

COMMUNITY Update

February 2012



Site update

After successfully completing our work program for 2011, we are in the process of finalising our program for 2012 to finish the front-end engineering and design phase for the proposed Browse LNG Development.

Subject to weather conditions and approvals, we expect to resume site work near James Price Point within the next few months. The 2012 works program will include geotechnical investigations and hydro-geological studies, as well as flora, fauna and other environmental studies.

In December 2011 the project met a significant milestone, with the submission of the draft final Field Development Plan (FDP) for the Browse basin gas fields, in line with the requirements of the retention lease conditions. The FDP provides the technical support required for the production license application process.

We now have approximately 420 employees and over two thousand contractors working on the proposed development. At the peak of operations during 2011, more than 800 people were working on offshore and onshore sites at James Price Point and near Scott Reef.

Throughout 2011, more than 235,000 hours of survey work was undertaken at site. The geotechnical program successfully completed 93

boreholes, 31 test pits and conducted 408 cone penetrometer tests. The information gathered is being used to assess the subsurface geology of the proposed site to ensure the facilities will be designed in the best possible way.

As well as undertaking a range of onshore activities in 2011, significant scientific studies were also carried out offshore.

Tridacna, a three dimensional ocean bottom cable marine seismic survey, was undertaken to collect additional subsurface data about Torosa gas field in the Browse Basin, 425 km north of Broome.

The survey was finished on time and on budget with the information gathered adding to our knowledge of the gas field and surrounding area.

To date, Woodside has spent approximately \$100 million dollars on environmental studies along the Kimberley coast and offshore region. Studies included investigating whale numbers and migration patterns, monitoring turtles and implementing flora and fauna surveys.

This massive volume of environmental data will ensure the proposed development operates in an environmentally sensitive and sustainable manner.

Variation to retention leases

The Browse Joint Venture has sought a variation to the retention lease conditions for development of the Browse basin gas resources. This includes a request to extend the condition relating to readiness for a final investment decision (FID) from mid 2012 to the first half of 2013. This extension of time will assist with the completion of critical project definition activities.

A deferral into the first half of 2013 will provide the Browse Joint Venture additional time to evaluate the outcomes of the front-end

engineering and design studies, and assess the results of the tender processes for the project's major contracts.

An extended timetable would also allow more time for us and our Joint Venture participants to complete the necessary assurance activities for a project of this scale.

This extension will not impact on the validity or intent of the Native Title Agreements with the Goolarabooloo Jabirr Jabirr peoples. We are

already implementing aspects of the agreement such as the education, training, and employment initiatives for Kimberley Indigenous people.

Woodside is committed to meeting the obligations under the retention lease conditions, which include locating the development's processing facilities at the State Government's LNG Precinct near James Price Point, 60km north of Broome.

Frequently asked questions

Q: What does last year's Supreme Court decision that the State's land acquisition process was invalid mean for the project and the Native Title Agreement with Traditional Owners?

A: We do not believe the court decision will impact on our work program and our activities will continue on site in 2012 as scheduled. Woodside will continue to honour the commitments we made under the Native Title Agreement with the Goolarabooloo Jabirr Jabirr peoples. The Agreements acknowledged the possibility that the land acquisition notices might need to be reissued, which the State Government plans to do early this year.

Q: Why are you delaying the final investment decision (FID) on the project?

A: An extension of time into the first half of 2013 to make a final investment decision would assist with the completion of critical project definition activities. Additional time would allow the Browse Joint Venture to better evaluate the outcomes of engineering and environmental studies

and the results of the tender processes for the development's major contracts and complete the necessary assurance activities for a project of this scale.

Q: How are you managing Indigenous heritage issues at the Precinct?

A: Prior to starting work at the Precinct, Woodside engaged senior Traditional Owners to complete detailed anthropological and archaeological surveys of the area. Traditional Owners provide us with cultural directions we must follow during all our site activities.

We have taken this approach to ensure that our work program does not interfere with any potential heritage sites. Traditional Owners are providing ongoing support to our contractors by monitoring our approved site activities.

Q: Will the subsea gas pipelines impact recreational fishing?

A: Woodside is working closely with recreational and commercial fishing interests, through the Browse Marine Users Working

Group (BMUWG), on potential pipeline routes. With the input of the MUWG we are now close to finalising a pipeline route that will deviate away from key fishing areas known as the "peanut" and the "puddle".

Q: What impact will the Browse LNG Development have on the tourism industry?

