

Woodside Petroleum Ltd. 2018 Full Year Results Conference Call February 13, 2019 6:30 PM ET (excerpt)

James Redfern – Merrill Lynch

Late last year, Shell and ConocoPhillips sold down – or exited their equity stake in Sunrise. They sold to the Timor-Leste government for what appeared to be very good prices. And just wondering if Woodside was approached to sell their stake as well or whether you are excluded from that.

Peter Coleman – Woodside Chief Executive Officer and Managing Director

We've been very clear that we're not a seller in Sunrise. And if you look at it, yes, the pricing on an equity basis looks fine. Although I mean, it's not lock-you-out pricing, but it's there. The – our view is, as we look at Horizon III and we look at the growth opportunities we have and I've got to balance that up against going and finding alternative resources, that Sunrise is a keeper for us. We have been working with the Timorese on development plans and how we minimize our risk exposure on the capital side.

And that's where the concept of an onshore plan came from that the Timorese would fund. We're happy to invest in the offshore, but we're certainly not comfortable in putting any significant capital into an onshore development at this point. But we've also offered that, if Shell and ConocoPhillips do exit, then we would be the technical operator for the onshore part of it. So it's very similar construct to what you see in Indonesia. It's the way that Petronas got kicked off in Malaysia as well.

So it's a very similar construct to some of us around the table who've worked in those jurisdictions, and that's the one we encourage the Timorese to pursue. And of course, that sale hasn't been completed yet. And so we'll watch with interest to see if they can actually close that sale.