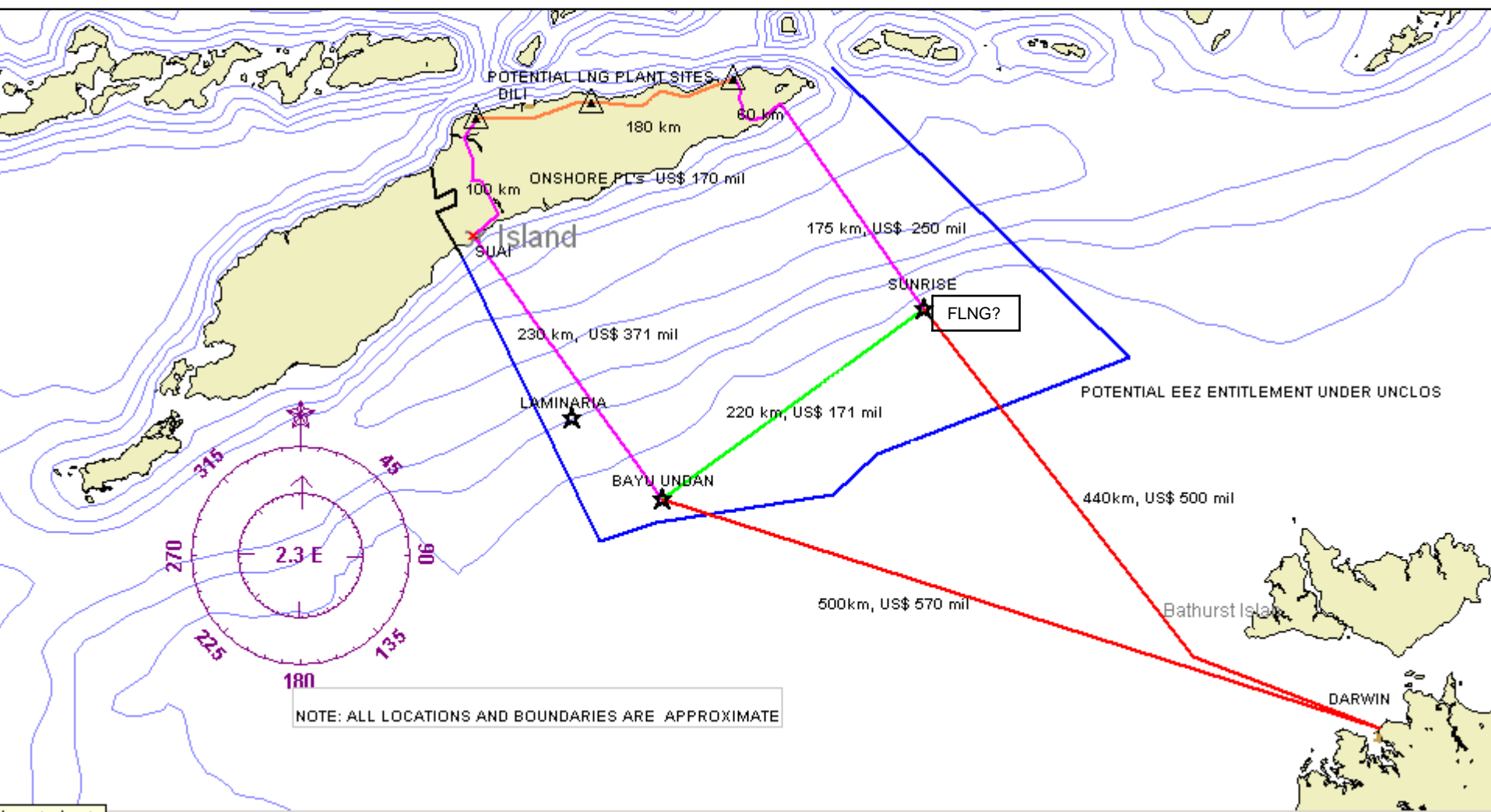
