 to 22 °API. Within the 350 Fan, oil properties in the Trion-1 DL/V area differ from those elsewhere, with the oil being apparently higher API and lower viscosity, although the fluid samples from this region were contaminated and less reliable (**Table 12.2**).



Table 12.2: Trion Oil Properties

| Depth Location | 100 Fan | | | 350 Fan | | | 350 Fan at Trion-1DL/V | | |
|----------------|---------------|-------------|------------|---------------|-------------|------------|------------------------|-------------|------------|
| | GOR (scf/stb) | Bo (rb/stb) | Visc. (cP) | GOR (scf/stb) | Bo (rb/stb) | Visc. (cP) | GOR (Scf/stb) | Bo (rb/stb) | Visc. (cP) |
| At GOC | 1,300 | 1.54 | 0.7 | 1,550 | 1.65 | 0.4 | 1,900 | 1.82 | 0.2 |
| At OWC | 350 | 1.14 | 7.0 | 500 | 1.21 | 4.4 | 1,000 | 1.44 | 0.7 |
| Average | 770 | 1.31 | 2.3 | 1,040 | 1.43 | 1.2 | 1,480 | 1.64 | 0.4 |

12.1.2 Field Development Plan and Production Profiles

The depletion plan for Trion is an edge waterflood with crestal gas injection focused on the eastern flank of the elongated structure where the oil is interpreted to be concentrated in good quality reservoir. The high relief of the structure offers benefits for sweep efficiency from displacing fluids due to gravity effects. The field is compartmentalised although the extent of the compartmentalisation is not yet fully understood. Many semi-parallel faults are clearly interpreted on seismic data extending from the crest of the structure towards the OWC. The fault pattern divides the elongated field into reasonably well-defined segments on the eastern flank. BHP Petroleum's approach is therefore to position a water injector and producer pair of wells in each compartment, as far as possible. This means each potential compartment is developed semi-independently and this approach goes some way to mitigate the potentially adverse effects of compartmentalisation.

The field will be developed with subsea wells tied back to a floating production unit (FPU). Stabilised crude will be sent to a floating storage and offloading facility (FSO) for export via tanker. Artificial lift will be with riser-based gas lift. The facility capacities are shown in **Table 12.3**.

Table 12.3: Trion Facilities Specifications

| Item | Description/Capacity |
|---|----------------------|
| Nameplate oil capacity (Mbopd) | 100 |
| Dry oil uplift | 20% |
| Produced gas handling capacity (MMscfd) | 145 |
| Gas injection capacity (MMscfd) | 133 |
| Produced water handling (Mbwpd) | 60 expandable to 90 |
| Water injection capacity (Mbwpd) | 140 |
| Production uptime | 92% |
| Water injection uptime | 80% |
| Gas injection uptime | 97% |
| Facility design life | 30 years |

The field will be developed in three phases with a total of fourteen production wells, ten water injection wells and three crestal gas injection wells. The production and water injection wells planned for each phase are shown in **Table 12.4** and the proposed well locations are shown in **Figure 12.5**. Note that two of these wells (producer “A” and water injector “Z”) are located in the northern extremity of the field, in a compartment which is interpreted to be separated from the main field by a fault with significant throw and is therefore considered prospective (i.e. undiscovered). Oil potentially recoverable from this compartment are not reported as Contingent Resources.

All the wells will be completed in the 100 Fan and a subset (11 of 14 producers, seven of ten water injectors and all three gas injectors) will have dual completions in both the 100 Fan and 350 Fan. The producers and gas injectors will be fitted with downhole flow control (DHFC) devices that will allow selective shutting-off of individual reservoirs. The water injection wells will not be fitted with DHFC devices.

On 19 December 2021 BHP announced that it had filed with the National Hydrocarbons Commission (CNH) a Declaration of Commerciality (DoC) in respect of the Trion discovery area. The DoC confirms that BHP and PEMEX consider the Trion discovery area to be commercial subject to and in accordance with the terms of the License. On 5 August 2021, the BHP Board approved US\$258 million in capital expenditure to move the Trion project into the Front End Engineering Design (FEED) phase.

Production start-up is expected to occur late in 2026 (FY2027), taking into account the current schedule. Phase 1 drilling will include pre-drilled wells and drilling through the ramp-up period. Phase 2 drilling will commence approximately two years after start-up and phase 3 will commence approximately eight years after start-up.

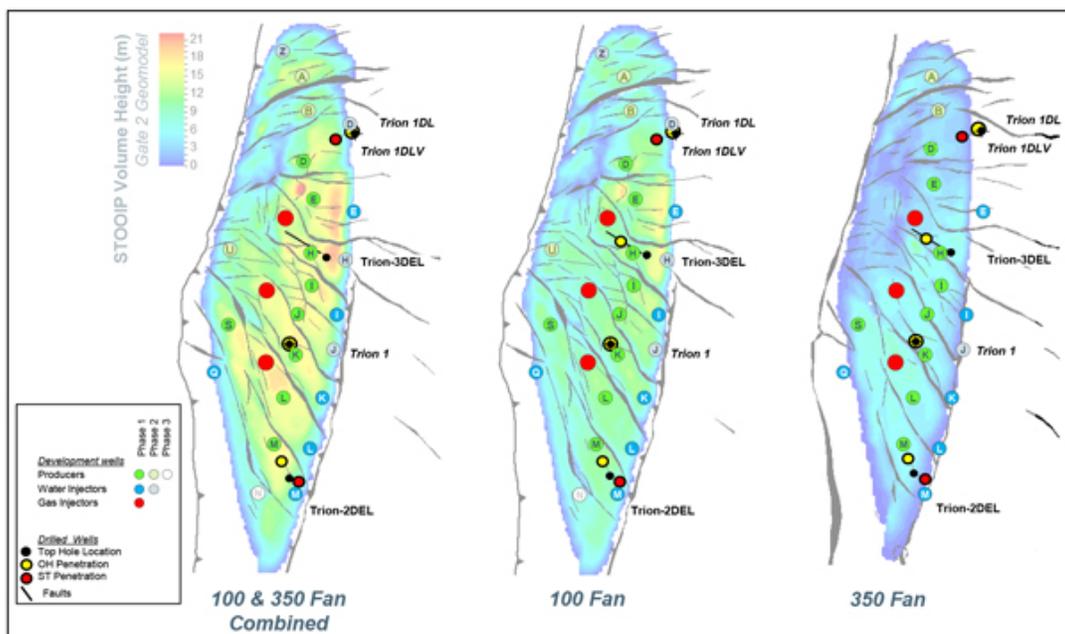
Table 12.4: Trion Development Phases and Wells

| Phase 1 | | Phase 2 | | Phase 3 | |
|-----------|-----------------|-----------|-----------------|-----------|-----------------|
| Producers | Water Injectors | Producers | Water Injectors | Producers | Water Injectors |
| D | | | D | | |
| E | E | | | | |
| H | | | H | | |
| I | I | | | | |
| J | | | J | | |
| K | K | | | | |
| L | L | | | | |
| M | M | | | | |
| S | Q | | | | |
| | | A | Z | | |
| | | B | | | |
| | | U | | | |
| | | | | F | |
| | | | | N | |
| 9 | 6 | 3 | 4 | 2 | 0 |

Notes:

1. Wells A and Z are in a prospective (undiscovered) region.
2. In addition to the wells shown here, three crestal gas injectors will be drilled in the crest of the structure and completed in both fans.

Figure 12.5: Development Wells for Trion



Source: BHP Petroleum

The gas injection wells are intended to re-inject all produced gas as far as possible for pressure maintenance. Gas that cannot be injected will be exported via pipeline. The gas export volumes estimated by BHP Petroleum from the dynamic simulation model are dependent upon the simulator’s projection of GOR, and re-injection capacity, both of which are sensitive to the assumptions and controls imposed in the simulation model. The gas export pipeline route has not yet been finalised although there are options to tie into existing infrastructure. Estimates of sales gas volumes are small, but an export option is an integral part of the development to avoid oil production becoming constrained by gas injection limitations.

