



**Woodside Petroleum Ltd.**

ACN 004 898 962

Woodside Plaza  
240 St Georges Terrace  
Perth WA 6000  
Australia

T +61 8 9348 4000

[www.woodside.com.au](http://www.woodside.com.au)

WPL

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**SRN/HIN: SRN WITHHELD**

Dear Shareholder

14 February 2018

**WOODSIDE PETROLEUM LTD  
~A\$2.5 BILLION RENOUNCEABLE ENTITLEMENT OFFER**

On 14 February 2018, Woodside Petroleum Ltd (Woodside) announced a fully underwritten pro rata renounceable entitlement offer of new Woodside ordinary shares (New Shares) (with retail entitlements trading) to raise approximately A\$2.5 billion (Entitlement Offer).

The funding will provide for the acquisition of up to an additional 50% interest in the Scarborough gas field (as announced on 14 February 2018 in Woodside's full-year 2017 results) and for general corporate purposes, including funding support for the Scarborough and SNE-Phase 1 developments and to progress development of Browse to targeted final investment decision.

If you are an eligible shareholder in Australia and New Zealand, you will be able to subscribe for one new Woodside share (New Share) for every 9 existing Woodside ordinary shares held on the Record Date of 7.00pm (Australian Eastern Daylight Time) on 19 February 2018 (Entitlement). The offer price is A\$27.00 per New Share (Offer Price). New Shares issued under the Entitlement Offer will rank equally with existing Woodside ordinary shares on issue, but do not receive the final 2017 dividend of US\$0.49 per share which is to be paid on or about 22 March 2018. Fractional entitlements will be rounded up to the nearest whole number of shares.

Following completion of the Entitlement Offer, Woodside will have issued approximately 93.6 million New Shares resulting in total Woodside ordinary shares on issue of approximately 936 million. The Entitlement Offer is fully underwritten by UBS, Australia Branch and Morgan Stanley Australia Securities Limited.

The Entitlement Offer comprises an institutional entitlement offer and an offer to eligible retail shareholders (as described below) (Eligible Retail Shareholders) to participate at the same Offer Price and offer ratio (Retail Entitlement Offer). The Entitlement Offer is being made in accordance with section 708AA of the Australian Corporations Act 2001 (Cth) (Act) (as modified by Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84), meaning that no prospectus needs to be prepared.

**Eligible Retail Shareholders**

Eligible Retail Shareholders are those persons who are a holder of existing Woodside ordinary shares as at 7.00pm (Australian Eastern Daylight Time) on 19 February 2018 and who:

1. have a registered address on the Woodside share register in Australia or New Zealand;
2. are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Woodside ordinary shares for the account or benefit of such person in the United States);
3. were not invited to participate (other than as nominee, in respect of other underlying holdings) in the institutional entitlement offer and were not treated as ineligible institutional investors under the institutional entitlement offer; and
4. are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

## **Retail Information Booklet**

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Retail Entitlement Offer. Full details of the Retail Entitlement Offer are set out in an information booklet (Retail Information Booklet), copies of which will be available on the ASX website and our Entitlement Offer website at [www.woodsideoffer.com](http://www.woodsideoffer.com) from 21 February 2018.

Eligible Retail Shareholders will be mailed a Retail Information Booklet, together with a personalised Entitlement and Acceptance Form which contains details of your Entitlement, by 22 February 2018. You should read all of the Retail Information Booklet carefully before deciding whether to participate in the Retail Entitlement Offer.

***Important: If you would like to receive an electronic copy of the Retail Information Booklet and your personalised entitlement and acceptance form please update your communication preferences online at [www.computershare.com.au/easyupdate/WPL](http://www.computershare.com.au/easyupdate/WPL) by no later than 5.00pm (Australian Eastern Daylight Time) on Monday, 19 February 2018.***

### **Action required by Eligible Retail Shareholders**

Your Entitlement may have value and it is important you determine whether to (in whole or in part) take up, transfer, sell or do nothing in respect of your Entitlement.

#### **Take up an Entitlement:**

If you wish to take up all or part of your Entitlement, you will need to complete and return the personalised Entitlement and Acceptance Form together with the requisite Application Monies, or alternatively pay your Application Monies using BPAY®, in each case by following the instructions set out on the personalised Entitlement and Acceptance Form. Applications and Application Monies must be received by the Woodside Share Registry by 5.00pm (Australian Eastern Daylight Time) on 7 March 2018.

