Timor-Leste Targets Early 2027 for First Greater Sunrise Agreements

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21 October 2026, London (The Energy Circle by IN-VR) - Timor-Leste expects to sign the first regulatory and fiscal agreements for the Greater Sunrise gas project in early 2027, according to President José Ramos-Horta. The agreements cover a Petroleum Mining Code, a Production Sharing Contract and a fiscal regime, and the parties have already reached technical agreement on all three. Signing them would be the most concrete progress in years on a project that has been stalled for more than two decades, with first gas now expected around 2034–2035.

Timor-Leste expects to sign the first formal agreements for the Greater Sunrise gas project in early 2027, according to President José Ramos-Horta. If that happens, it would be a real step forward for a development that has been stalled for more than two decades.

Speaking in Sydney, the President said Prime Minister Xanana Gusmão had told him the parties would sign "within the next few months." The agreements would be finalised once the governments of Timor-Leste and Australia, together with Woodside Energy, have completed their reviews and approvals. Ramos-Horta said the project was "finally happening" after years of deadlock.

The agreements cover three core documents: a Petroleum Mining Code, a Production Sharing Contract and a fiscal regime. According to the Timorese government, the parties reached technical agreement on all three during talks in Canberra. Together, the documents will set the regulatory and fiscal rules for exploring and developing the Greater Sunrise fields.

Woodside holds a one-third stake in the project, and Timor-Leste's national oil company holds the rest. In November 2025, the partners agreed to "mature and progress" a development concept. Under that concept, gas would be piped from the offshore fields to Timor-Leste's south coast. A liquefied natural gas (LNG) plant and a domestic gas facility would be built there.

The timeline is still long. Woodside and the government had earlier said first LNG could come as early as 2032–2035, depending on concept selection and investment decisions.

In September 2026, Timor-Leste's petroleum minister moved the expected start of production to 2034–2035 and said the government hopes to reach a final investment decision (FID) by 2029.

Industry observers remain cautious. Commercial terms for a development plan have not yet been agreed, and an FID is still likely several years away. In the meantime, infrastructure built in anticipation of the project on the south coast, including an airport opened almost a decade ago, has seen little use.

For Timor-Leste, the economic stakes are high. The country relies heavily on its Petroleum Fund, which holds about A$26 billion. The fund's main source of revenue, the Bayu-Undan field, permanently ceased production in 2025. The International Monetary Fund has warned that the fund could be depleted by 2038 if it keeps being drawn down to finance budget deficits without new income.

Against this backdrop, the President stressed the urgency. "We cannot wait much longer. We have to do it now," he said. He added that Woodside was "determined to follow through" and described the project as beneficial to Woodside, Australia and Timor-Leste alike.

Timor-Leste has also said it could look to Chinese investors if an agreement with Woodside cannot be reached. Analysts, however, have questioned how much appetite such investors would have.

Signing the regulatory and fiscal framework would give investors and partners much-needed clarity. It would also mark the most concrete progress on Greater Sunrise in years. The next milestones will be the formal signing, expected in early 2027, and then agreement on a commercial development plan leading to a final investment decision.