BHP Petroleum has carried out dynamic simulation studies including an uncertainty analysis for development planning and has provided GaffneyCline with a “reference case” model which forms the basis for BHP Petroleum’s Field Development Plan. GaffneyCline has reviewed the dynamic model and found it suitable to underpin 2C Contingent Resources estimates.

Estimates of recoverable oil volumes are shown in **Table 12.6**. Note that the volumes in these tables exclude the undiscovered (prospective) area in the north of the field, which could contain ~100 MMBbl of STOIIIP, of which ~26 MMBbl of incremental oil could be recovered if the proposed wells (A and Z) successfully meet their objectives.



12.1.3 Cost Estimates

BHP Petroleum has provided GaffneyCline with a range of project cost and supporting documentation which GaffneyCline has reviewed.

The BHP Petroleum CAPEX costs have been reviewed and appear to be credible, based on GaffneyCline's experience of comparable developments. Adjustments have been made for the Contingent Resources to reflect the removal of producer well "A" and water injector well "Z" which are both considered prospective and not included in the Contingent Resources. A development well capex of US\$200 MM across 2028-2030 to account for two prospective infill wells is added on top of contingent resources CAPEX in the table below for the valuation profiles.

CAPEX (from 2022 onwards) for the Contingent Resources case is shown in **Table 12.5**.

Table 12.5: Trion Capital Cost Estimate - Contingent Resources

| Item | Total CAPEX (US\$ MM) |
|-------------------|-----------------------|
| Exploration Wells | 80 |
| Development Wells | 2,226 |
| Facilities | 4,159 |
| Pipelines | 141 |
| BHP Petroleum | 24 |
| Total | 6,630 |

The OPEX estimates for the development were evaluated by GaffneyCline, taking into consideration the development scope, planned activities and work programs outlined in the documentation. The total OPEX is broken down into fixed (asset management, maintenance, FPSO lease) and variable (US\$/Bbl or US\$/MCF) elements.

The variable elements are calculated based on the production using fixed rates of US\$0.20/Bbl and US\$0.05/MCF for oil and gas respectively.

The OPEX costs provided in the economic model and supporting documentation have been reviewed and appear to be credible, based on GaffneyCline's experience. The OPEX profiles have been adjusted in the Contingent case to account for changes in the variable OPEX components of the OPEX costs resulting from differences between BHP Petroleum's production profiles compared with the GaffneyCline profiles.

For the Contingent Resources ABEX figures provided by BHP Petroleum have been reviewed and adopted unchanged.

12.1.4 Resources Estimates

The gross volume of oil estimated to be recoverable from the discovered part of the field prior to expiration of the primary licence term in 2052 is 428 MMBbl (**Table 12.6**), classified as 2C Contingent Resources Development Pending. The volume of gas expected to be produced and used as fuel (consumed in operations, CiO) during the licence period is estimated at 99 Bscf.



Additionally, estimates of sales volumes of gas prior to expiration of the primary licence term in 2052 of approximately 32 Bscf have been classified as 2C Contingent Resources Development Pending. These sales gas estimates are based on surplus produced gas that cannot be injected, as forecast by the simulator. They are dependent on a variety of sensitive reservoir performance parameters in the dynamic simulation model and are thus uncertain. There is no formal sales agreement to cover these volumes, although it is understood that gas demand in Mexico is such that gas sales are low risk. Gas sales volumes shown in **Table 12.6** are small.

Further volumes of oil potentially recoverable after licence expiry (43 MMBbl) and potential sales gas from the gas cap blowdown (176 Bscf) are reported as Contingent Resources Development Unclassified. The volume of CiO gas estimated to be produced and consumed after licence expiry is 42 Bscf.

Table 12.6: Trion Hydrocarbons Initially in Place and Recoverable Gross Volumes as of 31 December 2021

| Item | Formation | Quantity |
|---|--------------|--------------|
| STOIIP in discovered area (MMBbl) | 100 Fan | 1,003 |
| | 350 Fan | 365 |
| | Total | 1,368 |
| Solution GIIP (approximate) (Bscf) | 100 Fan | 772 |
| | 350 Fan | 385 |
| | Total | 1,158 |
| GIIP in gas cap (Bscf) | 350 Fan | 42 |
| Oil recovered within licence period to 2052 (MMBbl) | Field | 428 |
| Recovery factor at licence expiry (2052) | Field | 31% |
| Ultimate oil recovery (nominally in 2066) (MMBbl) | Field | 471 |
| Ultimate recovery factor (nominally in 2066) | Field | 34% |
| Oil recovered after licence expiry (MMBbl) | Field | 43 |

12.1.5 GaffneyCline' s Production and Cost Valuation Profiles- Trion

GaffneyCline' s valuation scenario production profile for BHP Petroleum' s Trion asset is given in **Figure 12.6** with the associated real term cost profiles provided in **Figure 12.7**. All final sales products are converted to MMboe before aggregation utilising conversion factors documented in **Appendix IV**. Volumes and Costs are Net to BHP Petroleum as per the data and information provided to GaffneyCline. The valuation production and cost profiles provided to KPMG Corporate Finance are based on the best estimates of the recoverable volumes of the defined development project documented in section 12.1.3. Risk assessment for valuation is discussed in section 12.1.6. Technical and commercial contingencies are also discussed that impact the project Chance of Development.



Figure 12.6: BHP Petroleum Net Trion Asset Production Profile

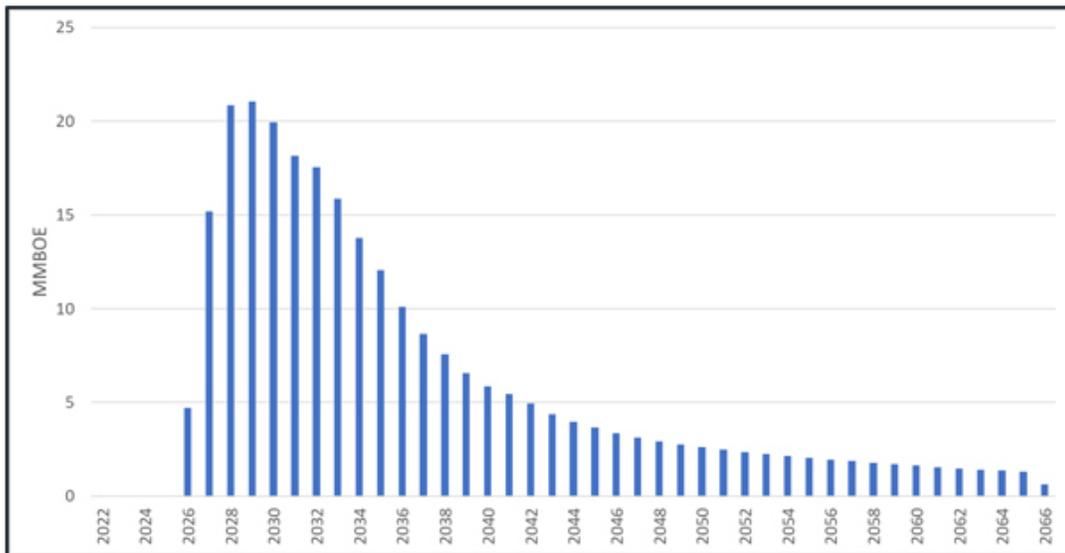
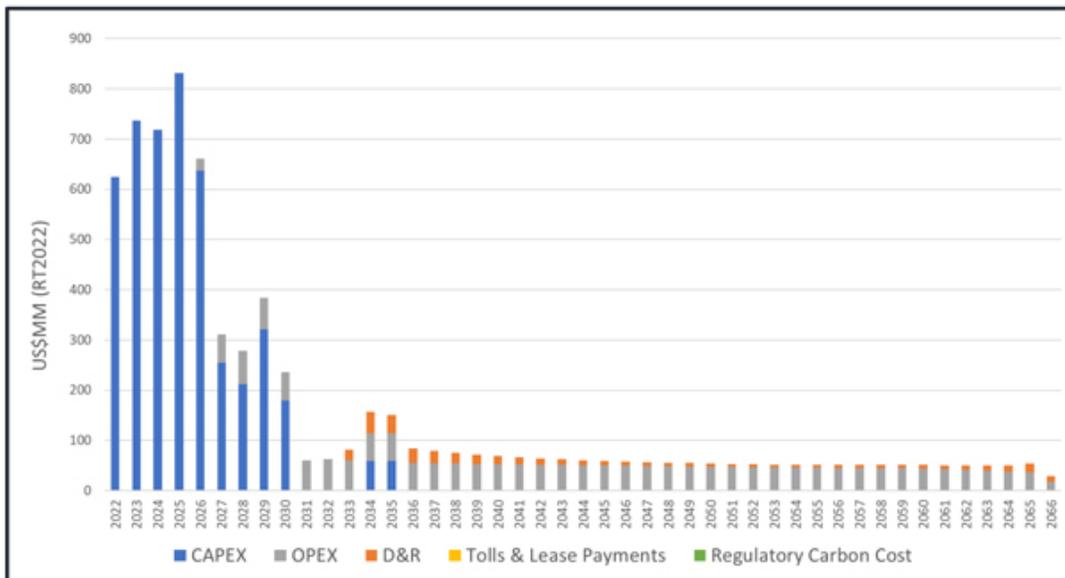


