

ANNUAL REPORT 2021



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AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS IN BRIEF

1.1 ANPM REGULATORY JURISDICTION

Autoridade Nacional do Petróleo e Minerais (ANPM) is Timor-Leste's public institution established under Decree Law No.27/2019 of 29th August, 2nd amendment of Decree Law No.20/2008 of 19th June.

ANPM is vested with administrative and financial autonomy to act as regulatory authority for the oil, gas and mineral related activities in accordance with the provisions of the Petroleum Activities Law, Maritime Boundary Treaty, Mining Code, and the Diploma Ministerial on mineral activities.

ANPM is responsible to Timor-Leste Government and carry out the day today regulation and management of upstream petroleum activities thru regular supervision and control of petroleum and mining in Timor-Leste area (offshore and onshore) activities including health, safety, environmental protection and assessments of work practices. Based on the Maritime Boundary Treaty, Annex B, ANPM is a Designated Authority, responsible to Board of Governance which represents Timor-Leste and Australia Government for managing and regulating petroleum and activities in the Greater Sunrise Special Regime.

In the TLOA, apart from being responsible for the upstream petroleum activities equivalent to those in the Timor-Leste exclusive area, ANPM is also responsible to regulate downstream petroleum activities including supply, processing, storage, transportation, trading and marketing of oil and gas products.

ANPM is also responsible to regulate mineral activities in all territory including acknowledgement, exploration, assessment, development, exploitation, processing, refining, transportation and commercialization.



FIGURE 1:ANPM JURISDICTIONAL AREAS (MAP NOT TO SCALE)

1.2 VALUES, VISION, MISSION AND GOALS



OUR VALUES

Collaboration

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

Openness

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

Unity

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

Responsibility

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

Accountability

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

Global view

Whilst operations for the ANPM reside in Timor-Leste, its views are global ones. It deals 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 ANPM believes in excellence – in everything that it does.

OUR VISION & MISSION

Our Vision

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

Our Mission

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

OUR GOALS

Ensure that petroleum and mineral 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 and mineral sectors in Timor-Leste;

1.3 ORGANIZATIONAL STRUCTURE AND DEVELOPMENT

STRUCTURE

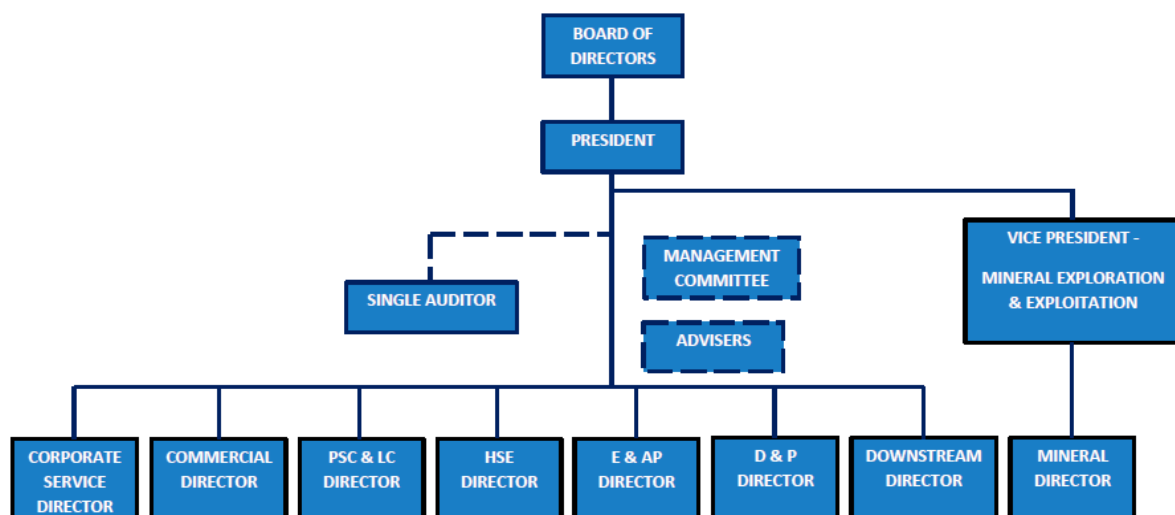


CHART 1: ANPM ORGANIZATIONAL STRUCTURE

BOARD OF DIRECTORS (BoD)

ANPM Board of Directors in 2021 composed of:

Florentino Mateus Soares Ferreira, BSc. (Hons.) MS.	Chairman
Joanito Monteiro, BA, LL.M	Non-Executive member
Jose Manuel Gonçalves, BEng(MiningEng)	Executive member
Mateus da Costa, MSc	Executive member
Nelson de Jesus, SE	Executive member

This composition based on ANPM Decree Law article 7.

BoD is responsible for defining directions and policies for the ANPM. In doing so, the board is responsible for approving internal regulations, strategic directions, technical regulations and directives under the Petroleum Act and approving ANPM's consolidated work plan and budget as prescribed under Article 8 of the ANPM decree law.

SINGLE AUDITOR

The roles and functions of the Single Auditor (SA) are stipulated under Article 12 and 14 of the Decree Law on the establishment of the ANPM. The Single Auditor is the organ responsible for monitoring legality, regularity, and proper financial and patrimonial management of the ANPM. Single Auditor nominated by Ministry of Petroleum and Mineral Resources and Ministry of Finance for the mandate of three (3) years. The Single Auditor for the period 2015-2018 and 2018-2021 is Oscar Sanchez Faria, M.Acc.

MANAGEMENT COMMITTEE

Management committee is established by the President which consists of the vice president and all executive directors. The Management committee holds meeting at least once in a month to address day-to-day management of ANPM and to address projects in TLOA and Special Regime Greater Sunrise.

Jose Manuel Gonçalves, BEng (MiningEng)	Vice President - Mineral Exploration & Exploitation
Dionisio Martins, SE, MSc	Director - Corporate Services
Fernando da Silva, ST, MEDEA	Director - Development and Production
Verawati Corte Real de Oliveira, BSc	Director - Health Safety and Environment
Mateus da Costa, MSc	Director - Exploration and Acreage Release
Rosentino Amado Hei, SH	Director - PSC and Legal Compliance
Nelson de Jesus, SE	Director - Downstream
Rafael Danilson Magno de Araujo, ST, MSc.	Director - Mineral

1.4 MAJOR ACHIEVEMENTS AND PROJECTS HIGHLIGHTS IN 2021

LAUNCHING THE FIRST ONSHORE DRILLING CAMPAIGN

On 27th October 2021, Prime Minister of RDTL, Taur Matan Ruak officially launched the first onshore drilling for PSC TL-OT-17-09 in Feto Kmaus well in Suai, Covalima. This drilling campaign is the first drilling campaign in onshore area of Timor-Leste, 50 years from the last well drilled in onshore Timor after Timor-Leste gained its independence in 2002.

FIGURE 2: H.E. PRIME MINISTER, TAUR MATAN RUAK OFFICIALLY LAUNCHED THE FIRST ONSHORE DRILLING IN FETO KMAUS WELL

PHASE 3C INFILL DRILLING PROGRAM

On 26th May 2021, Santos as operator of the Bayu-Undan Joint Venture announced the phase 3C infill drilling program commenced at the Bayu-Undan field, in the Timor-Leste offshore water. The drilling of the first well delivered gas in July 2021. While the drilling of the second well started in June, the first gas of the second well was delivered in October 2021. Third well was subsequently drilled and successful in which it is now on ongoing preparation for production. Thus, from the two first production wells; we can produce more than 40,000 barrels oil equivalent (BoE).

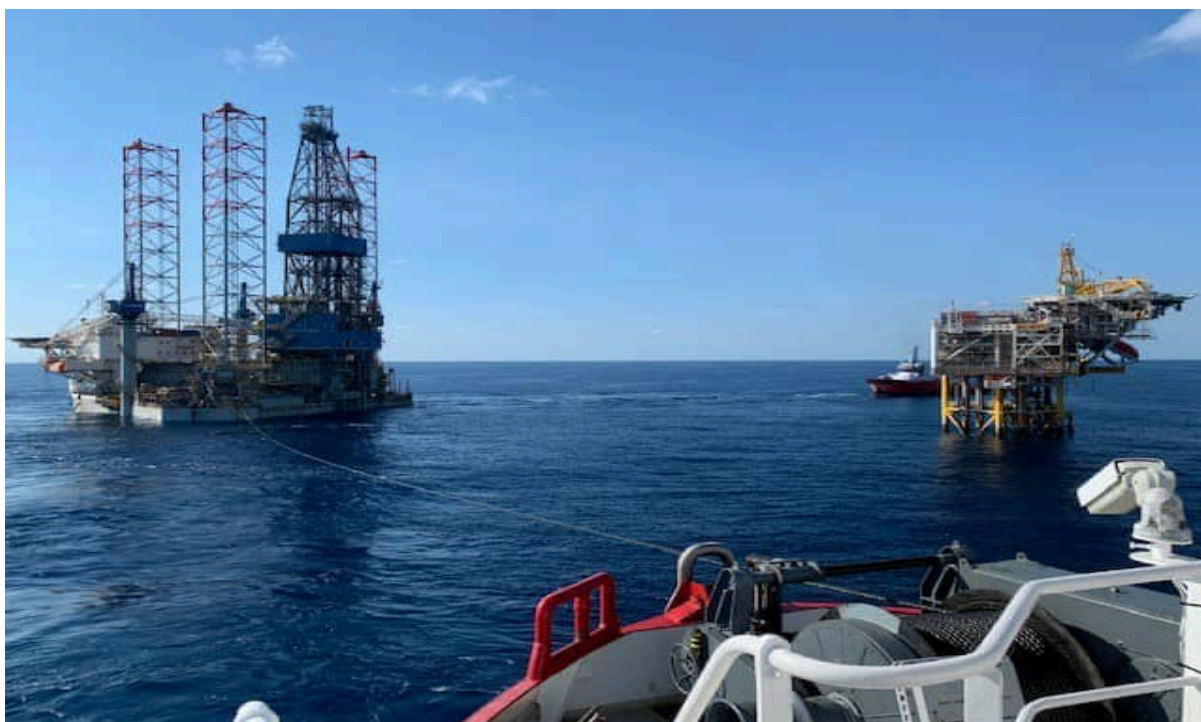


FIGURE 3: PHASE 3C INFILL DRILLING PROGRAM IN BAYU-UNDAN FIELD

SIGNING OF CARBON CAPTURE STORAGE AGREEMENT

On 13th September 2021, ANPM and Santos Ltd, operator in Bayu-Undan field has signed a Memorandum of Understanding (MOU) to assess the feasibility of Carbon Capture and Storage (CCS) at Bayu-Undan in the Timor Sea. Santos believes the Bayu-Undan reservoir and facilities have the potential to be a world-leading CCS project, and the CCS at Bayu-Undan has a potential capacity of approximately 10 million tons per annum. This CCS hub at Bayu-Undan will provide employment opportunities, generate revenues for the State and transfer of knowledge and know-how as well as provide capacity building for Timor-Leste.



FIGURE 4: ANPM AND SANTOS LTD SIGNED MOU TO ASSESS FEASIBILITY OF CARBON CAPTURE STORAGE AT BAYU-UNDAN FIELD

SIGNING OF PUALAKA PSC

On 7th December 2021, ANPM and Timor Gap Pualaka Block Unipessoal, Lda signed a new Production Sharing Contract (PSC) for PSC TL-OT-21-10. This PSC was signed by President of ANPM, Florentino Soares Ferreira and Managing Director of Timor Gap Pualaka Unipessoal, Lda. Lamberto Fernandes.



FIGURE 5: ANPM SIGNED PSC WITH TIMOR GAP PUALAKA UNIPESSOAL, LDA

DISSEMINATION OF LAW NO. 12/2021, ON MINING CODE

On 2nd December 2021, The National Authority for Petroleum and Mineral (ANPM) launched the dissemination of Law No. 12/2021, on Mining Code in Baucau Municipality. Upon this launching the dissemination activities have been done in all municipalities including RAE OA. This law was approved by the National Parliament on 24th May 2021 and promulgated by the President of the Republic on 25th June 2021.



FIGURE 6: DISSEMINATION OF LAW NO. 12/2021, ON MINING CODE

1.5 ANPM HUMAN RESOURCE DEVELOPMENT

ANPM has invested significantly to the capability development of its staffs. The commitment supported the staffs' trainings, workshop, conferences and secondment.

STAFFING

During 2021, ANPM conducted 4 recruitment for new and replacement positions in order to respond to the ANPM's activities. By end of 2021, ANPM has a total of 116 staff spread across different directorates, including President and Single Auditor's offices.

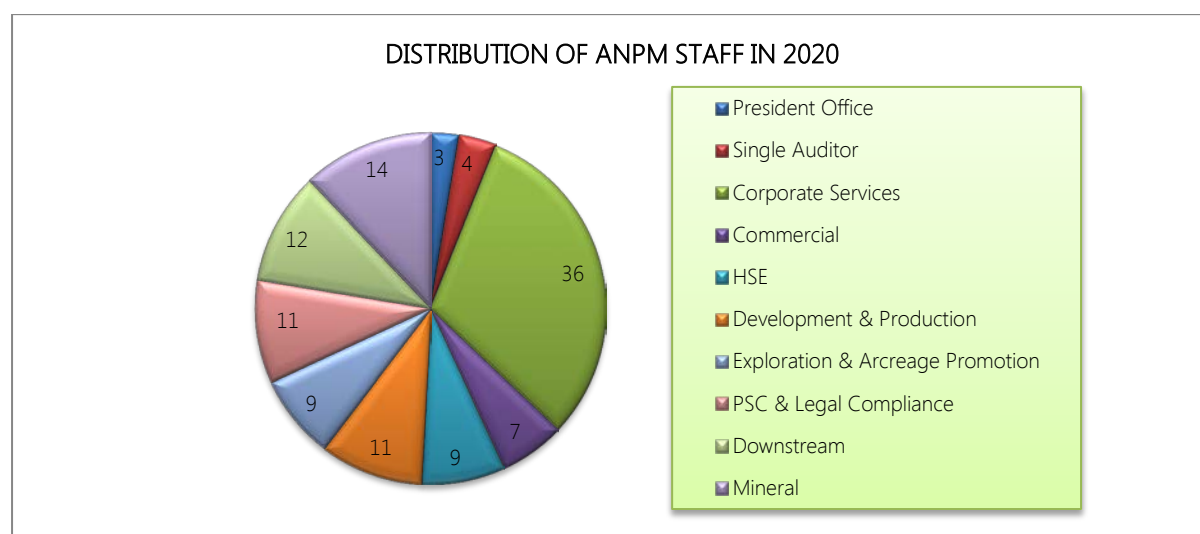


CHART 2: ANPM STAFF DISTRIBUTION IN 2021

1.6 CORPORATE PROCUREMENT

Corporate procurement is categorized into five major items; Consultancy, Audit, Goods and Services. In 2021, Corporate procurement amounts to a total of USD \$ 2,360,213.56. In terms of value distribution, corporate procurement in 2021 mostly expend on Goods, Services and Consultancy. Further details can be found in annex I of this report. The details of expenses in annex I

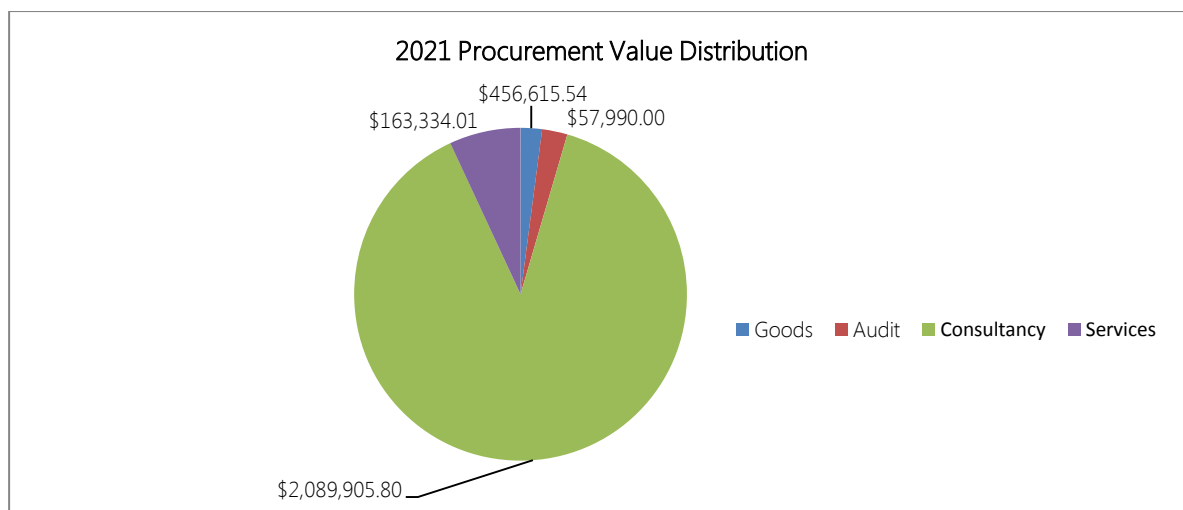


CHART 3: 2021 ANPM PROCUREMENT BY CATEGORIES

1.7 SINGLE AUDITOR

Under the Single Auditor Unit (SAU), there are three internal auditors and one Junior Risk and Compliance Auditor who work together with the Single Auditor (SA). The team has carried out internal audit function mainly the audit to verify the internal control, compliance as well as financial including management reporting. Under the SAU approved Strategic Action Plan, the SAU team has carried out various internal audit work such as, review budget execution and financial management and provide technical opinion to the ANPM proposed budget in which the final report of both budget opinion and execution will be presented to the BoD for consideration. Furthermore, the team facilitates the external auditor in performing audit to the corporate financial report, mineral as well as petroleum revenue starting from the preparation phase, audit field work until the issuing of the final report.

In addition, the SAU team also conduct an internal audit activity to verify/assess the internal control process of the corporate finance process, administration and procurement process, human resources, training, travel, downstream revenue collection process and mineral as well as petroleum revenue collection process. During the audit process, the SAU collect the document evidence, design flowchart, develop risk and control matrix, performing substantive test and lastly prepare and present the report to the Management and BoD at the end of the year for an input ad recommendation.

The team, moreover, is responsible to follow-up the action plan from the agreed recommendations of the previous audit activities, from its internal audit assignment and external audit entities such as from Timor-Leste Supreme Audit Court (*Câmara de Contas*), British Standards Institution (BSI) auditors for Information Security Management Systems (ISMS) ISO27001:2013, British Standards Institution (BSI) auditors for Quality Management System (QMS) ISO9001:2015 standard and external auditors such as Ernst and Young (EY).

1.8 FINANCIAL STATEMENT AND AUDITOR'S REPORT

ANPM - CORPORATE EXPENSES REPORT

Below is the ANP's audited expenses report for 2021. All figures presented are in United States Dollar.

Expenses Report Per 31 December 2021		
	Actual	Budget
Development Fees	\$ -	
Contract Services Fees	\$ 320,000.00	\$ 160,000.00
Subsidy from Timor - Leste Government for ANPM Operation	\$ 8,735,000.00	\$ 9,500,000.00
Downstream Fees	\$ 1,197,683.34	\$ 1,000,000.00
Downstream Licenses-trading Fee	\$ 117,913.15	
Interest	\$ 70.00	
Total Income	\$ 10,370,666.00	\$ 10,660,000.00
EXPENSES		
Employee Cost	\$ 3,024,473.00	\$ 3,991,632.54
General and Administration	\$ 3,957,287.00	\$ 7,725,205.90
Depreciation and Amortisation	\$ 407,481.00	\$ 375,600.96
Interest Expenses	\$ 273.00	\$ -
Net Loss in Foreign Exchange	\$ 1,151.00	\$ -
Contingency	\$ -	\$ 388,003.44
Total Expenditure/Budget	\$ 7,391,065.00	\$ 12,480,442.84
Surplus	\$ 2,979,601.00	\$ (1,820,442.84)
* non ANPM asset fund (an income to execute Timor - Leste Government program)		
Percentage Budget vs Actual	59%	
Percentage Income vs Expenditure	71%	

ANPM - CORPORATE FINANCIAL STATEMENT

AUTORIDADE NACIONAL DO PETRÓLEO

2021 Financial Report (audited)

	Notes	2021 \$	2020 \$
REVENUE AND OTHER INCOME			
Contract service fees		320,000	320,000
Subsidy from Timor-Leste Government		8,735,000	9,310,458
Downstream fees		1,197,683	1,018,317
Downstream licenses - trading fees		117,913	120,351
Interest		70	722
TOTAL INCOME		10,370,666	10,769,848
EXPENSES			
Employee costs	16	3,024,473	2,692,459
General and administration	17	3,957,287	4,520,325
Depreciation and amortization		407,481	500,630
Interest expense		273	1,246
Net loss/(gain) in foreign exchange		1,551	(2,261)
TOTAL EXPENSES		7,391,065	7,712,399
SURPLUS FOR THE YEAR		2,979,601	3,057,449
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,979,601	3,057,449

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 2021

	Notes	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	17,092,464	13,404,092
Cash and cash equivalents – Timor-Leste National Library Project	4	1,536,202	1,536,202
Cash and cash equivalents - Joint Petroleum Development Area	4, 14	13,761,726	5,085,925
Cash and cash equivalents - Oilex Settlement Proceeds	4, 19	5,900,000	5,650,000
Cash and cash equivalents -TL Cement Escrow Account	5	50,280,428	50,280,428
Trade and other receivables	6	223,591	144,891
Other current assets	7	69,311	80,711
Total Current Assets		88,863,722	76,182,249
NON-CURRENT ASSETS			
Property, plant and equipment	9	414,486	606,154
Intangibles	8	27,018	122,716
Right-of-use asset	11	40,811	30,948
Total Non-Current Assets		482,315	759,818
TOTAL ASSETS		89,346,037	76,942,067
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	10	2,591,616	2,261,170
Payable in respect of Joint Petroleum Development Area Funds	14	13,761,726	5,085,925
Payable in respect of Oilex Settlement Proceeds	4	5,900,000	5,650,000
Payable TL Cement Escrow Account	15	50,280,428	50,280,428
Unearned income	13	120,595	23,239
Lease liability	11	23,344	17,963
Provisions	12	228,643	187,340
Total Current Liabilities		72,906,351	63,506,065
Lease liability	11	17,841	13,491
Provisions	12	109,825	90,092
Total Non-Current Liabilities		127,666	103,583
TOTAL LIABILITIES		73,034,017	63,609,648
EQUITY			
Initial contribution	21	2,153,168	2,153,168
Accumulated funds		14,158,852	11,179,251
Expenditure reserve		-	-
Total Equity		16,312,020	13,332,419
TOTAL EQUITY AND LIABILITIES		89,346,037	76,942,067

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 2021

	Initial Contribution \$	Capital Reserve \$	Expenditure Reserve \$	Accumulated Funds \$	Total Equity \$
At 1 January 2020	2,153,168	-	924,038	7,197,764	10,274,970
Transfer out of expenditure reserve	-	-	(924,038)	924,038	-
Total deficit for the year	-	-	-	3,057,449	3,057,449
At 31 December 2020	2,153,168	-	-	11,179,251	13,332,419
Total surplus for the year	-	-	-	2,979,601	2,979,601
At 31 December 2021	2,153,168	-	-	14,158,852	16,312,020

ALLOCATION OF SURPLUS

FOR THE YEAR ENDED 31 DECEMBER 2021

FOR THE YEAR ENDED 31 DECEMBER 2021	Greater Sunrise Special Regime \$	Timor-Leste Jurisdiction \$	Total for the Year \$
Development fees	-	-	-
Contract service fees	320,000	-	320,000
Subsidy from Timor-Leste Government	-	8,735,000	8,735,000
Downstream fees	-	1,197,683	1,197,683
Trading fee	-	117,913	117,913
Interest	70	-	70
Total Income	320,070	10,050,596	10,370,666
Expenses split per 2021 approved budget proportion	(111,306)	(7,279,759)	(7,391,065)
Surplus for the year	208,764	2,770,837	2,979,601

The above Statement of Allocation of Surplus should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 \$	2020 \$
Operating activities			
Surplus for the year		2,979,601	3,057,449
Adjustments to reconcile surplus/(deficit) for the year to net cash flows:			
Depreciation of property, plant and equipment	9	289,147	400,815
Amortization of intangible assets	8	99,240	78,302
Depreciation on right-of-use asset	11	19,094	21,513
Operating surplus before working capital changes		3,387,082	3,558,079
Working capital adjustments:			
(Increase) /Decrease in trade and other receivables	6	(78,700)	76,153
(Increase) in other current assets	7	11,400	(23,640)
Increase /(Decrease) in trade and other payables	10	9,256,247	(21,240,326)
Increase/(Decrease) in employee benefits provision	11	61,036	(52,966)
Increase in unearned income	13	97,356	13,205
Net cash flow (used in)/generated from operating activities		12,734,421	(17,669,495)
Investing activities			
Purchase of intangibles	8	(3,542)	(187,913)
Purchase of property, plant and equipment	9	(97,479)	(391,964)
Decrease/(increase) in other noncurrent asset		-	84,564
Net cash flow used in investing activities		(101,021)	(495,313)
Financing activity			
Payment of principal portion of lease liability		(19,227)	(21,254)
Net cash flow used in financing activity		(19,227)	(21,254)
Net increase in cash and cash equivalents		12,614,173	(18,186,062)
Cash and cash equivalents at beginning of year		25,676,219	43,862,281
Cash and cash equivalents at end of year	4	38,290,392	25,676,219

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

ANPM - REVENUE AUDIT REPORT

AUTORIDADE NACIONAL DO PETRÓLEO OF TIMOR-LESTE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue receipts by field			
Bayu-Undan	3	318,504,632	138,598,817
Total revenue receipts received		318,504,632	138,598,817
Interest			
- Interest from Term Deposit	5	16,911	7,305
- Interest from Profit oil/gas interest		-	-
Total receipts received		318,521,542	138,606,122
Bank charges		(240)	(320)
Receipts less bank charges for the year		318,521,302	138,605,802
Cash at beginning of year		5,085,925	29,547,314
		323,607,228	168,153,117
Less: cash at end of year	4	(13,761,726)	(5,085,925)
Amount available for distribution		309,845,502	163,067,191
Distributed as follows:			
Distribution to Petroleum Fund of Timor-Leste		309,845,502	163,067,191
Total payments made		309,845,502	163,067,191

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

MINERAL STATEMENT

STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue receipts by type of accounts			
License Fees	3	14,500	20,000
Prospecting		-	500
Exploration		-	3,000
Mining		14,500	16,500
Mining Fees	4	1,669,916	2,267,129
Compensation Fees	5	289,461	522,729
Exploration fee- Annual Surface Fees	6	-	5,472
Total revenue receipts deposited		1,973,877	2,815,330
Bank charges	7	(159)	(123)
Receipts less bank charges for the year		1,973,719	2,815,206
Cash at beginning of year		-	-
Less: cash at end of year		-	-
Total cash distributed for the year	8	\$1,973,719	2,815,206

The above Statement of Mineral Revenue Receipts and Payments should be read in conjunction with the accompanying notes. The Mineral Revenue Receipts and Payments are directly paid to Timor-Leste Government account.

Details of audit in annex II.

2. PETROLEUM CONTRACT OPERATOR'S ACTIVITIES

The ANPM role is to ensure contractors' compliances in undertaking both the Mineral Activities and Petroleum Operations through processes of evaluating industries report on Petroleum Operations, conducting monitorizations, investigations, audits and inspections on facilities, vessel and rigs during the processes of Petroleum Operations and Mineral Activities in accordance with the applicable laws in the Timor Leste Territory on behalf of Timor-Leste and the Sunrise Special Regime between Australia and Timor-Leste. The ANPM uses information from reports, investigations, inspections and audit to analyze trends for better improvement and decision making.

Overall, the quantity and scope of reports in 2021 reflect the contract operators' activities associated onshore and offshore exploration and production performances, the evaluations of the result of the explorations and development drillings, non-seismic airborne geophysical data acquisitions, data processing and interpretation, as well as ANPM's increasing proactive involvement to enforce regulatory requirements in dealing with petroleum operations.

2.1 PRODUCTION SHARING CONTRACTS (PSCs) WITHIN THE TIMOR-LESTE TERRITORY AND THE SPECIAL REGIME AREA

In 2021, there were twelve (12) contract areas that consist of three (3) PSCs in the Onshore Area, eight (8) PSCs in the Offshore Area of the Timor-Leste territory, and one (1) PSC of the Special Regime of Sunrise Troubadour that is fully administered by the ANPM on behalf of Australia and Timor-Leste in accordance the 2018 Maritime Boundary Treaty between Australia and Timor-Leste. Table 1 below briefly outlines the statuses of each of the 12 PSCs within the period of the 2021.

Contract Operator	PSC	Locality	Statuses
Santos NA (19-12) & Bayu Undan Pty Ltd	PSC TL-SO-T 19-12 PSC TL-SO-T 19-13	Timor Leste Offshore Territory	Production Stage
Eni JPDA 06-105 Pty Ltd	PSC TL-SO-T 19-10 (Kitan Field)	Timor Leste Offshore Territory	Temporary Suspended oil field.
Woodside Energy Limited 03- 19 Pty Ltd	Greater Sunrise PSC		Exploration Stage – Development Concept Studies.
Eni JPDA 11-106 Pty Ltd	TL-SO-T 19-11	Timor Leste Offshore Territory	Exploration Stage

Eni Timor Leste SPA	S-06-04	Timor Leste Offshore Territory	Exploration Stage
TIMOR GAP Offshore Unipessoal Limitada	TL-S-15-01	Timor Leste Offshore Territory	Exploration Stage
Timor Resources Pty Ltd	TL-OT-17-08	Timor Leste Onshore Territory	Exploration Stage
	TL-OT-17-09	Timor Leste Onshore Territory	Exploration Stage
Carnarvon Petroleum LTD	TL- SO-T 19-14	Timor Leste Offshore Territory	Exploration Stage
Sunda Gas Banda	TL- SO-T 19-16	Timor Leste Offshore Territory	Exploration Stage
TIMOR GAP Pualaca Block	TL-OT-21-17	Timor-Leste Onshore Territory	Exploration Stage

TABLE 1: LIST OF CURRENT PETROLEUM PRODUCTION SHARING CONTRACTS BOTH IN THE TIMOR-LESTE TERRITORY AND THE SPECIAL REGIME

The locations of the all the 12 PSCs can be seen in figure 1 below which outlines active PSCs portfolios both the within the Timor-Leste Onshore and Offshore territory as well as the Sunrise Special Regime during the period of 2021.

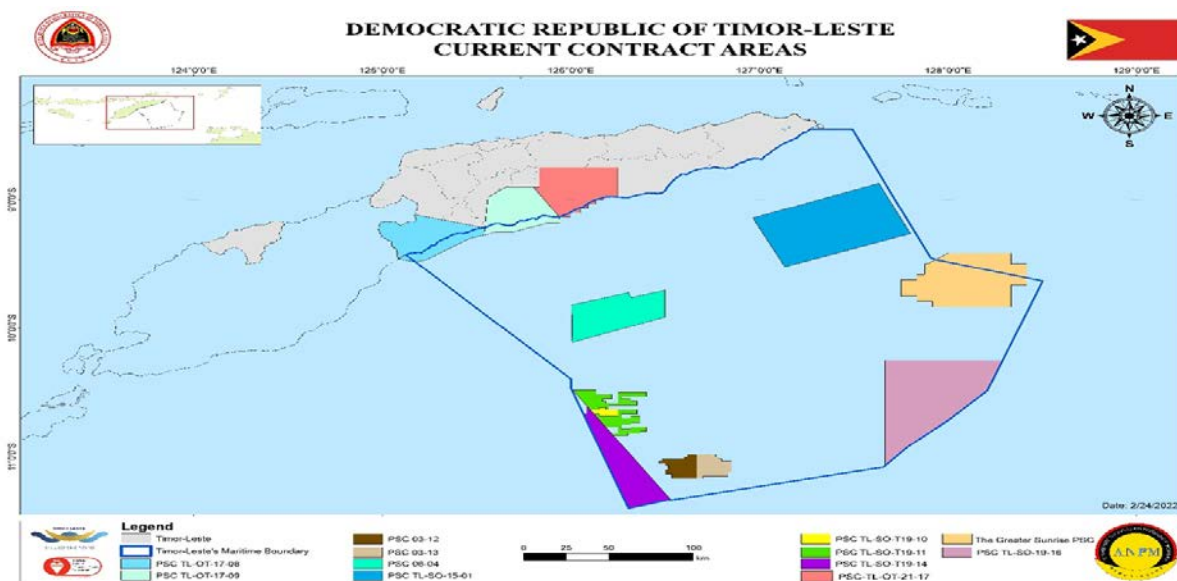
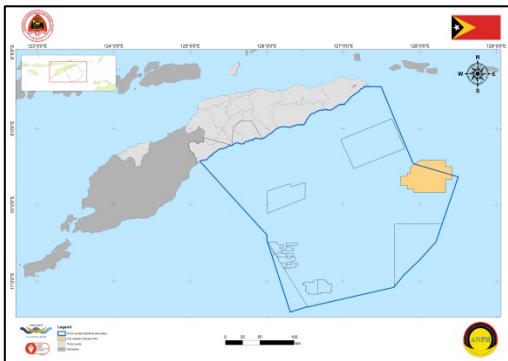
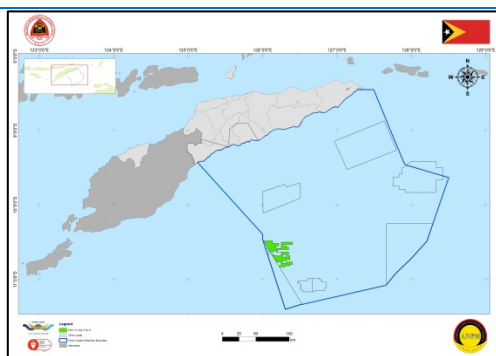


FIGURE 7: SHOWS THE MAP OF THE CURRENT ACTIVE PSCs BOTH IN THE TIMOR-LESTE ONSHORE AND OFFSHORE TERRITORY AS WELL AS THE SPECIAL REGIME

2.2 PETROLEUM EXPLORATION PERFORMANCES

As briefly outlined in section 2.1, during the period of 2021 there were twelve (12) active PSCs within the Timor Leste Onshore and Offshore Territory and in the Sunrise Special Regime Area. These twelve (12) PSCs comprised of the Bayu Undan production field with two (2) unitized PSCs, the temporarily suspended Kitan PSC that is located within the Timor Leste Offshore territory, the Greater Sunrise PSC which is still under the development concept studies which is located within the Special Regime, whereas the rest of the PSCs are under exploration stage.

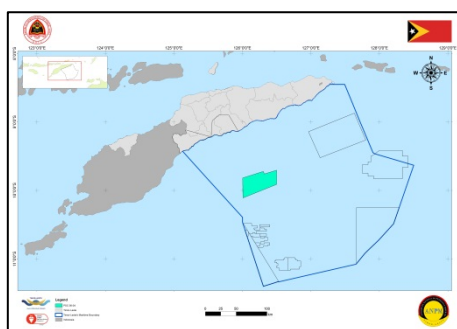
PSC	Activities
<p>Greater sunrise PSC</p> 	<ul style="list-style-type: none"> Following the ratification of the Maritime Border Treaty between Australia and Timor – Leste on August 30, 2019, the Sunrise and Troubadour fields has become one unique PSC within a Sunrise Special Regime which is administered by ANPM on behalf of both the Timor-Leste and the Australian government. The Transitional Arrangement team which involve both the Australian and the Timor-Leste Government and the Operator and Joint Ventures of the Sunrise PSC is currently in the process of intensive discussion to finalize the relevant terms and conditions of the Production Sharing Contracts (PSC) which may have been affected due to the recent Permanent Maritime Border Treaty Arrangement.
<p>PSC TL-SO-T 19-11</p>	<ul style="list-style-type: none"> This PSC was initially as PSC JPDA 11-106, and upon the establishment of the Permanent Maritime Boundary and the transition from JPDA to Timor - Leste offshore territory, the JPDA PSC 11-106 was changed name to PSC TL-SO-T 19-11 to reflect the permanent maritime boundary arrangement as well as Timor-Leste



jurisdiction.

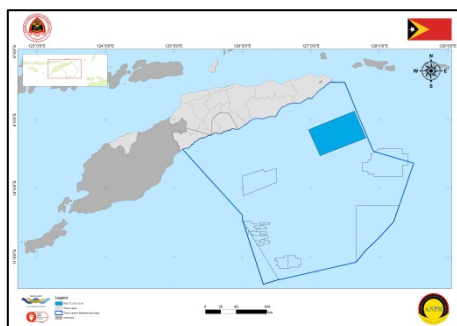
- The Kanase-1 exploration well drilling was carried out within this PSC in 2019, the Kanase-1 exploration well was targeted both Jurassic prospect and a Triassic play. Although the drilling operation was very successful, however no discovery was made.
- Currently the PSC has been further extended at the request of the Operator in order to carry out further technical studies apart from the remaining work program commitment of the local content that are yet to be completed.

TLO PSC S-06-04

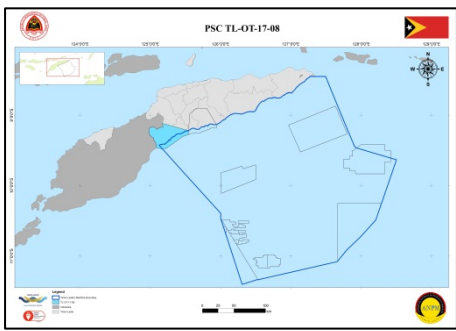


- The PSC TL-S-06-04 was originally held by the Joint Ventures of Eni SpA, Galp Energy and KOGAS, however within the period of 2020 to 2021, both Galp and KOGAS transferred their interest to Eni SpA to continue carrying out PSC operations by performing further G&G studies and derisking the identified prospects.

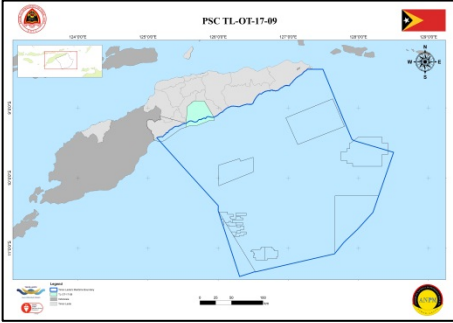
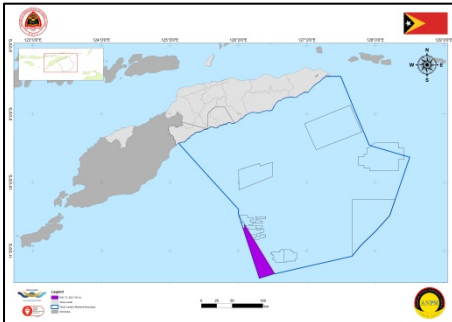
TLO PSC TL-SO-15-01



- TIMOR GAP Offshore Block as the sole holder of the PSC since signing of the PSC in December 2015. TIMOR GAP Offshore Block as the operator has completed the acquisition, processing and interpretation of the Crocodile 3D broadband seismic and has managed to identify several viable prospects for drilling targets.
- During the period 2020 the operator was conducting additional G&G studies utilizing Full-Waveform Inversion (FWI) methods

	<p>several sample lines to enhance the seismic image at the sub-thrust area further improve the seismic imaging under the sub-thrust area. This FWI was carried out certain sample lines chosen to best representative of the area.</p> <ul style="list-style-type: none"> • During the period of 2020 and early 2021 the impact of the Covid-19 global pandemic has impacted execution of the PSC work programs, hence, this also delay some of the work priority within the PSC, including the preparation drilling. During the 2022, Timor Gap is going to carry out FWI in the work PSC area to further the identified prospects. • Currently the PSC status is within the year the extended year 4 and 5 exploration period. It is expected that the company carry out its commitment drilling campaign within the extended year 4 and 5 exploration period.
<p style="text-align: center;">TL-OT-17-08</p> 	<ul style="list-style-type: none"> • In 2018-2019, Timor Resources and its joint venture have completed G &G studies and the operator started the acquisition of seismic 2D in PSC-TL-OT-17-08 in October 2021. • Upon the completion of the seismic interpretation of the Fafulu 2D survey within contract area of PSC TL-OT-17-08, the operator has identified with 4 different drilling targets. • Logistic preparation for the drilling, socialization to the community in regard to the drilling as well as tendering for acquiring a sub-contractor has concluded in Q1 of

	<p>2021 and hoping to spud the well in Q2 of 2021.</p> <ul style="list-style-type: none"> • After the approval of the Well Drilling Program in September 2021, Timor Resources proceeds with the drilling of Karau-1 (Feto Kmaus) and was spudded on the 25 October 2021. The drilling was concluded on the 13 December 2021 with actual total depth of 660 m, where it encountered some source life hydrocarbon. • TR Managed to take samples of hydrocarbon for lab test analysis in Jakarta, Indonesia to analyse the Chemical and Economical content of the oil from the Drilling of Karau-1 (Feto Kmaus) well. • ANPM further issue another Approval to Drill (ATD) on 24 December 2021 for Kumbili-1 (Liurai) well. The well was spudded on the 26 December 2021. The drilling is ongoing and is expected to reach the target depth by end of February or March 2022. • Timor Resources also has been managing to send cutting samples, rock cutting samples and oil and gas Sample from Kumbili-1 well (Liurai) for laboratory analysis of the hotspot biostratigraphy, petrology and paleontology in Jakarta, Indonesia as well as in Australia. • It is planned the both samples of hydrocarbon and cutting samples well be sent to Indonesia for further analysis.
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<p style="text-align: center;">TL-OT-17-09</p> 	<ul style="list-style-type: none"> • The Acquisition of the 2D seismic data within PSC TL-OT-17-09 was completed in October 2019 and the processing and interpretation of the seismic data are being done in 2020. • Following the completion of the Interpretation of the Fafulu 2D seismic survey, Timor Resources has identified prospect for upcoming drilling target in early 2022. • The next drillable prospect in this PSC is Rusa prospects where Timor Resources plans to drill Rusa-1 exploration well in 2022.
<p style="text-align: center;">PSC TL-SO-T 19-14</p> 	<ul style="list-style-type: none"> • The contract area was previously under the Australian jurisdiction. Following the ratification of the new maritime boundary in August 2019 it became PSC TL-SO-T 19-14 and presently it is fully under Timor – Leste new territorial water jurisdiction. • The PSC is operated by Carnarvon Petroleum LTD and has carried out G&G studies. • After the result of the G&G studies Carnarvon then submitted its application to drill September 2021 and the Approval to Drill (ATD) was granted on 22 December 2021. • The Buffalo-10 Well was spudded on 30 September 2021 and the drilling has finished and the result of the drilling shows the hydrocarbon encountered, however there is no commercial discovery.
<p style="text-align: center;">PSC TL-SO-19-16</p>	<ul style="list-style-type: none"> • The PSC was awarded in November 2019 and Operated by SundaGas Banda and its joint venture partner TIMOR GAP Offshore

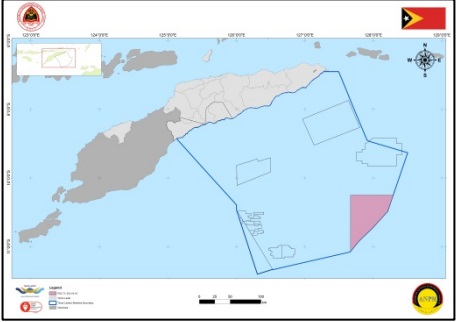
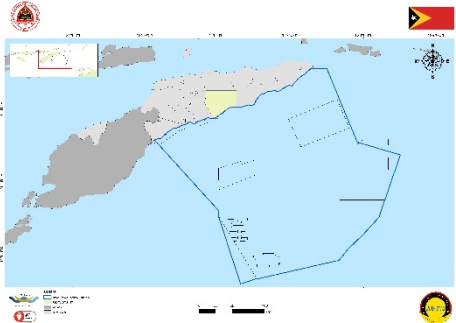
	<p>block in the fourth quarter 2019 through a direct award mechanism in accordance with the Law No. 05/2205, the Petroleum Activities Law Article 13.1(b)(ii).</p> <ul style="list-style-type: none"> • The PSC is presently at the exploration stage and the contractor is focusing on the G&G studies.
<p>PSC TL-OT-21-17</p> 	<ul style="list-style-type: none"> • The PSC was signed on 7 December 2021 and the Operator of the PSC is TIMOR GAP Pualaca Block Lda. • The PSC is currently entering its first year of first period and focusing on G&G studies.

TABLE 2: SUMMARY OF EXPLORATION PSCS ACTIVITIES WITHIN THE EACH CONTRACT AREA

LICENSING ROUND 2019/2020

After more than one and half decades of silence, on October 03, 2019, Timor – Leste announced its second licensing round. This second licensing round was launched by His Excellency Prime Minister Taur Matan Ruak in conjunction with the opening of the first Timor – Leste Annual Oil and Gas Summit 2019 at the Dili Convention Centre. This round was launched based on the Government Dispatch No. 2/GMPM/IX/2019 regarding the new blocks for the Petroleum Sharing Contract (PSC) for the both onshore and offshore areas; where the Government of Timor-Leste through the Autoridade Nacional do Petróleo e Minerais (ANPM) release 18 new exploration blocks – 7 onshore and 11 offshore for an open and competitive bidding to all the International Oil Companies (IOC) and National Oil Companies (NOC).

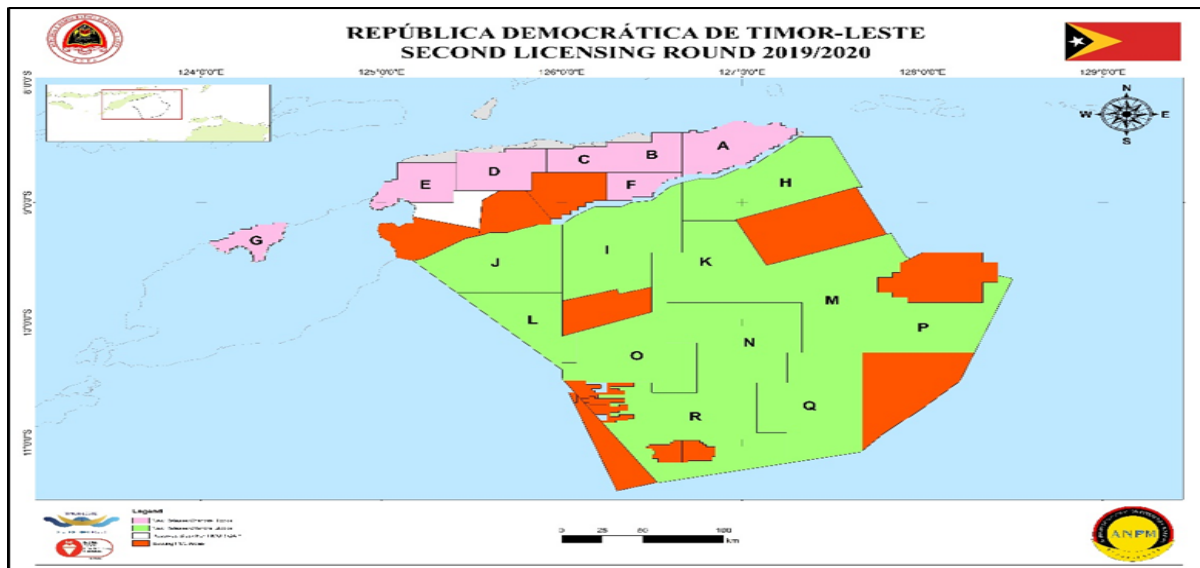


FIGURE 8: SHOWS THE MAP OF THE 18 NEW BLOCKS RELEASED FOR THE PERIOD OF 2019/2022

INTERNATIONAL ROADSHOW PROMOTIONS

As part of the promotion strategy to attract the potential bidders for the newly released blocks, like any other countries in the world would have done during a licensing round period; the ANPM conducted several international roadshow promotions and participated in International Conferences and Exhibitions at certain cities such as Abu Dhabi, Dubai, London and Houston, Perth, Singapore which are believed to be the regional center for petroleum industries throughout UAE, Europe and America. In that, since 2020 the ANPM participated in several different international conferences and exhibitions. During the period of 2020 before the global travel restriction, the ANPM hosted three roadshows globally, in London, Houston and Perth. As per plan was to continue further roadshows in places like Singapore, Abu Dhabi and or Dubai throughout the period 2020-2021. However, given the situation of global travel restriction and global lock down during the period of 2020 and early 2021, resulted the Timor – Leste government to further extended the timeline of the licensing round such the closing of the round further postponed to March 2022.

Within the first and second quarter of the period of 2021, the ANPM in collaboration with IN-VR carried out an online conference and roadshow to continue the promote the Second Licensing Round. However, by third and fourth quarter of 2021, it was seen that the global travel restrictions has been slowly lifted, and some international conferences started been held physically. In that, since the month of August 2021 ANPM team started to actively participate again in various International Conferences, such as the Offshore Technology Conference (OTC) and North America Prospect Expo (NAPE) Summit in Houston Texas in August 2021, to continue promote the 18 Released Blocks.

After participation at OTC and NAPE in Houston, Texas, the ANPM joined the GASTECH Exhibition and Conference in Dubai, in September 2021, and the Abu Dhabi International Exploration and Conference (ADIPEC) 2021 in November 2021, as well as participating as key note speaker at the Angolan Oil and Gas Conference 2021 in Luanda to continue the Promotion on the 18 released blocks. Moreover, the team concluded the promotion of the 18 blocks for 2021 period by attending the World Energy Capital Assembly (WECA) in London, UK in Late November to early December 2021. The Licensing round was also extended and given the Prequalification Round is now closed on 14 January 2022 and the Bidding round is closed on 4 March 2022.

🚩 ONLINE EVENTS

❖ 3RD TIMOR LESTE SUMMIT

During the time of the global lockdown due to the COVID – 19 pandemics, the ANPM continue to carry out the licensing round promotion efforts by hosting an online series of the 2nd Timor-Leste Oil and Gas Summit in November 2020 and 3rd Timor-Leste Oil and Gas Summit on 25 March 2021 as part of the continuation from Timor-Leste Oil and Gas Summit in October 2019. The event was hosted virtually online by IN-VR in collaboration with the ANPM with presence of His Excellency Minister of Petroleum and Mineral, Dr. Victor da Conceição Soares as the Keynote Speaker. The event was attended very successful with more participations from more than thirty (30) IOCs with more than hundred (100) viewers.



FIGURE 9: THE MINISTER OF PETROLEUM AND MINERAL H.E. DR. VICTOR DA CONCEIÇÃO SOARES DELIVERED THE OPENING REMARK FOR 3RD TIMOR-LESTE OIL AND GAS SUMMIT

❖ CERAWEEK

In early March 2021, H. E. Dr. Victor da Conceição Soares, Minister of Petroleum and Mineral attended CERAWeek as a speaker. CERAWeek (Cambridge Energy Research Associates) provides an integrated framework for understanding what's ahead for global energy markets, geopolitics, and technology. Participants include senior executives, government officials, thought leaders, academics, technology innovators and financial leaders. H. E. was presenting the Timor-Leste plan for Energy Transition and business opportunity in Timor-Leste.



FIGURE 10: THE PARTICIPANTS OF THE CERAWEEK AS WELL AS H.E. MINISTER OF PETROLEUM AND MINERALS

🚦 ROADSHOWS EVENTS/INTERNATIONAL CONFERENCES

❖ OFFSHORE TECHNOLOGY CONFERENCE (OTC) AND NORTH AMERICA PROSPECT EXPO (NAPE)

During the third and fourth quarter of 2021, it was seen that the global travel restrictions has been slowly lifted, and some international conferences started been held physically. In that, The ANPM team started to actively participate again in various International Conferences. One of the mentioned international conferences was the Offshore Technology Conference (OTC) which was held in Houston Texas in August 2021. Following on that the ANPM and team also attended North America Prospect Expo (NAPE). As the exhibitor, the ANPM Team took this great opportunity to continue promote the 18 released blocks of Timor-Leste 2nd licensing round 2019/2022.



FIGURE 11: HIGHLIGHTS OF THE ROADSHOWS ACTIVITIES DURING OTC AND NAPE IN HOUSTON TEXAS IN AUGUST 2021

❖ GASTECH EXHIBITION AND CONFERENCE

In September 2021, the ANPM joined the GASTECH Exhibition and Conference in Dubai, United Arab Emirates. The purpose of the GASTECH Exhibition and Conference is to foregather industry leaders with the mission to provide low carbon, affordable energy for all. In that the ANPM as the exhibitor, actively continue to promote its petroleum activities specifically on 18 onshore and offshore released blocks of Timor-Leste 2nd licensing round 2019/2022.



