



REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE
Ministério dos Recursos Naturais, Minerais e Política Energética
Gabinete do Ministro

MEDIA RELEASE

Timor-Leste offshore bid round; Production Sharing Contracts signed with ENI and Reliance

This Tuesday, 3 November 2006, the Minister for Natural Resources, Minerals and Energy Policy, José Teixeira has signed Production Sharing Contracts for 5 Contract Areas with ENI.

“The signing of the PSCs marks the beginning of a new era for petroleum industry in Timor-Leste sovereign waters. An era which I am confident will be beneficial and rewarding for Timor-Leste and its people with cooperation from the Contractors. I am very pleased with the award process which has been an example of transparency, objectivity and accountability which I believe are critical factors for the Ministry of Natural Resources in order to maintain a constructive and good working relationship with the Contractors to perform its role as regulator.” says José Teixeira Minister for Natural Resources, Minerals and Energy Policy.

19 April 2006 was the deadline for international companies to bid for Timor-Leste offshore acreage. From the 11 contract areas available in this first bidding round, six received offers from the international companies through a total of nine bids.

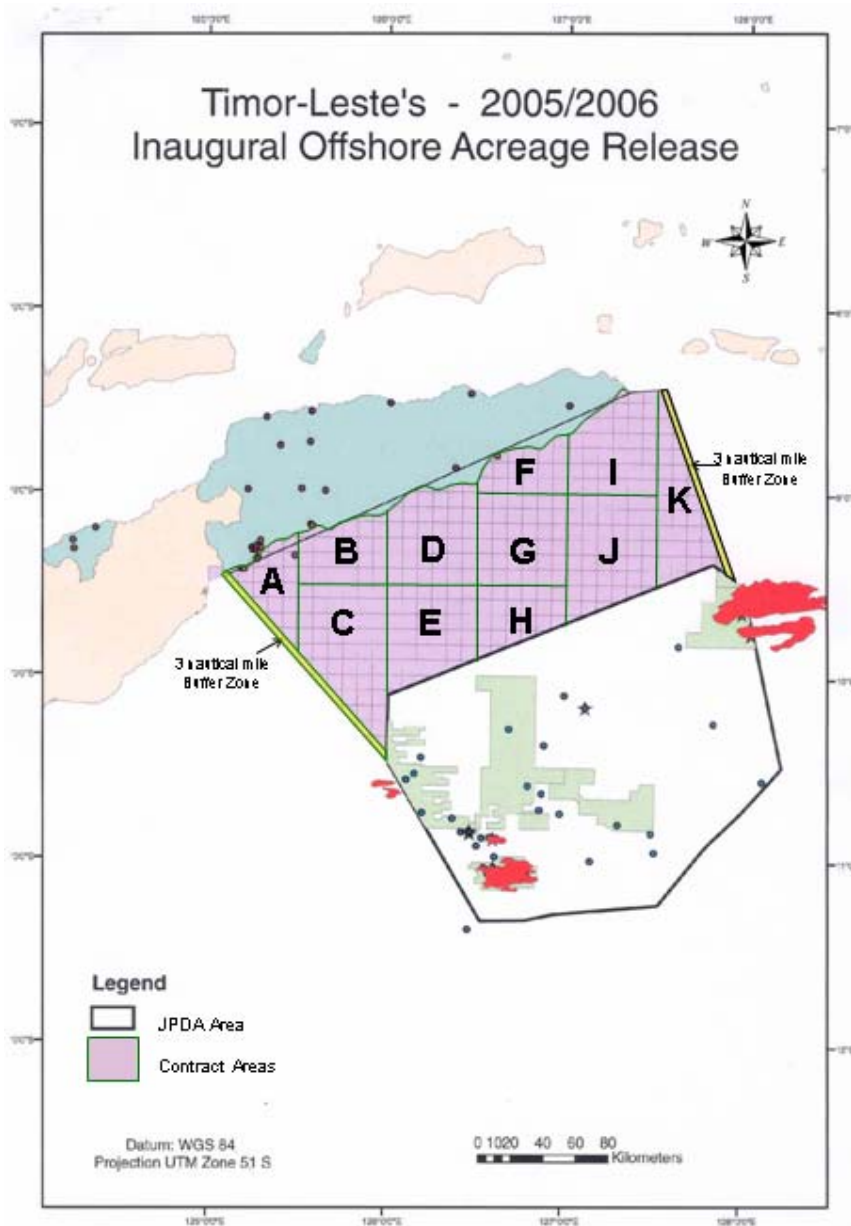
The evaluation process was set up to identify the bid that offered the best conditions and advantages for Timor-Leste for each Contract Area. Bids have been evaluated by an Evaluation Commission according to fair, objective and transparent criteria publicly announced in the Final Tender Protocol at the time of launching the bid round.

Evaluation Commission identified the following companies' bids and their work programmes as the bids that offered the best conditions and advantages for the Republic of Timor-Leste:

Contractor Area	ENI A	ENI B	ENI C	ENI E	ENI H
Undertaking	1150	1000	0	0	1000
2D seismic Kms					
3D seismic km2	0	760	3764	3080	800
Expl. Wells	0	0	2	0	0
1st 2000m					
Addn. mtrs	0	0	2050+1550	0	0
Studies	1500	2000	5000	2000	2000
\$1000					
T-L Content	1000	1000	4500	2000	1000
\$1000					

Timor-Leste (East Timor) became the world's newest nation in May 2002, and less than two years later made its debut as a significant petroleum producer with first production from the Bayu-Undan Field, a joint development with Australia pursuant to which Timor-Leste receives 90% of the state take from production. To build on this success, the Government of Timor-Leste opened a significant portion of the nation's offshore area to petroleum exploration and development by qualified companies.

The Petroleum Act, Bidding Round Regulations and the Final Tender Protocol can be found in the Ministry of Natural Resources, Minerals and Energy Policy' website <http://www.timor-leste.gov.tl/EMRD/>.



Dili, 3 November 2006

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