Figure 12.7: BHP Petroleum Net Trion asset Cost Profile



12.1.6 Trion Asset Chance of Development

Volumes of oil and gas estimated to be potentially recoverable from the Trion Field through the implementation of BHP Petroleum's development plan are classified as Contingent Resources–Development Pending. The project has passed decision Gate 2 (end of Select phase) and is currently in Definition phase undergoing front end engineering design. Decision Gate 3 is expected to be achieved in 2022 when the project will transition to the Execution phase and volumes of oil and gas would be considered for reclassification as Reserves.

The undeveloped Trion Field has been adequately appraised by four wells (including the discovery well), two of which have side-tracks, resulting in six reservoir penetrations. A comprehensive exploration and appraisal dataset has been acquired, including wireline logs, whole and sidewall cores and pressure transient testing. Several seismic datasets have been acquired, processed and reprocessed and these, together with latest 3D ocean bottom node survey, acquired in 2020-2021 have allowed detailed imaging and interpretation of the reservoir structure and distribution of hydrocarbons. The good dataset has facilitated the modelling of the reservoir and aided the development planning, which is progressing well.

The development plan comprises subsea wells (fourteen production, ten water injection and three gas injection) tied back to a floating production unit (FPU). Stabilised crude will be sent to a floating storage and offloading facility (FSO) for export via tanker

On 19 December 2021 BHP Petroleum announced that it had filed with the National Hydrocarbons Commission (CNH) a Declaration of Commerciality (DoC) in respect of the Trion discovery area. The DoC confirms that BHP Petroleum and PEMEX consider the Trion discovery area to be commercial subject to and in accordance with the terms of the Licence. On 5th August 2021, the BHP Petroleum Board approved US\$258 MM in capital expenditure to move the Trion project into the Front End Engineering Design (FEED) phase. (As announced on BHP's website).

Considering the above, GaffneyCline recommends a 90% chance of development applied to all the Trion Contingent Resources for KPMG's valuation analysis.



13 BHP Petroleum Global Exploration Portfolio

BHP Petroleum's global exploration portfolio consists of assets in Mexico, Trinidad and Tobago, Canada, Australia and USA. These prospects range from near field opportunities in Mexico, Trinidad and Tobago, Australia and the USA to stand-alone exploration projects in the USA and Canada.

All of the prospects discussed here could potentially be drilled within the next five (5) years; additional prospectivity with no planned drilling has been excluded from the assessment.

BHP Petroleum has identified two gas prospects with 2U (Best estimate) Prospective Resources varying between 85 and 300 Bscf and Chance of Geologic Success (Pg) between 85% and 90%, plus eleven oil prospects with 2U Prospective Resources varying between 4.4 and 440 MMBbl and Pg between 11% and 90%.

GaffneyCline has reviewed the prospects mentioned above. This review has broadly confirmed the assessments by the BHP Petroleum, although GaffneyCline has modified both the Prospective Resource estimates and Pg where it deems it to be required. No further details are provided here as they are deemed to be commercially sensitive.

13.1 Recommended Value Range for BHP Petroleum's Exploration Assets

BHP Petroleum provided detailed assumptions for exploration valuations for nine prospects using the EMV methodology. Four of these prospects are in the USA GOM. One in Mexico, two in Canada and two in Australia. BHP has indicated that the names and details of the prospects are commercially sensitive.

Trinidad and Tobago prospects are valued along with the Calypso asset best case and the Mexico Trion North prospect is valued along with the Trion best case.

The GaffneyCline calculated EMV range is positive for only four prospects with an aggregated EMV range of US\$190 MM to US\$436 MM.

BHP Petroleum did not share their internal EMV evaluation with GaffneyCline but negative EMV values could still be explained due to the different discount rate assumptions, P50 volume and GCoS adjustments by GaffneyCline.

GaffneyCline's recommended value range is **US\$190 MM** to **US\$436 MM** for BHP Petroleum's exploration assets for KPMG's consideration.



14 Economic Assessment for Reserves (Economic Limit Test)

GaffneyCline has conducted an economic assessment of Woodside and BHP Petroleum assets in order to derive the economic limit for production, the Net Entitlement Reserves and the Net Present Values (NPVs) associated with the 1P and 2P Reserves cases. The assessments are based upon GaffneyCline’s understanding of the fiscal terms governing these assets and the various economic and commercial assumptions described herein.

Additionally, GaffneyCline performed economic limit tests with KPMG provided oil and gas prices and macro-economic assumptions. This resulted in no changes to economic limits.

14.1 Assumptions and Inputs

14.1.1 Macro-Economic Assumptions

- Effective date of the economic analysis is 31 December 2021.
- CAPEX, OPEX and D&R costs are in US\$ 2022 real terms, then escalated 2% p.a. from 2023

14.1.2 Oil and Gas Pricing Scenarios

GaffneyCline’s price scenario for 1Q 2022, shown in **Table 14.1**, has been used as the reference price for global benchmarks in the economic analysis.

Table 14.1: GaffneyCline 1Q 2022 Price Scenario for Global Price Benchmarks

| Year | Brent Crude (US\$/Bbl) | West Texas Intermediate (US\$/Bbl) | Henry Hub Gas (US\$/MM Btu) |
|-------|------------------------|------------------------------------|-----------------------------|
| 2022 | 75.92 | 72.69 | 3.78 |
| 2023 | 71.00 | 66.91 | 3.42 |
| 2024 | 70.00 | 66.00 | 3.20 |
| 2025 | 71.40 | 67.32 | 3.26 |
| 2026+ | +2% per annum | +2% per annum | +2% per annum |

14.1.3 Realised Product Prices

GaffneyCline estimated product price differentials based on 2021 actual realised prices provided by Woodside and BHP Petroleum. For contracted prices where applicable, GaffneyCline reviewed pricing information made available by Woodside and BHP Petroleum and accepted them to be reasonable. Details of pricing are not included as they are confidential.



15 Fiscal Regimes and Modelling Assumptions

15.1 Woodside Australia

Woodside's Australian petroleum projects are subject to the Petroleum Resource Rent Tax (PRRT) Fiscal Regime. Fiscal terms are summarised as below:

- Excise duty is applicable to oil and condensate produced from the North West Shelf Fields. A royalty regime also applies to production from the North West Shelf Fields.
- PRRT is applied at 40% of taxable profits derived from hydrocarbon production. PRRT payments are deductible for income tax purposes. The tax applies to profits derived from a petroleum project and not to the value or volume of production as with royalty and excise regimes. Deductions are available for all allowable expenditures and uplifts are applied to the carried-forward expenditure to ensure that PRRT taxes the economic rent generated from a petroleum project in a financial year.
- PRRT Payable is calculated as follows:
 - $PRRT\ Payable = Taxable\ Profit \times PRRT\ Rate\ (40\%)$;
 - $Taxable\ Profit = Assessable\ Receipts - Deductible\ Expenditures$;
 - Assessable Receipts include petroleum receipts, tolling receipts, exploration recovery receipts, property receipts, miscellaneous compensation receipts, employee amenities receipts, incidental production receipts;
 - Expenditures are deductible in the year they are incurred. Expenditures include general project expenditures, exploration expenditure or closing-down expenditures;
 - General project expenditures consist of costs incurred in carrying out or providing the operations, facilities and other activities in relation to an oil and gas project;
 - Exploration expenditure is cost incurred in the exploration for oil and gas in an eligible exploration or recovery area;
 - Closing-down expenditure related to abandonment and decommissioning costs; and
 - Expenditures that are excluded are financing costs, dividend payments, acquisition costs, private overriding royalties, income tax and GST payments, indirect administration costs.
- Depreciation of historical CAPEX for each asset has been provided by Woodside.
- Applicable income tax rate of 30%.