FIGURE 12: HIGHLIGHT OF THE GASTECH DUBAI

❖ BUSINESS FORUM DUBAI

As part of the Dubai World Exhibition 2021, Timor-Leste Business forum was aimed to show case the business opportunities in Timor-Leste. The event was participated by Member of Government and Relevant Institute of Timor-Leste. The ANPM team participated as the speakers on the event, represented by President of ANPM and Director Exploration Research Innovations and Acreage Promotion to give presentation on Carbon Capture Storage Project and the promotion of licensing round blocks.



FIGURE 13: TIMOR-LESTE BUSINESS FORUM IN DUBAI EXPO 2020

❖ OIL AND GAS RENEWABLE ENERGY CONFERENCE AND EXHIBITION

Angolan Oil and Gas Conference and exhibition was organized by PETROANGOLA in November 2021 with the aims to focus on the downstream, midstream, and upstream as well as renewable energy segments. Taking part in the conference and exhibition, the President of ANPM and Director of Exploration, Research Innovation and Promotion panel discussion to talk about the Licensing Round and the CCS program, as well as having several side meetings with interested IOCs.



FIGURE 14: PRESIDENT OG ANPM AND THE DIRECTOR OF ERIIP DELIVERED A TALK IN LUANDA OIL AND GAS RENEWABLE ENERGY EVENTS IN ANGOLA

❖ ABU DHABI INTERNATIONAL PETROLEUM EXHIBITION AND CONFERENCE

The ANPM team also took part in Abu Dhabi international exploration and conference in United Emirate Arab which was hosted by Abu Dhabi National Oil Company from November 15-18, 2021. During the 3 days events, the team participated as exhibitor and was focussing on doing business meeting with IOCs to continue promoting the Licensing Round.



FIGURE 15: THE ROADSHOW ACTIVITIES DURING ADIPEC

❖ WORLD ENERGY CAPITAL ASSEMBLY

Last conference attended by ANPM team was the World Energy Capital Assembly (WECA) in December 2021 in London, United Kingdom. Director Exploration, Research Innovation and Acreage Promotion represented the ANPM as panel speaker for the event. The panel discussion was mainly focus on the Promotion of the Licensing Round 2019/2022. Moreover, during the event the ANPM team also held a Roadshow for the Licensing Round 2019/2022. The Roadshow was attended by representative of more than 10 IOCs and Services companies.



FIGURE 16: TIMOR-LESTE 2ND LICENSING ROUND ROADSHOW DURING WECA IN LONDON, UNITED KINGDOM

✚ SIDE BUSINESS MEETING

❖ CAMBRIDGE GEO CONSULTANT (CGC) MEETING

During WECA, the team also managed to do a side meeting with CGC in London. The meeting with CGC was to discuss the Scope of work under the Mater Service Agreement signed between the ANPM and CGC in March 2020, as well as to look forward on the next project in Timor-Leste specifically on the Geology and Geophysics area.



FIGURE 17: MEETING BETWEEN ANPM AND CGC

❖ SIDE MEETING IN THE UNITED STATE OF AMERICA

After the OTC and NAPE conferences, the ANPM team headed to Washington DC to further side meetings. The team Managed to secure meeting with Shell. The ANPM team led by President of ANPM met Shell to talk bout the licensing round as well as the CCS program.



FIGURE 18: THE MEETING BETWEEN ANPM AND SHELL REPRESENTATIVE IN WASHINGTON DC

THE IMPLEMENTATION OF THE INTEGRATED AIRBORNE GEOPHYSICAL SURVEY-IAGS

The implementation of the Integrated Airborne Geophysical Surveys (IAGS) – project in as inter-ministerial project that consist of the Ministry of Planning and Territorial Ordainment (MPO), the Ministry of Finance (MdF) and the Ministry of Petroleum and Minerals (MPM), where the ANPM is trusted to be technical coordinating team of the project management unit together with the Ministry of Finance and the project management leader. The IAGS project commenced in late Mid-late 2016, which covers four different Airborne Geophysical survey methods, namely the regional gravity survey, a combined regional magnetic - radiometric survey, and detail electromagnetic survey and gravity gradiometry survey. The acquisition of the regional gravity survey over the mainland Timor Island, and the islands of Atauro and Jaco, as well as the enclave of Oecussi and north offshore was completed in 2017. Over the period of 2018, PT. Karvak and its sub-contractor Airborne Petroleum Geophysics (APG), a Canadian based company, completed the data processing of the acquired regional gravity. At the same time, PT. Karvak and its sub-contractor APG continued with the acquisition of a regional magnetic – radiometric survey over the entire onshore territory of

Upon completion of the regional survey, PT. Karvak and its sub-consultant performed a regional data interpretation on the Gravity and Magnetic-Radiometric survey to seek the potential target areas for both Petroleum and Mineral for detail survey using Electromagnetic (EM) and Airborne Gravity gradiometric Survey (AGG). The AGG survey was commenced in February 2019 with the aim for mapping out the extension of the identified sedimentary basins which was completed at the end of March 2019. Whereas EM survey commenced in June 2019 with the aim is to further map several predefined areas which are suspected to be potential for minerals prospective areas. However due to COVID-19 pandemic the survey was put on suspension in March 2020 and resumed in July 2021. The EM survey was completed in September 2021 and the process of finalizing the data, interpretation of the data and further work on the interpretation based on the acquired data, specifically the EM are ongoing. It is expected to be concluded by the end of second quarter 2022.

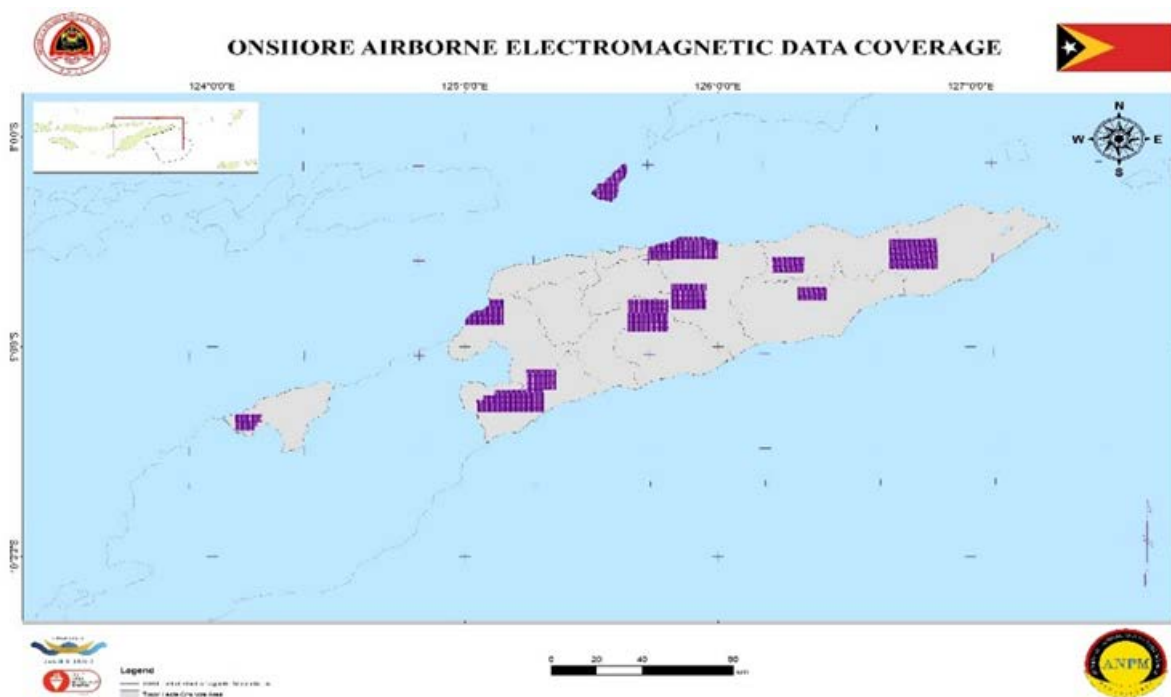


FIGURE 19: MAP OF ONSHORE AIRBORNE ELECTROMAGNETIC DATA COVERAGE



FIGURE 20: FIEDL DATA ACQUISITIONS OF INTEGRATED AIRBORNE GEOPHYSICAL SURVEY (IAGS)

2.3 PRODUCTION PERFORMANCE

PRODUCTION IN BAYU UNDAN FIELD (PSC-TL-SO-19-12 & 19-13)

Bayu-Undan (BU) is a gas condensate field which geographically located in the Timor-Leste offshore at approximately 250 km Southeast of the coast of Suai, Cova Lima Municipality. Santos became the Operator of the field through the acquisition of ConocoPhillips' assets in May 2020. Bayu-Undan project has two operating facilities including offshore facilities and onshore (Darwin LNG) facility. Offshore facilities consist of a Central Production and Processing (CPP) Complex which comprise Drilling Production and Processing (DPP) and Compression, Utilities and Quarter (CUQ) platforms, Floating, Storage and Offloading facility (FSO), a remote Wellhead Platform 1 (WP1), subsea in-field pipelines and gas export pipeline to Darwin.

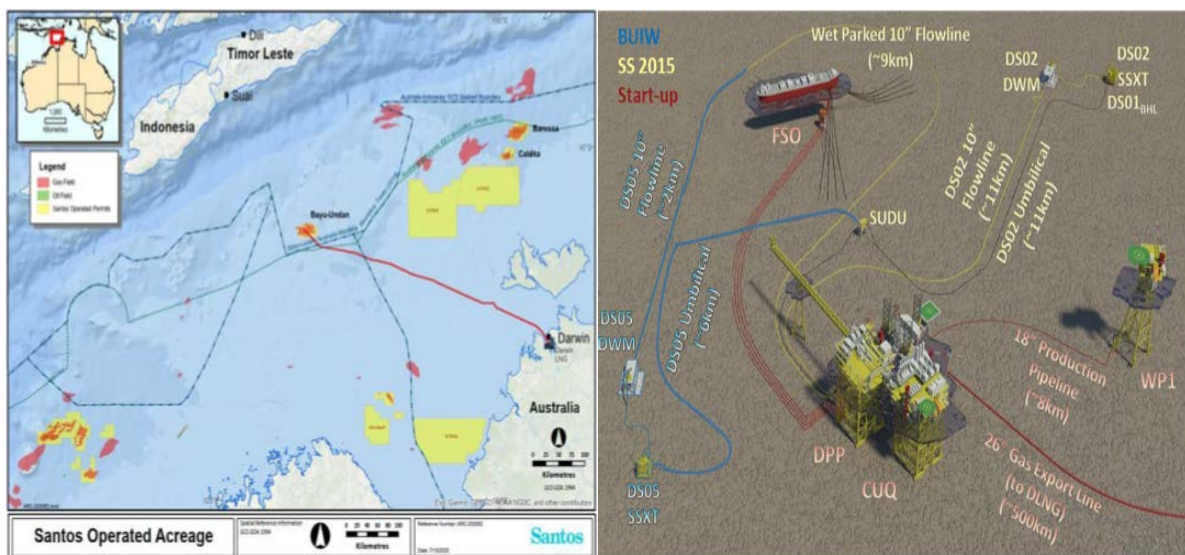


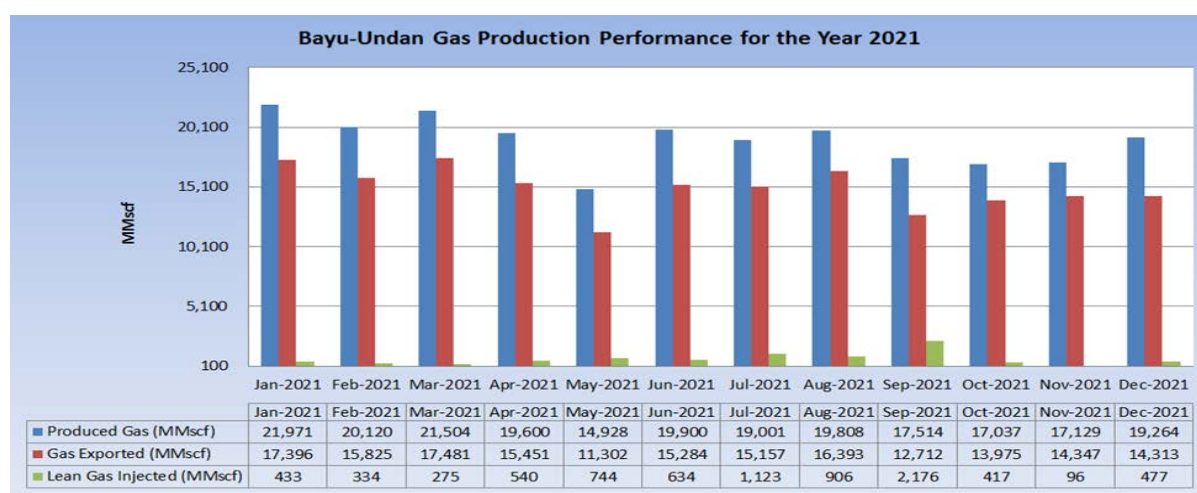
FIGURE 21: BU FIELD LOCATION AND FACILITY (COURTESY OF SANTOS)

The Bayu-Undan field is maturing and productivity from existing wells is decreasing with increasing water production. The gas reinjection wells have gradually been converted from injection duty to production duty

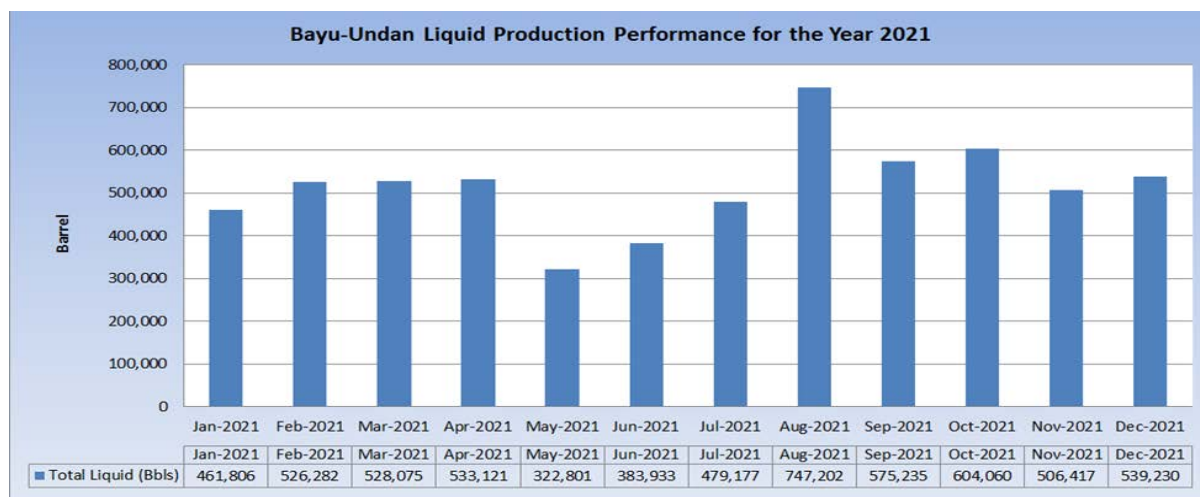
for fulfilling the Darwin LNG (DLNG) gas demand. Two injector wells namely D14 and D04 were permanently converted to production duty in January 2015 and January 2018 respectively, whilst the remaining two injector wells are D09 and D15. Furthermore, despite D09 being injector well, since 2020 it has been brought online occasionally for swing production for the purpose of pipeline management in the event of change of DLNG operating mode (half vs full mode).

In the year of 2021, Bayu-Undan field was produced from 18 producing wells which include 3 R2P (Reinjector to Producer) wells, 3 (three) 2018 infill wells, 1 (one) 2021 BU phase 3C well and 11 existing producing wells. It is worth noting that some wells (particularly cyclical wells) were only brought for certain period of time or offline due to water loaded and decline rate especially wells located in superbloc area within the field.

For the reporting period, the total of wet gas production was 227.78 BCF with average production rate of 18,981 MMscf per month. The cumulative gas export to DLNG was 179.64 BCF with monthly export rate of 14,970 MMscf. The combined liquid production (Condensate and LPG) was 6.21 MMbbls with mean production rate of 517,278 barrel per month. The cumulative lean gas injection throughout last year was 8.16 BCF with monthly average injection rate of 680 MMscf. The lean gas injection was mainly due to the planned DLNG half rate, planned May 2021 shutdown to replace DRIZO heat exchanger, planned 2021 well intervention campaign and facility start-up.



GRAPH 1: TOTAL WET GAS, INJECTED LEAN GAS AND GAS EXPORTED



GRAPH 2: TOTAL LIQUID PRODUCED

In terms of operation, despite the challenges and impact of COVID-19 the production was ahead of the budget with a low number of unplanned deferred production opportunities toward the end of 2021. Several production optimizations and maintenance work programs such as 2021 well intervention campaigns (D04, D09 and D14), May 2021 planned shutdown to replace DRIZO heat exchanger, service campaign for Reinjection Compressors, Flash Gas Compressor, Gas Turbine, Cold Train was successfully completed considering late-life operations and POB (Personnel On Board) limitations due to PMI (Pre-Mobilization Isolation) requirements both in Darwin and Dili. And all other production interruptions were successfully liquidated in the midst of COVID-19 restrictions.

KITAN FIELD (PSC TL-SO 19-10)

The Kitan field is located in the Timor-Leste offshore approximately 170 km South of the Timor-Leste coast. There is no current production from Kitan field as production was ceased on 16th December 2015 due to the drop in oil price drop at the time with higher FPSO (Floating Production Storage and Offloading) operating cost. Associated production flowlines and risers were disconnected from FPSO and topside process cleaning by flushing and purging of production plant was completed. FPSO departed from Kitan field on 27th February 2016.

ANPM is in continuous discussion with ENI (Contract Operator) on the method and time for the final field abandonment whilst assessing the field redevelopment options for the purpose of maximizing recovery from the field.

2.4 HEALTH, SAFETY AND ENVIRONMENTAL PERFORMANCE

Health, Safety and Environment (HSE) Directorate is responsible for regulating and enforcing applicable regulatory provisions related to HSE for the upstream petroleum sector. One major challenge in 2021 is navigating through safe at work during the COVID-19 pandemic. We continuously work with our contract operators to reduce workers risk of exposure to COVID-19 at the workplace and keeping our workforce safe.

In doing so, HSE Directorate has been working closely with all the relevant directorates within ANPM and other Timor-Leste government entities to enabling petroleum operations both onshore and offshore be carried out with utmost consideration to the Timor-Leste government COVID-19 safety protocols, and to ensure that contract operators control and manage risks to As Low as Reasonably Practicable (ALARP).

Below were key activities and highlight within the reporting periods:

- Bayu-Undan Operations;
- Infill Wells Phase 3C drilling campaign;
- Buffalo-10 exploration drilling campaign;
- Onshore exploration drilling campaign in PSC TL-OT-17-08; and
- Environmental Licensing process for exploration drilling at PSC TL-OT-17-09.

As per mandate, HSE directorate has undertaken rigorous assessment of regulatory submissions including Safety Case for offshore exploration and development drilling, Environmental Management Plan, and Oil Spill Contingency Plan for offshore development drilling, and environmental licensing process (EIS and EMP) for onshore exploration drilling. Throughout this process, stakeholder and operator engagement has been one important element to successfully achieve milestones. The interventions including inspection and investigation also aim at taking considerable steps towards continuous improvement to effectively regulate this sector, while also ensure that the contract operators are accountable for safe operations.

HSE PERFORMANCE IN THE TIMOR LESTE OFFSHORE

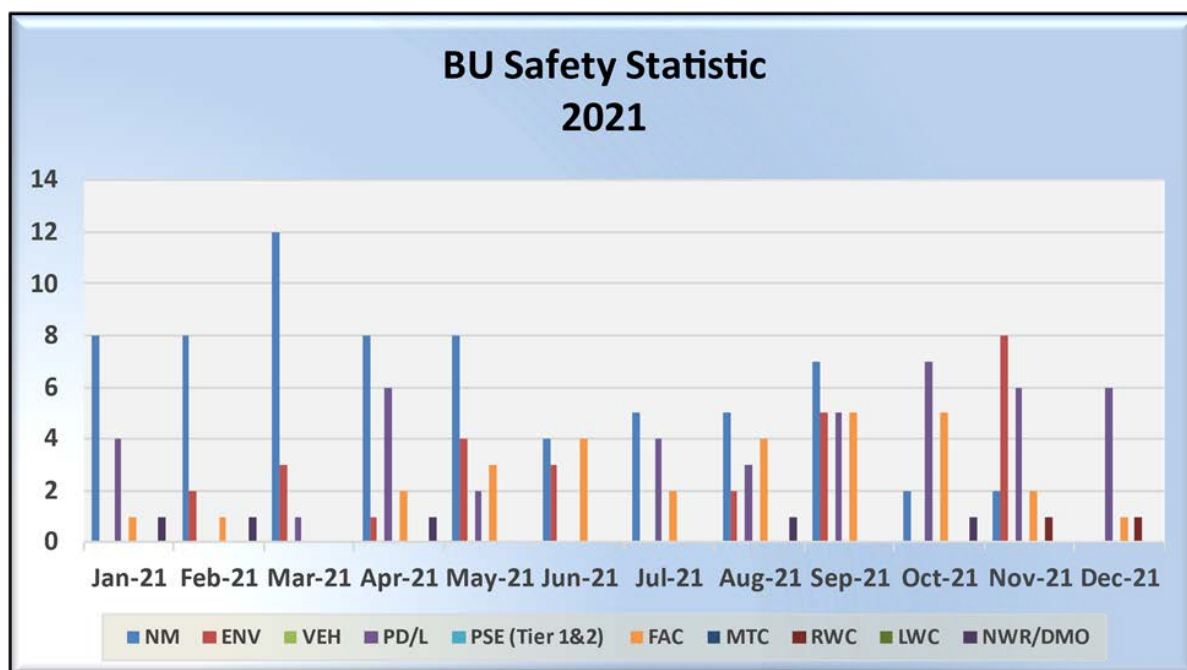
HSE INCIDENT IN THE BAYU-UNDAN FIELD

Contract operators are obliged to report incidents to ANPM. The incidents are categorized into reportable and recordable incident including dangerous occurrences. Whilst the reportable incidents and dangerous occurrences shall be notified immediately or within 48 hours to ANPM, the contract operators also provide recordable incidents and summary of its HSE performances to ANPM monthly. These data are important as it allows ANPM-HSE to monitor and assess contract operators' HSE performances. Furthermore, these data are analyzed to establish trend of the reportable and recordable incidents that enable HSE directorate to focus its regulatory functions to specific areas of concern.

Overall, in 2021 there were a total of 191 incidents compiled from the petroleum activities in the Bayu-Undan Field.

The highest number of occurrences of near miss incident, in Bayu Undan field, was recorded in March, i.e., 12 near misses. This followed by month of January, February, April, and May with 8 near misses occurrence respectively.

The graph below represents numbers of each incident by category/type and the spread of each incident category across the months during 2021, for a total Man Hours of 944,700.



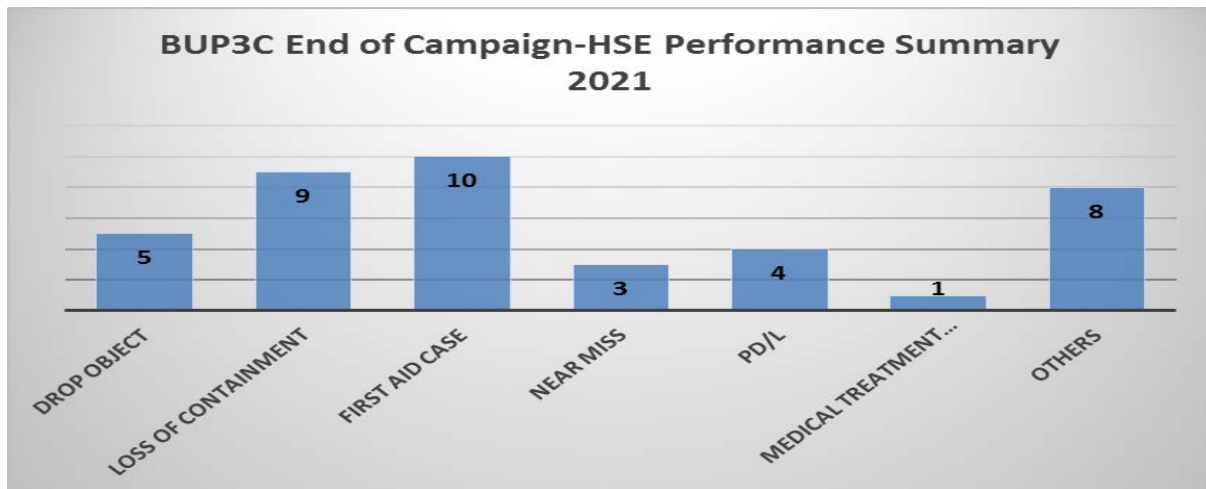
GRAPH 3: BAYU UNDAN 2021 HSE INCIDENT ON A MONTHLY BASIS

Contract operator is continuously encouraged to report health concerns, workplace hazards, unsafe conditions, near misses and actual incident. The number presented in the above graphs reflected reporting culture in the Bayu-Undan. Total man-hours accumulated in 2021 was 944,700.

HSE INCIDENT IN THE BAYU UNDAN PHASE 3C DRILLING CAMPAIGN

No.	Category	No of Incident
1	Drop Object	5
2	Loss of Containment	9
3	First Aid Case	10
4	Near Miss	3
5	PD/L	4
7	Medical Treatment Case	1
8	Others	8

TABLE 3: BAYU UNDAN 3C END OF CAMPAIGN -HSE PERFORMANCE SUMMARY



GRAPH 4: HSE INCIDENT OF BUP 3C DRILLING

The table and graph above indicates incident that occurred in the Bayu undan phase 3C end of drilling campaign that carried out by the Santos as an operator in 2021.

The overall chart illustrated seven (7) of incident categories which the highest incident was first aid case following by loss of containment, others, drop object, property damage/loss and near miss. However, the lowest type of incident was medical treatment case.

NWR LOSS OF LIFE – M/V FAR SEEKER (SUPPORTING MODU NOBLE TOM PROSSER)

Bayu Undan field operator (Santos) notified ANPM in relation to NWR- loss of life onboard of the vessel “Far Seeker” occurred on 23rd June 2021 outside 500m zone of BU facilities. The incident report described that Solstad Integrated Rating completed work shift on Tuesday 22/06/2021 on board the vessel and did not report to work on Wednesday 23/06/2021. Welfare check conducted and the person was found in their cabin non-responsive and without signs of life.

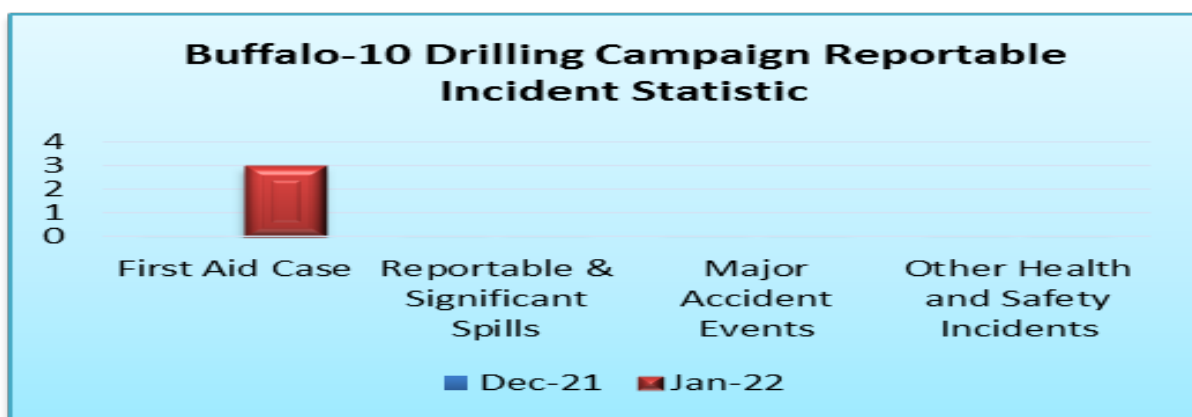
The vessel was on route to Darwin and the Solstad and Santos Incident Management Teams was mobilized on the same day to provide support as required.

HSE INCIDENT IN THE BUFFALO-10 DRILLING CAMPAIGN

Overall, during Buffalo-10 drilling campaign drilling contractor crews and service companies continued to demonstrate a very positive attitude towards health and safety. Quality behavioural based safety discussions and observations were conducted throughout drilling campaign (December 2021 & January 2022). The leadership focus remained on ‘quality’ versus ‘quantity’ of observations with heightened awareness on potential dropped objects, correct lifting practices and equipment handling (line and fire). However, there were still sustained 3 x first aid incidents occurred in January 2022.

Incident Type	Dec-21	Jan-22	Total
First Aid Case	0	3	3
Reportable & Significant Spills	0	0	0
Major Accident Events	0	0	0
Other Health and Safety Incidents	0	0	0
			3

TABLE 4: BUFFALO-10 DRILLING CAMPAIGN REPORTABLE INCIDENT STATISTIC



GRAPH 5: BUFFALO-10 INCIDENT STATISTIC

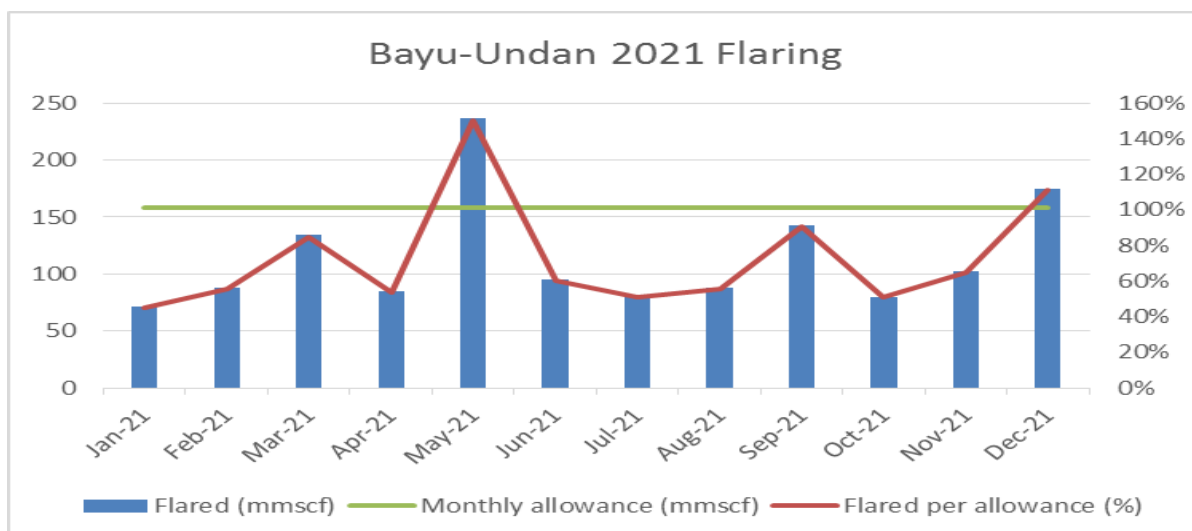
GAS DISPOSAL IN THE PRODUCTION FACILITY IN THE BAYU UNDAN FIELD

Flaring allowance is approved annually based on the activities to be undertaken each year. In 2021 flaring allowance was granted to BU Operations, as the only production facility in the Timor-Leste water.

A total of 1,894 mmscf was requested and subsequently approved to be flared in 2021. The amount requested was derived from a combination of historical actual flare data accumulated since commencement of steady-state operation (2005) and the known scope of planned activities in 2021. In addition to routine operational activities, the 2021 application included the allowance for flaring from the following planned non-routine activities:

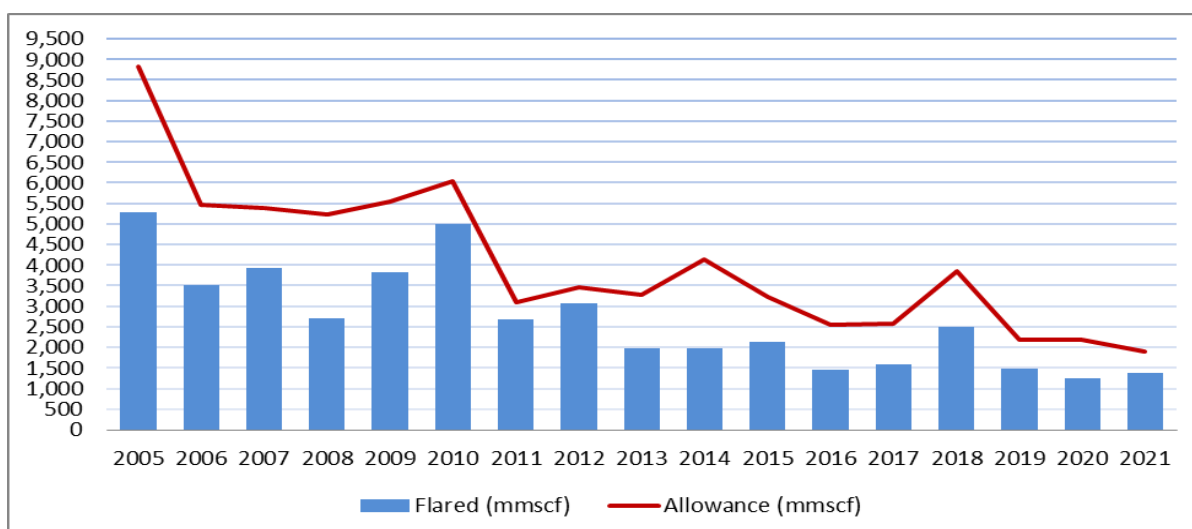
- 2xRIC Planned service campaigns.
- 2x cold train planned maintenance campaign.
- Flaring associated with use of the well unloading line
- Flaring associated with well clean from the drilling of three new wells.

Total actual volume flared during 2021 was 1,378 mmscf, which is about 72% of the approved volume by the ANPM for reporting periods. As a result, full compliance was achieved as it was well below the annual consent volume of 1,894 mmscf. The Graph below shows the flaring allowance and the actual volume of flared gas during 2021 on a monthly basis.



GRAPH 6: 2021 FLARING ACTUAL VS FLARING ALLOWANCE IN BAYU UNDAN

As graphically portrayed above, the amount monthly flared for most of the time has been well below the flaring monthly allowance volume. However, a spike was recorded in the month of May which was due to facility shutdown and restart, and month of December caused by flash gas – 2 trip and re-injection compressor-1 trip.



GRAPH 7: ANNUAL FLARING TREND (2005-2021) IN BAYU UNDAN

In general, the Bayu Undan Annual Flaring trend has remained steady, if not decreasing, in the last 5 years. The amount flared slightly increased in 2018 due to planned non-routine activities, rate reduction campaign, and major facility shutdown.

Efforts for reduction of flaring have also been one of the main focuses of discussion with the contract operator and will be continuously carried out throughout the years until the end of field life.

HSE PERFORMANCE IN THE TIMOR-LESTE ONSHORE

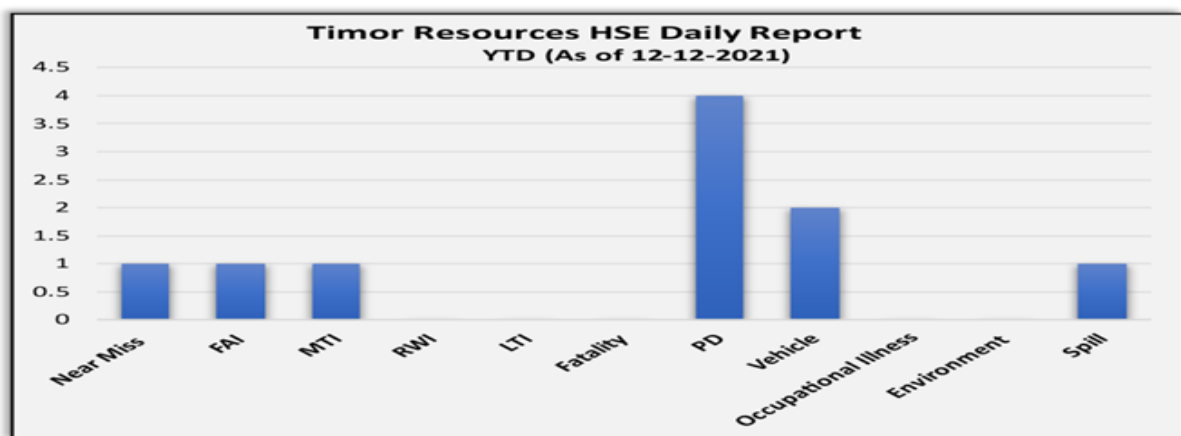
In 2021, petroleum operations in Timor-Leste onshore were focused on preparation for onshore drilling. The following health and safety regulatory submissions were reviewed during this reporting period: Eastern Drilling rig #1 Safety and Bridging Document, Scope of Verification and Validation, and Emergency Response Bridging Document. One inspection activity was carried-out to Timor Resources facility Haemanu Camp Chemical Storage. The inspection resulted 23 findings were recorded, and formal inspection report was issued to Timor Resources.

ANPM as Environmental Authority for Petroleum and Mining Sector, administered the environmental licensing process for exploration drilling in PSC TL-OT-17-08. The assessment to key environmental submission such as EIS and EMP for the exploration drilling was carried out by an Evaluation Committee for a Category A environmental licensing process. ANPM-HSE Directorate provided technical/subject matter expertise as well as logistics support to ensure a swift and smooth assessment process.

The ANPM-HSE Directorate also administered environmental licensing process for exploration drilling in PSC TL-OT-17-09. As part of the process, a Category A project was assigned to the project, followed by the approval of Terms of Reference for Environmental Impact Assessment.

HSE INCIDENT IN THE FETO KMAUS WELL

The graph below gives information incident in the onshore drilling campaign (Feto Kmaus Well). Firstly, Property damaged by far the highest incident which was 4 (four) and secondly Vehicle 2 (two) and four others type of incident were occurred once (1).



GRAPH 8: HSE INCIDENT IN THE FETO KMAUS WELL (AS OF 12-12-2021)

FIRST AID CASE / FIRST AID TREATMENT

On 01 Dec 21 - At 19:10 Lifting Crews including Crane Operator, Banksman, Forklift Operator and two roustabouts conducted PJSM prior to lifting Water Tank#2 in to Low Bed Trailer. PTW and JSA already

prepared and signed by SPV. They will do the lifting by put the wire sling on lifting lug on water tank skid. After PJSM they proceed to commencing the task.

At 19:20 Banksman and Forklift Operator was arranged the wire sling while the Crane Operator sit on the Crane focusing on block above and wire sling that attached on hook. Without knowing Crane Operator, Banksman and Forklift Operator, two roustabouts took initiative using ladder which is located beside the Water Tank to climb on top of water tank.

When they already put the ladder on Water tank, the roustabout#1 climbed first to on top of tank, while the Roustabout#2 holding the ladder. After the Roustabout#1 on top of tank, the roustabout#2 followed the Roustabout#1 by reposition the ladder little bit sloppy and climbed the ladder while no one holding the ladder even though Roustabout#1 asked him to stay put. In the middle way to top of tank, the ladder was sliding, and the Roustabout#2 was falling.

The All personnel involved just noticed when the Roustabout was falling, they helped him immediately and informed HSE. HSE in charge checked the situation that found him in pain on the right foot and called Rig Doctor in charge. By Recommendation from Rig Doctor, The IP was brought to Rig Clinic for medical check. After checked and treatment by Medic, Medic suggested to send him to hospital for observation. At the hospital, the Hospital Doctor asked him to X ray for observation. The result shown there was no fracture, found only sprained bone. The hospital doctor gave him medicine as painkiller.

2.5 MARKETING PERFORMANCE

Global oil prices increased in 2021 as increasing of vaccination rates for COVID-19, untying pandemic-related restrictions and economic growth resulted in global oil fuel demand rising faster than oil fuel supply. In the beginning of the year, the spot price of Brent crude oil at US\$50 per barrel and reached to a high of US\$86 per barrel in late October before declining in the final weeks of 2021. There is also a physical connection to the gas and power crisis, Asian and European gas and power crisis feeds into bullish oil market psychology that could generate of gas to oil switching.

Started in late 2020, OPEC and other countries, such as Russia, that coordinate production with OPEC announced in December 2020 that they would continue to limit production increases throughout 2021 to support higher crude oil prices.

With the role out of vaccinations, naphtha demand has faltered, and the crack weakened. The Ras Laffan splitter in UAE going offline. As a result, a number of condensate cargoes coming onto the market without

notice. Condensate doesn't form part of the OPEC+ production quotas therefore they can commit as many cargoes as available onto the market without penalty.

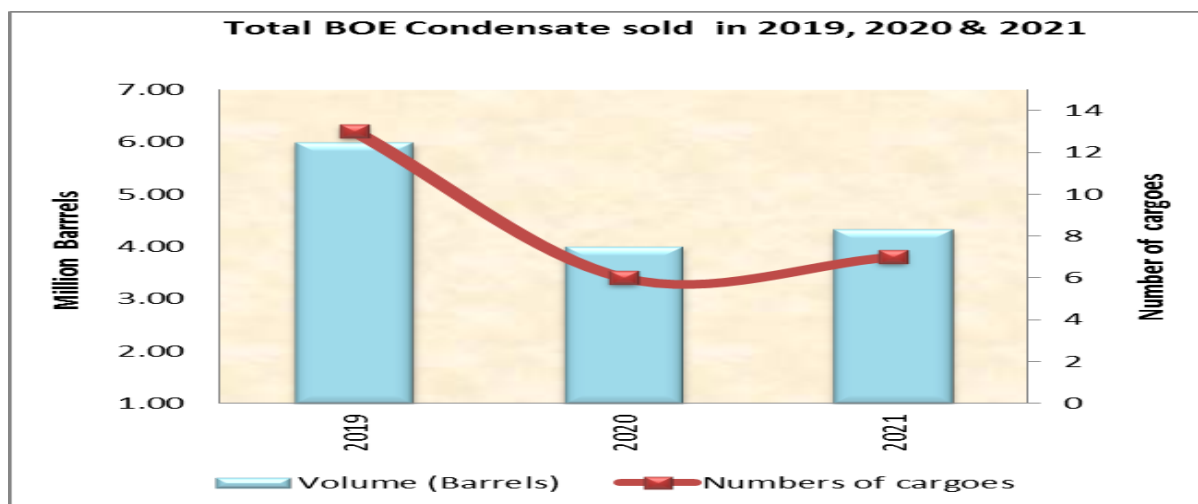
International LPG market is growing rapidly due to cost-effectiveness and clean energy. A number of transitioning economies across Asia are using LPG as a transition fuel to reduce emissions generated by traditional heating and cooking feedstocks such as wood and kerosene have surged.

LPG prices continue volatile. In the first quarter the average Saudi Contract price and AFEI price increased by 35% to US\$ 582/MT compared to the Q4 2020 because of the high demand of Propane Dehydrogenation (PDH) plants that produce propylene and stronger seasonal demand boosted regional values. In addition, shipping delays related to blockage in the Panama Canal supported these high prices. Meanwhile, in the second quarter, the average of Saudi CP and AFEI prices down by 7% to \$540/MT from the previous quarter driven by stable LPG supply from Qatar, and other Middle East countries offsetting shortfalls from Saudi Arabia in line with Saudi Arabia's crude output cuts over February-April to meet OPEC+ commitments. Moreover, as strong increased in global LPG prices over July to December because of global economies recover from Covid-19 lockdown and concern on inadequate winter inventories in the US as a result the average price of Saudi Contract price and AFEI in the second half of 2021 spiked to US\$740/MT.

For 2021 LNG market, oil indexed- term contract price fell sharply below spot LNG prices. Japan Korean Marker (JKM) price spiked during the year widely affected by strong winter demand from Asian buyers and government restriction on coal fired generation also supported power sector gas demand in South Korea. Further support came from the US supply concern.

CONDENSATE

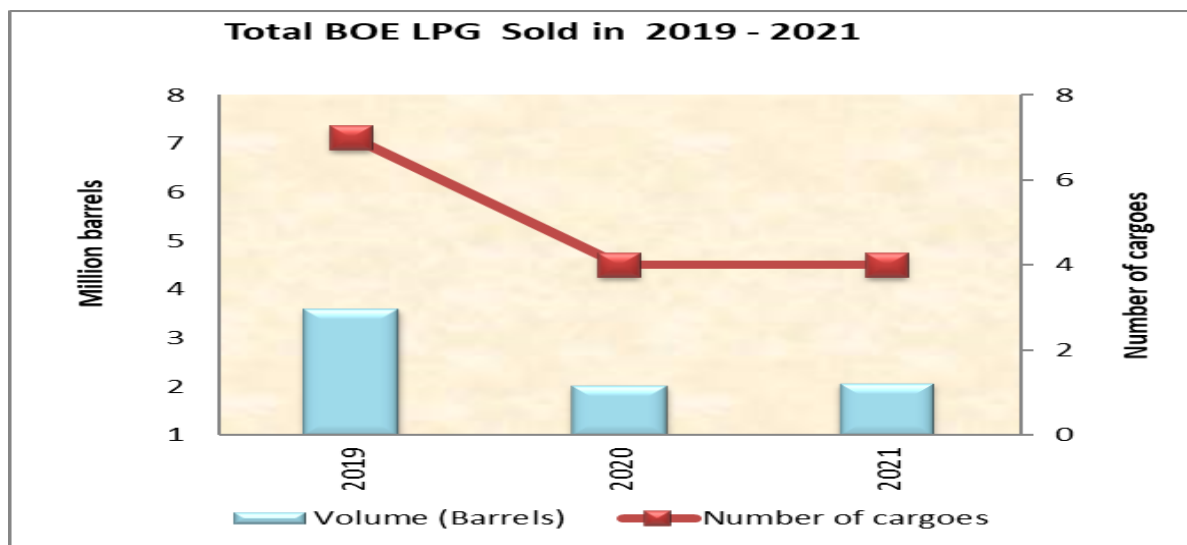
The Bayu Undan Condensate cargo in 2021, total sales seven cargoes, slightly lower than 2020 which is six cargoes. This is impacted by natural depleting of liquid production in Bayu Undan field.



GRAPH 9: CONDENSATE SOLD IN 2019 -2021

LIQUEFIED PETROLEUM GAS (LPG)

The graph below shows the result of Bayu Undan LPG cargo sold to term buyer. Due to natural depletion the liquid production sharply decreases despite that the numbers of cargoes sold remain unchanged compared to previous year. These however the amount of LPG cargo sold in 2021 is same with 2020 supported by sufficient production from Bayu Undan Phase 3C Infill Well.

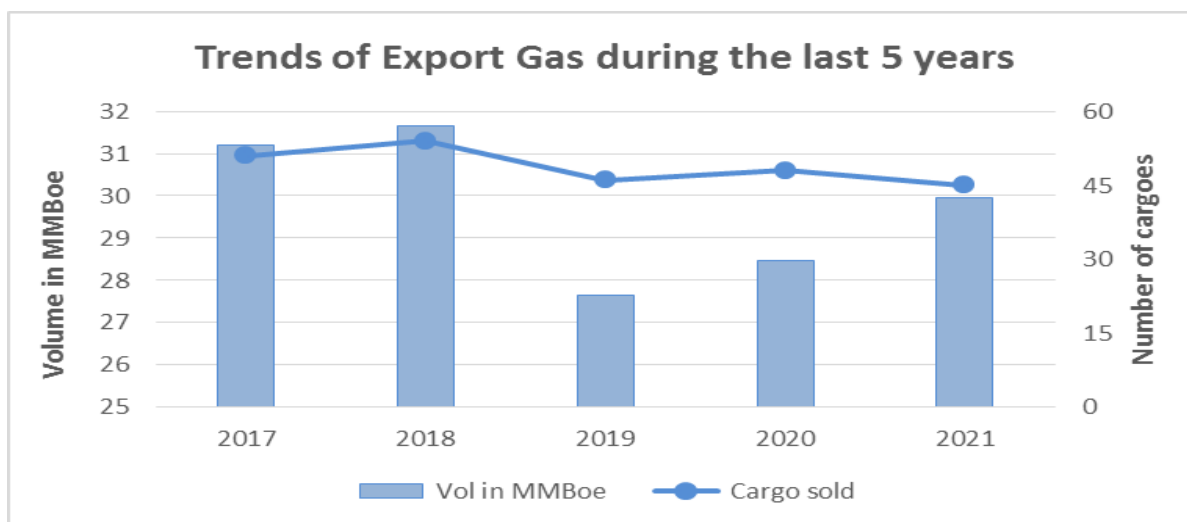


GRAPH 10: LPG SOLD IN 2019 - 2021

LIQUEFIED NATURAL GAS (LNG)

The 2021 DLNG production align with what have been projected from Bayu Undan field and mix cargoes were available this year, most cargoes were sold to numerous spot buyers after Contract Quantity commitment has been fulfilled with high prices compared with last year.

Total 45 cargoes have been lifted in 2021 consists of 44% of the cargoes were shipped to China, 38 % to Japan and the remaining were shipped to South Korea, India and Taiwan. This gas production has contributed significantly to state's revenue.



GRAPH 11: GAS EXPORT DURING THE LAST 5 YEARS

2.6 EXPLORATION EXPENDITURE PERFORMANCE

TIMOR-LESTE OFFSHORE AREA

- PSC TL-SO-T 19-11

This PSC-TL-SO-T 19-11 is a PSC that substitutes the existing PSC JPDA 11-106 as the result of the implementation of the Maritime Boundary Treaty between Timor-Leste and Australia which transforming the Former JPDA area as Timor-Leste territory. Eni, a Milan based oil firm through Eni JPDA 11-106 B.V. as operator has 40.53% participating interest. The other Joint Venture of this PSC are INPEX Offshore Timor-Leste, LTD with 35.47% participating interest and TIMOR GAP PSC 11-106 Unipessoal, Limitada with 24% participating interest. The majority of expenditure in the year 2021 was related to G&G studies, G&A, permit maintenance and local content.

- PSC TLOA S06-04 Block E

This PSC was awarded in 2006 to ENI Timor Leste SpA (ENI), as the PSC Operator together with KG Timor Leste Ltd (Kogas) and Galp Exploração e Produção (Timor Leste), S.A. (Galp), as the JV for this PSC. In 2021, ANPM, acting on behalf of the Ministry, and ENI signed a deed of amendment to the PSC for the purpose of extending the term of the PSC until 28 June 2023. This extension is intended to provide sufficient time to enable the PSC Contractor to actively evaluate prospects of success and gain a better technical knowledge and understanding for a successful drilling campaign. Together with the approval of PSC deed amendment, the ANPM approved as well the assignment of Galp and Kogas interest in the PSC to the ENI, where ENI becomes the only PSC Contractor to the PSC with 100% participating interest of the PSC. For the year 2021,

the majority of the expenditure was related to the G&G studies, G&A including permit maintenance and local content.

- **PSC TL-SO-15-01**

This PSC is 100% owned and operated by Timor GAP OFFSHORE BLOCK UNIPESSOAL, LDA ("TGOB"), one of the subsidiaries of the Timor Gas e Petróleo TIMOR GAP E.P, is the Timor-Leste national oil company. This PSC was acquired in late December 2015. For the year 2021, the majority of expenditure was related to seismic data processing and interpretation, G&A including permit maintenance and local content.

- **PSC TL-SO-T 19-14 (CARNAVON)**

This PSC TL-SO-T 19-14 is a PSC transiting from an Australia's offshore licences title to Timor-Leste PSC as the result of the implementation of the Maritime Boundary Treaty between Timor-Leste and Australia which transforming the some parts of Australia's waters as Timor-Leste territory. Carnarvon Petroleum Timor Unipessoal Lda ("Carnarvon") is an Australia Oil and Gas Company incorporated and registered in Timor-Leste is the only company which holds 100% participating interest and operates this PSC as operator. The majority of expenditures incurred in the year 2021 were related to G&G studies, the drilling of exploration well, G&A including local content.

- **PSC TL-SO-T 19-16 (SUNDA GAS)**

This PSC is signed in late November 2019 to Joint Venture between SundaGas Banda Unipessoal Lda ("Sunda Gas") and TIMOR GAP Chuditch Unipessoal Lda (with participating interest of 25%). Sunda Gas is the operator of this PSC. For the year 2021, the majority of expenditure was related to seismic data acquisition and interpretation, G&A including local content.

