



ANNUAL REPORT 2014



Message from President



2014 is indeed a year full of challenges for ANP. We have come close to finalizing new sets of framework for petroleum operations and continue with active involvement in regulating the sector.

The year in review

2014 is indeed a year full of challenges for ANP. We have come close to finalizing new sets of framework for upstream petroleum operations and continue with active involvement in regulating the sector. Our first ever local content audit to operators in the JPDA provides opportunity to understand better ways to work with contract operators to continue improve participations of Timor-Leste in petroleum operations. Additionally, throughout the year we have also worked closely with contract operators to address some of significant operational challenges and brought across reasonable solutions to continue work side by side. Besides, the downstream businesses in Timor-Leste have advanced positively with the issuance of a number of downstream activity licenses.

Overall, opportunities and challenges in 2014 have exposed our young and dedicated team to a new level of experience to work together and develop their capability to serve the interest of the resource owners.

Exploring for potentials

Geological and geophysical work in our areas continues to take place in preparation for drilling in the coming years. Despite that, we have granted permission to defer the delivery of some of the exploration commitments in the JPDA as well as in the TLEA giving more time to the contract operators to plan and deliver their commitment.

Producing from declining fields

The decline in oil production from both the Bayu Undan and Kitan field pooled with the drop in oil price towards the end of 2014 have impacted our ability to generate greater revenue. Nevertheless, it is often in this environment that the contract operators are forced to act more prudent to optimize recovery of petroleum and lower the cost of operation.

To maintain and improve oil production, five development wells were drilled throughout the year; whilst some wells were immediately brought on-stream, some wells unfortunately failed and have to be suspended until economic environment becomes favorable.

Eyes on Health Safety and Environment

Another safe year for petroleum operations in the JPDA and TLEA in 2014. There was no record of fatality or any major accidents/incidents in our areas of jurisdictions.

The regulatory audit and inspections targeting predefined scopes continue to be carried out by our increasingly experienced inspectors and auditors which resulted in corrective actions for continuous improvement.

Licensing Downstream Activities

Apart from working on ancillary downstream regulations, our effort in coordination with local business entities in downstream sector have been paid off with the issuance, for the first time, of a number of downstream activity licenses to qualified downstream service providers for different service categories. This is a major milestone for regulating the

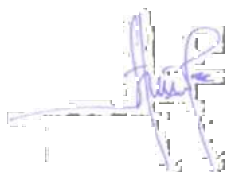
downstream sector to meet the downstream requirements, industry standard and to provide assurance to the end users of downstream products in the country.

Revisiting regulations and model contracts

Continuing the effort from previous year, we have come close to finalizing the regulations and model contract for Timor-Leste and continue to work on a revised regulations and model PSC for the JPDA. The work on Timor-Leste regulations and model contracts will be completed in 2015 to facilitate the plan for acreage release.

Journey in 2015

We look forward to conclude the revised regulatory framework for petroleum operations in 2015 and open a new round for exploration in our area of jurisdictions. We have strong commitment to continue the progress we've made so far in close cooperation with relevant key stakeholders. Nonetheless, as many who are involved in this industry, the uncertainties in oil price continue to remind us of the need to think harder and adjust the way we do business in this sector.



Gualdino da Silva
President
Autoridade Nacional do Petróleo

CONTENT

0. CONTENT	3
1. AUTORIDADE NACIONAL DO PETRÓLEO BRIEF	4
1.1 ANP Regulatory Jurisdiction	4
1.2 Values, Vision, Mission and Goals	5
1.3 Organisational Structure and Development	6
1.4 Major Achievement and Projects in 2014	8
1.5 Joint Commission and Sunrise Commission	9
1.6 ANP Human Resource Development	10
1.7 Corporate Procurement	11
1.8 Financial Statement and Auditor's Report	12
2. CONTRACT OPERATOR'S ACTIVITY	19
2.1 Contracts in JPDA and TLEA	19
2.2 Exploration Performance	19
2.3 Production Performance	21
2.4 Health, Safety and Environmental Performance	22
2.5 Marketing Performance	25
2.6 Exploration Expenditure Performance	27
2.7 Development Expenditure Performance	27
2.8 Local Content Performance	28
3. REGULATORY PERFORMANCE	31
3.1 Upstream	31
3.2 Downstream	38
4. CORPORATE INITIATIVES	43
4.1 Graduate Internship Program	43
4.2 University Final Year Program	43
4.3 Field of Study Enhancement Program	43
4.4 Public Events	44
5. ANNEX 2- ANP 2014 AUDITED FINANCIAL REPORT	51
6. ANNEX 3-ANP 2014 AUDITED REVENUE REPORT	75

AUTORIDADE NACIONAL DO PETRÓLEO BRIEF

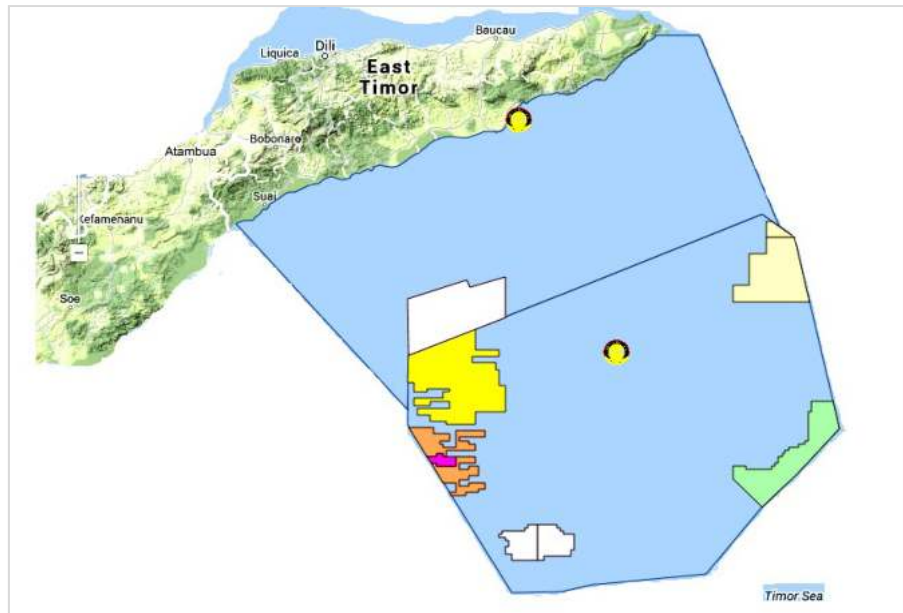
Autoridade Nacional do Petróleo (ANP) is Timor-Leste's public institution established by the government of Timor-Leste in July 2008.

ANP is vested with administrative and financial autonomy to act as regulatory authority for the oil and gas related activities in accordance with the provisions of the Petroleum Activities Law, Interim Petroleum Mining Code, Petroleum Mining Code and the Timor Sea Treaty.

1.1 ANP REGULATORY JURISDICTION

In the JPDA, ANP is responsible to the Joint Commission and carry out the day today regulation and management of upstream petroleum activities by means of regular supervision and control of petroleum activities including health, safety, environmental protection and assessments and work practices.

In the TLEA, apart from being responsible for the upstream petroleum activities equivalent to those in the JPDA, ANP is also responsible to regulate downstream petroleum activities including supply, processing, storage, transportation, trading and marketing of oil and gas products.



MAP 1: ANP JURISDICTIONAL AREAS (MAP NOT TO SCALE)

1.2 VALUES, VISION, MISSION AND GOALS

VALUES



Collaboration

To conduct efficient and effective collaborating among (i) ANP's internal Directorates, and (ii) with its stakeholders.

Openness

Honesty and transparency – underpinned by a culture of trust and respect

Unity

ANP promotes and displays a high degree of teamwork and integration among its employees and Directorates. Whilst appreciating and respecting the cultural intellectual diversity of the individuals that works within it, the ANP is united in its ambition to become a world class organisation in Timor-Leste.

Responsibility

As true leaders, ANP team members take full responsibility for the results of their actions.

Accountability

ANP and its team members are fully accountable for their ethical standards, behavior and performance at all times. Furthermore the ANP is accountable for the governments of Timor-Leste. In performing the task in and for the JPDA, the ANP is accountable for Timor-Leste and Australia.

Global view

Whilst operations for the ANP reside in Timor-Leste, its view is a global one. It works with and coordinates activities with operators that are multi-national in nature, size and scope.

Excellence

In line with developing a world class organization, the ANP believes in excellence – in everything that it does.

VISION

To be a leading petroleum regulatory authority in the region and a model for institutional development in Timor-Leste.

MISSION

- To maximize revenue and multiply economic benefits;
- To maximize the participation of Timor-Leste in the development of its petroleum sector;
- To promote best Health, Safety and Environmental practices;
- To develop the institutional capacity of the Timor-Leste petroleum sector.



OBJECTIVE

- Ensure that petroleum resources are effectively explored, developed, managed and regulated;
- Ensure that economic benefits are delivered to the contracting states;
- Maximize employment opportunities for Timor-Leste nationals;
- Develop organizational excellence;
- Promote and ensure best HSE practices;
- Regulate all downstream petroleum activities in Timor-Leste;
- Maximize economic activities of petroleum sector in Timor-Leste;

1.3 ORGANISATIONAL STRUCTURE AND DEVELOPMENT

STRUCTURE

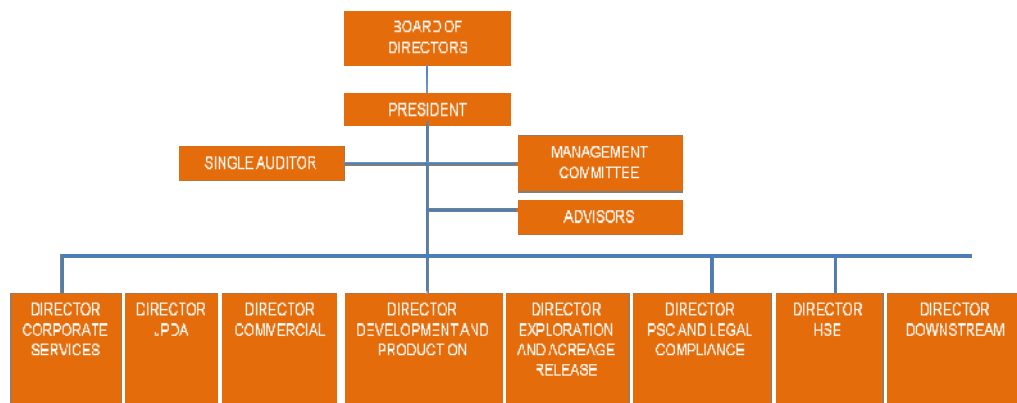


CHART 1: ANP ORGANISATIONAL STRUCTURE

BOARD OF DIRECTORS (BoD)

BoD is responsible for defining directions and policies for the ANP. In doing so, the BoD is responsible for approving corporate policies, strategic directions, technical regulations and directives under the Petroleum Act and approving ANP's consolidated work plan and budget as prescribed under Article 7 of the ANP decree law.

ANP Board of Directors in 2014

Gualdino da Silva ,BEng(GeoEng) Hons.	Chairman
Jorge Dasilaku Martins,Msc	Non executive member
Mateus da Costa, Msc	Executive member
Nelson de Jesus, SE	Executive member
Emanuel Angelo Lay, M Comm.	Executive member

SINGLE AUDITOR

The functions of the Single Auditor are provided under Article 14 of the ANP decree law. The Single Auditor is the organ responsible for monitoring legality, regularity, and proper financial and patrimonial management of the ANP.

MANAGEMENT COMMITTEE

Management Committee is headed by the President of ANP and the members include all executive directors. Management Committee holds meeting at least once in a month to address day to day management of ANP and to address projects in JPDA and TLEA.

Dionisio Martins	Corporate Services Director
José Manuel Gonçalves	JPDA Director
Emanuel Angelo Lay	Commercial Director
Rui Soares	Development and Production Director
Verawati Cortereal de Oliveira	Health Safety and Environment Director
Mateus da Costa	Exploration and Acreage Release Director
Amado Hei	PSC and Legal Compliance Director
Nelson de Jesus	Downstream Director

1.4 MAJOR ACHIEVEMENT AND PROJECTS IN 2014

DIAMOND EYE AWARD FOR QUALITY COMMITMENT AND EXCELLENCE

In 2014 ANP was awarded for the second time by the ASSOCIATION OTHERWAYS MANAGEMENT & CONSULTING - FRENCH AND OTHERWAYS INT'L RESEARCH & CONSULTANTS, with the GOLDEN EYE AWARD FOR QUALITY COMMITMENT AND EXCELLENCE, held in Berlin Germany.



FIGURE 1: SPEECH AT THE GOLDEN EYE AWARD FOR QUALITY COMMITMENT AND EXCELLENCE

TIMOR-LESTE OFFSHORE DECREE LAW AND MODEL PRODUCTION SHARING CONTRACT



ANP engaged in nationwide public consultation for Decree Law on offshore petroleum operation in Timor-Leste and Model Production Sharing Contract. Various means were used to consult with interested parties overseas using information on our website. Valuable inputs and comments from all relevant stakeholders were gathered to improve the proposed Decree Law and Model Production Sharing Contract.

FIGURE 2: TIMOR LESTE OFFSHORE DECREE LAW AND MODEL PRODUCTION SHARING CONTRACT PUBLIC CONSULTATION

ASSISTING SÃO TOMÉ E PRÍNCIPE

Timor-Leste government through the then Secretary of State for Natural Resources signed a MoU with the government of São Tomé e Príncipe, represented by Minister of Natural Resources and Infrastructure in 2011 for cooperation in the petroleum sector.

Following the signing of the MoU in São Tomé, a total budget of USD 250,000 was allocated by the Timor-Leste government in 2011 to the ANP-TL to implement the MoU. The MoU program focuses on assistance for capacity building and improving the operational function of ANP-STP and EITI-STP. A number of secondment of ANP-STP and EITI-STP personnel to ANP-TL and EITI-TL had taken place under the MoU program. In addition to the secondments, the cooperation also allows for the purchasing of equipments to help operational function such as computers, IT softwares etc had also been done. By end of 2014, a total of 68.5% of the total allocated budget had been executed.



FIGURE 3: SHARING OF EXPERIENCE SÃO TOMÉ AND ANP TIMOR-LESTE

1.5 JOINT COMMISSION AND SUNRISE COMMISSION

MEMBERS OF THE TIMOR SEA TREATY JOINT COMMISSION IN 2014

*	Francisco da Costa Monteiro	Timor-Leste
*	Antonio de Sousa Loyola	Timor-Leste
*	Tania Constable	Former Australia Commissioner until 39th JCM
*	Bruce Wilson	Australia Commissioner since 40th JCM
*	Domingos Lequisiga	Timor-Leste alternate Commissioner
*	Vicente Lacerda	Timor-Leste alternate Commissioner
*	Demus King	Australia alternate Commissioner

Three Joint Commission Meetings were held in 2014

- * 39th JCM on 6th March 2014 in Australia
- * 40th JCM on 14th August 2014 in Dili
- * 41st JCM on 25th November 2014 in Australia

2014 Timor Sea Treaty JCM major resolutions, amongst others were:

- * Approval of the ANP 2015 WP&B

MEMBERS OF THE SUNRISE COMMISSION IN 2014

*	Bruce Wilson	Australia
*	Rod Smith	Australia
*	Francisco da Costa Monteiro	Timor-Leste

One Sunrise Commission Meeting were held in 2014

- * 15th SCM on 26th November 2014 in Australia

1.6 ANP HUMAN RESOURCE DEVELOPMENT



ANP invests significantly in human resources both to attract most qualified Timorese and to develop their skills, knowledge, and abilities to accomplish organizational goals to provide service to our key stakeholders.

STAFFING

In 2014, five competent qualified Timorese were recruited for two new positions and three positions to replace outgoing staff. By end of 2014, ANP has a total of 78 staff spread across different directorates, including President and Single Auditor's office.

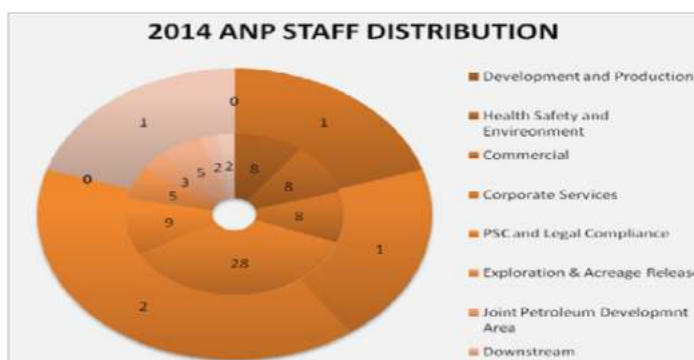


CHART 2: ANP STAFF DISTRIBUTION IN 2014

TRAINING AND CAPABILITY DEVELOPMENT

A total of twenty six individual training programs were attended by relevant ANP employees. Most of these training programs were in the area of Marketing, Finance, Engineering and Health, Safety and Environment. Other collective training programs including Corporate Business Skills, International Petroleum Contract as well as Language (English and Tetun) were offered in 2014 for wider group of participants.

ANP also facilitate participations of its senior staff to take part at international workshops and conferences either as participants or speakers to share our experiences and learn from others in the industry.

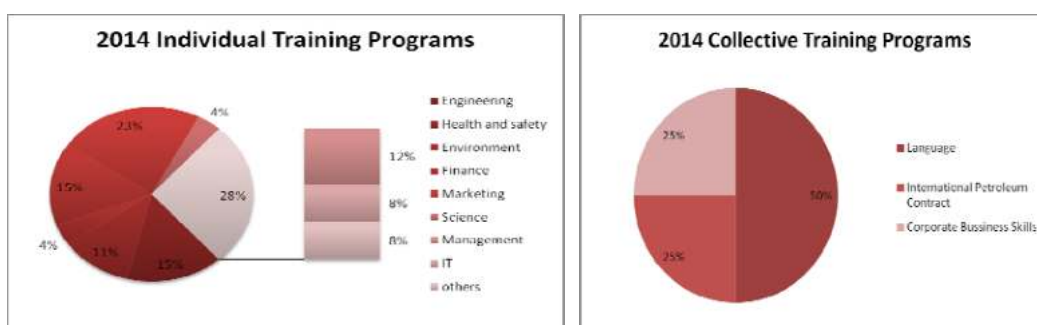


CHART 3: TRAINING AND CAPABILITY DEVELOPMENT IN 2014

1.7 CORPORATE PROCUREMENT

Corporate procurement is categorized into four major items; Consultancy, Audit, Goods and Services. In 2014, corporate procurement amounts to a total of USD \$1,573,460.42. In terms of value distribution, corporate procurement in 2014 mostly expend on Services and Consultancy which account for 87 percent of the total corporate procurement. Procurement with respect to Audit and Goods accounts for 1 percent and 12 percent, respectively. Further details can be found in annex 1.

