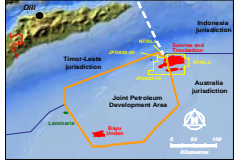
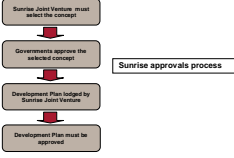


**Sunrise: driving forward**

- ~ 82% of Greater Sunrise fields allocated to Australia and ~ 18% to Timor-Leste
- Independent certification of 5.13 Tcf dry gas and 226 MMstb condensate
- JV unanimously selected Floating LNG
- JV have fulfilled all obligations under the international treaties and applicable law

woodside

Slide 55

On to Sunrise. Now on slide 55, let me assure you, Sunrise is driving forward. The Sunrise team really came through in 2010 and delivered on a number of major milestones.

We had independent certification of the resource volumes, 5.13 trillion cubic feet of dry gas and 226 million barrels of condensate. This is a project blessed with a liquids. In fact, I sometimes think of it as a condensate project with LNG.

We had a unanimous development concept selection by the Joint Venture of floating LNG. Floating LNG was chosen because it has the lowest capital cost, lowest operating cost, lowest environmental footprint and is the most commercially advantageous development for both resource owners that being Timor Leste and Australia, as well as the joint venture. It also costs \$5 billion less than the Timor Leste LNG option.

Three comprehensive concept evaluation reports were then presented to both regulators and the Sunrise Commission in Dilli, in September. All this was done in strict accordance with the international treaty requirements which provides a clear approvals path.

As such, in selecting floating LNG, Woodside and its joint venture participants have fulfilled all our obligations under the international treaties and applicable laws. This is a very important milestone.

Next slide 56.

## FLNG: maximising stakeholder benefits

- Maximises total petroleum revenue for Timor-Leste and Australia
  - Timor-Leste: ~ US\$13 billion# for its 18.1% share
  - Australia: ~ US\$19 billion# for its 81.9% share
- Delivers the best return for the Sunrise JV
- High profile project paves way for further investment
- Delivers further social development in Timor-Leste
  - Employment, training, business opportunities, infrastructure, community programs

# Based on Sunrise JV modeling assumptions which include but are not limited to

- Resource = 5.13 Tcf dry gas and 226 mmstb condensate, field life ~ 30 years
- Peak production rate = 4 mtpa LNG per annum and 10.3 MMbbl per annum
- LNG price = indicative Asia-Pacific pricing inflated by CPI
- Royalties = as per current regulatory and contractual regime



Slide 56

Why floating LNG? The answer is simple. It delivers the best value to our shareholders and the best revenue to the Australian and Timor Leste governments.

Timor Leste would receive \$13 billion for its 18.1% share of the resources that includes an upwards adjustment from approximately \$6 billion due to revenue sharing agreed under the 2007 CMATS treaty.

Australia would receive \$19 billion for its 81.9% share of the resources.

Sunrise floating LNG has robust project economics. It has to. We are required to develop the field to the best commercial advantage consistent with good oil field practice.

In addition, Woodside and the joint venture are committed to significant social investment in Timor Leste and we believe we can set a new benchmark in social and economic contribution.

Sunrise also provides the one last opportunity for the people of Timor Leste to commercialise a known resource, especially in the light of recent regional exploration results, which we understand includes nine dry exploration wells.

## Sunrise: outlook 2011

- Engage with Australian and Timor-Leste regulators and governments for approvals
- Preparations underway for BOD and then FEED
- Drive to a final investment decision



Slide 57

Slide 57.

I am particularly proud of the Sunrise project.

When I started at Woodside one of my first calls in 2004 was to shut it down due to a lack of fiscal and regulatory certainty.

Three years later, when the treaties were ratified and the time was right, we were able to re-energise Sunrise and begin the journey again.

And what a journey it has been – from a rigorous technical and commercial evaluation to a unanimous Joint Venture selection of an exciting development concept that generates robust returns to all stakeholders.

Let's go to Browse...next slide.