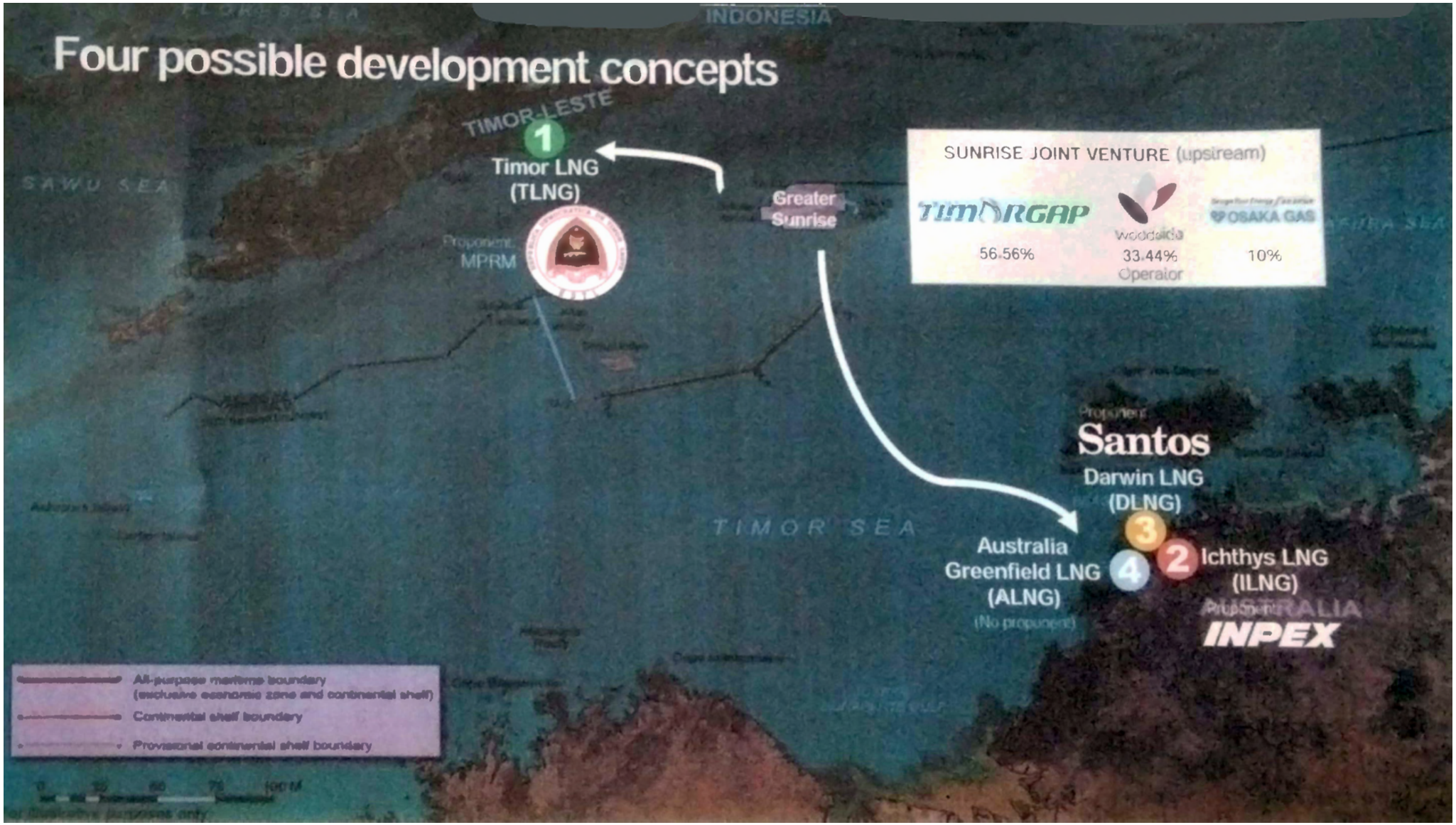
GREATER SUNRISE GASFIELD

Timor-Leste's Analysis of Economic Outputs from CONCEPT STUDY report by WOOD GROUP