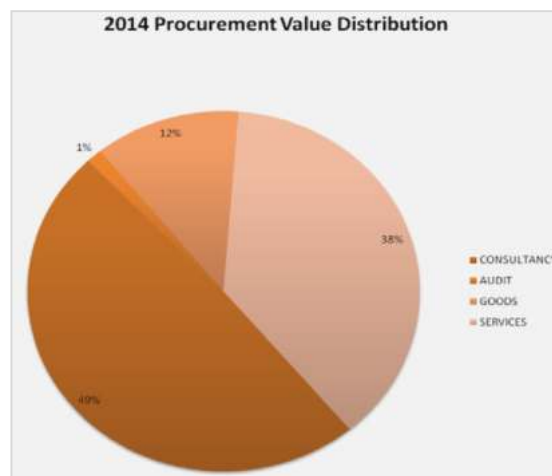


CHART 4: 2014 ANP PROCUREMENT BY CATEGORIES

1.8 FINANCIAL STATEMENT AND AUDITOR'S REPORT

ANP - CORPORATE EXPENSES REPORT

Below is the ANP's audited expenses report for 2014. All figures presented are in United States Dollar.

Expenses Report Per 31 December 2014 (Audited)		
	Actual	Budget
Development Fees	\$ 3,983,200.00	\$ 3,983,200.00
Contract Services Fees	\$ 969,616.00	\$ 960,000.00
Subsidy from Timor - Leste Government for ANP Operation	\$ 2,000,000.00	\$ 2,000,000.00
Timor-Leste Government Funding for petroleum audits *	\$ 18,889.00	\$ 1,000,000.00
Downstream Fees	\$ 15,825.00	\$ -
Interest	\$ 127.00	\$ 40,848.00
Profit and disposal of assets	\$ -	\$ -
Other Income	\$ 42,286.00	\$ -
Total Income	\$ 7,029,943.00	\$ 7,984,048.00
EXPENSES		
Employee Cost	\$ 2,108,753.00	\$ 2,222,081.54
General and Administration	\$ 3,359,200.00	\$ 3,335,658.00
Depreciation and Amortization	\$ 353,966.00	\$ 252,000.00
Purchase of Intangibles and Property, Plant & Equipment (assets)	\$ 392,000.00	\$ 1,165,000.00
Government petroleum audit cost	\$ 18,889.00	\$ -
Net Loss in Foreign Exchange	\$ 6,608.00	\$ -
Contingency		\$ 278,989.58
Total Expenditure/Budget	\$ 6,239,416.00	\$ 7,253,729.12
Surplus	\$ 790,527.00	\$ 730,318.88

* non ANP asset fund (an income to execute Timor - Leste Government program)

The ANP actual total expenditure was USD \$ 6,239,416.00. This expenditure represents 86.02% of the total approved budget of USD \$ 7,253,729.12.

AUTORIDADE NACIONAL DO PETRÓLEO

2014 Financial Report (audited)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
INCOME			
Development fees		3,983,200	3,983,200
Contract service fees		969,616	977,208
Subsidy from Timor-Leste Government		2,000,000	1,950,000
Timor-Leste Government funding for petroleum audits		18,889	-
Downstream fees		15,825	-
Interest		127	53
Profit on disposal of assets		-	18,107
Other income		42,286	1,404
TOTAL INCOME		7,029,943	6,929,972
EXPENSES			
Employee costs	12	2,108,753	2,168,047
General and administration	13	3,359,200	3,129,905
Depreciation and amortisation		353,966	338,491
Government petroleum audit costs		18,889	-
Net loss in foreign exchange		6,608	25,013
TOTAL EXPENSES		5,847,416	5,661,456
SURPLUS FOR THE YEAR		1,182,527	1,268,516
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,182,527	1,268,516

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4, 11	7,059,360	7,820,215
Cash and cash equivalents - Joint Petroleum Development Area	4, 11	23,485,758	64,891,494
Trade and other receivables	5	973,096	134,272
Other current assets	6	6,663	76,719
Total Current Assets		31,524,877	72,922,700
NON-CURRENT ASSETS			
Property, plant and equipment	8	524,294	596,118
Intangibles	7	349,955	263,899
Total Non-Current Assets		874,249	860,018
TOTAL ASSETS		32,399,126	73,782,718
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables *	9, 11	1,374,905	1,603,862
Payable in respect of Joint Petroleum Development Area Funds	9, 11	23,485,758	64,891,494
Contract service fees & development fees received in advance	10	546,630	1,478,057
Total Current Liabilities		25,407,293	67,973,413
TOTAL LIABILITIES		25,407,293	67,973,413
EQUITY			
Initial contribution		2,153,168	2,153,168
Accumulated funds		4,838,665	3,656,138
Total Equity		6,991,833	5,809,306
TOTAL EQUITY AND LIABILITIES		32,399,126	73,782,718

* consists of Timor-Leste Government fund for petroleum operators audit and assistance of Sao Tome e Principe.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN
EQUITY
FOR THE YEAR ENDED 31 DECEMBER
2014

	Accumulated Funds \$	Total Equity \$
At 1 January 2013	2,387,622	4,540,790
Total surplus for the year	1,268,516	1,268,516
At 31 December 2014	3,656,138	5,809,306
Total surplus for the year	1,182,527	1,182,527
At 31 December 2014	4,838,665	6,991,833

ALLOCATION OF SURPLUS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Joint Petroleum Development Area \$	Timor-Leste Exclusive Area \$	Total for the year \$
Development fees	3,983,200	-	3,983,200
Contract service fees	969,616	-	969,616
Subsidy from Timor-Leste Government	-	2,000,000	2,000,000
Timor-Leste Government funding for petroleum audits	-	18,889	18,889
Downstream fees	-	15,825	15,825
Interest	127	-	127
Other income	33,829	8,457	42,286
Total Income	4,986,772	2,043,171	7,029,943
Expenses split per JPDA Joint Commission approved budget	(4,375,640)	(1,471,776)	(5,847,416)
Surplus for the year	611,132	571,395	1,182,527

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
Operating activities		
Operating surplus before tax	1,182,527	1,268,516
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	216,237	237,430
Amortisation of intangible assets	137,729	101,060
Interest income	(127)	(54)
Profit on disposal of property, plant and equipment	-	(18,107)
Operating surplus before working capital changes	1,536,366	1,588,845
Working capital adjustments:		
Increase in trade and other receivables	(838,824)	(118,621)
Decrease (increase) in other current assets	70,058	(65,142)
(Decrease) Increase in trade and other payables	(41,634,693)	15,353,688
(Decrease) Increase in unearned income	(931,427)	53
Cash generated from operations	(41,798,520)	16,758,823
Interest received	127	54
Net cash flow provided by (used in) operating activities	(41,798,393)	16,758,877
Investing activities		
Purchase of intangibles	(223,785)	(11,531)
Purchase of property, plant and equipment	(144,413)	(247,809)
Proceeds from the disposal of property, plant and equipment	-	21,094
Net cash flow used in investing activities	(368,198)	(238,246)
Net increase (decrease) in cash and cash equivalents	(42,166,591)	16,520,631
Cash and cash equivalents at beginning of year	72,711,708	56,191,077
Cash and cash equivalents at end of year	4, 11 30,545,118	72,711,708

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

AUTORIDADE NACIONAL DO PETRÓLEO OF TIMOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
Revenue receipts by field			
Bayu-Undan	3	1,119,205,857	1,868,991,847
Kitan	4	14,404,238	219,397,203
Total revenue receipts received		1,133,610,095	2,088,389,050
Interest earned from:			
• term deposits		15,103	15,210
• from contractors for profit oil/gas delayed payment	6	12,684	10,302
Total receipts received		1,133,637,881	2,088,414,562
Bank charges		(1,834)	(1,961)
Receipts less bank charges for the year		1,133,636,047	2,088,412,601
Cash at beginning of year		64,891,494	50,131,905
		1,198,527,541	2,138,544,506
Less: cash at end of year	5	(23,485,758)	(64,891,494)
Amount available for distribution		1,175,041,783	2,073,653,012
Distributed as follows:			
Distribution to Petroleum Fund of Timor-Leste		1,057,537,605	1,866,287,711
Distribution to Department of Industry and Science, Australia		117,504,178	207,365,301
		1,175,041,783	2,073,653,012

The above Statement of Petroleum Revenue Receipts and Payments should be read in conjunction with the accompanying notes

(PICTURES FROM CONOCOPHILLIPS JPDA 03-12)



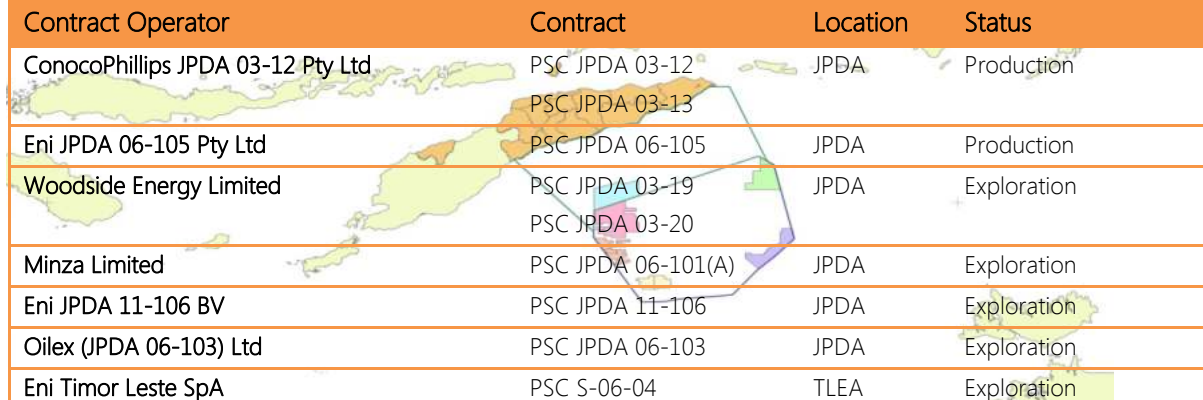
CONTRACT OPERATOR'S ACTIVITY

ANP uses information from reports, investigations, inspections and audit to analyze trends for better improvement and decision making.

Overall, the quantity and scope of reports was increased in 2014 reflecting the amount of contract operators' activities associated with development drilling, maintenance as well as planned shutdown and ANP's continuous proactive involvement to enforce regulatory requirements when dealing with oil and gas operator's performance in the JPDA and the TLEA.

2.1 CONTRACTS IN JPDA AND TLEA

In 2014, most of the acreages in both TLEA and JPDA are open for further investment. A total of 9 PSCs are in existence, of which 1 in TLEA and 8 in JPDA.



Contract Operator	Contract	Location	Status
ConocoPhillips JPDA 03-12 Pty Ltd	PSC JPDA 03-12	JPDA	Production
	PSC JPDA 03-13	JPDA	Production
Eni JPDA 06-105 Pty Ltd	PSC JPDA 06-105	JPDA	Production
Woodside Energy Limited	PSC JPDA 03-19	JPDA	Exploration
	PSC JPDA 03-20	JPDA	Exploration
Minza Limited	PSC JPDA 06-101(A)	JPDA	Exploration
Eni JPDA 11-106 BV	PSC JPDA 11-106	JPDA	Exploration
Oilex (JPDA 06-103) Ltd	PSC JPDA 06-103	JPDA	Exploration
Eni Timor Leste SpA	PSC S-06-04	TLEA	Exploration

TABLE 1: PSCS IN JPDA AND TLEA

2.2 EXPLORATION PERFORMANCE

Most of the exploration areas in the TLEA were relinquished by end of 2013. This contributes to a significant increase of open area inventory of TLEA in 2014. In the JPDA, the open area inventory remains the same as it was in 2013. Below are summary of exploration activities in the JPDA and TLEA in 2014.

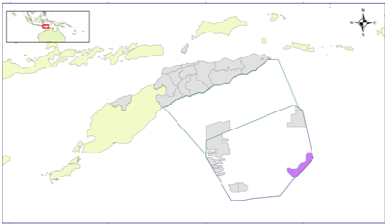
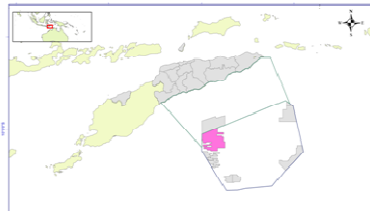
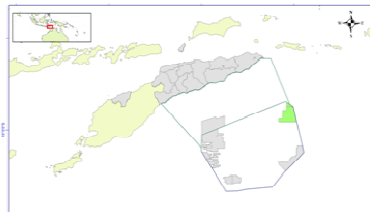
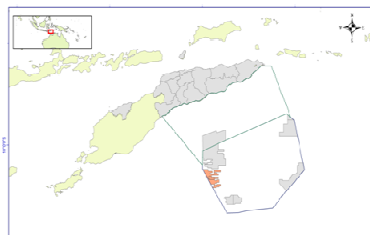
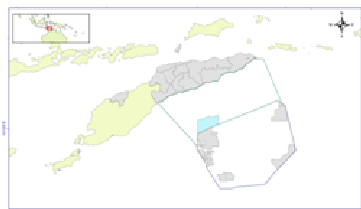
PSC	ACTIVITY
<p>PSC 06-101A Location</p> 	<ul style="list-style-type: none"> - A sub-surface evaluation based on the acquired 3D Seismic was performed to determine drilling target - One well commitment is still due to be delivered
<p>PSC 06-103 Location</p> 	<ul style="list-style-type: none"> - One committed exploration well is yet to be delivered - Contract operator request to terminate PSC on mutual ground - Ongoing review and discussion to respond to the request for termination
<p>PSC 03-19 and PSC 03-20 Location</p> 	<ul style="list-style-type: none"> - No technical work performed in the two PSCs - Future works awaiting on directions from government of Timor-Leste and Australia through the Sunrise Commission
<p>PSC 11-106 Location</p> 	<ul style="list-style-type: none"> - New geological and geophysical studies had been performed to identify drillable prospects - Two commitment wells are expected to be drilled in 2015
<p>PSC S-06-04 Location</p> 	<ul style="list-style-type: none"> - Contract operator requested for extension to drill one prospect due to ultra deep water rig availability - 12 months extension was approved allowing the well to be drilled in the following year.

TABLE 2: SUMMARY OF EXPLORATION ACTIVITIES

2.3

PRODUCTION PERFORMANCE

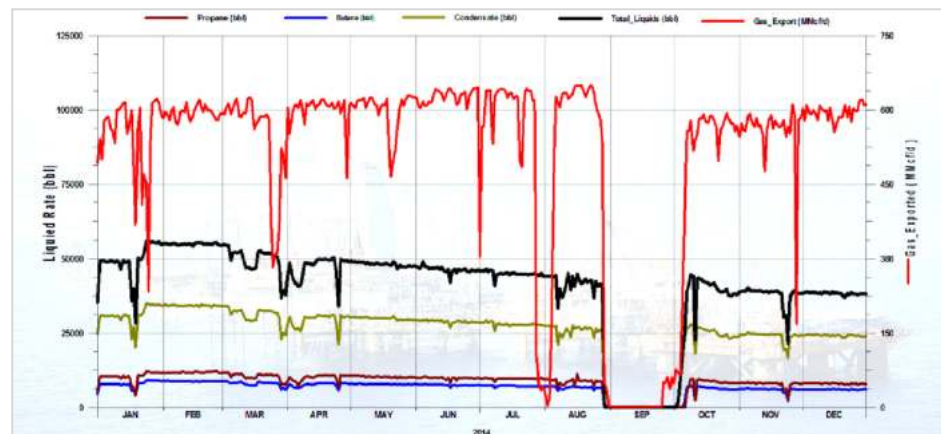
PRODUCTION IN BAYU UNDAN FIELD



Bayu Undan Field commenced production of Condensate in 2004

BU is a gas condensate field located 250 km from Timor-Leste South coast and 480 km North-West of Darwin, Australia. The field is operated by ConocoPhillips JPDA 03-12 Pty Ltd. The field facilities include a Central Production and Processing Complex (DPP and CUQ), FSO, WP1, subsea in-field pipelines and gas export pipeline to Darwin. The field has 12 producing wells, 4 gas injection wells and 2 water injection wells. In 2014 the field produced from 10 wells.

The average wet gas production for 2014 is 1,093 MMscf/day which yields total average liquid production (Condensate and LPG) of 40.7 kbpd, whilst the export gas to Darwin LNG remains steady at an average of 515 MMscf/day.



GRAPH 1: TOTAL LIQUID PRODUCTION AND GAS EXPORTED IN 2014 FROM BAYU UNDAN PROJECT

The liquid production continuously declining due to natural reservoir depletion, pressure decrease and lean gas breakthrough. The average monthly decline rate for condensate was 2.8% and LPG was 3.6% for butane, and 4.1% for propane.

Two additional wells were drilled in 2014 as part of phase III development program to increase production and maximise recovery of liquid from the field.