TIMOR-LESTE ONSHORE AREA – EXPLORATION PSC

- **PSC TL-OT-17-08 & PSC TL-OT-17-09**

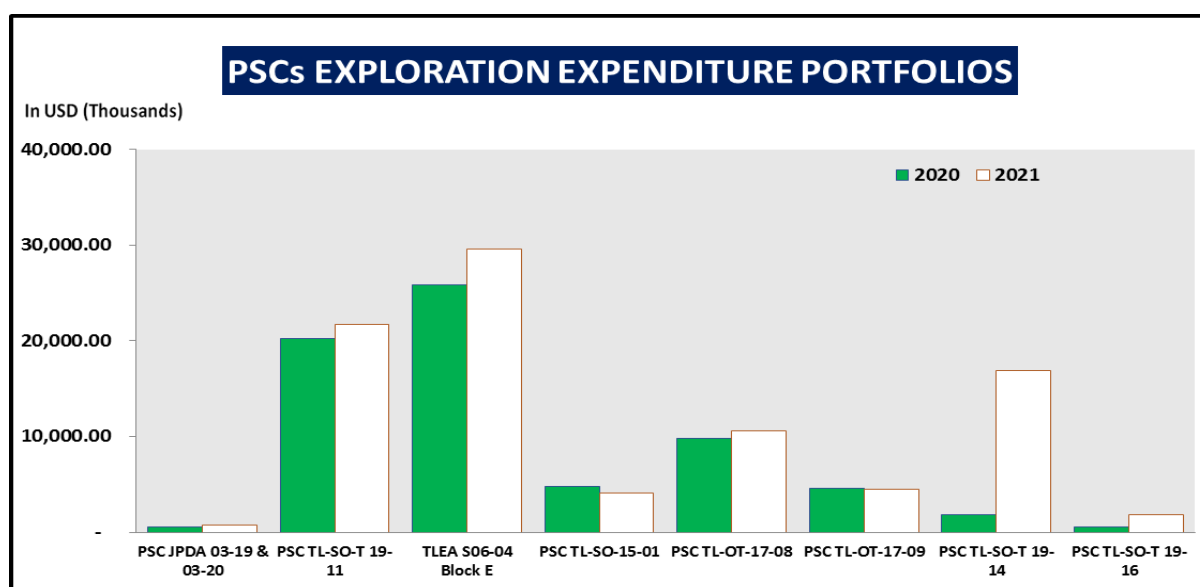
Both PSCs were granted in 2017 to Joint Ventures between TIMOR RESOURCES PTY LTD. ("Timor Resources"), an Australia oil company which has a permanent representation in Timor-Leste and TIMOR GAP ONSHORE BLOCK, UNIPESSOAL, LDA, one of the subsidiaries of the Timor Gas e Petróleo TIMOR GAP E.P. is Timor-Leste national oil company with participation interest of 50%. The operator for both PSCs is Timor Resources. The majority of expenditure incurred in the year 2021 under both PSCs was related to the drilling of exploration wells activities, G&A including local content.

SPECIAL REGIME AREA - EXPLORATION PSC

- **PSC JPDA 03—19 & 03-20**

Woodside Petroleum, an Australia oil company is the operator of the Sunrise PSC together with TIMOR GAP GREATER SUNRISE 03-19, Unipessoal Lda, TIMOR GAP GREATER SUNRISE 03-20, Unipessoal Lda (with cumulative participation interests of 56.56%) and Osaka Gas Sunrise (PSC-19 & 20) Pty Ltd are the Joint Ventures. Sunrise and Troubadour is a proven discovered gas field with associated condensate. As provided in the Annex B of the Maritime Boundary Treaty define the Greater Sunrise as Special Regime Area, the development of this project is very much subject to the on-going negotiation between the two countries, Timor-Leste and Australia as well as Greater Sunrise Joint Ventures. For permit maintenance in the year 2021, this PSC continues to maintain its present with annual minimum work programs and budget for its local office, permits and corporate initiative investments.

The below graph shows the exploration expenditures of the above PSCs incurred for the year ended 31 December 2021 in comparison to the previous year. Those expenditures are inclusive of the investment credit and uplift for the period.



GRAPH 12: TIMOR-LESTE OFFSHORE AND ONSHORE AND SPECIAL REGIME AREA PSCs EXPLORATION EXPENDITURE

2.7 DEVELOPMENT EXPENDITURE PERFORMANCE

- PSC TL-SO-T 19-12 and PSC TL-SO-T 19-13

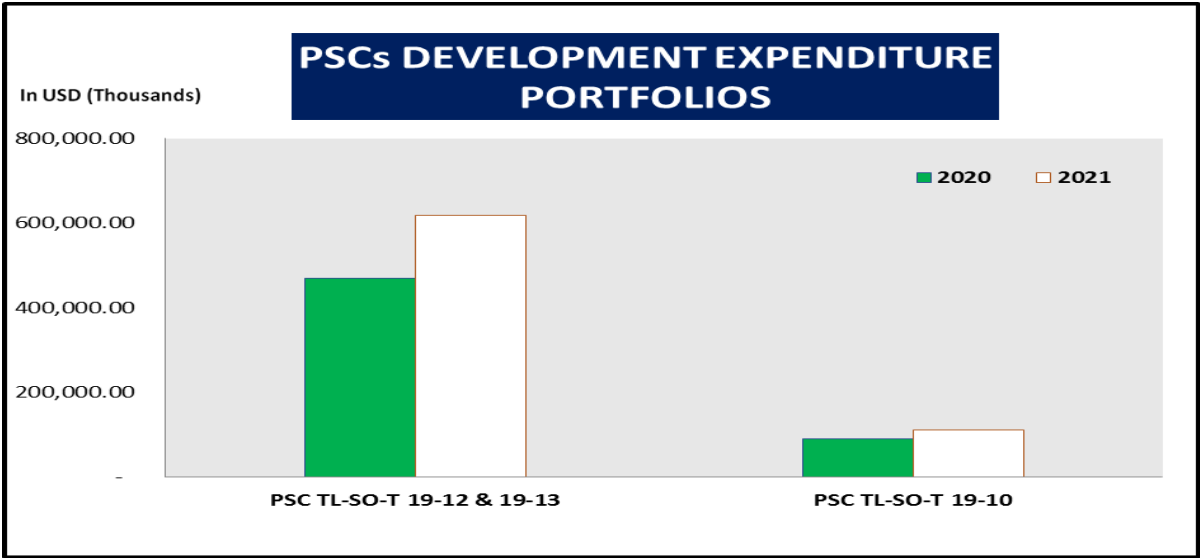
These PSC-TL-SO-T 19-12 and PSC-TL-SO-T 19-13 are PSCs that substitute the existing PSC JPDA 03-12 and PSC JPDA 03-13 as the result of the implementation of the Maritime Boundary Treaty between Timor-Leste and Australia which transforming the Former JPDA area as Timor-Leste territory. Santos NA (19-12) Pty Ltd as the contract operator represents Bayu Undan Joint Venture to perform petroleum activities in Bayu Undan contract area. The Bayu Undan annual operating costs for year 2021 were mainly to cover the

operation and production including lifting costs, logistic, supply, minor and major maintenance. For 2021 capital expenditures, there were costs mainly related to Phase 3C infill well drilling campaign.

- **PSC TL-SO-T 19-10**

This PSC-TL-SO-T 19-10 is a PSC that substitutes the existing PSC JPDA 06-105 as the result of the implementation of the Maritime Boundary Treaty between Timor-Leste and Australia which transforming the Former JPDA area as Timor-Leste territory. This PSC is operated by Eni JPDA 06-105 Pty Ltd with its Joint Venture of Inpex Timor Sea, Ltd and Repsol Oil & Gas Australia (JPDA 06-105) Pty Limited. The operation of this PSC was suspended due to the impact of sustain low oil price to the economics of the Kitan field and reserved for future development of the field. The expenditures reported for the year ended 31 December 2021 were mostly related to general and administrative activities in order to maintain the contract area including activities on the studies of future development or decommissioning options.

The below graph shows development expenditures of those above PSCs reported for the year ended 31 December 2021 in comparison to the previous year. Those expenditures are inclusive of the investment credit and uplift for the period.



GRAPH 13: PSCs DEVELOPMENT EXPENDITURE

2.8 LOCAL CONTENT PERFORMANCE

The ANPM was established to work closely with oil and gas companies operating in Timor-Leste Exclusive Area, ensuring that all petroleum operations are in compliance with the laws and regulations and Timor-Leste as resource owner makes efforts in improving the local economy by leveraging linkages to extractive projects, beyond the revenues the petroleum operations generated. The approach to enhance local content

and ensuring that a company is using and hiring local manpower and procuring local goods and services from local suppliers to the oil and gas industry operations and which can be measured in monetary terms to promote local content with lasting sustainable benefits to the country.

In 2019, the sign of the Maritime Boundary Treaty by the Australian and Timor-Leste has delimited maritime areas between the two countries in the Timor Sea. As the MBT come into force in the former JPDA cease to be existed and the special regime for Greater Sunrise was established to benefit both countries. The 2021 annual Timor-Leste Local Content Performance within the Timor-Leste jurisdiction area has shown significant local participation in the supply chain of Goods and Services in petroleum sectors as well as employment and training opportunities for Timor-Leste nationals and permanent residents with due regard to occupational health and safety requirements for the petroleum activities.

THE 2021 LOCAL CONTENT EXPENDITURE

The cumulative Timor Leste Content Expenditures 2021 will be reported per PSCs as follows:

SANTOS – BAYU-UNDAN PROJECT

Timor-Leste content expenditures as reported by Santos in 2021, the amount spent on local content was US\$21.84 MM. The breakdown of the total spend are:

- Goods and Services of US\$9.32 MM
- Training and Employment US\$11.79 MM
- CSR and community Investment US\$0.73 MM

Cummulational historical expenditures for Bayu-Undan Porject at 31 of December 2021 has reached US\$201.09 MM, , in comaprison to 2020 expenditure (US\$14.65).

The 2021 total local content spend amounted to US\$21.84 MM, represents the following details:

- Phase 3C Activities reached US\$4.22 MM in the local content spend

In this project the total amount spent for goods and services amounted to US\$2.3 MM, while the amount spent for Employment was US\$1,62 MM and training was US\$ 0.21 MM.

- Base Operations amounted US\$3.01 MM in the local content spend

The incremental spend was resulted from the US\$1.46MM increased spend in the medical services support for pre-mobilizations support (PMI) in Dili and increased cost in accommodations and associated services for PMI and its facilities in Dili. '

It is also noted that, in 2021, there were lack of external trainings conducted overseas implemented by Contactors with their active local content plans due to Covid-19 restrictions and hence the training expenditure reduce to US\$-0.14MM in comparison to 2020.

Further to that the total local spend in employment was also increased with the incremental of US\$0.17 MM compares to 2020, due to employment rising in support of PMI, payment for TLN over

cycles due to roster changes and promotions for TLN. While, noting that the CSR spend increased by US\$0.14 MM due to support in Timor-Leste floods and landslide.

TIMOR-LESTE GOODS AND SERVICES

In 2021, Bayu-Undan operator continued to apply local content assessments approaches in its supply chain and procurement process continue creating opportunities to encourage maximum participation from local suppliers in the supply of Goods and services to the Bayu Undan project. The 2021 local content spend on Goods and Services procured from both Timor-Leste local companies and foreign companies from 1 January to 31 December 2021 was in total expenditure of **US\$ 9.3 MM**, divided by those that are procured directly from Timor-Leste local companies (56%); and those provided by other Bayu-Undan non- local contractors through subcontracts with local entities (44%).

LOCAL GOODS EXPENDITURES FOR 2020

The table below shows list of Timor-Leste local Goods and Services procured for Bayu-Undan by Timor-Leste local companies and other countries 'companies. A total of **US\$0,92MM** has been spent on procurement of Goods supplied by both local and other countries suppliers in 2021.

Goods			
Vendor name	Contract Name	TL Local companies	LC Other countries
AME Pty Ltd			\$ 29,144
Altus Logistics Pty Ltd	Sundry goods for Freight Forwarding		\$ 228
Altus Oil & Gas SVCS Unipessoal LDA		\$ 3,025	
Auto Timor Leste	Motor Vehicles and Transport	\$ 39,000	
Babcock Offshore Services Australasia Pty Ltd	Materials and Equipment Lease for Operation and Provision of Helicopter Services for Bayu-Undan Maintenance Service contract		\$ 205,674
Compass Group (Australia) Pty Ltd	Food and Consumables for Catering and Hospitality Services contract		\$ 378,178
Esilva Motors	Vehicle Hire and Rental	\$ 13,544	
Esset (Electrical Sales and Service East Timor)	Hardware, PPE, Electrical Consumables	\$ 240	
Inovar4 Lda	Hardware, PPE, Electrical Consumables	\$ 11,860	
McDermot			\$ 153,209
Noble Contracting II GMBH			\$ 34,229
ScanTech Offshore Limited			\$ 17,509
Schlumberger Australia Pty Ltd - Drilling Serv			\$ 3,972
SDV Logistics East-Timor Unipessoal Lda (Bollere Logistics)		\$ 128	
Stamford Medical Lda		\$ 31,953	
Vinod Patel Investments Timor SA	Hardware, PPE, Electrical Consumables	\$ 1,545	
Total		\$ 101,296	\$ 822,142
		\$	923,438

TABLE 5: DESCRIPTION AND VALUE OF TIMOR-LESTE GOODS FOR BAYU UNDAN

The above table exclude Airnorth's reported Goods expenditure of US\$3,128 since this reported figure is not exclusive to the services contracted Bayu-Undan.

LOCAL SERVICES EXPENDITURES FOR 2021

The table below shows the list and a description and value of the Timor-Leste Local Content services procured for Bayu-Undan provided directly by Timor-Leste local companies, and local services. A total of US\$ 8,39MM has been spent from 1 January to 31 December 2021.

Services			
Vendor name	Contract Name	TL Local companies	LC Other countries
Administration of Airport & Air	Airport Rent	\$ 103,428	
AME Pty Ltd			\$ 1,280
Altus Logistics Pty Ltd	Administration support for Freight Forwarding		\$ 12,652
Altus Oil & Gas SVCS Unipessoal LDA	Logistics and Management Fees for the Supply Base	\$ 331,410	
BABADOK STUDIO		\$ 14,900	
Babcock Offshore Services Australasia Pty Ltd	Provision of Helicopter Services for Bayu-Undan		\$ 536,368
Baker Hughes Australia Pty Limited			\$ 709
CAPL (formerly Clough AMEC Pty Ltd)	Office Support costs for Operation and Maintenance Service contract		\$ 142,546
Compass Group (Australia) Pty Ltd	Travel and Accommodation Charges/Misc for Catering and Hospitality Services contract		\$ 154,244
CRA TIMOR	Accommodation	\$ 40,393	
CRA TIMOR		\$ 30,222	
Digital Instant Shop		\$ -	
Dili Development Co Lda	Bayu Pre Mobilization Isolation and Dili Office Rent	\$ 1,009,558	
Dragon Svc Unipessoal Lda		\$ 325	
East Development Corp LDA		\$ 1,230,896	
Electricidade De Timor Leste (Edtl)	Utilities Charges	\$ 31,586	
Esperanca Timor Oan LDA		\$ 3,653	
FUNDACAO MEDIA DEVELOPMENT CTR		\$ 990	
FMC Technologies Singapore Pty Ltd			
Jornal Independente	Membership and Subscription Fees	\$ 13,900	
KOTUG Maritime Services Pty Ltd)			\$ 24,776
LEADER LDA		\$ 6,341	
Lodge Hotel Pty Ltd	Accommodation	\$ 442,050	
Maubere Security Lda	Security Services	\$ 60,566	

McDermot			\$ 172,786
MMA Offshore Vessel Operations Pty Ltd (Mermaid Marine Australia)	Personnel Support Services for PSV Services contract		\$ 34,315
National Fire Engineering Timor Leste		\$ 270	
Noble Contracting II GMBH			\$ 1,899,503
NOVO HORIZONTE HOTELS UNIPESOAL LD			\$ 28,245
Oceaneering Australia Pty Ltd	Labour Hire Services		\$ 141,953
RMS Engineering and Construction Pty Ltd	Equipment hires, Security, Misc for Maintenance STO Dili Office contract	\$ 30,809	
ScanTech Offshore Limited			\$ 1,070
Schlumberger Australia Pty Ltd - Cementing Serv	Bundled Services		\$ 4,765
Schlumberger Australia Pty Ltd - Drilling Serv	Well Clean Up Services		\$ 6,663
Schlumberger Australia Pty Ltd - Well Serv	Well Clean Up Services		\$ 4,961
SDV Logistics East-Timor Unipessoal Lda (Bollere Logistics)	Crew Change and Travel and Logistics Charges for Provision of Logistic Support and Associated Services in Dili	\$ 171,617	
Seafox Asia Pacific Pte Ltd			\$ -
Solstad Offshore			\$ 5,748
SPO Pacific Centurion			\$ 4,892
Stamford Medical Lda	Medical Services	\$ 1,469,723	
Timly Enterprises Co		\$ 1,888	
Timor Post	Postal Service Charges	\$ 15,420	
Timor Tatoli Naroman Foundation		\$ 396	
Timor Telecom S.A.	Utilities Charges	\$ 85,364	
Total Marine (TMT)			\$ 17,082
Wood Group PSN Australia Pty Ltd			\$ 107,194
Total		\$ 5,095,704	\$ 3,301,750
		\$	8,397,454

TABLE 6: DESCRIPTION AND VALUE OF TIMOR LESE SERVICES FOR BAYU UNDAN

The above table excludes Airnorth's reported Services expenditure of \$ 57,589 since this reported figure is not exclusive to the services contracted for Bayu-Undan.

CONTRACT AWARDED IN 2021

BAYU-UNDAN NORMAL OPERATION

Scope	Contractor	Contract Effective Date
Provision of Marine Pilotage Services for Bayu-Undan	Fendercare Australia Pty Ltd	February 2021
Subcontract Extension for the Provision of Fuel Supply for Bayu-Undan Facility	BP Australia Pty Ltd	February 2021
Subcontract Extension for the Provision of Radio Telecommunications and CCTV Services	CSE Crosscom Pty Ltd	July 2021

Subcontract Extension for the Provision of Plant Inspection and Non Destructive Testing (NDT) Services	Oceaneering Australia Pty Ltd	August 2021
Provision of Bayu-Undan Safety Case Support	MMI Thornton Tomasetti	August 2021
Provision of Wireline Tractor Services	Schlumberger Australia Pty Ltd	September 2021
Subcontract Extension for the Provision of Catering and Cleaning Services	Compass Group Australia Pty Ltd	October 2021
Provision of Offshore Laser Scanning and Desktop 3D Modelling for FSO Liberdade	Airscope	November 2021
Subcontract Extension for the Provision of the Platform Support Vessel "Mermaid Inscription"	MMA Offshore Vessel Operation Pty Ltd	December 2021
Mercury Deposition Modeling for Bayu-Undan Topsides & Infield Rigid Pipeline	Genesis	December 2021

TABLE 7: CONTRACT IN BAYU-UNDAN NORMAL OPERATION

BAYU-UNDAN INFILL WELLS PHASE 3

Contract Name	Subcontractor	Contract Effective Date
Subsea Tree and Wellhead Equipment	Baker Hughes Australia Pty Ltd	April 2021
Surface Wellheads, Tree Equipment & Installation Services	Cameron Australasia Pty Ltd (A Schlumberger Company)	April 2021
Subsea Control Module (SCM) Mounting Skid	Oceaneering Australia Pty Ltd	April 2021
Subsea Flexible Pipe & Ancillaries	Baker Hughes Energy Technology UK Ltd	April 2021
Subsea Hardware	FMC Technologies Australia Ltd	April 2021
Jack-Up MODU	Noble Contracting II GmbH	April 2021
Oil Country Tubular Goods (OCTG) & Management Services	Tenaris Global Services Australia Pty Ltd	April 2021
Subsea Static Umbilical and Ancillaries	JDR Cable Systems Ltd	April 2021

High Pressure/Low Pressure Drilling Riser Equipment & Services	Oil States Industries (Asia) Pte Ltd	April 2021
Well Testing and Subsea Landing String Equipment & Services	Schlumberger Australia Pty Ltd	April 2021
Subsea Engineering, Procure, Construct and Installation (EPCI) Works	McDermott Australia Pty Ltd	April 2021
Drilling, Measurement, Logging & Wireline/Slickline Integrated Services	Schlumberger Australia Pty Ltd	April 2021
Liner Hanger Systems Equipment & Services	Halliburton Australia Pty Ltd	April 2021
Drilling Fluids	Baker Hughes Australia Pty Ltd	April 2021
Project Independent Verifying Body	Lloyds Register	April 2021
Independent Verification & Validation Services	Oasis Oilfield Consulting Pty Ltd	April 2021
Completion Equipment & Services	Baker Hughes Australia Pty Ltd	April 2021
Marine Vessels Support	<ul style="list-style-type: none"> • MMA Offshore Vessel Operations Pty Ltd (MMA) for 1 AHT • Swire Pacific Offshore Pty Ltd (Swire) for 2 AHTs • Solstad Offshore Pty Ltd (Solstad) for PSV 	April 2021
Casing & Tubular Running Services	Weatherford Australia Pty Ltd	April 2021
Drill Bits	Baker Hughes Australia Pty Ltd USD736k Halliburton Australia Pty Ltd USD136k NOV Downhole Pty Ltd USD142k Smith Bits (Schlumberger Pty Ltd) USD215k	April 2021
Downhole Tooling, Clean-Up & Fishing/Milling Integrated Services	Schlumberger Australia Pty Ltd and IOT Group Australia Pty Ltd were awarded for Downhole Tool Services contract (USD1.16MM) and Baker Hughes Australia Pty Ltd for Fishing and Wellbore CleanUp Services	April 2021

	contract (USD1.44MM)	
Subsea Dewatering Manifold	Specialised Welding Australia Pty Ltd	April 2021
QA/QC Services	PPI Australia Pty Ltd (Cardno) USD240k Oil & Gas Technologies Pte Ltd USD85k	April 2021
Offshore Rig Modification Engineering Services	AME Pty Ltd	April 2021
20" x 30" ECP and Grouting Services	AGE Developments Pty Ltd	April 2021
Solids Control Services	M I Australia (a Schlumberger Australia) Pty Ltd	April 2021
Offshore Cementing Services	Subcontracts identified: Halliburton Australia Pty Ltd Schlumberger Australia Pty Ltd	April 2021
30 inches Conductor	Oil States Industries (Asia) Pte Ltd	April 2021
Rig Positioning Services	Fugro Australia Marine Pty Ltd	April 2021
Casing Transportation and Laydown Yard	Altus Oil & Gas Services Unip.Lda	April 2021
Remote Operated Vehicle (ROV)	Total Marine Technology Australia Pty Ltd	April 2021
Compressed Air and Rig Deluge Equipment & Services	Scantech Offshore Pty Ltd	April 2021
Cycle Plugs	Halliburton Australia Pty Ltd	April 2021
Debris Clearance Survey	Fugro Australia Marine Pty Ltd	April 2021
Satellite Communications	ITC Global	April 2021
Wellsite Geologist Services	Stag Geological Services Ltd	April 2021

TABLE 8: CONTRACTS FOR BAYU UNDAN INFILL WELLS PHASE 3C

LOCAL CONTENT CONTRACTING STRATEGY

LOCAL SUPPLIER PARTICIPATION

Bayu-Undan operator continued its commitment to encourage and increase the participation of Timor-Leste suppliers in competing for and participating in Bayu-Undan supply through implementation of the Enhanced Local Content Principles developed as a foundation for the Bayu-Undan local content approach, including:

- ❑ Identifying opportunities on scope of works and targeted engagement with potential vendors (Targeted Procurement Option), e.g.:
 - Un-bundling of work scopes based on existing supplier capabilities.
 - Working with selected Timorese suppliers with potential to build their capacity.
- ❑ Continuing to provide enablers that will assist potential suppliers to compete/participate in the Bayu-Undan supply chain, such as:
 - Increased communication with suppliers to facilitate participation (e.g., through increased capacity in the Dili office and interaction with the Timor-Leste Engagement Coordinator and Procurement Officer).
 - Investigating partnerships with agencies that can facilitate and capacity build supplier participation.
 - Provision of a supply base in Timor-Leste to accommodate goods and provision of transportation for goods from Timor-Leste to Bayu-Undan.
- ❑ For shorter duration/specialized services, exploring centrally delivered Capacity Building Initiatives.

For Decommissioning Activities, Bayu-Undan operator encouraged the participation of Timor-Leste suppliers through implementing the enhanced local content principles contained in the Decommissioning Key Terms Sheet. These activities have been further developed and have been in progress since 2020, in accordance with an agreed milestone and execution plan. Achievement to date of the commitments of relevance to the procurement of local goods and services, are as follows:

- ❑ Completion of a review of procurement procedures and presentation of these to the ANPM.
- ❑ Progression towards the establishment of an Enterprise Support Services Centre with the aim of enabling Timor-Leste suppliers to compete and participate in tendering/contracting activities for decommissioning scopes. To date, Bayu-Undan operator has conducted an EOI and a Competitive Tender which is currently being evaluated.
- ❑ Completion of a Goods & Services study, to further assess opportunities and identify potential local supplier capabilities for decommissioning scopes. The same study format is also currently being used to reassess further opportunities for all production operations scopes.

- ❑ Unbundling of decommissioning scopes wherever possible.
- ❑ Carrying out early information sessions with suppliers in relation to Decommissioning Activities, including significant engagement following from responses to the subsequent EOI process.
- ❑ Customized local content requirements for Suspension of Operations scopes, based on outcomes from the Goods & services Study.

Bayu-Undan operator continues to look for opportunities to increase supplier participation through targeted procurement and enablers such as increased communications and visits to Timor-Leste suppliers. Due to travel and lock down restrictions associated with COVID-19, face to face visits to suppliers have been curtailed and communication has been conducted via teleconference or email. Bayu-Undan operator continues to inform Australian and International suppliers on Timor-Leste suppliers that are registered. For Suspension of Operations tendering, Bayu-Undan operator is establishing, through early supplier engagement, which suppliers are interested in tendering and, being a sub-contractor or partnering arrangement with international suppliers. Bayu-Undan operator will be introducing these suppliers to international tenderers, together with messaging on the importance of local content, as part of their pre-tender briefing sessions and tender preparation to foster pathways for potential international partnerships and alliances.

Bayu-Undan operator also continues to ensure established Australian or International suppliers are kept informed of registered Timor-Leste businesses to explore opportunities.

Bayu-Undan operator completed in 2020 an internal Goods & Services study for decommissioning activities. The study has informed the potential local content opportunities within Suspension of Operations scopes, providing relevant information to assess and apply local content and in particular, the ability to unbundle, target, and customize Timor-Leste Content Requirements. The study was shared with ANPM for joint review and further input and feedback.

In early 2021 Bayu-Undan operator agreed with the ANPM on a supplier engagement strategy and material for Suspension of Operations activities and in April and May of 2021, as part of early engagement with local suppliers, Bayu-Undan operator issued Suspension of Operations Supplier Information material and held a number of Supplier Information Sessions with local suppliers collectively, and also individually with suppliers that had previously expressed interest in Bayu-Undan work scopes. A second session was held in January 2022. The information sessions provided local suppliers with information on Suspension of Operations work scopes and how the work would be tendered progressively over 2022. Following on from these sessions Bayu-Undan operator has established interest from suppliers via follow up emails and teleconferences and has now established a good picture of which suppliers are interested and have capability either themselves

or in partnership with another contractor for a particular scope/scopes, and also, which suppliers are interested in performing part of the scope as a subcontractor to another contractor. This has informed Bayu-Undan operator on how they can engage these suppliers in the forward tendering process, either directly or by introducing them to other tenderers/existing contractors.

EARLIER ASSESSMENT OF LOCAL CONTENT APPROACH

During 2021, Bayu-Undan operator has continued to apply the local content assessment procedure developed during 2016/2017, which requires Contract Sponsors to assess each new contract, option, extension or variation and determine the most appropriate application of local content, which will be either:

- ☐ Timor-Leste Local Content Requirements (TLCR);
- ☐ Targeted Procurement (TP); or
- ☐ Local Content Centralized Enhanced Training Approach (LC-CETA)

This procedure was applied during the compilation of the 2022 402 Report, which was submitted in Q4 2021.

This assessment was also applied to the Bayu-Undan Phase 3C scopes and early Decommissioning work. For SoOps, Contract Sponsors have critically assessed where they can unbundle scopes to achieve a more desirable local content outcome, using inputs from the Goods & Services Study. This has proved very successful for the scopes being tendered in 2022. Operations are also critically assessing all scopes for local content and possible unbundling using the Goods and Services Study format.

TARGETED PROCUREMENT

Bayu-Undan operator continues to pursue opportunities to work directly with Timor-Leste suppliers to supply goods and services to the specifications and standards required for Bayu-Undan. The supplier community in Timor-Leste is less mature than other locations in terms of supplying to the oil and gas industry, and therefore these opportunities are relatively limited, but we continue to look for opportunities to support suppliers in building their capabilities.

Bayu-Undan operator continues to review opportunities for targeted procurement both through direct subcontracts with suppliers and through subcontracts with their other subcontractors.

Some specific examples of the work / supply scopes assessed for targeted procurement include:

- Catering and cleaning services subcontract. Current category lines of local supplies include
 - ☐ Dry Goods
 - ☐ Chemicals
 - ☐ Disposable Items

- ☐ Uniforms & PPE
- ☐ Retail items
- ☐ General hardware & consumables
- ☐ Personal Protective Equipment (PPE)
- ☐ Low risk fabrication work
- ☐ Heli fuel testing
- ☐ Medical Services
- ☐ Pre-mobilization isolation facilities and associated services
- ☐ Safety case services

The establishment of the Tibar Port facility (expected to be completed by Q3 2022) will further enhance Bayu-Undan operator ability to successfully contract directly with Timor-Leste suppliers with scopes such as those identified below:

- ☐ Diesel supply
- ☐ Vessel services
- ☐ Onsite dismantling and removal services
- ☐ Warehouse, marshalling yard and supply base services
- ☐ Temporary equipment
- ☐ Waste Services

Bayu-Undan operator continues to look for opportunities to locate and engage with Timor-Leste vendors who stock, supply and can deliver a more diverse range of materials locally that meet their minimum specifications and are offered at acceptable cost.

Since late 2018, one of Bayu-Undan operator established suppliers of general hardware, consumables, and PPE (DNOW – a major international supplier) has established a supply line to a Dili based supplier, Caltech. This has resulted in Bayu-Undan operator being able to place several POs with Caltech for supplies of PPE and hardware that meet the required Bayu-Undan operator specifications. The goods are shipped from Dili and transported on to Bayu-Undan. This may also provide opportunity for building capacity within Timor-Leste to supply goods to the local market. It is noted that during 2020/21 this line of supply was impacted by reduced transportation options due to COVID-19.

CENTRALIZED ENHANCED TRAINING APPROACH – CETA

Historically, Timor-Leste Local Content requirements had been applied by Santos to all Bayu-Undan contract negotiations. However, contracts with limited scopes (highly specialised, short-term, ad hoc usage etc.) had typically only been able to deliver short duration training initiatives as part of their local content commitments. For these limited scopes contracts, Santos' view is that a contribution of 1% actual contract

spend to a centralized enhanced training scheme (CETA), aligned to Timor-Leste Government's priorities, is a more effective and meaningful option for local content contribution. CETA approach applies to contract with limited scopes i.e highly specialised, short-term, ad hoc usage etc., which typically only able to deliver short duration training initiatives as part of their local content commitments. For these limited scopes contracts, the operator gives contribution of 1% actual contract spend to a centralized enhanced training scheme (CETA), this is in alignment with Timor-Leste Government's priorities, both ANPM and operator view this is to be more effective and meaningful option for local content contribution.

The application of local content assessment for every scope, including CETA, is listed in the Annual 402 Report, submitted to the ANPM. CETA calculations are based on the value of annual spend of the CETA assessed contract scopes. CETA calculations for 2021 as below:

Est. CETA	2017	2018	2019	2020	2021
BUIW - Drilling	\$2,779.54	\$324,195.18	\$40,316.18	\$7,460.41	\$157,337.39
BUIW - Facilities	\$9,573.11	\$5,027.95	\$2,483.25	\$5,597.66	\$5,974.96
Normal Ops	\$107,315.51	\$167,786.84	\$158,535.15	\$382,196.98	\$109,080.31
Total CETA	\$119,668.16	\$497,009.97	\$201,334.58	\$395,255.05	\$272,392.66

TABLE 9: CETA CALCULATION FOR 2021

DILI SUPPLY BASE & TRANSPORTATION FROM DILI TO BAYU-UNDAN

Since 4Q 2016 Altus was awarded a contract to provide a supply base in Dili. This is considered an important enabler in the Targeted Procurement initiative, to allow more Timor-Leste suppliers to provide goods and services to Bayu-Undan operations. At this stage, the facility provides a 200m² yard and 50m² of internal space which can accommodate the handling of catering goods and other materials to supply to Bayu-Undan on a regular basis. As Timor-Leste supply grows, there is capacity to increase the service and work scope of the facility.

The Contract Operator is utilizing an established commercial transport route to transport goods sourced in Timor-Leste to Bayu-Undan. Dry goods are transported in a container on the Dili to Darwin shipping route. This vessel had a monthly schedule between Dili and Darwin; however, the shipments are now going via Singapore. After the container arrives at Darwin, the goods are then transported to Bayu Undan via the Platform Supply Vessel. A total of 40 sea containers have been transported since early 2017. This

arrangement is commercially viable, scalable and adequate for the current quantity of local goods procured in country, even with the current impact from COVID, it is seen an increase in the number of containers transported.

ENTREPRRISE SUPPORT SERVICE CENTER (ESSC)

The establishment of the Enterprise Support Services Centre center is with the purpose to support local suppliers in participation in the Bayu-Undan decommissioning activities starting from which are scheduled for the latter half of 2022 to end of 2023 as its initial phase suspension of operations activities. The center is also established with the intention it will also provide ongoing support to assist in capacity building to local contractors, facilitate and support early distribution of information for potential operations scopes; facilitate information and engagement with relevant stakeholders for local suppliers to access potential schemes from TL government other development entities, to build capacity of Timor-Leste suppliers in the areas of business administration and management skills trainings.

The ultimate purpose is to establish the ESSC Management and exit strategy plan to ensure sustainability of ESSC beyond Bayu-Undan in engaging with relevant stakeholder namely ANPM and other government entities 1 year in advance before the end of ESSC contract. The Tender was issued in October 2021, 1 response received in November. Proposal was assessed and shared with the ANPM, there were several areas that exceeded the scale of the SOW. Clarifications were provided to the Proponent, who re- submitted in Feb. At this stage the evaluation of the proponent proposals is being progressed it is expected to be finalized and have the center established and run in mid2022.

EARLY TIMOR-LESTE SUPPLIER ENGAGEMENT FOR SUSPENSION OF OPERATION (SoOps)

The establishment of Enterprise Support Services Centre (ESSC) serves as one of the key enablers to encourage maximum participation of local suppliers in the Bayu-Undan Suspension of operations phase.

As the procurement process for the establishment for ESSC is being progressed, Santos proposed to hold Timor-Leste Suppliers engagement activities for the 7 time-critical suspensions of operations scopes. The engagement activities including

- ❑ dissemination of early information of the package including of SoOps ahead of the issuance of EOIs, suppliers' session,
- ❑ Two Information Session were carried out, one in 2021 and another in early 2022, ahead of issuing EOI. Engagement with local Timor-Leste suppliers has been positive to date

EMPLOYMENT

Below chart shows the number of Timor-Leste Nationals (TLN) and Permanent Residents employed in the Bayu-Undan operation, with the total number of 469 TLN in 2021. These number represents 155 or 33% of the number of employment offshore, 155 or 33% of the number of employment onshore, 87 or 19% of TLN who were employed through service companies and 72 or 15% of TLN who were employed in phase 3C drilling activities. This overall TLN employment headcount includes 354 TLN employment who are fully dedicated to Bayu-Undan known as Long Term Dedicated (LTD) or Full Time Equivalent (FTE), and 115 number of Short-Term Workforce (STW) or Non-FTE, such as contracting companies for general services which are not included in the Bayu-Undan core activities such a marine, medical, aviation services and short-term programs.

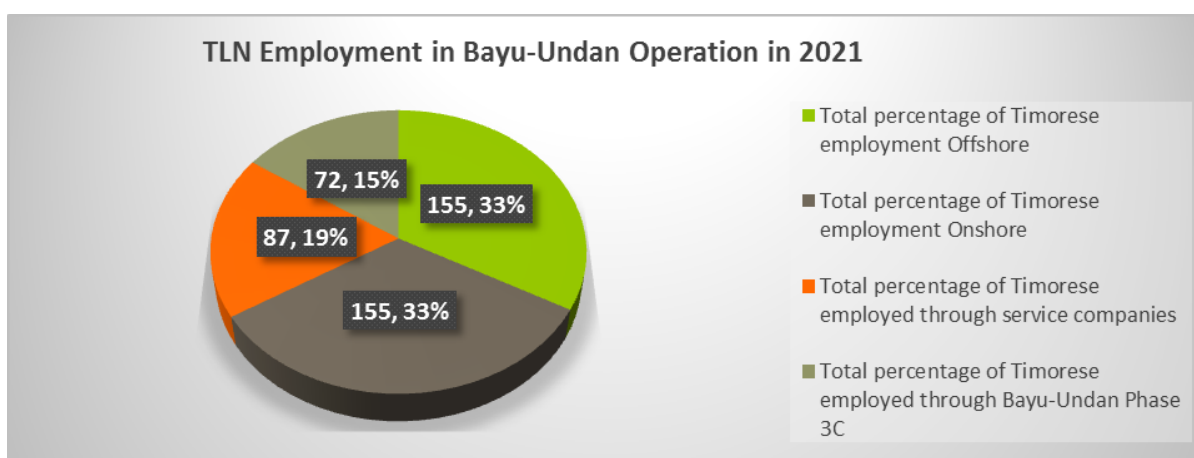


CHART 4: BAYU UNDAN EMPLOYMENT 2021

Additionally, in the Figure 4 below also presents TLN employment category in BU operation in 2021. In the Onshore, there were 36 number of TLN working in the Professional Position, 47 number of TLN working in the Skilled position and 72 number of TLN working in the Semi-Skilled position. Moreover, in the Offshore, the Professional position accounted at 4 TLN, the Skilled position accounted at 53 TLN and Semi-Skilled position accounted at 98 TLN. Furthermore, there were 7 Professional position, 30 Skilled position and 50 Semi-Skilled position with the Service Companies. Further to TLN employment category for BU operation, Figure 4 also indicates the employment category for BU phase 3, a drilling activity in addition to BU normal operation which reported the 2 number of TLN working in the Professional roles, 4 number of TLN working in the Skilled level position and the number of 66 TLN working in the level of Semi-Skilled position in 2021.



GRAPH 14: BAYU UNDAN EMPLOYMENT CATEGORY 2021

TRAINING AND DEVELOPMENT IN BAYU-UNDAN PROJECT

TRAINING AND DEVELOPMENT FOR BAYU UNDAN NORMAL OPERATION

In 2021, the training programs and capacity building activities have been impacted by Covid -19 restrictions and as a result, numerous training programs were not fully implemented.

The progress update of the training and development program and promotion of TLN in 2021 are in the following:

No.	Contractor	Progress Update on Training and Promotion of TLN in 2021
1.	Santos, Bayu-Undan Operator	<ul style="list-style-type: none"> ➤ The promotion of Business Services Officer to Business Services Supervisor role. ➤ The Promotion of Purchasing Officer to Timor-Leste Engagement Coordinator role.
2.	Cloguh Amec Pty Ltd (CAPL)- Operation and Maintenance Service Contractor	<p>Onshore:</p> <ul style="list-style-type: none"> ➤ Promotion of a Data Analyst to Junior Training Administrator role ➤ Promotion of a Data Analyst to Planning Support Analyst position ➤ Promotion of a Data Analyst to Junior PCMS (Plant Condition Management Software) role ➤ Promotion of a Data Analyst to Engineering Technical Support position

		<ul style="list-style-type: none"> ➤ Promotion of a Data Analyst to Commercial Administrator role <p>Offshore:</p> <ul style="list-style-type: none"> ➤ Promotion of a Basic Scaffolder to Scaffold Intermediate role ➤ Promotion of a Trade Trainee in Instrumentation and Control (I&C) to Technical Assistant of I&C position ➤ Promotion of 3 Trade Trainees Mechanical to Mechanical Assistants role
3.	Babcock – Helicopter Services Contractor	<ul style="list-style-type: none"> ➤ Completion of theoretical training of Diploma of Aircraft Maintenance Engineering-Mechanical (TB1) by the 2 Apprentice Engineers. ➤ Dangerous Online Training completed by the an Engineering Apprentice and a Store Person ➤ IELTS preparation was completed by an Engineer ➤ Completed the Diploma in Aviation by the Liaison Officer through online training delivery.
4.	ESS – Catering and Cleaning Services Contractor	<p>Onshore:</p> <ul style="list-style-type: none"> ➤ Hygiene Cleaning and De-Contamination Cleaning training completed by TL PMI Ramelau Utility and TL PMI Ramelau Supervisor <p>Offshore:</p> <ul style="list-style-type: none"> ➤ 85% of enhanced competency training done by 3 TLN Offshore Unit Manager (OUM) ➤ 75% of enhanced competency training completed by 4 TLN Chefs in the first quarter (Q1) ➤ 2 TLN Cooks have Fully transitioned into the roles after completing their professional development ➤ 100% of full transitioned of TLN cooks into the roles ➤ to Enhance their personal professional growth, Unit manager training has been started by 4 TLN Supervisors. ➤ The delay of the implementation of 100% local content in

		2021 has been impacted by Covid-19 restriction. The Contractors has presented the alternative strategies to address its impact and remain commits to deliver the 100% local content offshore in 2022.
5.	Oceaneering – Non Destructive Testing (NDT) and Inspection Services Contractor	<ul style="list-style-type: none"> ➤ The training in Working Safely at Heights completed by 5 TLN NDT Technicians and 1 trainee ➤ Online Certificate 4 in Business Administration training started by the Asset Integrity Coordinator ➤ Enrollment to English Course in LELI Timor-Leste done by the new NDT trainee
6.	Wood Group – Engineering Services Contractor	<ul style="list-style-type: none"> ➤ Promotion of 2 TLN Trainee Designer to Junior Designer ➤ Completed attending Intermediate and Advanced English language training at LELI Timor-Leste ➤ Completion of Certificate of Competency in Onshore and Offshore Pipeline from EIT (Engineering Institute of Technology).
7.	Other Contractors	The other active contractors such as SDV, Altus, Kotug Maritime, MMA and other general services contractors (Air North, Callidus Process Solutions, Contract Resources, Halliburton, RMS, Stamford, Contract Resources, etc.) also provided capacity building and training program for TLN in accordance with their local content plan and, unfortunately, some of the training commitment was not fully implemented in 2021, due to Covid-19 restrictions.

TABLE 10: TRAINING AND PROMOTION OF TLN IN 2021

TRAINING PROGRAM ASSOCIATED WITH BAYU UNDAN PHASE 3C PROJECT

In 2021, training program associated with Bayu-Undan Phase 3C Project were not fully delivered as per its Local Content Plan due to Covid-19 restrictions.

Bayu-Undan Phase 3C Contractors	Training Commitment and its Implementation
Noble, Drilling Contractor	<ul style="list-style-type: none"> ➤ 9 day of Onshore-based training and other training based on Noble Competency matrix

	<p>was completed by the 52 of TLN drilling crews</p> <ul style="list-style-type: none"> ➤ TBOSIET (Tropical Basic Offshore Safety Induction & Emergency Training) training was conducted in Darwin by the 13 TLN catering crews.
Baker Hughes	Field Specialist Training Program online training modules was participated by 1 of Timor Gap candidate
Schlumberger- Well Testing	1 TLN Well Testing Trainee has completed NEST (New Employee Safety Training) training, QHSE (Quality, Health and Safety and Environment), TCP (Tubing, Conveyed Perforating) and his on-the-job training continue to do in Australia.
Schlumberger-Integrated Services	<ul style="list-style-type: none"> ➤ Accomplishment of training programs by 4 TLN Mud Logger Trainee as follows: ➤ NEST (New Employee Safety Training) virtual training for 3 days in Dili ➤ Mud Logging virtual training for 3 weeks ➤ Schlumberger Office Induction for 2 days in Schlumberger Jandakot Base. ➤ 2 days BOSIET training in Perth ➤ 2 weeks QUEST (Quality Employment Through Skills Training) online certificates training. ➤ Realization of Wireline Training on Introduction to Wireline Operations to Dili Institute of Technology (DIT) students on 27 October 2021 at DIT campus in Dili. ➤ October 26, Schlumberger also conducted Training on Fundamentals of Drilling and Measurement While Drilling to DIT students in DIT Campus in Dili.
Schlumberger – Cementing	Realization of one day Cement Bulk Plant Workshops to ANPM technical team through virtual session.

Ame Pty Ltd	TLN Scaffolder concluded his BOSIET training in Darwin
McDermott	TLN Stewards (Catering and cabin crews) completed the Safety Training on 29 October 2021 in Dili. Additionally, project inductions, vessel inductions and on the job training were also concluded by the TLN Stewards and TLN AB (Able Seaman).
TMT	Internal Safety training completed by a TLN offshore crew – Pilot Technician.
Scantech	Completion of the 22 Scantech's online minimum standards, such as Working at Height, Understanding Cyber Security, Ransomware, Step Ladder Safety, Slips & Trips, Ransomware Preventing Attacks & Contingency, Ransomware & Cyber Crime, PPE Awareness, Noise & Hearing Protection, Modern Slavery, Manual Handling 2.0, Introduction to Working Safely, Introduction to Ransomware, Hazard Identification& Risk Control, Hand Arm Vibration Syndrome, Falling objects, Environmental Awareness, Cyber Security Risks & Social Media, Cyber Security Overview, Bribery Act, COSHH Essentials 2019, Alcohol & Drugs at Work.
Solstad Offshore	<p>Following programs completed by TLN Supernumerary Able Seaman (AB):</p> <ul style="list-style-type: none"> • Bridge-Deck Familiarization • Vessel Lay-Up Maintenance • Safety and Security Familiarization • Ship Crane Familiarization • IR Ratings Familiarization

TABLE 11: TRAINING ASSOCIATED WITH BAYU UNDAN PHASE 3C PROJECT

- ✚ COMMUNITY INVESTMENT AND CSR COMMITMENT AND PROJECT FUNDED THROUGH UNDER BAYU UNDAN PROJECTS
- ❖ SERN-FULLBRIGHT PROGRAM

SERN- Fulbright Scholarship Program is a tripartite partnership between the ANPM representing the ministry of Petroleum and Minerals, the Embassy of the United States of America in Timor-Leste and Bayu-undan Operator, Santos Australia to provide scholarship to potential Timorese to pursue masters and doctorate degrees in the U.S. As agreed by both Santos and the ANPM, this program is now on its final intake, hence no further recruitment conducted in 2021. This is a cost recoverable program with a total 2021 expenditure of US\$161,462.



To date the last scholar from the previous batch, had graduated with a Master of Petroleum Engineering at Missouri University of Science and Technology in December 2020 and had returned Timor-Leste. As of December 2020, the total number of graduates successfully pursued their masters degrees in various areas related to Energy, oil and gas are 23. The graduates had returned to the country and contributing to the development of socio-economic of Timor-Leste in their respective areas.

The 5 successful candidates recruited from the last intake in 2019 had started their studies in 2020, travel restrictions due to the COVID-19 Pandemic had also impacted the students travels to the states to commence their studies respectively. Despite the late starts, two of the 5 candidates had finalized their studies in December 2021, Atanasio Pereira Xavier pursued a LLM, Master of Laws with concentration in Corporate Law, Commercial and Trade from the University of Illinois Urbana Champaign, while Gregorio dos Reis attained a Master of Petroleum Engineering from Missouri University of Science and Technology. The remaining students are progressing and expected to complete their studies in the end of 2022 and mid of 2023 as shown in the table below.

Student's name	University	Field of Studies	Expected Completion
Shobari G. Nunes	Missouri State University	Project Engineering Management	Dec-22
Nelson Mesquita	Rochester Institute of Technology	MBA	May-22
Januario R. da Costa	Worcester Polytechnic Institute	Chemical Engineering	May-23

TABLE 12: CURRENT FULBRIGHT-SERN STUDENTS STUDYING IN THE US (FOURTH PROGRAM/LAST INTAKE)

❖ TIMOR-LESTE SKILL VOCATIONAL AND EDUCATION TRAINING CENTER

Electrical and Instrumentation Certificate Level 1 and Level 2 is an identified skill vocational training program in alignment with Timor-Leste government priorities. This program is designed to enhance the Timorese's skills and prepare their readiness to respond to the industry requirements. The program has been implementing since 2017, in collaboration between the government of Timor-Leste through Secretário de

Estado da Formação Profissional e Emprego (SEFOPE), The program has been implementing since 2017, in collaboration between the government of Timor-Leste through Secretário de Estado da Formação Profissional e Emprego (SEFOPE).



FIGURE 22: FIRST BATCH TRAINING PROGRAM

Autoridade Nacional do Petróleo e Minerais (ANPM), and Santos, and Centro Nacional do Emprego e Formação Profissional (CNEFP) Tibar and Cegelec Oil and Gas as the implementing partners.



FIGURE 23: SECOND BATCH TRAINING PROGRAM

Table below provides the program implementation for two (2) batches.

Group	Year of Implementation	Total Beneficiaries Trained in the area	Internship/Employment Opportunities for Beneficiaries	Project Expenditures
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Batch 1	2017-2018	18	EDTL, Eni, ETO, JICA, Pertamina, PPC Trading, Timor Resources, Terra Santa Residence.	\$596,555.00
Batch 2	2019-2020	24	Timor Plaza, Autism Beverage Company, Pertamina, Heineken, EDTL.	\$1,011,266.00

TABLE 13: SKILL VOCATIONAL TRAINING PROGRAM IMPLEMENTATION FROM 2017-2020

Institutional reinforcement is also outlined in the program aiming to sustain the program for the long run across trainings provides for the assigned CNEFP Tibar's trainers. The engagement of local trainers in a day to day training delivery during these 2 batches, both in class room and in practical, with the assistance of CEGELEC's trainers, including leading the toolbox meeting, actively involved in teaching Level 1 classes, and assisting in electrical hands-on training and other professional development program that will be provided by CEGELEC's trainers to CNEFP trainers will better prepare themselves for the transition process and deliver the program in the future.

With 2 years Covid-19 pandemic and its restriction resulted the suspension of the program for Batch 3 in the year of 2020 and 2021. The program is planned to re-commence, upon the Covid-19 restrictions are lifted.

PSC TL-SO-T 19-10 (FORMER PSC JPDA 06-105): KITAN FIELD

As the kitan field is ceased to produce the field had been suspended in 2016. The suspension of production in Kitan field had led to less activities carried out by the contract operator. Hence, since 2016, local content delivery through training and employment as well as provisions of good and services had been discontinued.

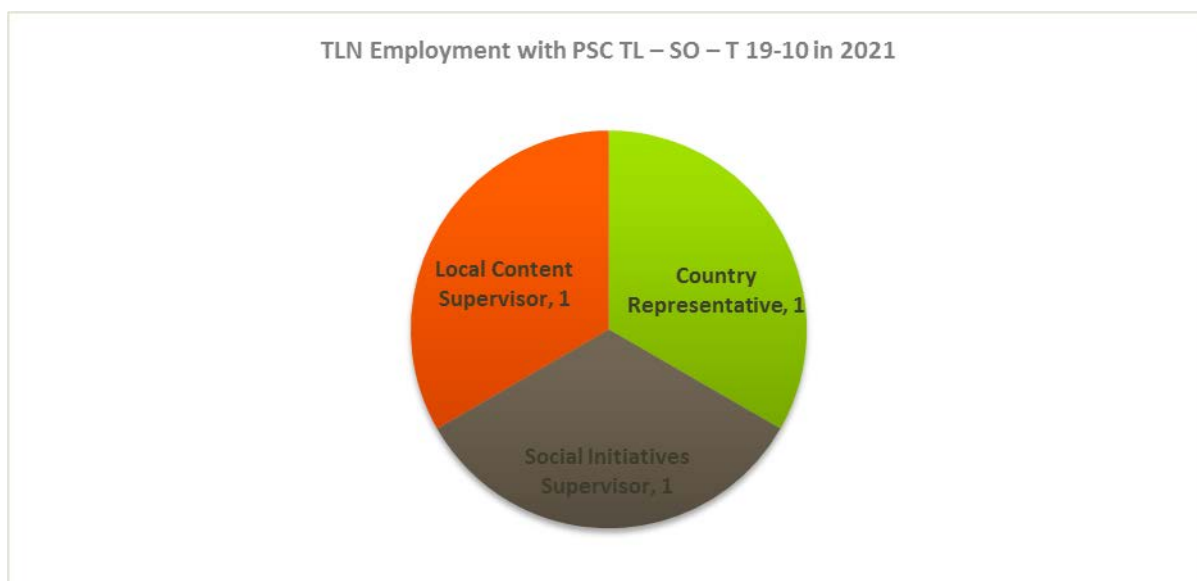


CHART 5: TLN EMPLOYMENT WITH PSC TL-SO-T 19-10 IN 2021

Chart above shows that, during 2020 reporting period , there were only three (3) Timor-Leste Nationals employed by Eni in the position of Country Representative, Social Initiatives Supervisor, and Local Content Supervisor, are to maintain its administrative activities in Eni's Dili Office and also to perform any other related tasks to all Eni's PSCs, including PSC TL – SO- T 19-10 (former PSC 06-105), PSC TL-SO-T 19-11 (former PSC 11-106) and S-06-04.

