



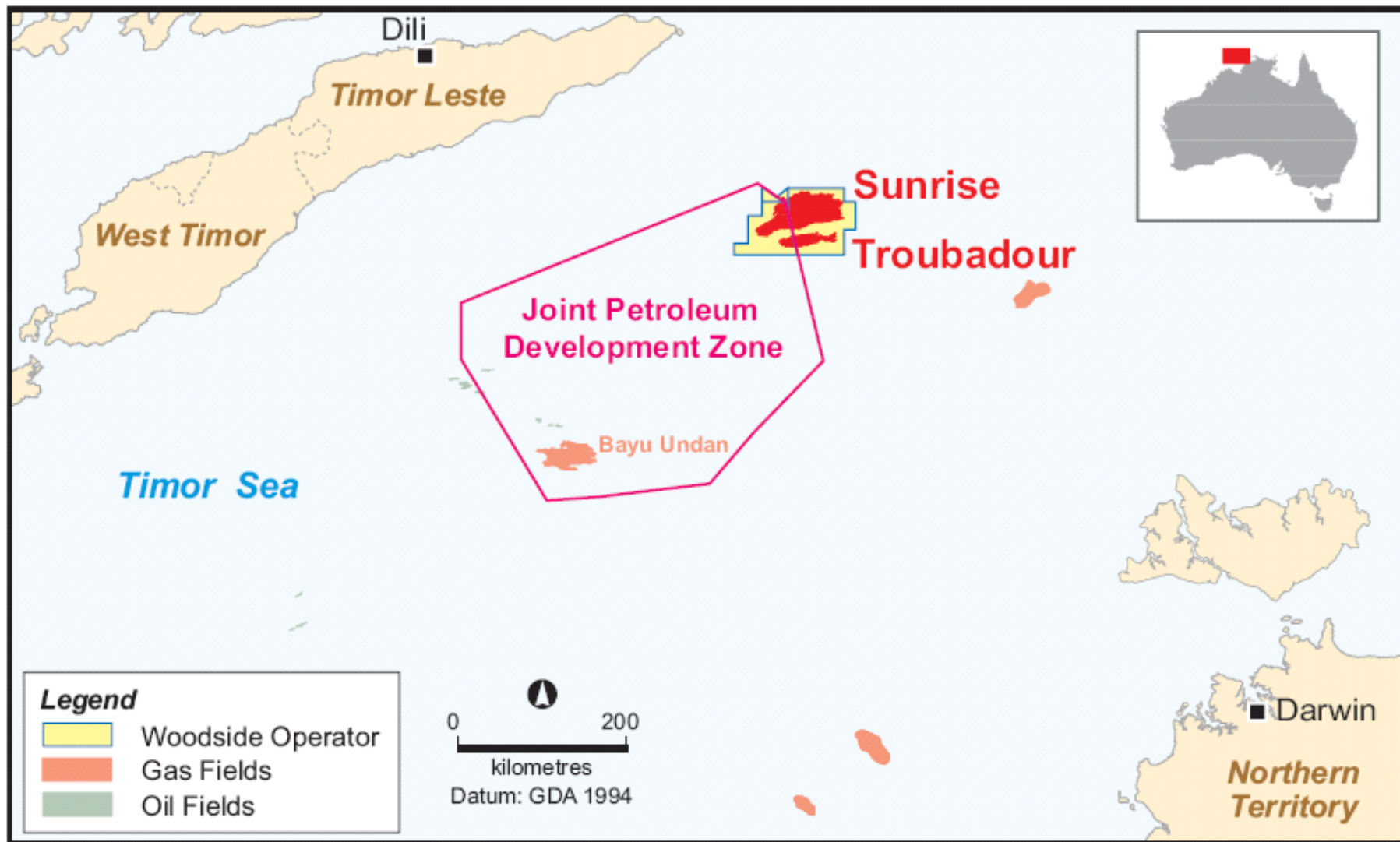
# Sunrise LNG Development 2007

---

24 September 2007

- **Background on the Sunrise LNG Development**
  - discovery and appraisal of the gas fields
  - development work done to date
  - key treaty rights / obligations
  