15.2 Woodside Sangomar (Senegal)

Woodside holds 82% working interest in the Sangomar field in Senegal which operates under a Production Sharing Contract (PSC). The key elements of the PSC fiscal regime are as follows:

- Max Cost Recovery is 75% of Production Revenue.

- Recoverable Costs comprise OPEX, FPSO and Pipeline CAPEX depreciation (10 years SL basis), all other Post-FID Development CAPEX depreciation (5 years SL basis), Pre-FID CAPEX on an expensed basis, Abandonment Provision payments, Training Fees, Surface rentals, Local Element Contribution and Customs Duty. Unrecovered costs can be carried forward indefinitely.
- Profit Oil (Production Revenue minus Cost Recovery) is split between Contractor and Government by production tranches as shown in **Table 15.1**.

Table 15.1: Profit Oil Split for Sangomar

| Tranche | Production in MBbl/day | Government Profit Share % |
|-----------|------------------------|---------------------------|
| Tranche 1 | 0 - 50 | 15% |
| Tranche 2 | 50 - 100 | 20% |
| Tranche 3 | 100 - 150 | 25% |
| Tranche 4 | 150 - 200 | 30% |
| Tranche 5 | > 200 | |

- Abandonment Provision payments must be paid into an escrow account at the earliest of 6 years before economic limit or date at which 70% of recoverable reserves have been produced.
- Other Levies and Payments:
 1. Local Economic Contribution comprises Contribution on Value Added (CVA) and Contribution on Rental Value (CRV).
 2. CVA is calculated as 1% PSC revenue minus operating expenditure.
 3. CRV is calculated on the rental value of the hull of the FPSO.
 4. Customs Duty is levied at 2.3% of imported value of the FPSO during the development phase.
 5. Surface rentals are calculated at US\$15/sq.km contract area annually. Annual Training Fee payable is US\$0.4 MM.
- Corporate Income Tax (CIT) is payable at 33% of Taxable Income. Deductions to calculate taxable income is subdivided into those that have a 3-year limit on loss carry-forward (such as pre-FID CAPEX, OPEX, ABEX provision payments, Training fees, Surface rentals, LEC and Customs Duty) and Deductions with unlimited carry forward (such as post-FID CAPEX).
- Branch Profit Tax (BPT) at the rate of 10% is payable on the CIT taxable income net of CIT.
- Future contingent payments related to transactions with Cairn Energy and FAR Limited, opening balances and depreciation schedules of CAPEX already placed in service were included in asset evaluation based on economic models provided by Woodside.

15.3 BHP Petroleum Australia

BHP Petroleum's Australia assets are governed under the Petroleum Resource Rent Tax (PRRT) Fiscal Regime, the terms of which are summarised in Section 15.1.

Depreciation of historical CAPEX for each asset has been provided by BHP Petroleum.

The following information supplied by BHP Petroleum has also been used in the economic analysis:

- Contracted gas prices and annual contracted volumes;
- Balances for calculating depreciation for income tax and PRRT;
- Revenues and costs related to the pipeline tariff in Bass Strait and Macedon;
- Hydrocarbon product prices - no historical product prices have been provided to verify any differentials to the benchmark crude prices such as Brent or WTI; and
- PRRT and tax credit related to future abandonment costs.

15.4 BHP Petroleum US Gulf of Mexico

Key terms of the US Gulf of Mexico fiscal regime are as follows:

- The US Gulf of Mexico assets follows a simple royalty/tax regime with the governmental take comprising of royalty and the standard corporation tax. BHP Petroleum Working Interest and Royalty rates of each asset used for the assessment are shown in **Table 15.2**.
- Expenditure. Opening balances, cost depletion and other depreciation balance calculations have been made available by BHP Petroleum.
- Note that Corporate Tax has no impact on ELT calculations.
- Licences are expected to be renewed until the economic limit of the asset is reached.

Table 15.2: BHP US Gulf of Mexico Assets Working Interest and Royalty Rates

| Asset | Working Interest | Royalty Rate | Effective Royalty Rate |
|----------|------------------|--------------|------------------------|
| Shenzi | 72.00% | 112.50% | 10.58% |
| Atlantis | 44.00% | 12.50% | 12.50% |
| Mad Dog | 23.90% | 12.70% | 12.70% |

Notes:

1. Shenzi is made up of 5 blocks and royalty relief of up to 87.5 MMBOE of production is applicable per block. Two blocks have exhausted the royalty relief and the remaining 3 blocks are not expected to reach relief limit within the evaluation period. The effective royalty is the weighted average royalty of the five blocks and is based on data shared by BHP.
2. Mad Dog Royalty rate is the average of blocks with 12.5% and 18.75% rates with an effective rate of 12.702%



15.5 BHP Petroleum Trinidad and Tobago(T&T) Assets

BHP Petroleum's Trinidad and Tobago assets comprise of Block 2(c) and Block 3(a). BHP Petroleum holds a 45% working interest position in the Block 2(c) production sharing contract (PSC) and a 68.46% working interest position in the Block 3(a) PSC. Net interests are determined by the terms of the PSC for each block and may vary from the working interest.

Actual terms are excluded due to confidentiality.



Appendix I SPE PRMS Definitions & Guidelines



KPMG Financial Advisory Services (Australia) Pty Ltd
March 2022

Society of Petroleum Engineers, World Petroleum Council,
American Association of Petroleum Geologists, Society of Petroleum Evaluation Engineers,
Society of Exploration Geophysicists, Society of Petrophysicists and Well Log Analysts,
and European Association of Geoscientists & Engineers

Petroleum Resources Management System

Definitions and Guidelines (2)

(Revised June 2018)

Table 1–Recoverable Resources Classes and Sub-Classes

| Class/Sub-Class | Definition | Guidelines |
|----------------------|---|--|
| Reserves | Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. | <p>Reserves must satisfy four criteria: discovered, recoverable, commercial, and remaining based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by the development and production status.</p> <p>To be included in the Reserves class, a project must be sufficiently defined to establish its commercial viability (see Section 2.1.2, Determination of Commerciality). This includes the requirement that there is evidence of firm intention to proceed with development within a reasonable time-frame.</p> <p>A reasonable time-frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. While five years is recommended as a benchmark, a longer time-frame could be applied where, for example, development of an economic project is deferred at the option of the producer for, among other things, market-related reasons or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented.</p> <p>To be included in the Reserves class, there must be a high confidence in the commercial maturity and economic producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests.</p> |
| On Production | The development project is currently producing or capable of producing and selling petroleum to market. | <p>The key criterion is that the project is receiving income from sales, rather than that the approved development project is necessarily complete. Includes Developed Producing Reserves.</p> <p>The project decision gate is the decision to initiate or continue economic production from the project.</p> |

2 These Definitions and Guidelines are extracted from the full Petroleum Resources Management System (revised June 2018) document.