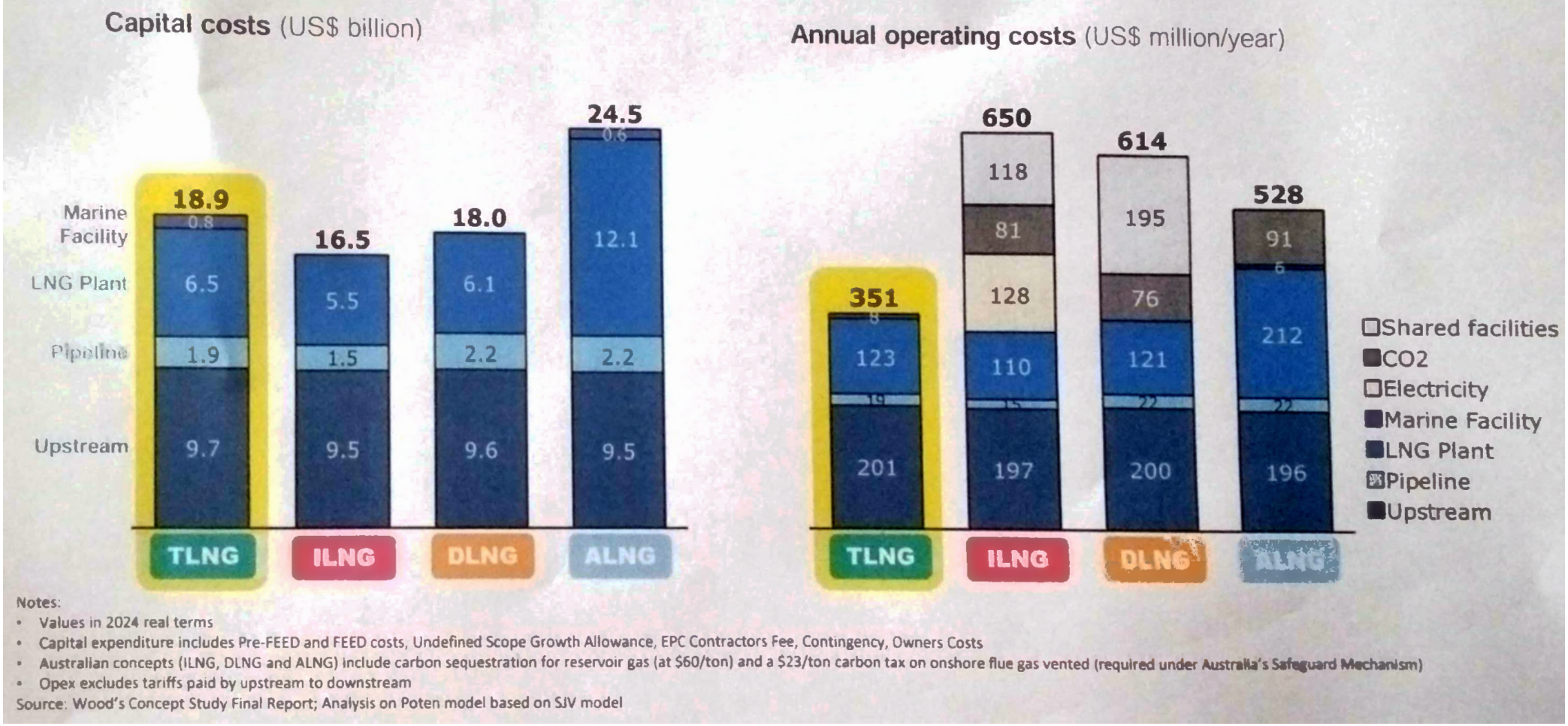
Dec 2024

Key Summary

- All four Options/Concepts, namely; TLNG, DLNG, IchtysLNG, and new Australia LNG, are **technically viable** with their respective associated risks, but all manageable.
- TLNG is not only **technically viable,** but also offers **competitive costs**, including the lowest opex
- TLNG provides:
  - The **best SJV returns** in standard economic metrics for upstream project.
  - The **best Timor-Leste** overall returns (direct + indirect)
  - The **best Australia upstream** direct returns
  - Tremendous **socio-economic impact** in Timor-Leste (GDP and jobs)


