

## Timor considers buying Sunrise

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**The Timor-Leste Government has floated the prospect of buying Woodside Petroleum out of the giant Sunrise gas project, as the fledgling South East Asian gets increasingly impatient at the hold-up to what it hopes will become an economy-transforming development.**

Timor-Leste Petroleum and Mineral Resources Minister Alfredo Pires said yesterday its national oil company, Timor Gap, could be used to buy out Woodside or other Sunrise joint venture partners such as Royal Dutch Shell or ConocoPhillips to end the development stalemate.

"In terms of getting into the Sunrise, we are interested," Mr Pires told reporters in Perth just hours after breakfast with Premier Colin Barnett and Woodside chief executive Peter Coleman.

"If Woodside is willing to sell . . . if (they) find the whole thing too hot to handle you might want to spend the money elsewhere, I have raised that."

Mr Pires also said Timor-Leste's \$18 billion sovereign wealth fund may be interested in funding the 150km pipeline from the Sunrise gas-condensate fields to an onshore LNG plant.

Mr Pires said updated studies commissioned by the government had found the cost of the pipeline would be just \$800 million, compared with a \$1.8 billion estimate for the 450km link to Darwin. It added further to the attraction of a Timor-Leste development, Mr Pires said, and spelt the end of the Darwin option.

And the Minister also questioned the Woodside-led Sunrise joint venture's erstwhile preferred development option, floating LNG, because the technology had yet to be proven.

He told delegates at the Australasian Oil and Gas conference he was "not happy" Woodside had shelved work on Sunrise because of the stalemate in discussions between the Timor-Leste and Australian Governments about fiscal and regulatory regimes for the Joint Petroleum Development Area.

The JPDA covers about 20 per cent of the Sunrise project, which has a total 5.1 trillion cubic feet of gas and 226 million barrels of condensate. The rest of the project is in Australian waters, much to the frustration of the Sunrise joint venture which feels its hands are tied until the governments agree on JPDA terms.

Shell has been pushing hard for FLNG as the development option to cash in on its floating technology while Woodside is thought to be relaxed about an onshore plant if it is viable. However, ConocoPhillips, embroiled in a tax dispute with Timor-Leste, could have different ideas.