

## QUESTIONS SENT TO WOODSIDE PETROLEUM FROM FOUR CORNERS

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The following questions were sent to Woodside Petroleum in relation to the Four Corners report "*Taxing Times in Timor*" – the company's responses are also outlined:

1. *Regarding the matter of potential Capital Gains Tax and the sale a share of a gas field to ENI in 2007 – Why was the sale income not declared as a capital gain? What is the current state of this matter?*

A. In 2007 Woodside sold its shares in Woodside Petroleum (Timor Sea 1) Pty Ltd to ENI International BV in 2007. Sale proceeds received totalled A\$26 million after a capital investment of A\$52 million, thereby recording a A\$26 million loss.

2. *What are the known or estimated current reserves for the Greater Sunrise field, and why have these reserves been revised downwards?*

A. The Greater Sunrise fields are estimated to contain total contingent dry gas resources of about 5 trillion cubic feet and 225 million barrels of condensate. Changes in contingent resource estimates are normal as the operator builds its knowledge of the reservoir through greater seismic processing and reservoir interpretation. The current estimates have been independently verified.

3. *Why was the Timor Trough described as the 'seismically active Timor trench' in Woodside's 3 June 2010 presentation?*

A. The Timor Trough is adjacent to Timor and the Banda Arc which is a seismic active zone.

4. *Why was the Timor Trough shown with an exaggerated vertical scale which distorted the appearance of the depth of the trough in that same presentation?*

A. The graph referred to was sized to fit in the presentation.

5. *The conduct of Brendan Augustin and Jon Ozturgut during the meeting with the ANP of May 2010 has been criticised as inappropriate by members of the Timorese government. What is your response?*

A. Mr Augustin and Mr Ozturgut were seeking to provide information on the joint venture's concept selection process to Timor-Leste regulators.

6. *Does the company accept that the pipeline from Greater Sunrise to the south coast of East Timor is a financially and technically feasible option? Please explain.*

A. Woodside believes a pipeline to Timor-Leste may be technically feasible. The joint venture is keen to build on its dialogue with the Timor-Leste Government to improve the understanding of both parties in relation to this issue.

*7. What is the current status of negotiations with the East Timor government over the Greater Sunrise field?*

A. The joint venture wants to discuss all development options with the Timor-Leste Government. This position had been regularly conveyed to both the Australian and Timor-Leste governments. This message has been reaffirmed by Woodside CEO Peter Coleman in meetings with the Timor-Leste Prime Minister and the Minister of Petroleum and Mineral Resource.

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Return to Four Corners program page "[Taxing Times in Timor](#)"