Four possible development concepts
INDONESIA
TIMOR-LESTE
SAWU SEA
TIMOR SEA
1
Timor LNG
(TLNG)
Proponent:
MPRM
Greater
Sunrise
SUNRISE JOINT VENTURE (upstream)
TIMORGAP
56.56%
Woodside
33.44%
Operator
OSAKA GAS
10%
Proponent:
Santos
Darwin LNG
(DLNG)
3
2
Ichthys LNG
(ILNG)
Australia
Greenfield LNG
(ALNG)
4
(No proponent)
Proponent:
INPEX
All-purpose maritime boundary
(exclusive economic zone and continental shelf)
Continental shelf boundary
Provisional continental shelf boundary

TLNG offers competitive costs, including the lowest operating costs



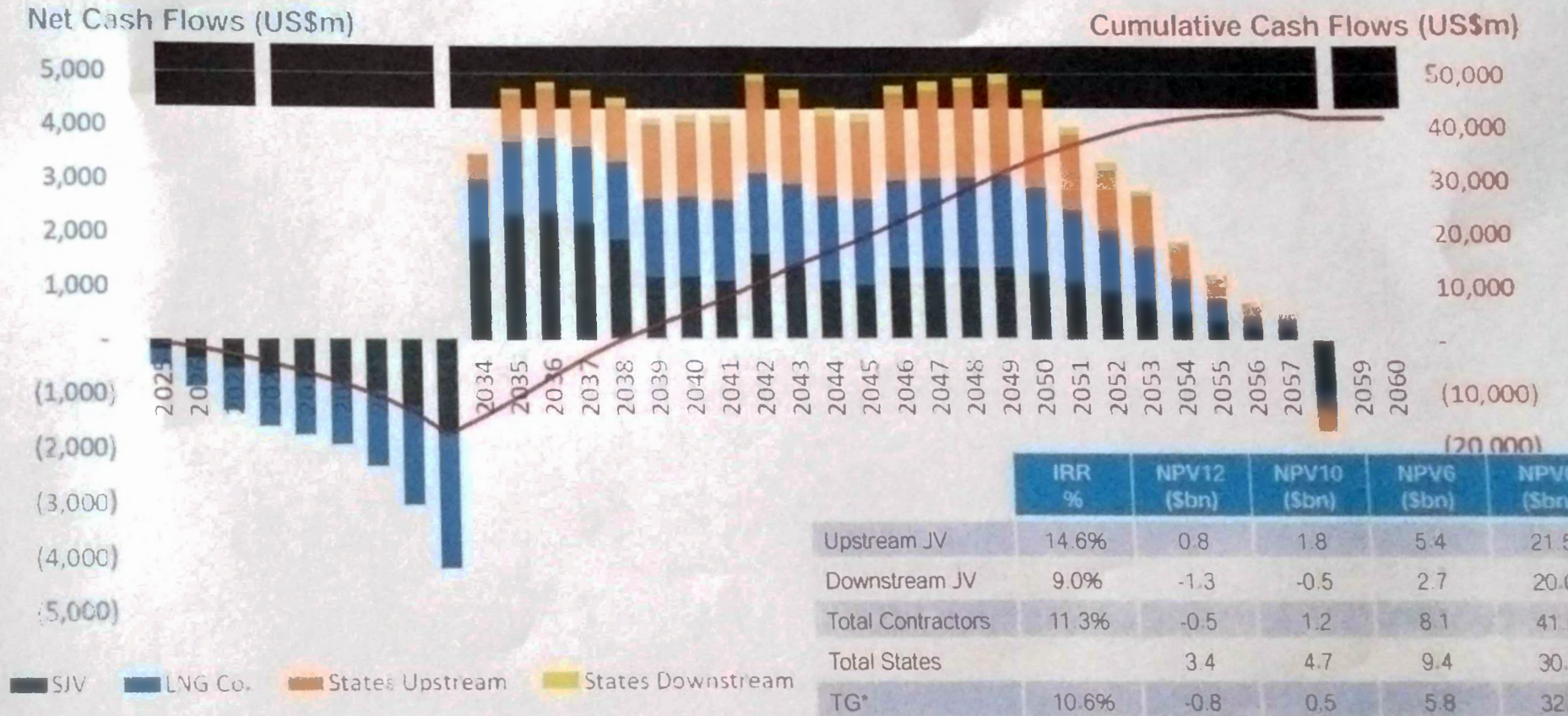
Notes:

