
ASX ANNOUNCEMENT
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NORTH WEST SHELF VENTURE AND CHUGOKU ELECTRIC SIGN LNG HEADS OF AGREEMENT

The North West Shelf Venture and Chugoku Electric Power Co., Inc. have signed an unconditional and binding heads of agreement for the long-term supply of liquefied natural gas.

Chugoku Electric is the first of the North West Shelf Venture's original Japanese LNG customers to renew its long-term LNG supply requirements with Australia's largest resources project.

Under a 12-year contract starting in April 2009, the North West Shelf Venture will supply between 1.2 and 1.4 million tonnes of LNG a year to Chugoku Electric on an ex-ship basis.

The President of Chugoku Electric, Shigeo Shirakura, signed the agreement late yesterday with Woodside's Chief Operating Officer, Keith Spence, as well as the senior representatives from the North West Shelf Venture participant companies.

Woodside's North West Shelf Ventures Director, Dr Jack Hamilton, said the Venture was delighted to extend its long-term relationship with Chugoku Electric which started in 1985 with the signing of the Venture's original LNG supply contracts. Chugoku Electric received its first LNG deliveries from the North West Shelf Venture in March 1990.

"Over the past two decades, the North West Shelf Venture has enjoyed a strong friendship and a mutually beneficial business relationship with our highly valued customer, Chugoku Electric," he said.

"We look forward to extending our relationship with Chugoku and continuing to supply LNG from our state-of-the-art expanded LNG processing facility at Karratha in the Pilbara region of Western Australia."

Chugoku is the primary energy supplier in Japan's western Honshu province with more than 5.2 million customers. It has an LNG terminal at Yanai, west of Hiroshima, and is scheduled to start operating its second LNG receiving terminal at Mizushima, Okayama Prefecture, in April this year.

The six equal participants in the NWS Project are: Woodside Energy Ltd. (16.67% and operator); BHP Billiton (North West Shelf) Pty Ltd (16.67%); BP Developments Australia Pty Ltd (16.67%); Chevron Australia Pty Ltd (16.67%); Japan Australia LNG (MIMI) Pty Ltd (16.67%); and Shell Development (Australia) Proprietary Limited (16.67%).

CNOOC NWS Private Limited is also a member of the North West Shelf Venture but does not have an interest in North West Shelf Venture infrastructure.

NEWS RELEASE

**Wednesday, 8 March 2006
6:30am (WST)**

NWS ALNG WELCOMES CHUGOKU ELECTRIC'S NEW LNG AGREEMENT

North West Shelf Australia LNG has welcomed the signing of a new long-term agreement between Japan power generation utility Chugoku Electric Power Co., Inc and Australia's largest resources project, the North West Shelf Venture, for the supply of liquefied natural gas.

Chugoku Electric is the first of the North West Shelf Venture's original eight Japanese LNG customers to re-sign with the joint venturers.

"Today's new LNG supply agreement between the North West Shelf Venture and Chugoku Electric, one of its original Japanese customers, further confirms the North West Shelf Venture's international reputation as a safe, secure and reliable supplier of LNG," said the President of NWS Australia LNG, Peter Cleary.

"Chugoku Electric's desire to retain its long-term business relationship and friendship with the NWS Venture was heavily influenced by the impressive production and delivery performance of the Venture over the past 16 years.

"The continued performance of the NWS Venture has created growing worldwide interest in long-term supplies of LNG from the Venture, particularly in the North-Asia region."

Under a 12-year contract starting in April 2009, the NWS Venture will supply between 1.2 and 1.4 million tonnes of LNG or about 22 LNG cargoes a year to Chugoku Electric.

The original 1985 sales and purchase agreement for the supply of 1.11 million tonnes of LNG each year to Chugoku, which is the primary energy supplier in the province of western Honshu with more than 5.2 million customers, expires in April 2009.

Mr Cleary said NWS Australia LNG, which markets LNG on behalf of the North West Shelf Venture, remained focused on maintaining and extending its important contractual relationships with long-term Japanese customers for future supply of Australian LNG as well as successfully marketing available LNG volumes from the NWS Venture to other North Asian customers.

"The NWS Venture has received significant and firm interest from existing and potential North-Asian customers for future LNG supply," he said.

"We remain confident that available LNG volumes from the NWS Venture will be successfully marketed as regional and global LNG markets continue to expand."

The six equal participants in the North West Shelf Venture are: BHP Billiton Petroleum (North West Shelf) Pty Ltd; BP Developments Australia Pty Ltd; Chevron Australia Pty Ltd; Japan Australia LNG (MIMI) Pty Ltd; Shell Development (Australia) Proprietary Limited; and Woodside Energy Ltd (Operator).

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