- **Current Activities**
  - work has recommenced
  - appraisal, technical and commercial work
  
- **Future Activities**
  - major milestones required for development

# Sunrise Location Map



# Sunrise LNG Development – background



- The Sunrise and Troubadour (Greater Sunrise) gas fields were discovered in 1974
  - 7 wells drilled in period up to 1998, 6 intersected the reservoir
  - 3,200 km<sup>2</sup> 3D seismic acquired in year 2000, processing completed in 2002
- Estimated P50 Contingent Resource Ultimate Recovery is 7.68 Tcf of dry gas and 299 MMbbl condensate
  - P90 – P10 range is: 5.78 Tcf to 9.87 Tcf of dry gas  
222 MMbbl to 391 MMbbl condensate
- Joint Venture Participants (JVPs) in the Sunrise LNG Development are:
  - Woodside 33.44%, (Operator)
  - ConocoPhillips 30%
  - Shell 26.56%
  - Osaka Gas 10%
- The JVPs have spent approximately A\$250 million to date towards developing the fields
- From December 2004 until February 2007 development work was stalled as the Joint Venture required legal and regulatory certainty. This has now been provided with the ratification of IUA and CMATS treaties by both Australian and Timor-Leste governments.

IUA (Article 12) states the following:

- “The Regulatory Authorities shall approve the Development Plan where:
- (a) the project is commercially viable;
- (b) the contractor or licensee possesses the competence and resources needed to exploit the reservoir to the best commercial advantage;
- (c) the contractor or licensee is seeking to exploit the reservoir to the best commercial advantage consistent with good oilfield practice;’
- (d) the contractor or licensee could reasonably be expected to carry out the exploitation of the reservoir during the specified period;
- (e) the contractor or licensee has entered into contracts for the sale of gas from the project which are consistent with arm’s length transactions.