- Values in 2024 real terms
- Capital expenditure includes Pre-FEED and FEED costs, Undefined Scope Growth Allowance, EPC Contractors Fee, Contingency, Owners Costs
- Australian concepts (ILNG, DLNG and ALNG) include carbon sequestration for reservoir gas (at $60/ton) and a $23/ton carbon tax on onshore flue gas vented (required under Australia's Safeguard Mechanism)
- Opex excludes tariffs paid by upstream to downstream

Source: Wood's Concept Study Final Report; Analysis on Poten model based on SJV model

Greater Sunrise cash flows: upstream & downstream

TLNG

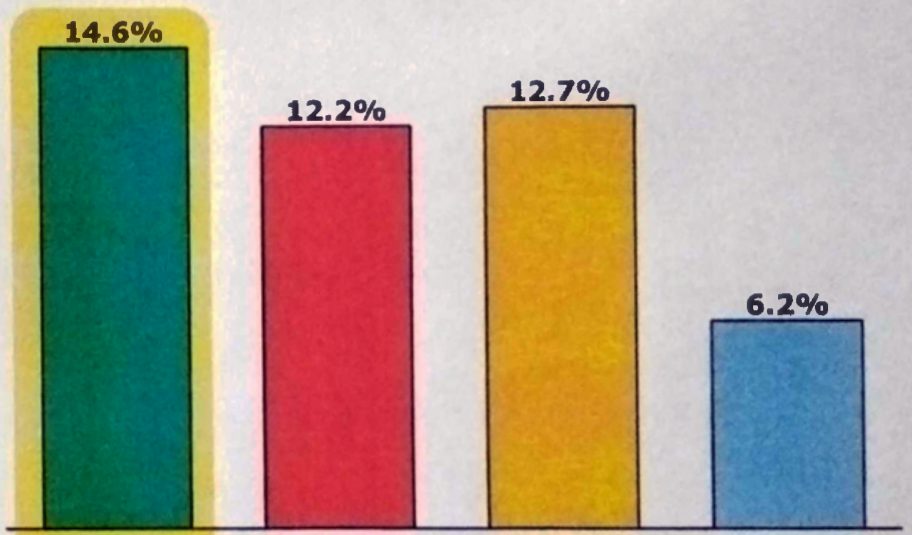


	IRR %	NPV12 ($bn)	NPV10 ($bn)	NPV6 ($bn)	NPV0 ($bn)
Upstream JV	14.6%	0.8	1.8	5.4	21.5
Downstream JV	9.0%	-1.3	-0.5	2.7	20.0
Total Contractors	11.3%	-0.5	1.2	8.1	41.6
Total States		3.4	4.7	9.4	30.7
TG*	10.6%	-0.8	0.5	5.8	32.2
Timor-Leste + TG	14.3%	1.6	3.8	12.6	54.5

*Assuming 56.56% of upstream and 100% of downstream
Source: Analysis on Poten model based on SJV model

TLNG generates the best SJV returns in key metrics

Upstream SJV Internal Rate of Return (%)



	TLNG	ILNG	DLNG	ALNG
NPV10* (US$ billion)	1.8	0.9	1.2	-1.0
Cumulative cash flows** (US$ billion)	21.5	18.6	22.2	5.8