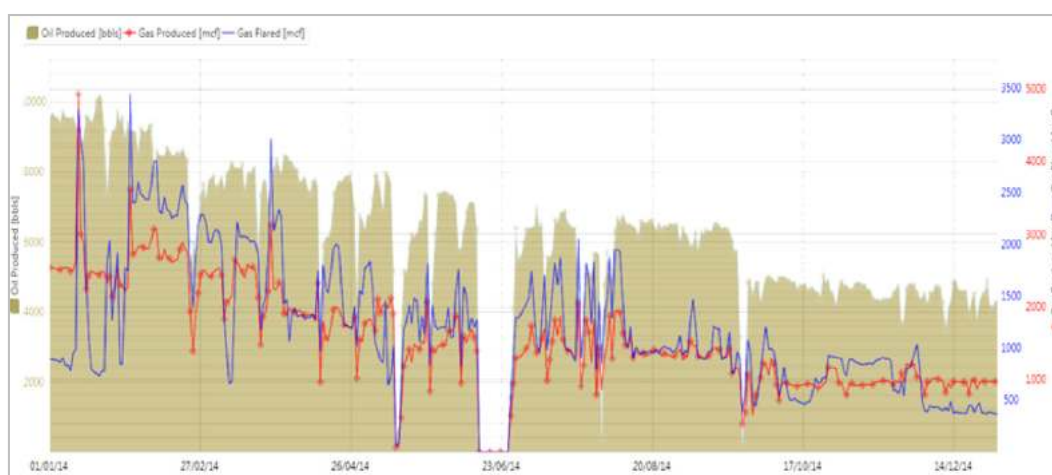
PRODUCTION IN KITAN FIELD



Bluewater FPSO Glas Dowl commenced production in the Kitan field on October 2011

Kitan is an oil field located approximately 150 km from Timor-Leste South coast and over 480 km North-West of Darwin, Australia. The field is operated by Eni JPDA 05-105 Pty Ltd and produced from 3 production wells, hydrocarbon produced is processed and stored for offloading on FPSO facility.

The average oil production in the Kitan field in 2014 is 6.2 kbpd.



GRAPH 2: KITAN OIL, GAS PRODUCED AND GAS FLARED

The oil production in Kitan has declined due to natural depletion of the reservoir. The average monthly decline rate was 10.2 % during 2014 which led to total reduction of about 50 % towards the end of 2014. Kitan South well was drilled but was not economic for development, whilst Kitan 3 was side tracked to maximise production from the field.

2.4 HEALTH, SAFETY AND ENVIRONMENTAL PERFORMANCE

ANP works closely with contract operators in accordance with the applicable laws, and best practices in oil and gas industry managing petroleum activities in the TLEA and JPDA to avoid loss of life, property, processes and environment.

ANP has the duty to hold contract operators account for any breach of their legal and contractual obligations. ANP also works closely with contract operators to uphold the best possible Health, Safety and Environmental outcomes in accordance with the regulatory requirements and best practices in oil and gas industry.

HSE PERFORMANCE IN JPDA

INCIDENTS IN JPDA

Contract operators are required to report on regular and periodic basis matters related to HSE especially on HSE performance. This includes non-work related incident and work related incident that occurred in the production facilities, supporting vessels, seismic survey vessels and MODU. The statistics below covers all incidents occurred during duty shift.

Overall in 2014 there were 202 incidents reported from the two facilities (Bayu Undan and Kitan) operating in the JPDA. The Chart and Graph below represent percentage of each incident by category and the spread of each incident category across the month during the reporting year.

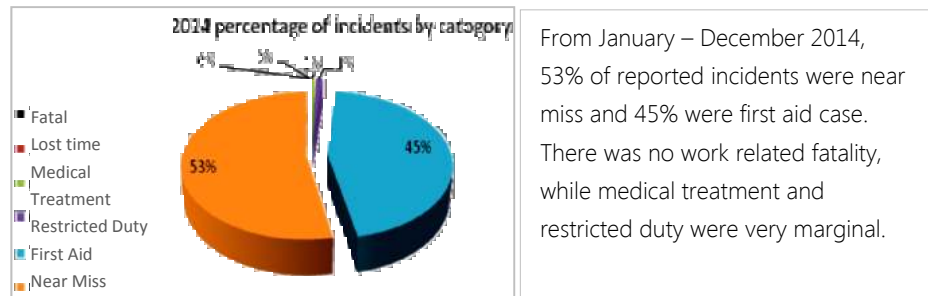
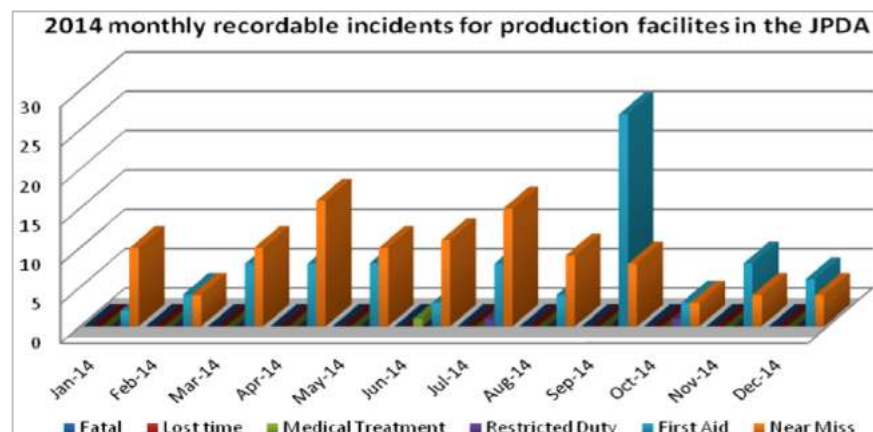


CHART 5: 2014 JPDA ANNUAL HEALTH AND SAFETY STATISTICS



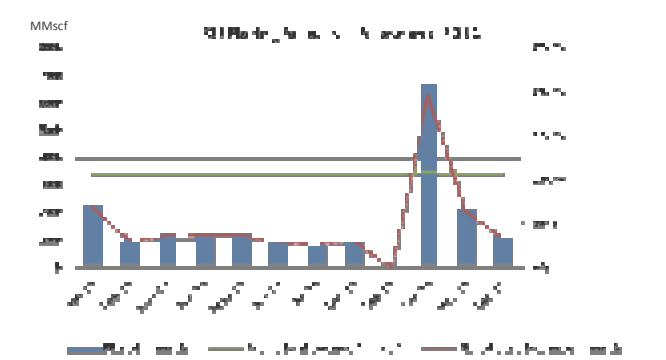
GRAPH 3: 2014 JPDA MONTHLY SAFETY STATISTICS

The highest number of incidents was recorded in September (35 cases) and the lowest number of incidents was recorded in February and October (8 cases each). During the reporting year no lost time injury was recorded. Meanwhile two restricted duty and one medical treatment incidents were reported.

GAS DISPOSAL IN PRODUCTION FACILITY IN THE JPDA

FLARING IN BAYU UNDAN

Flaring allowance is approved annually based on the activities to be undertaken each year. In 2014, a total of 4131 MMscf was requested and subsequently approved to flare. This flaring allowance had assumed the 2014 major maintenance shutdown, rate reduction campaign, well interventions, well clean-up activities from phase three well, and Asset Integrity Maintenance program. The graph below shows flaring allowance and the actual volume of flared gas during 2014.

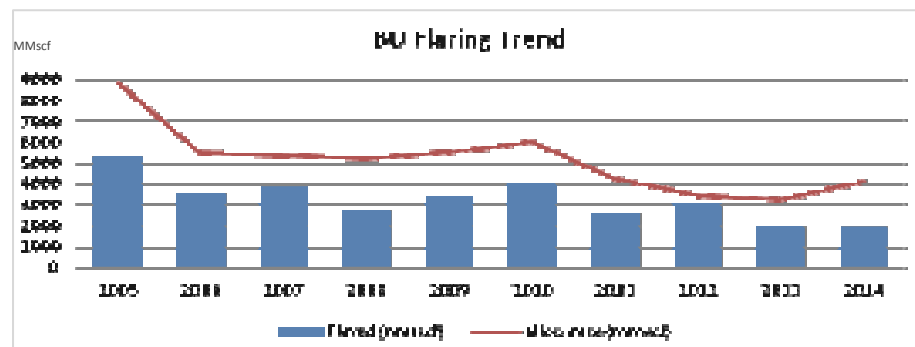


GRAPH 4: 2014 BAYU UNDAN FLARING, ACTUAL VS. ALLOWANCE

The total volume flared during 2014 was 1972 MMscf or about 48 % of the approved volume. Zero flaring in September was due to facility planned maintenance shutdown and elevated flaring in October was due to facility start-up following planned maintenance shutdown in the previous month.

The gas recycled project in the Bayu-Undan had allowed a total of 55,043 MMscf gas be re-injected back to the reservoir.

As indicated in the graph below, the volume of the flared gas since 2005 is within the approved allowance. The requested allowance showed dramatic reduction from inception in 2005 to 2006, then it tabled for a while. There was further discussion and initiative undertaken in 2010 to look at options to further reduce the request allowance. It is to be noted that there was only about 1 % reduction compared to 2013 and about 63% compared to 2005.



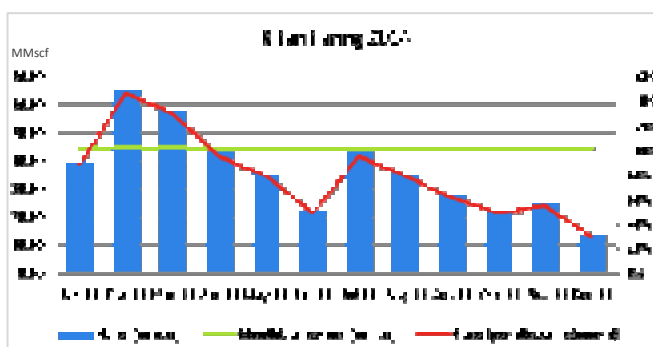
GRAPH 5: BU FLARING FROM 2005 TO 2014

FLARING IN KITAN

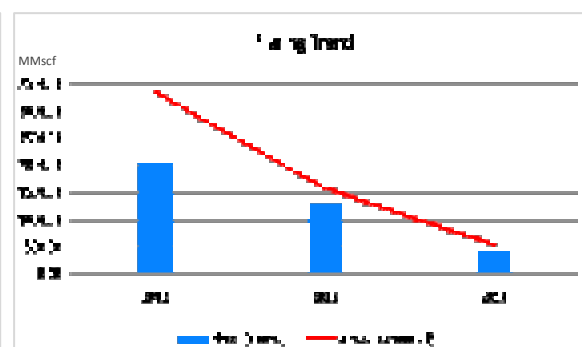
Gas disposal arrangement for Kitan was approved, for the period of 1 November 2013 to 31 October 2015, following the Study of Gas Disposal Alternatives. In 2014, a total volume of 540 MMscf was requested and subsequently approved to be flared in Kitan field, considering facility planned maintenance shutdown carried out in 2014. The total actual volume flared for 2014 was 432 MMscf.

Graph 6 shows that Kitan 2014 flaring was within the approved volume, except for the month of February and March where the elevated flaring was recorded due to process shutdown.

Graph 7 indicated annual flaring trend for Kitan since 2012. It is important to note that both flaring allowance and actual decrease significantly since 2012. Actual gas flared for 2014 decreased by about 65% and 79% from gas flared in 2013 and 2012 respectively. The decrease was directly affected by reservoir behavior.



GRAPH 6: 2014 KITAN FLARING, ACTUAL VS. ALLOWANCE



GRAPH 7: FLARING TREND 2012-2014

HSE PERFORMANCE IN TLEA

The activity in the TLEA was limited to exploratory and seismic survey. A 2D seismic survey was carried out in TLEA since December 2013 and completed around February 2014. The survey was carried out with due diligence and without any major incidents.

2.5 MARKETING PERFORMANCE

Marketing of liquids produced from BU and Kitan have been separately performed by ConocoPhillips, Eni and Inpex, respectively. Whilst gas produced from BU is solely marketed by ConocoPhillips on behalf of the Joint Ventures, the Designated Authority's entitlements were waived throughout 2013, allowing companies to market on its behalf.

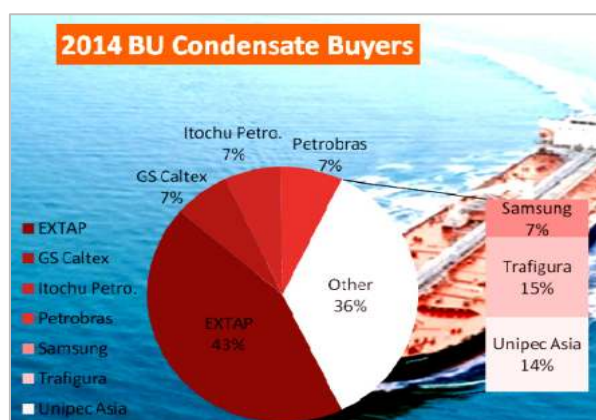
Marketing performance of liquids in the JPDA have been impacted by the drop in oil price towards the last quarter of 2014 which was mainly caused by imbalance between supply and demand, slowing world oil demand and stronger supply from US and OPEC countries. Dated Brent price went down from USD 115/barrel in June to USD 55/barrel in December the same year.

BAYU UNDA CONDENSATE MARKETING



The total number of cargoes lifted in 2014 was recorded at 14 cargoes while in 2013 there were 23 cargoes.

GRAPH 8: BU CONDENSATE VOLUME SOLD

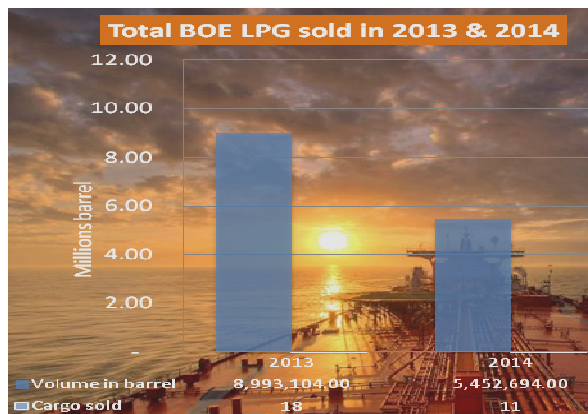


Most of 2014 Bayu Condensate were sold at spot basis. The main buyers in 2014 were, Extap, Unipet Asia, Trafigura, Itochu, Samsung and others. Itochu and Samsung are new buyers of the the BU condensate.

GRAPH 9: PERCENTAGES OF THE BU CONDENSATE BUYERS

BAYU UNDA LPG MARKETING

Total LPG produced in 2014 was lower than production in 2013. LPG price has been fluctuated throughout the year, due to various reasons. Limited LPG demands from North East Asia petrochemical users as alternative feedstock for ethylene crackers were absent. Towards the end of the year, LPG price falling sharply from USD 800/MT to USD 630/MT as Asian LPG market oversupplied of arbitrage cargoes from the US and Africa. In addition to that, with decreasing of the global crude markets, traders preferred to purchase naphtha rather than butane.

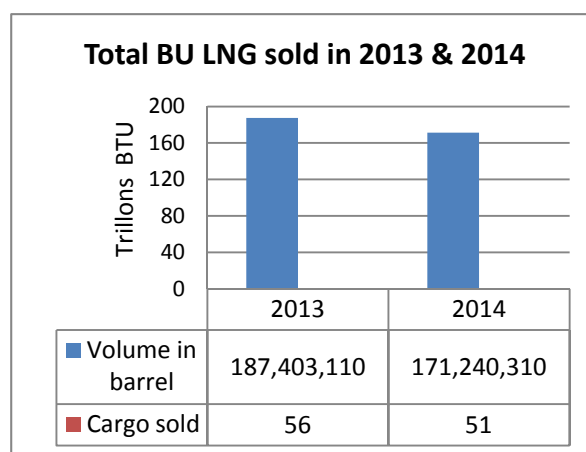


Astomos Japan continued to be the term buyer for 2014 LPG volume. Due to the impact on well performance and planned maintenance shutdown, there were 11 cargoes sold in 2014, reduced by 7 cargoes from a year earlier. The decline of LPG price and volume lifted affecting revenue collected much lower than last year.

GRAPH 10: BU LPG VOLUME SOLD

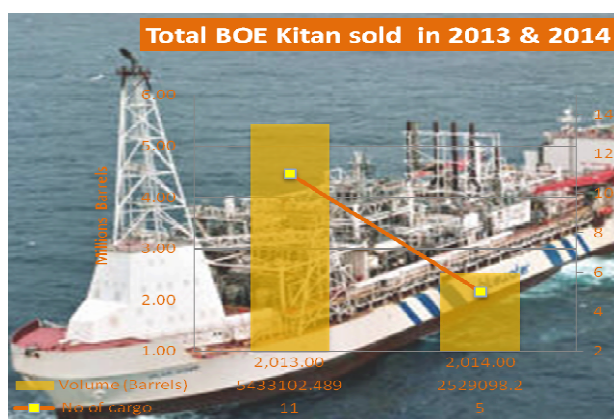
BAYU UNDAN LNG MARKETING

Bayu-Undan LNG production relatively stable throughout the year with minor impact from the disruption at upstream due to well performance and planned shutdown. Japanese government continued to push for the restart of nuclear plant that already met the safety requirement; however, it was not enough to materially impact LNG imports by Japanese utility companies. A total of 51 cargoes of LNG were sold in 2014, in which 34 cargoes sold to TE and 17 cargoes to TG. A decreased of 5 cargoes compared to last year due to planned shutdown for maintenances. In 2014, buyers had lifted all volumes produced and delivered by Darwin LNG Plant.



GRAPH 11: BU LNG VOLUME SOLD

KITAN CRUDE MARKETING



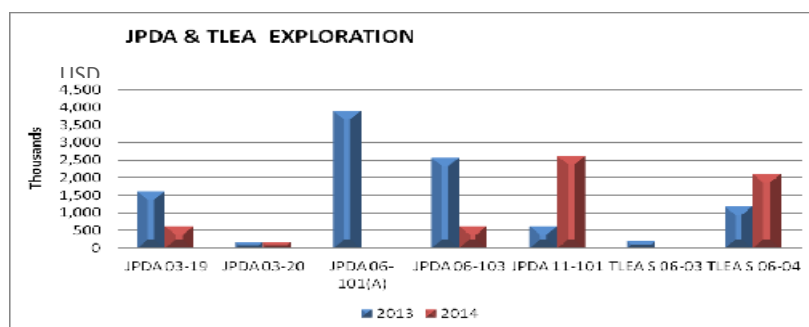
Kitan crude oil quality has attracted buyers in the region since Kitan production inception. The total numbers of cargoes sold have decreased from 11 cargoes in 2013 to 5 cargoes in 2014.