| Class/Sub-Class | Definition | Guidelines |
|----------------------------------|---|--|
| Approved for Development | All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is ready to begin or is under way. | <p>At this point, it must be certain that the development project is going ahead. The project must not be subject to any contingencies, such as outstanding regulatory approvals or sales contracts. Forecast capital expenditures should be included in the reporting entity' s current or following year' s approved budget.</p> <p>The project decision gate is the decision to start investing capital in the construction of production facilities and/or drilling development wells.</p> |
| Justified for Development | Implementation of the development project is justified on the basis of reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained. | <p>To move to this level of project maturity, and hence have Reserves associated with it, the development project must be commercially viable at the time of reporting (see Section 2.1.2, Determination of Commerciality) and the specific circumstances of the project. All participating entities have agreed and there is evidence of a committed project (firm intention to proceed with development within a reasonable time-frame) There must be no known contingencies that could preclude the development from proceeding (see Reserves class).</p> <p>The project decision gate is the decision by the reporting entity and its partners, if any, that the project has reached a level of technical and commercial maturity sufficient to justify proceeding with development at that point in time.</p> |
| Contingent Resources | Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies. | <p>Contingent Resources may include, for example, projects for which there are currently no viable markets, where commercial recovery is dependent on technology under development, where evaluation of the accumulation is insufficient to clearly assess commerciality, where the development plan is not yet approved, or where regulatory or social acceptance issues may exist.</p> <p>Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by the economic status.</p> |
| Development Pending | A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future. | <p>The project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g., drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable time-frame. Note that disappointing appraisal/evaluation results could lead to a reclassification of the project to On Hold or Not Viable status.</p> <p>The project decision gate is the decision to undertake further data acquisition and/or studies designed to move the project to a level of technical and commercial maturity at which a decision can be made to proceed with development and production.</p> |

| Class/Sub-Class | Definition | Guidelines |
|--------------------------------|--|--|
| Development on Hold | A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay. | <p>The project is seen to have potential for commercial development. Development may be subject to a significant time delay. Note that a change in circumstances, such that there is no longer a probable chance that a critical contingency can be removed in the foreseeable future, could lead to a reclassification of the project to Not Viable status.</p> <p>The project decision gate is the decision to either proceed with additional evaluation designed to clarify the potential for eventual commercial development or to temporarily suspend or delay further activities pending resolution of external contingencies.</p> |
| Development Unclarified | A discovered accumulation where project activities are under evaluation and where justification as a commercial development is unknown based on available information. | <p>The project is seen to have potential for eventual commercial development, but further appraisal/evaluation activities are ongoing to clarify the potential for eventual commercial development.</p> <p>This sub-class requires active appraisal or evaluation and should not be maintained without a plan for future evaluation. The sub-class should reflect the actions required to move a project toward commercial maturity and economic production.</p> |
| Development Not Viable | A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time because of limited production potential. | <p>The project is not seen to have potential for eventual commercial development at the time of reporting, but the theoretically recoverable quantities are recorded so that the potential opportunity will be recognized in the event of a major change in technology or commercial conditions.</p> <p>The project decision gate is the decision not to undertake further data acquisition or studies on the project for the foreseeable future.</p> |
| Prospective Resources | Those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. | Potential accumulations are evaluated according to the chance of geologic discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analog developments in the earlier phases of exploration. |
| Prospect | A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target. | Project activities are focused on assessing the chance of geologic discovery and, assuming discovery, the range of potential recoverable quantities under a commercial development program. |
| Lead | A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation to be classified as a Prospect. | Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to confirm whether or not the Lead can be matured into a Prospect. Such evaluation includes the assessment of the chance of geologic discovery and, assuming discovery, the range of potential recovery under feasible development scenarios. |
| Play | A project associated with a prospective trend of potential prospects, but that requires more data acquisition and/or evaluation to define specific Leads or Prospects. | Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to define specific Leads or Prospects for more detailed analysis of their chance of geologic discovery and, assuming discovery, the range of potential recovery under hypothetical development scenarios. |

Table 2–Reserves Status Definitions and Guidelines

| Status | Definition | Guidelines |
|---|--|--|
| Developed Reserves | Expected quantities to be recovered from existing wells and facilities. | Reserves are considered developed only after the necessary equipment has been installed, or when the costs to do so are relatively minor compared to the cost of a well. Where required facilities become unavailable, it may be necessary to reclassify Developed Reserves as Undeveloped. Developed Reserves may be further sub-classified as Producing or Non-producing. |
| Developed Producing Reserves | Expected quantities to be recovered from completion intervals that are open and producing at the effective date of the estimate. | Improved recovery Reserves are considered producing only after the improved recovery project is in operation. |
| Developed Non-Producing Reserves | Shut-in and behind-pipe Reserves. | <p>Shut-in Reserves are expected to be recovered from (1) completion intervals that are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells that will require additional completion work or future re-completion before start of production with minor cost to access these reserves.</p> <p>In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.</p> |
| Undeveloped Reserves | Quantities expected to be recovered through future significant investments. | Undeveloped Reserves are to be produced (1) from new wells on undrilled acreage in known accumulations, (2) from deepening existing wells to a different (but known) reservoir, (3) from infill wells that will increase recovery, or (4) where a relatively large expenditure (e.g., when compared to the cost of drilling a new well) is required to (a) recompleting an existing well or (b) installing production or transportation facilities for primary or improved recovery projects. |

Table 3—Reserves Category Definitions and Guidelines

| Category | Definition | Guidelines |
|---------------------------------|--|---|
| <p>Proved Reserves</p> | <p>Those quantities of petroleum that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from a given date forward from known reservoirs and under defined economic conditions, operating methods, and government regulations.</p> | <p>If deterministic methods are used, the term “reasonable certainty” is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the estimate.</p> <p>The area of the reservoir considered as Proved includes (1) the area delineated by drilling and defined by fluid contacts, if any, and (2) adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive on the basis of available geoscience and engineering data.</p> <p>In the absence of data on fluid contacts, Proved quantities in a reservoir are limited by the LKH as seen in a well penetration unless otherwise indicated by definitive geoscience, engineering, or performance data. Such definitive information may include pressure gradient analysis and seismic indicators. Seismic data alone may not be sufficient to define fluid contacts for Proved.</p> <p>Reserves in undeveloped locations may be classified as Proved provided that:</p> <ul style="list-style-type: none"> A. The locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially mature and economically productive. B. Interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with drilled Proved locations. <p>For Proved Reserves, the recovery efficiency applied to these reservoirs should be defined based on a range of possibilities supported by analogs and sound engineering judgment considering the characteristics of the Proved area and the applied development program.</p> |
| <p>Probable Reserves</p> | <p>Those additional Reserves that analysis of geoscience and engineering data indicates are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.</p> | <p>It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.</p> <p>Probable Reserves may be assigned to areas of a reservoir adjacent to Proved where data control or interpretations of available data are less certain. The interpreted reservoir continuity may not meet the reasonable certainty criteria.</p> <p>Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.</p> |

| Category | Definition | Guidelines |
|---------------------------------------|--|--|
| Possible Reserves | Those additional reserves that analysis of geoscience and engineering data indicates are less likely to be recoverable than Probable Reserves. | <p>The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high-estimate scenario. When probabilistic methods are used, there should be at least a 10% probability (P10) that the actual quantities recovered will equal or exceed the 3P estimate.</p> <p>Possible Reserves may be assigned to areas of a reservoir adjacent to Probable where data control and interpretations of available data are progressively less certain. Frequently, this may be in areas where geoscience and engineering data are unable to clearly define the area and vertical reservoir limits of economic production from the reservoir by a defined, commercially mature project.</p> <p>Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.</p> |
| Probable and Possible Reserves | See above for separate criteria for Probable Reserves and Possible Reserves. | <p>The 2P and 3P estimates may be based on reasonable alternative technical interpretations within the reservoir and/ or subject project that are clearly documented, including comparisons to results in successful similar projects.</p> <p>In conventional accumulations, Probable and/or Possible Reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from Proved areas by minor faulting or other geological discontinuities and have not been penetrated by a wellbore but are interpreted to be in communication with the known (Proved) reservoir. Probable or Possible Reserves may be assigned to areas that are structurally higher than the Proved area. Possible (and in some cases, Probable) Reserves may be assigned to areas that are structurally lower than the adjacent Proved or 2P area.</p> <p>Caution should be exercised in assigning Reserves to adjacent reservoirs isolated by major, potentially sealing faults until this reservoir is penetrated and evaluated as commercially mature and economically productive. Justification for assigning Reserves in such cases should be clearly documented. Reserves should not be assigned to areas that are clearly separated from a known accumulation by non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results); such areas may contain Prospective Resources.</p> <p>In conventional accumulations, where drilling has defined a highest known oil elevation and there exists the potential for an associated gas cap, Proved Reserves of oil should only be assigned in the structurally higher portions of the reservoir if there is reasonable certainty that such portions are initially above bubble point pressure based on documented engineering analyses. Reservoir portions that do not meet this certainty may be assigned as Probable and Possible oil and/or gas based on reservoir fluid properties and pressure gradient interpretations.</p> |