# Sunrise LNG Development – current activities

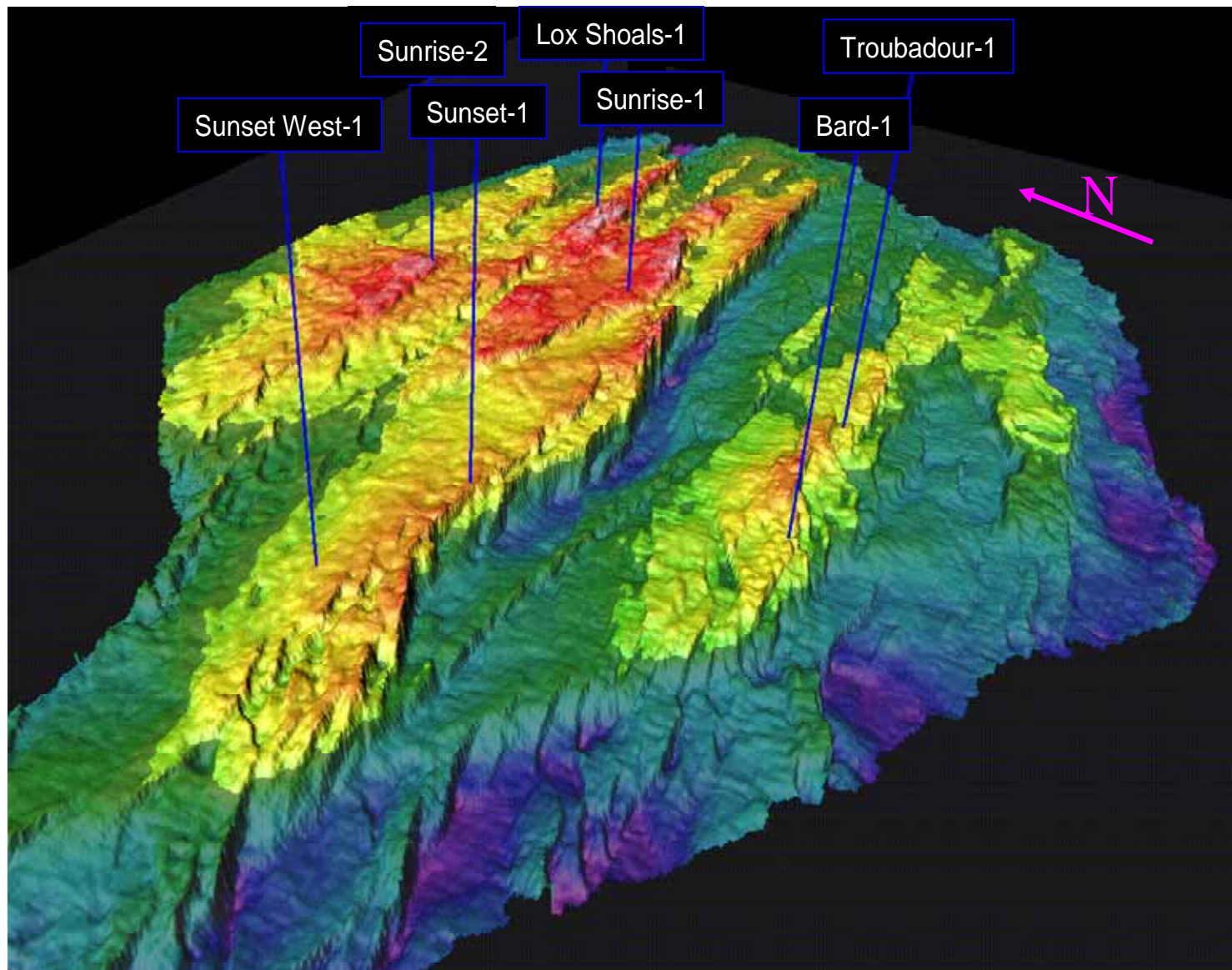


A team was established during early 2007 to recommence work.

As commerciality of the unitised Greater Sunrise fields has not been established, the current work program is focussed on the following:

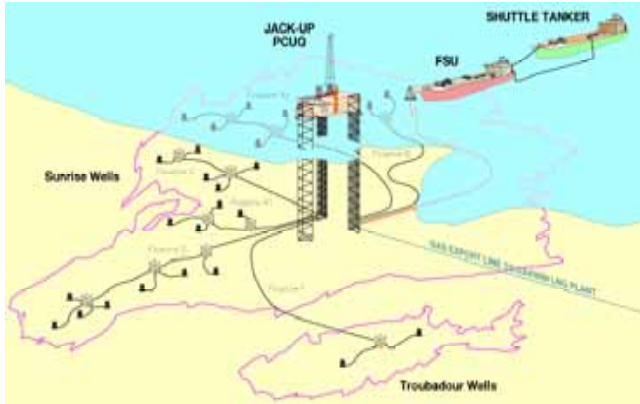
- Open a Timor-Leste office in Dili
- Review past work (up to end of 2004)
- Update technical work, considering changes in costs, technical developments, economics, environmental and other drivers
- Re-processing of 3D seismic data using latest technology
- Consider further appraisal drilling
- Undertake concept screening study and prepare to present findings
- Discussions with TSDA and Australian DA to understand and agree process to achieve approval of the Project's recommended Development Plan