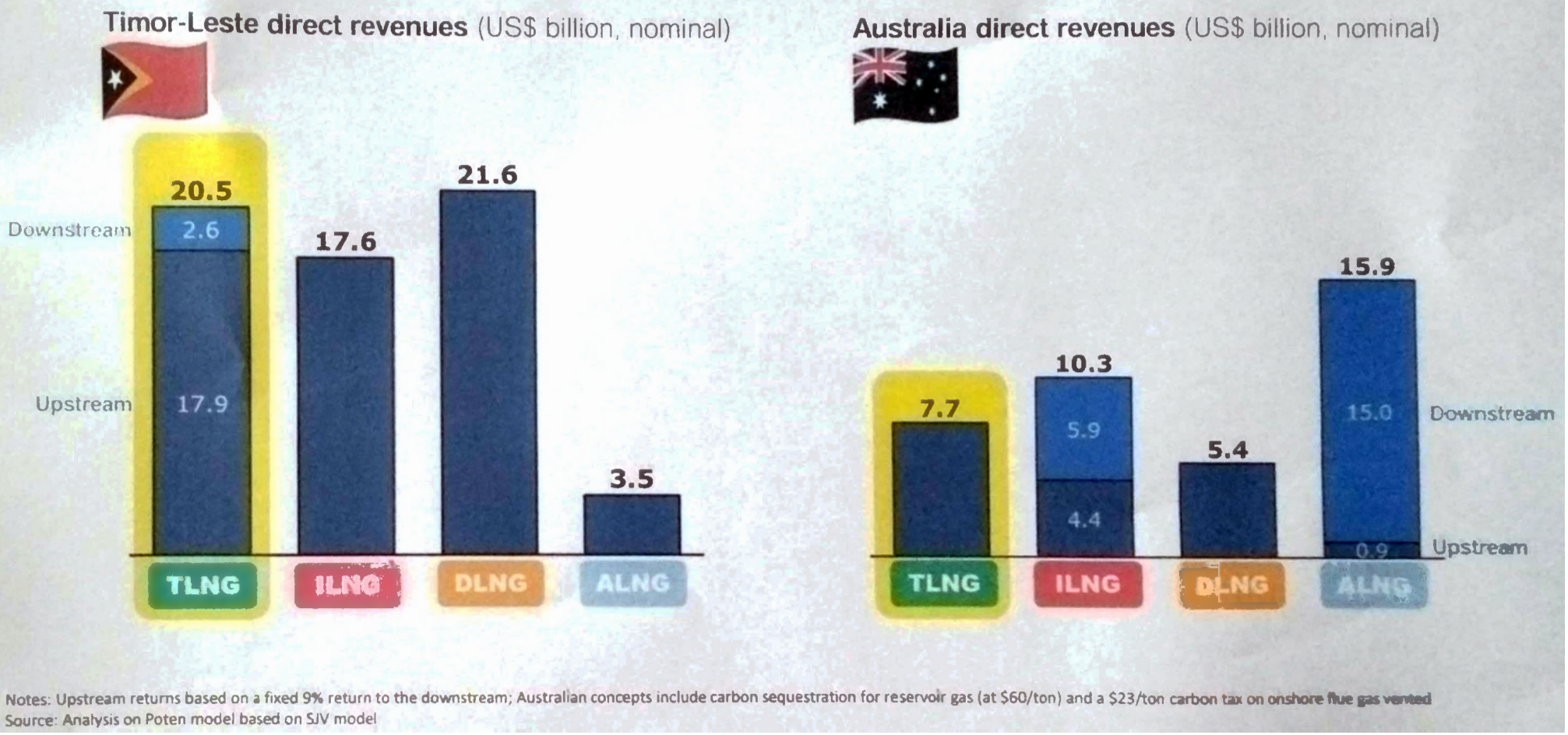
*Net Present Value at 10% discount rate

**NPV0, or undiscounted cash flows (i.e., "cash in the bank")

Notes: Upstream returns based on a fixed 9% return to the downstream; Australian concepts include carbon sequestration for reservoir gas (at $60/ton) and a $23/ton carbon tax on onshore flue gas vented

Source: Analysis on Poten model based on SJV model

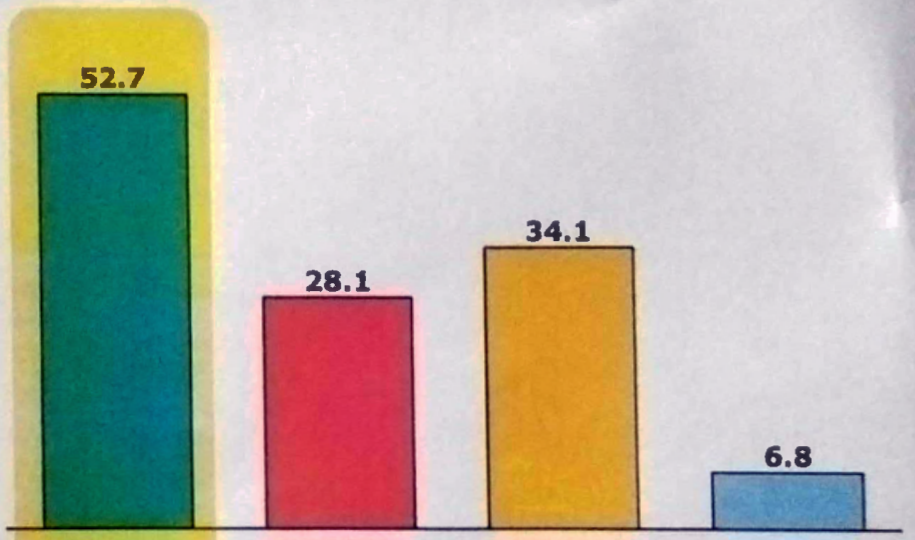
TLNG offers highest upstream revenues to Australia