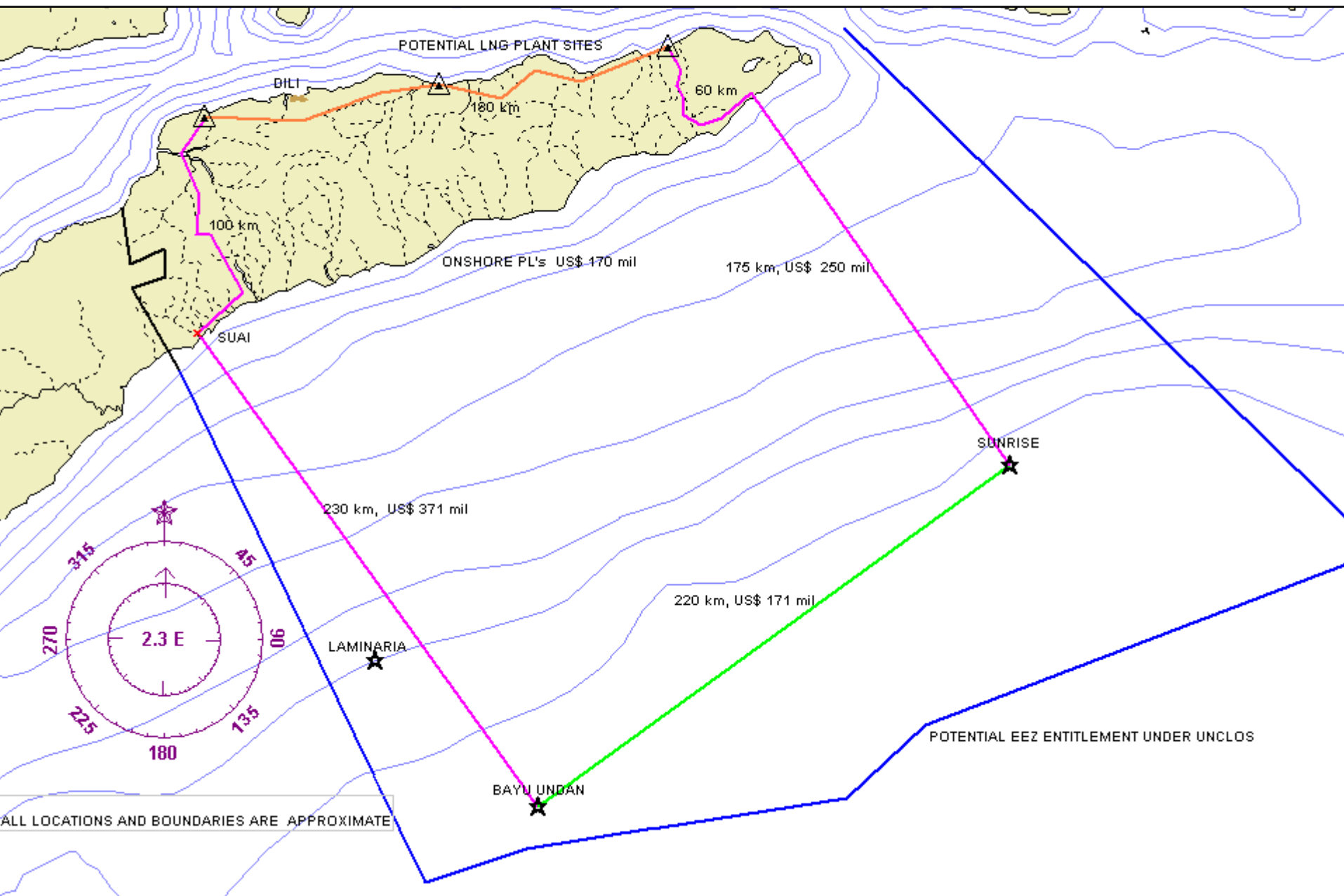