NATIONAL LIBRARY PROJECT

The Procurement process Timor-Leste National Library Design and Build is being carried out by Kitan field operator, Eni Timor-Leste, the process is now on final stage, the winning bidder will enter into a contract to design and build the National Library with the ANPM representing the government of Timor-Leste through the Ministry of Petroleum and Minerals (MPM)

- Funding Agreement between ANPM and Eni Timor-Leste is expected to be finalized prior to the design and build contract award.
- Tender process for the Supervision Consultancy for the BNTL Design and Build is being carried out by the ANPM and is expected to be finalized by early 2022.

Finalization of Memorandum of understanding between Secretary of State for Arts And Culture and the ANPM prior to the Design and Build contract award.

PSC TL-SO-T 19-11 (ENI JPDA 11-106)

Production Sharing Contract PSC TL-SO-T-19-11 is ENI JPDA 11-106 BV, operator in the Kanase contract Area. In 2019, upon the completion of Maritime Boundary negotiation Eni and its joint venture were granted an extension of Production Sharing Contract which valid until 29 August 2023.

Local Content in the reporting period of 2021, covers Goods and Services, Training and Employment and PSC Local Content commitment.

❖ GOODS AND SERVICES

Based on PSC's procurement Goods and Services Eni is required to give preferences to local suppliers to compete for the provision of goods and services for the operator's activities on competitive terms and conditions. However, due to lack of activities during the reporting period, Eni and its Joint Ventures did not seek any services from local companies. The operator, however, maintained its commitment to seek and pre-qualify potential local companies which meet Eni's pre qualification criteria. Eni continue to assist local companies who are pre-qualified and registered in their database and may be invited to participate in Eni's activity supply chain.

As part of this process, Eni provides information and assistance to local companies that are interested in becoming pre-qualified. Once pre-qualified, these companies are listed in Eni's procurement database and may be invited to participate in relevant tenders. It is important to note that pre-qualification does not guarantee success in the tender process. Eni does not require all types of companies to prequalify prior to do business with Eni.

❖ TRAINING AND EMPLOYMENT

It has been reported that, in 2021, there are no staff employed under PSC TL-SO-T 19-11. In order to administering the PSC TL-SO-T 19-11, three (3) Timor-Leste Nationals were employed under the PSC TL – SO – T 19-10 (former PSC JPDA 06-105) in Eni Timor-Leste Dili office.

❖ LOCAL CONTENT COMMITMENT (ANNEX D)

▪ DATA TAPE AND CORE STORAGE FACILITY (DTCSF)

Based on Annex D of PSC TL-SO-T 19-11 Eni is committed to deliver a Local Content commitment which was initially planned under TLEA's PSC, the establishment of Data Tape and Core Storage Facility with a total contribution of funds US\$1,9M through this PSC. This fund will be managed through the already established cooperation with the contractor and the ANPM representing the Ministry. In 2018, contract for Design Services for DTCSF was awarded to PT BITA and working group member immediately conducted a kick off meeting involving relevant ministries to initiate the project implementation as well as sharing information with contractor PT BITA. However, a week after the kick off meeting, IPG informed the working group

member that they have issue with UNTL regarding the site allocation for construction of DTCSF. The ANPM immediately issued a letter notification to Eni to temporarily suspend PT BITA's contract until the issue of site allocation for construction is settled.

▪ TIMORESE GRADUATE TRAINING PROGRAMS (GIP)

Eni has provided 6 months of Dili Based training in English, HSE, IT and Petroleum Geoscience and Engineering for 10 qualified Timorese graduates and had also provided a secondment for 5 selected trainees during Kanase Drilling campaign carried out in 2019.

🚧 PSC S-06-04 (ENI TIMOR-LESTE, S.P.A.)

PSC S 06-04 is granted an extension of the PSC which valid until 28 June 2023 following the relinquishment of other permits in the TLEA. Eni Timor Leste maintain its permit and the commitment to contribute funds to the establishment of petroleum infrastructure and other local content commitments associated with this PSC.

❖ GOODS AND SERVICES

In 2021 reporting period, Eni Timor-Leste, SPA continue its engagement with local companies and suppliers for the provisions services and goods in security and logistics and other office related services. Following are the list of companies contracted by Eni Timor-Leste .

- ❑ Timor Telecom
- ❑ Suara Timor Lorosae
- ❑ Timor Post
- ❑ EDTL
- ❑ Vila Verde Apartment
- ❑ ETO
- ❑ Leader Unipessoal Lda
- ❑ DHL
- ❑ CRA Timor-Leste
- ❑ Timor Plaza
- ❑ High Risk Security Group
- ❑ Enarco I Unipessoal Lda
- ❑ ISAT

❖ TRAINING AND EMPLOYMENT

There were no staff employed under PSC S-06-04 during the reporting period of 2021. It has been reported that, there are no staff employed under PSC S-06-04. The Timor-Leste Nationals who are working as Country Representative, Social Initiatives Supervisor and Local Content Supervisor, three (3) of them were contracted by PSC TL – SO – T 19-10 (former PSC JPDA 06-105) to oversee all the tasks related to PSC 06-105, PSC 11-106 and S-06-04.

❖ LOCAL CONTENT COMMITMENT (ANNEX D)

Eni is committed to maintain the delivery of local content through a contribution to the establishment of Data Tape and Core Storage Facility under Annex D of PSC Eni S-06-04. The DTSCF project is now progressing on Site Work preparation phase despite the change of location for future construction of DTSCF from UNTL Campus in Hera Campus to Suai. In September 2020, as there were changes in IPG management, there is a possibility that the location for the future construction will be relocated to UNTL Hera Campus. IPG as the project owner is currently negotiating with the UNTL's management on the matter.

🚧 PSC SO-T-19-14 (BUFFALO FIELD)

The contract operator of PSC TL-S-OT-19-14 is Carnarvon Petroleum Timor Unipessoal Lda. Since PSC signing and the establishment of Carnarvon office in Dili, Timor-Leste, the contract operator has been delivering local content through employment, trainings and procurement of goods and services and social corporate investment as outlined under the operator submitted 2021 Annual Local Content Plan. As reported since the establishment a total of local content expenditure were **US\$ 636,400** for employment, training and the procurement of goods and services to support the drilling operations.

❖ TRAINING AND EMPLOYMENT

The contract operator's commitment to provide training to two TLN employees to equip them with necessary the skills to procuring compliance with the OPO (Offshore Petroleum Operation) Decree Law and Buffalo Decree Law has been completed and they exercised their responsibility to ensure Carnarvon is comply with OPO Decree Law and Buffalo Decree Law.

The technical training program provided by Carnarvon to TLN in 2021 were:

- ❑ Intensive Workplace English Course from Larose's English Language Institute:
 - Intermediate English for the Workplace 1
- ❑ Workplace Communication session (Tebedai Solutions):
 - Session I: Types of Business Communication
 - Session II: Attitudes and Gender Communication

➤ Session III: Effective Communication Skill

- ❑ Senior First Aid (Red Cross).
- ❑ Computer based training modules (Air Safe Australia):
 - Dangerous Goods Awareness
 - Understanding Safety Data Sheets

❖ **EMPLOYMENT OF TLN**

In 2021 reporting period, the Contract Operator employed two (2) TLN, in the position of Country Representative, Receptionist and Administration Officer. The eleven (11) additional TLN employees were particularly employed for Buffalo-10 well operations in 2021, where the ten (10) shoreline emergency crew recruited to support the emergency team in case of the oil spill event, while a TLN engineer was contracted to support the technical team. Below graph provides the TLN employment during 2021.

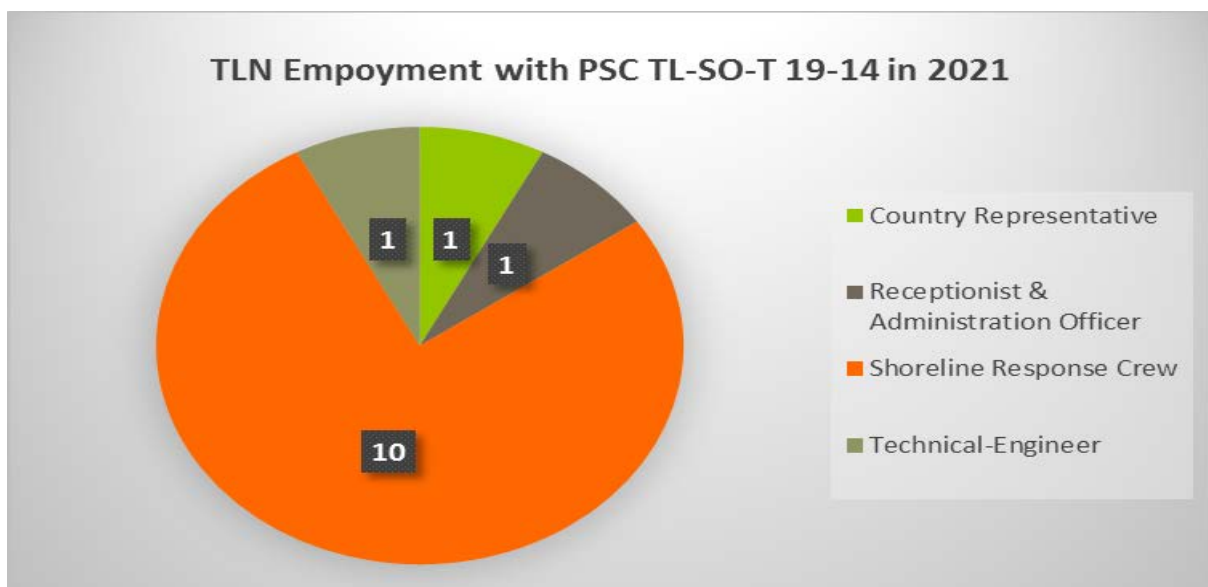
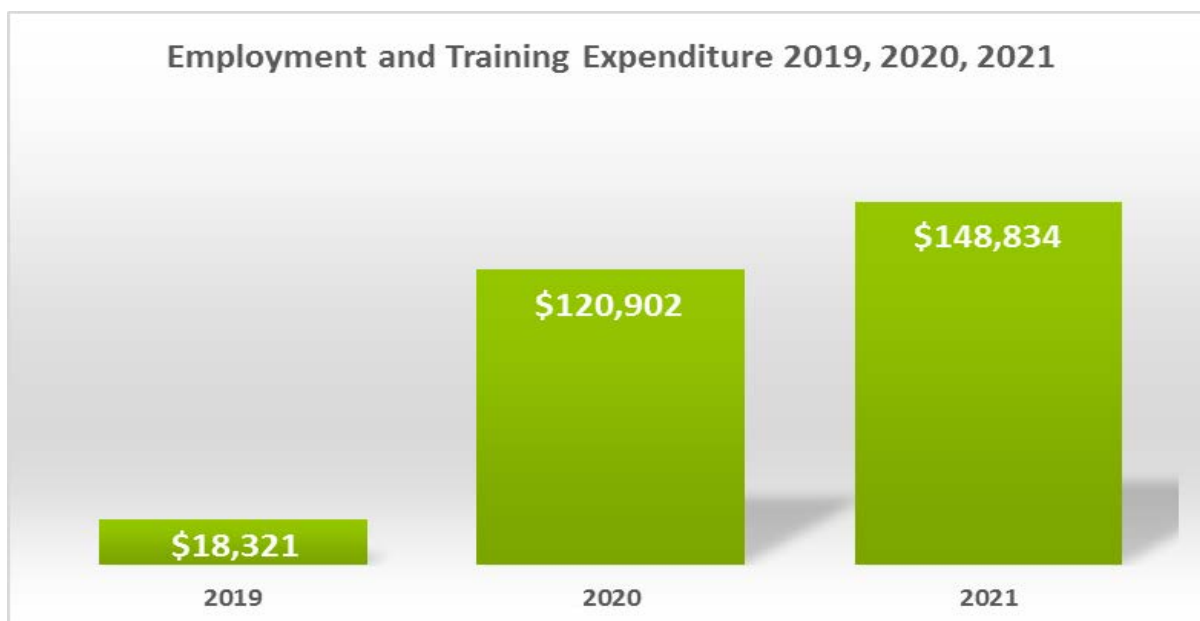


CHART 6: TLN EMPLOYMENT WITH PSC TL-SO-T 19-14



GRAPH 15: TRAINING AND EMPLOYMENT EXPENDITURES

The above graph reveals the 3 years total local content expenditures for training and employment elements for Bufallo field accounted at USD \$288,057. It is which in 2019, the expenditure for training and employment amounted to \$18,321, while in 2020 the spent for this aspect was counted at \$120,902 and the spending reached \$148,834 for this area in 2021.

❖ PROCUREMENT AND LOCAL EXPENDITURE ON GOODS AND SERVICES

Since the establishment of its office in Dili in 2019 at the Timor Plaza, the associate goods, and services for the setup of the office were procured locally. As the contract operator is Carnarvon is committed to sourcing potential suppliers of goods and services from Timor-Leste in accordance with the OPO Decree Law requirements. The total **USD 487,566** was spend on associated with goods and services sourced from local vendors during 2021. The list of local support services in support for drilling operations are as follows:

1. Logistics and Customs broker - Altus Oil and Gas Logistic Services
2. Vessel Services– Lalaran Marine Service Lda
3. Employment and training services – Caltech
4. Training - ETDA Training Centre
5. Immigration Services – Bollore
6. Shipping Agency – Crossland Shipping Services
7. Vessel Services Go Sirius – Lalaran Marine Service Lda
8. PPE – Toko Lay
9. Superstore and W Four Supermarket – Office Supplies

The following table shows the summary of the goods and services expenditure in 2021.

Procurement of Goods and Services				
Expense Item	2019	2020	2021	ITD
Local Content Expenditure	20,347	38,172	487,566	546,085

TABLE 14: GOODS AND SERVICES EXPENDITURE IN 2021

In compliance with the PSC and Buffalo Decree Law Carnarvon made efforts when conducted procurement for its G&G studies and Drilling Management Services Contractor (DSMC) through Expression of Interest (EOI) advertised locally, however, no local responses received which met the minimum requirement for the contract.

❖ LOCAL CONTENT EXECUTION PLAN UNDER ANNEX D

Under Annex D, the contract operator is committed to identify and train two TLN so that they are able to take responsibility to ensure that Carnarvon complies with OPO Decree-Law and Bufallo Decree-Law. This commitment has been implemented in 2021. The contract operator, under the Annex D, commits to contribute USD \$100,000 to vocational training program, however, this activity, will no longer be a priority. This fund is now allocated to fund the horticultural projects in alignment with government priorities.

✚ PSC CONTRACT AREA JPDA 03-20 GREATER SUNRISE FIELD

The contract operator for the GSSR contract Area JPDA 03-20 is Woodside Petroleum (Timor Sea 20) Pty Ltd, as Contract Operator for, and on behalf of itself, Timor Gap Greater Sunrise 03-20, Unipessoal, LDA and Osaka Gas Sunrise (PSC20) Pty Ltd.

The 2021 Local Content activities and Local Content expenditures for this contract area will be provided in the next reporting period. Hence, in this reporting period, the ANPM maintains the 2020 local content activities and its expenditures for 2020 as following:

❖ SUMMARY OF LOCAL CONTENT EXPENDITURE FOR 2020

USD	Greater Sunrise JV spend	JPDA 03-20 share
Timor-Leste Social Investment	201,000	20
Timor-Leste Other	271,932	272
Total	472,932	492

TABLE 15: EXPENDITURE IN 2021

❖ SOCIAL INVESTMENT AND CSR

The contract operator and the Sunrise Joint Venture (SJV), continued supporting social investment initiatives including:

- Continued sponsorship of Timor-Leste's Rotary Youth Leadership Awards (RYLA) providing a week-long program of activities to build leadership skills of young Timor-Leste nationals aged between 19 to 26 years old. In 2020 continued implementing Rotary's Youth Leadership Award (RYLA) program (2020-2021) in Timor-Leste.
- Continued support of the ALOLA Foundation's Suku Hadomi Inan Oan "SHIO" program to promote maternal health and young child feeding in six villages of the Aileu district, including the distribution of maternity packs at community health centers.
- In December 2020, the SJV signed sponsorship agreements with ALOLA Foundation to continue implementing Mother and Child Health programs in the Aileu district, and HIAM Health NGO to implement Community and School Nutritious Garden Programs in the Manufahe district and Atabae sub-district of Bobonaro.
- Continued support of HIAM Health's Nutrition Garden Extension Program to address malnutrition in the Aileu municipality and implement School Nutrition Garden Programs in four primary schools in the Atabae sub-district, Bobonaro Municipality.

❖ EMPLOYMENT

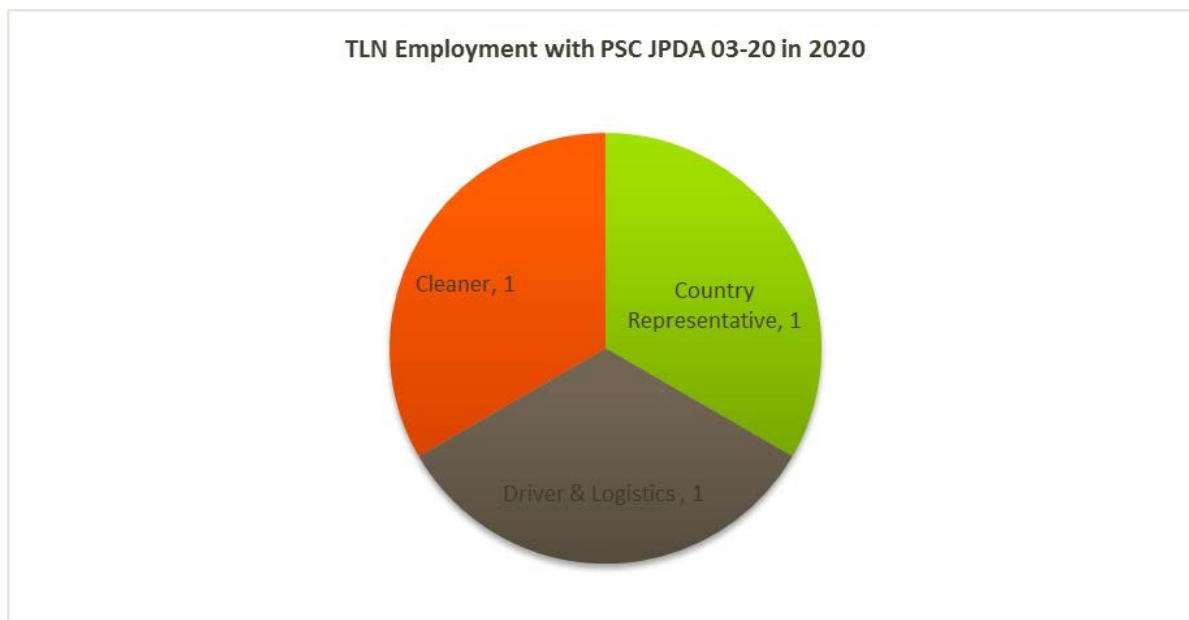


CHART 7: TLN EMPLOYMENT WITH PSC JPDA 03-20 IN 2020

Chart above reveals that, in 2020, there were 3 TLN employed by the Contract Operator in Dili to enabling them having liasion with local authorities. The 3 TLN is employed in the position of Country Representative, Diver and logistics and a part-time driver.

PSC TL-OT-17-18, BLOCK A COVALIMA AREA

The company Timor Resources holds two (2) production sharing contracts for onshore activities in block A (PSC TL-OT-17-18), Covalima area and block C (PSC TL –OT-17-17) in Manufahi area.

Under the PSCs Timor Resource is required to fulfill local content requirement in all stages of onshore activities through hiring local manpower, training and knowledge transfer to local Timorese, and provision of good and services from local companies. Under each PSC, Timor Resources is also committed to deliver a meaningful local content contribution through projects identified by the designated authority, ANPM.

PROCUREMENT OF GOOD AND SERVICES

In 2021, the local goods and local services provided by local communities and suppliers, during the drilling campaign carry out in Feto-Kmaus Well, Suai, amounted to approximately US\$70.000.00, where around US\$10.000.00 Spend for local goods, while nearly US\$60.000.00 spend for local services.

The local goods were composed of dry stock, vegetables, fruits, meats, and fish. In addition, the local services were consisted of services for accommodations, trainings, heavy equipments, and vehicles (Ford Ranger, Toyota Hilux and Land Cruizer).

TRAINING AND EMPLOYMENT

During the 2021 drilling campaign carry out in Feto-Kmaus well, Suai, there were more than 130 jobs created for local employment in addition to 12 Timor-Resources local long-term employees, as refer to the Graph below.



GRAPH 16: TLN EMPLOYEES IN 2021

The employees who are working for Timor-Resources as long-term employees and also the short-term employees dedicated for Feto-Kmaus well drilling activity, were recruited for the various positions as provided in the Table below.

Number of Positions	Number of Employment
Country Manager Representative	1
Operation Manager	1
Finance Manager	1
Geology	1
Geophysic	1
Community Liaison & PA to Country Manager	1
Assistance Operation Manager	1
Field HSE	1
Accountant	1
Local Content Officer	1
Admin Officer	1
Accountant	1

TABLE 16: TIMOR RESOURCES LOCAL LONG-TERM EMPLOYEES

Employment Positions	Employment Number
Field Admin	1
Paramedic	1
Camp boss & electrician	4
Driver	10
Operator Loader and Kobelco	3
Driller, Rigger& Derrick	3
Floorman	8

Roustabout	19
Mud boy	2
Motorman	4
Casual Carpenter	6
Material man	1
Mechanic	3
Welder	1
Cook	12
Laundry	6
Cleaner	8
Community Affairs	1
Civil Work	3
Security	16
Civil Work- well site preparation	20

TABLE 17: LOCAL EMPLOYMENT ASSOCIATED TO FETO-KMAUS WELL DRILLING ACTIVITY

❖ LOCAL CONTENT PROJECT

Under the Annex D of of both PSC, Timor Resource is committed to implement projects in Horticulture and Water areas. Clean water projects will be carried out to provide local communities access to clean water to respond to communities needs for clean water.

- Clean water project

The projects will be implemented by constructing or rehabilitation of exsiting and replacing faulty drilling water wells. clean water infrastructures in the identified sites for the projects in sucos in Covalima. The identified Sucos for Clean Water project are Suco Labarai and Suco Matai.

The implementation of the project in the Contract has commenced since the government declared the end of emergency state in the country.



FIGURE 24: MEETING WITH LOCAL AUTHORITIES IN SUAI ON THE DRILLING CAMPAIGN



FIGURE 25: CLEAN WATER PROJECT SITE IN SUAI

PSC TL-OT-17-19, BLOCK C MANUFAHI AREA **PROCUREMENT OF GOOD AND SERVICES**

In 2021, due to the global pandemic there were less activities for the project in 2021.

TRAINING AND EMPLOYEMENT

Timor Resources remains committed to create 140 jobs for TLN in the contract area for the upcoming drilling campaign that will be carried out in accordance with its established project timeline.

Most of the job opportunities are at skilled and unskilled positions, such as field geologist, senior geologist, finance, administration, floorman, campo boss, foreman, scamp helper, cooks, cleaners, drivers, securities, etc. The advertisement for all the positions will be done locally.

❖ LOCAL CONTENT PROJECT.

Under the Annex D of of both PSC, Timor Resource is committed to implement projects in Horticulture and Water areas. The two projects are scheduled to begin the first Quarter of 2020 and finalized by the end of fourth Quarter in 2020. Clean water projects will be carried out to provide local communities access to clean water to respond to communities needs for clean water.

- Clean water project

The projects will be implemented by constructing or rehabilitation of exsiting and replacing faulty drilling water wells. clean water infrastructures in the identified sites for the projects in sucos Manufahi Municipalities. The identified Sucos for Clean Water project in FerikSare in Same.

The implementation of the project in the Contract has commenced since the government declared the end of emergency state in the country.

3. REGULATORY PERFORMANCE

3.1 UPSTREAM

PETROLEUM DATA AND REPORTS

As part of the ANPM's efforts in managing Petroleum data and information to support petroleum and resources management; the ANPM has established an integrated fiscal data room and an interactive online information display called a LAFAEK database system with its function is to manage data and reports information from all the Petroleum activities in Timor Leste Territory. This database is established to serve the interest of data storage and data management regarding petroleum sector. The ANPM also is currently developing a relevant data base system relevant to mineral activities which shall be expanded slowly to serve the needs for mineral sectors related data management. The ANPM continues to improve the data inventories systems by collecting all the relevant seismic and non-seismic data acquired, as well as various information and reports in relation to the mineral resources management in our systems. In order to support the Timor-Leste Second Licensing round promotion, the ANPM also engaged ZEBRA DATA Sciences (ZDS), a United Kingdom based online data hosting company which facilitate the ANPM for hosting the Timor-Leste data and information online which can be easily accessed, viewed and reviewed the online data by any interested IOC through any standard web browsers.

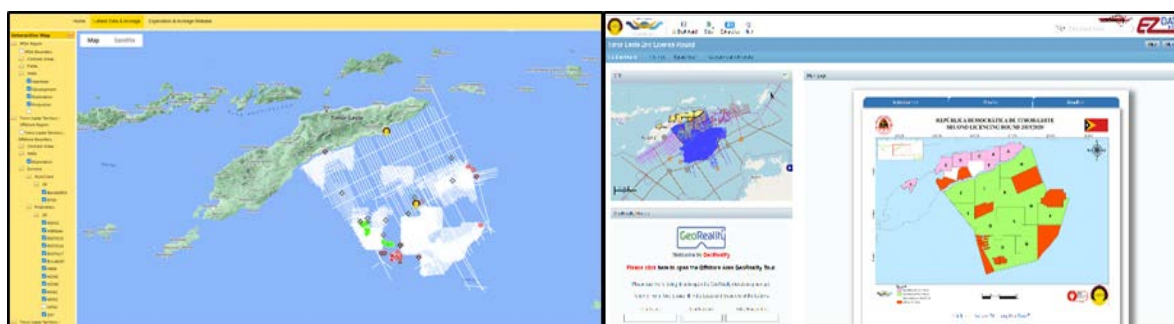


FIGURE 26: THE LAFAEK DATA BASE SYSTEM AND ZEBRA DATA SCIENCE VIRTUAL DATA ROOM

INSPECTIONS, SUPERVISIONS, MONITORING AND APPROVAL OF PETROLEUM PRODUCTION OPERATION

The objective of the regulatory function of the Development and Production (D&P) Directorate as mandated by the relevant applicable legal framework and industry best practices is to ensure the production operation carried out smoothly in a prudent manner. This objective has been contemplated under the Directorate 2019-2023 Strategic Action Plans (SAP) through:

- Continuous monitoring of petroleum production operations performance from all fields;
- Carrying out regular process, maintenance, metering inspections;

- Ensuring the application of secondary and tertiary recovery methods on the existing producing fields;
- Actively involving in the review of BU and Kitan decommissioning plan.

BAYU-UNDAN INSPECTION AND OBSERVATION

METERING

For this year due to COVID-19 and travel restriction the traditional audit of visiting the site to perform the audit has not been conducted, however in this occasion the audit was conducted virtually from ANPM office in Dili to the Operator premises both Bayu-Undan facility and DLNG plant. With this virtual limitation the audit focus mostly on desktop review in assessing associated data from BU and DLNG. Two remote or virtual audits were Mass Balance and DLNG Inlet Metering System and conducted in October and November 2021 respectively.

Mass Balance Virtual Audit

The overall objectives of the audit were to verify the mass of hydrocarbon entering and leaving each process system at the Bayu-Undan and Darwin LNG facilities including confirming the balance of hydrocarbon process plant meets the design intent and to confirm no loss of hydrocarbon during the process and throughout the selling of hydrocarbon products. In addition, this audit is also to follow up 2019 mass balance audit conducted in Perth Office, DLNG plant and offshore facility (CPP and FSO) to ensure that all audit findings have been addressed and actioned properly as per presented under the Corrective Action Plan (CAP).

The audit results revealed that BU mass balance shows a very good result within the past one and half year (2020 and 1H2021) averaging 4.13% and 5.50% with and without PWF respectively, while at Darwin Plant it is in the average of 5.13%.

Corrective Action Plan of 2019 audit was followed up with the operator during this exercise. Two outstanding issues of DCS scaling and THP PRT have been followed up and findings will be assessed prior to closing them out in the next phase 2 onsite visit planned in the first quarter 2022.

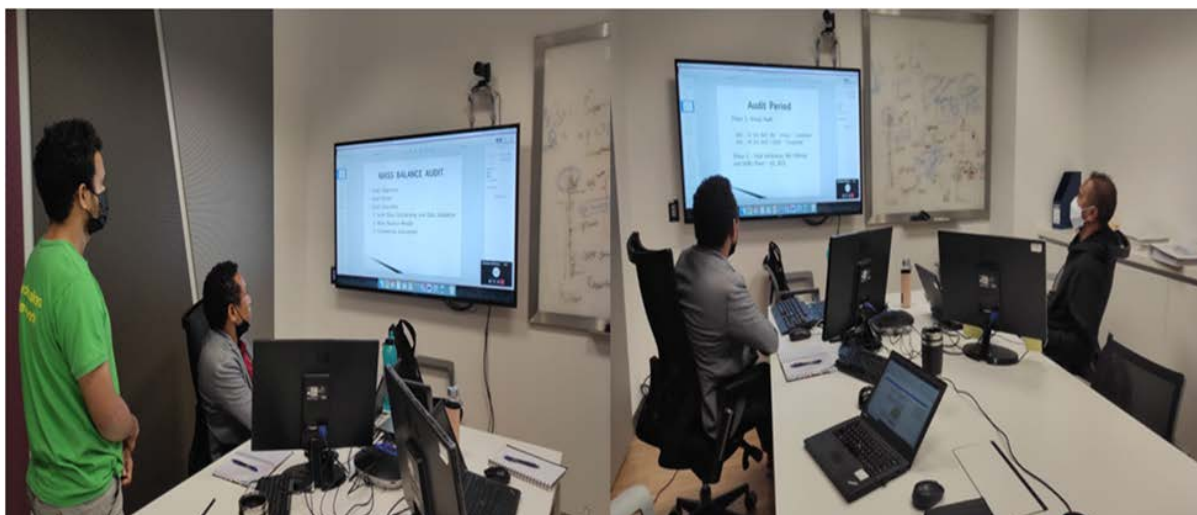


FIGURE 27: METERING TEAM AND COMMERCIAL TEAM CARRIED OUT THE VIRTUAL AUDIT

▪ DLNG Inlet Metering System Virtual Audit

The objectives of the audit are to verify the outcomes of the measurements which form the basis of calculation for sales revenues provided in the quantity reports presented to upstream parties including government authority are accurate and traceable, to verify the metering systems are operated and maintained in accordance with relevant international standards, company's operating procedures and sales/purchase agreements and also to follow up the past inspection conducted in 2019.

The audit team conducted in-depth check calculations with results generally being in full agreement with the given results and no major issues were found. However, there were some minor issues related to miss-measurement, totalizer pulses validation, LNG monthly provided in monthly production for finance report, molecular weight constant, GC calibration gas, use of new GPA 2261-2019 version and Lab NATA accreditation. The commercial assessment was also found to have no major issue. However, some observations were made to the attention of Santos to provide some information related to cargo demurrage, cool downtime and associated information provided in the port timesheet.

In relation to past audit 2019 follow up it was concluded that most of the findings had been closed out with some findings are in the process to close out once the field audit visit is conducted in Q1 2022.

❖ MAINTENANCE

The maintenance team conducted the 2021 Bayu-Undan Maintenance Inspection onshore at ANPM Dili office virtually with the Operator's maintenance team from 15th to 26th of November 2021. The objective of the inspection was to check the efficiency and the reliabilities of all process systems on CPP and FSO are well maintained in satisfactory operating condition, safe to operate and ensuring that all maintenance activities are within maintenance philosophy and strategy. The scopes of the inspections are:

- All process systems (systems 10-19, 24 and 64)

- All revisions of Plan Maintenance (PM) and backlogs.
- Planning Maintenance beyond end of field life
- Other equipment predominantly contributed to the DPOs and LPOs

The inspection conducted successfully, and the team observed the following changes in the maintenance planning and executions:

- Previous maintenance planning was for 21 days plan has been changed to 14 days plan.
- Safety Critical Maintenance has increased due covid-19 restrictions (reduced personnel).
- Maintenance Coordinators as the only personnel who have the authority to "TECO" (Technically Complete) the work orders in the CMMS system. This change caused the numbers of completion works increased.

BAYU-UNDAN INSPECTION AND OBSERVATION

❖ **BAYU UNDAN SUBSURFACE STUDIES FOR THE END OF FIELD LIFE (EOFL) PLANNING**

▪ **Bayu Undan BTC 2021 Model**

In light of the Bayu-Undan End of field life planning, the operator was required to rebuild the model to fit for purpose and improvement based on multiple technical discussion carried out. As a result, the contract operator to build a new model from scratch prior to incorporating discussion result, the latest production data, well tests results and well intervention data. The outcomes of the building model are as follows:

- Contract operator agreed to accommodate ANPM request to conduct peer assist during the model construction process
- Several technical workshops and peer assist sessions were successfully established prior to discussing model construction
- Contract operator incorporated most of the ANPM technical findings in the new model although some are still under assessment to be included in the model
- Bayu-Undan BTC 2021 model was incorporated CO₂ injection as one of the EOFL options
- Contract operator delivered final presentation on the model completion on November 4th, 2021
- Copies of Bayu-Undan BTC 2021 model (both Static and Dynamic) have been submitted to ANPM for review and record. This model was considered a partial completion, and this will be updated in Q2 2022 with the last 2 P3C wells (W10 and DS06) and latest production data.

▪ **Greater Sunrise Subsurface Studies**

ANPM technical team in collaboration with IRT consultant (USA) carried out Greater Sunrise field subsurface studies. The aims of the studies were to build Greater Sunrise model (both static and Dynamic) with the

reasonable estimation of Initial Gas in Place, optimum recovery, production and reservoir management practices in supporting Field Development Plan (FDP) discussion. Due to the nature of the project, the execution was carried out in five different stages. Results of the studies are as follows:

- MSA between ANPM and IRT consultant was established including work order prior to commencing the project
- Phase 1 project (i.e. Data Collection and Quality check QC) was completed in November 2021
 - Presentation has been delivered to ANPM
 - Final report has been submitted to ANPM
- Phase 2 project (i.e. Preparation work: Geophysics, Petrophysics, Geology and Basic Engineering) have been completed
 - Seismic interpretation has been completed
 - Presentation has been delivered to ANPM
 - Final report has been submitted to ANPM
 - PVT model has been completed and submitted to ANPM
- Remaining Phases (3,4,5) will be completed in 2022

❖ **BAYU UNDAN RESERVOIR PERFORMANCE MANAGEMENT AND RESERVOIR SURVEILLANCE**

▪ **Bayu Undan Reservoir Management**

- ✓ Field wet gas rate maintained at average 625 MMscfd. Majority of lean gas was exported to DLNG for the commercial purpose. Overall, Bayu-Undan continued to maintain gas deliverability to DLNG as required.
- ✓ Liquid rate entered the year was approximately 16,900 STB/day and increased to approximately 25,000 STB/day in August due to W13ST2 brought online. The average liquid production of the year was 16,900 STB/day. The major liquid was contributed from R2P wells particularly D04.
- ✓ Field water rate entered the year approximately 28,000 STB/day and peaked at 43,000 STB/day due to D14 high water. The average water production rate of the field was approximately 29,400 STB/day. Overall, the field water production was below water handling capacity (40,000 STB/day) except in April due to D14 cyclical well. Please be noted that all produced water was injected back into formation through well D16.
- ✓ Injected lean gas rate entered and exited the year was 50 MMscfd and 10 MMscfd respectively. Lean gas injected reached its peak of 300 MMscfd in October due to DLNG half rate. All produced lean gas is expected to be exported to DLNG, however, some can be re-injected in the event technically required

▪ Bayu Undan Reservoir Surveillance

As Bayu-Undan field becomes mature and approaches end of field life, the well test was highly required to evaluate production performance, analyse opportunities for production optimisation and monitor the decline in field capacity. The surveillance activities were focused on the acquiring information required for the production optimization prior to maximizing field recovery towards end of field life.

- ✓ Well interventions campaigns: Water shut-off plugs (Retrievable Bridge Plug, RBP) were set in key wells for the reduction of water production, in turn, increasing well deliverability. Re-perforations were conducted in some wells to remediate scale formation in the producing wells
- ✓ End of Field Planning: The well test program was conducted in the key wells prior to monitoring field declining
- ✓ Production Optimization activities: The production rate was optimized to maintain the production rate towards end of field life. Various facility optimization was introduced and implemented through production strategy for the well deliverability improvement
- ✓ Well Testing: Bayu-Undan wells were required to update the PQ correlations for allocation and monitor the decline in field capacity prior to optimizing production toward EOFL. The well test was mainly focused on key producing wells such as D04, D09, D15 and P3C wells (W13ST2, W10)

❖ BAYU UNDAN MONTHLY SUBSURFACE WORKSHOP

ANPM technical team was in collaboration with operator to arrange the monthly subsurface technical workshops. The aim was to discuss the production strategies in optimising the field recovery towards end of field life.

- Bayu Undan field production strategies was successfully examined against the actual field performance
- Bayu Undan field forecast used BTC 2020 model against DCA method.
- Facility integrity of the production optimization opportunity in line with the facility modifications, well reallocations including overboard water disposal for the incremental of water disposal through caisson to the sea

DRILLING, WELL INTERVENTION OBSERVATION AND DECOMMISSIONING ACTIVITIES

❖ BAYU UNDAN PHASE 3C INFIL WELL

W13ST2 platform well drilling operation was carried out from 6th of May 2021 to 12th of July 2021. Prior to drill W13ST2 well, the operator isolated W13ST1 reservoir section by set permanent cement plug and abandon from 2007 m MDRT up to 920 m MDRT. Overall, the W13ST1 well isolation and W13ST2 drilling operation went very well and successfully hit the W13ST2 reservoir section as per approved program with no incident and accident occurred.

W10 platform well was drilled from 13 of July 2021 – 26 of September 2021. Overall, W10 well drilling operation went very well and successfully hit the reservoir formation as per the approved program with no incident and accident occurred during drilling operation.

DS06 Subsea development well was drilled from 26th of September 2021 to 1 of December 2021. Overall, W10 well drilling operation was went very well and successful hit the reservoir section as per approved program with no incident and accident occurred during drilling operation.

❖ BUFFALO-10 EXPLORATION DRILLING

The drilling team actively involved in the assessment of assessed Application to Drill and Application Suspend or Abandon Buffalo-10 to ensure that the Operator (Carnarvon Petroleum) performs drilling operation according to the Decree-Law on Offshore Petroleum Operation, and industry best practice standard.

Carnarvon Petroleum hired Valaris JU-107 jack-up drilling rig to drill Buffalo-10 exploration well. The drilling rig arrived from Australian water to the contract area in December 2021 and planned to spud within 2021. The planned total depth for Buffalo-10 well is 3,495 m TVDRT where Elang formation as a primary target and plover formation will be a secondary target.

❖ PSC TL-OT-17-08 (FETO KMAUS) DRILLING

Feto-Kmaus exploration well was drilled from 25 of October 2021 to 13 December 2021. The well was initially planned to reach its total depth to 1,039 m TVD. However, due to unexpected high pressure from the well which beyond the rig capacity, hence the Contract Operator (Timor Resources) decided to plug and abandon the well in depth of 660 m TVDSS.

❖ PSC TL-OT-17-09 (RUSA WELL) DRILLING

ANPM team continued review and assess in detail Timor Resource's Environment Management Plan (EMP) and Environment Impact Statement (EIS) for PSC-TL-OT-17-09. In parallel, reviewing the above-mentioned documents, ANPM also carried out a site visit to the well location in Hatu-hudu, Ainaro Municipality in order to observe the social impact, as well as assess the potential risks associated with a drilling operation. The review of EMP and EIS was also undertaken in cooperation with other relevant Government entities.

Significant progress has been achieved; however further information stipulated by the Regulation is required from Timor Resources prior to the approval. The ANPM is planning to submit its technical recommendation to Ministry of Petroleum and Mineral early 2022.

❖ BAYU UNDAN WELL INTERVENTION OBSERVATION

In April 2021, ANPM conducted a thorough review and assessment of the DPP April well intervention notification from field Operator (Santos) for three (3) dedicated wells D09, D10 and D14. however, the operator just successfully executed two (2) wells such as D09 and D10 well and brought those wells back to production.

In October 2021, the operator again submitted a notification to conduct well intervention for four (4) wells (D04, D09, D14 and W10), however only three wells were successfully executed such as D04, D09 and D14. All of the three wells were brought back to production upon completion of well intervention operation.

❖ BAYU UNDAN DECOMMISSIONING

ANPM continued evaluate and assess Bayu-Undan Well Plug and Abandon (P&A) 2019 Joint Study including Operator's request relating to exemption and deviation to the Interim Regulation (IR).

Subsequent detailed review and assessment, it is understood that the P&A methodology (Oil and Gas United Kingdom guideline-OGUK) proposed by the operator is still yet to be justified and convinced the ANPM due to there are some differences observed throughout its assessment against the IR (JPDA regulation) which required further discussions for an alignment between ANPM and Operator. With that note, ANPM continued to commit to explore ways together with the field Operator to achieve a fit-for-purpose, safe and last for eternity wells P&A methodology for Bayu-Undan field.

❖ KITAN DECOMMISSIONING

ANPM continued carry out in-depth assessment and review of the Kitan Well Basis of Design (BOD) including its request for a deviation to the IR (JPDA regulation) methodology. With the assistance of the Independent Third-Party TSB Offshore Inc, it was established that there was different opinion between ANPM and ENI (Kitan field Operator) on the plug and abandon (P&A) design methodology. As the consequence, the Kitan BOD and its notification have not been approved by the ANPM. However, ANPM continued an open communication with the Operator to have further discussion on the P&A methodology prior to the approval of the Kitan Decommission plan.

🚩 GREATER SUNRISE SPECIAL REGIME

In reference to the Maritime Boundary Treaty (MBT), under Annex B on the Greater Sunrise Special Regime (GSSR), Timor-Leste and Australia Governments resumed the GSSR discussion following the ratification of the MBT with the Diplomatic Notes Exchange on the 30 August 2019 between the two States.

ANPM is acting on behalf of Timor-Leste State undertook discussions with Australia as well as with the GSSR Joint Ventures. The focus of the discussion is on the establishment of GSSR legal and fiscal frameworks in light of the relevant provisions under the MBT, existing regulatory frameworks and the Good Oil Field practices. In particular, the discussion includes the GSSR Petroleum Mining Code (PMC), Production Sharing Contract (PSC), Jurisdictional Competencies, Fiscal regime and other relevant matters with the objective to ensure the development of GSSR for the benefit of all stakeholders.

For the year 2021 due to the COVID-19 pandemic situation and travel restrictions, Timor-Leste and Australia Delegations only held virtual meetings to discuss the GSSR legal and fiscal frameworks.

HEALTH, SAFETY AND ENVIRONMENT INSPECTIONS, SUPERVISIONS, MONITORING AND APPROVAL OF PETROLEUM OPERATION

INSPECTION

❖ PETROLEUM OPERATION INSPECTION (BAYU-UNDAN FIELD)

None of the planned offshore inspection to Bayu-Undan and Buffalo-10 facilities were carried out/performed in 2021 due to the travel restrictions for preventing the spread of global pandemic COVID-19.

❖ INSPECTION TO PETROLEUM RELATED FACILITY IN TIMOR-LESTE ONSHORE

In 2021, one inspection activity was carried-out to the Eastern Drilling Rig #01 results thirty-five (35) findings were recorded. Where four (4) findings were considered as non-compliance against applicable legislation, twenty-four (24) findings required corrective actions and the rest are positive findings. The graph below provides a breakdown of inspection findings of non-compliance and findings that required corrective action for continuous improvements including positive findings.

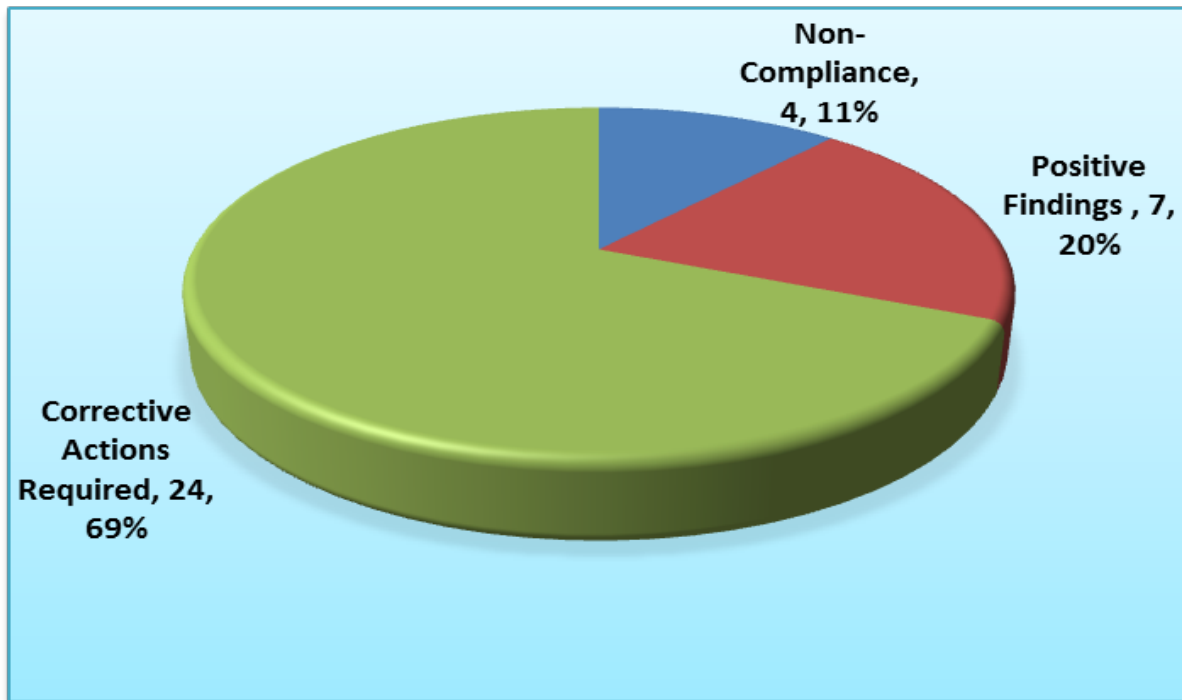


CHART 8: 2021 ANPM-HSE INSPECTION FINDING SUMMARY

Findings identified during the inspection were recorded in a report format and communicated to relevant contract operators for closing out in a timeline agreed both by ANPM and contract operators. Overall, most of the findings required corrective actions have already been closed out by the contract operators & drilling contractor (Timor Resources & Eastern Drilling).

REGULATORY SUBMISSION, ASSESSMENT AND APPROVAL

OFFSHORE TIMOR-LESTE

During the reporting period, ANPM received various regulatory submissions for review and acceptance or approval, etc. for petroleum operations in Timor-Leste waters. The regulatory submissions submitted by contract operators include but not limited to the following:

- Safety Cases
- Health and Safety Plan
- Environmental Impact Assessments, Environmental Management Plans, Environment Monitoring Program
- Oil Spill Contingency Plans
- Emergency Response Plans
- Diving Project Plan & DSMS
- Aircraft & Vessel Documents
- Bayu-Undan infill wells phase 3C drilling campaign scope of verification and validation.
- Flare and venting

- Import and Use of Explosives
- Chemical Import and Use

The table below summarizes regulatory submissions, assessment undertaken and assessment outcome during the reporting period.

Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome	Remarks
Bayu-Undan Field (PSC TL-SO-T 19-12 & PSC TL-SO-T 19-13)				
Health & Safety	Revision of Bayu-Undan Safety Case (Operational Phase Safety Case for the Bayu-Undan Offshore Facilities) Doc. Number: BU-HSE-MAN-002 Revision 9 dated 12 th July 2021. The revision is to reflect change of contract operator from ConocoPhillips to Santos, as well as to update the facility description and formal safety assessment due to the 2021 Infill Well Phase 3C project, incorporating new wells namely W13 ST2, W10 and DS06.	1	Acceptance granted	NA
	Bayu-Undan Updated Emergency Response Plan (ERP) Revision 14.	1	Approval granted.	NA
	Mobile Offshore Drilling Unit Noble Tom Prosser Safety Case, document number: HSE-NTP-SCM-000 Revision 3.1 dated August 2020	1	Acceptance granted	NA

	Safety Case Addendum document number: BU3C-000-HS-LIC-00001 Rev 1 dated 26 th March 2021 for BU Infill Wells Phase 3C Drilling Campaign.	1		
	Approval to Bayu-Undan Phase 3C Drilling – NTP/Santos Emergency Response Bridging document	1	Approval granted	NA
	Lay Vessel 108 Safety Case for BUP3C Construction, Installation and Commissioning, document number: MDR-ASA-HSES-019 Revision 4 dated June 2021.	1	Acceptance granted	NA
	Bayu-Undan Operations Safety Case Addendum for phase 3C Infill Subsea Construction, Installation and Commissioning vessel campaign document number: BU3C-000-SF-RPT-00014 Revision 1 dated November 2021.	1		
	Bayu-Undan Phase 3C Infill Wells Construction & Installation – MDR/Santos Emergency Response Bridging Document number: BU3C-451-SS-HSE-00002 dated 11 th August 2021 and MCDERMOTT ERP document number: QHSES-SFT-PR-00300.00 Rev 3 dated 19 th May, 2020.	1	Approval granted	NA
	Mobile Offshore Drilling Unit (MODU) “Noble Tom Prosser” movement into the contract area.	3	Rig Move approval granted	NA

	Mobile Offshore Drilling Unit (MODU) "Noble Tom Prosser" movement from WP1 to DS06 Location			
	Mobile Offshore Drilling Unit (MODU) "Noble Tom Prosser" from DS06 location to outside TL waters.			
	Consent to Use Facility (MODU Noble Tom Prosser) for BUP3C Infill Wells Phase 3C Drilling Campaign. Limited to drilling of W13 ST1/2, W10 and DS02 Wells excluding well flowback activities.	2	Consent to Use a Facility Granted	NA
	Consent to Use a Facility (MODU Noble Tom Prosser) for BU Infill Wells Phase 3C Drilling Campaign after the completion of offshore construction and installation of well flowback package including validation activities perform by competent well flowback specialist.			
	Consent to Use a Facilities – BUP3C Well W13 ST2 Production equipment and system.	3	Consent to Use a Facilities Granted	NA
	Consent to Use a Facilities – BUP3C Well W10 Production Equipment and Systems			
	Consent to Use a Facilities DS06 Production Equipment and Systems Installed in the Bayu-Undan Field.			