GRAPH 12: KITAN CRUDE OIL VOLUME SOLD

2.6 EXPLORATION EXPENDITURE PERFORMANCE

EXPLORATION EXPENDITURE IN JPDA AND TLEA

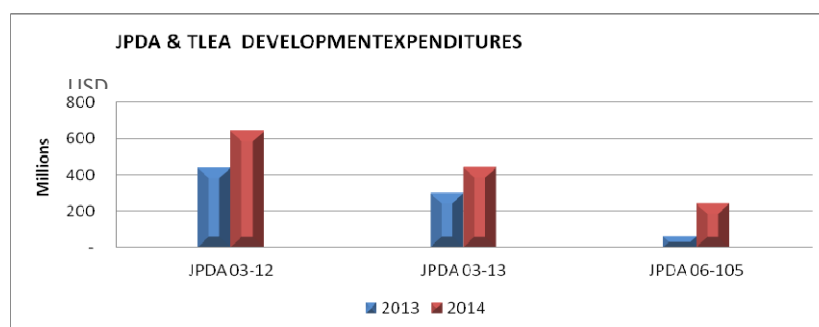
- PSC 06-101A
No major expenditure recorded in 2014.
- PSC 06-103
No major expenditure recorded in 2014.
- PSC 11-106
In 2014, expenditure mostly incurred for Geological and Geophysics study, including expenditure associated with permit maintenance as well as local content overhead, and general and administration.
- PSC JPDA 03-19 and PSC JPDA 03-20
In 2014 exploration expenditure mostly spent on general and administration.
- S-06-04
In 2014, exploration expenditure in this TLEA PSC covers mainly the Geological and Geophysics study as well as general administration.



GRAPH 13: JPDA AND TLEA EXPLORATION PERFORMANCE

2.7 DEVELOPMENT EXPENDITURE PERFORMANCE

- PSC JPDA 03-12 & PSC JPDA 03-13 (BU field)
Operating Expenditure to support production from the field, including expenses on minor and major maintenance, supply and logistic and other general and administration. Major project in 2014, including planned shutdown and Assets Integrity Maintenance. The Bayu Undan Phase 3 drilling campaign attracts significant capital spending to the project.
- PSC 06-105 (Kitan field)
In 2014, apart from operational cost, most of the development expenditure was incurred due to the drilling of two development wells in the field, Kitan South and Kitan 6 wells, as well as the Kitan-3 Sidetrack.



GRAPH 14: JPDA PSCS DEVELOPMENT EXPENDITURE

2.8 LOCAL CONTENT PERFORMANCE

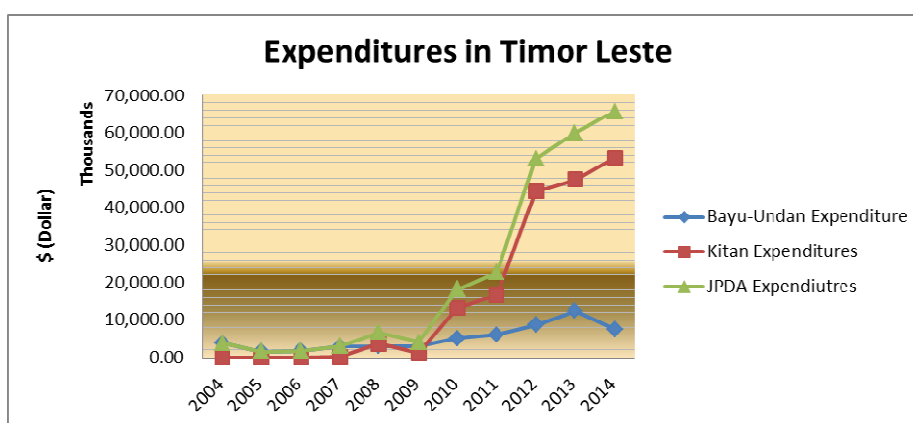
Oil and Gas companies operating in both TLEA and JPDA jurisdictions are required by law to procure goods and services that are produced or supplied by providers in Timor Leste for TLEA and in Timor Leste and Australia for JPDA. In both jurisdictions, oil and gas companies are required to give preference in training and employment to Timor Leste nationals and permanent resident, with due regard to occupational health and safety requirements.

ANP works closely with oil and gas companies in JPDA and TLEA to measure Local Content performance in terms of local participation in procurement of goods and services as well as training and employment for petroleum activities in both jurisdictions.

It should be noted that the figures presented below are extracted from regulatory reports provided by PSC operators. The figures provided are yet to be verified through audit.

PROCUREMENT OF GOODS AND SERVICES

Below graphs shows local goods and services procured in Timor-Leste to support two existing producing fields in the JPDA; BU and Kitan.

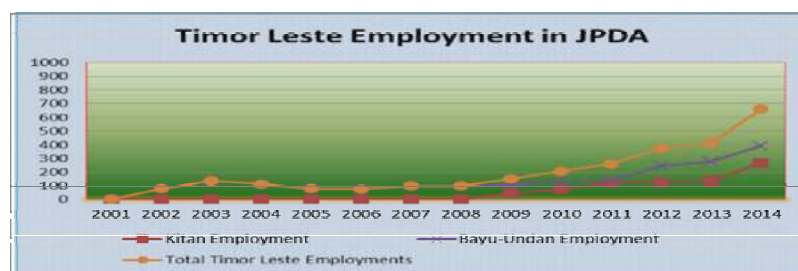


GRAPH 15: EXPENDITURES IN TIMOR-LESTE

In 2014, combined Bayu Undan and Kitan expenditure value in local goods and services reached a total of USD 60,906,781.24 of which 87.50% was expended to support Kitan project and 12.50 % to support Bayu-Undan Project. The combined Bayu Undan and Kitan local goods and services procurement value increased from USD 59,987,015.00 reported in 2013. ANP continues to work with PSC operators to increase expenditures in Timor-Leste in 2015 as a result of planned development drilling activities as well as other exploration activities.

TRAINING AND EMPLOYMENT

Below graph shows the percentages of Timor-Leste national employed to support petroleum operations in JPDA both in BU and Kitan field recorded for 2014.



GRAPH 16: TIMOR-LESTE NATIONALS AND PERMANENT RESIDENTS EMPLOYMENT IN JPDA

In 2014, there are 659 Timor Leste National employed in both BU and Kitan projects. These 596 employments composed of 391 employments for BU project both directly and indirectly and 268 employments for Kitan project. Comparing to the 2013 statistics, this number represents an increase of 37 %.

Majority of Timor Leste National under Bayu-Undan project is employed through ESS for catering service contract, Clough Amec Joint Ventures (CAVJ) for operations and maintenance services as well as CHC Helicopters for offshore personnel transportation contract and Air North. Most of Timor Leste National under Kitan Project is employed through Bluewater FPSO and their subcontractors, including MHS-TL/GAP-MHS helicopter for offshore transportation, ESS catering service and SDV for the supply vessel and supply base.

(PICTURES FROM ANP AND CONOCOPHILLIPS JPDA 03-12)



REGULATORY PERFORMANCE

3.1 UPSTREAM

LEGAL FRAMEWORK REVISION

In 2014 ANP continue to review the upstream legal framework aiming for better governance of the Petroleum resources exploration and exploitation in both JPDA and the TLEA. This legal framework review includes the JPDA technical regulation and PSC model for further consideration by the Government of Timor Leste and Australia. The ANP also continue to review the Decree Law for the Timor-Leste Offshore Petroleum operations and the PSC model of the Timor Leste Offshore and Onshore areas.

A suite of documents in preparation for 2015 acreage release in TLEA have been prepared for further consideration by the board.

PETROLEUM DATA AND REPORTS

As part of the ANP's efforts in managing petroleum data and information to support petroleum resources management; ANP had established an integrated data room and an interactive online information display called the LAFAEK database system with its function to manage data and reports from all the petroleum activities in both TLEA and JPDA.

PROSPECTING AND ACCESS AUTHORISATION

ANP granted two Prospecting Authorisations in 2014 to ION GX to carry out one 2D multi-client seismic survey in Timor Leste Offshore Area and one in the JPDA. Nothing in the Prospecting and Access Authorisation authorises the holder to drill a well or to have any preference or right for a contract.

The following table outlines all authorizations issued in 2014.

Title	Authorised Person	Validity	Purpose
Prospecting Authorisation	Fugro	Six (6) Months	Kyranis Multi Client 3D Seismic Survey
Prospecting Authorisation	CGG Veritas	Six (6) Months	BandaSeis IV – 2D Broadband Seismic Survey over the Timor Leste Offshore Area
Prospecting Authorisation	ION GX	Six (6) Months	WestraliaSPAN 2D Seismic Multi clients survey over the JPDA
Prospecting Authorisation	ION GX	Six (6) Months	WestraliaSPAN 2D Seismic Multi clients survey over the Timor Leste Offshore Area

TABLE 3: AUTHORISATIONS ISSUED IN 2014

APPROVALS AND ACCEPTANCE

	Submission type	Assessment Outcome
Health, Safety and Environment	Transocean Jack Bates Vessel Safety Case and Bridging Document	Acceptance granted
	Transocean Jack Bates Well Test Safety Case	Acceptance granted
	Glassdowr Diving Safety Management Plan	Acceptance granted
	MOS Frontier Vessel Safety Case and Bridging Document	Acceptance granted
	Transocean Legend Vessel Safety Case	Acceptance granted
	Bayu-Undan (BU) Construction and Installation Safety Case Addendum	Acceptance granted
	Bayu-Undan 5 yearly review of Operation Safety Case	In progress
	Seven Eagle Construction and Installation Vessel Safety Case	Acceptance granted
	BU Phase 3 drilling Environmental Management Plan (EMP)	Acceptance granted
	BU Phase 3 Development Oil Spill Contingency Plan	Approval granted
	Revised BU Operations Environmental Management Plan	Acceptance granted
	BU Phase 3 Construction, Installation, and Commissioning EMP	Acceptance granted
	Kitan 6 and Kitan South 1 Drilling EMP	Acceptance granted
	Kitan Operation OSCP	Approval granted
	Flaring application for Bayu Undan	Approval granted
	Flaring application for Kitan	Approval granted
	Kitan 6 suspension program	Approval granted
Development and Production	Kitan South 1 temporary abandonment program	Approval granted
	BU DS01 application to drill and well program	Approval granted
	BUDS01 Completion program	Approval granted
	Kitan 3ST 1 Application to drill and well program	Approval granted
	BUDS01 well testing program	Approval granted
	BUDS01 well suspension program	Approval granted
	BUDS02 well program	Approval granted
	BUDS02 well completion program	Approval granted

TABLE 4: APPROVALS ISSUED IN 2014

INSPECTION, AUDIT AND OBSERVATION



The JPDA Interim Petroleum Mining Code (IPMC), Petroleum Mining Code (PMC) and JPDA Interim Regulations issued under article 37 of the IPMC provides basis for inspections, supervision, monitoring and approval of petroleum operations in both Bayu Undan and Kitan fields. These frameworks provide avenues to ensure operators carry out petroleum activity in prudent manner.

INSPECTION				
DIR.	TITLE	LOCATION	SCHEDULE	NUMBER OF FINDINGS
Health, Safety and Environment	Annual HSE Inspection to Kitan Facility	Glas Dowl-FPSO	12- 15 May-14	31
	HSE Inspection to against Safety Case and EMP	MODU Jack Bates/ Darwin, Australia	12 - 13 Sept-14	39
	Follow-up Inspection /CAP	MODU Jack Bates /Kitan	06 - 08 Nov-14	2
	Vessel HSE Inspection	Swiber Anne Christine/	06 - Nov-14	11
	Follow-up Inspection/CAP	Glas Dowl-FPSO/Kitan	19 - 21 Nov-14	13
	Vessel HSE Inspection	Sea Victor/ Dili Port	22-Dec-14	7
	AIM Inspection	BU Facility/BU Offshore	20-23 May-14	28
	AIM Inspection	BU Onshore Office/ Perth,	28- 30 May-14	
	HSE Inspection against Safety Case and EMP	MODU Transocean	13- 15 Aug-14	16
	HSE Inspection against Safety Case	ASV MOS Frontier/BU	20-22 Aug-14	20
	HSE Vessel Inspection Vessel	Seven Eagle/Singapore	27- 29 Aug-14	11
	Annual HSE Inspection to Bayu Undan Facilities	Bu Facility (CPP &	10-14 Dec-14	30
INSPECTION				
Development and Production	DLNG Metering System inspection	Darwin	17-21 Nov 14	8
	Kitan Metering system follow up inspection	Offshore Kitan	1-6 Oct 14	7
	Process inspection follow up	Offshore Bayu Undan	31 Jul – 4 Aug 14	41
	Process inspection follow up	Offshore Kitan	22-29 Oct 14	31
	Maintenance inspection	Offshore Kitan	7-12 May 14	
	Maintenance follow up inspection		22-29 Oct 14	
	Drilling Rig Inspection	Broome, Aust.	14-15 Aug 14	-
		Offshore Bayu Undan	31 Jul – 4 Aug 14	41

TABLE 5: 2014 INSPECTION ACTIVITIES IN THE JPDA

AUDIT				
DIR.	TITLE	PERFORMED BY	AUDIT YEAR	REPORT STATUS
Commercial	PSC JPDA 03-12 Agreed Upon Procedure (AUP)	Earns & Young	2014	Issued
	PSC JPDA 03-13 Agreed Upon Procedure (AUP)	Earns & Young	2014	Issued
	PSC JPDA 06 -105 Integrated Audit program	Selected Firm	2014	Ongoing
	PSC JPDA 03-19 Review	ANP	2014	Issued
	PSC JPDA 03-20 Review	ANP	2014	Issued
	PSC JPDA 06-101(A) Review	ANP	2014	Ongoing
	PSC JPDA 06-103 Review	ANP	2014	Issued
	PSC TLEA S-06-04 Review	ANP	2014	Ongoing

TABLE 6: 2014 AUDIT ACTIVITIES IN JPDA

OBSERVATION			
DIR.	TITLE	LOCATION	SCHEDULE
Development and Production	CTS maintenance and upgrade	Offshore	15-20 January 2014
			11 – 17 August 2014
			24-31 March 2014
	Re-verification of Export gas Meters	Offshore	30 Oct. – 2 Nov 2014
			10-14 April 2014
	Kitan Master Meter Re-calibration	France	4-8 December 2014
			15 September 2014

TABLE 7: 2014 OBSERVATION ACTIVITIES IN JPDA



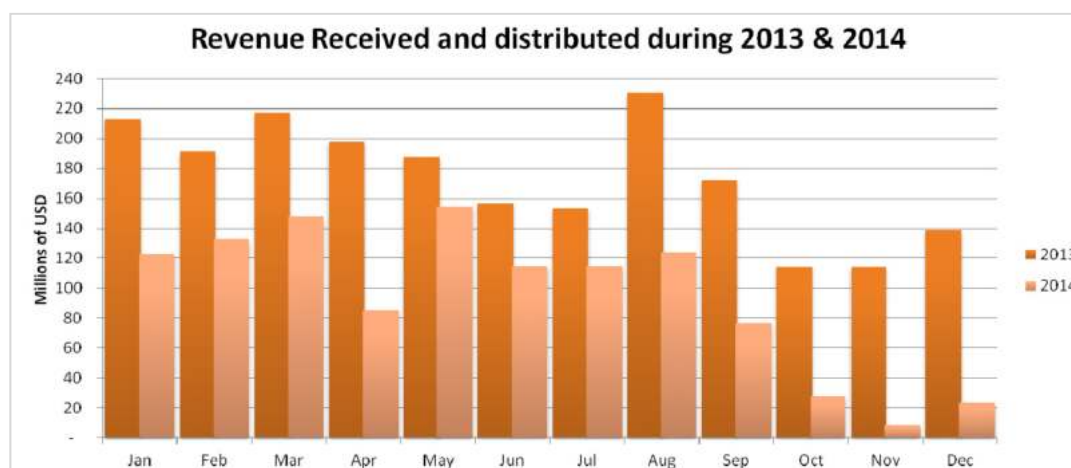
FIGURE 4: METERING TEAM WITNESSING ULTRASONIC METER RECALIBRATION

NOTICES AND NON COMPLIANCE

Non compliance notice is issued by the ANP when it has valid evidence that the operator has breached the legal requirements applicable in JPDA. In August 2014 the ANP issued a non compliance notice to ConocoPhillips 03-12 for bringing in an Accommodation Support Vessel into the JPDA without securing vessel Entry Authorisation from the ANP. No other notices were issued to the operators throughout 2014.

REVENUE DISTRIBUTION

The ANP is responsible to revenue management and distribution on behalf of both the contracting states. Proceeds from the petroleum products sold is collected and disbursed by ANP on monthly basis.



GRAPH 17: REVENUE RECEIVED DURING 2013 – 2014

Overall, the Total revenue received and distributed by ANP was slightly lower than last year. Lower production rate and the drop of oil prices toward the end of 2014 have contributed to this decrease. The total revenue received in 2014 was USD 1.133 Billion, whilst in 2013 the total revenue received was recorded at USD 2.088 Billion. This reflects a total reduction of 46% compared to the previous year.

Petroleum Revenue Receipts and Distribution from Bayu-Undan and Kitan in 2013 & 2014			
	2013	2014	increase/decrease
Opening Balance	\$ 50,131,905.15	\$ 64,891,493.63	
Revenue Received YTD	\$ 2,088,389,138.05	\$ 1,133,610,094.31	-\$ 954,779,043.74
Other Income	\$ 25,423.24	\$ 27,786.33	\$ 2,363.09
Related expenses			-
Bank Charges	-\$ 1960.50	-\$ 1,834.09	-\$ 126.41
Net Revenue YTD	\$ 2,138,544,505.94	\$ 1,198,527,540.18	-\$ 940,016,965.76
Revenue Distribution YTD			
Timor Leste	\$ 1,866,287,711.09	\$ 1,057,537,604.26	-\$ 808,750,106.83
Australia	\$ 207,365,301.23	\$ 117,504,178.25	-\$ 89,861,122.98
Closing Balance	\$ 64,891,493.63	\$ 23,485,757.67	-\$ 41,405,735.96
* Note: Other Income refers to Term Deposit Interest and Interest on late payments			

TABLE 8: PETROLEUM REVENUE RECEIPTS AND DISTRIBUTION FROM BAYU-UNDAN AND KITAN IN 2013 & 2014

AGREED LOCAL CONTENT PROJECT

NATIONAL LIBRARY

The National Library project is a local content commitment attached to the Kitan field development.

