

Wood Australia kicks off work on new concept study for Greater Sunrise



Image Tatoli/Antonio Daciparu

DILI, 09 april 2024 (TATOLI) – Sunrise Joint Venture partners (Timor Gap (56.56%), Woodside Petroleum (33.44%), and Osaka Gas (10%), with the support of the Governments of Australia and Timor-Leste have selected Wood Australia to undertake the new concept select study for the development of the Greater Sunrise fields.

Wood Australia is an international engineering company with a focus on the oil and gas sector. It operates in more than 60 countries.

In november 2023, the Sunrise Joint Venture Partners received approval from Timor-Leste to carry out the work on the new concept study for the development of the Greater Sunrise fields.

Wood Australia kicked off the work on the concept study for the development of the Sunrise fields last week, according to Australia's Special Representative for the Greater Sunrise project, Steve Bracks.

"We have now selected a contractor to do the concept select study. This year, the study will be finished and then we will be able to work out how we proceed and where we proceed to get the project going," Bracks made the comments after meeting Prime Minister, Kay Rala Xanana Gusmão, in Dili, on monday.

He said: "We are very optimistic that by the end of the year we will have something significant about the Greater Sunrise."

Bracks also met with Timor-Leste's Minister of Petroleum and Mineral Resources, Francisco da Costa Monteiro, to discuss the concept selection study carried out by Wood Australia.

"We are very confident that the contractor that we have picked will come up with a very good study," said Bracks.

Minister Monteiro is also optimistic that the new concept study will present all the necessary aspects to be considered in the decision to develop the Sunrise fields.

"Not only the two governments (Australia and Timor-Leste) that would oversee the study, but the Joint Venture partners have also formed a team to oversee the study being carried out by Wood Australia," said Monteiro.

The Sunrise project is operated by Joint Venture between TIMOR GAP (56.56%), Woodside Petroleum (33.44%), and Osaka Gas (10%).

The Sunrise field is estimated to contain 5.13 trillion cubic feet of recoverable natural gas and 226 million barrels of condensate (oil), which could give Timor-Leste US\$50 billion in revenues.

On march 6, 2018, Australia and Timor-Leste signed the Treaty establishing Maritime Boundaries between the two countries in the Timor Sea to resolve a long-running dispute over the maritime border and set a deal on how to share revenue from the offshore Greater Sunrise gas field.

Timor-Leste will receive 80% of the revenue if the gas is developed in Australia, or 70% if the gas is piped to Timor-Leste for processing.

Wood to lead multibillion-dollar gas plant study for East Timor

By Rueben Hale in Energy News Bulletin, 11 April 2024

In a significant development, the worldwide consultancy and engineering firm [Wood Group](#) has been chosen to conduct a feasibility study for a multibillion-dollar gas-processing plant in East Timor. This plant, partially owned by Woodside, will be the focal point of the long-awaited Greater Sunrise Project (GSP). This is a major step forward for the project, which has been in the planning phase for the past 15 years.

On Tuesday, Steve Bracks, the Australian government's representative for GSP, made the announcement. He was accompanied by Xanana Gusmão, the Prime Minister, and Francisco da Costa Monteiro, the Minister of [Petroleum and Mineral Resources of Timor-Leste](#) (MRPM).

According to Bracks, the contract for the development study was awarded to Wood following deliberations involving key stakeholders, including the MRPM, the ANP TIMOR LESTE, and the Sunrise Joint Venture (SJV), comprised of TIMOR GAP, E.P., Woodside Energy, Osaka Gas Co., Ltd. These discussions have been ongoing monthly since October 2023.

Wood's selection by the joint venture partners, with the endorsement of both the Dili and Canberra governments, signifies a significant step forward.

The final report, which will be completed this year, is expected to provide valuable insights to the East Timor government and joint venture partners. It will cover technical, economic, and other considerations.

The move away from Australia

The ease of obtaining approvals for gas projects in East Timor, in contrast to the mounting challenges in Australia, has played a pivotal role in revitalising plans for the project. This disparity in regulatory environments has notably motivated Woodside and its partners to explore opportunities outside of Australia.

Woodside's change in attitude is far removed from its previous stance, where the Australian oil and gas giant insisted on processing in Darwin. Its change of heart comes when offshore gas projects in Australian waters face difficulties compounded by strict regulatory requirements.

Antonio de Sousa, CEO of Timor GAP, has praised Timor-Leste's project planning and environmental approval processes as beneficial, comparing them to Australia's regulatory landscape.

According to de Sousa's announcement, stakeholders have discussed the project monthly since October.

"Technical discussions will continue in the Municipality of Baucau at a later date," de Sousa said during the announcement," he said.

The GSP is an energy project that could provide a significant energy source for Asia's energy-short markets. The project is estimated to hold 5.3 trillion cubic feet of gas, and it can help alleviate the global gas shortage while also providing a much-needed revenue stream for East Timor's economy.

The upcoming technical discussions in the Municipality of Baucau signal a continued push to realise the project's full potential.

Wood and Woodside have been contacted for comment.

PROGRESS CONTINUES ON GREATER SUNRISE DEVELOPMENT

The Sunrise Joint Venture (SJV) participants, comprising TIMOR GAP (56.56%), Operator Woodside Energy (33.44%), and Osaka Gas Australia (10.00%), following a global contract procurement process has awarded the Greater Sunrise Concept Study (the Study) contract to Wood Australia Pty Ltd (Wood PLC).

The Study will be led by Wood PLC with a multi-disciplinary subcontracting team comprising of specialist consulting partners.

The Study will consider the key issues for developing, processing, and marketing gas with a strong focus on delivery of gas to Timor-Leste for processing and LNG sales or the alternative of delivery of the gas to Australia.

It will include a range of disciplines including engineering, financial assessment and financing, local content, strategy and security, health safety and environment, and socioeconomic analysis. The Study will evaluate which option provides the most meaningful benefit for the people of Timor-Leste.

The Study will be conducted in an impartial manner and, importantly, will not provide any recommendations to the SJV. It is targeted to be completed by no later than the fourth quarter of 2024.

In addition, the SJV and the governments have continued to make progress towards agreeing a new Production Sharing Contract, Petroleum Mining Code and fiscal regimes, which upon finalisation will assist with providing fiscal and regulatory certainty.

Background: The Greater Sunrise fields, located approximately 450 km north-west of Darwin and 150 km south of Timor Leste, comprise the Sunrise and Troubadour gas and condensate fields.

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