BACKUP SLIDES

EAST TIMOR GAS DEVELOPMENT OPTIONS



Options for Gas to Timor Leste



Why was Timor Leste not seriously considered earlier?

- Energy companies are *always* in a rush to monetize projects at minimum risk
- Development Scenarios were Decided in 1990s, during conflict
- Improved technologies (a marginal reason)
 - Global Deep water pipeline experience
 - Modular LNG plant design
- LNG price expectations may have been higher

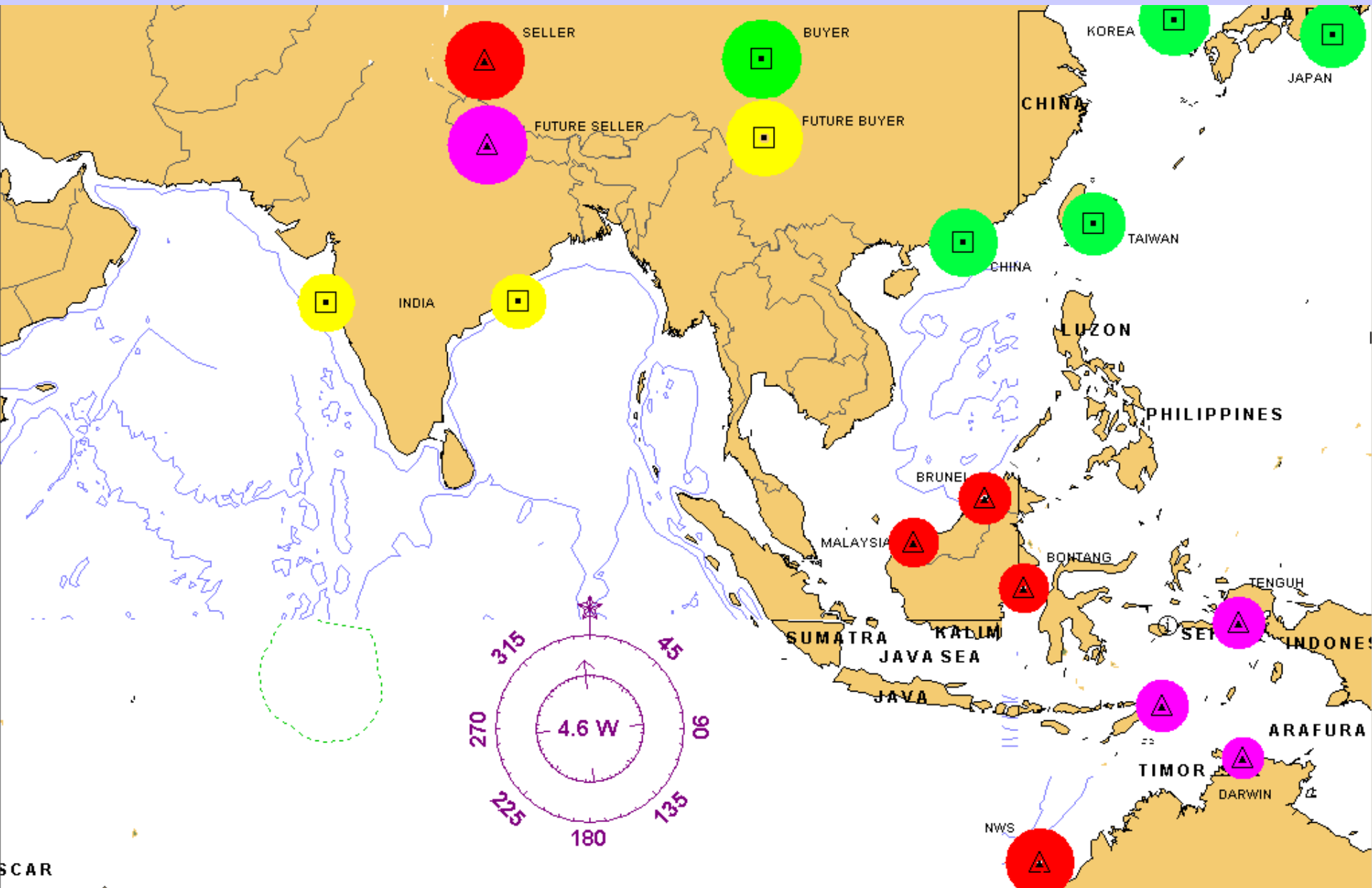
CONCLUSIONS

- Timor Leste is Very Well Positioned to Process and Export LNG Competitively
- It looks very viable to bring *both* Bayu Undan and Sunrise to Timor Leste for a *large* LNG plant
- Capturing such a Project Could Transform the Timor Leste Economy
- To do so will require Skillful and Diligent Leadership – help is available
- Even if the effort does not succeed, the effort will be beneficial by strengthening the Nation's negotiating “wisdom”; there is no downside to trying

Sample Summary OF INVESTORS' PERCEPTIONS

	RELATIVE TO DEVELOPED MARKETS	TRENDS
POLITICAL STABILITY	X	↑
EXTERNAL LIQUIDITY	X	↓
MACROECONOMIC FUNDAMENTALS	X	○
RULE OF LAW	X	○
BANKING SYSTEM	X	↑
CAPITAL MARKETS	X	↑
CORPORATE GOVERNANCE	X	○
GOVERNMENT INVOLVEMENT IN THE MARKET PLACE	X	↓
COMPETITIVENESS	X	↑
GOVERNMENT'S ADMINISTRATIVE EFFECTIVENESS	X	○
ILLEGAL PRACTICES	X	○
RISK/REWARD TRADEOFF – FIVE YEAR OUTLOOK	X	↑

