

Shell Deals Point To Gas Focus

Shell Development Australia has purchased three exploration permits offshore northwest Australia, following its divestment of oil interests to Woodside Energy Limited.

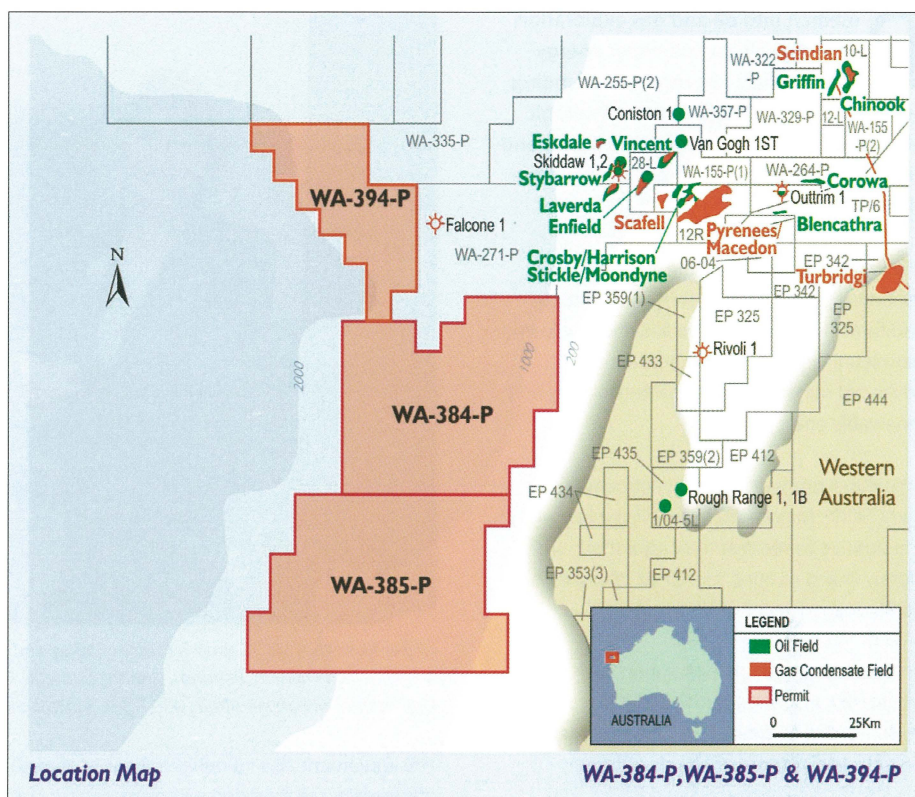
The three south Exmouth Basin area permits, WA-384-P, WA-385-P, WA-394-P, were purchased from Octanex N.L., and Strata Resources N.L. Subject to government approvals, Shell will assume operatorship of the licences.

Shell has since offloaded a 16.7% equity share in the Cossack-Wanaea-Lambert-Hermes and Egret oil ventures, and certain oil exploration opportunities on the North West Shelf, to Woodside.

“We see this as an opportune time to focus our efforts on integrated gas and look forward to continuing our very successful participation in the North West Shelf Project, as well as a range of other joint ventures”

– Chris Gunner

Chris Gunner, Chief Operating Officer for Shell Development Australia, said that the transactions were an adjustment in part of the portfolio, consistent with Shell's



continued emphasis on development of its gas opportunities in Australia.

“We see this as an opportune time to focus our efforts on integrated gas and look forward to continuing our very successful participation in the North West Shelf Project, as well as a range of other joint ventures”, he said.

“Shell is committed to growing its portfolio in Australia through exploration for more integrated gas. By 2015, Asia Pacific is predicted to represent about 50% of global LNG demand

and we see Australia as well-placed to supply LNG into this expanding market.”

Subject to all required government approvals and in line with initial work permit requirements, Shell expects to begin acquiring seismic data in WA-384-P, WA-385-P, WA-394-P in 2008/09.

Over the past 24 months, Shell has invested in nine new permit areas, two farm-ins and the purchase of rights to Crux gas, and the NWS LNG Train 5 expansion. ■