A steering committee and working group have been established to plan and execute the project, comprising members from the Timor-Leste Ministry of Tourism, Secretary of State for Art & Culture, ANP and Eni.

In 2014, a preliminary concept design was prepared for assessment and consideration by the committee. The preliminary concept was approved with minor amendments, a detail concepts will be prepared for construction in the future.

HORTICULTURAL PROJECT

The Horticulture Project is a continuation of Horticulture Value Chain program, introducing modern farming techniques and establishing green house and irrigation system in the communities of Sarin and Liurai in Aileu District. The project is implemented by USAID in collaboration with BU Joint ventures, Ministry of Agriculture and Fisheries as well as ANP.



FIGURE 5: BAYU UNDAN HORTICULTURE PROJECT

GRADUATE INTERNSHIP PROGRAM

This program is implemented by the ConocoPhillips from the BU project. The objective of the program is to support Timorese nationals in developing skills to further their competitiveness for employment. The program was delivered in two stages; 6 months foundation skills and 12 months internships.



FIGURE 6: LAUNCHING CEREMONY AT TIMOR PLAZA, DILI

Out of the eleven students selected for the 6 months foundation skills, ConocoPhillips further selected five graduates to take part in the 12 months internship program. The internship program was planned to commence in April 2015.

No	Discipline	Internship Department	Location
1	Petroleum Engineer	Exploration	Australia
2	Petroleum Engineer	Project	Australia
3	Environmental Engineer	HSE	Australia
4	Chemical Engineer	Engineering	Dili
5	Chemical Engineer	Engineering	Dili

TABLE 9: DISCIPLINES FOR GIP WITH CONOCOPHILLIPS

SERN-FULBRIGHT SCHOLARSHIP

The SERN - Full-Bright Scholarship program is an initiative of the then Secretariat of State for Natural Resources (SERN) to offer scholarship in the oil and gas discipline to qualified Timorese to study in overseas in cooperation with the Bayu Undan Joint Ventures. Some students have successfully completed their studies and return to Timor-Leste.

The ANP and its stakeholder plan to extend the program for another term to support the talent and young fresh graduate to enhance their capability in the area of energy, natural resource sector with emphasis on oil and gas industry.

No	University	Degree	Graduation Year
1	Rochester Institute of Technology	Master of Engineering Management	May 2014
2	University of Tulsa	Master of Geology	December 2014
3	University of Pittsburgh	University of Pittsburgh	December 2014
4	Missouri University of Science and Technology	Master of Petroleum Management	December 2014
5	Ohio University	Master's Degree in Environmental Sciences	December 2014
6	North Dakota State University	Master Degree in Economic-Natural Resources	December 2014

TABLE 10: FIRST BATCH OF SERN-FULBRIGHT SCHOLARSHIP WITH MASTER DEGREE

SEISMIC DATA TAPE AND CORE STORAGE FACILITY

As a part of social development and commitment to develop petroleum infrastructure, Eni Timor-Leste on behalf of its Joint Venture Partners in collaboration with the MPRM and ANP commits to contribute to the establishment of a seismic data tape and core storage facility.

In 2014, a new steering Committee and Working Group was established to plan and manage the execution the project comprising member from IPG-EP on behalf of the MPRM, ANP and Eni as operator of the PSC S-06-04.

3.2 DOWNSTREAM

MANAGEMENT OF DOWNSTREAM SECTOR

Decree-Law no. 20/2008, of 19 June 2008 created the National Petroleum Authority (ANP), entrusting it, amongst other duties with the responsibility for regulating and supervising downstream activities in the country, including the use of petroleum infrastructure such as pipelines, terminals and transport infrastructure, as well as refining and processing activities. To achieve these goals, the ANP may approve regulations on technical aspects related to downstream activities, on the granting of authorizations to private entities and individuals and legal entities to carry out same activities, administrative procedures and duties, and sanctions applicable in case of non-compliance with same regulations.

ESTABLISHMENT OF ANCILLARY DOWNSTREAM REGULATIONS

In 2014, ANP prepared two sets of ancillary regulations one on Installation and Operation of Fuel Storage Facility and the other on Trading Activity. Both regulations are yet to be approved for implementation. Apart from these two ancillary regulations, ANP in the process of finalizing the regulations on Transportation Activity, which is expected to be completed in 2015.

AMENDMENT OF REGULATIONS

Taking into account our mounting experience and rapid development of downstream in Timor-Leste, minor amendments were required to be made to two already approved regulations. First, the Regulations No. 1/2012 on Administrative Procedures, Requirements And Fees For The Granting, Renewal And Modification Of Downstream Activities' Licenses and second, the Regulation No. 1/2013 on Installation and Operation of Fuel Filling Station. The amendments were made to the minimum and maximum fees threshold for downstream license as well as safety and environmental requirements.

ANP is confident that the amendments will allow for a more streamlined implementation of the new rules applicable to each downstream activity and Fuel Filling Stations in Timor-Leste.

INTER-MINISTERIAL COOPERATION

A successful implementation of downstream regulations will require continuous cooperation with relevant ministries in Timor-Leste. In 2014, various meetings were held with other relevant institutions in Timor-Leste including Ministry of Finance, DNTPSC, SERVE, Custom Authority and PNTL. Cooperation with these institutions has resulted in some major deliveries in 2014, including;

- ✓ The endorsement by Custom Authority for processing of custom clearances of fuel importing activity
- ✓ Consent by DNTPSC to issue recommendation on land clearance,
- ✓ Provision of list of registered companies by SERVE
- ✓ PNTL confirmation to assist ANP downstream inspectors when undertaking downstream Inspection
- ✓ SEMA provided information on Environmental License for Downstream related activities.

DISSEMINATION OF INFORMATION

ANP and other government institutions such as APORTIL and Custom Authority conducted a one day workshop with Fuel Importers to disseminate information regarding the power and responsibility of each institution related to fuel importation activity.

The workshop aimed at raising awareness by informing fuel importers on the substance of general principles and the minimum requirements of Decree-Law No. 1/2012 on Downstream Sector and other laws governed by APORTIL and Custom Authority.

SUPERVISING AND MONITORING DOWNSTREAM ACTIVITIES

LICENSING INSTALLATION AND OPERATION OF FUEL FILLING STATION (FFS)



FIGURE 7: FIRST DOWNSTREAM LICENSING

EXISTING INSTALLATIONS AND OPERATION OF FUEL FILLING STATIONS

Existing Installations and Operation of Fuel Filling Stations refers to Fuel Filling Station facilities that had been in place before the Downstream Regulations came into force. Prior to granting a license to operate, the operator of these facilities needs to secure location and project approvals.

The downstream inspectors carried out inspections to 11 locations (ETO-Dili, Aitula-Dili, E Silva Motor, Mekar Fuel, Ruvic Fuel Dili and Hera, Belak Fuel, Vida Diak Petroleum, Mae da Graca Bebonuk and Raikotu and Borala Dili) to verify information for Location approval. Out of these 11 locations, only eight (8) locations were approved (ETO-Dili, Aitula-Dili, E Silva Motor, Mekar Fuel, Ruvic Fuel Dili and Hera, Vida Diak Petroleum and Mae da Graca Bebonuk). The downstream inspectors then conducted 6 inspections for project applications and only 5 project applications were approved (ETO-Dili, Aitula-Dili, E Silva Motor, Mekar Fuel and Ruvic Fuel Dili).

The issuance of the license should subject to the payment of fees. Below table outlines the five licenses, fees and their associated activities.

Licensee	Fee Paid	Type of Activity
AITULA FUEL, Lda	USD 3,100.00	Marketing– Installation & Operation of Fuel Filling
ESPERANÇA TIMOR OAN (ETO), Lda	USD 8,300.00	Marketing– Installation & Operation of Fuel Filling
E SILVA MOTORS TRADING RENTLO, Unipessoal, Lda	USD 1,200.00	Marketing– Installation & Operation of Fuel Filling (Home base)
RUVIC, Unipessoal, Lda	USD 1,200.00	Marketing– Installation & Operation of Fuel Filling
MEKAR FUEL, Unipessoal, Lda	USD 1,225.00	Marketing– Installation & Operation of Fuel Filling

TABLE 11: DOWNSTREAM LICENSE AND FEES IN 2014

LICENSING NEW PROJECT ON INSTALLATION AND OPERATION OF FUEL FILLING STATIONS

In 2014, four companies submitted their application to construct Fuel Filling Station. These companies are Arjumar Fuel, Xalila Fuel, East gas Corporation and TIMOR GAP E.P. Inspection to Location has been performed and four (4) proposed

locations were all approved. Following document reviews, only project documents from Xalila and East gas Corporation met the requirements and were approved for construction of Installation of Fuel Filling Station.

MONITORING AND SUPERVISING FUEL QUALITY

The downstream inspectors carried out fuel quality audit in 2014 with the objective to ensure compliance of fuel quality distributed with Regulation No. 1/2014 on Fuel, Biofuel and Lubricant Quality Standard and Specification. The quality checks were performed on Automotive Diesel and Petrol. From three different companies, Pertamina Fuel Storage Facility, TOLL TL Fuel Filling Stations and 68 Petroleum Station. It was found that some specifications do not meet the requirements. The findings were communicated to the relevant operators and actions were put together to rectify the findings.



FIGURE 8: MEETING WITH 68 PETROLEUM STATION AND TAKEN SAMPLE ACTIVITY

SUPERVISING FUEL TRADING ACTIVITY

MONITORING TO FUEL TRADING

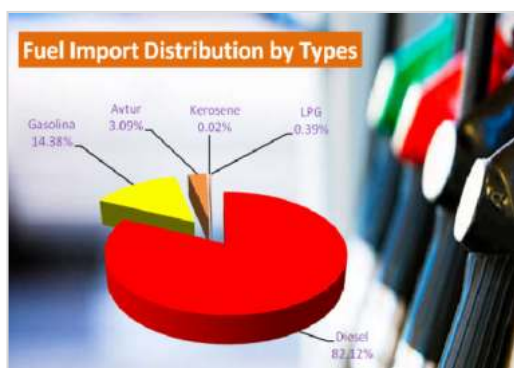


ANP downstream registered and assisted 25 Fuel Traders performing Fuel Trading for public consumption and supervise their activities to ensure protection to the environment, occupational and public health and safety and protecting the interest of consumers.

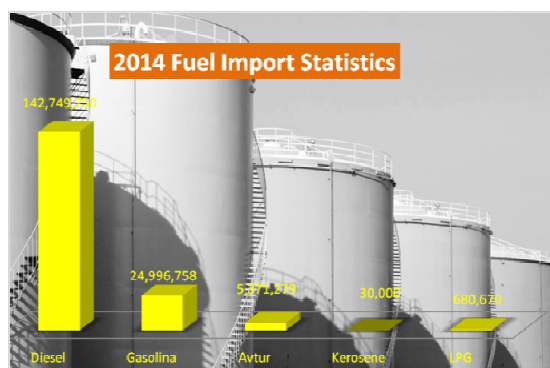
FIGURE 9: SAMPLING ACTIVITY AT TIBAR PORT

FUEL CONSUMPTION IN 2014

Majority of the fuel products imported into Timor-Leste territory are in the form of Diesel, Gasoline, Avtur/Jet A1 fuel, LPG and Kerosene. These products are imported by companies operating out of Timor-Leste. Below figure indicates types of fuel products and their corresponding volume and percentage based on the data recorded.



GRAPH 18: FUEL IMPORT DISTRIBUTION BY TYPES



GRAPH 19: 2014 FUEL IMPORT STATISTICS

Diesel fuel makes up 82.12% of the total fuel imported into Timor-Leste compared to last year which was only 79%. Diesel is mainly used for power generation for the country (66.40%), followed by transportation (26.44%) and for petroleum operations related activity in the JPDA (7.15%).

(PICTURES FROM CONOCOPHILLIPS JPDA 03-12)



CORPORATE INITIATIVES

As a Timorese autonomous organisation, ANP assumes obligation to share knowledge and experience on its core business with relevant stakeholders and academic graduates within the country and those from overseas. In 2014, our initiatives in sharing of knowledge and experience have been stepped up by not only increasing the numbers but also expanding the areas of disciplines. This is primarily contributed by opportunities and lessons learnt from previous years.

4.1 GRADUATE INTERNSHIP PROGRAM

Graduates are attached to the ANP by means of a Graduate Internship Program. The successful candidates are offered with the opportunity to learn firsthand from the knowledge and experience of our experienced staffs in different disciplines and have the opportunity to get exposed to some field activities to gain knowledge and experience on real projects.

4.2 UNIVERSITY FINAL YEAR PROGRAM

ANP offers mentoring opportunity for selected final year students at university level to complete their thesis to obtain their degree either through provision of information or direct mentoring. A total of five students were assisted in completing their university final year program in 2014.

4.3 FIELD OF STUDY ENHANCEMENT PROGRAM

Students interested to enhance their understanding about specific areas relevant to Oil and Gas can be provided with opportunity to learn basic oil and gas industry aspects from the ANP. In addition, ANP also extends this program to cover Human Resource, Administration and other general corporate related matters.

Program Type	Number of students	Area of Interest	University
Graduate Internship Program	3	Drilling and Production	UNPROK 45 and DIT
	3	Health Safety and Environment	UPN Veteran and University of Waikato NZ
	3	Exploration and Acreage Release	DIT
	2	Production Sharing Contract	DIT
	1	Training and Human Resource	IOB
	1	Information and Technology	AKPRIN Yogyakarta
University Final Year Project	2	Drilling and Production	UNPROK 45
	1	Exploration and Acreage Release	UGM, Yogyakarta
	1	Production Sharing Contract	UNPAZ
	1	Commercial	DIT
	4	Commercial	DIT
	2	Drilling and Production	DIT

Field of Study Enhancement Program	3	Corporate Services	DIT
	8	Production Sharing Contract	DIT
	1	Corporate Resource Management	IOB
	1	Training and Human Resources	IOB
	1	Finance	IOB

TABLE 12: CORPORATE INITIATIVE PROGRAM IN 2014

4.4 PUBLIC EVENTS

PUBLIC AWARENESS EVENT ON EMERGENCY RESPONSE PLAN

In May 2014 ANP organised a workshop on ERP in Dili. The workshop was done with the objective to raise key stakeholders awareness on the importance of having an ERP in place for the petroleum operations, which will enable an effective and coordinated response to emergency arising from petroleum operations. Most of the key stakeholders participated in the workshop were from government institutions such as from PNTL, Bombeiros, Environment Department, etc.

TIMOR-LESTE PARLIAMENT VISIT BAYU UNDAN PLATFORM

ANP in coordination with ConocoPhillips facilitate a visit from members of Timor-Leste Parliament from commission-C to Bayu Undan production platform. During the visit parliament members had the opportunity to observe the activity in Bayu Undan, including maintenance project. Parliament members also had the chance to chat with Timorese employees working at the platform.



FIGURE 10: VISIT OF TIMOR-LESTE PARLIAMENT MEMBER TO BAYU UNDAN FACILITY (COURTESY PHOTO FROM CONOCOPhillips JPDA 03-12 PTY LTD)

LIST OF FIGURES

Figure 1: Speech At The Golden Eye Award For Quality Commitment And Excellence	8
Figure 2: Timor Leste Offshore Decree Law And Model Production Sharing Contract Public Consultation.....	8
Figure 3: Sharing of Experience São Tomé and ANP Timor-Leste.....	8
Figure 4: Metering Team Witnessing Ultrasonic Meter Recalibration	34
Figure 5 Bayu Undan Horticulture Project.....	36
Figure 6: launching Ceremony at Timor Plaza, Dili	36
Figure 7: First Downstream Licensing	39
Figure 8 Meeting with 68 Petroleum Station and taken sample activity.....	40
Figure 9 Sampling activity at Tibar Port.....	40
Figure 10: Visit of Timor-Leste Parliament member to Bayu Undan Facility(<i>courtesy photo from ConocoPhillips JPDA 03-12 Pty Ltd</i>)	44

LIST OF GRAPHS

Graph 1: Total Liquid Production And Gas Exported In 2014 From Bayu Undan Project.....	21
Graph 2: Kitan Oil, Gas Produced and Gas Flared	22
Graph 3: 2014 JPDA Monthly Safety Statistics.....	23
Graph 4: 2014 Bayu Undan Flaring, Actual Vs. Allowance.....	23
Graph 5: BU Flaring From 2005 To 2014.....	24
Graph 6: 2014 Kitan Flaring, Actual Vs. Allowance Trend 2012-2014	24
Graph 7: Flaring	
Graph 8: Bu Condensate Volume Sold.....	25
Graph 9: Percentages Of The BU Condensate Buyers.....	25
Graph 11: BU LNG volume sold.....	26
Graph 10: : BU LPG Volume Sold.....	26
Graph 12: Kitan Crude oil volume sold.....	26
Graph 13: JPDA and TLEA Exploration performance.....	27
Graph 14: JPDA PSCs development expenditure.....	27
Graph 15: Expenditures in Timor-Leste	28

Graph 16: Timor-Leste Nationals and Permanent residents employment in JPDA.....	28
Graph 17: Revenue received during 2013 – 2014	35
Graph 18: Fuel import distribution by types.....	Graph 19: 2014 fuel import statistics
41	