#### **Sell an Entitlement:**

There are a number of ways in which you can sell all or part of your Entitlement, each of which may result in different value for Entitlements sold:

1. If you wish to sell all of your Entitlement on ASX, you should instruct your stockbroker personally and provide them with details they request as set out on your personalised Entitlement and Acceptance Form. Entitlements can be sold on ASX from 19 February 2018 to 28 February 2018.
2. If you wish to take up part of your Entitlement and sell the balance on ASX, you need to:
  - (a) in respect of the part of your Entitlement you are taking up, complete and return your personalised Entitlement and Acceptance Form with the requisite Application Monies (or pay your Application Monies via BPAY® by following the instructions set out on the Entitlement and Acceptance Form); and
  - (b) in respect of Entitlements to be sold on ASX, you should instruct your stockbroker personally and provide them with details they request as set out on your personalised Entitlement and Acceptance Form.
3. If you wish to transfer all or part of your Entitlement other than on ASX, you will need to complete and return a Renunciation and Transfer Form (which can be obtained through the Woodside Offer Information Line or your stockbroker) together with the Entitlement and Acceptance Form and the transferee's Application Monies to the Woodside Share Registry so that it is received by 5.00pm (Australian Eastern Daylight Time) on 7 March 2018. The purchaser's address must be in Australia or New Zealand (unless Woodside otherwise agrees) and the purchaser must not be in the United States or acting for the account or benefit of a person in the United States.

Please note you may incur brokerage if you choose to sell your Entitlement on ASX. Eligible Retail Shareholders who sell their Entitlement before receiving confirmation of their Entitlement in the Entitlement and Acceptance Form do so at their own risk. Woodside will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade your Entitlement before you receive your personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Woodside or the Woodside Share Registry or failure to maintain your updated details on the Woodside Share Registry or otherwise.

Nominees must not take up Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States.

In order to exercise Entitlements, holders of Entitlements must meet certain eligibility criteria that will be set out in the Retail Information Booklet. In particular, persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to purchase or trade Entitlements on ASX or take up or exercise Entitlements purchased on ASX or transferred from another person. It is the responsibility of purchasers of Entitlements on ASX to inform themselves of the eligibility criteria for exercise of Entitlements. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to take up or exercise the Entitlements and, as a result, they may receive no value for them.

**Do nothing:**

If your Entitlements are not taken up, sold or transferred, you will be taken to have authorised the sale of those Entitlements in the retail shortfall bookbuild. These Entitlements will be offered for sale, for your benefit, in the retail shortfall bookbuild on 12 March 2018. Accordingly, if you do not take up all of your Entitlements, you will receive any proceeds in excess of the Offer Price in respect of your Entitlement sold to investors as part of the retail shortfall bookbuild, net of any applicable withholding tax. There is no guarantee that you will receive any proceeds as a result of the retail shortfall bookbuild.

The tax consequences of selling your Entitlement or from doing nothing may be different. Before selling your Entitlement or choosing to do nothing in respect of your Entitlement, you should seek your own tax advice (and you may wish to refer to the tax disclosures contained in the Retail Information Booklet which will provide information on potential taxation implications for Australian shareholders).

**Key Dates for Eligible Retail Shareholders**

Announcement of the Entitlement Offer	14 February 2018
Record Date for eligibility in the Entitlement Offer (7.00pm)	19 February 2018
Retail Entitlements trading on ASX begins (on a deferred settlement basis)	19 February 2018
Retail Entitlement Offer opens	21 February 2018
Retail Entitlements trading on ASX ends	28 February 2018
Retail Entitlement Offer closes (5.00pm)	7 March 2018
Retail shortfall bookbuild	12 March 2018
Settlement of the Retail Entitlement Offer	15 March 2018
Issue of New Shares under the Retail Entitlement Offer	16 March 2018
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	19 March 2018
Retail premium proceeds (if any) despatched to shareholders	21 March 2018

The above timetable is indicative only and subject to change. All times are references to Australian Eastern Daylight Time.

Woodside reserves the right to vary these dates without notice subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, Woodside reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases), and to withdraw the Entitlement Offer at any time.

For further information on the Entitlement Offer you should call the Woodside Offer Information Line on 1300 117 918 (Australia) or +61 3 9415 4340 (International callers) from 8.30am to 5.00pm (Australian Eastern Daylight Time) Monday to Friday during the Retail Entitlement Offer period. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

The Woodside Board is pleased to offer this opportunity to you.

Yours faithfully  
**Woodside Petroleum Ltd**



**Warren Baillie**  
Company Secretary

## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.**

### **Important Information**

This letter is issued by Woodside Petroleum Ltd (ABN 55 004 898 962). This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in Woodside in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of Woodside ordinary shares.

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be exercised or taken up by, and the New Shares may not be offered or sold, directly or indirectly, to, persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States.

This letter may not be released or distributed in the United States.

This letter contains certain “forward-looking statements”. Forward looking words such as, “expect”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this letter are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This letter contains such statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Such forward-looking statements only speak as to the date of this letter and Woodside assumes no obligation to update such information.

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