Notes: Upstream returns based on a fixed 9% return to the downstream; Australian concepts include carbon sequestration for reservoir gas (at $60/ton) and a $23/ton carbon tax on onshore flue gas vented
Source: Analysis on Poten model based on SJV model

Base case: $50+ billion in revenues to Timor-Leste and TIMOR GAP

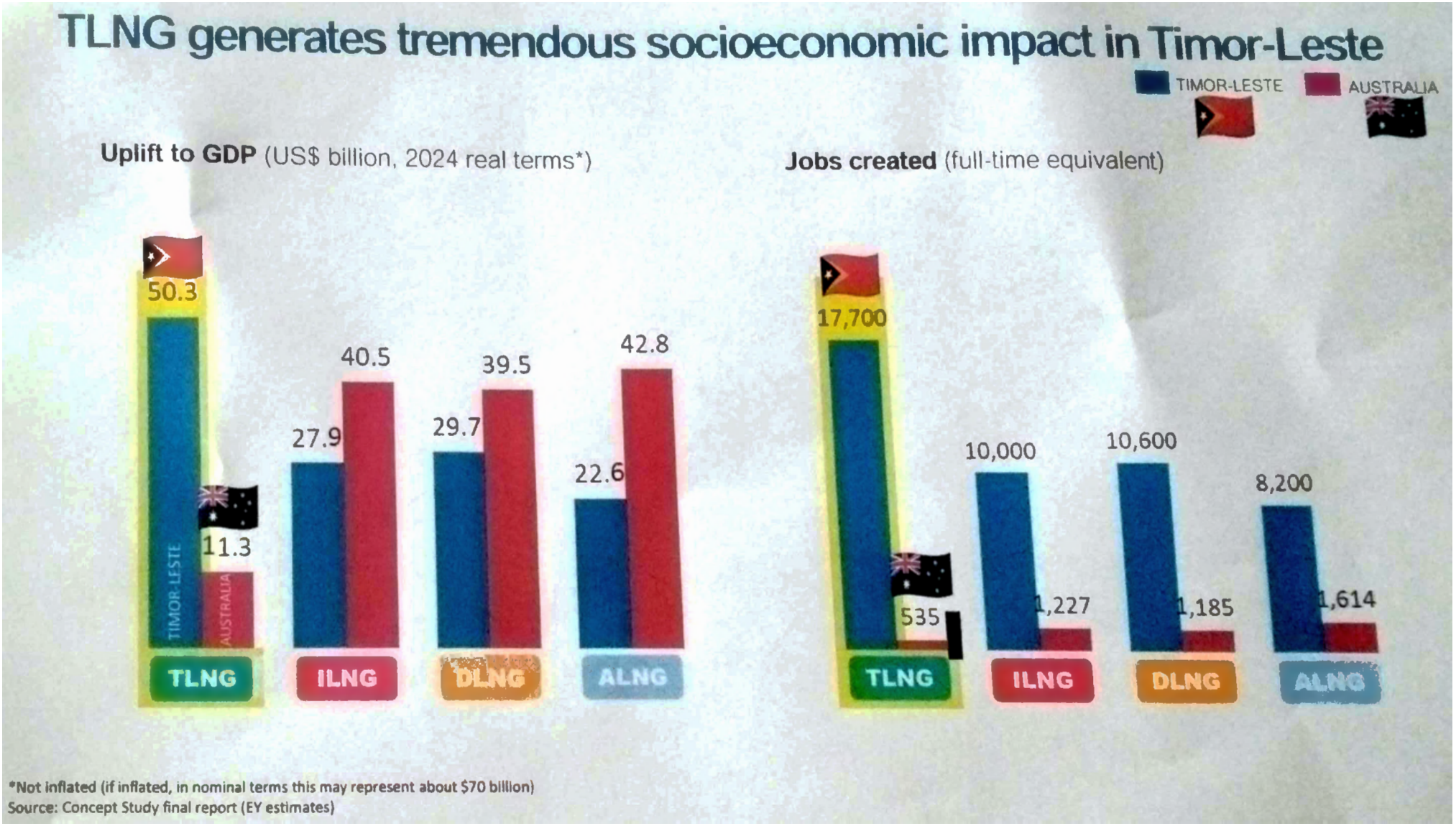
Timor-Leste plus TIMOR GAP take / cumulative cash flows* (US$ billion, nominal)