Figure 1.1–RESOURCES CLASSIFICATION FRAMEWORK

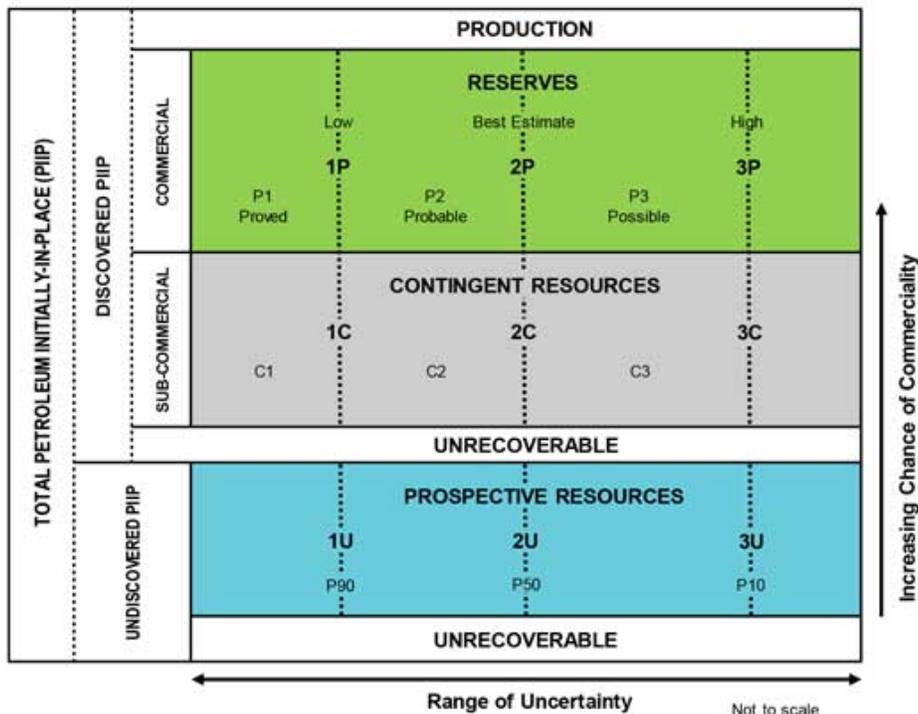
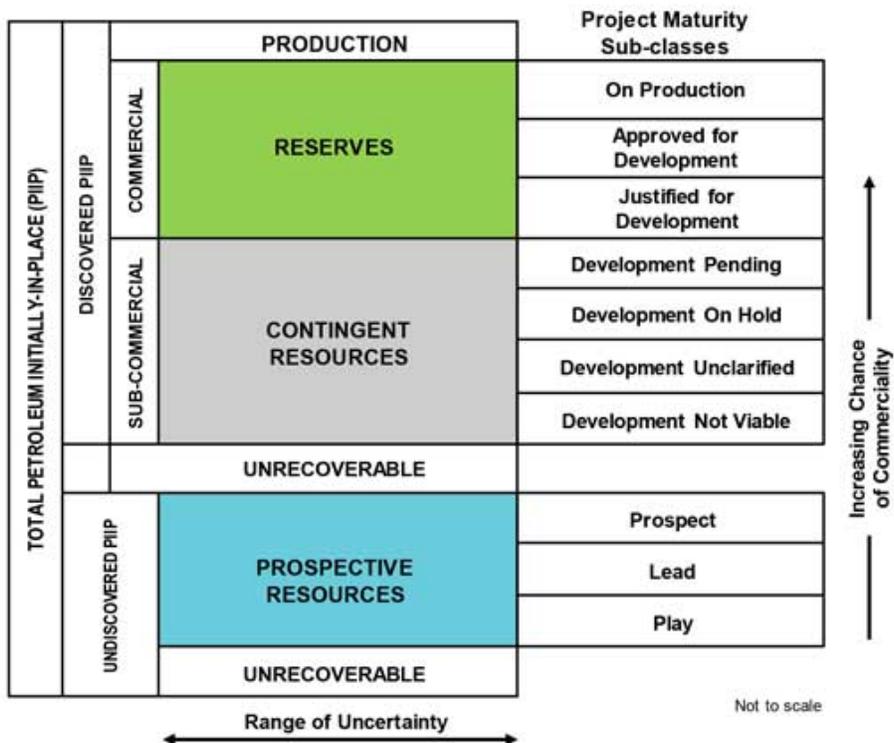


Figure 2.1–SUB-CLASSES BASED ON PROJECT MATURITY





Appendix II Glossary



GLOSSARY

Standard Oil Industry Terms and Abbreviations

| | |
|-----------------|--|
| ABEX | Abandonment expenditure |
| ACQ | Annual contract quantity |
| API | American Petroleum Institute |
| °API | Degrees API (a measure of oil density) |
| AAPG | American Association of Petroleum Geologists |
| AVO | Amplitude versus offset |
| B | Billion (10 ⁹) |
| Bbl | Barrels |
| /Bbl | Per barrel |
| BBbl | Billion barrels |
| bcpd | Barrels of condensate per day |
| BHP | Bottom hole pressure |
| blpd | Barrels of liquid per day |
| Bm ³ | Billion cubic metres |
| boe | Barrels of oil equivalent |
| boepd | Barrels of oil equivalent per day |
| BOP | Blow out preventer |
| bopd | Barrels oil per day |
| bpd | Barrels per day |
| Bscf or Bcf | Billion standard cubic feet |
| Bscfd or Bcfd | Billion standard cubic feet per day |
| BS&W | Bottom sediment and water |
| BTU | British thermal units |
| bwpd | Barrels of water per day |
| °C | Degrees Celsius |
| CAPEX | Capital expenditure |
| CBM | Coal bed methane |
| cf | Standard cubic feet |
| cf/d | Standard cubic feet per day |
| CIIP | Condensate initially in place |
| CGR | Condensate to gas ratio |
| cm | Centimetres |
| CMM | Coal mine methane |
| CO ₂ | Carbon dioxide |
| cP | Centipoise (a measure of viscosity) |
| CSG | Coal seam gas |
| CT | Corporation tax |
| DCQ | Daily contract quantity |
| Dev | Developed |
| DHI | Direct hydrocarbon indicator |
| DST | Drill stem test |
| E&A | Exploration & appraisal |
| E&P | Exploration and production |
| EBIT | Earnings before interest and tax |
| EBITDA | Earnings before interest, tax, depreciation and amortisation |
| EI | Entitlement interest |
| EIA | Environmental impact assessment |
| ELT | Economic limit test |
| EMV | Expected monetary value |
| EoFL | End of Field Life |