A: Woodside acknowledges the importance of tourism to the region and the role Broome plays as the southern gateway to the Kimberley. Through the Browse Social Impact Assessment, we are working with the local community and tourism industry to understand what impact the development may have and identify opportunities Browse could create for the local tourism industry. We believe the proposed Browse LNG Development can make a positive contribution to the local economy by generating a more stable economic base and increasing visitor numbers to the town all year round.

Social impact update

Woodside's commitment to the sustainable development of the Browse basin resources includes ensuring potential social impacts associated with the proposed Browse LNG Development are appropriately addressed.

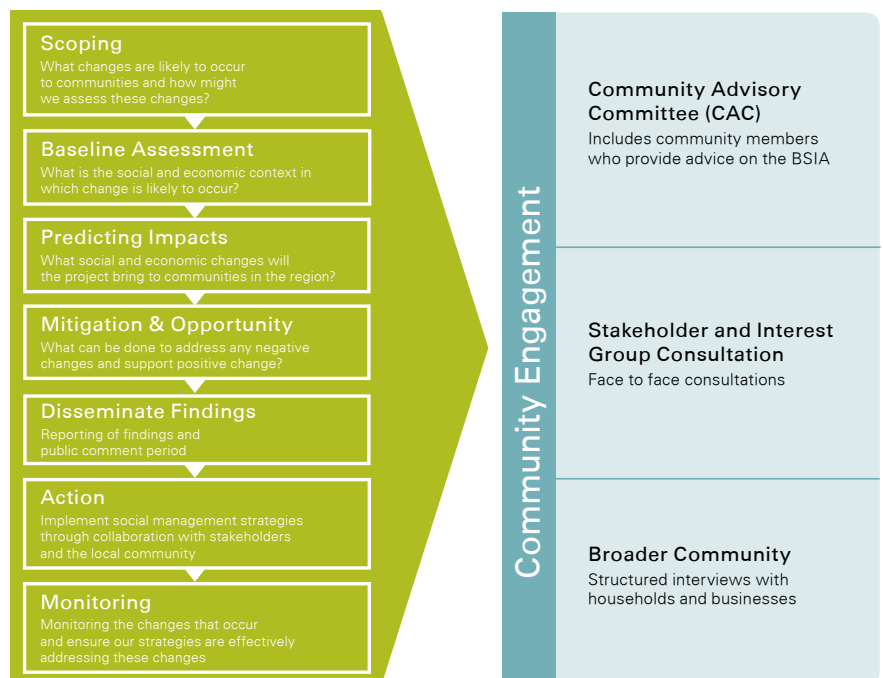
In order to do this, we are working closely with our contractors and stakeholders to develop a comprehensive Social Impact Management Plan.

The Browse Social Impact Management Plan will identify actions that Woodside will undertake, either independently or in cooperation with contractors and stakeholders, to manage potential social impacts during both the construction and operation of the project.

This work is underpinned by the Browse Social Impact Assessment, which involves a significant amount of research and consultation with local stakeholders on a range of issues.

This local input is critical to developing a plan which focuses on making a positive contribution to the people and the economy of the Kimberley, by seeking to maximise benefits and mitigate changes which concern the local community.

In the coming months we will continue to consult with stakeholders on the preliminary findings of the Social Impact Assessment and the proposed management plan.



Key steps in the Browse Social Impact and Management process

Tender packages released

The proposed Browse LNG Development dual front-end engineering and design (FEED) process remains on track, with the invitation to tender for the engineering, procurement and construction of the downstream works issued in late 2011.

The tender covers the entire scope of the onshore infrastructure to be constructed south of James Price Point, including the accommodation village, LNG utilities and facilities, storage tanks and the port and other marine facilities.

A number of international and Australian contractors have formed joint venture groups to bid for the initial FEED work.

Two contractors, CJV (Chiyoda Corporation, CB&I and Saipem) and KLH JV, (Kellogg Brown and Root, Leighton Contractors and John Holland) have been independently developing FEED and will compete to win the next phase of the downstream project.

Following a targeted final investment decision in the first half of 2013, one of the dual FEED contractors will be chosen to execute the full downstream scope of works under a single Engineering, Procurement and Construction contract.

Additionally, the first major upstream tender packages for the Browse Central Processing Facility were released in early September 2011, signalling a major milestone for the proposed Browse LNG Development.

The four invitations to tender packages are amongst the largest ever issued for an Australian offshore project and have been sent to bidders across the globe.



(L-R) Dianne Appleby with Mary Tarran

Cultural awareness

Woodside Indigenous Affairs Adviser Dianne Appleby and her family have been sharing culture, stories and language for generations.