LIST OF TABLES

Table 1: PSCS In JPDA and TLEA	19
Table 2: Summary of Exploration Activities	20
Table 3: Authorisations issued in 2014	31
Table 4: Approvals issued in 2014	32
Table 5: 2014 Inspection Activities in the JPDA.....	33
Table 6: 2014 Audit Activities in JPDA	34
Table 7: 2014 Observation activities in JPDA	34
Table 8: Petroleum Revenue Receipts and Distribution from Bayu-Undan and Kitan in 2013 & 2014	35
Table 9: Disciplines for GIP with ConocoPhillips.....	37
Table 10: First Batch of SERN-FULBRIGHT Scholarship with Master Degree	37
Table 11: Downstream License and fees in 2014.....	39
Table 12: Corporate Initiative Program in 2014	44

LIST OF ABBREVIATIONS

2D: Two Dimension.....	24, 31	DPP: Drilling Processing and	
ANP: Autoridade Nacional do		Production Platform	21
Petróleo	1, 4, 5, 6, 7, 8, 9, 10, 11, 12,	EITI: Extractive Industry Transparency	
13, 17, 28, 30, 31, 34, 35, 36, 37, 43,		Initiative.....	8
44, 48, 49, 51, 52; Autoridade		ERP: Emergency Response Plan	44
Nacional doPetróleo	19, 22, 28, 43	FPSO: Floating Production, Storage	
APORTIL: Port Authority of Timor		and Offloading	22, 29, 33
Leste	38, 39	FSO: Floating Storage and Offloading	
BoD: Board of Directors	6	21
BU: Bayu Undan .	21, 24, 25, 26, 27, 28,	IOB: Institute of Business	43, 44
32, 33, 36		IPG: Institute of Petroleum and	
CUQ: Compression, Utilities and		Geology	37
Quarters.....	21	JCM: Joint Commission Meeting.....	9
DIT: Dili Institute of Technology.	43, 44	JPDA: Joint Petroleum Development	
DNTPSC: Direcção Nacional de		Area 1, 2, 4, 5, 7, 15, 18, 19, 21, 22, 23,	
Terras, Propriedades e Serviços		24, 25, 27, 28, 30, 31, 33, 34, 35, 42,	
Cadastrais	38	44, 48, 49	
		kbpd: Thousand barrels per day	21, 22

km: kilo meter.....	21, 22	SCM: Sunrise Commission Meeting...	9
LNG: Liquefied Natural Gas...	21, 26, 48	SEMA: Secretario do Estado E Meio Ambiente	38
LPG: Liquefied Petroleum Gas ...	21, 25, 48	SERVE: Serviço de Registo e Verificação Empresarial	38
MMscf: Million Standard Cubic Feet	21, 23, 24	STP: SÃO TOMÉ E PRÍNCIPE.....	8
MODU: Mobile Offshore Drilling Unit	22, 33	TE: Tokyo Electric.....	26
MoU: Memorandum of Understanding.....	8	TG: Tokyo Gas	26
MPRM: Ministry of Petroleum and Mineral Resources of Timor-Leste...	37	TL: Timor-Leste.....	8, 29
MT: Metric Ton.....	25	TLEA: Timor Leste Exclusive Area .	1, 4, 7, 19, 22, 24, 27, 28, 31, 34, 48
NZ: New Zealand	43	UGM: Universitas Gadjah Mada	43
OPEC: Organization of Petroleum Exporting Countries.....	25	UNPAZ: Universidade da Paz	43
PNTL: Polícia Nacional de Timor-Leste	38	UNPROK: Universitas Proklamasi	43
PSC: Production Sharing Contract	2, 7, 19, 20, 27, 28, 31, 34, 37, 49	US: United States.....	25
		USD: United States Dollar	8, 11, 12, 25, 28, 35, 36
		WP1: Well Head Platform 1	21

ANNEX 1 – LIST OF CORPORATE PROCUREMENT IN 2014

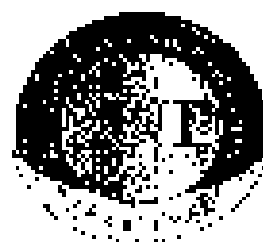
CONSULTANCY		
EOI - Consultation for Establishment of Competence in the Area of Inspection and Audit for D&P and Downstream staffs Phase I for initial project start up cost	\$120,000.00	BSS - UK
EOI - Consultation for Establishment of Competence in the Area of Inspection and Audit for D&P and Downstream staffs Phase II for On the Job Training (OJT)	\$152,666.67	BSS - UK
RFP _ Maintenance Inspection for Kitan Facilities within JPDA 06-105	\$9,900.00	Spectrum Performance Australia
RFP - Providing consultancy service on reviewing the draf "Fiscal Metering Guideline" for petroleum offtakes in the Joint Petroleum Development Area (JPDA) and Timor Leste Exclusive Area (TLEA)	\$2,322.22	Spectrum Performance Australia
Fiscal Metering Guidline Review	\$25,000.00	CRM Instrumentation Norway
Legal Opinion on the Establishment of Mineral Department within ANP Structure	\$24,000.00	Miranda Law Firm
ANP Strategic Action Plan 2014-2017	\$30,000.00	Mr. Antohny Mitchel
Offshore Follow Up Process Audit in the Kitan and Bayu Undan Facilities	\$67,222.22	Delta Consultant Pty.Ltd
Bayu Undan Reservoir Modeling Review	\$70,000.00	Gaffney Client and Assosciate
Bayu Undan Reservoir Modeling Review	\$85,000.00	Gaffney Client and Assosciate
Hydrocarbon flow and quality determination on line training (coaches)	\$1,150.00	Gas Measurement & Auditing Pty Ltd
Bayu Undan and Kitan Follow Up Process Inspection	\$27,500.00	Delta Consultant Pty.Ltd
Drafting Labor Law for Extractive Industry	\$30,000.00	Miranda Law Firm
Metering Inspection at Darwin LNG	\$8,262.22	Gas Measurement & Auditing Pty Ltd
In House Training - International Petroleum Contract - Structuring Agreement Negotiation Managing Risk and Dispute Management	\$30,000.00	NeoEdge Singapore
Strategic Planning of ANP (Consulting and Travel Expenses)	\$11,142.11	Qantrex Consulting Pty Ltd
Participation of D&P staff on Metering USM Master Meter recalibration in France	\$12,420.00	Christian Michelsen Research (CMR)
For Reviewing draft "Fiscal Metering Guidelines" for Petroleum off takes in the JPDA and TLEA	\$8,500.00	Christian Michelsen Research (CMR)
Consultancy for IBM Domino Collaboration Expressesed Authorized User SW Annual Subscription, IBM Lotus Note Protector Mail Security, BM Domino Collaboration License Authorized User and Plus WHT 10%	\$34,485.00	ISW Development PTY LTD
Stationeries New Tender for One year ahead started from Sep 2014 until 2015	\$21,600.00	Sylvia Dili
SUB TOTAL	\$771,170.44	
SERVICES		
Overseas Accommodation Services	\$101,696.40	Ratna Artha Wisata Bali
Ticketing Services	\$237,291.60	Fatu Besi Travel Agency
New tender for Office Cleaning Services	\$30,000.00	Fabuldu Cleaning Services
New tender for Office security Provision at Downstream Office only	\$28,764.00	APAC Security
New tender for Genset Maintenance and services	\$1,200.00	A1 Service
Accpacc user of 4 user on ELMAGE PAC	\$2,354.10	CP Moore
Fuel Sampling, LPG Sampling , LNG Specification study	\$35,634.78	Intertek Testing Services (Australia) Pty Ltd

ANP Corporate Video Production	\$14,992.00	PixelAsia
Domino Upgrade of Lotus Note IBM version 9	\$17,233.33	ISW
Renewal of Subscription of Symantec Anti Virus for 2014-2015 with 150 Users	\$5,166.62	ISW
Stationeries order for Month of March 2014	\$1,032.00	Sylvia Dili
ANP Vehicle maintenance and services for replace new FUEL PUMP of D&P Director car	\$2,900.00	Dragon Workshop
Tonnors for Admin department Printer Machine black color (HP LAserJet CP6015dn)	\$365.00	Sylvia Dili
Online Advertisement of ANP RPF's for An Integrated Audit of JPDA 06-105 PSC (Kitan field) and JPDA 03-12 & 03-13 (Bayu Undan) via Petroleum Economist UK the Upstream newspaper within 7 days	\$2,678.00	Petroleum Economist UK the Upstream Newspaper
Online Advertisement of ANP Expression of Interest (EoI) of Aircraft (Rotorcraft) Safety Inspection (Audit) via Australian Aviation Phantom Media Pty Ltd Website 3 weeks	\$555.55	Phantommedia Pty Ltd Australian Aviation
Online Advertisement of ANP Expression of Interest (EoI) of Aircraft (Rotorcraft) Safety Inspection (Audit) via Asia Pasific Energy Publication Website within 1 month	\$555.55	Asia Pacific Energy Publication
Repair and Maintenance of the Peresoft cashbook 1 user and cashbook 1 user lanpac SA	\$1,156.40	CP Moore
Courier of samples from Darwin to Sydney	\$20,421.39	Intertek Testing Services (Australia) Pty Ltd
Drinking Water Suplpy to ANP Offices for one year ahead started from Sep 2014 until Sept 2015	\$14,400.00	Indo Dili Unipessoal Lda
Renting Printer Machine Aespro 4000 series for One year ahead from Sept 2014 until Sept 2015	\$24,000.00	Sylvia Dili
Online Advertising of ANP RFP Re-Advertisement of An Integrated Audit of JPDA 03-12 & 03-13 (Bayu Undan) and JPDA 06-105 (Kitan) Via Upstream Newspaper either Website and Newspaper	\$17,700.00	Upstream Newspaper
Translation of Downstream documents of Emergency Management site Manual from English to Tetum	\$529.00	Tomas Fernandes
newspaper Advertisement	\$9,806.00	Timor Post
newspaper Advertisement	\$11,200.00	STL
newspaper Advertisement	\$9,450.00	Diario
Advertisement	\$1,560.00	TVTL
SUB TOTAL	\$592,641.72	
AUDIT		
Audit Services 2013 of Financial Statement per calendar 31 December 2013	\$20,350.00	Deloitte
SUB TOTAL	\$20,350.00	
GOODS		
Microsoft Project Professional 2013	\$12,000.00	Superindo
Cartridge for D&P Directorate printer Machine	\$1,800.00	Sylvia Dili
IT Tender for Lenovo Spare Parts of X201 and X220	\$24,100.00	Global Net Unipessoal Lda
IBM VMWare Server	\$110,555.56	Trikarsa
Purchase New BackPack for Travelling with Brand Mark TARGUS 16" Rolling BackPack	\$1,650.00	Precise Solution Sa

Purchase New HDD mark Seagate with capacity 2TB and 4TB with size 3.5"	\$825.00	Precise Solution Sa
Purchase new Software of Coral Draw X6 version	\$575.00	Precise Solution Sa
Purchase new UPS HPC 500 VA	\$160.00	Zeon International
Purchase new HDD Server for HP 146 GB SAS 15K	\$5,880.00	Precise Solution Lda
Purchase Thermal PAsTe for upgrade note book fans	\$750.00	Precise Solution Lda
Cartridge for T&HR Department printer Machine	\$2,678.00	Superindo
PPE Stuffs for HSE Staff	\$478.50	Esset
Wooden Boxes for public consultation in order to accommodate the public suggetion during the consultation	\$600.00	Vindi Meubel Lda
ASTM book subscribed by GIL Goncalves of Standard petroleum Product, Lubricants and Fossil Fuels	\$1,912.45	ASTM International
Renting UPS for Backing Up existing UPS at Server Room within one month (13 Nov - 12 Dec 2014)	\$4,500.00	Globalnet Unipessoal Lda
New UPS HP R/T3000 G2US X with its accessories complementary	\$16,533.75	Globalnet Unipessoal Lda
MS Office 2013 Professional 10 units	\$4,300.00	Mr. Bram Unip Lda
SUB TOTAL	\$189,298.26	
TOTAL	\$1,573,460.42	

ANNEX 2- ANP 2014 AUDITED FINANCIAL REPORT

AUTORIDADE NACIONAL DO PETRÓLEO



**AUTORIDADE NACIONAL DO PETRÓLEO –
TIMOR-LESTE**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

AUTORIDADE NACIONAL DO PETRÓLEO

GENERAL INFORMATION

President/Director:	Mr. Francisco de Assis Silva (President and Chairman); Mr. Jorge Martins (Vice-President); Mr. Helena Costa (Chair); Mr. Helena Martins
Date of formation:	Law no. 14/2008 (Law No. 202708) of 1 July 2008
Principal Activities:	The Autonomous National Directorate of Hydrocarbons (ANDP) was established on the 1 st of July 2008 after Law no. 14/2008 (Law no. 202708) was passed on the 1 st of July 2008. The ANDP's principal activity is regulatory for management and regulating petroleum activities in Timor-Leste's high risk petroleum areas and in the Outer Continental Shelf (OCS) in accordance with the Decree Law on the establishment of the ANDP, the Timor-Leste Petroleum Activities Law and the Outer Continental Shelf (OCS) Law.
Place of business:	Greater Loro Loro Wing of Vitoria Square
Single location:	Vitoria Square
Director of Operations Services:	Vitoria Square Building
External Auditor:	Mark Palmer & PwC Ltd
Bankers:	Standard Chartered Bank Timor, Kuala Lumpur Branch
Currency:	United States Dollars

CONTENTS	Page
Director's Declaration	2
Article Report	3-4
Statement of Profit and Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Accounting Policies and Explanation of Differences to the Audited Accounts	9-22

AUTORIDADE NACIONAL DO PETRÓLEO

DIRECTOR'S DECLARATION

I, **Assimão José da Silva**, Director of the National Authority for Petroleum (ANP), in the capacity of the Director:

(a) The financial statements of the Authority for the period ending on 31 December 2016, in accordance with the Financial Accounting Act, Law No. 7,024 of the Authority, on the period ending 31 December 2016, and the Financial Statements of the Authority for 2016;

(b) The financial statements have been prepared in accordance with the Law of General Accounting Statutes.

For and behalf of the ANP Director's Office:


Guilherme de Oliveira Silva
President


Assisio Jose da Silva
General Director of the ANP

De 1, January 2017
At Rio de Janeiro

Independent Auditor's Report to the Board of Directors of the Autoridade Nacional do Petróleo

We have audited the accompanying financial report of Autoridade Nacional do Petróleo ("the Authority"), which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes, and director's declaration.

The Board of Directors' Responsibility for the Financial Report

The Board of Directors is responsible for the preparation and fair presentation of the financial report in accordance with International Financial Reporting Standards and for such internal control as the Board determines is necessary to enable the preparation of financial report that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Authority's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial report present fairly, in all material respects, the financial position of Autoridade Nacional do Petróleo as at 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matter

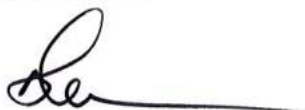
The financial report of the Authority for the year ended 31 December 2014 was audited by another auditor whose report expressed a modified opinion on the financial report issued on 16 July 2014 as follows:

"The ANP has not accounted for current or deferred income taxes since its formation on 1 July 2008. We are not aware of any Timor-Leste or Australian Government Legislation that exempts the ANP from income taxes. In the absence of any such legislation, the ANP is liable to pay tax to the respective Governments in accordance with the relevant tax legislation. To calculate income taxes owed to the respective Governments, the ANP would need to, from 1 July 2008 to 31 December 2013, allocate all revenue and expenditure and the carrying value of assets and liabilities to either the Timor-Leste Exclusive Area or the Joint Petroleum Development Area. We were unable to obtain sufficient appropriate audit evidence by alternative means as to amount of the unrecorded current and deferred income tax assets or liabilities as at 31 December 2013. As a result, we were unable to determine the adjustments that would have been necessary in respect of unrecorded current and deferred income tax assets or liabilities, the taxation expense for the year ended 31 December 2013 and the elements making up the statement of comprehensive income, statement of changes in equity and statement of cash flows."

As disclosed in Note 2 (d) of the financial report, on 23 February 2015, the Authority obtained an opinion from the Ministry of Finance that being a government entity, the Authority is not subject to income tax. Also, on 27 February 2015, the Authority received legal advice from DLA Piper that the Authority is exempt from Australian income tax.



Merit Partners



Matthew Kennon
Director

Darwin
Date 14 May 2015

AUTORIDADE NACIONAL DO PETRÓLEO

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

		2014	2013
	Notes	\$	\$
INCOME			
Development fees		1,035,200	1,383,222
Construction fee		929,010	777,298
Subsidy from Timor-Leste Government		2,000,000	1,557,000
Interest on Government loan (impairment) and		18,849	-
Share of income		17,375	-
Patent		127	51
Profit on disposal of assets		-	15,117
Other income		17,346	1,417
TOTAL INCOME		3,120,043	3,934,977
EXPENSES			
Employees	12	2,103,753	2,158,647
General and administration	13	5,553,207	5,700,000
Depreciation and amortisation		353,562	338,407
Government petroleum products costs		13,503	-
Net financial gain/(loss)		1,500	15,017
TOTAL EXPENSES		8,025,525	8,212,064
SURPLUS FOR THE YEAR		(4,905,482)	(4,277,087)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(4,905,482)	(4,277,087)

The above statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

AUTORIDADE NACIONAL DO PETRÓLEO

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

		2014	2013
	Notes	€	€
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.13	7,255,507	7,540,215
Trade and other receivables – trade receivables			
Development & CA	4.14	13,448,738	61,541,694
Trade and other receivables – other receivables	5	93,009	11,172
Other current assets	6	5,648	36,315
Total Current Assets		21,524,892	71,312,906
NON-CURRENT ASSETS			
Property, plant and equipment	7	594,394	596,115
Intangible assets	8	349,055	269,295
Total Non-Current Assets		943,449	865,410
TOTAL ASSETS		22,509,120	72,178,316
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	9.11	1,571,297	569,355
Payable in respect of Development & CA			
Development & CA Funds	9.14	13,448,738	61,491,625
Provision for legal and administrative costs			
Provision for lawsuits	10	346,600	1,075,077
Total Current Liabilities		15,467,233	63,951,413
TOTAL LIABILITIES		15,467,233	63,951,413
EQUITY			
Equity contribution		2,170,218	2,170,218
Accumulated funds		4,878,669	3,656,685
Total Equity		7,048,887	5,826,903
TOTAL EQUITY AND LIABILITIES		22,509,120	72,178,316

Verificação realizada por Evidential Partner, sociedade de auditoria independente inscrita no Registo Nacional de Entidades Auditadas da Ordem dos Contabilistas e Auditores, Lda.