	TLNG	ILNG	DLNG	ALNG
NPV10** (US$ billion)	3.6	3.1	3.8	0.1
Internal Rate of Return (%)	14.0%	19.1%	20.1%	10.4%

*NPV0, or undiscounted cash flows (i.e., "cash in the bank")
**Net Present Value at 10% discount rate
Notes: Upstream returns based on a fixed 9% return to the downstream; Australian concepts include carbon sequestration for reservoir gas (at $60/ton) and a $23/ton carbon tax on onshore flue gas vented
Source: Analysis on Poten model based on SJV model

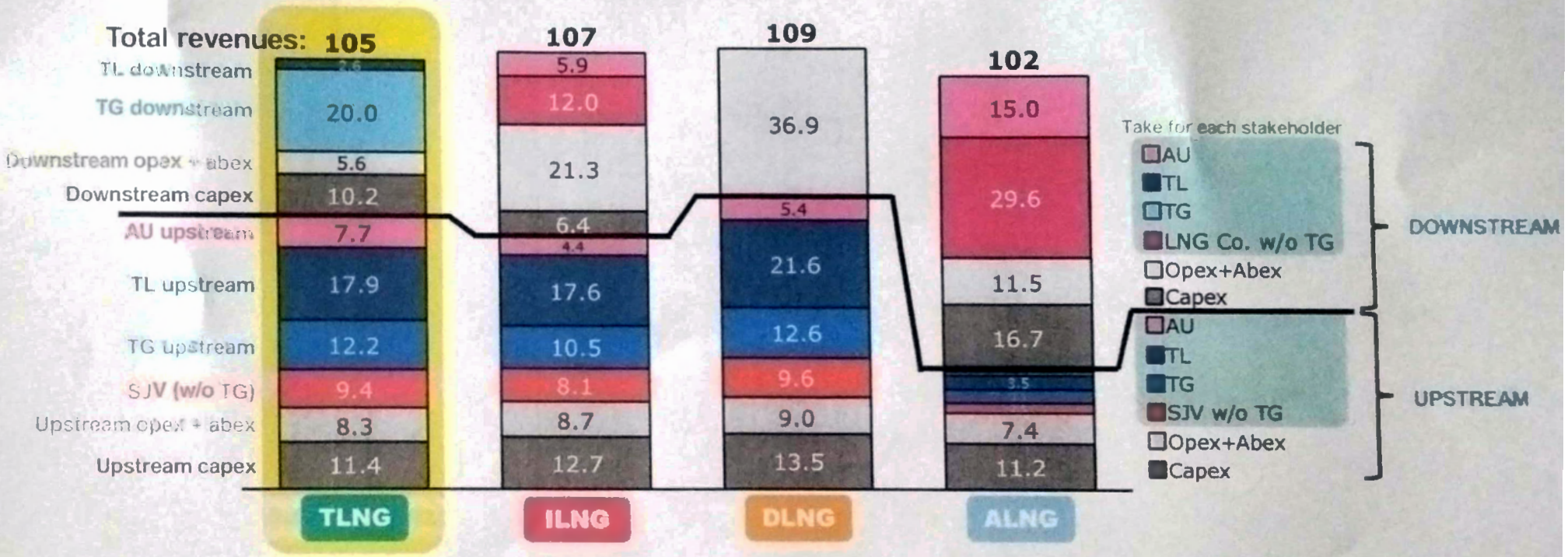
TLNG generates tremendous socioeconomic impact in Timor-Leste



*Not inflated (if inflated, in nominal terms this may represent about $70 billion)
Source: Concept Study final report (EY estimates)

Breakdown: total value of Greater Sunrise (upstream + downstream)

Cumulative cash flows* (US$ billion, nominal)