# Sunrise LNG Development – top of reservoir

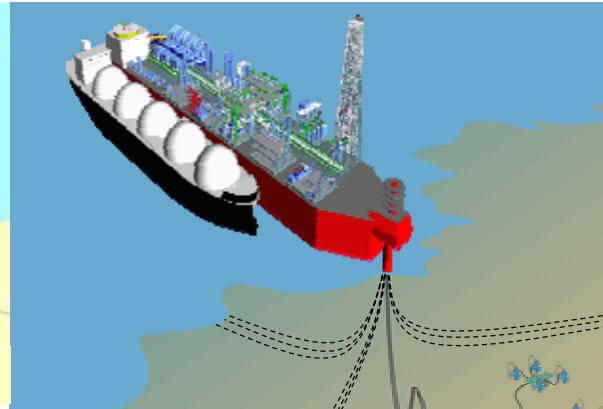


# Possible Development Options

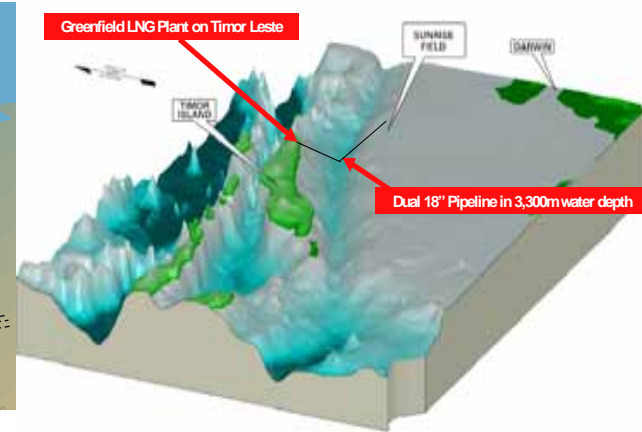
**DLNG-2**



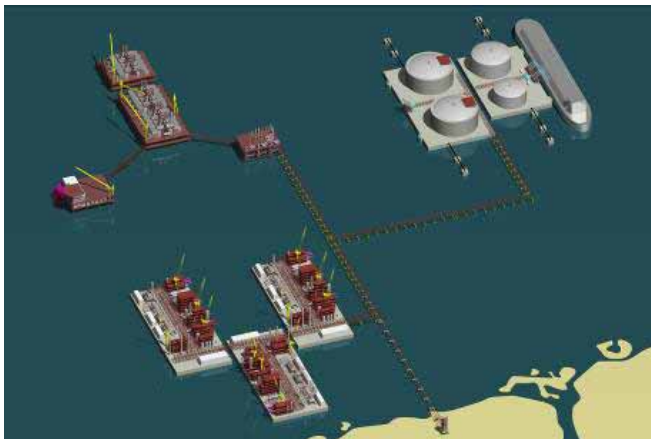
**FLNG**



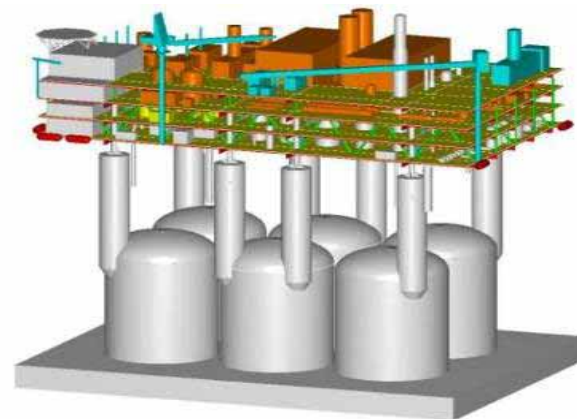
**T-L LNG**



**GBS LNG#1**



**GBS LNG#2**





# Sunrise LNG Development – future milestones



Progress of the Sunrise LNG Development is dependent upon achieving a number of major milestones including:

Moving to BOD (Basis of Design) and FEED (Front End Engineering and Design) phase which requires:

- Progress/completion of appraisal work, technical update, etc
- Finalise and obtain approval of the Development Concept
- Progress of Development Plan, marketing and obtaining fiscal certainty.

The next major milestone after Development Concept is FID (Final Investment Decision) which requires:

- Successful completion of FEED
- Development Plan, environmental and other regulatory approvals
- Fiscal certainty agreement
- Board approval of each JVP

It is the FID decision which will determine commerciality and so satisfy the terms of the IUA

## 2007

- Retention Lease issued by Australian Government
- Declaration of Discovery
- Complete concept screening studies and present findings
- 30 November – submit annual work program and budget to TSDA

## 2008

- Development concept selection
- Approval of the development concept
- Commencement of BOD