So it comes as no surprise that Dianne leads the cultural awareness inductions for Woodside employees and contractors who visit the Broome office.

Dianne, a Yawuru woman, says the inductions provide participants with a solid cultural overview, enabling them to better understand the Broome setting and its people.

"Participants start to appreciate the country, the environment in which they are about to work, and have more respect for local Indigenous people who struggled for many years just to be recognised as citizens," she says.

"It's more than just a course, as it plays a practical role in a person's development as they live, work and socialise in Broome."

According to Dianne, the role has also been of great benefit to herself as a 'historian', as it is as much about breaking down barriers as it is about keeping her culture alive.

"The old people have been saying for years you must tell these stories – so I'm sharing, healing and breaking down barriers. And it's great to be in a position to be able to share our culture," Dianne says.

The program has recently expanded, with Jabirr Jabirr Traditional Owner Mary Tarran providing information for those travelling north of Broome to the site of the proposed Browse LNG Development.



Kimberley trainee Sunario Bin Haji Sahari

Training for the future

For many people, being paid to travel the world's oceans would be a dream come true. And for several young Kimberley men this dream is fast becoming a reality.

For the past six years Woodside, in partnership with Farstad Shipping, has been providing marine traineeships in the Pilbara. Last year the program was successfully extended to the Kimberley.

The course is comprised of two components. Over two years the trainees attend 12-14

week training courses in the classroom at the Challenger Institute of Technology in Perth. The second component sees participants undertake 36 weeks at sea to gain "on the job" training – and their sea legs.

This year, four Kimberley trainees will start the two-year course while another six trainees from the Kimberley enter their final year.

Farstad General Manager Human Resources Peter Barrow says a number of the trainees are

already at home on the sea.

"Many of the participants have previous experience in the pearling or fishing industry, or just fishing for barramundi," Peter says.

Once the course is successfully finished, the trainees are qualified to work on any ship in Australia.

And if current performance is anything to go by, there is no reason why the trainees won't soon be visiting exotic ports around the globe.

Jan comforts a rescued wallaby



Caring for the Kimberley

Almost 20 years ago, Jan Martin was given her first injured animal to look after – and her new career was born.

From that day on the animals have kept coming and it's now an around-the-clock job for Jan and her dedicated group of volunteers and carers.

However, the group desperately needs more room and better facilities to rehabilitate the injured native animals that get brought to them.

Thanks to fundraising efforts and a grant from Woodside, the dream of the Kimberley Wildlife Carers and Associates is becoming a reality.

The group has secured a two hectare block on the outskirts of Broome, purchased a shed and connected power and water facilities. The funding from Woodside will enable ablation facilities to be attached.

Jan says most of the native animals that the carers look after have been hit by cars, attacked by dogs or shot.

"Many of the animals spend weeks recovering in boxes, makeshift enclosures or people's sheds," she says.

"The new facility will be a secure area where animals can recover in a natural habitat and eventually be released back into the wild."

Community grants

The Browse Community Grants Program is part of Woodside's commitment to help build community capacity, develop local opportunities and foster community well-being in Broome and the West Kimberley.

In October last year, 13 local community organisations each applied for and received a \$5000 grant to fund projects and initiatives across community services, recreation, the environment and Indigenous affairs.

Organisations who received a grant:

- Broome Horse Riders Club
- Broome Returned and Services League
- Djarindjin Corporation Scout Group
- Marnja Jarndu Women's Refuge, Broome
- Rotary Club of Broome
- Ardyaloon Incorporated
- Derby Rodeo and Horse Riders Association
- Broome Enterprise Centre Incorporated
- Mundajarra Aboriginal Corporation
- Sacred Heart School, Beagle Bay
- Sisters of St John of God
- Softball WA
- Kimberley Wildlife Carers and Associates

Christmas sundowner

More than 150 Broome community leaders and locals joined the Woodside Kimberley team for a Christmas Sundowner at the Broome Fishing Club in December 2011.

Woodside Senior Vice President Browse Michael Hession thanked the community members for their support and outlined the vision for Browse in 2012 and beyond.



◀ (L-R) Woodside Indigenous Affairs Advisor Dianne Appleby, Wendy Gunn, Gerri Ranieri and Rex Lund.



▼ (L-R) Tony Proctor, Bob and Barbara Masters and Brian Philp.



▲ (L-R) Ignatius Paddy Snr, Lawrie McKenzie, Henry Augustine and Woodside Technical Assistant Ben McKenzie.

Further information

for further information please contact Woodside Energy Ltd

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