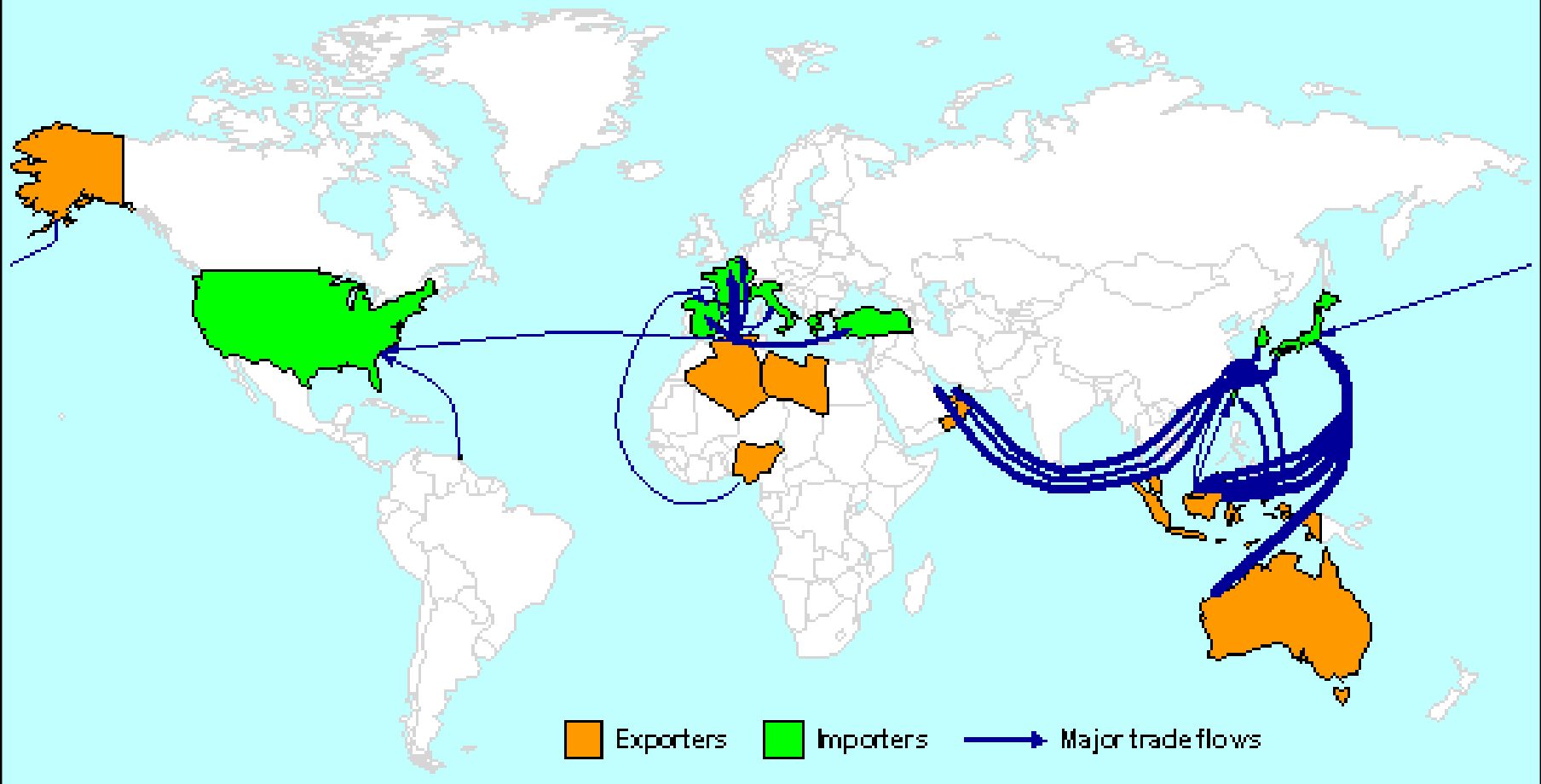
LNG Sellers & Buyers



Global LNG Trade

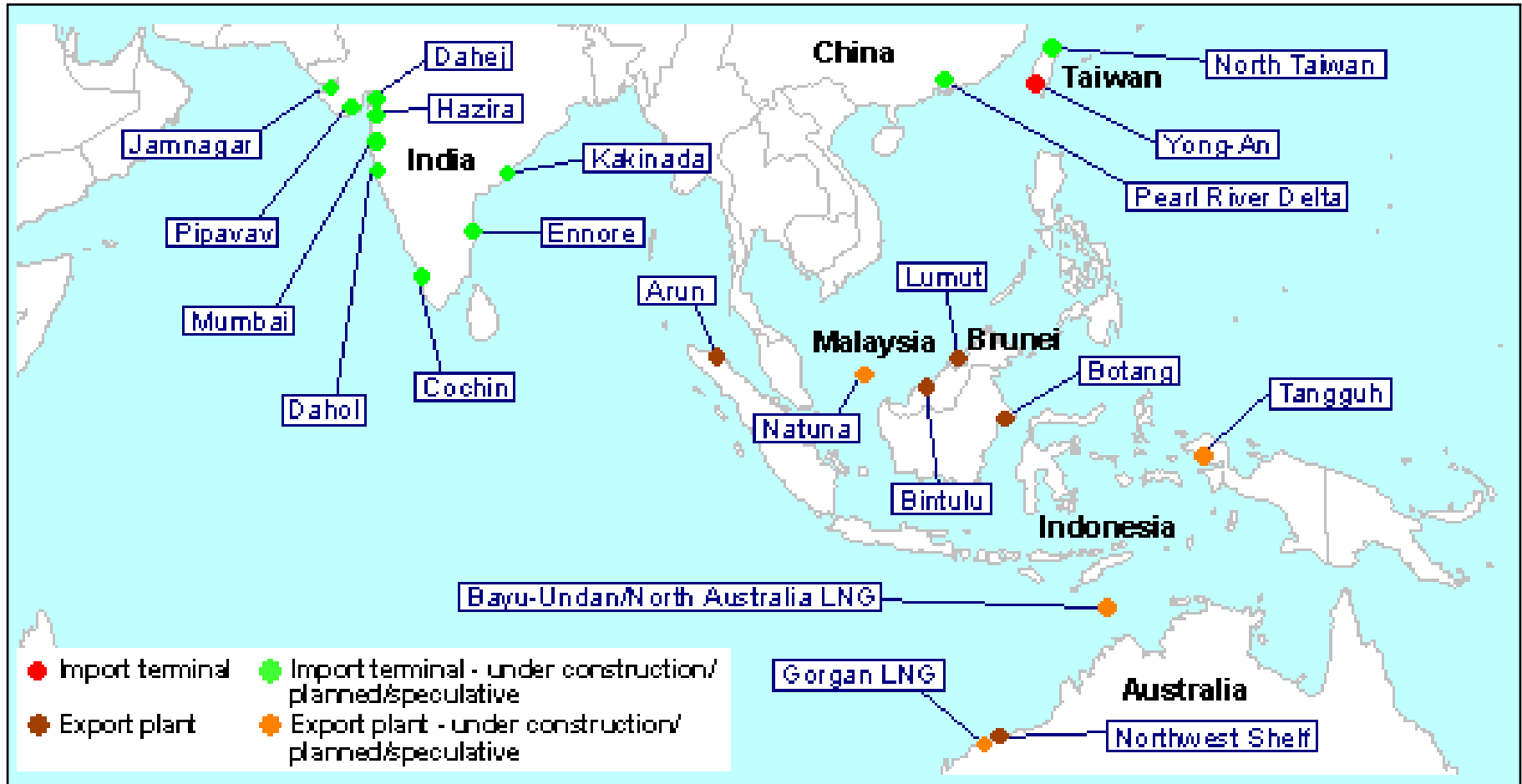
LNG trade movements 2001