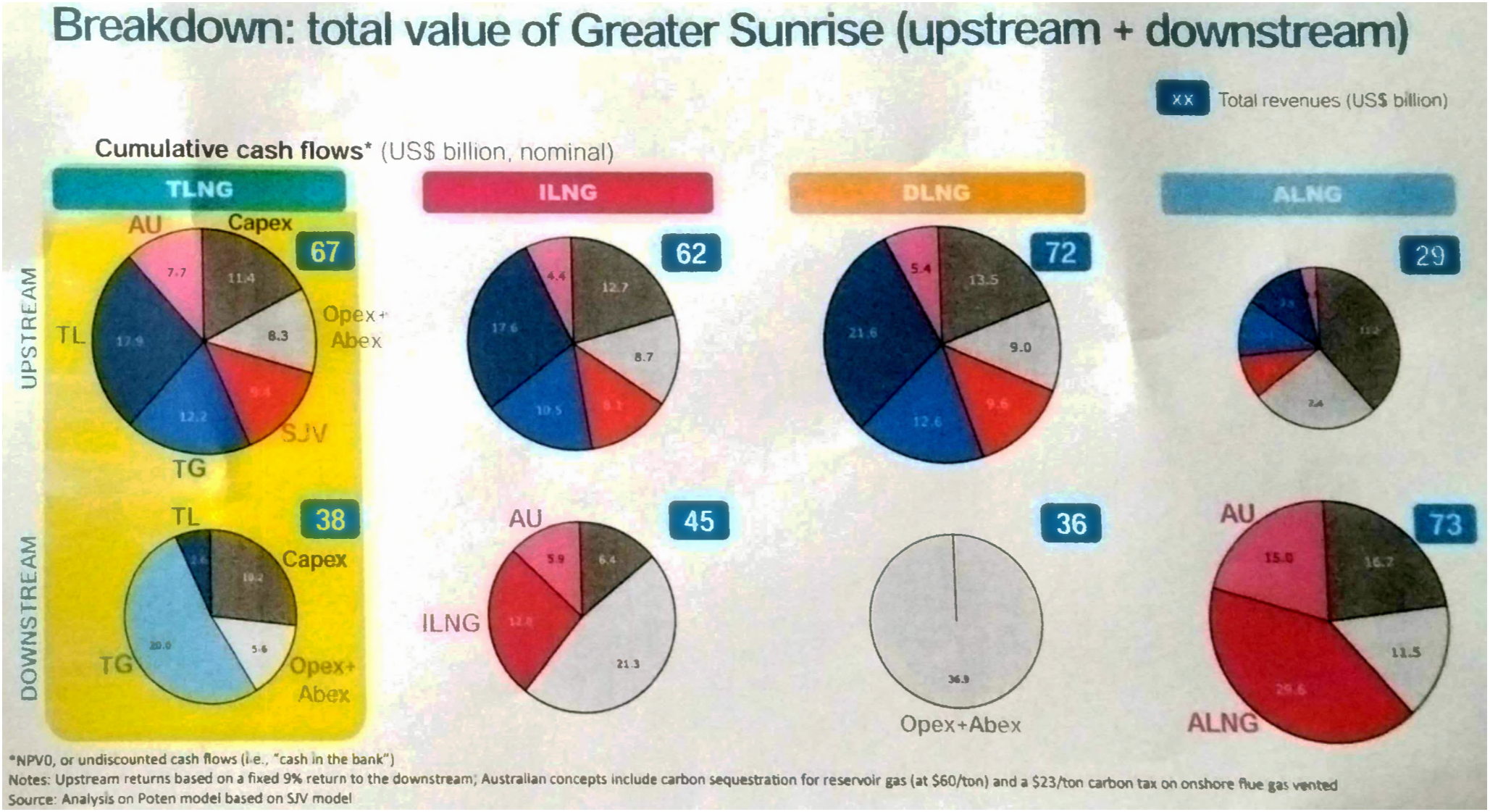


*NPV0, or undiscounted cash flows (i.e., "cash in the bank")

Notes: Upstream returns based on a fixed 9% return to the downstream; Australian concepts include carbon sequestration for reservoir gas (at $60/ton) and a $23/ton carbon tax on onshore flue gas vented

Source: Analysis on Poten model based on SJV model

Breakdown: total value of Greater Sunrise (upstream + downstream)



*NPV0, or undiscounted cash flows (i.e., "cash in the bank")

Notes: Upstream returns based on a fixed 9% return to the downstream; Australian concepts include carbon sequestration for reservoir gas (at $60/ton) and a $23/ton carbon tax on onshore flue gas vented

Source: Analysis on Poten model based on SJV model