	Consent to Construct & Install W13-ST2 Christmas Tree and Topside Piping and Equipment.	3	Consent to Construct & Install Granted	NA
	Consent to Construct and Install W10 Christmas Tree & Supporting Systems.			
	Consent to Construct & Install DS06 & Associated Subsea Flowlines and associated controls.			
Environment	Bayu-Undan application to Flare and Vent for 2021, submitted on 16/12/2020	1	Granted on 22/02/2021	
	Bayu-Undan Phase 3C Drilling – Drilling EMP, submitted on 17/12/2020	1	Granted on 30/04/2021	
	Bayu-Undan Phase 3C Drilling – Drilling and CIC OSCP, submitted on 17/12/2020	1	Granted on 7/05/2021	
	Bayu-Undan Phase 3C Drilling – CIC EMP, submitted on 17/12/2020	1	Granted on 19/11/2021	
	Bayu-Undan Master Chemicals Approvals for January 2021, February-April 2021, May 2021, June 2021, and November 2021.	5	Approval granted	
	Bayu-Undan Operation Environmental Management Plan (revision 16 & 17)	2	Granted on 9/12/2021 (EMP revision 17)	
	Bayu-Undan Oil Spill Contingency Plan (revision 7), submitted on 17/06/2021	1	Review is ongoing	

	Bayu-Undan application to flare and vent for 2022, submitted on 21/12/2021	1	Review is ongoing	
Buffalo Field (PSC TL-SO-T 19-14)				
Health and Safety	HSEQ Management Plan for G&G Survey Activity	1	Approval Granted	NA
	Approval of the ERP for Buffalo-10 Site Survey	1	Approval Granted	NA
	Agreement to Mobile Offshore Drilling Unit (MODU) Valaris JU107 Drilling Rig Scope for Validation.	1	Agreement Granted	NA
	MODU Valaris JU-107 HSE Case Revision 0, issue 2 dated 28 th October 2021 document number: VJU107-HSEC-T-01 & Carnarvon Petroleum Exploration Campaign HSE Case Revision 0, Issue 1 dated 9 th July 2021 document number: VJU107-HSEC-T-08-01.	2	Approval Granted	NA
	Movement of MODU Valaris JU107 into the contract area Buffalo-10 Well location	2	Rig move approval Granted	NA
	Movement of MODU Valaris JU107 Out of Buffalo Contract Area (Buffalo-10 Well Location)			
	Emergency Response Bridging Plan (ERBP) for Buffalo-10 Drilling Campaign.	1	Approval Granted	NA

	Establishment of 500 meters safety zone around the Mobile Offshore Drilling Unit (MODU) Valaris JU107.	1	Approval Granted	NA
Environment	Chemical approval application for drilling activity at Buffalo field, submitted on 1/10/2021	1	Approval Granted on 19/11/2021	
	Request for the extension of the approved NOPSEMA Environmental Plan under the Condition Equivalent Principle	1	Extension granted on 28/12/2021	

TABLE 18: TIMOR-LESTE WATERS REGULATORY SUBMISSION AND APPROVED STATUS

❖ ONSHORE TIMOR-LESTE

The following table provides summary of assessment and approval of the regulatory document submitted to HSE Directorate for onshore petroleum project in Timor-Leste Onshore area (PSC TL-OT-17-08 Block A).

Regulatory Submissions			
Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome
Health and Safety	Easter Drilling Rig #1 Safety Case document number: ED/HSE/SC-001 Revision 2 dated 21 st October 2021 for onshore exploration drilling campaign within the PSC TL-OT-17-08 and PSC TL-OT-17-09.	1	
	OMS Bridging document for Onshore drilling activity document number: TR.HSE.BRD.001 Rev5 dated 23 rd October 2021 for onshore exploration drilling campaign within the PSC TL-OT-17-08 and PSC TL-OT-17-09.	1	Approval granted dated 25 th October 2021
	Timor Resources Emergency Response Plan and ERP Bridging document for Block A (PSC TL-OT-17-08) and Block C (PSC TL-OT-17-19) Drilling Campaign.	2	Approval granted dated 25 th October, 2021

Environment	Environmental Impact Statement (revision 3) for PSC TL-OT-17-08 Exploration Drilling	1	Approval granted by Higher Environmental Authority on 24/06/2021
	Environmental Management Plan (revision 3) for PSC TL-OT-17-08 Exploration Drilling	1	Approval granted by Higher Environmental Authority on 24/06/2021
	Terms of Reference for environmental impact assessment for PSC TL-OT-17-09 Exploration Drilling		TOR accepted on 26/01/2021
	Environmental Impact Statement for PSC TL-OT-17-09 Exploration Drilling		Review in progress.
	Environmental Management Plan for PSC TL-OT-17-09 Exploration Drilling		Review in progress.

TABLE 19: TIMOR-LESTE ONSHORE REGULATORY SUBMISSION AND APPROVAL STATUS

ENTRY AUTHORIZATION INTO THE CONTRACT AREA

VESSELS

During the reporting period a total of five (5) vessel entry authorizations & one revocation were issued to the contract operators that operating in the Timor-Leste waters to enter contract area.

In addition, there were eleven (11) entry authorizations issued for offtake tankers to enter contract area in the Timor-Leste waters. Four (4) entry authorizations were granted for the LPG offtake tankers and 7 were granted for Condensate offtake tankers, respectively.

The following tables indicated numbers of entry authorization such as extension or new entry authorization granted for vessels and helicopters to enter Bayu-Undan contact areas.

No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
1.	MMA Inscription	Platform Supply Vessel (PSV)	BU Operations	10 th Jan 2021	9 th Jan 2022
2.	RT Raven	Offshore Tug/ Infield Support Vessel (ISV)	BU Operations	1 st Jun 2021	31 st May 2022

No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
3.	Far Seeker	Offshore Support Vessel	Bayu-Undan Phase 3C Infill Wells Drilling Campaign.	30 th April 2021	31 st March 2022
4.	MMA Centurion	Platform Supply/Supply Vessel, Anchor handling and firefighting vessel.	Bayu-Undan Phase 3C Infill Wells Drilling Campaign.	30 th April 2021	30 th March 2021 Note: 1) Extension was granted to remains in the BU field till 30 th July 2021. 2) Revocation of vessel entry authorisation for AHTV MMA Centurion was granted due to breakdown.
5.	Siem Amethyst	Anchor Handling Tug (AHT) Supply/Support Vessel	Bayu-Undan Infill Wells Drilling Campaign	26 th November, 2021	31 st December, 2021
6.	Lay Vessel 108	Construction Support Vessel	Bayu-Undan Phase 3C Infill Wells Subsea Construction and Installation Campaign	17 th Nov 2021	31 st January 2022

TABLE 20: PLATFORM SUPPLY VESSEL AND INFELD SUPPORT VESSEL APPROVALS FOR BAYU-UNDAN OPERATIONS & BU PHASE 3C INFILL WELLS DRILLING CAMPAIGN

No.	Offtake Tanker Name	Offtake Number	Field Name	Date of Approval
1	Kodaijisan	LPG Offtake – L0279	Bayu Undan	20 th Jan 2021
2	Lily Promenade	LPG Offtake – L0280	Bayu Undan	16 th Apr 2021
3	Linden Pride	LPG Offtake – L0281	Bayu Undan	5 th Aug 2021
4	Laurel Prime	LPG Offtake – L0282	Bayu Undan	4 th Nov 2021

TABLE 21: OFFTAKE TANKER ENTRY AUTHORIZATION - LPG FOR BAYU-UNDAN

No.	Offtake Tanker Name	Offtake Number	Field Name	Date of Approval
1	Yaun Lian Wan	CO Offtake – CO397	Bayu Undan	11 th Jan 2021
2	Briolette	CO Offtake – CO398	Bayu Undan	12 th Mar 2021
3	MT Aristeia	CO Offtake – CO399	Bayu Undan	30 th Apr 2021
4	MT STI LOTUS	CO Offtake – CO400	Bayu Undan	13 th Jul 2021
5	STI CONDOTTI	CO Offtake – CO401	Bayu Undan	26 th Aug 2021
6	SKS DOYLES	CO Offtake – CO402	Bayu Undan	27 th Sept 2021
7	RAYSUT	CO Offtake – CO403	Bayu-Undan	22 nd Nov 2021

TABLE 22: OFFTAKE ENTRY AUTHORIZATION - CONDESATE FOR BAYU-UNDAN

❖ **HELICOPTERS**▪ **Bayu Undan Field Operations**

In total there were four (4) entry authorizations issued to two helicopters during the reporting period. Two (2) were extensions of entry authorizations granted for two Airbus Helicopters for Bayu-Undan Operations. Another two (2) entry authorization as amended were issued to the two Airbus H175 helicopter.

No	Helicopter's Name	Code of Helicopter/	Project/Activities	Approval Date	Expire Date
1.	Airbus EC175 – H175	VH-NYI	Approved for the BU normal operations	29 Dec 20	31 Dec 21
2.	Airbus EC175 – H175	VH-NYJ	Approved for the BU normal operations	29 Dec 20	31 Dec 21
3.	Airbus EC175 – H175	VH-NYI	Amended	4 May 21	31 Dec 21
4.	Airbus EC175 – H175	VH-NYJ	Amended	4 May 21	31 Dec 21

TABLE 23: HELICOPTER ENTRY AUTHORIZATION FOR BAYU-UNDAN OPERATIONS

▪ **Bayu Undan Infill Wells Phase 3 Drilling Campaign**

In total there were six (6) entry authorizations issued to three helicopters during the reporting period. The entry authorizations granted three airbus helicopters for Bayu Undan Infill Wells Phase 3C Drilling Campaign within the Contract area TL-SO-T 19-12 and TL-SO-T 19-13.

No	Helicopter's Name	Code of Helicopter	Project/Activities	Approval Date	Expire Date
1.	Sikorsky S92	VH-NVU	Bayu Undan Infill Wells Phase 3C Drilling Campaign	18 Nov 21	31 Dec 21

TABLE 24: HELICOPTER ENTRY AUTHORIZATION TO LAND AT ALL BAYU UNDAN HELIDECK FACILITIES (CUQ, WP1 AND FSO) INCLUDE MODU NOBLE TOM PROSSER

No	Helicopter's Name	Code of Helicopter/	Project/Activities	Approval Date	Expire Date
1.	Sikorsky S92	VH-NVU	Bayu Undan Infill Wells Phase 3C Drilling Campaign	26 April 21	31 Dec 21

TABLE 25: HELICOPTER ENTRY AUTHORIZATION TO LAND AT INSTALLATION VESSEL LV108

No	Helicopter's Name	Code of Helicopter/	Project/Activities	Approval Date	Expire Date
1.	Airbus EC175 – H175	VH-NYI	Drilling of W13 ST2, W10 and DS06 wells - Bayu Undan Infill Wells Phase 3C Drilling Campaign	4 May 21	31 Dec 21
2.	Airbus EC175 – H175	VH-NYJ	Drilling of W13 ST2, W10 and DS06 wells - Bayu Undan Infill Wells Phase 3C Drilling Campaign	4 May 21	31 Dec 21

TABLE 26: HELICOPTER ENTRY AUTHORIZATION TO LAND AT MODU NTP

No	Helicopter's Name	Code of Helicopter/	Project/Activities	Approval Date	Expire Date
1.	Airbus EC175 – H175	VH-NYI	Drilling of W13 ST2, W10 and DS06 wells - Bayu Undan Infill Wells Phase 3C Drilling Campaign	18 Nov 21	31 Dec 21
2.	Airbus EC175 – H175	VH-NYJ	Drilling of W13 ST2, W10 and DS06 wells - Bayu Undan Infill Wells Phase 3C Drilling Campaign	18 Nov 21	31 Dec 21

TABLE 27: HELICOPTER ENTRY AUTHORIZATION TO LAND INSTALLATION VESSEL LV108

▪ **Buffalo-10 Drilling Campaign**

In total there were three (3) entry authorizations issued to three helicopters during the reporting period. The entry authorizations granted for three Airbus Helicopters for Buffalo – 10 Drilling Campaign within the contract area PSC TL-SO-T 19-14.

No	Helicopter's Name	Code of Helicopter/	Project/Activities	Approval Date	Expire Date
1.	Sikorsky S92 (PHI)	VH-ISP	Buffalo – 10 Explorations Drilling Campaign	22 Dec 21	28 Feb 22
2.	Sikorsky S92 (Babcock)	VH-NWV	Buffalo – 10 Explorations Drilling Campaign	22 Dec 21	28 Feb 22
3.	CHC S92	VH-LOH	Buffalo – 10 Explorations Drilling Campaign	22 Dec 21	28 Feb 22

TABLE 28: HELICOPTER ENTRY AUTHORIZATION TO LAND AT MODU VALARIS JU-107

No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
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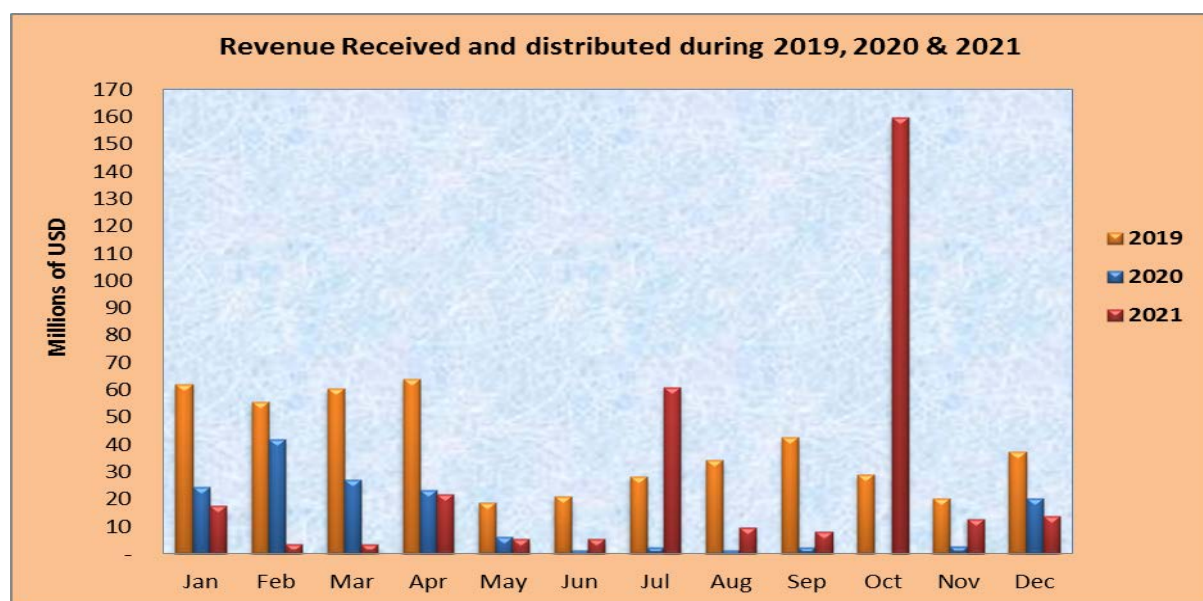
No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
1.	GO Sirius	Anchor Handling Tug Vessel (AHTV)	Buffalo-10 Drilling Campaign	20 th Dec 2021	28 th Feb 2022
2.	Normand Swan	Platform Supply/Support Vessel	Buffalo-10 Drilling Campaign	20 th Dec 2021	28 th Feb 2022
3.	Skandi Atlantic	Anchor Handling Tug Vessel (AHTV)	Buffalo-10 Drilling Campaign	20 th Dec 2021	28 th Feb 2022
4.	MODU Valaris JU107	Self-elevating drilling rig	Buffalo-10 Drilling Campaign	22 nd Dec 2021	28 th Feb 2022
5.	Harvest Vos Shine	Offshore Supply/ Seabed Survey Vessel	Buffalo-10 Drilling Campaign	10 th Aug 2021	31 st Aug 2021

TABLE 29: PLATFORM SUPPLY VESSEL & INFIELD SUPPORT VESSEL APPROVALS FOR BUFFALO-10 DRILLING CAMPAIGN

REVENUE DISTRIBUTION

From the revenue distribution to Timor Leste's government showed that the total revenue collection between 2020 and 2021 has increased. As can be seen, although BU project faced the natural field depleting; BUIW helps the field to continue its production and the higher oil price since pandemic has contributed significantly to revenues received by government.

In 2021 the revenues receipt from FTP and Profit Oil and Gas is higher than last year. Revenue received and distributed for year 2021 recorded USD 322MM higher than previous year which is 154MM, and the revenues for the last quarterly year 2021 will be received and distributed in 1st quarterly year 2022.



GRAPH 17: REVENUE RECEIVED AND DISTRIBUTED 2019 – 2021

3.2 DOWNSTREAM PETROLEUM ACTIVITIES

DISSEMINATION OF DECREE-LAW NO.1/2012 AND REGULATION NO.1/2013 ON INSTALLATION AND OPERATION OF FUEL FILLING STATIONS AND ITS AMENDED VERSION

The Directorate conducted a one-day workshop at Baucau and Lautem Municipality. This workshop involved local authorities and operators (new applicants) from the respective municipalities. The workshop was aimed to disseminate the rules and requirements of Downstream activity particularly for installation and operation of FFS. It also involved the relevant government entities such as SERVE I.P and Land and Property (DNTP), with the participation of both local and national of these entities. The dissemination was also done through local radios. Below are some pictures from dissemination activity.



FIGURE 28: DISSEMINATION ACTIVITY IN BAUCAU MUNICIPALITY



FIGURE 29: DISSEMINATION ACTIVITY IN LAUTEM MUNICIPALITY

LICENSING AND MONITORING DOWNSTREAM ACTIVITIES

LICENSING AND MONITORING OF INSTALLATION AND OPERATION OF FUEL FILLING STATION

✚ LOCATION AND PROJECT APPLICATIONS AND OPERATIONAL LICENSE FOR FUEL FILLING STATION ACTIVITY

❖ APPLICATION AND LOCATION APPROVALS

a) New Location Application in 2021

A total of 24 new applications were submitted seeking for the approval of location for a fuel filling station activity. The Directorate has verified the application and performed onsite verification to some of the locations. Below are some of pictures taken during onsite verification activity.



FIGURE 30: LOCATION VERIFICATION TO THE NEW APPLICATION SUBMITTED BY AUTORIDADE MUNICIPAL DILI FOR FUTURE CONSTRUCTION OF HOMEBASE FFS IN TIBAR LANDFILL



FIGURE 31: LOCATION VERIFICATION TO MAHE'S NEW PROPOSED LOCATION AT LIQUICA, NEW PROPOSAL FOR LOCATION APPROVAL, NOVEMBER 2021

Amongst 24 applications, 5 applications have been rejected due to not fulfill distance requirement, 6 applications fulfilled distance requirement while 3 applications were under discussion and the decision will be issued in 2022. Another 4 applications fulfilled distance requirement and the company will be notify will issued to the company in 2022. The rest 6 applications will be verified in 2022.

Detail information on each of the location applications assessed in 2021 is provided in table below:

No	Company/Interested Person	Location proposed	Remarks
1	Lucano Unipessoal Lda.,	Soraha, Ma'abat, Manatuto Vila,	Verification result showed that the location proposed fulfill distance requirements and the company are required to fulfilled the location requirements within 1 year starting from the issuance of the notification letter
2	Luak Fuel Lda.,	Luak Boa Ventura, Loti, Daisua, Manufahi - Same	
3	Josfel Fuel, Enin	Trisula, Fuiloro, Lautem	
4	Jopako Leka Unip., Lda.,	Wailili, Baucau	
5	Jopako Leka Unip., Lda.,	Cribas, Manatuto	
6	DB Ingracia Unip Lda.,	Metinaro, Dili	

7	Jesoria Unipessoal Lda.,	Hali Dolar, Suco Hera, Dili	Verification result showed that the location proposed did not fulfill 1 km distance requirement.
8	Siagisa Fuel Unipessoal Lda	Hali Dolar, Hera, Dili	
9	Uzia Madeira	Cabas Fatin, Selo Malere, Aileu	
10	CDFG Unipessoal, Lda	Maulore, Ainaro	
11	Joaquina Godinho	Comoro, Dili	
12	Ezma Unipessoal Lda.,	Palaca, Batugade, Bobonaro	Verification to the site was performed in Last quarter and the result of verification showed that site fulfill 1 km distance requirement. The notification will be issued in first quarter of 2022.
13	Ady Pay Unip. Lda.	Fafulu Oan, Umatolu, Lakluta, Viqueque	
14	Mahesa Unipessoal Lda.,	Maubara, Liquiça	
15	Uzia Madeira Unip. Lda.,	Dailor, Bandudato, Aileu Vila,	
16	Areinaldonic Unip. Lda.,	Sosoher, Ermera	
17	Rionchavista Unip. Lda.,	Beilaco, Raimea, Zumalai, Covalima	Under discussion
18	Archangel Salvador, Lda.,	Metiaut, Dili	
19	Lopes Fuel Unip. Lda.,	Canlor, Luca, Viqueque	
20	Rarilivos Unip. Lda.,	Nubadak, Batugade, Bobonaro	Verification will be performed in 2022
21	Lafahek Oil and Gas Unip. Lda.,	Batugade, Bobonaro	
22	Lafahek Oil and Gas Unip. Lda.,	Betano, Manufahi	
23	Lafahek Oil and Gas Unip. Lda.,	Sukabilaran, Suai Loro, Covalima	
24	Jose Maria	Maibisse	

TABLE 30: LOCATION APPROVAL RECEIVED IN 2021 AND THEIR PROCESS

b) Application Carried forward from 2020

In 2021, the Directorate also perform verifications to some of the location applications submitted in 2020. The application was submitted in last quarter of 2020 thus verification was carried forward to 2021. Detail information is provided in the table below:

No	Company	Proposed Location for FFS	Results
1	Timor Gap, E.P. Sucursal	Masin, Costa, Oecuse-RAEOA Municipality	The location proposed did not fulfill distance requirements.
2	Espada Metagou Unip. Lda.,	Maumeta, Bazartete, Liquica Municipality	
3	Zerry Junior Unip. Lda.,	Bemoris, Fuiloro, Lospalos Vila, Lautem Municipality	
4	Timor Gap, E.P. Sucursal	Palaba, Sanane, Costa, Oecusse-RAEOA Municipality	The location proposed fulfills distance requirements and the company has been notified to complete location approval requirements within 1 year
5	Timor Gap, E.P. Sucursal	Sakato, Nipani, Oecusse-RAEOA Municipality	
6	Belijo Fuel Unipessoal, Lda	Betu Lake, Vemasse Tasi, Vemasse, Baucau Municipality	
7	Alexa Fuel, Lda, Sucursal	Cai-Bar, Vatuboro, Maubara, Liquica	

TABLE 31: VERIFICATION OF LOCATION APPLICATION SUBMITTED IN 2020 AND THEIR PROCESS

c) Location Approvals in 2021

In 2021, 11 location approvals were issued following the completion of location requirements. Detail information is provided below:

No	Company/Interested Person	Location proposed	Location Approval
1	Carrier Fuel Unip. Lda.	Metiaut, Dili	✓
2	Fitun Foun Unip. Lda.	Aileu	✓
3	Neno Unip. Lda.	RAEOA – Oecusse	✓
4	Otpemulia Unip. Lda.	Manufahi	✓
5	Mãe da Graça Unip. Lda., Sucursal	Loes, Liquiça	✓
6	Mãe da Graça Unip. Lda., Sucursal	Bononaro	✓
7	Pertamina International Timor SA., (PITSA)	Tibar, Liquiça	✓
8	Município Dili (Tibar waste project)	Tibar, Liquiça	✓
9	V&S Fuel, Virna and Sam Fuel Unip. Lda.	Natarbora, Manatuto	✓
10	Lucano Unip. Lda.	Ma'abat, Manatuto	✓
11	Renex Unip. Lda.	Ma'abat- Manatuto	✓

TABLE 32: LOCATION APPROVALS ISSUED IN 2021

d) Rejection to Location Application

In 2021, the Directorate issued rejection to 17 applications for Fuel Filling Station activities. Detail information is provided in the table below:

No	Company/Interested Person	Location proposed	Remarks
1	Jesoria Unipessoal Lda.,	Hali Dolar, Suco Hera, Dili	The site proposed does not fulfill 1 km distance requirement
2	Siagisa Fuel Unipessoal Lda	Hali Dolar, Hera, Dili	
3	Uzia Madeira Unip. Lda.,	Cabas Fatin, Selo Malere, Aileu	
4	CDFG Unipessoal, Lda	Maulore, Ainaro	
5	Joaquina Godinho	Comoro, Dili	
6	Timor Gap, E.P. Sucursal	Masin, Costa, Oecuse-RAEOA Municipality	
7	Espada Metagou Unip. Lda.	Maumeta, Bazartete, Liquica Municipality	
8	Zerry Junior Unip. Lda.	Bemoris, Fuiloro, Lospalos Vila, Lautem Municipality	
9	Borala Lda. Sucursal	Baucau Vila, Municipiu Baucau	The company could not fulfill the location requirement within 1 year timeline therefore, the application was rejected
10	Marsu Station Fuel Unipessoal, Lda	Aldeia Lissa Lara, Suco Maubara Lissa, Posto Administrativu Maubara, Munisipiu Liquiça	
11	Pertamina International Timor SA.	Suco Duyung, Postu Administrativu Metinaro, Municipiu Dili	
12	Ritogian Unipessoal Lda.	Maubisse, Municipiu Ainaro	
13	Saham II Unipessoal, Lda	Manatuto Vila, Municipiu Manatuto	
14	Siagisa Fuel Unipessoal Lda.	Suco Hera, Postu Administrativu Metinaro, Municipiu Dili	
15	VICBOREIA Unipessoal, Lda,	Suco Seical, Postu Administrativu Baucau Vila, Municipiu Baucau	

16	Univen Unip. Lda.	Vemasse, Municipiu Baucau	
17	Univen Unip. Lda.	Venilale, Municipiu Baucau	

TABLE 33: REJECTION OF LOCATION APPLICATIONS ISSUED IN 2021

❖ APPLICATION AND PROJECT APPROVALS

a). Project Application Review

The Directorate received several project application seeking for the approval for Project to start the construction of the FFS. Project Drawing is one of the essential document in project approval stage which required a thorough review to ensure it fulfills all the technical rules foreseen in the Regulation.

The Directorate performed reviewed to the newly submitted project drawings in 2021 including some of the project drawings carried forward from the previous year. There were also some project drawings for the rehabilitation of existing fuel filling stations and As-Built drawings submitted and reviewed by the Directorate in 2021.

No.	Company Name	Project Title and Location	Remarks
1	F-FDTL/Metinaro	New construction of Homebase FFS/Dili	Concluded and Approved
2	Esperança Timor Oan Lda/Mandarin	As-Built Drawing	Concluded and Approved
3	Realistic Fuel Unip. Lda, Sucursal/Hera	As-Built Drawing	Concluded and Approved
4	Realistic Fuel Unip. Lda, Sucursal/Balide	As-Built Drawing	Concluded and Approved
5	Aitula Lda/ Comoro Dili	As-Built Drawing	Concluded and Approved
6	Carrier Fuel Unip. Lda.,/Metiaut Dili	New construction of FFS/Metiaut-Dili	Concluded and ready for approval
7	CDFG Unip.	New construction FFS/Becora	Concluded and ready for approval

	Lda,/Camea Dili		
8	Fitun Foun Unip. Lda/Aileu	New construction FFS/Aileu	Concluded and ready for approval
9	Companhia Decargel Unip. Lda/Vemassee Baucau	New construction FFS/Vemassee	Concluded and ready for approval
10	Timor Gap E.P	Typical layout drawing for FFS/Location is unknown	Verified and some recommendation has been delivered
11	Esperança Timor Oan/ Mandarin, Dili	Rehabilitation Project/ETO-Mandarin, Dili	Preliminary Layout second revision is concluded and await for DED submission
12	Esperança Timor Oan Lda./ Fomento II-Dili	New construction of LPG station/Fomento II-Dili	Under verification
13	Otpemulia Unip. Lda./Same	New construction FFS/Same	Under verification
14	My Friend Fuel Unip. Lda./Same	Rehabilitation project/Same	Under verification
15	Alexa fuel Unip. Lda,/Liquiça	Rehabilitation project/Liquica	Under verification
16	Rizara Unip. Lda,/Liquiça	New construction FFS/Liquica	Under verification
17	Esperança Timor Oan Lda/Tibar	New construction FFS/Liquica	Under verification
18	TM Caileba Fuel Station Unip. Lda,/Liquiça	New construction FFS/Liquica	Under verification
19	Aitula Lda., Sucursal/Maliana	New construction FFS/Maliana	Under verification

20	Rozi fuel Unip. Lda./Dili	Rehabilitation Project/Ex.Ruvic Bairo-pite, Dili	Under verification
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TABLE 34: PROJECT DESIGNS REVIEWED IN 2021

b). Project Approvals

Directorate issued one (1) project approval to a home base fuel filling station to be built in Metinaro, Dili. This project belongs to Ministry of Defense.

c). Rejection of Project Applications

In 2021, the Directorate issued rejection to the 4 applications for Fuel Filling Station activities. Detail information is provided in the table below:

No	Company/Interested Person	Location proposed	Remarks
1	Jomellanio Franzel Unipessoal Lda	Viqueque Vila	The company could not fulfill the project requirement within 1 year timeline therefore, the application was rejected
2	Joridano Unipessoal Lda.	Same, Manufahi	
3	La Ode-Isi Unipessoal Lda	Suco Soba, Postu Administrativu Laga, Municipiu Baucau	
4	Mira Mar Unipessoal Lda.	Atabae, Municipiu Bobonaro	

TABLE 35: REJECTION OF PROJECT APPLICATIONS IN 2021

❖ OPERATIONAL LICENSE

The Directorate also issued operational license to three (3) new built fuel filling station.. The license was issued following completion of licensing requirements. The detail of licensed Fuel Filling Station is outlined in the table below.

No.	Name of FFS	Operator/Company	Location
1	Manudare Fuel Filling Station	Manudare Unipessoal, Lda.	Tirilolo, Baucau
2	GSGP Fuel Filling Station	GSGP Petrol Lda.,	Laga, Baucau
3	Rarilivos Fuel Filling Station	Rarilivos Unipessoal Lda.,	Atabae, Bobonaro

TABLE 36: OPERATIONAL LICENSE ISSUED TO FUEL FILLING STATION IN 2021

🚦 ATYPICAL FUEL FILLING STATION

Atypical Fuel Filling Station is one of Fuel Filling Station (FFS) type foreseen in regulation On Installation and

Operation of Fuel Filling Station. This Regulation defines Atypical FFS as automotive Fuel Filling Stations that may be authorized by the ANPM for special locations as result of specific market requirements or conditions. The Regulation also foresee the requirement for the establishment of technical rules on Atypical FFS and this has been part of Directorate 2019 – 2023 SAP.

In 2021, the Directorate conducted data collection on Atypical FFS. Data collection was carried out to collect atypical FFS data including street vendors. Several discussion were made on the existence of new atypical and street vendors and these data will be used to support the ANPM decision of the activity in 2022.



FIGURE 32: DATA COLLECTION AND ACTIVITY IDENTIFICATION IN SOME AREAS OF CAPITAL MUNICIPAL

PROJECT MONITORING

MONITORING TO NEW CONSTRUCTION OF FFS

In 2021, the Directorate undertaken project monitoring to several FFS projects located in Lautem, Viqueque, Ainaro, Manufahi and Bobonaro Municipality.

The monitoring result showed one that new constructed FFS in Viqueque has almost reached the final stage of the construction and the construction is in accordance with the approved design. It is estimated the construction is to be concluded before February 2022.

Another FFS in Lautem have not started the construction, three FFS (Manufahi and Ainaro) are progressing the construction, while the construction of two FFS in Bobonaro and Lautem are pending.

Detail information of the mentioned FFS is provided in the table below:

No.	Facility Name/Location	Observation
1.	Nuviniex FFS/Maliana-Bobonaro	Installation of main equipments are pending due to absents of foreman, and financial issue

2.	Jotaria Jisarina FFS/Same-Manufahi	Upgrading progress runs well and at the installation of main fuel equipments and finishing
3.	Aidalau FFS/Same-Manufahi	Upgrading and installation of main equipments are completed
4.	Chamar FFS/Lospalos- Lautem	Not started yet
5.	Lopholoy FFS/Lospalos-Lautem	The construction is pending, however; the electrical installation lighting under canopy under-going at the time of monitoring
6.	Arcaflacor FFS/Ainaro	On-progress of canopy installation
7.	Adypai FFS/Ossu-Viqueque	Progress runs-well and it is required to make good finishing, including posted all signage and marked all safety sign within the facility

TABLE 37: MONITORING ACTIVITY TO THE NEW FFS UNDER CONSTRUCTION

Apart from the new project listed in the table above, the Directorate also conducted monitoring to the existing facilities that undertake rehabilitation to meet the technical requirements. Below are some pictures taken during monitoring activities.



FIGURE 33: CONSTRUCTION (ADYPAI FFS, OSSU) AND REHABILITATION (BORALA FFS) PROJECT MONITORING IN VIQUEQUE

🚧 SUBSEQUENT INSPECTION TO EXISTING FFS CARRIED OUT IN 2021

Subsequent inspection activity was performed to Fuel Filling Stations (FFS) that are listed in the Regulation No. 2/2020 on Extraordinary Extension of Article 40. The activity is aimed to verify the implementation of inspection recommendations.

In 2021, the Directorate several subsequent inspection based on the timeline sets in the Regulation. The subsequent inspection results shows that few FFS have implemented the inspection recommendation while most of the FFS have not closed the inspection recommendations.

No	Name of Fuel Filling Station	Location	Subsequent Inspection Result
1	Aitula Fuel FFS	Zero V, Comoro, Dom Aleixo, Dili Municipality	The company has implemented the inspection recommendation
2	Esperança Timor Oan FFS	Halibur, Motael, Vera Cruz,, Dili Municipality	
3	Realistic Fuel FFS	Taho Laran, Caicoli, Vera Cruz, Dili Municipality	
4	Tatoli FFS	30 de Agostu, Fuiloro, Lautem Municipality	
5	Realistic Fuel FFS	Suco Mota Kiik, Hera, Dili Municipality	The company has not implemented some of inspection recommendations
6	Risa Fuel FFS	Taibesi, Culuhun, Cristu Rei, Dili Municipality	
7	Andikalima FFS	Kamalehohoru, Dato, Liquiça Municipality	
8	Realistic FFS	Lutu Mutu, Bahu, Baucau Municipality	
9	Cabureno FFS	Watu Lete, Tirilolo, Baucau Municipality	
10	Albatros FFS	Lutu Mutu, Bahu, Baucau Municipality	
11	Belijo FFS	Tirilolo, Baucau Municipality	
12	Ra'ameta FFS	Buibau, Baucau Municipality	
13	Fecilia FFS	Aubaka, Triloka, Baucau Municipality	
14	Borala FFS	Beloi, Caraubalu, Viqueque Municipality	
15	Borala FFS	Mercida, Caraubalu, Viqueque Municipality	
16	Titer FFS	30 de Agostu, Fuiloro, Lautem Municipality	
17	Queybubun FFS	Ritabou, Maliana, Bobonaro Municipality	

TABLE 38: SUBSEQUENT INSPECTION ACTIVITY TO EXISTING FFS CARRIED IN 2021



FIGURE 34: SUBSEQUENT INSPECTION TO BORALA FFS AT VIQUEQUE MUNICIPALITY

PRELIMINARY INSPECTION ACTIVITY

In 2021, the Directorate conducted preliminary inspections to one new built Fuel Filling Station located in Laga, Baucau Municipality. The result of inspection showed that the facility had fully complied with the rules and requirements for the installation and operation of FFS. The company was requested to fulfill the minimum requirement for the issuance of operational licence.

Preliminary Inspection was also conducted to one existing facility in RAEOA, Oecusse Ambeno. The facility is required to implement corrective actions to meet the requirement of the Regulation on the activity.

ISSUANCE OF OPERATIONAL LICENSE TO FFS

In 2021, the Directorate issue three operational license to new built facility. The license was issued following the compliance of the technical rules and minimum requirement.

Detail information on the new license holder is provided is below table:

No	Name of Fuel Filling Station	Location
1	Manudare FFS	Tirilolo, Baucau Municipality
2	GSGP Petrol Station FFS	Laga, Baucau Municipality
3	Rarilivos FFS	Atabae, Bobonaro Municipality

TABLE 39: NEW LICENSE FACILITY IN 2021



FIGURE 35: HAND OVER OPERATIONAL LICENSE AND INAUGURATION OF MANUDARE FFS ATTENDED BY THE ANPM PRESIDENT

FUEL DISPENSER VERIFICATION AND CALIBRATION ACTIVITY

In 2021, Downstream Directorate conducted fuel dispenser verification and calibration at 54 fuel filling stations throughout the country. This activity aimed to ensure the Fuel Dispensers were operated within the standard and the maximum permissible errors (MPEs) set in the Ministerial Diploma No.23/2016. The result of the verification showed that most of fuel dispensers complied with the adopted standard and delivered fuel within the MPEs.

Table below contains detail information on verifications and calibration activities.

No.	Name of FFS	Location
1	Aitula FFS	Comoro, DILI
2	Esperança Timor Oan FFS	Lahane Oriental, DILI
3	68 Petroleum FFS	Hudilaran, Dili
4	Nundole Wey Station FS	Lisbutak, Dili
5	Pertamina International Timor, SA FFS	Rua de Bairro Pite, Dom Aleixo, Dili
6	Arjumar FFS	Manleuana, Dili
7	99 Petroleum FFS	Hudilaran, Dili
8	Culu Hun Fuel Statio FFS	Culuhun, Dili
9	Chong Ti Petroleum FFS	Culuhun, Dili
10	Belak Fuel FFS	Fomento, Comoro, Dili
11	Xalila FFS	Manleuana, Dili
12	Lafaek Oil & Gas FFS	Comoro, Dili

13	East Gas Corporation FFS	Bidau, Dili
14	Borala Unipessoal FFS	Comoro, Dili
15	De Shun Fuel Station FFS	Fatuhada, Dili
16	Esperança Timor Oan FFS	Mandarin, Dili
17	Mega Petroleum FFS	Fatuhada, Dili
18	Mekar Fuel FFS	Comoro, Dili
19	Super FuelFFS	Culuhun, Dili
20	Mãe da Graça FFS	Comoro, Dili
21	Mãe da Graça FFS	Golgota, Comoro, Dili
22	Realistic FFS	Balide, Dili
23	Realistic FFS	Hera, Dili
24	Miramar FFS	Fatuhada, Dili
25	Ergin FFS	Metinaru, Dili
26	Vida Diak Petroleum FFS	Kaitehu, Lequica
27	Alexa Fuel FFS	Leopa, Dato, Liquiça
28	Andika Lima FFS	Dato, Liquiça
29	Queybubun Laco FFS	Ritabou, Maliana, Bobonaro
30	Abom Kase FFS	Bilicou Holsa, Maliana, Bobonaro
31	Graca Silva FFS	Rai Foun, Maliana, Bobonaro
32	Rarilivos FFS	Atabae, Bobonaro
33	Albatros FFS	Bahu, Baucau
34	Belijo FFS	Trilolo, Baucau
35	Cabureno FFS	Vila Nova, Baucau
36	Nagarjo FFS,	Bahu, Baucau
37	Fecilia FFS,	Triloka, Baucau
38	Realistic FFS,	Bahu, Baucau
39	Ra'ameta FFS,	Buibau, Baucau
40	GSGP Petrol Station FFS	Laga, Baucau

41	Miglen FFS,	Rua Hudi Iaran Aileu Villa, Aileu
42	Esperança Timor Oan FFS,	Sau, Manatuto
43	Titer Unipessoal FFS,	Rua Lospalos Lautem
44	Mosalaki 99 FFS,	Lospalos, Raca
45	Tatoli FFS,	Lospalos, Lautem
46	Borala FFS,	Caraubalo, Beloi, Viqueque
47	Borala FFS,	Caraubalo, Mercida, Viqueque
48	Jesoria FFS,	Caraubalu, Viqueque
49	Repende FFS,	Gleno, Ermera
50	Roman FFS,	Gleno, Ermera
51	Aidalau Furak FFS,	Letefoho, Same, Manufahi
52	Timor Gap E.P FFS,	Camanaça, Suai Villa, Covalima
53	Global Fuel FFS,	Suai, Covalima
54	Celeiru FFS,	Padimau, Oe-Cusse

TABLE 40: INFORMATION ON VERIFICATION AND CALIBRATION ACTIVITIES



FIGURE 36: VERIFICATION AND CALIBRATION ACTIVITY AT XALILA FFS IN MANLEUANA, DILI

RANDOM INSPECTION

In 2021, the Downstream Directorate conducted Random inspection to 18 Fuel Filling Station operated in Dili. The objective of random inspections was to review and assess the fuel filling stations' operational

conditions to ensure the level of health, safety, quality and environmental standards are well maintained within the licensing period and to ensure the activity is in accordance with Regulations on Installation and Operations of Fuel Filling Stations.

During the random inspection at each of the fuel filling stations, there was a session of documentation verification where the operator would need to present valid certificate for the operation of the fuel filling station, insurance, safety training, and to provide records relevant to the quality control, and its operation and maintenance activity. Apart from that, facility inspection was conducted to verify that all conditions and minimum requirements for installation and operation of fuel filling stations are being complied with. An additional task such as tank gauging to determine the water level inside the underground storage was also performed as part of an initial data collection for work program on the assessment of underground storage tank integrity and testing.

For the majority of the inspected facilities, the operators showed willingness to cooperate and improve the conditions of the fuel filling stations. Nonetheless, there are some common findings observed during the inspection that related to maintaining the safety aspects of operating the fuel filling station, such as inspection and maintenance of fire protection equipment, provision of trainings, emergency drill, and application of administrative controls on safety signages and establishing working procedures. Hence, it may be concluded that more attention will need to be given to improve the current health and safety performance of the fuel filling stations.

RAISING PUBLIC AWARENESS

Downstream Directorate executed its plan to advertise two videos related to the operation of automotive Fuel Filling Station. The videos were produced in 2020 and concluded in first week of January 2021.

The first video aims to raise public awareness on Health and Safety aspects including overall service quality in daily operation of automotive fuel filling stations. While the second video provides detail information on calibration of liquid fuel dispenser and its procedure, it also highlights the necessity of performing calibration to the liquid fuel dispensers and to explain the significance of having the ANPM sticker and calibration certificate emitted by the ANPM.

The videos were published at the ANPM facebook page and in local TVs for 6 months.

COLLECTION OF FEES FROM FUEL FILLING STATION

Total fee for FFS activity collected by the Directorate in 2021 was \$ 214,500.00. This fee covers:

- a. Fee for the issuance of new license in 2021
- b. Annual license fee paid for 2021 period by the operator of FFS licensed in 2014, 2015, 2016,

2017, 2018, 2019 and 2020

c. Annual license fee paid for 2020

Detail information on the above is provided in table below:

No	Name of Company	Licensing Date	Annual Fee	Total Received	Not Yet Received
1	Esperança Timor Oan, Lda/Dili	25-Nov-14	\$ 8,350	\$ 8,350	
2	Aitula Fuel, Lda/Dili	24-Nov-14	\$ 3,850	\$ 3,850	
3	E Silva Motors Trading As Rentlo Unip. Lda./Dili	27-Nov-14	\$ 1,200	\$ 1,200	
4	Rozi Fuel Unip. Lda./Dili	03-Dec-14	\$ 1,200		
5	Mekar Fuel Unip., Lda./Dili	15-Dec-14	\$ 2,200	\$ 2,200	
6	Esperança Timor Oan, Lda./Manatuto	28-May-15	\$ 3,200	\$ 3,200	
7	East Gas Corporation, Lda/Dili	12-Oct-15	\$ 2,350	\$ 2,350	
8	Vida Diak Petroleo Lda./Liquiça	02-Dec-15	\$ 2,350	\$ 2,350	
9	Borala, Lda/Dili	02-Dec-15	\$ 8,500	\$ 4,250	\$ 4,250
10	Mãe da Graça Unipessoal, Lda/Bebonuk Dili	02-Dec-20	\$ 2,200	\$ 2,200	
11	Esperança Timor Oan, Lda (Ex SVSC)/Palapaco Dili	02-Dec-15	\$ 10,800	\$ 10,800	
12	Mega Petroleum, Lda/Dili	02-Dec-15	\$ 5,200	\$ 5,200	
13	Xalila Fuel Unipessoal, Lda/Dili	02-Dec-15	\$ 7,500	\$ 7,500	
14	Timor Gap E.P/Suai	28-Apr-16	\$ 5,200	\$ 5,200	
15	68 Petroleum, Lda/Dili	08-Jun-16	\$ 8,800	\$ 8,800	
16	Chong Ti Petroleum, Lda	30-Jun-16	\$ 6,700	\$ 6,700	
17	99 Petroleum, Lda/Dili	30-Jun-16	\$ 6,700	\$ 6,700	
18	De Shun Fuel Station, Lda/Dili	30-Jun-16	\$ 6,700	\$ 6,700	
19	Culu Hun Fuel Station, Lda/Dili	30-Jun-16	\$ 6,700	\$ 6,700	
20	Realistic Fuel Unipessoal, Lda/Balidi Dili	30-Jun-16	\$ 4,500	\$ 4,500	
21	Super Fuel, Lda/Dili	01-Jul-16	\$ 2,350	\$ 2,350	
22	Ruvic Unipessoal, Lda/Hera Dili	29-Jun-16	\$ 3,500		\$ 3,500
23	Arjumar Unipessoal, Lda/Dili	01-Jul-16	\$ 3,700		\$ 3,700
24	Global Fuel Station/Suai	01-Dec-16	\$ 1,600	\$ 1,600	
25	Abom Kase Unipessoal, Lda/Bobonaro	16-Dec-16	\$ 1,200	\$ 1,200	
26	Belak Fuel, Unipessoal, Lda/Dili	20-Dec-16	\$ 1,650	\$ 1,650	
27	Alexa Fuel Unipessoal, Lda/Liquiça	06-Feb-17	\$ 1,200	\$ 1,200	
28	Lafaek Oil and Gas Unipessoal, Lda/Dili	22-Feb-17	\$ 2,500	\$ 2,500	
29	Mãe da Graça Unipessoal, Lda/Raikotuk-Dili	00-Jan-00	\$ 3,350	\$ 3,350	
30	Divita Fuel Unipessoal, Lda/Liquiça	07-Mar-17	\$ 6,350		\$ 6,350
31	Andika Lima Fuel Unipessoal, Lda/Liquiça	19-May-17	\$ 2,200	\$ 2,200	
32	PITSA/Bebora-Dili	19-Mar-18	\$ 8,200	\$ 8,200	
33	Roman Fuel Unipessoal,	29-May-18	\$ 1,350	\$ 1,350	

	Lda/Ermera				
34	Nusabe III Unipessoal Lda./Aileu	04-Jun-18	\$ 2,200	\$ 2,200	
35	Miglen Unipessoal, Lda/Aileu	29-May-18	\$ 1,200	\$ 1,200	
36	Mosalaki 99 Unipessoal Lda./Lautem	04-Jun-18	\$ 2,200	\$ 2,200	
37	Albatross Unipessoal Lda./Baucau	11-Jun-18	\$ 1,200		\$ 1,200
38	Repende Unipessoal Lda./Baucau	04-Oct-18	\$ 1,200	\$ 1,200	
39	Jesoria Unipessoal Lda./Viqueque	05-Oct-18	\$ 2,200	\$ 2,200	
40	Belijo Lda./Baucau	05-Oct-18	\$ 1,200	\$ 1,200	
41	Realistic Unipessoal Lda/Baucau	08-Oct-18	\$ 1,850	\$ 1,850	
42	Realistic Fuel Unip. Lda. Sucursal/Hera-Dili	08-Oct-18	\$ 3,350	\$ 3,350	
43	Ai-Dalau Furak Unipessoal, Lda./Same	05-Oct-18	\$ 1,200		\$ 1,200
44	Miramar Unipessoal, Lda/Dili	17-Jan-19	\$ 3,6500		\$ 3,650
45	Tatoli unipessoal, Lda/Lautem	01 Feb 19	\$ 1,900	\$ 1,900	
46	Nundole Wei Fuel Station, Lda/Dili	22 Feb 19	\$ 4,200	\$ 4,200	
47	Ra'ameta Lda./Baucau	22-Apr-19	\$ 3,500		\$ 3,500
49	Titer Unipessoal, Lda/Lautem	24-May-21	\$ 1,350	\$ 1,350	
50	Risa Fuel, Lda/Dili	18-Jun-19	\$ 5,200		\$ 5,200
51	Esperança Timor Oan FFS (Aviation)/Dili	18-Jun-21	\$ 15,700	\$ 15,700	
52	Pertamina International Timor, SA FFS (Aviation)/Dili	12-Jun-19	\$ 21,200	\$ 21,200	
53	Cabureno Fuel, Lda/Baucau	18-Jun-19	\$ 1,350		\$ 1,350
54	Ficilia Unip., Lda/Baucau	23-Jul-19	\$ 1,200	\$ 1,200	
55	Aitula Lda/Covalima	12-Jun-19	\$ 1,200.	\$ 1,200	
56	Aitula Lda/Ainaro	30-Oct-21	\$ 1,200		\$ 1,200
57	Aitula Lda/Manufahi	30-Oct-21	\$ 1,200		\$ 1,200
58	Queybubun, Lda/Bobonaro	23-Jul-19	\$ 1,200		\$ 1,200
59	Borala, Lda/Beloi Viqueque	23-Jul-19	\$ 1,200		\$ 1,200
60	Borala, Lda/Mercida Viqueque	30-Oct-19	\$ 3,000		\$ 3,000
61	Ergin Unip. Lda./Metinaro - Dili	11-Dec-19	\$ 5,950	\$ 5,950	
62	Graca Silva Unip. Lda./Bobonaro	21-Feb-20	\$ 1,200	\$ 1,200	
63	Manudare Unip., Lda/Baucau	20-Jan-21	\$ 1,350	\$ 1,350	
64	GSGP Petrol Station/Laga-Baucau	11-Feb-21	\$ 1,200	\$ 1,200	
65	Rarilivos Unip. Lda./Atabae-Bobonaro	5-Jul-21	\$ 1,200	\$ 1,200	
Total			\$ 240,300	\$ 197,400	\$ 45,950

TABLE 41: DETAIL OF COMPANIES AND THEIR CORRESPONDENCE FEE

Table above shows that total annual fee registered in 2021 is \$240,300. From this amount, the Directorate only collected \$ 197,400. This fee is lesser than registered due to 18 operator of FFS have not paid the fee. While one facility is not in operation and required to undertake modification to meet technical requirements, therefore, fee is not charged from this facility until it is back into operation. The Directorate will continue follow up with 18 operator to finalize the payment.

No.	Name of Company	License Date	Annual Fee	Received
1	Mekar Fuel Unip. Lda./Dili	15-Dec-14	\$ 2,200	\$ 2,200
2	Vida Diak Petroleo, Lda./Liquiça	02-Dec-15	\$ 2, 350	\$ 2, 350
3	Borala Lda./Dili	02-Dec-15	\$ 8, 500	\$ 8, 500
4	Abom Kase Unip. Lda/Bobonaro	16-Dec-16	\$ 1, 200	\$ 1, 200
5	Belak Fuel Unip. Lda./Dili	20-Dec-16	\$ 1,650	\$1,650
6	Belijo Unip. Lda./Baucau	08-Oct-18	\$1,200	\$1,200
Total				\$ 17,100

TABLE 42: DETAIL OF THE COMPANIES AND THEIR FEE PAID IN 2021 FOR 2020 PERIOD

Table above displays the fee of 2020 period which the operator paid in 2021. The fee amounted is \$17,100.