• 70% of LNG to Japan, Korea, & Taiwan

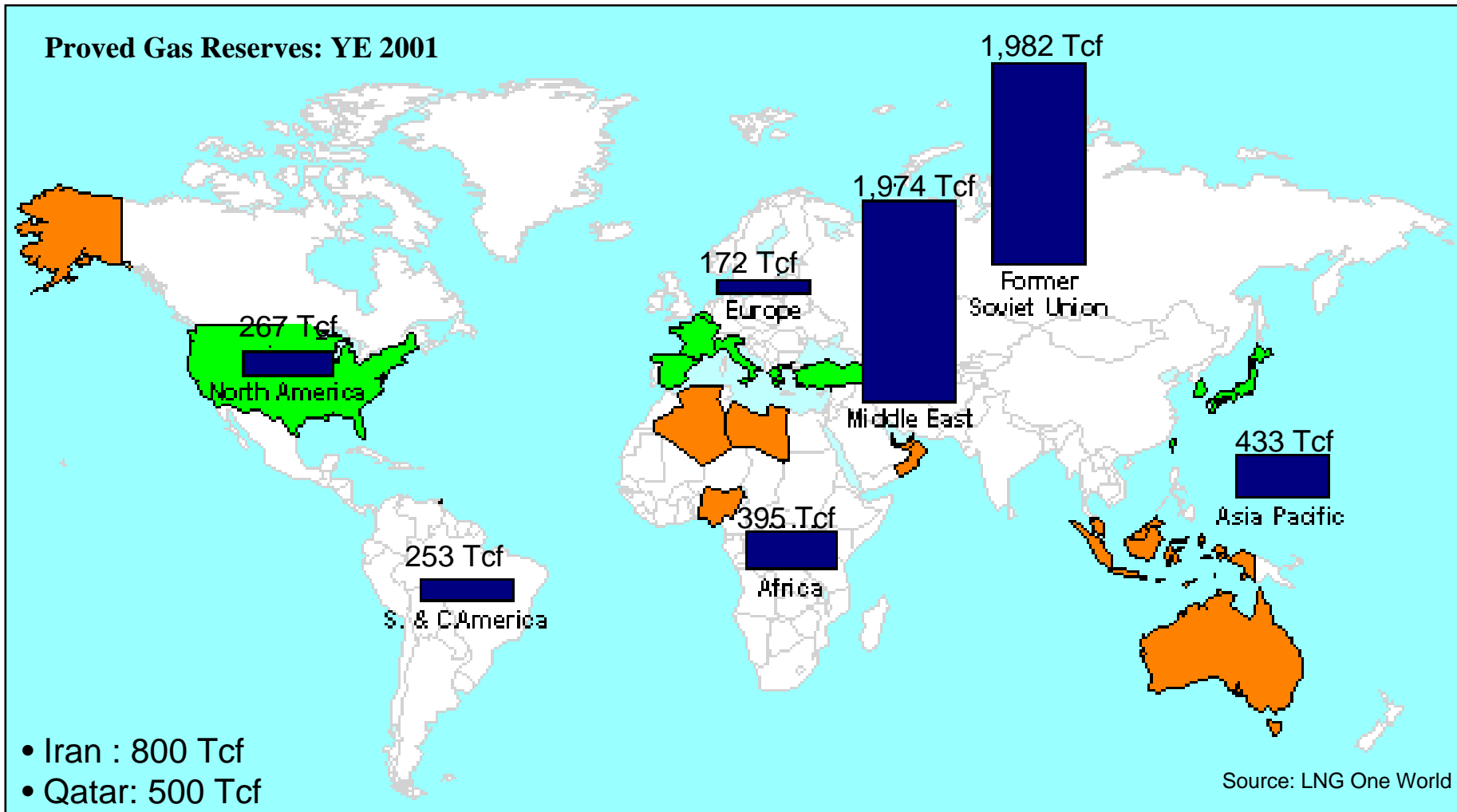


Source: LNG One World

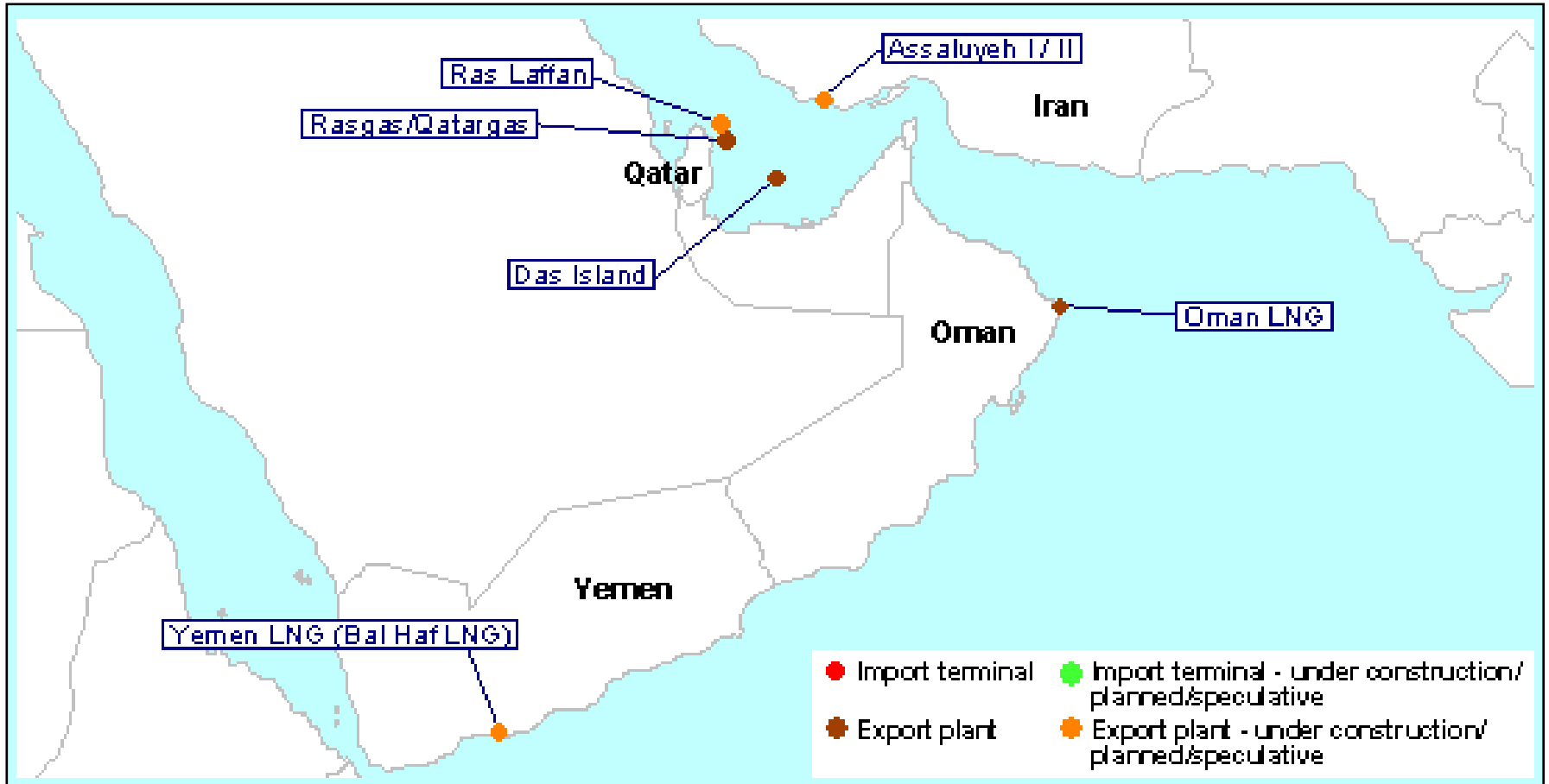