AUTORIDADE NACIONAL DO PETRÓLEO

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Accounting Equity R\$	Net Equity R\$
At 1 January 2013	2,087,664	4,240,710
Reclassification for the year	125,000	1,250,000
At 31 December 2013	2,212,664	5,490,710
Reclassification for the year	1,871,000	1,871,000
At 31 December 2014	4,083,664	7,361,710

ALLOCATION OF SURPLUSES FOR THE YEAR ENDED 31 DECEMBER 2014

	Accounting Development Fund R\$	Unrestricted Development Funds R\$	Total R\$ for year
Development Fund	1,981,000	-	1,981,000
Capital reserve Fund	95,000	-	95,000
Subsidy from the Fund for Research	-	2,000,000	2,000,000
Unrestricted Government Funding for petroleum and its derivatives	-	18,800	18,800
Government Fund	-	15,000	15,000
Other	125	-	125
Other income	33,929	6,905	40,834
Total income	2,010,024	2,030,705	4,040,729
Expenses paid for 2014 from Unrestricted income	613,000	1,427,720	2,040,720
Surplus for the year	1,397,024	602,985	2,000,009

AUTORIDADE NACIONAL DO PETRÓLEO

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 R	2013 R
Operating activities		
Operating receipts less outgo	1,156,687	298,512
Adjustment to reconcile profit before tax to cash flows		
Depreciation of property, plant and equipment	240,217	237,442
Amortisation of intangible assets	137,019	121,030
Interest income	6127	199
Profit or (loss) of property, plant and equipment	1,544,150	757,193
Operating receipts less outgo including capital charges	344,305	1,033,345
Working capital requirements		
Increase in trade and other receivables	(443,524)	(113,521)
Decrease (or increase) in other receivables	55,052	68,742
Decrease (or increase) in trade and other payables	(6,464,293)	17,551,625
Decrease (or increase) in operating assets	(6,452,265)	51
Cash generated from operations	(611,308,899)	1,148,887
Interest received	1,127	34
Net cash flow provided by (used in) operating activities	(611,307,772)	1,148,921
Investing activities		
Acquisition of investments	(14,5683)	(1,434)
Disposal of property, plant and equipment	1,4413	(227,000)
Proceeds from disposal of property, plant and equipment	1,4413	(227,000)
Net cash flow used in investing activities	(13,127)	(228,434)
Net increase (or decrease) in cash and cash equivalents	(621,440,909)	920,487
Cash and cash equivalents at beginning of year	29,711,704	28,791,217
Cash and cash equivalents at end of year	(584,729,205)	29,711,704

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

ATITORIDADE NACIONAL DO PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. NATURE OF OPERATIONS

The Autoridade Nacional do Petróleo (ANP) was established on 13th July of 2003 by Decree Law No. 9500/03 and passed on 19th of June 2003.

The ANP is Brazil's state body responsible for managing and regulating petroleum activities in Brazil, state's exclusive jurisdiction over and in the Outer Continental Shelf (OCS) in accordance with the Decree Law on the establishment of the ANP, the Federal Law on Regime Activities Law, and the Outer Sea Law.

Under Article 6(II) of the Federal Law, between the flow control of production and Outer Law, the ANP can hire manager personnel and such legal entities under the law of other countries, subject to review by the executive government and the performance of its functions.

2. SIGNIFICANT ACCOUNTING POLICIES

a. System preparation

The financial statements for ANP have been prepared on systematic basis, following Financial Reporting Standard F&R as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis, and amounts are presented in United States Dollars, except when otherwise indicated.

b. Current versus non-current classification

The ANP presents assets and liabilities in the statement of financial position based on current and non-current classification. An asset is current when it is:

- Expected to be realized or disposed of as a result of current activities;
- Expected to be realized with the intention of selling the reporting period; or
- Expected to be liquidated unless there is a continuing commitment to defer a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within the current reporting period;
- It is due to be settled with the intention of the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The ANP does not have other liabilities or financial

c. Revenue recognition

Revenue is recognized in the statement of profit or loss when the economic benefits will flow to the ANP and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account any discounts or other deductions for payment and excluding costs of duty.

The specific recognition criteria are as follows and should be applied in a systematic manner:

Overseas fees

The fees are recorded on accrual basis after the 60% becomes subject to the revenue.

AUTORIDADE NACIONAL DO PATRIMÓNIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

Contract services (cont.)

The services rendered on an annual basis on the anniversary of the commencement of the Production Sharing Contract ("PSC") services have resulted in charges and credits not being the same accounts included in the years in which they relate. Contract services fees resulted on termination of a Production Sharing Contract are charged to accounts as incurred in the year to which they are referred.

Subsidy from the Ministry of Finance

The subsidy received from the Ministry of Finance ("Ministry of Finance") is intended to support the Financial Institutions Area (FIA) and any downstream activities and is recognized on receipt.

Asset-based Government Funding for Production Sharing

This funding received in advance from the Ministry of Finance ("Ministry of Finance") is intended to finance the costs of funding production contracts. Revenue is recognized when the related expenditure occurs. Any unspent portion at the end of the financial year is recorded as a liability in the statement of financial position.

d. Taxes

Income and gift taxes

ANP, being a corporation subject to the United States tax laws, is not taxed by the Ministry of Finance on 31 December 2014.

On 21 February 2015, ANP obtained legal advice from DLN LLP stating that the Authority's average from 2010 to 2014 income tax under the Government's proposed tax proposals and transitional for 2015 and for 2016 was three hundred and thirty six million dollars and hundred and eighty million dollars.

Withholding tax

Payment of income tax on management, withholding taxes are either withheld against payment to specified individuals, processed through the tax authorities and the amounts paid over to the government of the United States.

e. Foreign currencies

The ANP's financial statements are prepared in United States Dollars, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by ANP in their respective functional currencies and are translated to the United States Dollars for consolidation.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on the translation of monetary assets are recorded in profit or loss.

AGÊNCIA NACIONAL DO PETRÓLEO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

f. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced or upgraded, the ANP categorizes such parts as individual assets and such parts are depreciated separately. However, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment if it is probable that the recognition of such cost is probable. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

Computer equipment	3 - 5 years
Vehicles	4 - 5 years
Leased improvements	5 - 20 years
Office Equipment	3 - 5 years
Office Furniture	4 - 5 years
Other Assets	3 - 6 years

At least at property, plant and equipment undergoing significant partially recognized and damaged asset disposal or when a future economic benefit is expected from its sale or disposal, any gain or loss arising on the disposal or the derecognition is recognized as the difference between the net disposal proceeds and the carrying amount of the asset; it is included in the statement of profit or loss and other comprehensive income of the reporting company.

The carrying value of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The types of assets, useful lives and methods of depreciation of property, plant and equipment are reviewed each financial year end and adjusted prospectively, if appropriate.

g. Intangible assets

Acquired intangible assets

Acquired intangible immaterials are recognized on the basis of the cost incurred to acquire and reflect the specific situation.

Software development

Software development are covered by using the cost model, whereby digitalized contents are added on a straight-line basis over their estimated useful lives as these costs are considered finite. Residual values and useful lives are reviewed at each reporting date and revised if the digitalized contents are not used with a straight-line basis.

Software development expense to be included in the statement of computer software and financial costs are expensed as incurred with the major costs incurred for intangible assets are capitalized.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognized in profit or loss within other income or other expenses.

h. Partners' investments - Intangible rights and subsequent impairment

A financial institution is an institution that gives rise to a financial asset of one party and a financial liability creating a payment obligation to it.

AUTORIDADE NACIONAL DO FISCALÍCIO

SUPPLEMENT FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

1. Financial assets

Financial recognition and measurement

Financial assets are classified, at initial recognition, as cash and cash equivalents. All financial assets are recognised initially at their fair value less costs of acquisition that are attributable to the acquisition of the financial asset.

Subsequent measurement

Cash and cash equivalents are financial assets with fixed or determinable payments that are recognised at an amortised cost. After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR), interest, less impairment. Amortised cost is calculated by taking the account pay discount on premium on acquisition and less on costs that are an initial part of the price. The EIR measurement is defined as the finance income in the statement of profit or loss and other comprehensive income that flows arising from the purchase and carry and later payment of principal less any other charges and fees income.

For more information on receivables, refer to Note 2.

Derivatives

A financial asset (or, where applicable, a part of a financial asset) is part of a group of assets or financial assets if primarily derivative has been removed from the statement of financial position.

- They give to receive cash flows that are not cash flows or
- The ANP has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without payment of value to third party and a "parallel" management and control of the ANP has been transferred substantially all the risks and rewards of the asset, or (b) the ANP has not transferred or retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the ANP has transferred rights to receive cash flows from assets or has entered into a pass-through arrangement, it determines if and to what extent it has retained the risks and rewards of ownership. When it has either transferred or retained substantially all of the risks and rewards of the asset, but transferred control of the asset, the ANP continues to recognise the transferred asset to the extent of the ANP's continuing involvement. In that case, the ANP also recognises or reclassifies liability for the transferred asset and for associated liability for its continuing involvement. The risks and obligations are the ANP's obligations.

Impairment of Financial Assets

The ANP assesses, at each reporting date, whether there is objective evidence that a financial asset or group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset has caused the recoverable amount to be estimated to be less than the carrying amount. Such that can be reliably estimated. Evidence of impairment includes: (i) more than one observable default is recognised; (ii) significant financial difficulty; (iii) default or delinquency in interest or principal payments; (iv) the probability that they will incur bankruptcy or other financial reorganisation and therefore that they will not be able to pay in full; (v) a significant increase in the estimated financial loss, such as changes in terms or conditions, conditions that concern other defaults.

ATENCION NACIONAL DO PETRÓLEO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

j. Financial liabilities

Financial liabilities not measured at fair value

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or other financial liabilities. Financial liabilities are recognized and derecognized upon "incurrence" and "extinction" respectively. The AOP's financial liabilities include loans and other payables.

Subsequent measurement

The subsequent measurement of financial liabilities is described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss, and they must be measured at fair value at each reporting date. Changes in fair value are recognized in profit or loss. Financial liabilities at fair value through profit or loss are not subject to hedge accounting. The AOP has not designated any financial liability as at fair value through profit or loss.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortized cost using the effective interest method.

Impairment and other possible nonrecognition of financial liabilities are recognized or derecognized when the position variables have been assessed and determined to be of having been finalized.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same issuer or its affiliate or when the terms of an existing liability are substantially modified, such an exchange or modification is treated as the extinguishment of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

k. Measurement of non-financial assets

The AOP measures, at each reporting date, whether there is an indication that an asset may be impaired. If such indication exists, or when annual impairment testing for an asset is required, the AOP estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

l. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and cash on deposit for the purpose of the next 12-month period, and are high liquid assets subject to insignificant risk of changes in value.

AUTORIDADE NACIONAL DO PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

Joint Petroleum Development Area (JPDA) and agreements

The Timor Sea Treaty formed the Joint Petroleum Development Area (JPDA) when the Timor Sea, which is jointly controlled and managed for the benefit of the peoples of Timor-Leste and Australia, became the Timor Sea. The treaty sets out the framework for petroleum production between the governments of Timor-Leste and Australia as follows:

- (a) Timor-Leste and Australia will have 50% of all petroleum produced in the JPDA, 50% being produced in the TTA, thirty (30) per cent of which belongs to Timor-Leste and 20% to Australia, and
- (b) The revenue for Timor-Leste from its 50% share will be used to develop and diversify the economy of the Timor-Leste, with a portion of the TTA revenue to be used in the same proportion as set out in paragraph (a).

The Australian National Oil Revenue Authority (ANORA) has been appointed the Designated Authority for petroleum in paragraph 4(1)(b) of the Timor Sea Treaty, acting as the Designated Authority for ANZ in respect of the hydrocarbon regulation and management of petroleum activities under Article 4(1)(b). Thus ANZ is responsible for the management of risk from the operations of the JPDA and regulation of the JPDA to the government of Timor-Leste and Australia respectively.

Regulation is not exercised and paid or held in a separate bank account for this purpose in the name of ANZ. These monies together with any interest received on use of any bank charges incurred is distributed under separate governments.

m. Employee benefits

Provision is made for certain employee benefits arrangements for a group of employees including as follows up to the reporting date. These benefits include superannuation liabilities are reported on their normal accounting basis expected to be settled within twelve months.

Contractually agreed employee benefits payable to employees are payable by ANZ from the current funds of the company, or a savings account on a monthly basis. Currently, money is only paid into savings accounts on employees' request. Employees can not request their monies during employment without the permission of the Senior Management and Fund Committee. After termination of employment employees may request access to the money and this stops.

Employees are entitled to annual advances from pre-qualified employees provided within predetermined limits.

Eligible employees and their partners are entitled to a child care educational institution allowance of \$500 per child and \$100 per child.

International employees are entitled to a relocation package and repatriation in their home country.

n. Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the best estimate of the expenditure required to settle the present obligation, including legal costs and contingencies associated with the present obligation, when there are a number of similar obligations. The likelihood that an outflow will be required to settle the obligation is determined by examining the facts and circumstances which have arisen and determining the extent of the liability.

Any claim is assessed that ANZ can be potentially liable to claim from a third party and reported on the obligation is recognised as a liability asset. However, this asset may not exceed the amount of the potential provision.

No liability is recognised if a liability is not a liability because the liability is not a liability. Such a liability is disclosed as a contingent liability, unless the outcome of the liability is probable, in which case it is recognised.

AUTORIDADE NACIONAL DO PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

n. Economic dependence

ANP is dependent upon the support provided by the Federal Government, airport and terminal operators, fuel and shipping lines, from other operators to ensure the ongoing operation of its operations. At the end of the reporting period, the Director has no reason to believe that this financial support will not continue.

p. Significant accounting judgements and estimates

The preparation of the ANP's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

No accounting judgements or estimates have been identified that have significant risk of causing material misstatements to the financial statements and liabilities in the reporting period.

q. Allocation formula

The ANP services are funded on behalf of the Joint Petroleum Development Area (JPDA) under the Timor Sea Arrangements for Designated Activities (TSDA) and activities in the Timor Sea Economic Arrangements (TSEA). Article 1.1(b)(ii) of the Timor Sea Arrangements for Designated Activities (TSDA) states that the Designated Authority of the JPDA, being the ANP, shall be funded from the allocated under the TSDA and TSEA. Each year, the Joint Commission of the JPDA publishes a budget of the ANP and on that basis plan for the year. This budget includes the percentage expenditure to be spent by each the JPDA and TSEA for each financial year. For 2014 the expenditure will be 20.00% based on the approval of the Joint Commission on 6 March 2014:

Directorate	JPDA %	TSEA %
Executive Office	50	20
Single Function	50	20
Corporate Services	50	20
Joint Petroleum Development Area	100	-
Operations	50	50
Research, Safety and Environment	65	15
Development and Production	55	5
Asset and Operations	50	50
Regulatory and Compliance	50	50
Downstream	-	100
ECG	90	10
Overseas	80	20
Contingencies	0	10

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards and interpretations

Standards of new, amended and revised standards are effective for annual periods beginning on or after 1 January 2014. However, there were no dual or mandatory standards for Timor Sea activities.

AUTORIDADE NACIONAL DO PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
1. CASH AND CASH EQUIVALENTS		
USBC Cash/USBC account	5,200,460	5,825,224
Deposit, Credit and Security Placement	130,000	122,000
PIBIC AFID account	77,512	127,000
PIBIC Singapore US\$ account	64,534	25,814
ANP 777 US\$ account	607,582	1,026,167
Cash and cash equivalents held in the operations of ANP	7,065,142	7,920,215
Operating and financial guarantees		
under the administration of ANP - Guarantees below		
PIBIC Singapore, FMA bank	23,485,724	64,591,494
	30,545,314	72,511,718

The PIBIC Singapore Joint Petroleum Development Area (JPDA) Trusts are held in favor of ANP as the Designated Authority under the Joint Petroleum Development Agreement entered into dated 11/09/02 of the Outer Sea Trusts. The money is held in the different Governments of Timor-Leste and Australia in a special accounts created from the petroleum operations in the Joint Petroleum Development Area. (see notes 2 and note 3).

	2014	2013
	\$	\$
2. TRADE AND OTHER RECEIVABLES		
Receivable deposits	16,702	10,301
Development fee receivable	720,383	99,710
Other	5,812	4,943
	742,697	114,954

Trade receivables are non-interest bearing and are generally due within 30 to 60 days.

