

## PSC partners launch Timor-Leste counter claim

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Australian company Oilex and its partners have launched a counterclaim against the Timor-Leste government in an ongoing arbitration case over a terminated Timor Sea production sharing contract.

Oilex confirmed Monday the former JPDA 06-103 block partners had lodged a counterclaim against Timor-Leste's Autoridade Nacional Do Petroleo E Minerais (ANPM) for US\$23.3 million, plus interest, for damages arising from what the joint venture claims was the wrongful termination of the PSC.

"It was disappointing that the ANPM elected to pursue arbitration," Oilex managing director Joe Salomon said.

"The US\$23.3 million counter-claim further supports our view that the joint venture has previously and will continue to act in good faith, with previous offers to settle the matter being generous."

Oilex added the arbitration hearing was scheduled to commence on 10 February 2020.

The ANPM [terminated the PSC in 2015](#) and claimed it was seeking to recover US\$17 million for exploration activities not carried out and certain local content obligations.

The termination came after the joint venture applied in 2013 to terminate the block due to tenure uncertainties provoked by the ongoing legal proceedings between the Timor-Leste and Australian governments over the maritime border between the two nations.

The Timor-Leste government [commenced arbitration proceedings last year](#) in a bid to recover the money it believes it is owed, however Oilex and its partners argue they made "significant over-expenditure" carrying out the work programme which ANPM had not credited it for.

Oilex held a 10% stake in the JPDA 06-103 joint venture along with partners Gujarat State Petroleum Corporation (20%), Videocon Industries (20%), Bharat Petroleum (20%), Japan Energy (15%) and Pan Pacific Petroleum (15%).