Asia Pacific LNG Plants / Terminals



Worldwide Gas Reserves

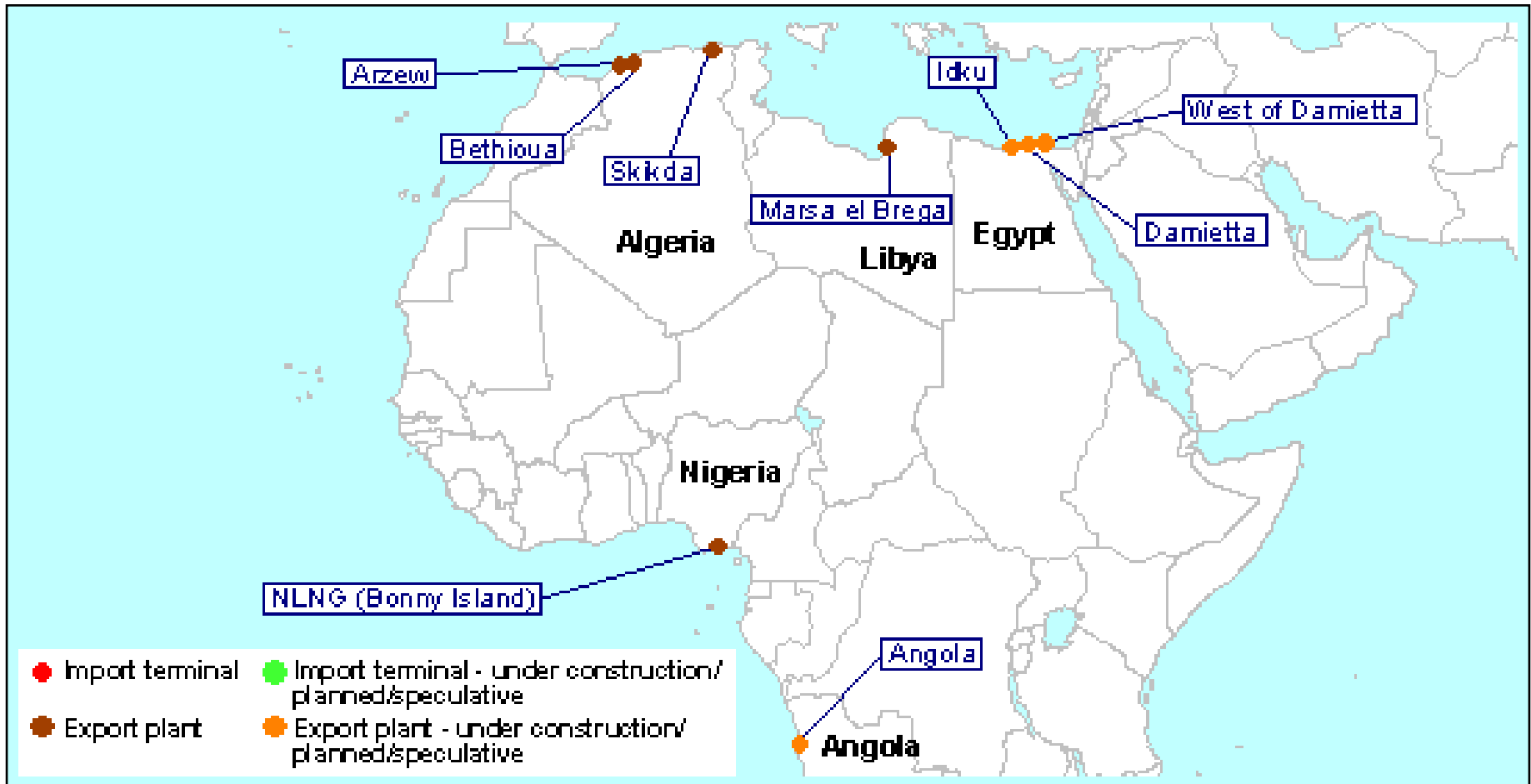


Middle East LNG Supply