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| | |
|------------------|--|
| EOR | Enhanced oil recovery |
| ESP | Electrical submersible pump |
| EUR | Estimated ultimate recovery |
| / EUR | Euro |
| °F | Degrees Fahrenheit |
| FDP | Field development plan |
| FEED | Front end engineering and design |
| FPSO | Floating production, storage and offloading vessel |
| FSO | Floating storage and offloading vessel |
| ft | Foot/feet |
| g | Gram |
| g/cc | Grams per cubic centimetre |
| G&A | General and administrative costs |
| GBP | Pounds Sterling |
| GCoS | Geological chance of success |
| GDT | Gas down to |
| GIIP | Gas initially in place |
| GJ | Gigajoules (one billion Joules) |
| GOC | Gas oil contact |
| GOR | Gas oil ratio |
| GRV | Gross rock volume |
| GTL | Gas to liquids |
| GWC | Gas water contact |
| HCIIP | Hydrocarbons initially in place |
| HDT | Hydrocarbons down to |
| HSE | Health, Safety and Environment |
| HUT | Hydrocarbons up to |
| H ₂ S | Hydrogen sulphide |
| IOR | Improved oil recovery |
| IRR | Internal rate of return |
| J | Joule (Metric measurement of energy; 1 kilojoule = 0.9478 BTU) |
| KB | Kelly bushing |
| kJ | Kilojoules (one thousand Joules) |
| km | Kilometres |
| km ² | Square kilometres |
| kPa | Kilopascal (one thousands Pascals) |
| kW | Kilowatt |
| kWh | Kilowatt hour |
| LKG | Lowest known gas |
| LKH | Lowest known hydrocarbons |
| LKO | Lowest known oil |
| LNG | Liquefied natural gas |
| LPG | Liquefied petroleum gas |
| LTI | Lost time injury |
| LWD | Logging while drilling |
| m | Metres |
| M | Thousand |
| m ³ | Cubic metres |
| MBbl | Thousands of barrels |
| Mbopd | Thousands of barrels of oil per day |
| Mcf or Mscf | Thousand standard cubic feet |
| MCM | Management committee meeting |
| m ³ d | Cubic metres per day |
| mD | Millidarcies (a measure of rock permeability) |



| | |
|-------------------|--|
| MD | Measured depth |
| MDT | Modular dynamic tester (a wireline logging tool) |
| Mean | Arithmetic average of a set of numbers |
| Median | Middle value in a set of values |
| mg/l | milligrams per litre |
| MIMI | Japan Australia LNG (MIMI) Pty Ltd (a 50-50 joint venture between Mitsubishi Corporation and Mitsui & Co/ Ltd) |
| MJ | Megajoules (one million Joules) |
| Mm ³ | Thousand cubic metres |
| Mm ³ d | Thousand cubic metres per day |
| MM | Million |
| MMBbl | Millions of barrels |
| MMBTU | Millions of British Thermal Units |
| MMcf or MMscf | Million standard cubic feet |
| Mode | Value that exists most frequently in a set of values = most likely |
| Mcf or Mscfd | Thousand standard cubic feet per day |
| MMcf or MMscfd | Million standard cubic feet per day |
| mss | Metres subsea |
| MW | Megawatt |
| MWD | Measuring while drilling |
| MWh | Megawatt hour |
| mya | Million years ago |
| n/a | Not applicable |
| NGL | Natural gas liquids |
| N ₂ | Nitrogen |
| NOK | Norwegian krone |
| NPV | Net Present Value |
| NPV10 | Net Present Value at 10% annual discount rate |
| NTG | Net to gross ratio |
| OBM | Oil based mud |
| OCM | Operating committee meeting |
| ODT | Oil down to |
| OPEX | Operating expenditure |
| OWC | Oil water contact |
| p.a. | Per annum |
| Pa | Pascal (metric measurement of pressure) |
| P&A | Plugged and abandoned |
| PD | Proved developed |
| PDP | Proved developed producing |
| % | Percentage |
| PI | Productivity index |
| PJ | Petajoules (10 ¹⁵ Joules) |
| ppm | Parts per million |
| PRMS | Petroleum Resources Management System |
| PSC / PSA | Production sharing contract / Production sharing agreement |
| PSDM | Post stack depth migration |
| psi | Pounds per square inch |
| psia | Pounds per square inch absolute |
| psig | Pounds per square inch gauge |
| PUD | Proved undeveloped |
| PVT | Pressure volume temperature |
| P10 | Value with a 10% probability of being exceeded |
| P50 | Value with a 50% probability of being exceeded |
| P90 | Value with a 90% probability of being exceeded |



| | |
|-------------------|---|
| RF | Recovery factor |
| RFT | Repeat formation tester (a wireline logging tool) |
| RT | Rotary table |
| RT2022 | Real Terms 2022 |
| RUB | Russian Rouble |
| R _w | Resistivity of water |
| SCAL | Special core analysis |
| scf | Standard cubic feet |
| scfd | Standard cubic feet per day |
| S _o | Oil saturation |
| SPE | Society of Petroleum Engineers |
| SPEE | Society of Petroleum Evaluation Engineers |
| SRP | Sucker rod pump |
| ss | Subsea |
| ST | Side track |
| stb | Stock tank barrel |
| STOIIP | Stock tank oil initially in place |
| S _w | Water saturation |
| t | Tonnes |
| TD | Total depth |
| te | Tonnes equivalent |
| THP | Tubing head pressure |
| TJ | Terajoules (10 ¹² Joules) |
| Tscf or Tcf | Trillion standard cubic feet |
| TCM | Technical committee meeting |
| TOC | Total organic carbon |
| TOP | Take or pay |
| tpd | Tonnes per day |
| TVD | True vertical depth |
| TVD _{ss} | True vertical depth subsea |
| Undev | Undeveloped |
| USGS | United States Geological Survey |
| US\$ | United States Dollar |
| VAT | Value added tax |
| VSP | Vertical seismic profiling |
| WC | Water cut |
| WI | Working interest |
| WPC | World Petroleum Council |
| WTI | West Texas Intermediate |
| wt% | Weight percent |
| WUT | Water up to |
| 1C | Low estimate of Contingent Resources |
| 2C | Best estimate of Contingent Resource |
| 3C | High estimate of Contingent Resources |
| 2D | Two dimensional |
| 3D | Three dimensional |
| 4D | Four dimensional (time lapse) |
| 1H13 | First half (6 months) of 2013 (example of date) |
| 1P | Proved Reserves |
| 2P | Proved plus Probable Reserves |
| 3P | Proved plus Probable plus Possible Reserves |
| 2Q14 | Second quarter (3 months) of 2014 (example of date) |



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Appendix III Consumed in Operations (Reserves)



Although the PRMS recommends that Reserves be sales quantities, it does allow volumes of hydrocarbons forecast to be consumed in operations (CiO) as fuel during the production of Reserves, upstream of the reference point at which Reserves are reported, to be classified as Reserves, provided they are reported separately from sales volumes.

Woodside and BHP Petroleum customarily report CiO volumes differently. For integrated gas projects involving both an upstream component (the production facilities) and a downstream processing component (e.g. an LNG plant), Woodside reports only the downstream CiO volumes as Reserves, while BHP Petroleum reports both the upstream and downstream CiO volumes as Reserves.

Table AIII.1 shows total CiO Reserves for each asset for both companies, split into upstream and downstream components for Woodside, to facilitate comparison with prior annual reporting.



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AIII.1

Table AIII.1: Summary of Working Interest CiO Gas Reserves as of 31 December 2021

(a) Woodside CiO Gas

| Country | Asset | CiO Gas Reserves (Bscf) | | | | | |
|--------------|-------------------------------------|-------------------------|-------------|--------------|----------------------|--------------|--------------|
| | | Proved | | | Proved plus Probable | | |
| | | Up-stream | Down-stream | Total | Up-stream | Down-stream | Total |
| Australia | North West Shelf | 23 | 77 | 99 | 24 | 100 | 124 |
| | Wheatstone LNG (Brunello & Julimar) | 23 | 96 | 119 | 35 | 149 | 185 |
| | Pluto LNG | 105 | 127 | 233 | 142 | 150 | 292 |
| | Scarborough LNG | 128 | 506 | 634 | 199 | 782 | 980 |
| | Greater Enfield | 21 | 0 | 21 | 24 | 0 | 24 |
| Senegal | Sangomar | 51 | 0 | 51 | 54 | 0 | 54 |
| Total | | 351 | 806 | 1,157 | 478 | 1,181 | 1,659 |

(b) BHP Petroleum CiO Gas

| Country | Asset | Total CiO Gas Reserves (Bscf) | |
|-------------------|------------------|-------------------------------|----------------------|
| | | Proved | Proved plus Probable |
| Australia | North West Shelf | 101 | 127 |
| | Bass Strait | 47 | 57 |
| | Macedon | 16 | 31 |
| | Pyrenees | 0 | 0 |
| | Scarborough LNG | 228 | 353 |
| US GOM | Shenzi | 17 | 21 |
| | Shenzi North | 0 | 0 |
| | Atlantis | 16 | 42 |
| | Mad Dog | 28 | 36 |
| Trinidad & Tobago | Angostura/Ruby | 9 | 11 |
| Total | | 462 | 677 |

Notes:

1. CiO Reserves net to company are the company's net working interest of total fuel used.
2. Totals may not exactly equal the sum of the individual entries due to rounding.
3. Woodside's estimates of downstream CiO are based on heating values per component whereas GaffneyCline has utilised average heating values for this reconciliation process.