Total accumulative fee received in 2021 is 214,500.00

LICENSING AND MONITORING FUEL, BIOFUEL AND LUBRICANT TRADING ACTIVITY

LICENSING FUEL TRADING ACTIVITY

In 2021, the Directorate reviewed 12 applications submitted by the companies to carry out trading activity. However, only five (5) applications were approved and licenses have been issued. The remaining applications have not been approved since they have not fulfill Trading license requirements. Detail information provided in the table below:

No	Name of Company	Type of product	Decision on the application	Licensing period
1	Petromor Unip. Lda.	Lubricant	Approved and licensed have been issued	10 Years
2	Zecmarco Supcons Unip. Lda.,	Lubricant		10 Years
3		Diesel for EDTL		10 Years
4	Timor Gap E.P.	Lubricant		10 Years
5	Carindo Midas Lda.	Lubricant		10 Years
6	Heranty Motor Unip. Lda.,	Lubricant	The company has not fulfill license	
7	Lecha Lyan Pacific Lda.	Asphalt		
8	RMS Engineering and Construction Unip. Lda.,			

9	Tractorindo Lda.,		requirements	
10	Lai-Ara Nikmat Mujur Lda.,			
11	Golden Dragon Machinery Unip. Lda.,			
12	SMS Motor Unip. Lda.,			

TABLE 43: DETAIL OF APPLICANT AND NEW LICENSED FUEL TRADERS IN 2021

TRUE UP MECHANISM 2020 AND TRADING LICENSE FEE IN 2021

TRUE UP MECHANISM OF 2020

In January 2021, the Directorate conducted True up Mechanism of Trading fees collected from Trading Activity in 2020. The result of True up mechanism is foreseen in the table below:

No.	Company	2020 Annual Plan Liters	Realization (Liters)	Differences (Liters)	Fee paid based on 2020 Annual Plan	Actual Fee based on Realisation
1	Pertamina International, S.A	85,758,154.00	58,866,760.25	- 26,891,393.75	\$42,879.08	\$29,433.38
2	Esperanca Timor Oan Lda.,	89,518,673.00	90,270,858.00	752,185.00	\$44,759.34	\$45,135.43
3	Far Ocean-Petroleum Pty Lda.,	3,061,278.00	0	- 3,061,278.00	\$1,530.64	\$0.00
4	Arjumar Unip. Lda.,	-	0	-	\$0.00	\$0.00
5	Gilficac Unipessoal, Lda	767,080.00	0	- 767,080.00	\$383.54	\$0.00
6	Golden Energy VIP, Lda	666,666.00	522,929.57	- 143,736.43	\$333.33	\$261.46
7	Gafung Petroleum Lda.,	2,962,915.00	0	- 2,962,915.00	\$1,481.46	\$0.00
8	Sacom energy, Lda	36,343,852.00	33,794,683.00	- 2,549,169.00	\$18,171.93	\$16,897.34
9	Express Distribution Service and Diverse Unip. Lda.,	228,000.00	171,780.00	- 56,220.00	\$114.00	\$85.89

10	King Construction Lda.,	1,500,000.00	542,120	- 957, 880.0	\$750.00	\$271.06
11	Klean Gas, Lda	408,000.00	265,200.00	- 142,800.00	\$204.00	\$132.60
12	Cahaya Jaya Abadi Group II Lda.,	895,916.00	93,655.00	- 802,261.00	\$447.96	\$46.83
13	Surya Putra II, Lda	124,593.00	71,444.40	- 53,148.60	\$62.30	\$35.72
14	VSL Oilchem Timor Lda.,	1,020,000.00	526,027.00	- 493,973.00	\$510.00	\$263.01
15	Aimutin Furak II, Lda	200,000.00	194,177.84	- 5,822.16	\$100.00	\$97.09
16	Fortuna Star, Lda	652,952.00	61,764.00	- 591,188.00	\$326.48	\$30.88
17	Eastern Dragon, Lda	250,000.00	192,840.00	- 57,160.00	\$125.00	\$96.42
18	Henk-Jon, Lda	97,055.00	60,838.00	- 36,217.00	\$48.53	\$30.42
19	Gio Motor Unip. Lda.,	13,592.00	11,738.20	- 1,853.80	\$6.80	\$5.87
20	Uma Asia Motorizada Lda.,	32,000.00	18,603.00	-13,397.00	\$16.00	\$9.30
21	Jonize Construction Unip. Lda.,	2,792,722.00	1,430,522.00	-1,362,200.00	\$1,396.36	\$715.26
22	Jova Construction Unip. Lda.,	200,000.00	0	- 200,000.00	\$100.00	\$0.00
23	Campeao Motor II Lda.,	350,480.00	204,245.00	- 146,235.00	\$175.24	\$102.12
24	Carya Timor-Leste Lda.,	10,000.00	101,020.00	91,020.00	\$5.00	\$50.51
25	Thai Siam Auto Parts Lda.,	20,000.00	2,204.00	- 17,796.00	\$10.00	\$1.10
26	Rufa Forever Unip. Lda.,	100,000.00	0	- 100,000.00	\$50.00	\$0.00
27	Vemisdal Unipessoal, Lda	3,000,000.00	2,266,834.00	- 733,166.00	\$1,500.00	\$1,133.42

28	Auto Timor-Leste Lda.,	28,000.00	16,910.20	- 11,089.80	\$14.00	\$8.46
29	Nison Unp. Lda.,	37,750.00	11,592.00	- 26,158.00	\$18.88	\$5.80
30	ZI Harware and Machinery Lda.,	420,000.00	0	- 420,000.00	\$210.00	\$0.00
31	RHJ Rahardjo Lda.,	152,919.00	83,311.32	- 69,607.68	\$76.46	\$41.66
32	Sister Motor II and Divers Lda.,	43,760.00	18,800.00	- 24,960.00	\$21.88	\$9.40
33	Junior G.G.A Unip. Lda.,	50,000.00	11,612.00	- 38,388.00	\$25.00	\$5.81
34	Dragon Service unipessoal, Lda	9,164.00	418.00	- 8,746.00	\$4.58	\$0.21
35	Limpeno Unipessoal, Lda	8,000.00	0	- 8,000.00	\$4.00	\$0.00
36	Montana Diak Unip. Lda.	515,000.00	0	- 515,000.00	\$257.50	\$0.00
37	Aitula Fuel, Lda	979,000.00	481,250.00	- 497,750.00	\$489.50	\$240.63
38	Tanjung Motor & Diverse Unip. Lda.,	194,607.00	129,359.13	- 65,247.87	\$97.30	\$64.68
39	Eastern Star Motors & Diverse Trade Unip. Lda.,	30,000.00	12,090.00	- 17,910.00	\$15.00	\$6.05
40	OTE Energy Lda.,	4,505,900.00	3,965,718.00	- 540,182.00	\$2,252.95	\$1,982.86
41	Mato Unipessoal, Lda	50,400,000.00	45,988,804.00	- 4,411,196.00	\$25,200.00	\$22,994.40
42	Tjing Fa Ho Lda.,	22,500.00	8,960.00	- 13,540.00	\$11.25	\$4.48
43	Divita Co Unip. Lda.,	1,000.00	-	- 1,000.00	\$0.50	\$0.00
Total		288,371,528.00	240,399,067.91	47,972,460.09	\$144,185.76	\$120,199.53

TABLE 44: TRUE UP MECHANISM OF FEE COLLECTED IN 2020

❖ 2020 TRADING LICENSING FEE AND 2020 TRADING ANNUAL FEE

In 2021, the Directorate received licensing fee from the new licensed Trading activity. Apart from the new licensing fee, the Directorate also collected annual fee from the companies licensed in 2017, 2018, 2019 and

2020 based on their 2021 import plan.

The True up Mechanism of Trading activity in 2021 will be conducted in 2022 to reconcile the fee based on import realization. Based on the data recorded by the Directorate, it shows that up to end of 2021 most of the companies did not realize the import plan. One of the reason was due to COVID 19 pandemic. Detail information on the fee is provided in the table below:

No.	Company	2021 Annual Plan (Liters) (AP)	Realization (Liters) (R)	Differences (Liters) (R-AP)	Fee paid based on 2021 Annual Plan	Actual Fee based on Realisation	Transfer of License Fee in 2021	Final Fee Receivable in 2021
1	Aitula Fuel, Lda	497,750.00	-	- 497,750.00	\$ 248.88	\$ -	-	\$ -
2	Arjumar Unip. Lda.			-	\$ -	\$ -	-	\$ -
3	Aimutin Furak II, Lda	400,000.00	377,680.14	- 22,319.86	\$ 200.00	\$ 188.84	-	\$ 188.84
4	Auto Timor Leste Lda.,	336,089.00	315,656.00	- 20,433.00	\$ 168.04	\$ 157.83	-	\$ 157.83
5	Cahaya Jaya Abadi Group II Lda.,	802,261.00	101,708.56	- 700,552.44	\$ 401.13	\$ 50.85	-	\$ 50.85
6	Campeao Motor II Lda.,	1,036,635.00	185,124.00	- 851,511.00	\$ 518.32	\$ 92.56	-	\$ 92.56
7	Carindo Midas Lda.,	29,000.00	-	- 29,000.00	\$ 14.50			
8	Carya Timor-Leste Lda.,	20,000.00	-	- 20,000.00	\$ 10.00	\$ -	-	\$ -
9	Divita Co Unip. Lda.,	1,000.00	-	- 1,000.00	\$ 0.50	\$ -	-	\$ -
10	Dragon Service unipessoal, Lda	8,746.00	-	- 8,746.00	\$ 4.37	\$ -	-	\$ -
11	Eastern Dragon, Lda	307,160.00	196,408.00	- 110,752.00	\$ 153.58	\$ 98.20	-	\$ 98.20
12	Eastern Star Motors & Diverse Trade Unip. Lda.,	52,910.00	20,564.00	- 32,346.00	\$ 26.46	\$ 10.28	-	\$ 10.28
13	Esperanca Timor Oan	96,898,000.00	94,946,209.00	- 1,951,791.00	\$ 48,449.00	\$ 47,473.10	-	\$ 47,473.10
14	Express Distribution Service and Diverse Unip. Lda.,	220,040.00	155,230.00	- 64,810.00	\$ 110.02	\$ 77.62	-	\$ 77.62
15	Far Ocean-Petroleum Lda.,	3,061,278.00		- 3,061,278.00	\$ 1,530.64	\$ -	-	\$ -
16	Fortuna Star, Lda	591,188.00	72,219.00	- 518,969.00	\$ 295.59	\$ 36.11	-	\$ 36.11

17	Gafung Petroleum Lda.,	2,962,916.00		- 2,962,916.00	\$ 1,481.46	\$ -	-	\$ -
18	Gilficac Unipessoal, Lda	767,080.00		- 767,080.00	\$ 383.54	\$ -	-	\$ -
19	Gio Motor Unip. Lda.,	251,853.80	62,220.80	- 189,633.00	\$ 125.93	\$ 31.11	-	\$ 31.11
20	Golden Energy VIP, Lda	810,402.43	304,397.73	- 506,004.70	\$ 405.20	\$ 152.20	-	\$ 152.20
21	Henk-Jon, Lda	136,562.00	43,003.20	- 93,558.80	\$ 68.28	\$ 21.50	-	\$ 21.50
22	Heranty Motor Unip.	2,103.00			\$ 1.05			\$ 1.05
23	Jonize Construction Unip. Lda.,	15,262,200.00	2,696,000.00	- 12,566,200.00	\$ 7,631.10	\$ 1,348.00	-	\$ 1,348.00
24	Jova Construction, Lda	200,000.00	0	- 200,000.00	\$ 100.00	\$ -	-	\$ -
25	Junior G.G.A Unip. Lda.,	68,388.00	28,456.00	- 39,932.00	\$ 34.19	\$ 14.23	-	\$ 14.23
26	King Construction Lda.,	915,760.00	419,820.00	- 495,940.00	\$ 457.88	\$ 209.91	-	\$ 209.91
27	Klean Gas, Lda	448,800.00	306,000.00	- 142,800.00	\$ 224.40	\$ 153.00	-	\$ 153.00
28	Limpeno Unipessoal, Lda	8,000.00	0	- 8,000.00	\$ 4.00	\$ -	-	\$ -
29	Montana Diak Unip. Lda.,	515,000.00	0	- 515,000.00	\$ 257.50	\$ -	-	\$ -
30	Mato Unipessoal, Lda	54,226,334.00	42,644,752.00	- 11,581,582.00	\$ 27,113.17	\$ 21,322.38	-	\$ 21,322.38
31	Nison Unip. Lda.,	26,158.00	13,776.00	- 12,382.00	\$ 13.08	\$ 6.89	-	\$ 6.89
32	OTE Energy Lda.,	2,040,182.00	1,548,850.00	- 491,332.00	\$ 1,020.09	\$ 74.43	-	\$ 774.43
33	Pertamina International, S.A	126,891,393.75	59,010,579.73	- 67,880,814.02	\$ 63,445.70	\$ 29,505.29	-	\$ 29,505.29
34	Petromor Unip., Lda	126,000.00	-	- 126,000.00	\$ 63.00			
35	RHJ Rahardjo Lda.,	369,607.68	134,608.60	- 234,999.08	\$ 184.80	\$ 67.30	-	\$ 67.30
36	Rufa Forever Unip. Lda.,	100,000.00	0	- 100,000.00	\$ 50.00	\$ -	-	\$ -
37	Sacom energy,	133,366,629.00	-	- 133,366,629.00	\$ 66,683.31	\$ -	-	\$ -

38	Surya Putra II, Lda	153,148.60	58,274.60	- 94,874.00	\$ 76.57	\$ 29.14	-	\$ 29.14
39	Sister Motor II and Divers Lda.,	1,524,960.00	346,600.00	- 1,178,360.00	\$ 762.48	\$ 173.30	-	\$ 173.30
40	Tanjung Motor & Diverse Unip. Lda.,	107,759.87	100,184.03	- 7,575.84	\$ 53.88	\$ 50.09	-	\$ 50.09
41	Thai Siam Auto Parts Lda.,	17,796.00	-	- 17,796.00	\$ 8.90	\$ -	-	\$ -
42	Timor Gap E.P	30,316,608.00	30,111,342.00	- 205,266.00	\$ 15,158.30			
43	Tjing Fa Ho Lda.,	33,540.00	17,472.00	- 16,068.00	\$ 16.77	\$ 8.74	-	\$ 8.74
44	Uma Asia Motorizada Lda.,	38,397.00	19,638.00	- 18,759.00	\$ 19.20	\$ 9.82	-	\$ 9.82
45	Vemisdell Unipessoal, Lda	2,233,166.00	793,800.00	- 1,439,366.00	\$ 1,116.58	\$ 396.90	-	\$ 396.90
46	VSL Oilchem Timor Lda.,	693,973.00	630,729.20	- 63,243.80	\$ 346.99	\$ 315.36	\$ 130.00	\$ 445.36
47	Zecmarco Supcons Unip. Lda.,	15,000.00	15,000.00	-	\$ 7.50			
48	ZI Harware and Machinery Lda.,	420,000.00		- 420,000.00	\$ 210.00	\$ -	-	\$ -
Total		79,309,672.13	235,676,302.59	- 243,633,369.54	\$ 239,654.84	\$ 102,774.98	\$ 130.00	\$ 102,904.98

TABLE 45: TRUE UP MECHANISM OF LICENSING FEE COLLECTED IN 2021

Table above shows that the fee payable based on the 2021 import plan is \$ 102,904.98.

LICENSING STORAGE ACTIVITY

LICENSING PROCESS OF GLOBAL OIL STORAGE FACILITY

The ANPM received location approval application from the company and conducted review to the application. The application submitted covering geotechnical soil analysis and preliminary project design. The review has been concluded and the Directorate has granted location approval to the company in third quarter of 2021.

Following the approval of location, in last quarter of 2021, the company filed its project application seeking for the ANPM review and approval. The review of the document is put forward to 2022.

PERTAMINA INTERNATIONAL S.A'S PROPOSA TO UPGRADE STORAGE FACILITY

In 2021, the ANPM provided its response to PITSA on its request submitted in 2020 to upgrade the storage tank capacity from 5,300,000 Liters to 11,100,000 Liters. The ANPM accepted the request and further requested the company to fulfill several requirements including environmental licensing process prior to implement the plan.

COLLECTING OF FEES DURING THE LICENSING PROCESS OF INSTALLATION AND OPERATION OF STORAGE FACILITY

Total fee for Storage activity collected by the Directorate in 2021 was \$ 1,007,833.34. This fee covers:

- a. Annual license fee paid for 2021
- b. Annual license fee paid for 2020
- c. Annual license fee paid for 2019

The detail information provided in two table below:

No	Name of Company	Licensing Year	Annual Fee	Annual Fee Received	Outstanding Fee
1	Esperança Timor Oan, Lda	July 2017	\$403,000.00	-	\$403,000.00
2	Pertamina International Timor	Nov 2018	\$269,000.00	\$269,000.00	-
3	Lai-Ara Nikmat Mujur Lda.,	Jan 2020	\$74,000.00	-	-
Total			\$746,000.00	\$269,000.00	\$403,000.00

TABLE 46: FEE RECEIVED IN 2021 FOR 2021 - 2022 LICENSE PERIOD STORAGE ACTIVITY LICENSE

Table above shows that total annual fee registered in 2021 is \$ 746,000. From this amount, the Directorate only collected \$269,000. This fee is lesser than registered since one of the licensed company had not paid the fee and the other requested to unimposed the fee due to the facility is not in operation. The Directorate would continue follow up with the company to close the payment.

In addition to the above, fee received in 2021 for 2020 and monthly installment:

Name of Company	Licensing Date	Amount Received	Note
Esperanca Timor Oan Lda.,		\$ 403,000.00	Fee paid for 2020
		\$ 335,833.34	Fee paid for 2019
Total		\$ 738,833.34	

TABLE 47: FEE RECEIVED IN 2021 FOR 2020 AND 2019

SUBSEQUENT INSPECTION AT LAI-ARA NIKMAT MUJUR STORAGE FACILITY

In 2021, the Directorate conducted subsequent inspection to Lai-Ara Nikmat Mukur Storage facility to verify the implementation of corrective action. The result of inspection shows that company has closed the corrective actions that required prior to the operation of the facility. Based on this inspection result, the company start the operation of the facility. Below is the inspection evidence.



FIGURE 37: SUBSEQUENT INSPECTION ACTIVITY AT LAI-ARA NIKMAT MUJUR STORAGE FACILITY FFS IN LIQUICA

LPG STORAGE AND REFILLING ACTIVITY

The Directorate conducted review to the documents submitted by Esperança Timor Oan for LPG Storage and Refilling activity. The review have been concluded and the result have been shared with the company. Authorization to carry out the activity will be granted once all the requirements communicated with the company have been fulfilled.

FUEL QUALITY MONITORING PROGRAM

In 2021, the Downstream Inspection Division conducted annual fuel quality inspection to two fuel storage facility such as Esperança Timor Oan (ETO) in Hera and Pertamina International Timor, SA (PITSA) in praia dos coqueiros Dili.

Sample collected covering gasoline and diesel and the result had been sent to laboratory for analysis. The result is expected to be received in first quarter of 2022.

ENVIRONMENTAL LICENSING PROCESS

In 2021, ANPM received and reviewed environmental licensing documents both for Category A and B projects. Category A project covering LNG Plant and Marine Facility, Petroleum Import Terminal, and modification of existing fuel storage facility. Category B covering existing and new proposed fuel filling station projects including new and existing LPG storage and refilling facilities.

The documents submitted covering Project documents, Terms of Reference (Category A projects), Simplified Environmental Impact Statement (SEIS) and Environmental Management Plan (EMP). Detail information is provided in the following sections.

PROJECT DOCUMENTS

Project document is a initial document required in the Environmental licensing process. This document provides description of the proposed project, location, rights over the land, feasibility study, brief information on environmental impact and public consultation.

In 2021, the Directorate conducted review to 10 project documents companies submitted their project documents and were reviewed by the Downstream Directorate's environmental license team. The review processes were concluded and project categories were issued to each of the companies' projects. Out of these companies, Timor Gap's Petroleum Import Terminal project was the only project categorized as Category A project. Look at the table below for details.

No	Company	Location	Note	Project Category
1	Carrier Fuel Unipessoal Lda.,	Metiaut, Dili	The review had been concluded and Project Category had been granted to each of the proponents.	B
2	Decargel Unip. Lda.,	Vemassee Baucau		B
3	Fitun Foun Unip. Lda.,	Aileu		B
4	Esperança Timor Oan Lda.,	Fomentu II, Dili		B
5	CDFG Unip. Lda.	Fatuk Fransisco, Cristo Rei, Dili		B
6	Rozi Unipessoal, Lda	Bairro Pite, Dili		B
7	Sarjo Unipessoal, Ida	Betano, Mahufahi		B
8	Otpemulia Unipessoal, Lda	Betano Manufahi		B
9	Caileba Unipessoal, Ida	Liquiça		B
10	Timor Gap E.P	Metinaro, Dili		A

TABLE 48: INFORMATION ON PROJECT DOCUMENTS REVIEWED IN 2021

The Directorate also received project document for the modification of existing storage facility submitted

by Pertamina International Timor, SA (PITSA). The Directorate requested the company to submit feasibility study and proceed to Terms of Reference stage. The company was also requested to conduct public consultation with relevant government ministries and Non-Governmental Organizations (NGOs) in the ToR stage based on the requirement of the Decree-Law no. 5/2011 and Diploma Ministerial No. 46/2017.

TERM OF REFERENCE (ToR) DOCUMENT

The Directorate reactivate the review of Terms of Reference (ToR) for proposed LNG Plant and Marine facility project to be built in Beaço, Viqueque. The review process had been initiated previously and was pending by the proponent since 2019. In late 2021, following the request from the proponent, Timor Gap E,P., the Directorate reactivated the review process of the document and the result of the review had been communicated to the company.

ENVIRONMENTAL MANAGEMENT PLAN (EMP) AND SIMPLIFIED ENVIRONMENTAL IMPACT STATEMENT (SEIS) DOCUMENTS

In 2021, the Downstream Directorate conducted review to both EMP and SEIS documents for the category B projects and facilities submitted by 24 companies.

The review 14 documents have concluded and closed while the rest are still in the review process. Detail information is provided in the table below:

No	Project	Location	Documents	Notes
1	Rarilivos FFS	Atabae, Bobonaro	EMP	Concluded
2	Nuvinex FFS	Maliana, Bobonaro	EMP	Concluded
3	Carrier Fuel FFS	Metiaut, Dili	EMP and SEIS	Concluded
4	Jotario Jisarina FFS	Manufahi	EMP	Concluded
5	DB-Ingracia FFS	Hera, Dili	EMP and SEIS	Concluded
6	Decargel FFS	Vemassee, Baucau	EMP and SEIS	Concluded
7	Realistic FFS	Hera, Dili	EMP	Concluded
8	Realistic FFS	Balide, Dili	EMP	Concluded
9	Realistic FFS	Baucau	EMP	Concluded
10	Belijo FFS	Baucau	EMP	Concluded
11	Carrier Fuel FFS	Dili	EMP and SEIS	Concluded
12	CDFG FFS	Dili	EMP and SEIS	Concluded
13	Fitun Foun FFS	Aileu	EMP and SEIS	Concluded

14	Rizara Fuel Filling Station (FFS)	Liquiça	EMP and SEIS	Under review process
15	Klean Gas FFS	Beduku, Dili	EMP	Under review process
16	Lopho Loy FFS	Lautem	EMP and SEIS	Under review process
17	Andika Lima FFS	Lequiça	EMP	Under review process
18	Ile-Chao FFS	Lautem	EMP	Under review process
19	ETO FFS-Tibar	Liquiça	EMP and SEIS	Under review process
20	Aitula FFS	Dili	EMP	Under review process
21	Alexa Unipessoal, Lda	Liquiça	EMP	Under review process
22	Golden Energy, VIP Gas_ LPG Storage and Refilling Facility	Tibar, Liquiça	EMP	Under review process
23	EDDS_LPG Storage and Refilling Facility	Beduku, Dili	EMP	Under review process
24	ETO Gas_LPG Storage and Refilling Facility	Dili	EMP and SEIS	Under review process

TABLE 49: INFORMATION ON EMP AND SEIS DOCUMENTS OF CATEGORY B PROJECTS

ISSUANCE OF ENVIRONMENTAL LICENSE

In 2021, the Downstream Directorate granted 18 Environmental License. 17 license was granted to Category B project while 1 license was granted to Category A project. Detail information is provided in the table below:

No	Project	Location	Project Category	Environmental License (EL) Status
1	Global Oil Storage Terminal	Lauhata, Bazartete, Liquiça	A	Granted
2	Risa Fuel Filling Station (FFS)	Taibessi, Cristo Rei, Dili	B	Granted
3	Fecilia FFS	Baucau	B	Granted
4	F-FDTL Homebase FFS	Metinaro, Dili	B	Granted
5	Manudare FFS	Trilolo, Baucau	B	Granted
6	Grasa Silva FFS	Bobonaro	B	Granted
7	DB-Ingracia FFS	Hera, Dili	B	Granted

8	Realistic FFS	Baucau	B	Granted
9	Realistic FFS	Hera, Baucau	B	Granted
10	Realistic FFS	Balide, Dili	B	Granted
11	Jotário Jisarina FFS	Same, Manufahi	B	Granted
12	Decargel FFS	Vemasse, Baucau	B	Granted
13	Fitun Foun FFS	Aileu	B	Granted
14	Beljo FFS	Baucau	B	Granted
15	Nuvinex FFS	Maliana Bobonaro	B	Granted
16	Rarilivos FFS	Atabae, Bobonaro	B	Granted
17	Carrier Fuel FFS	Metiaut, Dili	B	Granted
18	CDFG FFS	Becora, Dili	B	Granted

TABLE 50: ENVIRONMENTAL LICENSE ISSUED FOR CATEGORY A AND B IN 2021



FIGURE 38: PHOTO SESSION AFTER HANDOVER OF ENVIRONMENTAL LICENSE CERTIFICATES TO THE PROJECT PROPONENTS

INTER-MINISTERIAL COOPERATION

The Downstream Directorate has been continuing its coordination and relationship with relevant government entities and institutions in Timor-Leste in order to facilitate the licensing process of Downstream Activities.

No	Institutions	Coordination Objectives
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1	Serviço de Registo e Verificação Empresarial, (SERVE)	Coordination and communication in regards with the economic activity license and other legal document issued by SERVE. The ANPM facilitated the Downstream Operator to obtain legal documents at SERVE.
2	Secretaria de Estado de Terras e Propriedades	Coordination and communication in regards with the location proposed by the companies wishing to carry FFS and Storage activity.
3	Autoridade Aduneira	Coordination and communication in regards with the import of fuel and equipment to be used in Downstream sector

TABLE 51: RELEVANT GOVERNMENT INSTITUTIONS AND COORDINATION OBJECTIVES

LICENSE FEES

The Directorate in 2021 collected license fee in total of \$1,325,237.68. This fee was collected from licensing process of Installation and Operation of Fuel Filling Station, Installation and Operation of Storage Facility, and Trading of Fuel, Biofuel and Lubricant.

No	Type of activities	Total Fee in 2020
1	Installation and Operation of Fuel Filling Station	\$ 214,500.00
2	Installation and Operation of Storage Facility	\$ 1,007,833.34
3	Fuel, Biofuel and Lubricant Trading Activity	\$ 102,904.98
	Total	\$ 1,325,237.68

TABLE 52: TOTAL FEE RECEIVED IN 2021

FUEL IMPORT DATA

According to the data established by the Downstream Directorate, there are eight (8) types of products of fuel and lubricants, however types of product that imported in 2021 are seven (7) products. The graphs below provided information in types of products imported in 2021.

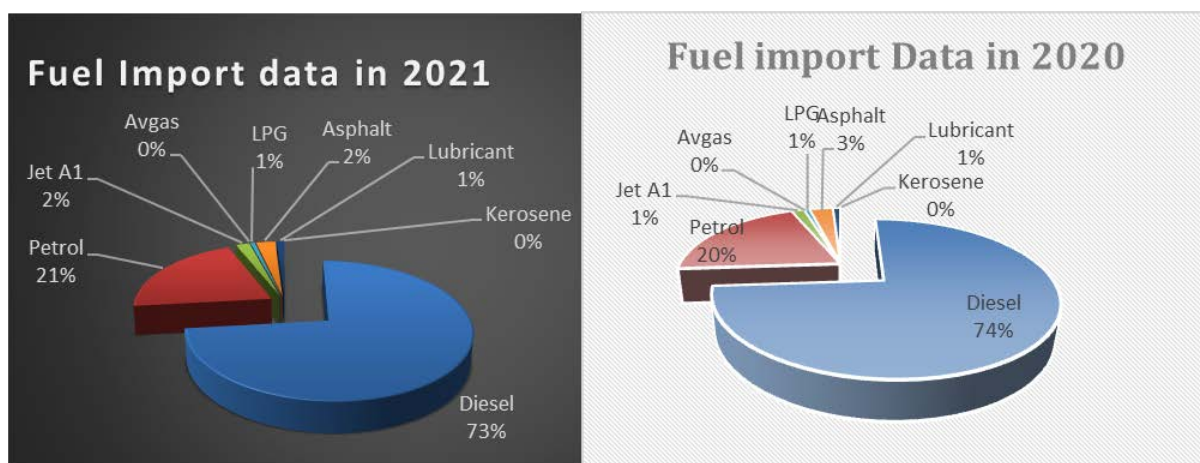
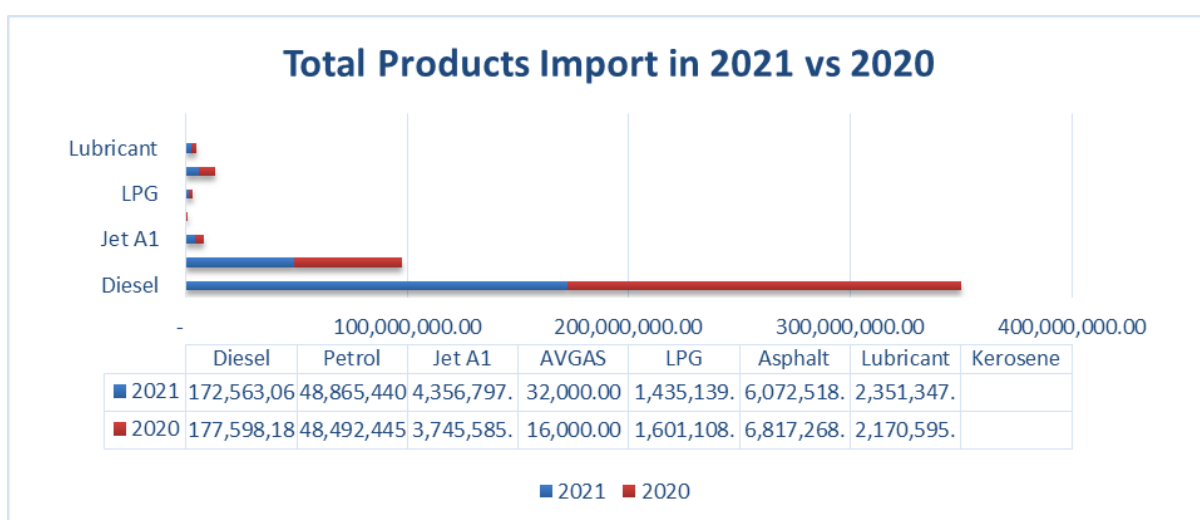


CHART 9: FUEL IMPORT DATA IN 2021 VS 2020 IN PERCENTAGE



GRAPH 18: FUELS IMPORT DATA IN 2021 VS 2021

It can be seen in both graphs that the quantity of diesel, LPG, Asphalt and Lubricant imported in 2021 were slightly lesser than 2020. Meanwhile, Petrol and Jet A1 were imported a bit more than 2020. Avgas remained the same for the 2020 and 2021 and for Kerosene were no importation made throughout 2020 and 2021.

If the importation data for diesel in graph 3 is brokedown into Automotive diesel and diesel for EDTL, it can be seen in the Graph that in 2021 EDTL imported diesel increased by 2% compare to 2020 and the importation quantity of Automotive diesel was also increased to 2%.

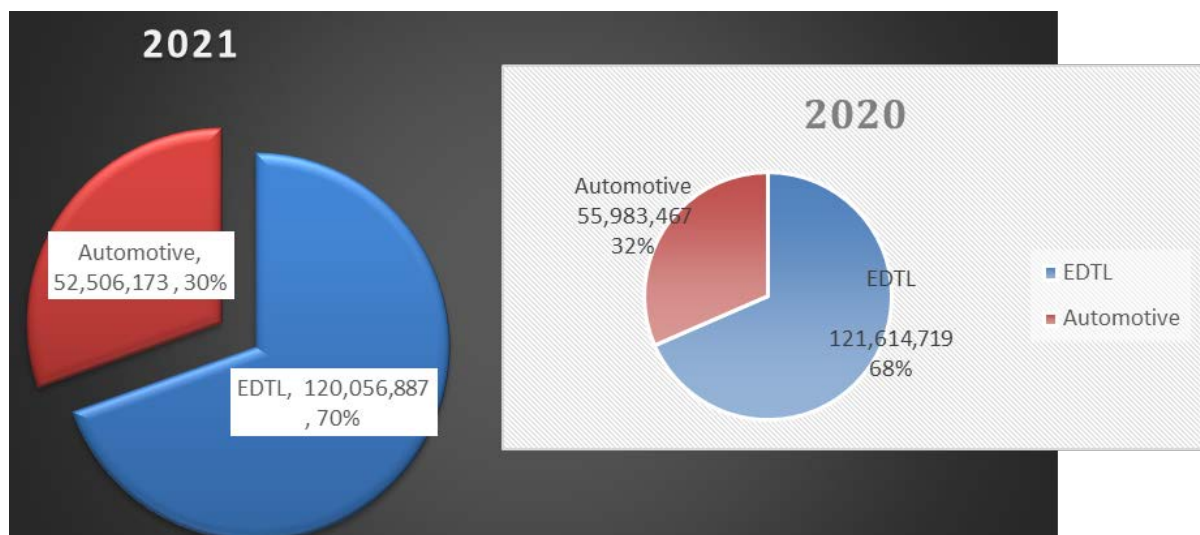


CHART 10: USE OF DIESEL IMPORTED IN 2021 VS 2020

4. MINERAL PERFORMANCE

Despite the fact that the presence of Covid 19 has impacted the overall performance of the directorate, the team continuously put extra efforts to respond to incoming application for obtaining both mining license and environmental license and continuously progress to reach the objectives and goals set for the year of 2021.

The report covering major activities from three departments such as Mineral Administration and Revenue Collection Department, Mineral Exploration and Exploitation Department and Mineral Health and Safety Department.

Apart of performing regular works, the directorate was also actively participating in extra activities entrusted by the Ministry; for instance, actively participate in Dubai Expo 2021 and organizing business forum for both petroleum and mineral sector, contribute ideas for the Timor Leste's accession to World Trade Organization.

4.1 ADMINISTRATION AND LICENSING OF MINING ACTIVITIES

PUBLIC SOCIALIZATION OF LAW NO. 12/2021 OF 30 JUNE 2021 OF MINING CODE

The Law No. No 12/21 of 30 June of Mining Code promulgated by President of RDTL on 25 June 2021 and published on *Jornal da República* with number 1/27 of 30 June 2021. This moves forward in the setting up of a modern regulatory legal framework, provided an integrated framework for the regulation of the grant of Mineral rights, including the administrative procedural rules for the granting of licenses and permits to natural and legal persons wishing to carry on Mining activities in the country.

The mining code provides more precise definition of concession areas, the rights, and obligations of Mineral Rights Holders, as well as rules on inspection and supervision of mining activities, the sanction, and penalties applicable in case of failure to perform the obligations set forth in the Mining Code, as well as specific rules on environmental protection, safety, and health in the concession areas.

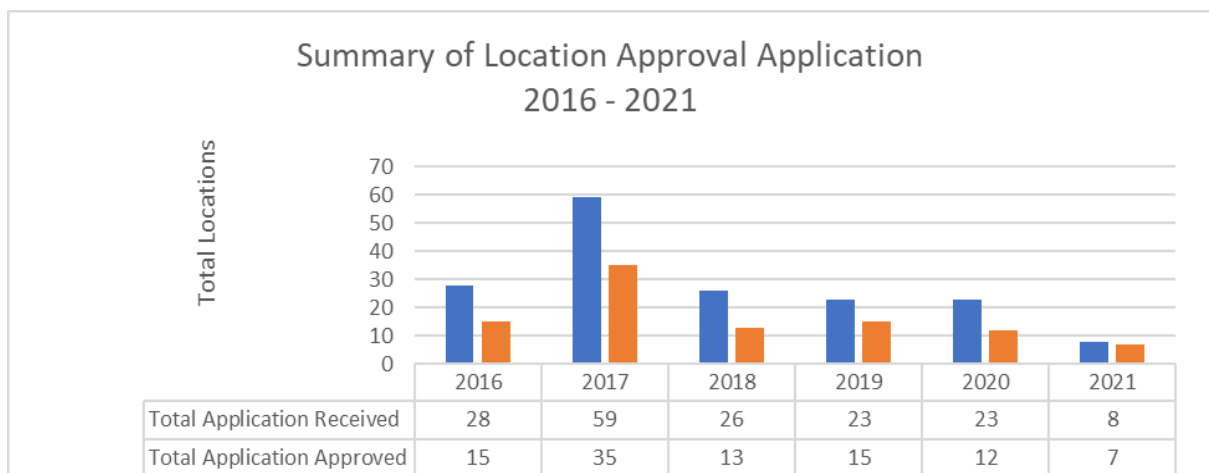
Mineral Directorate in collaboration with PSC Legal Compliances Directorate, and Commercial Directorate conducted socialization of Law. No. 12/21 of 30 June of Mining Code throughout the country to disseminate the law pertaining to mineral licensing activities in the country. For the mainland, the activity is commenced with an opening ceremony on 2nd December 2021 in Baucau Municipality and concluded on 13th January 2022 in RAEOA. The socialization is targeted for local authorities/local leaders, civil societies, veterans, local companies with the total number of approximately 100 participants.

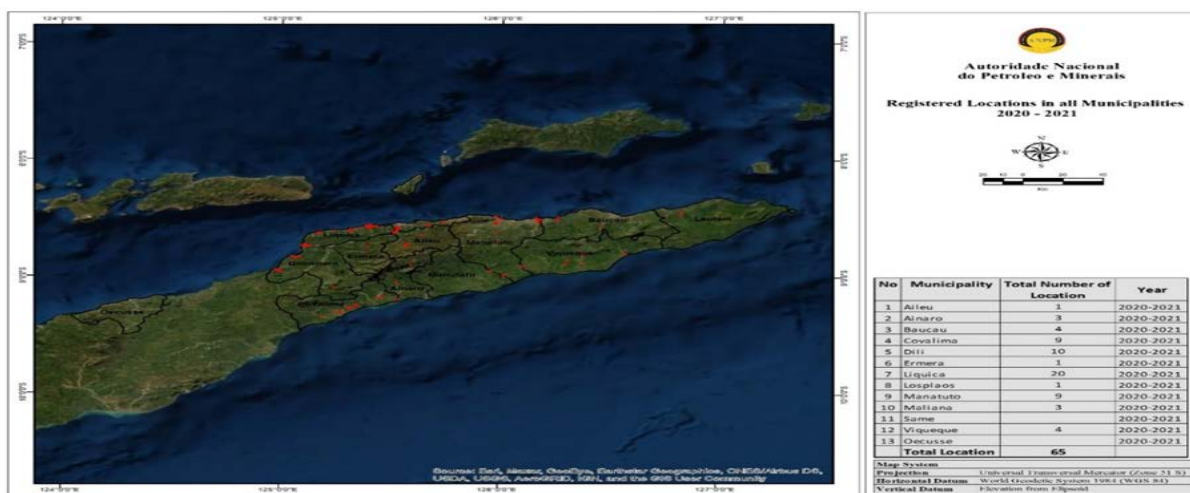


FIGURE 39: MINING CODE SOCIALIZATION IN BAUCAU MUNICIPALITY AND RAEOA-ZEEMS

🚧 LOCATION APPROVAL REGISTRY AND APPROVAL

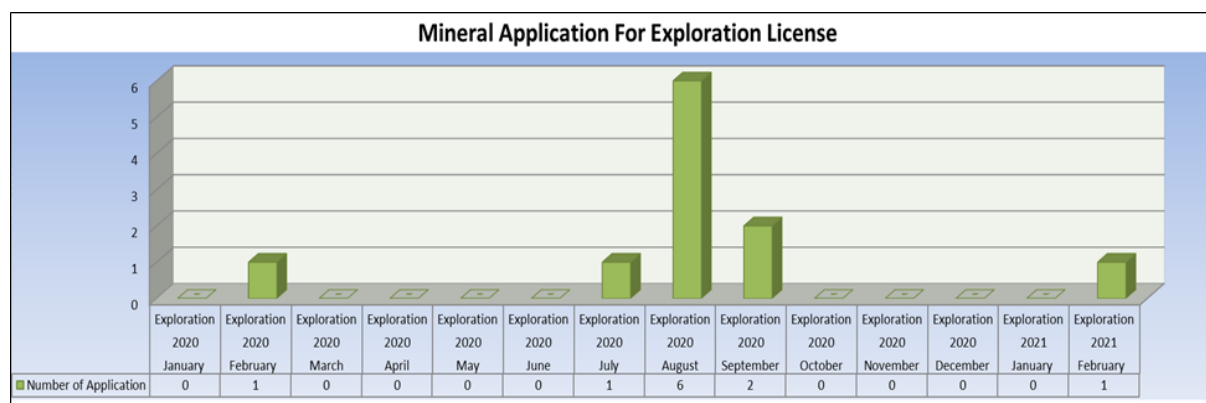
It registered that the total application for location approval for the year of 2021 is eight (8) applications; the purpose of the location approval is to support the ongoing road construction project within the territory, existing infrastructure project as well as for the commercial purpose. Total application for location approval approved in 2021 is 7 locations; apart from this four are some carry over applications from 2020 which is approved in 2021.





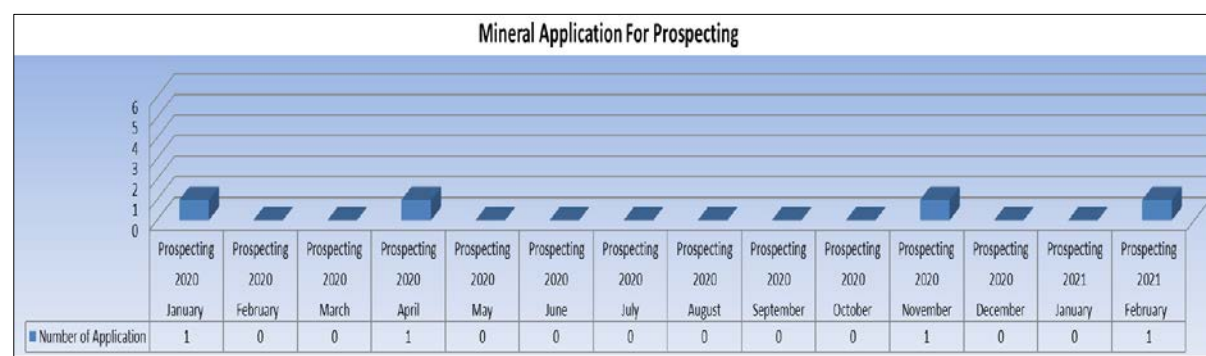
EXPLORATION LICENSE REGISTER

Mineral administration has registered one application for exploration license purpose in 2021. Peak Everest Mining is an applicant that applies for exploration license for metallic minerals in Lautem Municipality.



PROSPECTING LICENSE REGISTRY

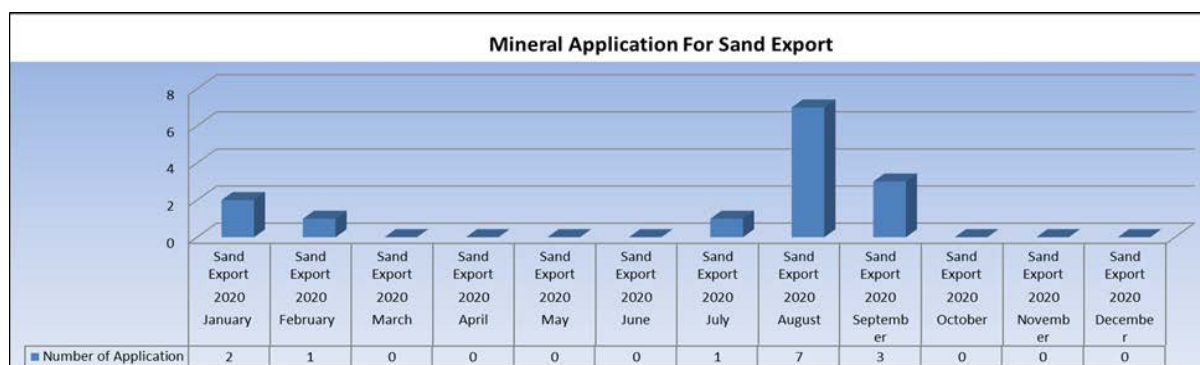
Mineral administration has registered one application for prospecting license purpose in 2021. The Gerança Construction Lda is an applicant that applies for prospecting license in Manatuto Municipality.



SAND EXPORT APPLICATION REGISTRY

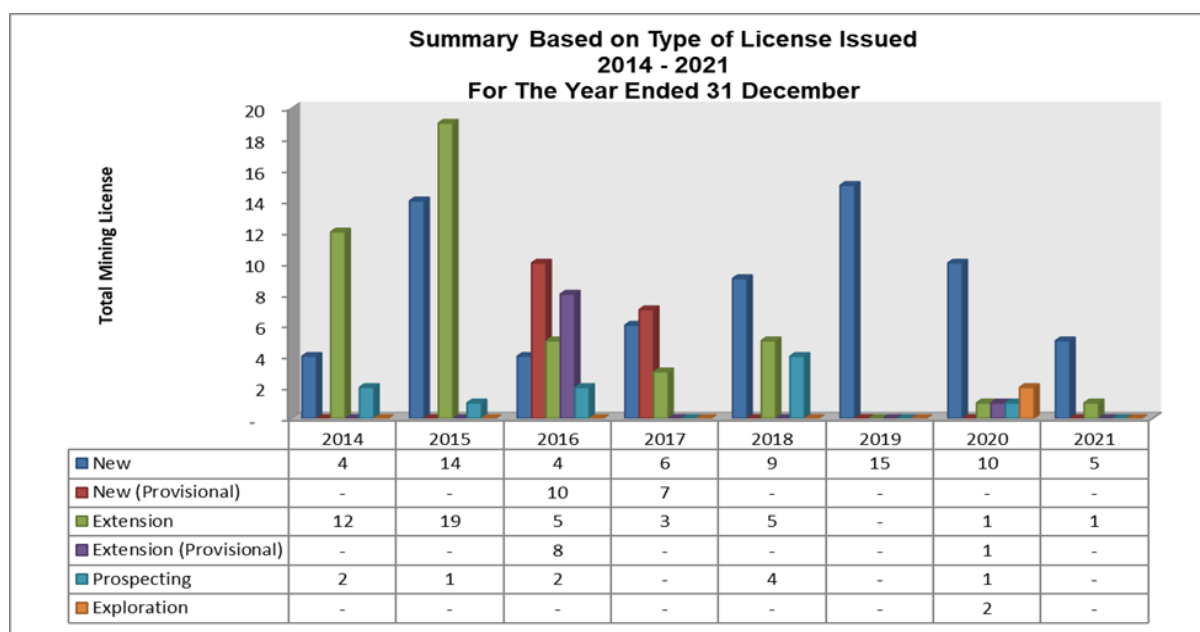
The mineral administration has registered 14 applications for the purpose of extracting sand resources from

several rivers in Timor-Leste for exporting overseas. These applications have been processing further to the Ministry of Petroleum and Mineral for further discussion and decision. Following are the details applications registered.



MINERAL LICENSE APPLICATION REGISTER AND LICENSE ISSUED

A total of fourteen (14) mineral license applications are loaded into Mineral Directorate. These compose of nine (9) new applications for mineral license; while five (5) applications are for extension of mining license. From those application, only six (6) applications are completed and proceed for mining license.



GRAPH 19: MINING LICENSE HISTORY

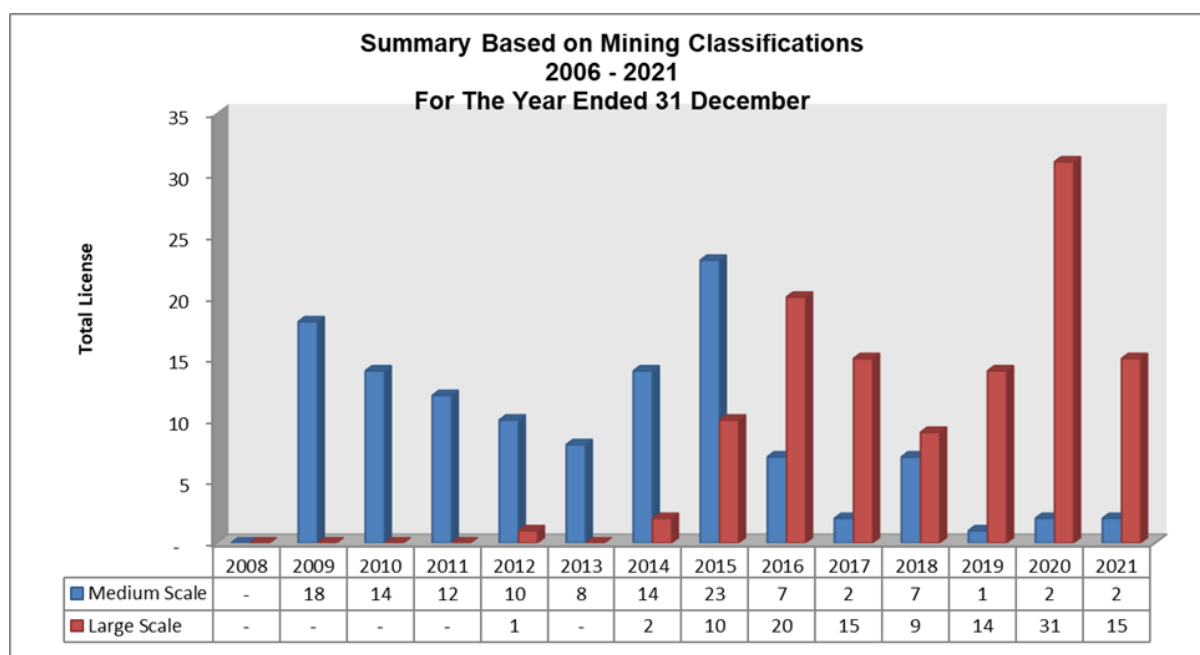


TABLE 53: LIST OF MINING LICENSE ISSUED IN 2020

4.2 ENVIRONMENTAL LICENSE APPLICATION REGISTRY AND LICENSE

The environmental license applications are sets out under Decree Law No. 5/2011 and subsequent Diploma Ministerial issued for implementation of the said Decree Law. in 2021, Mineral Directorate received total of 17 environmental application for environmental license.

ENVIRONMENTAL APPLICATION

The application assessment process covering Project document, project category, IEE (SEIS&EMP) for category B project, Site Specific Environmental Management Plan and Environmental license.

Following table provides information on the application for environmental licenses as well as reviewing progress from the directorate to respond to the submission of the application to obtain environmental license.