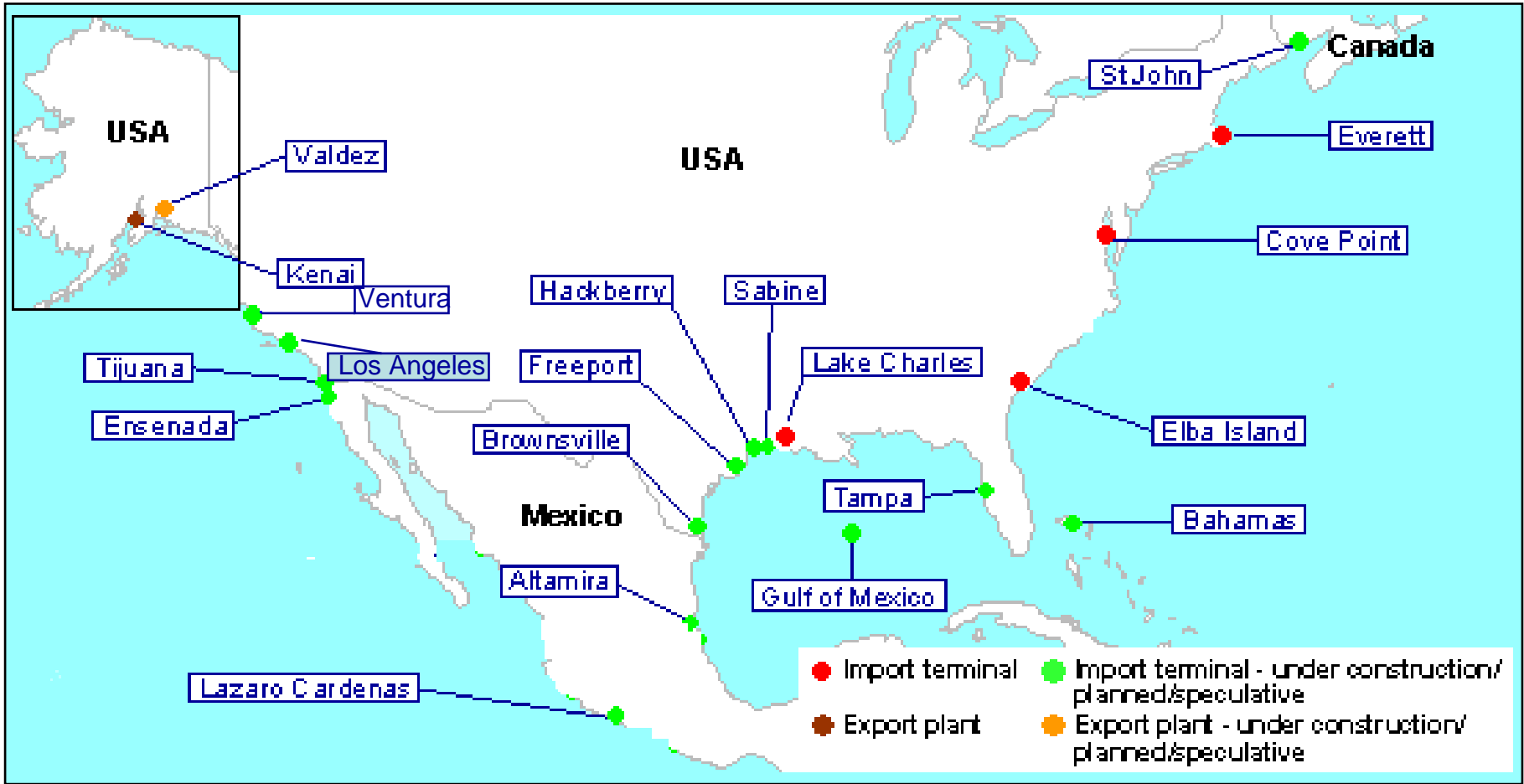


Source: LNG One World

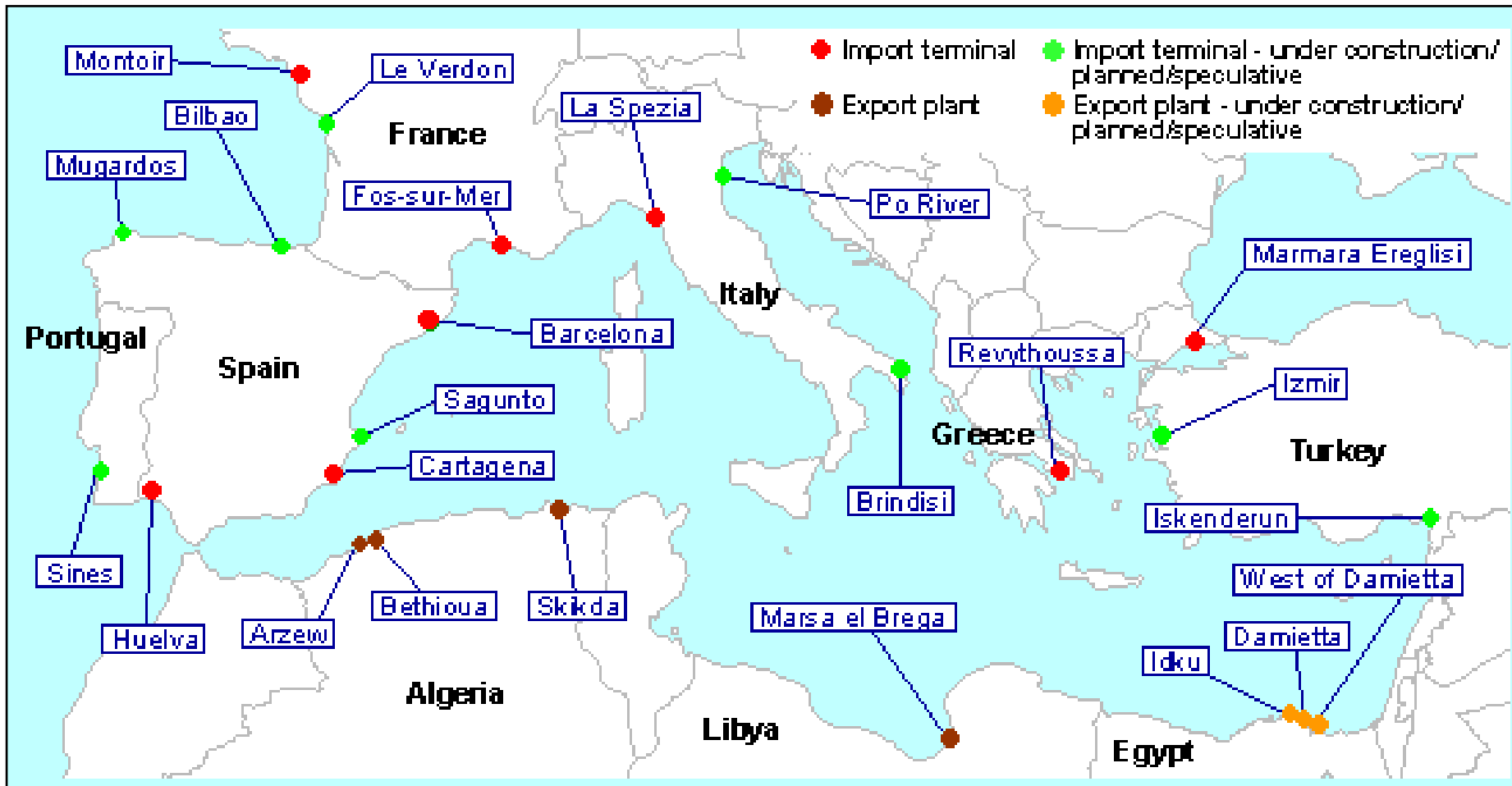
Africa LNG Supply



North America LNG Terminals



Europe / Northern Africa LNG



Global Gas Trade

map of major gas trade movements

Trade flows worldwide (billion cubic metres)