Appendix IV boe Conversion Values



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Energy Equivalent Conversion Factors

The following energy equivalent conversion factors have been used to convert the sales products to boe equivalent valuation production profiles for the Australian Assets of Woodside and BHP Petroleum. For BHP Petroleum assets outside Australia, a 6000 scf = 1 boe conversion is used. Note GaffneyCline has not utilised boe conversions for any technical or valuation work and is simply utilising the conversion factors to display aggregate valuation production profiles.

Table AIV: boe Conversion values for Australian Assets

| Final Product | Unit of Measurement | boe Equivalent |
|---------------|---------------------|----------------|
| Crude Oil | Bbl | 1 |
| Domestic Gas | GJ | 0.1636 |
| LNG | MMBTU | 0.1724 |
| LPG | Tonnes | 8.1876 |
| Condensate | Bbl | 1 |





Part Two - KPMG FAS Corporate Finance Financial Services Guide



KPMG Financial Advisory Services (Australia) Pty Ltd

ABN 43 007 363 215

Australian Financial Services Licence No. 246901

Financial Services Guide

Dated April 2022

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- The services KPMG FAS and its Authorised Representatives are authorised to provide;
- How KPMG FAS and its Authorised Representatives are paid;
- Any relevant associations or relationships of KPMG FAS and its Authorised Representatives;
- How complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- The compensation arrangements that KPMG FAS have in place.

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- Foreign exchange contracts;
- Government debentures, stocks or bonds;
- Interests in managed investments schemes including investor directed portfolio services;
- Securities;
- Superannuation;
- Carbon units;
- Australian carbon credit units; and

- Eligible international emissions units, to retail and wholesale clients.

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KPMG FAS has been engaged by Woodside Petroleum Ltd (**Woodside** or **the Client**) to provide general financial product advice in the form of a Report to be included in Woodside' s Explanatory Memorandum (**Explanatory Memorandum**) to be sent to Woodside securityholders pursuant to the share sale agreement with BHP Group Limited (**BHP**) announced by Woodside on 22 November 2021 under which Woodside and BHP will combine their respective oil and gas portfolios by way of an all-stock merger (**the Proposed Transaction**).

You have not engaged KPMG FAS or the Authorised Representatives directly but have received a copy of the Report because you have been provided with a copy of the Explanatory Memorandum. Neither KPMG FAS nor the Authorised Representatives are acting for any person other than the Client.

KPMG FAS and the Authorised Representatives are responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

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As KPMG FAS has been engaged by the Client, the Report only contains general advice as it has been prepared without taking your personal objectives, financial situation or needs into account.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

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KPMG FAS officers and representatives (including the Authorised Representatives) receive a salary or a partnership distribution from KPMG' s Australian professional advisory and accounting practice (the **KPMG Partnership**). KPMG FAS representatives (including the Authorised Representatives) are eligible for bonuses based on overall productivity. Bonuses and other remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

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No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the Proposed transaction. A KPMG employee involved in the preparation of the report holds an interest in 38 shares in BHP. These shares are not material to the employee in terms of value. Accordingly, we do not consider that the employee's interest in these shares impairs our independence.

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Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly at:

Address: Australian Financial Complaints Authority Limited, GPO Box 3, Melbourne Victoria 3001
Telephone: 1800 931 678

Email: info@afca.org.au

The Australian Securities and Investments Commission also has a freecall infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

KPMG FAS has professional indemnity insurance cover in accordance with section 912B of the *Corporations Act 2001(Cth)*.

Contact details

You may contact KPMG FAS or the Authorised Representatives using the below contact details:

KPMG Corporate Finance (a division of KPMG Financial Advisory Services (Australia) Pty Ltd)
Level 38, International Towers Three
300 Barangaroo Avenue

Sydney NSW 2000

PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7621
Facsimile: (02) 9335 7001

Jason Hughes/Bill Allen/Sean Collins

C/O KPMG
PO Box H67
Australia Square
NSW 1213

Telephone: (02) 9335 7621
Facsimile: (02) 9335 7001

Calculation of Filing Fee Tables

Form F-4
(Form Type)WOODSIDE PETROLEUM LTD.
(Exact Name of Registrant as Specified In Its Charter)

Table 1: Newly Registered and Carry Forward Securities

| | Security Type | Security Class Title(1) | Fee Calculation Rule | Amount Registered(2) | Proposed Maximum Offering Price Per Unit | Maximum Aggregate Offering Price(3) | Fee Rate | Amount of Registration Fee |
|----------------------|-----------------------------------|-------------------------|----------------------|----------------------|--|-------------------------------------|-------------|----------------------------|
| Fees Previously Paid | – | – | – | – | – | – | – | – |
| Fees to Be Paid | Equity | Ordinary Shares | 457(c) and 457(f) | 914,768,948 | N/A | \$8,921,084,161 | \$0.0000927 | \$826,985 |
| | Total Offering Amounts | | | 914,768,948 | | \$8,921,084,161 | | \$826,985 |
| | Total Fees Previously Paid | | | | | | | \$0 |
| | Net Fee Due | | | | | | | \$826,985 |

- The securities being offered hereby will be issued in the form of (i) ordinary shares, no par value per share (the “Woodside Shares” and such Woodside Shares, the “New Woodside Shares”) of Woodside Petroleum Ltd. (“Woodside”) and (ii) American Depositary Shares, each representing one New Woodside Share (the “New Woodside ADSs”). The New Woodside ADSs will be issuable upon the deposit of New Woodside Shares with Citibank, N.A., acting as the depository of the registrant, and will be registered under a registration statement on Form F-6 to be filed with the U.S. Securities and Exchange Commission prior to the issuance of the New Woodside Shares pursuant to this registration statement.
- Represents an estimate as of 24 March 2022, of the maximum number of New Woodside Shares issuable upon completion of the transactions contemplated by the Share Sale Agreement by and between Woodside and BHP Group Ltd, dated 22 November 2021 (the “Share Sale Agreement”), as further described in this registration statement. The estimated number of New Woodside Shares is calculated pursuant to the following formula: 970,598,757 (being the agreed-upon fully-diluted number of Woodside Shares outstanding at the signing date) multiplied by a fraction, the numerator of which is 48 and denominator of which is 52, and then adding to that product certain adjustments contemplated by the Share Sale Agreement for (a) any dividends paid on Woodside Shares before closing and (b) any issuance of additional Woodside Shares from certain permitted equity raises before closing. Pursuant to Rule 416 under the Securities Act of 1933 (the “Securities Act”), this registration statement also covers an indeterminable number of additional Woodside Shares as may be issuable as a result of share splits, share dividends or similar transactions.
- Pursuant to Rule 457(f) and Rule 457(c) under the Securities Act, and estimated solely for the purpose of computing the amount of the registration fee, the proposed maximum aggregate offering price of \$8,921,084,161 is based on \$7,974,469,022, which is the book value of BHP Petroleum International Pty Ltd computed as of 31 December 2021, plus a \$829,559,222 payment from Woodside to BHP Group Ltd in respect of certain dividends paid by Woodside from 1 July 2021 to 24 March 2022, plus the estimated payment of \$117,055,917 from Woodside to BHP Group Ltd based on BHP Petroleum International Pty Ltd’s net cash flow from 1 July 2021 (subject to various adjustments) to 31 December 2021, computed as of 24 March 2022 in accordance with the Share Sale Agreement.

Table 2: Fee Offset Claims and Sources

N/A

Table 3: Combined Prospectuses

N/A