



Woodside sees slim hope for East Timor LNG this decade

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Feb 18 (Reuters) - Woodside Petroleum expressed doubts its Greater Sunrise gas prospect could go ahead this decade, leaving it off a list of growth projects out to 2019 and beyond in its annual results presentation in a bad sign for impoverished East Timor.

Woodside has been in talks over the past 18 months with the East Timor and Australian governments over options for developing the long-delayed project, held up by disputes over whether to build a liquefied natural gas plant onshore in East Timor or a floating LNG plant.

Chief Executive Peter Coleman said on Wednesday the big obstacle remains the decades-long battle between East Timor and Australia over sharing revenue from the Greater Sunrise fields, which lie in waters between the two countries.

He said the company had run out of steps it could take to move the project forward and it was difficult to justify spending time and money on Sunrise in the short term until there was certainty on regulatory and tax terms for it.

"Before you take that next step, you need to know who you're paying your rent to," Coleman told reporters on a conference call after reporting annual results.

"At this point in time we don't know what the regulatory framework is, we don't know what the fiscal framework will be, so we can't evaluate this project and we can't put it up to buyers as to being a viable project that they would be interested in."

He said the Australian and East Timor governments had given no timeframe for settling their issues, including their dispute over the maritime boundary, and said he did not expect former guerilla leader Xanana Gusmao's decision to step down as East Timor's prime minister would help speed up a resolution.

"I wouldn't expect that changes in leadership at any particular time are going to make fundamental changes in the way this moves forward," Coleman said, noting that Gusmao was still going to hold a key ministerial position.

"So he will remain quite influential I would expect."

Greater Sunrise is 33 percent owned by Woodside, the operator. Its co-owners are ConocoPhillips, Royal Dutch Shell and Japan's Osaka Gas. (Reporting by [Sonali Paul](#); Editing by [Richard Pullin](#))

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