	2014	2013
	\$	\$
3. OTHER CURRENT ASSETS		
Prepaid taxes	6,000	76,710

	2014	2013
	\$	\$
4. OIL AND GAS		
Cost		
Balance at beginning of year	204,340	90,310
Adding	223,732	11,730
Balance at end of year	428,072	102,040
Accumulated Amortization		
Balance at beginning of year	310,947	228,957
Amortization expense	12,320	10,250
Balance at end of year	423,267	429,207
Net book value	14,805	59,833

AUTORIDADE NACIONAL DO PETRÓLEO
NOTAS AO BALANÇO PATRIMONIAL
PARA O ANO ENCERRADO EM 31 DE DEZEMBRO DE 2014

8. IMÓVEL, PLANTAS E EQUIPAMENTOS

	Balanço Patrimonial	Veículos	Imóvels -precatórios	2014				
		1	2	3	4	5	6	7
Custo								
Saldo em 1 Janeiro 2014	58.000	588.120	776.900	206.273	57.080	58.252	1.571.255	
Acréscimos	5.629	-	-	121.003	3.321	-	64.413	
	<u>63.629</u>	<u>588.120</u>	<u>776.900</u>	<u>327.276</u>	<u>60.401</u>	<u>58.252</u>	<u>1.635.668</u>	
Depreciação								
Saldo em 1 Janeiro 2014	498.257	341.133	60.802	115.173	11.876	61.897	872.029	
Depreciação ad- ministrativa	30.073	63.413	32.372	3.850	1.065	5.437	216.227	
	<u>598.330</u>	<u>404.546</u>	<u>93.174</u>	<u>119.023</u>	<u>12.941</u>	<u>67.334</u>	<u>1.088.256</u>	
Valor residual	<u>75.819</u>	<u>183.574</u>	<u>68.726</u>	<u>208.253</u>	<u>47.460</u>	<u>10.918</u>	<u>547.412</u>	

ALFARRIADA DE NACIONAL DO PETROLIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

8. PROPERTY, PLANT AND EQUIPMENT (continued)

	Carried Forward	Purchases	Leasehold Improvements	2014		Other Items	Disposals	Total
				£	€			£
Cost								
Balance at 1 January 2012	574,335	205,122	1,041,805	133,975		29,592	16,511	1,995,829
Additions	13,825	15,910	4,950	128,928		1,470	1,239	240,222
Depreciation	(25,322)	(10,000)	(1,102)	(25,502)		(873)	-	(27,697)
	602,838	211,032	1,045,653	337,399		30,189	17,750	2,233,689
Accumulated Depreciation								
Balance at 1 January 2012	423,422	171,420	79,776	39,956		11,514	4,116	620,294
Depreciation for the year	11,053	50,500	21,246	22,722		17,541	14,126	117,188
Reversal of Depreciation	(26,019)	(27,629)	-	(1,013)		(373)	-	(55,034)
	408,456	193,291	100,992	61,665		48,682	18,242	730,338
Net book value	194,382	117,741	936,661	275,734		15,507	24,216	1,503,351

AUTORIDADE NACIONAL DE DEFESA DO DÓLAR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 R\$	2013 R\$
9. TRADE AND OTHER PAYABLES		
Trade payables	211,004	193,091
Unsettled foreign currency funding for government entities	981,111	-
Monies held in commercial establishments to settle foreign currency	10,619	135,321
Unsettled foreign currency for residents	15,111	110,745
PAYG funding	18,617	10,780
Super Credits	839	717
Annual Allowance for employees		225,516
Total	1,238,101	1,005,460
Unsettled foreign currency funding for government entities	981,111	35,602,343
Unsettled foreign currency for residents	2,110,006	5,481,119
Payables due to ANPD as of 31/12/14 (signed and approved)		
(see page 2 and 2008-13)	21,485,058	24,821,194
	21,500,000	16,909,456

Trade and other payables are due on credit and are normally calculated on 30 days terms.

- a. A Memorandum of Understanding was signed on 12/08/14 between the Ministry of Economy and Finance, Resources - Department of the Ministry and ANPD, whereby the Ministry is committed to transfer 300 million to ANPD's operational costs. On 14/08/14, by the Ministry's decision of Additional Information and Approval, it was stipulated that one of the 300 million funding of 0 million should be allocated to the rural extension program, leaving the remaining 300 million to be used for operations.

	2014 R\$	2013 R\$
Grant allocated for operations	-	-
Monies received from the Ministry of Economy and Finance, Resources	1,502,000	-
Amount disbursed during the year	(1,502)	-
Balance remaining	98,000	-

- b. A Memorandum of Understanding was signed 18/08/14 between the governments of Bahia, Pernambuco and São Paulo and Finance. The ANPD has been authorized to draw monies from the Treasury of Pernambuco and Federal Resources.

	2014 R\$	2013 R\$
Operational expenses	132,473	-
Monies received from the Ministry of Economy and Finance, Resources in 2014	-	200,000
Amount disbursed during the year	57,884	14,425
Balance remaining	74,589	185,575

	2014 R\$	2013 R\$
10. UNPLANNED INCOME		
Contract to value fees	240,000	480,517
Resale of 200,000	-	911,510
	240,000	1,392,027

AUTORIDADE NACIONAL DO PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

11. JOINT PETROBRAS AND PETROBRAS ATEA BANK ACCOUNT MOVEMENTS SUMMARY	2014 R\$	2013 R\$
Opening balance 2013: 2013/2014 period	2,289,494	20,111,705
Cash received from the operators	2,156,000	2,058,335,131
Interest received	25,738	25,420
Bank charges	(1,494)	(2,362)
Net funds available for distribution	4,569,738	2,112,568,894
Funds distributed to Terna - 2014	(1,037,337,104)	(1,226,230,317)
Funds distributed to 2013/2014	(117,201,737)	(26,136,107)
Closing balance 2014: 2014/2015 period	33,030,997	64,851,494
2014/2015 period: 2014/2015 period		
2014/2015 period: 2014/2015 period	21,137,182	22,015,745
2014/2015 period: 2014/2015 period	2,345,222	6,009,145
	33,482,759	64,851,494

12. EMPLOYEE COSTS	2014 R\$	2013 R\$
Salaries and wages	1,027,100	1,037,124
Ratios and benefits	294,108	234,133
Annual leave wages	195,131	178,182
Contributions	41,863	28,778
Insurance	91,807	21,747
Employee benefits	10,131	1,148
Retirement		10,547
Amortisation of assets		20,312
Other	20,616	5,254
	2,500,755	2,106,947

13. GENERAL AND ADMINISTRATIVE	2014 R\$	2013 R\$
Depreciation	1,250,297	1,061,443
Taxes	572,128	348,873
Training	250,151	627,312
Vehicle and equipment related costs	120,000	104,951
Advertising and promotion	25,000	85,057
Utilities	225,000	324,012
Printing and office supplies	100,000	65,356
Professional fees	50,000	64,501
Consulting	25,000	20,210
Research	10,000	30,000
Subscription and maintenance	1,000	32,162
Bank charges	5,000	10,500
Other expenses	5,000	12,500
	3,370,301	3,130,905

AUTORIDADE NACIONAL DE PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

14. FINANCIAL INSTRUMENTS

a) Financial risk management objectives and policies

The ANP's principal financial instruments comprise a range of receivables, payables and long-term financial liability instruments.

The ANP manages its exposure to financial risks in accordance with its policies. The objective of its policies is to ensure that the increase in the ANP's income arising from the decrease in risk

exceeds the requirements under its derivative financing contracts (which extend to between the ANP and exploration companies to that the company must provide adequate security for any of a bank issued letter of credit, or equivalent security). The security documents require additional security that the exploration companies will not provide in any event in a circumstance that the PSC.

The ANP's activities expose it to financial and commercial financial risk. The main risks arising from the ANP's financial instruments are credit, exchange risk, interest rate risk, credit risk and liquidity risk. Risks are considered to be low.

Primary responsibility for the identification and control of financial risks rests with Management under the authority of the Board of Directors.

b) Net fair value of financial assets and liabilities

Assets are cash equivalents. The carrying amount approximates fair value because of their short-term maturity.

Trade and other receivables and trade and other payables. Their carrying amounts approximate fair value because of their short-term nature.

c) Foreign Exchange Risk

The ANP generally operates using United States dollars and its functional currency is the US dollar but it operates through its subsidiaries in other currencies. The ANP is exposed to foreign exchange risks with respect to the subsidiaries' activities arising primarily from:

- cash and short-term receivables held in American Dollars
- sales and foreign supplies denominated in foreign currencies

d) Interest Rate Risk

Interest rate risk is low in the ANP. Even the fair value of future cash flows are unaffected by changes in the market interest rates. The ANP is exposed to interest rate risk primarily through cash surpluses invested in short-term interest-bearing deposits. The deposits are only made with reputable financial institutions with ratings designated as all-B ratings, more than 30 days.

Monies held on behalf of the United States and various other governments may be placed in short-term time deposits of generally less than one month. Any monies deposited is paid to the governments and does not form part of the ANP's income.

AUTORIDADE NACIONAL DO PETRÓLEO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

a) Credit Risk

Credit risk arises from the financial assets of the entity, which are payable and receivable in time and primarily after maturity. The company's exposure to credit risk arises from potential default of the counterpart, with a maximum exposure equal to the carrying amount of these instruments. Exposure of all financial assets is collateralised in such applications.

The ANP has a significant concentration to credit risk through its cash and deposits with banks. The main concentration is with two Portuguese banks. The ANP monitors that this concentration is managed by diversifying not all doing with one particular bank.

b) Liquidity Risk

Liquidity risk arises from the timing of liabilities of the entity and ANP's solvency ability in order to discharge its payment financial liabilities and when they do this.

The company's assessment of what is its exposure to liquidity risk by analysing its cash flows both through rolling 12 months time and monitoring the aging of receivables and payables.

(5) CONTINGENCIES (LIABILITIES & ASSETS)

There are no contingent liabilities or contingencies as of 31 December 2014 noted.

ANNEX 3-ANP 2014 AUDITED REVENUE REPORT

**AUTORIDADE NACIONAL DO PETRÓLEO
OF TIMOR-LESTE**

**STATEMENT OF PETROLEUM REVENUE
RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014**

AUTORIDADE NACIONAL DO PETRÓLEO DE VIMBOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

GENERAL INFORMATION

Board of Directors	Mr. Guillelmo de Siles (President and Chairman); Mr. Jorge Martínez Ducháliz; Mr. Miquel de Cossia; Mr. Nelson de Jesús
Chairman of Auditor	Mr. Ángel López
Place of Business:	Carrilal Meer East Wing of Pinar del Rio Governor Bili Titeres-Luste
Banking	Long Keep Shanghai Bank Corporation
Single auditor:	Mrs. Gracia Escobar
External Auditor	M&A Partners P, L, C
Country of Incorporation	Turkey-Luste
Currency	United States Dollars

CONTENTS

	Page
Annex Tables	3-7
Statement of Petroleum Revenue Receipts and Payments	8
Accounting Policies and Explanatory Notes	9-7

APPROVAL OF THE STATEMENTS

The Statement of Petroleum Revenue Receipts and Payments for the year ended 31 December 2014 set out on pages 8 to 7 was authorized for issue in accordance with a resolution of the Board of Directors and signed on this date by:

.....

 Guillelmo de Siles
 President
 Date: 12/15/15

.....

 Ángel López
 Chairman of Commodity
 Date: 12/15/15

Independent Auditor's Report to the Board of Directors of the Autoridade Nacional do Petróleo

We have audited the accompanying Statement of Petroleum Revenue Receipts and Payments ("the Statement") of Autoridade Nacional do Petróleo ("the Authority"), which comprises the statement of cash receipts and payments for the year ended 31 December 2014, notes comprising a summary of significant accounting policies and other explanatory notes.

The Board of Directors' Responsibility for the Statement

The Board of Directors ("the Board") is responsible for the preparation and fair presentation of the Statement in accordance with Note 2 of the Significant Accounting Policies and for such internal control as the Board determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Authority's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statement of Petroleum Revenue Receipts and Payments present fairly, in all material respects, the cash balances of Autoridade Nacional do Petróleo as at 31 December 2014 and its cash receipts and payments for the year then ended in accordance with the significant accounting policies in Note 2.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 2 to the Statement which describes the basis accounting. The Statement has been prepared to assist the Authority to meet its financial reporting requirements. As a result, the Statement may not be suitable for another purpose. Our report is intended solely for the Authority and should not be distributed to parties other than the Authority.



Merit Partners



Matthew Kennon
Director

Darwin
Date 14 May 2015

AUTORIDADE NACIONAL DO PETRÓLEO DE TIMOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

		2014	2013
	Malay	TL	TL
Revenue receipts by field			
Liquor Under	3	15,205,449	1,958,941,867
Water	4	11,401,203	2,000,123
Total revenue receipts received		26,606,652	1,960,941,990
Inter-Company Transaction			
• Timor Leste		13,000	2,200
• Timor Leste, for month ended delayed payment	5	12,584	1,000
Total inter-Company Transaction		13,584	3,200
Net charges		(1,834)	(1,200)
Receivable back charges for the year		1,542,112	2,000,000
Cash at beginning of year		61,000,000	56,100,000
		22,983,890	2,100,000,000
Less: cash at end of year	6	(2,000,000)	(2,000,000)
Amount available for distribution		1,75,641,782	2,073,653,000
Distributed as follows:			
Payment to Timor Leste (Timor Leste)		1,75,641,782	1,868,557,700
Distribution to Department of Petroleum and Geology, Australia		17,500,000	20,000,000
		1,175,641,782	2,073,653,000

AUTORIDADE NACIONAL DE IMPRÓVEDO
 NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2011

1. Value Proposition

The Autonomous Specialized Tribunal of Administrative Jurisdiction was established on the 1st of July 2008 after the Organic Law No. 20/2008 was passed on the 18th of June 2008.

The AIC is from Lexis's case reports, forming a set regarding petroleum activities in Trinidad's offshore jurisdictional areas and in the Joint Petroleum Development Area (JPDA) in accordance with the terms set on the establishment of the AIC, the Energy and Petroleum Activities Law, and the Time and

Their discussion of the theory, however, includes 2 arguments of 3 steps and 1200 words. Although the authors personally searched experimental conditions under the 3 conditions, no testing error is necessary for the use of their power analysis procedure with this theory.

ANP, pursuant to Article 6 of the Treaty, is responsible for the management of the services relating to application for the association of its permanent residents in the 1994, which included the collection and distribution of proceeds generated from the sale of permanent permits produced from 2000/01 and in the 2001 field.

Table 4. The average size of the share of petroleum production revenue to the governments of Iran, Iraq, and Kuwait is as follows:

- (c) The United States and Australia shall have the right to provide information to the United States of the per capita production in the JPLDA from 1953 pursuant to the following: (1) from 1953 to 1962, 100 percent shall belong to Australia;
- (d) In the event that this reference to the Treaty, Agreement or any other means for ascertaining the indigenous or non-indigenous expenditure of the Tasmanian Authority made or to the Treaty that expenditure shall be 50 percent if the 50 percent limitation is not in agreement with:

The authors are grateful to the referees for their helpful comments.

The Fayetteville field lies in the JPD# 02-12 and JPD# 03-13 Pooling or Spacing Contract (PSC) area. Diversion of 100% will first production begin in 2014. The Fayetteville field is approximately 250 kilometers from Timor-Leste and is 10 kilometers from the Australian coast. Fayetteville produces clean, non-flammable, non-toxic, and non-corrosive natural gas produced at the basin's subsurface pressure (10-15 MPa) and without the need for extensive processing. Fayetteville Gas is a high-quality gas with a low sulfur content, which is an essential factor for the following markets: Surface Compression (10-15%), Export Compression (1-15%), Air Conditioning (10-15%), and Thermal Energy Recovery (10-15%).

[illegible]

2. Significant surrounding particles

2. **Use of personal information.**

The statement of financial position is accompanied by explanatory notes. The statement is prepared for income received by the taxpayer designated Australia under the Treaty. The information provided is taken from the financial statement of the Australian Government in a 1950/51 financial year in the name of the ANU and is contributed to the two governments on a regular basis. Revenue includes consist of net income, profits, royalties, and other income earned, net of bank charges incurred. The accounting does not have any application to the ANU, the ANU.

b. *Pyralium caryocae* n. sp.

Additional work necessary to be completed by April 11, 1955, and 45,000 ft.

c. Elements

Physicians and clinicians in the United States and Australia governments licensed by Tasey and its licensees in 2010/2011.

AGENCIA NACIONAL DO PETRÓLEO
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDING 31 DECEMBER 2013

∴ **Principle proved**

and ANOVA treatment of percent of animals exhibiting response to stimulus in United States dollars.

c. $\mathbb{Q}[x]$ and $\mathbb{Q}[x]$ B-Modules

Corporation's cash equivalents, time deposits, and investments in U.S. and foreign securities at F3327 (bank amounts less reported premiums, provision for credit and credit charges), mutual interest, and other investments.

This proceeds together with the net of national industrial bank shares, normal in the period of the respective government. Disinflation is made in the Post-war Fund program of the Central Bank of the Netherlands and in the Department of Industry and Science program. Another 75 billion was made available for new loans and profit of the KLM, Post, generated from KLM's share of the profits of the following group of the operating company is deposited for the first time in ANWB's program.

1. Introduction

The second element of the model is derived from the literature. The experts made at the 1994 UN Conference on the environment and development the following commitments in the following month:

Net oil interest is minimal as compensation for the delay of profit oil payments on OPEC's share of profit.

AUTONOMO NACIONAL DO PETRÓLEO
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. BAYU LINDA FIELD RECEIPTS

	2024		2023		2022	
	Revenue RM	Net Profit (RM)	Revenue RM	Net Profit (RM)	Revenue RM	Net Profit (RM)
Revenue from Production	14,028,000	88,010,000	70,770,000	78,780,000	30,020,000	1,122,000
Revenue from Royalties	-	5,370,000	512,000	-	14,070,000	40,720,000
Revenue from Sale of Gas	-	1,000,000	1,000,000	-	2,000,000	20,000,000
Revenue from Other	1,000,000	5,000,000	10,000,000	11,000,000	5,000,000	20,000,000
Revenue from Other	-	10,000,000	10,000,000	-	10,000,000	20,000,000
Total	15,028,000	109,380,000	81,770,000	89,780,000	51,090,000	1,402,720,000

The total amount of the payment received from the production of gas from the Bayu LINDA field is RM 15,028,000 for the year ended 31 December 2024.

4. BUKIT LINDA FIELD RECEIPTS

	2024		2023		2022	
	Revenue RM	Net Profit (RM)	Revenue RM	Net Profit (RM)	Revenue RM	Net Profit (RM)
Revenue from Production	1,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Revenue from Royalties	1,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Revenue from Other	1,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total	3,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000

5. CASH AND CASH EQUIVALENTS

	2024 RM	2023 RM
100% Singapore held in the name of ANE in the year	13,455,755	64,591,494
100% contributed to the following:		
- to the Government of Sarawak	11,137,135	38,005,345
- to the Department of the Registrar, Energy and Petroleum, Australia	2,318,620	2,586,149
Total	13,455,755	64,591,494

6. PAYMENT FROM PRODUCTION PAYMENT

	2024 RM	2023 RM
Production		
100% contributed to the following:		
- to the Government of Sarawak	5,000	5,000
- to the Department of the Registrar, Energy and Petroleum, Australia	3,000	3,000
- to the Department of the Registrar, Energy and Petroleum, Australia	200	1,000
Total	8,200	9,000
100% contributed to the following:		
- to the Government of Sarawak	-	1,000
Total	8,200	10,000