No.	Environmental License Stage	Proponent	Type of Activity	Status
1	Project Document (PD)	Mira Mar Block Unip., Lda.	Sand River quarry – Comoro River, Aldeia Turliu, Suco Tibar, PA Bazartete, Municipio Liquiça	Pending due to Comoro River management issue
		Golden Way Unip., Lda.	Rock quarry – Sldeia	Close/completed

			Oralan, Suco Vemasse, PA Vemasse, Municipio Baucau	
		Timor General Development Group CO., Ltd	Sand River quarry – Mota Ki'ik Rive, Aldeia Mota Quik, Suku Hera, PA Cristo Rei, Municipio Dili.	Close/completed
		Timor General Development Group CO., Ltd	Rock quarry – Aldeia Mota Quik, Suku Hera, PA Cristo Rei, Municipio Dili.	Close/completed
		Altelis Unip., Lda.	Rock quarry – Comoro River, Aldeia Nauner, Suco Ulmera, PA Bazartete, Municipio Liquiça	Close/completed
		Xirevo VC Unip.,Lda.	Rock quarry – Comoro River, Aldeia Nauner, Suco Ulmera, PA Bazartete, Municipio Liquiça	Close/completed
2	Project category	Timor General Development Group CO., Ltd	Sand River quarry – Mota Ki'ik Rive, Aldeia Mota Quik, Suku Hera, PA Cristo Rei, Municipio Dili.	Close/completed
		Timor General Development	Rock quarry – Aldeia Mota Quik, Suku	Close/completed

		Group CO., Ltd	Hera, PA Cristo Rei, Município Dili.	
		Altelis Unip., Lda.	Rock quarry – Comoro River, Aldeia Naurer, Suco Ulmera, PA Bazartete, Município Liquiça	Close/completed
		Xirevo VC Unip.,Lda.	Rock quarry – Comoro River, Aldeia Naurer, Suco Ulmera, PA Bazartete, Município Liquiça	Close/completed
3	SEIS and EMP	Timor Block Building Industry (TBBI) Unip., Lda.	Sand Quarry Project at Comoro River, Fatunia, Tibar, Bazartete, Liquiça	Close/completed
		King Construction Unip.,Lda.	Quarry at Ai-Asa River – Aldeia Lotin, Suco Daisua, Posto Administrativo Same, Município Manufahi	Close/completed
		Timor General Development Group CO., Ltd	Sand River quarry – Mota Ki'ik Rive, Aldeia Mota Quik, Suku Hera, PA Cristo Rei, Município Dili.	Close/completed
		Timor General Development Group CO., Ltd	Rock quarry – Aldeia Mota Quik, Suku Hera, PA Cristo Rei,	Close/completed

			Município Dili.	
		Altelis Unip., Lda.	Rock quarry – Comoro River, Aldeia Nauner, Suco Ulmera, PA Bazartete, Município Liquiça	Close/completed
4	SSEMP	CRIG-COVEC JV	River Quarry Project at Craras River, Aldeia Caninuc, Suco Bahalarauain, Posto Administrativo Viqueque, Município Viqueque	On progress
			River Quarry Project at Waibere River, Aldeia Wala Wau, Suco Lou-Huno, Posto Administrativo Ossu, Município Viqueque	On progress
			Sand River quarry Project at Uatua River Aldeia Uatua, Suco Gariuai, Posto Administrativo Baucau, Município Baucau	On progress

5	Environmental License	China Wu Yi CO.Ltd	Rock quarry - Aldeia Nauner, Suco Ulmera, Posto Administrativo Bazartete, Municipio Liquiça	Granted/issued
		EDS	Sand river quarry – Aldeia Fatuisin, Suco Camenaça, Posto Administrativo Suai, Municipio Covalima	Granted/issued
		Nananiu Unip., Lda.	Aldeia Cunain, Suco Matai, Posto Administrativo Suai, Municipio Covalima	Granted/issued
		Uhacae, Lda.	Aldeia Bahabunac, Suco Uma Quick, Posto Administrativo Viqueque, Municipio Viqueque	Granted/issued
		2NJ Unip.,Lda	Aldeia Raenaba, Suco Gugleur, Posto Administrativo Maubara, Municipio Liquiça	Granted/issued
		China Harbour Timor Lda. (CHT)	Kaitehu, Aldei Mota Ikun, Suco Mota Ulun, PA Bazartete, Municipio Liquica	Granted/issued
		Altelis Unip., Lda.	Aldeia Nauner, Suco Ulmera, Posto Administrativo	Granted/issued

			Bazartete, Municipio Liquiça	
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MONITORING ACTIVITY

The mineral operation licensed by ANPM are subject to monitoring and inspection by the technical team. The utilization of drone technology in mineral monitoring activity is also essentials to ensure that the collection of critical data from quarry and stockpile can be measure. In 2021, mineral technical team carried out several monitoring and audit to the companies in the country such as Weng Enterprise Group CO. Ltd in Beduku as well as China Harbour Timor (CHT) Lda. Rock quarry Category A project in Kaitehu, Aldeia Mota Iku, Suku Mota Ulun, PA Bazartete, Municipio Liquiça.

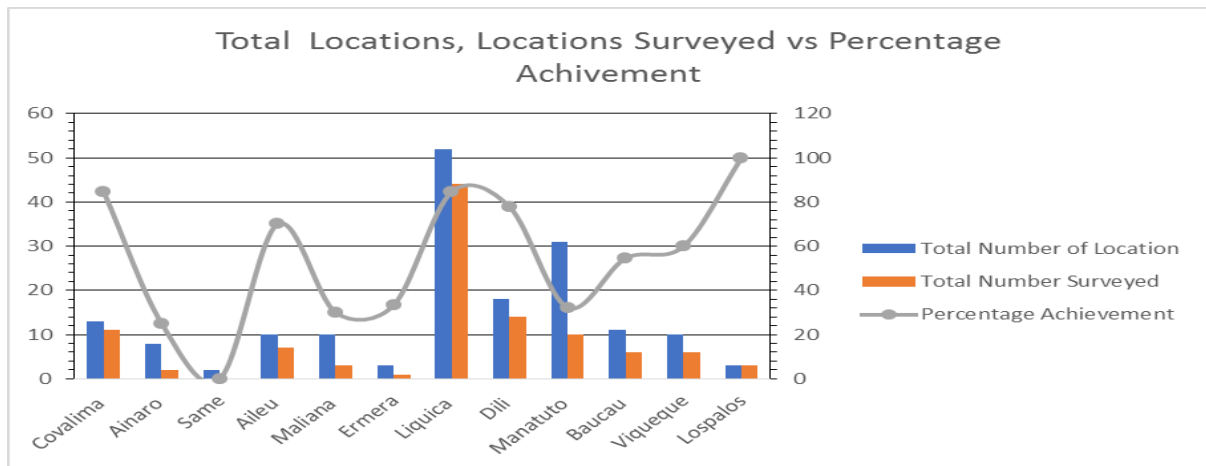
INSPECTION ACTIVITY

Inspection activity carried out by joint team between technical team from Health Safety and Environmental department and Exploration and Exploitation department team. The inspection activity carried out based on plan and random inspection. The objective of the inspection activity is to ensure the compliances of mining activities with the existing law and regulation. Details of inspection activities carried out in 2021 as follows.

- Inspection and suspension quarry activities for COVEC-JV for Road Rehabilitation Project in Lot. 1 and Lot 2 Baucau to Viqueque
- Rehabilitation program in Tibar quarry
- Rehabilitation plan for Uhacae Lda. at Watuco'o Hill. Cai Uai Ho'o, Ossu, Viqueque.

DRONE SURVEY ACTIVITY

As part of extraction activity, Exploration & Exploitation department also performed Drone Survey for both local and international company. In the period of 2021 out of 171 mining activity's locations in Timor-Leste, ANPM has performed the drone survey for both local and international companies with the percentage of 63% to the end of 2021. The purpose of drone survey is location approval visit, stockpile volumetric computation, topography survey and random inspection as deemed necessary.



4.3 MINERAL EXPLORATION ACTIVITIES

✚ MARBLE EXPLORATION ACTIVITY IN ILIMANU, MANATUTO

❖ ELEGANT MARBLE GROUP (EMG) EXPLORATION PROGRESS ACTIVITY

The Exploration activity started on April 2020, the activity was commenced by performing cultural ceremony over Marble block which is located in Maruik Raten village. During the implementation of the exploration works in Maruik Raten village, EMG has performed several geological observations as well as acquired technical information over the marble resources. Samples which are being collected was sent to EMG base camp in Behau are for further analysis.

The geological field work and observation has reached approximately 90 % (percent); as described under the approved exploration work program and budget, EMG intended to conduct subsurface observation for block ratting as well as acquire subsurface information. The subsurface geological works will be completed by implementing drilling over selected outcrops. Subsequent G&G works will also be conducted as part of the exploration work commitment which has not performed yet.

During the implementation of exploration activities EMG team also facing issue in implementing the exploration work over Marble block in Museu Area, there are a small part of the elderly, locals and youth are rejecting the presence of the company to perform the exploration works in Museu area. A part of experiencing impediment from locals, Covid - 19 has contributed to the work delay in implementing the exploration work program. The International and national travel restriction has limited EMG's movement to mobilize its technical person as well as equipment from China to Timor Leste to carry out the exploration works. Consequently, EMG has to utilize the local resources that available in the country to support the implementation of the works. Therefore, on 9th October 2020, EMG lodged a request letter to ANPM and intended request for extension for Exploration License.

❖ UMA MARBLE TIMOR (UMT) EXPLORATION PROGRESS ACTIVITY

Exploration progress work of UMT block is very different with EMG, Uma Marble Timor, Lda has not commence any exploration works and this has to do with the impediment from locals which have prevent the company to commence the exploration works as described under the approved exploration work and program.

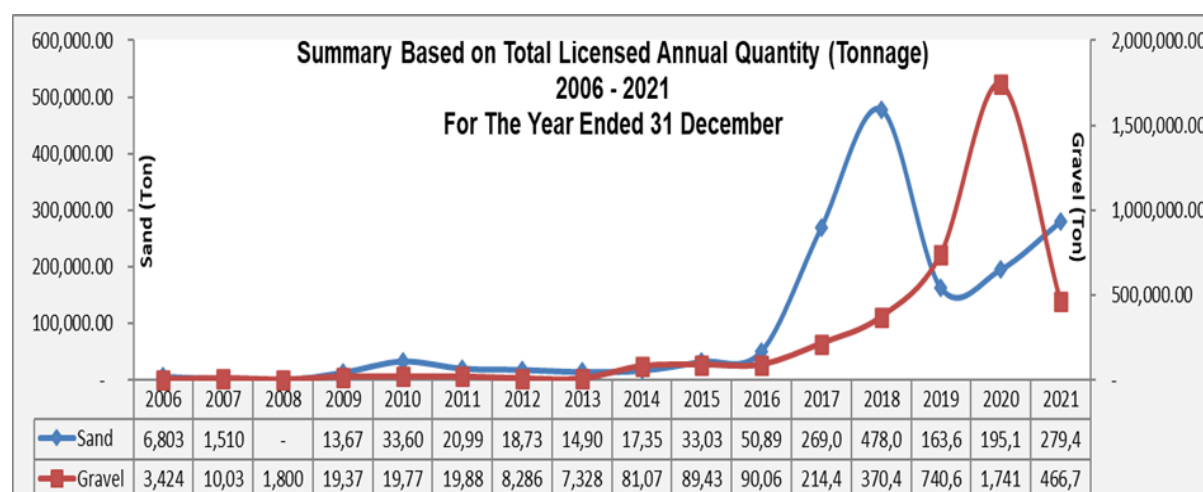
Both UMT and ANPM has worked intimately to close the matters; however, just right before finalizing the agreement with locals to resolve the impediment, the Government has declared the lockdown which resulted the movement of people from Dili to other municipalities. It is expected that once the situation is back to normal, UMT will be able to settle the issue with locals and begin to carry the exploration works.

Additionally, as part of experiencing impediment from locals, Covid - 19 has contributed to the delay in implementing the exploration work program. UMT has limited movement to carry out the work in the field to settle the social issues arise from locals.

4.4 CONSTRUCTION MATERIALS PRODUCTION AND REVENUE COLLECTION

🏗️ CONSTRUCTION MATERIAL PRODUCTION

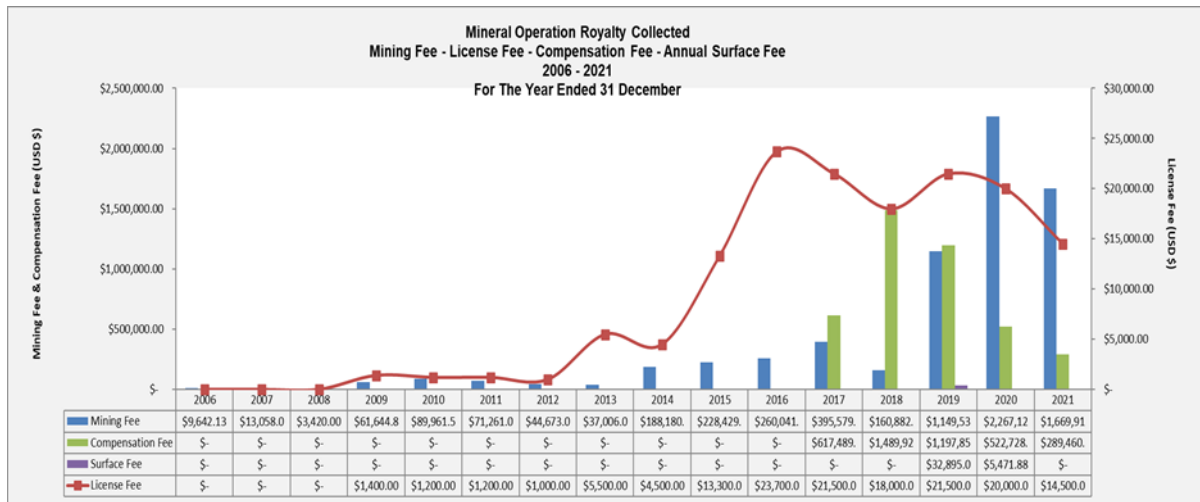
Construction Material production in 2021 is approximately 746,288.91 tons. This total is made up of 279,489.47 tons of sand and 466,799.44 tons of gravel. The quantity of construction material production for 2021 is decreasing significantly compared to the 2020 production due to COVID-19 situation and mandatory confinement announce by the Government. Details of extraction quantity as shown on table below:



GRAPH 20: QUANTITY OF MATERIAL EXTRACTED BASED ON TOTAL MATERIAL LICENSED

REVENUE COLLECTION

Revenue collection for the year of 2021 is mainly collected from license fee, compensation fee, surface fee and mineral fee. Total revenue collected is One million nine hundred and seventy-three thousand and eight hundred seventy - seven and twenty-six cents (USD 1,973,877.26). The breakdown of each type of payment as shown on graph below.



5. CORPORATE INITIATIVES

As a Timorese Autonomous organization, ANPM 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 2021, our initiatives in sharing of knowledge and experience have been stepped up by not only increasing the number but also expanding the areas of disciplines. This is primarily contributed by opportunities and lessons learnt from previous years.

5.1 GRADUATE INTERNSHIP PROGRAM

Graduates are attached to the ANPM 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. In 2021, the ANPM provided once GIP program for the period six months duration. A total of 28 graduates were selected to be attached to the directorates within the ANPM.

Graduate Internship Program (GIP)					
Group	Program	ANPM Directorate	Participants		Total
			Male	Female	
Technical Group	Geology and Geophysics	E&AR	1	1	2
	Development and Production	D&P	1	1	2
	Environment Engineering	HSE	0	1	1
	Health and Safety		0	1	1
	Oil and Gas Commercial	Commercial	1	1	2
	Local Content & Procurement in Oil and Gas	PSC Legal Compliance	0	2	2
	Oil & Gas Legal Framework		0	1	1
	Mining Engineering	Mineral	0	2	2
	Mining Environmental Engineering		2	0	2
	Geology for Mineral Exploration		2	0	2
	Downstream Environment Engineering	Downstream	1	0	1
	Downstream Health & Safety		0	1	10
	Downstream Project Appraisal & Monitoring		0	1	1
Total			8	12	20
Corporate Group	Information and Technology	CS	0	1	1
	Corporate Finance		0	1	1
	Corporate Administration & Logistic		0	1	1
	Corporate Procurement		1	0	1
	T&D		1	1	2
	Human Resource		0	1	1
	Single Auditor	Single Auditor Unit	0	1	1
Total			2	6	8

TABLE 54: GRADUATED INTERNSHIP IN 2021

5.2 UNIVERSITY FINAL YEAR PROJECT

The ANPM offers mentoring opportunity for final year students at university level to gain some work experiences and data collection for their thesis writing purpose as a part of university curriculum's requirements. A total of 6 students were assisted in data collection with different directorate within the ANPM in 2021.

Final Year Project (FYP)				
Type of Program	University / Program	ANPM Directorate	Participants	
			Male	Female
Final Year Project (FYP)				
Data Information Collection	UNDIL	D&P	1	0
	UNITAL		4	1
Total students			6	
Field Study Program	None		0	0
Total students			0	

TABLE 55: 2021 FINAL YEAR PROJECT

5.3 PUBLIC EVENTS

INTERNATIONAL EXHIBITION

On August, September and November 2021, ANPM team attended several International Exhibition and Conference in USA, Uni Emirat Arab and United Kingdom to promote 18 new blocks (Offshore and Onshore) that are available for release. This is a part of Second Licensing Round Roadshow.



FIGURE 40: ANPM TEAM ATTENDED INTERNATIONAL CONFERENCE AND EXHIBITION DURING 2021

NATIONAL EXHIBITION

On November 2021, ANPM was invited together with Ministry for Petroleum and Mineral to attend the National Exhibition in Baucau Municipality for commemorating 46th Proclamation of Independence of Timor-Leste. This exhibition also attended by the other government institution.



FIGURE 41: ANPM ATTENDED NATIONAL EXHIBITION IN BAUCAU MUNICIPALITY

ANNEX I

Audit, Consulting, Project and Office Maintenance Services Updates (January - December 2021)

I	Consultancy	Contract Fee/Item Price	Successful Company/Vendors
1	Virtual Consultant services on leadership management training	\$ 21,000.00	Schlumberger
2	Payment to Zebra data for holding VDR data	\$ 21,660.00	Zebra Data Sciences Ltd
3	Consultant Service for the 1year print +digital subscription to Petroleum Economist (FEB 2021-JAN 2022)	\$ 2,600.00	Petroleum Economist
4	Payment for IN-VR ongoing marketing efforts and business development for ANPM for the period of January 2021	\$ 27,778.00	IN-VR Limited
5	Legal consultancy service for GSSR Framework performed for the period up to including 17 Nov 2020	\$ 63,428.33	DLA Piper Australia
6	Payment for IN-VR ongoing marketing efforts + business development for ANPM for the period of February 2021	\$ 27,778.00	IN-VR Limited
7	Legal Services rendered on our matter "Legal Opinion CHTL"	\$ 8,111.25	Vieira de Almeida
8	Legal Services rendered on our matter "State Farm-In in TLC"	\$ 3,032.50	Vieira de Almeida
9	Legal Services rendered on our matter "Termination of Weng Quarry"	\$ 17,153.75	Vieira de Almeida
10	Consultant service for review of the Bayu-Undan and Kitan Well P&A Methodologies (Drew Hunger & Will Speck)	\$ 420.00	TSB Offshore, INC
11	Consultant service for review of the Bayu-Undan and Kitan Well P&A Methodologies for (Will Speck, Charles Speck and Drew Hunger)	\$ 2,100.00	TSB Offshore, INC
12	Access Server Licenses/Support and upgrades (1) Year term	\$ 2,304.00	Open VPN
13	Legal Consultancy Services on "Greater Sunrise" Up to and including 15 December 2020	\$ 25,383.00	DLA Piper Australia
14	Legal Consultancy Services on "Greater Sunrise" Up to and including 31 January 2021	\$ 76,757.22	DLA Piper Australia

15	Consultant Service on ongoing marketing + business development service for ANPM by IN-VR Limited for the period of March 2021	\$ 27,778.00	IN-VR Limited
16	Airborne Geophysical Data Quality Control - February 2021	\$ 1,814.24	Exploration General Services
17	Purchase conversation tool to convert email on Lotus Notes to Outlook	\$ 899.00	Shoviv Software PVT.LTD
18	2021 HCL software license renewal to company ISW in order to keep ANPM business operation up and running	\$ 21,417.78	ISW Development PTY LTD
19	Extend Subscription of Microsoft Office 365	\$ 24,650.95	Microsoft
20	IAGS Project Airborne geophysical data quality control (february 2021)	\$ 1,814.24	Exploration General Services
21	Asia Pacific Energy Digital Assembly 2021 - 20/04/2021 to 22/04/2021	\$ 4,000.00	Clarion Energy Limited
22	Legal Consultancy Services rendered on Greater Sunrise PSC/PMC/Technical Regulations (31 Dec 2020 - 30 Jan 2021)	\$ 71,928.75	Vieria de Almeida
23	Subscription of Argus Market Reporting on LPG and LNG market information yearly basis	\$ 25,872.00	Argus Media Ltd
24	Ongoing Marketing + business development service for ANPM from IN-VR for the period of April 2021	\$ 27,778.00	IN-VR
25	Analitical services for rock samples on provision of mineralogical geochemical in Ossuala 2020 Project	\$ 9,615.81	Australian Laboratory Services
26	Legal Service rendered on our matter "state farm-in in TLC"	\$ 66,091.25	Vieria de Almeida
27	Extends the service agreement on an existing license of Cerberus FTP server enterprise for 1 year	\$ 750.00	Cerberus
28	Consultant service on 2021 revision of ANPM decrew-law - january statement, the related statement for services rendered and expenses incurred from 21.1.01 through 21.01.31	\$ 4,188.00	Miranda & Associados
29	Payment to IN-VR for Ongoing Marketing + Business development for period of may 2021	\$ 27,778.00	IN-VR

30	Service provider to assist the ANPM in the Procurement of Calibration tools and arrangement for the certification of calibration measuring cans at Australia National weighing & instruments	\$ 11,503.73	Best Western Petroleum Services
31	Airbone Geophysical data Quality Control for period March 2021	\$ 8,706.80	Exploration General Services
32	Work performed for the period up to and including 25 February 2021 for Greater Sunrise work stream: work on PMC, Work on Fiscal issues and other matters	\$ 41,836.67	DLA Piper
33	work performed for the period up to and including 26 March 2021 focused on the Greater Sunrise work streams: work on fiscal issues and work on the other matters	\$ 6,262.78	DLA Piper
34	Legal Service provision rendered on our matter "Appointment IAB & GSSR GB Member".	\$ 3,032.50	Vieira de Almeida
35	Legal Service provision rendered on our matter "Greater Sunrise PSC/PMC/Technical Regul".	\$ 44,428.75	Vieira de Almeida
36	Consultant provision by Bro Nant International to assess Geotechnical soil analysis submitted by Global Oil Storage terminal for fuel storage facility in Liquica Timor Leste	\$ 6,400.00	Bro Nant International
37	Consultant service provision on review of the Bayu-Undan and Kitan Well P&A methodologies for activity Will Speck and Drew Hunger	\$ 966.00	TSB Offshore, INC
38	Payment on provision service Airbone Geophysical data quality control for period April	\$ 12,161.87	Exploration General Services
39	Payment for Kelton on provision of Flocal and Uncertaintyplus 5 users annual License - renewal	\$ 9,828.89	Kelton Engineering Limited
40	Payment for ongoing marketing + business development services for ANPM by IN-VR for the period of June 2021	\$ 27,778.00	IN-VR Limited
41	Payment for provide service Airbone Geophysical data	\$ 2,161.57	Exploration General Services

	quality control for period May 2021		
42	Legal services rendered on our matter "Greater Sunrise PSC/PMC/ Technical Regulations"	\$ 33,038.75	Vieira de Almeida
43	Legal services rendered on our matter "Sand Concessions and Expert Authorization"	\$ 8,747.50	Vieira de Almeida
44	Consultancy service on legal work performed on Greater Sunrise for the period up to including 28 April 2021	\$ 41,678.33	DLA Piper Australia
45	Review of Bayu Undan model in eclipse format (ANPM/d&P/WO/21/001)	\$ 9,908.80	Odin Reservoir Consultanta
46	Legal services rendered of the Greater Sunrise for the period up to and including 31 May 2021	\$ 17,522.78	DLA Piper Australia
47	Payment for ongoing marketing + busines development services for ANPM by IN-VR for July 2021	\$ 27,778.00	IN-VR Limited
48	Payment for represented ANPM at APPEA conference May 2021 for Spectrum Petroleum Solutions	\$ 1,067.50	Spectrum Petroleum Solutions
49	Payment for, on behalf of ANPM to do technical presentation during Timor Leste second online series	\$ 7,625.00	Spectrum Petroleum Solutions
50	Payment for revision for second licensing round technical slides in the period of february	\$ 1,220.00	Spectrum Petroleum Solutions
51	Payment for Paul Robinson for participating project on APPEA 2021 conference in Perth	\$ 5,718.75	Spectrum Petroleum Solutions
52	Payment for Legal service rendered on our matter "Suspension Airbone geophysical survey contract"	\$ 15,665.00	Vieira de Almeida
53	Payment on provision legal services for Timor Leste Bufallo field Drilling EIA - May and June 2021	\$ 10,664.00	Miranda and Associados
54	Payment for legal services rendered on our matter "Termination of MoU for Sand Exploitation and Export"	\$ 5,246.25	Vieira de Almeida

55	Payment for Airbone Geophysical data quality control for month June 2021	\$ 9,435.72	Exploration General Services
56	Legal services rendered on our matter "Draft mining code"	\$ 1,166.25	Vieira de Almeida
57	Payment to Buffalo for display materials printed USB with logo 600 units, metals pens with logo 300 units, hand sanitizer with logo 300 units	\$ 8,705.47	Buffalo Specialties, Inc
58	Prove Review of the "Final Draft Diploma Ministerial on Fiscal Metering" to Kelton		Kelton Engineering Ltd
59	Technical Justification to establish a Master Service Agreement (MSA) between ANPM and IRT Consultant for the purpose of carrying out subsurface studies for Greater Sunrise (GSSR)field		International Reservoir Technologies (IRT)
60	Design and Supervision Services for the Constrction of Cobe House at ANPM Farol Office	\$ 4,500.00	Celio Rene Doutel Soares
61	Legal service rendered on our matter "State farm-in in 'TLC"	\$ 21,142.50	Vieira de Almeida
62	Legal service rendered on our matter "State farm-in in 'TLC"	\$ 66,091.25	Vieira de Almeida
63	Consultancy legal services rendered on "Greater sunrise PSC/PMC/Technical Regulation"	\$ 29,557.50	Vieira de Almeida
64	Hire furnitures for ANPM stand in OTC Exhibition - Houston, Texas - USA	\$ 2,403.70	Freeman
65	NAPE Furniture rent payment	\$ 4,217.60	Freeman
66	Payment for ANPM Timor Leste Delegaion to attend and exebit in NAPE SUMMIT 2021	\$ 2,600.00	NAPE EXPO
67	Payment for consultant RFD for providing simulation software to T-Navigator , 1 x license of all modules rental period 01/08/2021 - 31/07/2022	\$ 47,520.00	Rock Flow Dynamics
68	Payment to IN-VR for booking the flight ticket - fligths (return): Athens - beirut -NYC - Houston - Beirut/Athens	\$ 21,969.00	IN-VR Limited
69	Payment to IN-VR for preparing accommodation for ANPM team	\$ 6,308.00	IN-VR Limited

70	Payment to IN-VR on provision ongoing marketing and business development by IN-VR for the period of August	\$ 27,778.00	IN-VR Limited
71	Payment for CGC for 16 hours training to Explorations teams	\$ 17,640.00	Cambridge Geoconsultants Limited
72	Justification Letter to Renew TSB Offshore Service Agreement		TSB OffShore, Inc
73	Technical Justifications to extend MSA between ANPM and Odin consultant		Odin Reservoir Consultant
74	Payment for the ANPM Standing booking for stand S2C40 technology (Gastech)	\$ 3,077.78	IN-VR Limited
75	Payment for Ecobook Annual maintenance fee with period 1 year from 15 July 2021 to 14 July 2022	\$ 1,596.00	Skynapse Business Technology
76	Payment for VdA on provision legal service rendered on our matter 'Draft Mining Code'	\$ 41,093.75	Viera de Almeida
77	Payment for new installation from DC to level 6 and troubleshooting connection to level 6 and 7	\$ 2,062.00	Kinos Unipessoal
78	Payment to vendor In-VR for preparing ticket and accomodation fee for the delegate to attend GASTEC 2021	\$ 5,675.19	IN-VR Limited
79	Payment for the ANPM Stand shell scheme at Gastech Conference and Exhibition	\$ 9,627.45	DMG world media Dubai
80	Payment for Delegate Early Bird Gastech in Dubai	\$ 13,009.50	DMG world media Dubai
81	Payment to IN-VR on provision service ongoing marketing and Business Development service for ANPM for Period September 2021	\$ 27,778.00	IN-VR Limited
82	Payment for Legal Services rendered of the Greater Sunrise for the Month of June 2021	\$ 38,148.33	DLA Piper Australia
83	Payment for Legal Services rendered of the Greater Sunrise for the month of July 2021	\$ 12,232.22	DLA Piper Australia
84	Payment for Legal Services rendered of the Greater Sunrise for the Month of August 2021	\$ 3,655.56	DLA Piper Australia

85	Payment for provision services on Bayu Undan end of Field Life and Decommissioning Advice up to and Including 31 aug 2021	\$ 20,160.56	DLA Piper Australia
86	Draft Master Service Agreement - Tacimané Project		Mr. Peter Cockcroft
87	Payment for IN-VR personnel to assist ANPM team for Business forum in Dubai, flights, accommodation and expenses for Dubai Expo (IN-VR, 6 nights)	\$ 11,739.96	IN-VR Limited
88	Payment for IN-Vr Limited personell traveling to Luanda to assist the ANPM Team participation in conferences	\$ 2,073.56	IN-VR Limited
89	Payment for Gastech event	\$ 4,532.20	IN-VR Limited
90	Payment on ongoing provision marketing and business development service for ANPM for month october	\$ 27,778.00	IN-VR Limited
91	Consultancy service review of Bayu Udan Model in Eclipse Format (FOI JUL-AUG-SEPT)	\$ 21,348.00	Odin Reservoir Consultant
92	Payment for Expenses on Dubai	\$ 1,019.06	IN-VR Limited
93	Payment to the consultant provision service on Phase 1 of Greater Sunrise, Subsurface Reservoir Studies	\$46,666.67	International Reservoir Technologies, Inc.
94	Lawsuit NUC 0144/17.CVTDD(ARJUMAR)-September 2021 Statement	\$6,208.00	Miranda & Asociados
95	Third party liability insurance at ADIPEC	\$304.00	C3 Exhibitions FZC LLC
96	Payment ANPM stand at ADIPEC, Dubai MDF, stand structure with paint flooring, storage room with door, furniture, table, chairs, 75inch TV & 42 Inch TV	\$7,433.00	C3 Exhibitions FZC LLC
97	Payment to DMG for ADIPEC Abu Dabhi 2021 delegate pass fee	\$21,840.00	DMG World Media Ltd
98	Payment for the stand space renting at ADIPEC	\$20,604.15	DMG World Media Ltd
99	The payment for the exhibition world Energy Capital Assembly 2021 from 29 November 2021 to 30 November 2021	\$ 10,062.00	Clarion Energy Limited
100	Payment for the service rendered and expenses incurred from 1 August 2021 - 31 August 2021	\$ 602.00	Miranda & Asociados
101	Provision legal assessment on feed gas sales Pruchase Agreement (FGSPA)	\$ 25,000.00	DLA Piper
102	Payment for Clarion for world Energy Capital Assembly 2021 participation	\$ 5,030.40	Clarion Energy Limited

103	Payment for Consultancy service for reviewing and identified prospect within the contract area of PSC - 17-08	\$ 27,000.00	GLJ Petroleum
104	Payment for IN VR team to travel ticket, accommodations and expenses to London for the London roadshow	\$ 10,907.09	IN - VR Limited
105	Payment for Quality Achievements Awards 2021 organized by ESQR in Dubai on December 11, 2021	\$ 4,100.00	European Society For Quality Research
106	Payment for Legal Services rendered on our matter - "Draft Mining Code"	\$ 350.00	Vieira de Almeida
107	Payment for provision service focused on the Greater Sunrise work streams performed for the period up to and including 25 October 2021	\$ 14,605.56	DLA Piper Australia
108	Payment for Translation of Mining Code from Portuguese into English	\$ 12,500.00	Vieira de Almeida
109	Payment for the Review of Bayu Undan Model in Eclipse format (ANPM/D&P/WO/21/001)	\$ 10,120.00	Odin Reservoir Consultants
110	Payment for Legal Services on our matter "Greater Sunrise PSC/PMC/Technical Regulations"	\$ 35,875.00	Vieira de Almeida
111	Payment for DLA piper focused on the Greater Sunrise work streams, invoice for work performed for the period up to and including 30th September 2021	\$ 31,154.44	DLA Piper Australia
112	Provision service on ongoing marketing + business development services for ANPM for period of December	\$ 27,778.00	IN - VR Limited
113	Payment for provision service on cross sections and report with GIS deliverable	\$ 17,640.00	Cambridge Geoconsultants Limited
114	Event 701319-ADIPEC November 2021	\$ 954.26	Global Experience Specialists Exhibition services
115	Payment for delivered the virtual of OFM training - Day 4 only to D&P team during one day	\$ 2,393.62	Schlumberger Oil Field Australia
116	Payment for provision service	\$	PT. BSI Group Indonesia

	on surveillance audit of ISO 27001:2013	10,725.00	
117	Payment for provision legal service on 2021 - Bayu Undan Decommissioning Agreement 1 June thorough 5 August 2021	\$ 29,871.00	Miranda and Asociados
118	Provision service on Phase 2 of Gretaer Sunrise subsurface reservoir studies in Geophysics, Geology work, petrophysics, Basic reservoir Engineering	\$ 190,444.44	International Reservoir Technoogies, INC
119	Provision Legal service on Bayu Undan Decommissioning 1- through 6 December 2021	\$ 5,504.00	Miranda and Asociados
120	Consultancy service on review of Ministerial Diploma on Fiscal Metering	\$ 7,623.00	Kelton Engineering Limited
121	Payment to DLA Piper for work focused on Greater Sunrise work Streams, work performed period up to and including 29 November 2021	\$ 8,803.33	DLA Piper Australia
122	Payment to DLA Piper for work focused on Greater Sunrise work Streams, work performed period up to and including 2o December 2021	\$ 3,334.44	DLA Piper Australia
	Sub Total	\$ 2,089,905.80	
	Services		
1	Shipping the ANPM Rocks sample from Timor Leste, Dili to ALS Laboratory Perth, Australia	\$ 1,615.00	DHL Express Lda
2	Custom Clearance payment of the USB Dongle Siroquant Software	\$ 997.19	Custom
3	Call out to check ATS removed and replaced contactor AC 220V include labor cost- Generator maintenance	\$ 225.00	A1 Services
4	Subscription of ANPM domain (anpm.tl - domain) renewal for 5 years from 2021-2026	\$ 378.40	Instra Corporation
5	Payment to STL corp, for advertising ANPM - RFP (Supply new Dell Laptops & Monitors to ANPM)	\$ 350.00	STL Corporation

6	Payment to GMN TV, for advertising ANPM - RFP ANPM/PROC/RFP/20/2013 (Supply new Dell Laptops & Monitors to ANPM)	\$ 300.00	GMN TV
7	Payment to Timor Post, for advertising ANPM - RFP (Supply new Dell Laptops & Monitors to ANPM)	\$ 300.00	Timor Post
8	Payment to Independente, for advertising ANPM - RFP ANPM/PROC/RFP/20/2013 (Supply new Dell Laptops & Monitors to ANPM)	\$ 200.00	Independente
9	Payment to STL corp, for advertising ANPM - Job vacancy (Administration Officer)	\$ 525.00	STL Corporation
10	Payment to Timor Post, for advertising ANPM - Job vacancy (Administration Officer)	\$ 450.00	Timor Post
11	Payment to STL corp, for advertising ANPM - Notification of Award	\$ 350.00	STL Corporation
12	Payment to STL corp, for advertising ANPM - Short-Listing result	\$ 175.00	STL Corporation
13	Payment to Timor Post, for advertising ANPM - Notification of Award	\$ 300.00	Timor Post
14	Payment to GMN TV, for advertising ANPM - Notification of Award	\$ 300.00	GMN TV
15	Payment to Independente, for advertising ANPM - Notification of Award	\$ 200.00	Independente
16	Payment to STL corp, for advertising ANPM - RFP (Re-Tender Supply New Vehicles to ANPM)	\$ 350.00	STL Corporation
17	Payment to STL corp, for advertising ANPM -RFP (Office Maintenance Service)	\$ 350.00	STL Corporation
18	Payment to Timor Post, for advertising ANPM - Job vacancy (Junior Risk & Compliance Auditor)	\$ 450.00	Timor Post
19	Payment to STL corp, for advertising ANPM - Job vacancy (Junior Risk &	\$ 525.00	STL Corporation

	Compliance Auditor)		
20	Payment to Timor Post, for advertising ANPM - Short-listing 1st Batch GIP 2021	\$ 150.00	Timor Post
21	Payment to STL corp, for advertising ANPM - Short-Listing result 1st Batch 2021	\$ 175.00	STL Corporation
22	Payment to Independente, for advertising ANPM - Notification of Tender cancelation (Supply New Vehicle)	\$ 100.00	Independente
23	Payment to GMN TV, for advertising ANPM - Notification of Tender cancelation (Supply New Vehicle)	\$ 150.00	GMN TV
24	Payment to Timor Post, for advertising ANPM - Notification of Tender cancelation (Supply New Vehicle)	\$ 150.00	Timor Post
25	Payment to STL corp, for advertising ANPM -Notification of Tender cancelation (Supply New Vehicle)	\$ 175.00	STL Corporation
26	Payment to STL corp, for advertising ANPM - Graduate Internship Program 2021	\$ 350.00	STL Corporation
27	Payment to Timor Post, for advertising ANPM - Office Maintenance Service ANPM/PROC/RFP/20/014	\$ 300.00	Timor Post
28	Payment to GMN TV, for advertising ANPM - Office Maintenance Service ANPM/PROC/RFP/20/014	\$ 300.00	GMN TV
29	Payment to Independente, for advertising ANPM - Office Maintence Service ANPM/PROC/RFP/20/014	\$ 200.00	Independente
30	Payment to Timor Post, for advertising ANPM - Graduate Internship Program 1st Batch 2021	\$ 300.00	Timor Post
31	Payment to GMN TV, for advertising ANPM - Graduate Internship Program 1st Batch 2021	\$ 100.00	GMN TV
32	Payment to STL corp, for advertising ANPM - RFP	\$ 350.00	STL Corporation

	(Supply New Vehicles) ANPM/PROC/RFP/20/012		
33	Payment to Independent, for advertising ANPM - Notification of Award	\$ 200.00	Independente
34	Payment to Independent, for advertising ANPM - RFP (Supply New Vehicle) ANPM/PROC/RFP/20/012	\$ 200.00	Independente
35	Payment to Timor Post, for advertising ANPM - RFP (Supply New Vehicle) ANPM/PROC/RFP/20/012	\$ 300.00	Timor Post
36	Payment to GMN TV, for advertising ANPM - RFP (Supply New Vehicle) ANPM/PROC/RFP/20/012	\$ 300.00	GMN TV
37	Realocate 20ft container within Farol Office compound	\$ 240.00	Statewest Crane and truck Hire
38	Payment for advertising the short-listing of vacancy Junior Risk & Compliance Auditor	\$ 150.00	Timor Post
39	Payment of rent the warehouse period from 25 Jan 2021 - 24 Feb 2021	\$ 882.00	JYL International
40	Payment for advertising Projeto Perfuracao Petroleo iha Municipio	\$ 90.00	RTTL,EP
41	Payment for RFQ 012 - Procurement of Venue and facilities for TL Energy online series	\$ 3,371.00	Novo Turismo
42	Call for fence maintenance at front office (Farol Office)	\$ 1,189.00	Grupo Timau
43	Call for maintenance at farol office for Potong pagar and perbaiki atap genteng	\$ 250.00	Grupo Timau
44	Shipment of Downstream Directorate	\$ 2,153.57	Bollore Logistics Timor Unipessoal Lda
45	Furniture for the APPEA - Ongoing Marketing efforting for ANPM promote Timor Leste 2019/2021 roadshows and bidding around	\$ 2,782.93	Harry the Hirer
46	Payment to secure ANPM booth in the Nape 2021, Houston, Texas, USA	\$ 1,900.00	NAPE Expo
47	Payment to secure ANPM booth in the OTC 2021, Houston, Texas, USA	\$ 3,750.00	Offshore Technology Conference

48	Payment for renting warehouse	\$ 2,646.00	JYL
49	Payment to PT. Prodata Sistem Teknologi for Manage Engine License renewal	\$ 16,256.00	PT. Prodata Sistem Teknologi
50	Payment for purchasing Licensing of software maintenance and web filter kerio control	\$ 888.00	Han Technology Pty Ltd
51	Advance payment for ANPM booth customizing in the OTC 202, Houston ,Texas	\$ 6,895.00	Freeman
52	ANPM Doctor medical services related to corona Virus 19		Dr. Ari Jayamti Pereira Tilman
53	Payment for customising ANPM booth in NAPE EXPO LP - NAPE SUMMIT 2021(August 19,2021 - August 20, 2021)	\$ 12,469.29	Freeman
54	Payment to IN-VR for NAPE and OTC tickets for ANPM, IN-VR and Timor GAP	\$ 4,888.89	IN-VR Limited
55	Printing Materials to be displayed in the stand	\$ 1,687.62	Crest Printing
56	Annual IHS kingdom license software	\$ 15,285.84	HIS Global Pte Ltd
57	Fuel Supply to ANPM		Pertamina International Timo, SA
58	Leica DM 4P Microscope which procured from Leica Microsystems SEA Pte Ltd. To be ship from Leica Microsystems factory and DCC warehouse in Wetzlar, Germany	\$ 6,552.40	Crossland Shipping Services Lda
59	Procurement of venue and catering services for environemntal license _ Exploration Drilling - PSC 17-08	\$ 1,086.75	Timor Plaza Hotel and Apartmenta
60	Monthly Cost for dedicated Internet Access and Installation fee for rent house and office in suai	\$ 4,950.00	Telkomcel
61	Laptop rent for evaluation committee members - Exploration Drilling PSC TL-OT 17-08	\$ 22,500.00	Visimitra Unipessoal Lda
62	Payment for Announcement on GMN for RFP Fornese servisu hamos Edifisiu	\$ 150.00	GMN
63	Payment for Announcement on STL for RFP Fornese servisu hamos Edifisiu	\$ 350.00	STL
64	Payment for Announcement on TP for RFP Fornese servisu	\$ 300.00	TP

	hamos Edifisiu		
65	Payment to GMN TV, for advertising ANPM - Announcement of Project Proposal category A	\$ 500.00	GMN TV
66	Payment to STL corp, for advertising ANPM - Graduate Internship Program	\$ 175.00	STL corp
67	Payment to STL corp, for advertising ANPM - Graduate Internship Program Short-listing	\$ 175.00	STL corp
68	Payment to Timor Post, for advertising ANPM - Graduate Internship Program	\$ 150.00	Timor Post
69	Payment to Timor Post, for advertising ANPM - Graduate Internship Program Short-Listing	\$ 150.00	Timor Post
70	Payment to GMN TV, for advertising ANPM - RFP for Internet Service to ANPM Office ANPM/PROC/RFP/21/006	\$ 300.00	GMN TV
71	Payment to GMN TV, for advertising ANPM - RFP for Inspection to Storage Facility and Review of Storage Activity Application, ANPM/RPOC/RFP/21/007	\$ 300.00	GMN TV
72	Payment to Independent, for advertising ANPM - RFP for Internet Service to ANPM Office, ANPM/PROC/RFP/21/006	\$ 200.00	Independent
73	Payment to STL corp, for advertising ANPM - RFP for Inspection to Storage Facility and Review Activity Application, ANPM/PROC/RFP/21/007	\$ 350.00	STL corp
74	Payment to Timor Post, for advertising ANPM - RFP for Internet Service to ANPM Office, ANPM/PROC/RFP/21/006	\$ 300.00	Timor Post
75	Payment to STL corp, for advertising ANPM - RFP for Internet Service to ANPM Office, ANPM/PROC/RFP/21/006	\$ 350.00	STL corp
76	Payment to Timor Post, for advertising ANPM - RFP for Inspection to Storage Facility and Review of Storage Activity Application, ANPM/PROC/RFP/21/007	\$ 300.00	Timor Post
77	Payment to Independent, for advertising ANPM - RFP for Inspection to Storage Facility and Review of Storage Activity Application,	\$ 200.00	Independent

	ANPM/PROC/RFP/21/007		
78	Payment for Minor Equipment of Analytical Services for Rock sample on Provision of Mineralogical Geochemical in Ossuala 2020 Project	\$ 27,315.13	Australia Laboratory Service
79	Payment for advertisement of ANPM recruitment process for three positions in Tetun by Human Resources	\$ 450.00	GMN
80	Payment for advertisement of ANPM recruitment process for three positions in Tetun by Human Resources	\$ 525.00	STL
81	Payment for advertisement of ANPM recruitment process for three positions in Tetun by Human Resources	\$ 450.00	Timor Post
82	Payment for advertisement on ANPM procurement tender in tetun for " Fornese Manutensaun Edifisiu ANPM	\$ 350.00	STL
83	Advertisement of ANPM recruitment process for Executive Secreatry and IT Information system & Network Security Assistant in Tetun	\$ 525.00	STL
84	Payment for advertisement of ANPM procurement tender in Tetun " Fornese Manutensaun Edifisiu ANPM"	\$ 100.00	Independente
85	Payment for advertisement of ANPM procurement tender in Tetun " Fornese Manutensaun Edifisiu ANPM"	\$ 150.00	Timor Post
86	Payment for advertisement of short-listing for executive secretary & IT ISNS Assistant in English version	\$ 175.00	STL
87	Venue for PSC signing ceremony with Timor GAP	\$ 2,458.00	Novo Turismo
88	Cocktails event with Carnarvon on 22 and 23 of December 2021	\$ 1,581.00	Hotel Timor
	Sub Total	\$ 163,334.01	

III	Audit	Contract Fee/Item Price	Sucessful Company/Vendors
1	ANPM financial statement, petroleum and mineral revenue external audit for fiscal year of 2020	\$ 57,990.00	Ernest and Young, S.A
	Sub Total	\$ 57,990.00	
IV	Goods		
1	Cash advance to purchase additional masker for ANPM staffs	\$ 300.00	Leader Supermarket
2	Procurement of hand sanitizer 50ml	\$ 46.00	Leader Supermarket
3	Procurement of Steel 5 shelves rack display @ \$225.00 x 60	\$ 13,500.00	Meimart Supermercado
4	Cash Advance for Mask disposable protective VE FM1 01 001	\$ 300.00	Humberto Pereira
5	Procurement of Headset Speaker for ANPM Management Team	\$ 300.00	Boa Ventura
6	Procurement of goods and services - procurement of toiletts equipment, replacing the goods	\$ 380.00	Friends Lda
7	Procurement of Huawei 4G Router for ANPM Management Team	\$ 1,650.00	Telkomcel
8	Procurement Laptop Lenovo Thinkpad X250/X260 Adaptor and power cable	\$ 200.00	Zeon International
9	Procurement of goods and services - procurement of toilets equipment, replacing the goods	\$ 380.00	Friends Lda
10	Procurement of Antigen Rapid Test	\$ 875.00	Boa Ventura
11	Procurement of Disposal face masks 50s	\$ 237.50	Centro Supermercado
12	Procurement of Rinse hand sanitizer	\$ 50.00	Leader Lda
13	Procurement of Surgical gloves	\$ 112.50	Meimart Supermercado
14	Procurement of mask KF94	\$ 637.00	Boa Ventura
15	Payment to Stationary from Boaventura - ANPM/PROC/RFQ/21/027	\$ 3,335.00	Boaventura
16	Payment to Minor Equipment - Procurement for Toner cartridge HP	\$ 1,000.00	Sylvia

	201A		
17	Payment for Minor Equipment (Procurement of type recorder sony ICD-PX240 (TW/TE/TJ))	\$ 190.00	Zeon International Digital & IT Solution
18	Payment for Minor Equipment (Procurement of External drive Toshiba 4TB)	\$ 165.00	3GShops
19	Procure and printing of Polo Shirt for onshore drilling campaing	\$ 2,375.00	Instantshop
20	Payment to Vinod Patel Investments Timor, S.A., for supplying Fixed Assets such as Husqvarna Brush Cutter and Husqvarna Lawn Mower for Farol Office	\$ 790.00	Vinod Patel Investment Timor, S.A.
21	Procurement of face mask (disposable mask)	\$ 475.00	Boa Ventura
22	Payment for flowers for commemorate Heroes day / Invasion day at Dili Port	\$ 80.00	Florista Boetae Cruz
23	Procurement of CorelDraw Graphics Suite 2021 Enterprise	\$ 1,320.00	3G Shop
24	Printer Epson L3110 (SPE/SPN/SEJ0 Print scan and copy	\$ 1,150.00	Zeon International
25	Purchase IT Equipment fo Onshore Drilling Covalima	\$ 655.00	Zeon International
26	Purchase cable transfer mini Pro CY-486A, Crimping tools Lo Master (L,P), cable ties 3x200mm (s), Baterry Panasonic Alkaline 9volt (S,W), Connector RJ45 for cat6 NYK (R,R)	\$ 185.75	Zeon International
27	Procurement of Kobe House and delivery	\$ 4,695.00	Wang Jinhu Company
28	Payment to Leader Supermarket for provide ANPM staff voucher	\$ 13,600.00	Leader Lda
Sub Total		\$ 48,983.75	
Total		\$ 2,360,213.56	

Prepared by:

**PMS Officer - Procurement
Department**

ANNEX II



AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

GENERAL INFORMATION

Board of Directors:	Mr. Florentino M. Soares Ferreira Mr. Jose Gonçalves Mr. Jonianto Monteiro Mr. Mateus da Costa Mr. Nelson de Jesus
Date of formation:	In terms of Decree-Law No.27/2019 dated 27 August 2019 as the 2 nd amendment to the Decree Law no. 20/2008
Principal Activities:	Autoridade Nacional do Petróleo e Minerais (ANPM) is a public institution created pursuant to the Decree Law No.27/2019 dated 27 August 2019 as the 2 nd amendment to the Decree Law no. 20/2008 of the Democratic Republic of Timor-Leste. The ANPM is Timor-Leste's body responsible for managing and regulating petroleum and mineral activities in Timor-Leste areas and in the Joint Petroleum Development Area ('JPDA') in accordance with the Decree Law on the establishment of the ANPM, the Timor-Leste Petroleum Activities Law, and the Timor Sea Treaty ('Treaty').
Place of business:	Edifício do Ministério das Finanças, Pisos 6 e 7 Apartado 113, Aitarak Laran, Dili, Timor-Leste
Single Auditor:	Mr Oscar Sanches Faria
Director of HTLA and Acting Director of FPI:	Mr Dionisio Martins
Bankers:	Australia and New Zealand (ANZ) Banking Group Limited
Currency:	United States Dollars

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DIRECTOR'S DECLARATION

In accordance with a resolution of the directors of Autoridade Nacional do Petróleo E Minerais ('ANPM'), in the opinion of the directors:

- (a) The financial statements present fairly the ANPM's financial position as at 31 December 2021 and of its performance for the year ended on that date; and
- (b) The financial statements have been prepared in accordance with International Financial Reporting Standards.

For and behalf of the ANPM Board of Directors:



Dionísio Martins
Director of Human Resource, Administration, Logistic and Training Directorate and Acting Director of Corporate Finance, Information & technology, and Procurement Directorate



Florentino M. Soares Ferreira
President of ANPM

Dili, Timor-Leste
30 / May /2022

Independent auditor's report to the Directors of Autoridade Nacional do Petróleo e Minerais

Opinion

We have audited the financial report of Autoridade Nacional do Petróleo e Minerais ("the Authority"), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Authority are 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 directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young
Perth
30 May 2022

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	\$	\$
REVENUE AND OTHER INCOME			
Contract service fees		320,000	320,000
Subsidy from Timor-Leste Government		8,735,000	9,310,458
Downstream fees		1,197,683	1,018,317
Downstream licenses - trading fees		117,913	120,351
Interest		70	722
TOTAL INCOME		10,370,666	10,769,848
EXPENSES			
Employee costs	16	3,024,473	2,692,459
General and administration	17	3,957,287	4,520,325
Depreciation and amortization		407,481	500,630
Interest expense		273	1,246
Net loss/(gain) in foreign exchange		1,551	(2,261)
TOTAL EXPENSES		7,391,065	7,712,399
SURPLUS FOR THE YEAR		2,979,601	3,057,449
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,979,601	3,057,449

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

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Notes	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	17,092,464	13,404,092
Cash and cash equivalents – Timor-Leste National Library Project	4	1,536,202	1,536,202
Cash and cash equivalents - Joint Petroleum Development Area	4, 14	13,761,726	5,085,925
Cash and cash equivalents - Oilex Settlement Proceeds	4, 19	5,900,000	5,650,000
Cash and cash equivalents -TL Cement Escrow Account	5	50,280,428	50,280,428
Trade and other receivables	6	223,591	144,891
Other current assets	7	69,311	80,711
Total Current Assets		88,863,722	76,182,249
NON-CURRENT ASSETS			
Property, plant and equipment	9	414,486	606,154
Intangibles	8	27,018	122,716
Right-of-use asset	11	40,811	30,948
Total Non-Current Assets		482,315	759,818
TOTAL ASSETS		89,346,037	76,942,067
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	10	2,591,616	2,261,170
Payable in respect of Joint Petroleum Development Area Funds	14	13,761,726	5,085,925
Payable in respect of Oilex Settlement Proceeds	4	5,900,000	5,650,000
Payable TL Cement Escrow Account	15	50,280,428	50,280,428
Unearned income	13	120,595	23,239
Lease liability	11	23,344	17,963
Provisions	12	228,643	187,340
Total Current Liabilities		72,906,351	63,506,065
Lease liability	11	17,841	13,491
Provisions	12	109,825	90,092
Total Non-Current Liabilities		127,666	103,583
TOTAL LIABILITIES		73,034,017	63,609,648
EQUITY			
Initial contribution	21	2,153,168	2,153,168
Accumulated funds		14,158,852	11,179,251
Expenditure reserve		-	-
Total Equity		16,312,020	13,332,419
TOTAL EQUITY AND LIABILITIES		89,346,037	76,942,067

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

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Initial Contribution \$	Capital Reserve \$	Expenditure Reserve \$	Accumulated Funds \$	Total Equity \$
At 1 January 2020	2,153,168	-	924,038	7,197,764	10,274,970
Transfer out of expenditure reserve	-	-	(924,038)	924,038	-
Total deficit for the year	-	-	-	3,057,449	3,057,449
At 31 December 2020	2,153,168	-	-	11,179,251	13,332,419
Total surplus for the year	-	-	-	2,979,601	2,979,601
At 31 December 2021	2,153,168	-	-	14,158,852	16,312,020

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 \$	2020 \$
Operating activities			
Surplus for the year		2,979,601	3,057,449
Adjustments to reconcile surplus/(deficit) for the year to net cash flows:			
Depreciation of property, plant and equipment	9	289,147	400,815
Amortization of intangible assets	8	99,240	78,302
Depreciation on right-of-use asset	11	19,094	21,513
Operating surplus before working capital changes		3,387,082	3,558,079
Working capital adjustments:			
(Increase) /Decrease in trade and other receivables	6	(78,700)	76,153
(Increase) in other current assets	7	11,400	(23,640)
Increase /(Decrease) in trade and other payables	10	9,256,247	(21,240,326)
Increase/(Decrease) in employee benefits provision	11	61,036	(52,966)
Increase in unearned income	13	97,356	13,205
Net cash flow (used in)/generated from operating activities		12,734,421	(17,669,495)
Investing activities			
Purchase of intangibles	8	(3,542)	(187,913)
Purchase of property, plant and equipment	9	(97,479)	(391,964)
Decrease/(increase) in other noncurrent asset		-	84,564
Net cash flow used in investing activities		(101,021)	(495,313)
Financing activity			
Payment of principal portion of lease liability		(19,227)	(21,254)
Net cash flow used in financing activity		(19,227)	(21,254)
Net increase in cash and cash equivalents		12,614,173	(18,186,062)
Cash and cash equivalents at beginning of year		25,676,219	43,862,281
Cash and cash equivalents at end of year	4	38,290,392	25,676,219

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

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. NATURE OF OPERATIONS

Autoridade Nacional do Petróleo e Minerais (ANPM) is a public institution created pursuant to the Decree Law No.27/2019 dated 27th August 2019 as the 2nd amendment to the Decree Law no. 20/2008 of the Democratic Republic of Timor-Leste dated 19 June 2008. The ANPM undertaken its role and functions as Regulatory Authority on behalf of the Ministry Responsible for Petroleum and Mineral Sectors to administer and regulate the upstream to downstream petroleum sectors and all the Mineral sectors within Timor-Leste Onshore and Offshore territory. In exercising its power and function, the ANPM shall act in accordance with Maritime Boundary Treaty (Treaty) between the Republic Democratic of Timor-Leste and Australia, including Special Regime for Greater Sunrise provided in Annex B of the Treaty, Decree Laws for implementation of the Annex D of the Treaty and other existing legislations and regulations applicable in the Territory of Timor-Leste.

