

## Sunrise On Horizon Again After Treaties Ratified

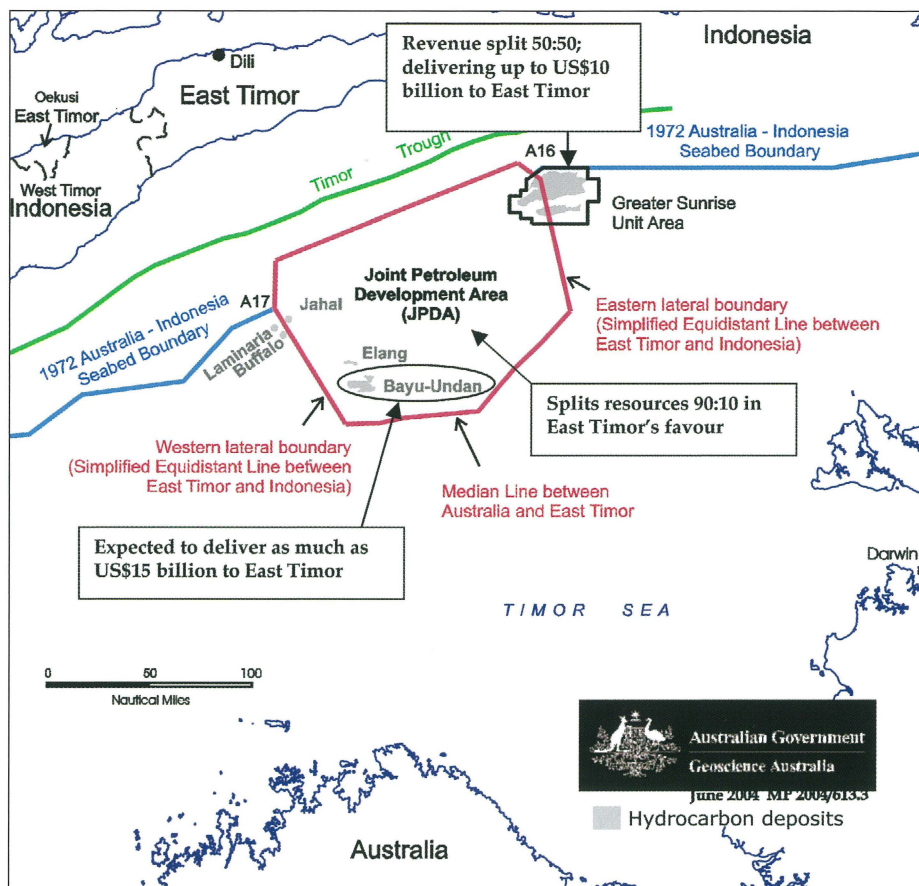
The Greater Sunrise development is back on Woodside's development radar after East Timor and Australia conducted a formal exchange of notes to bring into force the International Unitisation Agreement (IUA) and the Certain Maritime Arrangements in the Timor Sea (CMATS) treaty, providing legal and financial stability for petroleum development in the region.

Woodside Chief Executive Officer, Don Voelte, said the company will resume work on the Sunrise LNG project after it was stalled in November 2004 because of the political uncertainty surrounding the Joint Petroleum Development Area (JPDA) in the Timor Sea. Sunrise, located 150 km south of East Timor's coast, is a long-mooted LNG development estimated to hold about 8 Tcf of gas and about 300 MMbbl of oil.

Voelte said Woodside will begin re-staffing Sunrise and may drill one or more appraisal wells but the company won't spend a 'large amount' on the field this year. He said Woodside needs to conclude fiscal arrangements with East Timor before it pushes for a development that could start production some time next decade.

Foreign Affairs Minister, Alexander Downer, said the CMATS treaty puts on hold the Australian and East Timor governments' claims to jurisdiction and maritime boundaries in the Timor Sea for 50 years. "Australia has agreed to share equally with East Timor the upstream revenues from the Greater Sunrise reservoirs, a move which will help underpin the economic independence of our neighbour", Downer said.

"The IUA will enable the development of Greater Sunrise. Equal sharing of the upstream revenues from Greater Sunrise under CMATS could result in Australia and East Timor each receiving up to US\$10 billion over the life of the project."



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Downer said under the new agreements, Australia will continue to exercise continental shelf jurisdiction outside the JPDA and south of the 1972 Australia-Indonesia seabed boundary. He said a maritime commission will be established to enable high-level dialogue on

a range of important issues facing Australia and East Timor in the Timor Sea, including the management of security threats to offshore platforms and cooperation in managing fisheries resources. ■