In 2019, with the ratification of the Treaty on 30th August 2019, the management of the Former Joint Petroleum Development Area (JPDA) have been changed from the Designated Authority (DA) to Timor-Leste Authority for petroleum sector.

Under Article 9.1(a) of the Treaty, upon entry into force of the Treaty, the Timor Sea Treaty shall cease to be in force. Subsequently, in Article 1.3 for the Annex D of the Treaty, from the ratification of the Treaty, the parties (Timor-Leste and Australia) agree that Timor-Leste shall receive all future upstream revenue derived from Petroleum Activities from Bayu-Undan Gas Field and Kitan Oil Field.

Pursuant to those provisions in the Treaty, the State entitlement of upstream petroleum revenues from production sharing contracts (PSCs) of both fields is 100% paid to Timor-Leste.

The financial statements were authorized for issuing in accordance with a resolution of the directors on 30 May 2022.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The financial statements for ANPM are general purpose financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). For the purposes of preparing the financial statements, ANPM is a not-for-profit entity.

The financial statements have been prepared on a historical cost basis, and amounts are presented in United States Dollars (which is also the ANPM's functional currency) except when otherwise indicated. The financial statements provide comparative information in respect of the previous period.

New Accounting Standards and Interpretations adopted by ANPM

ANPM has applied all new and amended Accounting Standards and Interpretations that were effective as at 1 January 2021. The adoption of these new and amended standards and interpretations did not have any effect on the financial position or performance of the ANPM.

b. Current versus non-current classification

The ANPM presents assets and liabilities in the statement of financial position based on current/noncurrent classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle 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 normal operating cycle
- It is due to be settled within twelve months after 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 ANPM classifies all other liabilities as non-current.

c. Government Grant

Subsidy from Timor-Leste Government

Subsidy from the Timor-Leste Ministry of Petroleum and Mineral Resources are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

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d. Presentation Currency

The financial statements are presented in US dollars, which is also the ANPM's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by ANPM at their respective functional currency spot rates at the date the transaction first qualifies for recognition. 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 settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

e. Property, plant and equipment

The initial cost of a property, plant, equipment comprises its purchase price or construction cost, any cost directly attributable to bringing the asset to working condition for its intended use.

Property, plant and equipment are 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 at intervals, the ANPM recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. 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 – 6 years
Leasehold improvements	5 – 20 years
Office Equipment	3 – 5 years
Office Furniture	4 – 5 years
Other Assets	3 – 6 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognized.

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

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

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f. Intangible assets

Acquired intangible assets

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing. The useful lives of the intangible assets range from 2 to 4 years. Amortization has been included within depreciation and amortization.

Subsequent minor expenditures on the maintenance of computer software and brand names are expensed as incurred whilst major costs to improve the 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.

g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and ANPM's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which ANPM has applied the practical expedient, ANPM initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which ANPM has applied the practical expedient are measured at the transaction price determined under IFRS 15.

ANPM's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

This is the only category of financial asset that ANPM has which includes cash and cash equivalents (including balances for Joint Petroleum Development Area and TL Cement Escrow Account) and other debtors.

ANPM measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- ANPM 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 material delay to a third party under a 'pass-through' arrangement; and either (a) the ANPM has transferred substantially all the risks and rewards of the asset, or (b) the ANPM has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When ANPM has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, ANPM continues to recognize the transferred asset to the extent of its continuing involvement. In that case, ANPM also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that ANPM has retained.

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Impairment of financial assets

ANPM recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that ANPM expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, ANPM applies a simplified approach in calculating ECLs. Therefore, ANPM does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. ANPM has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

ANPM considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, ANPM may also consider a financial asset to be in default when internal or external information indicates that ANPM is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the ANPM. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities comprise of only trade and other payables (including balances related to Joint Petroleum Development Area Funds and TL Cement Escrow Account).

Subsequent measurement

All financial liabilities are subsequently measured at amortized cost using the EIR method, unless they meet certain criteria to be classified at fair value through profit or loss in accordance with IFRS 9.

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Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

ANPM has not designated any financial liabilities as at fair value through profit or loss.

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 lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition 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.

ANPM considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, ANPM may also consider a financial asset to be in default when internal or external information indicates that the ANPM is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the ANPM. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

h. Impairment of non-financial assets

The ANPM assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the ANPM 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.

i. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and cash on hand. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

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Joint Petroleum Development Area or Bayu-Undan Petroleum receipts and payments

The Timor Sea Treaty formed the Joint Petroleum Development Area (JPDA) within the Timor Sea, which is jointly controlled and managed for the benefit of the peoples of Timor-Leste and Australia.

In 2019, with the ratification of the Treaty on 30th August 2019, the management of the Former Joint Petroleum Development Area (JPDA) have been changed from the Designated Authority (DA) to Timor-Leste Authority for petroleum sector.

Under Article 9.1(a) of the Treaty, upon entry into force of the Treaty, the Timor Sea Treaty shall cease to be in force. Subsequently, in Article 1.3 for the Annex D of the Treaty, from the ratification of the Treaty, the parties (Timor-Leste and Australia) agree that Timor-Leste shall receive all future upstream revenue derived from Petroleum Activities from Bayu-Undan Gas Field .

Pursuant to those provisions in the Treaty, the State entitlement of upstream petroleum revenues from production sharing contracts (PSCs) of both fields is 100% paid to Timor-Leste.

Petroleum monies received and paid are held in a separate bank account for this purpose in the name of the ANPM. These monies together with any interest received and net of any bank charges incurred is distributed to the respective governments.

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j. Employee benefits

Provision is made for certain employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages. The liabilities are measured at their nominal amount and are expected to be settled within twelve months.

The employee contributes 4% out of their gross salary to be withheld by the ANPM. In addition, the ANPM contributes a further 6% of their gross salary to Social Security. On the 20th of the following month, the ANPM will transfer its social security contributions withheld to a designated bank account under the signature holder of the Social Security office. In addition to the SS Law obligations, the ANPM is also required to provide employee reimbursements for medical assistance from pre-approved healthcare providers of up to \$50 per employee.

The Timor-Leste Labor Law also states that all employees are entitled to one month of salary for every five years of service to their employer upon termination of their contract, regardless of the reason for termination. The ANPM provides for these entitlements, with the current portion (payable in less than 12 months) representing all the employees who have already reached five or ten years of service with the ANPM.

k. Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the ANPM can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognized if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognized.

l. Economic dependence

The ANPM is dependent upon the ongoing receipt of Timor-Leste Government support and contract service fee and development fees from contract operations to ensure the ongoing continuance of its operations.

At the date of this report, the Directors have no reason to believe that this financial support will not continue.

m. Significant accounting judgements and estimates

The preparation of the ANPM's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, 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.

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No accounting judgements or estimates have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next accounting period.

n. Allocation of costs

The ANPM carries out functions on behalf of the Joint Petroleum Development Area (JPDA) under the Timor Sea Treaty as the Designated Authority, and also carries out functions in the Timor-Leste Exclusive Area (TLEA). Article 6 (b) (vi) of the Timor Sea Treaty states that the Designated Authority of the JPDA, being the ANPM, shall be financed from fees collected under the Petroleum Mining Code.

Each year the Joint Commission of the JPDA authorizes a budget of the ANPM based on their work plan for the year. The budget includes the percentages expenditure should be split between the JPDA and TLEA for each internal directorate.

Directorate	2021		2020	
	Sunrise %	Timor-Leste Jurisdiction %	Sunrise %	Timor-Leste Jurisdiction %
President's Office	1	99	1	99
Vice President's Office	-	100	-	100
Single Auditor Unit	1	99	1	99
Corporate Services	1	99	1	99
Commercial	2.61	97.39	2.61	97.39
Health Safety and Environment	3	97	3	97
Development and Production	3	97	3	97
Exploration & Acreage Release	3	97	3	97
PSC & Local Content	2	98	2	98
Downstream	-	100	-	100
Mineral	-	100	-	100
BOD	1	99	1	99
Overhead	1	99	1	99
Contingencies	1	99	1	99

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o. Revenue

Contract services fees

This fee is payable as soon as a PSC governed by the JPDA legislation is awarded to the operator, regardless of any exploration or development that has been carried out by the operator. Contract service fees (CSF) are recognized when the right to receive the contract service fee has been established and can be measured reliably.

On 30 August 2019, the Timor Sea Treaty has been replaced by a Treaty Establishing Maritime Borders in the Timor Sea which makes Timor-Leste as the designated authority on the JDPA (see note 1 for further details). This also resulted in CSF received from Bayu-Undan Gas Field and Kitan Oil fields being paid to the Government of Timor-Leste instead of the ANPM except CSF from the Greater Sunrise Special Regime.

Development fees

This fee is payable by operators of offshore oil and gas fields that have entered the commercial development phase and applies for every subsequent calendar year. The regulatory services undertaken by the ANPM for the JPDA are funded by way of these development fees paid by operators for the Production Sharing Contracts (PSC). Development fees are recognized when the right to receive the development fee has been established and can be measured reliably. To the extent that there is a related condition attached, that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

On 30 August 2019, the Timor Sea Treaty has been replaced by a Treaty Establishing Maritime Borders in the Timor Sea which makes Timor-Leste as the designated authority on the JDPA (see note 1 for further details). This also resulted in development fees received from Bayu-Undan Gas Field being paid to the Government of Timor-Leste instead of ANPM.

Downstream fees

The fees consist of licensing fees payable to the ANPM for any entity which is conducting downstream activity in Timor-Leste during the financial period. Downstream activity includes the installation and operation of fuel stations, the installation and operation of storage facilities and the importing/exporting of oil and gas. Downstream fees are recognized when the right to receive the downstream fee has been established. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

p. Leases

ANPM assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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As a Lessee

ANPM applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. ANPM recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

ANPM recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset.

Lease liabilities

At the commencement date of the lease, ANPM recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by ANPM and payments of penalties for terminating the lease, if the lease term reflects ANPM exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, ANPM uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

ANPM applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value (i.e. below \$5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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3. ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

International Financial Reporting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the ANPM for the financial reporting period ended 31 December 2021. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. The adoption of these new and amended standards and interpretations is not expected to have a material impact on the financial position or performance of the ANPM.

4 CASH AND CASH EQUIVALENTS	2021	2020
	\$	\$
Cash at bank (ANZ Dili)	17,092,464	13,404,092
Cash and cash equivalents held for the operations of the ANPM	17,092,464	13,404,092
<i>Other cash and cash equivalents under the administration of ANPM - see note below</i>		
Timor-Leste National Library Project*	1,536,202	1,536,202
Oilex Settlement Proceeds (refer to Note 19)	5,900,000	5,650,000
ANZ Singapore JPDA funds**	13,761,726	5,085,925
Total	38,290,392	25,676,219

* In 2017 and 2019 the Government of Timor-Leste transferred \$1,500,000 and \$825,000 respectively to ANPM to fund the Timor-Leste National Library project. As the funds can only be used for the Timor-Leste National Library project, the amount is restricted from being used for any other purpose.

** The ANZ Singapore Joint Petroleum Development Area ('JPDA') funds are held in name of the ANPM as the Designated Authority of the Joint Petroleum Development Area in terms of article 6 (b) (iv) of the Timor Sea Treaty. This treaty was in place until 29 August 2019. On 30 August 2019, the Timor Sea Treaty has been replaced by a Treaty Establishing Maritime Borders in the Timor Sea which makes Timor-Leste as the designated authority on the JPDA. Refer to Note 1 for further details regarding the arrangements in place during the transition from the Timor Sea Treaty to Treaty Establishing Maritime Borders.

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5	TL CEMENT ESCROW ACCOUNT	2021	2021
		\$	\$
	TL Cement Escrow Account	50,280,428	50,280,428
		50,280,428	50,280,428

The TL Cement Escrow Account represents the TL Government Fund, a special fund allocated to the TL Cement Project by The Government of Timor-Leste. The Councils of Minister resolved to transfer the funds the Government of Timor-Leste was required to contribute to the TL Cement Project to the ANPM whilst the Government of Timor-Leste promotes the preparation and completion of the investment of such amount by the State in the Project. The funds will be transferred to the TL Cement Project upon instruction from the Government of Timor-Leste however, the funds held in the escrow account may not exceed two calendar years after which the amount deposited in the TL Cement Escrow Account shall automatically revert to The Consolidated Fund for East Timor (CFET) Account, unless otherwise directed by the Council of Ministers. The account was initially agreed to be held for 2 years up to December 2020, however, the government through Council of Minister has agreed to extend the holding of the fund by the ANPM until 31 December 2022.

The funds received by ANPM are held with a bank account held with the Central Bank of Timor-Leste with joint signatories from both the ANPM and the Ministry of Finance required to authorize any transactions to occur.

In accordance with Certificate for the Minutes of Council of Ministers, interest earned on the fund held for the TL Cement Project will be used for development of the Project and/or to the exploitation of mineral resources. Central Bank of Timor-Leste suspended the application of interest to all government deposit account from April 2020 (which has been effective till the date of this report) due to the COVID-19 Pandemic.

6	TRADE AND OTHER RECEIVABLES	2021	2020
		\$	\$
	Refundable deposits	6,232	6,232
	Trading Fees	-	422
	Corporate credit card security placement	127,044	127,044
	Other receivables	73,508	11,192
	Cash advances	16,806	1
		223,591	144,891

Trade and other receivables are non-interest bearing and are generally on terms of 30 to 90 days.

7	OTHER CURRENT ASSETS	2021	2020
		\$	\$
	Prepayment	69,311	80,711
		69,311	80,711

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8	INTANGIBLES	2021	2020
		\$	\$
	<i>Software</i>		
	<i>Costs</i>		
	Balance at beginning of year	1,372,815	1,184,902
	Additions	3,542	187,913
	Balance at the end of the year	1,376,357	1,372,815
	Accumulated Amortisation		
	Balance at beginning of year	1,250,099	1,171,797
	Amortisation expense	99,240	78,302
	Balance at the end of the year	1,349,339	1,250,099
	Net book value	27,018	122,716

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9. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment \$	Vehicles \$	Leasehold Improvements \$	Office Equipment \$	Office Furniture \$	Other Assets \$	Total \$
Cost							
Balance at 1 January 2021	756,154	618,023	325,009	1,534,141	86,895	88,742	3,408,964
Additions	-	-	-	97,479	-	-	97,479
Disposal	-	-	-	-	-	-	-
Balance at 31 December 2021	756,154	618,023	325,009	1,631,620	89,885	88,742	3,506,443
Accumulated Depreciation							
Balance at 1 January 2021	687,429	474,352	271,959	1,193,618	86,710	88,742	2,802,810
Depreciation and amortization	30,101	48,184	17,317	193,378	167	-	289,147
Disposal	-	-	-	-	-	-	-
Balance at 31 December 2021	717,530	522,536	289,276	1,386,996	89,867	88,742	3,091,957
Net book value	38,624	95,487	35,733	244,624	18	-	414,486

The gross carrying amount of fully depreciated property, plant and equipment amounting to \$2,135,212 (2020 \$1,649,391) is still in use as of 31 December 2021.

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9. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment \$	Vehicles \$	Leasehold Improvements \$	Office Equipment \$	Office Furniture \$	Other Assets \$	Total \$
Cost							
Balance at 1 January 2020	689,404	618,023	309,774	1,224,162	98,061	88,742	3,028,166
Additions	66,750	-	15,235	309,979	-	-	391,964
Disposal	-	-	-	-	(11,166)	-	(11,166)
Balance at 31 December 2020	756,154	618,023	325,009	1,534,141	86,895	88,742	3,408,964
Accumulated Depreciation							
Balance at 1 January 2020	664,992	406,861	256,392	899,084	97,090	88,742	2,413,161
Depreciation and amortization	22,437	67,491	15,567	294,534	786	-	400,815
Disposal	-	-	-	-	(11,166)	-	(11,166)
Balance at 31 December 2020	687,429	474,352	271,959	1,193,618	86,710	88,742	2,802,810
Net book value	68,725	143,671	53,050	340,523	185	-	606,154

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10	TRADE AND OTHER PAYABLES	2021	2020
		\$	\$
	Trade payables	917,267	567,645
	Monies held in connection with assistance to Sao Tome & Principe (Note a)	5,836	5,836
	Unspent Government funding allocated for Timor National Library project (Note b)	1,536,202	1,536,202
	Withholding tax for non-resident	26,283	16,068
	PAYG Clearing	28,254	25,130
	Payroll Clearing	77,775	110,289
	Total	2,591,616	2,261,170

	2021	2020
	\$	\$
a. A Memorandum of Understanding was signed 18 May 2011 between the Government of Timor-Leste and Sao Tome and Principe. ANPM has been entrusted to administer the funds received from the Ministry of Petroleum and Natural Resources.		
Opening balance	5,836	11,725
Amount disbursed during the year	-	(5,889)
Monies remaining	5,836	5,836

	2021	2020
	\$	\$
b. National library funding: On 16 May 2017 a local content program was agreed between the Operator (ENI 06-105) and the Government to jointly fund the Timor-Leste National Library project. The Government's fund is managed by the ANPM. Hence, the Government transferred its funding to the ANPM account in relation to this project. The project is planned to be completed in 2022.		
Opening balance	1,536,202	1,536,202
Monies received from the Ministry of Petroleum and Natural Resources	-	-
Amount disbursed during the year	-	-
Monies remaining	1,536,202	1,536,202

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11 LEASES

In 2019, ANPM entered into a lease contract for Suai office for use in its operations. Leases of office space is generally having lease term of one year and renewable for another one year.

Set out below are the carrying amounts of right-of-use asset recognised and the movements during the period:

	2021	2020
	\$	\$
Beginning balance – 1 January	30,948	39,881
Additions	28,957	12,580
Depreciation expense	(19,094)	(21,513)
Ending balance – 31 December	40,811	30,948

Set out below are the carrying amounts of lease liability recognised and the movements during the period:

	2021	2020
	\$	\$
Beginning balance – 1 January	31,454	40,128
Additions	28,957	12,580
Accretion of interest	273	1,246
Payments	(19,499)	(22,500)
Ending balance – 31 December	41,185	31,454

	2021	2020
	\$	\$
Lease liability – current	23,344	17,963
Lease liability – noncurrent	17,841	13,491
	41,185	31,454

Payments of \$53,831 for leases with low value and lease term of 12 months or less were expensed in the statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2021 (2020: \$42,238).

12 PROVISIONS

	2021	2020
	\$	\$
Employee length of service compensation – current	228,643	187,340
Employee length of service compensation – non-current	109,825	90,092
	338,469	277,432

According to the Timor-Leste Labour Law, Article 56, all employees are entitled to one month of salary for every five years of service to their employer upon termination of their contract. This entitlement is payable by the ANPM regardless of the reason for termination of the employee's contract. The current portion of this provision represents the total entitlement due to employees who have reached five or ten years of service. The noncurrent portion of this provision relates to conditional entitlement of employee's length of service compensation and based on probability of reaching the employee's service to five years or ten years of service.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13	UNEARNED INCOME	2021	2020
		\$	\$
	Downstream licenses - trading fees	120,595	23,239
		120,595	23,239

14	JOINT PETROLEUM DEVELOPMENT AREA BANK ACCOUNT MOVEMENTS SUMMARY	2021	2020
		\$	\$
	Opening balance ANZ Singapore JPDA funds	5,085,925	29,547,314
	Cash received from the operators	318,504,632	138,598,817
	Interest received	16,911	7,305
	Bank charges	(240)	(320)
	Net funds available for distribution	323,607,228	168,153,117
	Funds distributed to Government of Timor-Leste	(309,845,502)	(163,067,191)
	Closing balance ANZ Singapore JPDA funds	13,761,726	5,085,925
	Payable in respect of JPDA funds:		
	To be distributed to the Government of Timor-Leste	13,761,726	5,085,925
		13,761,726	5,085,925

15	PAYABLE - TL CEMENT ESCROW ACCOUNT	2021	2020
		\$	\$
	Opening balance at 1 January	50,280,428	50,206,419
	Interest received	-	74,009
	Closing balance at 31 December	50,280,428	50,280,428

Refer to Note 5 for further details in relation to the TL Cement escrow account.

16	EMPLOYEE COSTS	2021	2020
		\$	\$
	Salaries and wages, including employee length of service compensation	2,702,057	2,403,635
	Social Security	150,030	138,433
	Staff amenities	7,896	8,036
	Insurance	52,219	59,530
	Overtime	86,127	61,177
	Other	26,144	21,648
		3,024,473	2,692,459

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
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FOR THE YEAR ENDED 31 DECEMBER 2020

17	GENERAL AND ADMINISTRATIVE	2021	2020
		\$	\$
	Consultancy	1,394,305	2,460,999
	Travel	420,922	279,941
	Training	35,349	126,444
	Motor vehicle and equipment related costs	370,919	327,287
	Advertising and promotion	1,116,781	742,936
	Utilities	231,500	250,667
	Printing and office supplies	109,691	86,956
	Professional fees	57,990	57,876
	Cleaning	52,444	52,037
	Security	55,078	41,920
	Subscription and membership	31,516	24,460
	Bank charges	6,825	8,727
	Other expenses	73,967	60,075
		3,957,287	4,520,325

18 FINANCIAL INSTRUMENTS

a) Financial risk management objectives and policies

The ANPM's principal financial instruments comprise receivables, payables, cash and Corporate Credit Card Security placement (including the JPDA fund and TL Cement Escrow Account related balances).

The ANPM manages its exposure to financial risks, in accordance with its policies. The objectives of the policies are to maximize the income to the ANPM whilst minimizing the downside risk.

One of the requirements under Production Sharing Contracts ('PSC') entered into between the ANPM and exploration companies is that the company must provide adequate security by way of a bank issued Letter of Credit, or equivalent security. The security document provides additional certainty that the exploration companies will meet their minimum expenditure requirements under the PSC.

The Authority's activities expose it to normal commercial financial risk. The main risks arising from the ANPM's financial instruments are foreign 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 risk rests with Management under the authority of the ANPM Board of Directors.

b) Net fair value of financial assets and liabilities

Cash and 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 approximates fair value due to their short-term nature.

c) Foreign Exchange Risk

The ANPM generally operates using United States denominated currency held in US dollar bank accounts. The ANPM is exposed to foreign exchange risk arising primarily from amounts owing to suppliers denominated in foreign currencies.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

d) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The ANPM is exposed to interest rate risk primarily from its cash surpluses invested in short-term interest-bearing deposits. The deposits are only made with reputable financial institutions with maturity dates generally being no more than 30 days.

Monies held on behalf of the Timor-Leste governments may be placed in short-term term deposits of generally less than one month. Any interest accruing is paid to the governments and does not form part of the ANPM's income.

e) Credit Risk

Credit risk arises from the financial assets of the entity, which comprise cash and cash equivalents and trade and other receivables. The company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure as at balance sheet date is addressed in each applicable note.

The ANPM has a significant concentration to credit risk through its cash and deposits with banks. The main concentration is with one international bank with a credit rating (based on Standard & Poor's) of AA- and the Central Bank of Timor-Leste in relation to the TL Cement Project Escrow Account.

f) Liquidity Risk

Liquidity risk arises from the financial liabilities of the entity and ANPM's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due.

The ANPM has a system of reducing its exposure to liquidity risk by monitoring its cash flows closely through rolling future cash flows and monitoring the ageing of receivables and payables. The payables reflected on the statement of financial position are all due within 12 months from balance date. ANPM has no non-current liabilities. Refer to note 5 and note 15 for the nature of the TL Cement Escrow account related assets and liabilities.

19 Oilex Settlement Proceeds

During previous financial year, the ANPM (as first party) and Oilex (JPDA 06-103) Ltd ("Oilex") and its Joint Ventures (second party) have reached an agreement to amicably resolve the ongoing arbitration proceedings arising from the termination of the Production Sharing Contract (PSC) of 2015. The Operator and its joint ventures agreed to execute the Deed of Settlement and Release (Deed) which was agreed by both parties and signed in July 2020. The Deed factored the compensation to the Government of Timor-Leste and Government of Australia of US\$ 8,000,000 which will be allocated to the operator and its joint venture based on their participation interest. As at 31 December 2021, \$5,900,000 (2020: \$5,650,000) of the agreed settlement amount has been received. The settlements proceeds received and the related interest income earned, if any will be transferred to the Government of Timor-Leste and Government of Australia once the full amount will be collected. As at 31 December 2021 and 2020, the ANPM has recognised the amount of settlement received as restricted cash with a corresponding liability to the Government of Timor-Leste and Australia.

20 EVENTS AFTER THE REPORTING DATE

There are no events post the balance date that would have material impact on the ANPM's future operations or financial position.

21 EQUITY	2021	2020
	\$	\$
Opening initial contribution	2,153,168	2,153,168
Closing initial contribution	2,153,168	2,153,168

22 COMMITMENTS AND CONTINGENCIES

At 31 December 2021, ANPM has commitments of \$425,000 (2020: \$250,000) relating to the purchase of new vehicles. There are no contingent liabilities or contingent assets as at 31 December 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23 KEY MANAGEMENT PERSONNEL

Key management personnel are those having authority and responsibility for planning, directing and contracting activities of the entity of the entity including whether executive or non-executive. Key management consist of several directorates such as Board of Director, President, Mineral, Vice President, Single Auditor, JPDA, Commercial, Development & Production, Exploration & Acreage Release, Corporate Service, PSC & Legal and Downstream Directorates. Upon the Maritime Boundary ratification, the JPDA Directorate becomes redundant. Disclosures regarding remuneration of key management personal are provided in the remuneration as following:

	2021 \$	2020 \$
Short term employee benefit	590,894	566,456
Long-term employee benefit	65,785	25,518
Total compensation paid to key management personnel	656,679	591,974

24 TAXES

Income and deferred tax

ANPM is being a government entity, is not subject to income tax as confirmed by the Ministry of Finance on 23 February 2015.

On 27 February 2015, the ANPM obtained legal advice from DLA Piper stating that the Authority is exempt from Australian income tax under the International Organisations (Privileges and Immunities) Act 1963 and the Timor Sea Treaty Designated Authority (Privileges and Immunities) Regulations 2003.

Withholding tax

Depending on the contractual arrangement, withholding taxes are either withheld against suppliers in specified industries or grossed up at the applicable rates and the monies paid over to the government of Timor-Leste.

25 ALLOCATIONS OF SURPLUS

FOR THE YEAR ENDED 31 DECEMBER 2021	Greater Sunrise Special Regime \$	Timor-Leste Jurisdiction \$	Total for the Year \$
Development fees	-	-	-
Contract service fees	320,000	-	320,000
Subsidy from Timor-Leste Government	-	8,735,000	8,735,000
Downstream fees	-	1,197,683	1,197,683
Trading fee	-	117,913	117,913
Interest	70	-	70
Total Income	320,070	10,050,596	10,370,666
Expenses split per 2021 approved budget proportion	(111,306)	(7,279,759)	(7,391,065)
Surplus for the year	208,764	2,770,837	2,979,601

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

FOR THE YEAR ENDED 31 DECEMBER 2020	Greater Sunrise Special Regime \$	Timor-Leste Jurisdiction \$	Total for the Year \$
Development fees	-	-	-
Contract service fees	320,000	-	320,000
Subsidy from Timor-Leste Government	-	9,310,458	9,310,458
Downstream fees	-	1,018,317	1,018,317
Trading fee	-	120,351	120,351
Interest	722	-	722
Total Income	320,722	10,449,126	10,769,848
Expenses split per 2020 approved budget proportion	(112,358)	(7,600,041)	(7,712,399)
Surplus/(deficit) for the year	208,364	2,849,085	3,057,449

26 RESERVES

Capital Reserve

The capital asset reserve is used to classify equity (accumulated funds) during the financial period that represents cash used to purchase assets outside of the ANPM's planned budget for the year. At the end of the 2021 and 2020 financial period, \$Nil remained in the capital asset reserve.

Expenditure Reserve

The expenditure reserve is used to classify equity (accumulated funds) during the financial period that is expected to be used to fund part of the ANPM's expenditure deficit. It has to be agreed and approved at the ANPM budget approval. As at 31 December 2021, the expenditure reserve amounted to nil (2020: Nil).

27 CAPITAL RISK MANAGEMENT

The ANPM's capital comprises initial capital contributions, accumulated funds, capital asset reserve and expenditure reserves amounting to \$16,312,020 as at 31 December 2021 (2020: \$13,332,419). The ANPM manages its capital to ensure its ability to continue as a going concern and carry out its responsibilities as the Designated Authority. Refer to Note 18 for further information on the ANPM's financial risk management policies.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS



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

**STATEMENT OF PETROLEUM REVENUE RECEIPT AND
PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

AUTORIDADE NACIONAL DO PETRÓLEO OF TIMOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

GENERAL INFORMATION

Board of Directors:	Mr. Florentino M. Soares Ferreira Mr. Jose Gonçalves Mr. Jonianto Monteiro Mr. Mateus da Costa Mr. Nelson de Jesus
Place of business:	Edifício do Ministério das Finanças, Pisos 6 e 7, Apartado 11, Aitarak Iaran, Dili, Timor Leste.
Bankers:	Australia and New Zealand (ANZ) Bank
Single auditor:	Mr. Oscar Sanches Faria
External Auditor:	Ernst & Young Perth, Australia
Country of Incorporation:	Timor-Leste
Currency:	United States Dollars

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Accounting Policies and Explanatory Notes	5-8

APPROVAL OF THE STATEMENTS

The Statement of Petroleum Revenue Receipts and Payments for the year ended 31 December 2021 set out on pages 4 to 8 was authorised for issue in accordance with a resolution of the Board of Directors and are signed on their behalf by:

for 
Agus Maradona Tilman
Director of Commercial
30 /May/ 2022


Florentino M. Soares Ferreira
President of ANPM
30 /May/ 2022

Independent auditor's report to the Directors of Autoridade Nacional do Petróleo e Minerais

Opinion

We have audited the Statement of Petroleum Revenue Receipts and Payments ("the Statement") of Autoridade Nacional do Petróleo e Minerais ("the Authority"), which comprises the statement of petroleum revenue receipts and payments for the year ended 31 December 2021, notes to the statement of petroleum revenue receipts and payments, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the Statement of Petroleum Revenue Receipts and Payments is prepared, in all material respects, in accordance with the accounting policies disclosed in Note 2 of the Statement.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the Statements which describes the basis of accounting. The Statement is prepared to assist the Authority to meet the requirements of Decree Law on the establishment of the Authority, the Timor-Leste Petroleum Activities Law, and the Maritime Boundary Treaty ('Treaty') between the Governments of Australia and the Democratic Republic of Timor-Leste. As a result, the Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the statement

The Authority's Directors are responsible for the preparation of the Statement in accordance with the significant accounting policies disclosed in Note 2 of the Statement and for such internal control as the Directors determine is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the statement

Our objectives are to obtain reasonable assurance about whether the Statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the directors.
- ▶ Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young
Perth
30 May 2022

AUTORIDADE NACIONAL DO PETRÓLEO OF TIMOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue receipts by field			
Bayu-Undan	3	318,504,632	138,598,817
Total revenue receipts received		318,504,632	138,598,817
Interest			
- Interest from Term Deposit	5	16,911	7,305
- Interest from Profit oil/gas interest		-	-
Total receipts received		318,521,542	138,606,122
Bank charges		(240)	(320)
Receipts less bank charges for the year		318,521,302	138,605,802
Cash at beginning of year		5,085,925	29,547,314
		323,607,228	168,153,117
Less: cash at end of year	4	(13,761,726)	(5,085,925)
Amount available for distribution		309,845,502	163,067,191
Distributed as follows:			
Distribution to Petroleum Fund of Timor-Leste		309,845,502	163,067,191
Total payments made		309,845,502	163,067,191

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Nature of Operations

Autoridade Nacional do Petróleo e Minerais (ANPM) is a public institution created pursuant to the Decree Law No.27/2019 dated 27th August 2019 as the 2nd amendment to the Decree Law no. 20/2008 of the Democratic Republic of Timor-Leste dated 19 June 2008. The ANPM undertaken its role and functions as Regulatory Authority on behalf of the Ministry Responsible for Petroleum and Mineral Sectors to administer and regulate the upstream to downstream petroleum sectors and all the Mineral sectors within Timor-Leste Onshore and Offshore territory. In exercising its power and function, the ANPM shall act in accordance with Maritime Boundary Treaty (Treaty) between the Republic Democratic of Timor-Leste and Australia, including Special Regime for Greater Sunrise provided in Annex B of the Treaty, Decree Laws for implementation of the Annex D of the Treaty and other existing legislations and regulations applicable in the Territory of Timor-Leste.

In 2019, with the ratification of the Treaty on 30th August 2019, the management of the Former Joint Petroleum Development Area (JPDA) have been changed from the Designated Authority (DA) to Timor-Leste Authority for petroleum sector.

Under Article 9.1(a) of the Treaty, upon entry into force of the Treaty, the Timor Sea Treaty shall cease to be in force. Subsequently, in Article 1.3 for the Annex D of the Treaty, from the ratification of the Treaty, the parties (Timor-Leste and Australia) agree that Timor-Leste shall receive all future upstream revenue derived from Petroleum Activities from Bayu Undan Gas Field.

Pursuant to those provisions in the Treaty, the State entitlement of upstream petroleum revenues from production sharing contracts (PSC) of Bayu Undan field is 100% paid to Timor-Leste.

The Contracting company operate in the Bayu-Undan Gas Field.

The Bayu-Undan field lies in the PSC TL-SO-T 19-12 (former PSC JPDA 03-12) and PSC TL-SO-T 19-13 (former PSC JPDA 03-13) contract areas. Discovered in 1995, with first production being in 2004, the Bayu Undan field is approximately 250 kilometres from Timor-Leste and 500 kilometres from the Australian coast. Bayu-Undan upstream produces condensate, liquefied petroleum gas, while liquefied natural gas is produced at the Darwin liquefaction plant under the downstream facilities. At the end of year 2020, Santos Limited (“Santos”) is the main operator with a 68.4% interest entitlement after completing the acquisition of ConocoPhillips Corporation’s (“ConocoPhillips”) northern Australia and Timor-Leste assets, while its joint venture partners hold the following interest: Inpex Corporation (11.38%); Eni Australia (10.99%); and Tokyo Timor Sea Resources (aggregate 9.2%).

In May 2021, Santos Limited (“Santos”) who holds of 68.4% participation interest has sold its 25% interest in Bayu-Undan to BU12 Australia PTY LTD (“BU12”) & BU13 Australia PTY LTD (BU13).

2. Significant accounting policies

a. Basis of preparation

The Statement of Petroleum Revenue Receipts and Payments is prepared on a cash basis. The Statement of Petroleum Revenue Receipts and Payments is prepared for monies received by the ANPM as a Designated Authority under the petroleum and mineral authority under Timor-Leste Law. These petroleum proceeds are held on behalf of the Timor-Leste Governments in a ANZ bank account in the name of the ANPM and are distributed to the government on a regular basis, interest earned, and net of bank charges incurred. The accounting policies have been applied consistently throughout the period.

b. Petroleum revenue receipts

Petroleum revenue receipts are recognised on receipt in the Statement of Petroleum Revenue Receipts and Payments. Petroleum receipts comprise of First Tranche Petroleum (FTP) and Profits Oil and Gas as defined in the PSC.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

c. Payments

Payments are the distributions to the Timor-Leste government in terms of the Treaty and the Decree Law No.27/2019 dated 27 August 2019 as the 2nd amendment to the Decree Law 20/2008. After the ratification of Timor-Leste and Australian Maritime Boundary on the 30th of August 2019, Australian entitlement of 10% of the JPDA Revenue (Bayu Undan) does no longer apply. Distributions to the Ministry of Finance of Timor-Leste are recognised on a cash payment basis in the Statement of Petroleum Revenue Receipts and Payments.

d. Presentation currency

The Statement of Petroleum Revenue Receipts and Payments is presented in United States Dollars.

e. Cash and Cash Equivalents

Cash and cash equivalents include amounts held in current and short-term deposits at ANZ bank. Amounts held represent petroleum proceeds (FTP/Royalty and profit oil & gas) received, with interest and bank charges.

These monies together with any interest received and bank charges incurred is distributed to the Petroleum Fund account of the Central Bank of Timor-Leste. Distributions are made on a monthly basis for FTP and profit oil and gas generated from Bayu-Undan is distributed within the month on the following day the fund deposited by contracting companies in ANPM ANZ account.

f. Interest

Interest earned is made up mainly from fund held during the month from ANZ bank in any given month prior to the funds being distributed to the Ministry of Finance of Timor-Leste in the following month.

Profit oil interest is received as compensation to the delay of profit oil payment on ANPM's share of profit oil.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Bayu-Undan Field Receipts

Year ended 31 December 2021

	First Tranche Petroleum (FTP) \$			Total	Profit oil and gas (PO) \$			Total	Grand Total
	Condensate	LPG	LNG		Condensate	LPG	LNG		
Santos Petroleum Pty Ltd **	12,740,512	5,230,743	57,558,544	75,529,799	27,589,116	9,180,683	84,936,036	121,705,836	197,235,634
Tokyo Timor Sea Resources	-	-	-	-	5,225,720	1,532,133	15,172,811	21,930,664	21,930,664
ENI JPDA 03-13	-	-	-	-	6,241,533	2,043,029	19,338,316	27,622,878	27,622,878
Inpex Sahul	-	-	-	-	5,896,581	1,856,567	18,431,470	26,184,618	26,184,618
BU 13**	-	-	-	-	5,806,620	1,455,504	21,718,475	28,980,599	28,980,599
BU12**	-	-	-	-	3,319,580	818,457	12,412,201	16,550,238	16,550,238
Total Bayu-Undan receipts received	12,740,512	5,230,743	57,558,544	75,529,799	54,079,151	16,886,374	172,009,309	242,974,833	318,504,632

Note: ** In May 2021, Santos Limited ("Santos") who held 68.4% participation interest sold its 25% interest in Bayu-Undan to BU12 Australia PTY LTD and BU13 Australia PTY LTD.

Year ended 31 December 2020

	First Tranche Petroleum (FTP) \$			Total	Profit oil and gas (PO) \$			Total	Grand Total
	Condensate	LPG	LNG		Condensate	LPG	LNG		
ConocoPhillips 03-12 Pty Ltd **	3,078,478	784,323	17,165,715	21,028,516	8,680,164	2,473,762	42,892,719	54,046,645	75,075,161
Tokyo Timor Sea Resources	-	-	-	-	1,427,503	580,722	8,020,499	10,028,724	10,028,724
Santos Petroleum Pty Ltd	4,867,426	1,151,986	5,757,602	11,777,014	3,059,188	2,087,109	10,366,141	15,512,438	27,289,452
Inpex Sahul	-	-	-	-	1,713,581	707,399	9,781,232	12,202,212	12,202,212
ENI JPDA 03-13	-	-	-	-	2,983,073	964,934	10,055,261	14,003,268	14,003,268
Total Bayu-Undan receipts received	7,945,904	1,936,309	22,923,317	32,805,530	17,863,509	6,813,926	81,115,852	105,793,287	138,598,817

Note: ** Santos is the lifting party on behalf of all JVs partners; therefore, the FTP portion has been part of this Figure. After Santos acquired ConocoPhillips share in June 2020 and become the operator, FTP from June to Dec is recorded under its portion.

4. Cash and Cash Equivalent

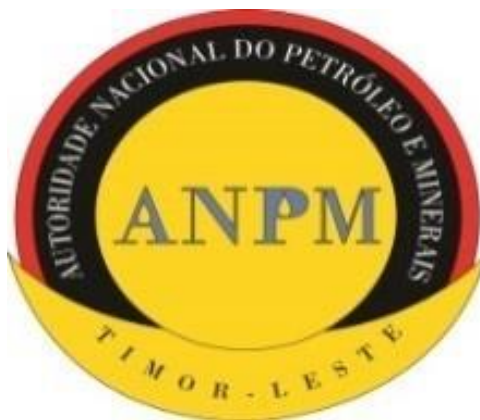
	2021	2020
	\$	\$
ANZ Singapore held in the name of Autoridade Nacional do Petróleo e Minerais of Timor-Leste at year end	13,761,726	5,085,925
To be distributed to Petroleum Fund of Timor-Leste	13,761,726	5,085,925

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Interest from Term Deposit

	2021	2020
	\$	\$
ANZ Bank Interest	16,911	7,305
	16,911	7,305

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS



AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE

**STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

GENERAL INFORMATION

Board of Directors: Mr. Florentino Soares Ferreira
Mr. Jose Gonçalves
Mr. Jonianto Monteiro
Mr. Mateus da Costa
Mr. Nelson de Jesus

Place of business: Edificio do Ministerio das Financas, Pisos 6 e 7, Apartado 11,
Aitarak Iaran, Dili, Timor Leste.

Bankers: Banco Ultra Marino (BNU) Timor-Leste

Single auditor: Mr. Oscar Sanches Faria

External Auditor: Ernst & Young, Perth Australia

Country of Incorporation: Timor-Leste


Currency: United States Dollars

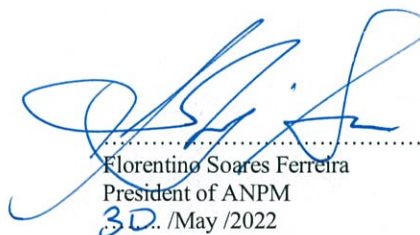
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APPROVAL OF THE STATEMENTS

The Statement of Mineral Revenue Receipts and Payments for the year ended 31 December 2021 set out on pages 5 to 9 was authorised for issue in accordance with a resolution of the Board of Directors and are signed on their behalf by:


.....
Jose Goncalves
Vice President of ANPM
..30../May /2022


.....
Florentino Soares Ferreira
President of ANPM
30../May /2022

Independent auditor's report to the Directors of the Autoridade Nacional do Petróleo e Minerais

Opinion

We have audited the Statement of Mineral Revenue Receipts and Payments ("the Statement") of Autoridade Nacional do Petróleo e Minerais ("the Authority"), which comprises the statement of mineral revenue receipts and payments for the year ended 31 December 2021, notes to the statement of mineral revenue receipts and payments, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the Statement of Mineral Revenue Receipts and Payments is prepared, in all material respects, in accordance with the accounting policies disclosed in Note 2 of the Statement.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the Statements which describes the basis of accounting. The Statement is prepared to assist the Authority to meet the requirements of Decree Law on the establishment of the Authority and the Ministerial Diploma. As a result, the Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the statement

The Authority's Directors are responsible for the preparation of the Statement in accordance with the significant accounting policies disclosed in Note 2 of the Statement and for such internal control as the Directors determine is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the statement

Our objectives are to obtain reasonable assurance about whether the Statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the directors.
- ▶ Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young
Perth
30 May 2022

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue receipts by type of accounts			
License Fees	3	14,500	20,000
Prospecting		-	500
Exploration		-	3,000
Mining		14,500	16,500
Mining Fees	4	1,669,916	2,267,129
Compensation Fees	5	289,461	522,729
Exploration fee- Annual Surface Fees	6	-	5,472
Total revenue receipts deposited		1,973,877	2,815,330
Bank charges	7	(159)	(123)
Receipts less bank charges for the year		1,973,719	2,815,206
Cash at beginning of year		-	-
Less: cash at end of year		-	-
Total cash distributed for the year	8	\$1,973,719	2,815,206

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
NOTES TO THE STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Nature of Operations

Autoridade Nacional do Petróleo e Minerais (ANPM) is a public institution created pursuant to the Decree Law No. 27/2019 of 27th August 2019 as the 2nd Amendment to the Decree Law no. 20/2008 of the Democratic Republic of Timor-Leste. The ANPM undertaken its role and functions as Regulatory Authority on behalf of the Ministry Responsible for Petroleum and Mineral Sectors to administer and regulate the upstream to downstream petroleum sectors and all the Mineral sectors within Timor-Leste Onshore and Offshore territory. In exercising its power and function, the ANPM shall act as designated authority in accordance with Delimitation of Maritime Boundaries Treaty to regulate Special Regime of Greater Sunrise.

Under Article 28.1(a) of Decree Law No.6/2015, the Ministerial Diploma applies to the exploration and mining of construction materials and regulates the licensing procedure for Mining Activities in the territory of Timor-Leste. Under the Ministerial Diploma, prospecting, exploring and mining activities are to be levied through a licencing and mining fee. Article 8.3 of Diploma, the assessment of these fees is to be managed by the ANPM and paid to a designated bank account nominated by the Ministry of Finance of Timor-Leste.

The Mining Code was approved by Parliament and promulgated by President of the Republica Democratica de Timor-Leste during the year being Law No. 12/2021 of 30 June 2021. Whilst the Law was to enter into force by 30 December 2021 (being within 180 days after its Publication date of 30 June 2021), Decree Law on Regulation for Mining code or auxiliary laws and regulation to operationalise the Mining Code are yet to be formalised and accordingly, the new Decree Laws are yet to come into effect

2. Significant accounting policies

a. Basis of preparation

The Statement of Mineral Revenue Receipts and Payments is prepared on a cash basis. The Statement is prepared for monies received by the ANPM as a Regulatory Authority under the Ministerial Diploma. These licencing and mining fee deposits are received by the ANPM on behalf of the Ministry of Finance of Timor-Leste in a BNU Timor bank account and distributed to the main account immediately whenever the operator makes payment, net of bank charges incurred. The accounting policies have been applied consistently throughout the period.

b. Mineral revenue

Mineral revenue is recognised on receipt in the Statement of Mineral Revenue Receipts and Payments. Mineral revenue comprises of Prospecting Fees, Exploration Fees and Mining Fees. These are defined in Article 7 and 8 of the Mineral Ministerial Diploma No. 64/2016. Such fees are to be collected from the holder of mineral rights who undertakes the mining activities. Article 42 defines the revocation of licences, including the suspension and ceasing of mining activities, and the payment of compensation fees.

- **License Fees**
Article 7 of the diploma defines License fees levied on different mining activities, except artisanal mining for which no fee is levied. The fee stated under this article is applicable to both new and extended license.
 - (a) Artisanal, no fee applied
 - (b) Prospecting, Five hundred US Dollars (USD 500.00);
 - (c) Exploration, One thousand and five hundred US Dollars (USD 1,500.00);
 - (d) Mining.
 - (i) Medium-scale mining, Five hundred US Dollars (USD 500.00);
 - (ii) Large-scale mining, One thousand and five hundred US Dollars (USD 1,500.00)
- **Mining Extraction Fees**
Article 8 defines that mining fees levied on the value of construction materials, process materials and dimension and ornamental stones, and holder of mineral rights who undertakes the mining activities shall pay mining fees in accordance with the mining category and fees.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
NOTES TO THE STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Significant accounting policies (continued)

- **Compensation Fees**
Article 42.2 defines what constitutes the mining activities without holding valid license; the Regulatory Authority shall undertake the following measures:
 - (a) Suspend the mining activities and obliges the natural or legal person to pay for construction materials, process materials or dimensions and ornamental stones collected or extracted; and
 - (b) Close or shut-down the mining activities if natural or legal person does not apply for mining activity license within thirty (30) working days of notification from the Regulatory Authority.
- **Surface Fee**
Surface Fee levied calculated using the area of surface explore multiplied by an agreed rate per hectare in accordance with the exploration agreements between the Republic Democratic of Timor-Leste and respective companies.

c. Payments

Payments are distributions to the Ministry of Finance of Timor-Leste, in accordance with the Ministerial Diploma. The operators make payment to the Mineral Operation Royalty account in BNU owned by Ministry of Finance Timor-Leste and it is transferred immediately to the main account and are net of bank charges. Distributions to the Ministry of Finance of Timor-Leste are recognised on a cash payment basis in the Statement of Mineral Revenue Receipts and Payments.

d. Foreign currency

The Statement of Mineral Revenue Receipts and Payments is presented in United States Dollars.

e. Bank Charges

Bank charges are applied to amounts deposited by the contract operator into the BNU Timor temporary bank account.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
NOTES TO THE STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. LICENSE FEE

	2021	2020
	\$	\$
	-	
Prospecting fees		500
Exploration fees	-	3,000
Mining Fees		
Medium-scale mining	1,000	-
Large-scale mining	13,500	16,500
Total License Fees Receipts Deposited	14,500	20,000

4. MINING EXTRACTION FEES

	2021	2020
	\$	\$
Sand	418,472	65,400
Gravels	1,251,445	2,201,729
Total Mining Extraction Fees Receipts Deposited	1,669,916	2,267,129

5. COMPENSATION FEES

Article 42.2 gives authority to the ANPM to apply a penalty to contract operators that operate without a Mining License. This fee is levied to compensate mining materials that have been extracted from sites. Furthermore, the operators will be temporarily suspended until the new license is granted.

	2021	2020
	\$	\$
Sand	140,507	324,849
Gravels	148,953	197,880
Total Compensation Fees Receipts Deposited	289,461	522,729

6. ANNUAL SURFACE FEE

The exploration agreements between the Republic Democratic of Timor-Leste and investors required the investors to pay to the ANPM the annual surface tax of US\$3.00 per hectare of the prospecting area during the execution of the contracts

	2021	2020
	\$	\$
Exploration Fee: Annual Surface Fee	-	5,472
Total Annual Surface Fee	-	5,472

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
NOTES TO THE STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. BANK CHARGES

	2021	2020
	\$	\$
Bank Charges	159	123
Total Bank Charges	159	123

8. TOTAL CASH DISBRIBUTED FOR THE YEAR

Total cash distributed for the year is the amount transfer to the main account after bank fee charged by the bank.

	2021	2020
	\$	\$
Total cash receipted during the year (net of bank charges)	1,973,719	2,815,206
Total cash distributed to Ministry of Finance of Timor-Leste during the year	1,973,719	2,815,206