

ANNUAL REPORT 2022



Autoridade Nacional do Petróleo e Minerais
Edifício do Ministério das Finanças, Pisos 6 e 7
Aitarak Laran, Dili, Timor-Leste, Apartado 113
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REMARKS



The year of 2022 was considered as a highly productive and effective year for ANPM after overcoming the global economy rebounding from the COVID-19 pandemic for almost three years. The 2022 is the year where the VIII Constitutional Government was able to carry out its duties to the full without having a major effect from Covid-19.

Majority of people believe that 2022 was the restart-up point to recover the economy after Covid-19 outbreak. However, the war between Ukraine and Russia in February 2022 twisted up many new challenges to the world including the global energy sector.

Despite unpredictable situations and uncertainties during 2022, ANPM positively achieved many progresses from its numerous activities which were not accomplished in the past years due to pandemic and political instability.

Many achievements were considered as a major success such as the announcement of five bidders for the 18 blocks which were promoted in 2019 in the second licensing round of oil and gas blocks in the Timor Leste exclusive area. With five more exploration blocks will bring great optimism to Timor Leste to guarantee a sustainable revenue in the years to come.

Out of these five blocks, the Block A in the municipality of Lautem was successfully initiated with the negotiation and eventually signed the Production Sharing Contract (PSC) in December 2022 with TIMOR GAP, E.P.

In 2022, the drilling of the exploration well in the municipality of Covalima continued as to meet the minimal requirement from the workplan of that block to complete the drilling of three wells as stated in the contract.

On the other hand, ANPM was also determined to promote oil and gas extracts industry and mining in Timor Leste by launching the 4th International Summit of Energy and Mining which quite successfully attracted companies and several investors to closely observe our rich resources and industry.

Regarding the Greater Sunrise, many progresses were accomplished in terms of bilateral discussions with Australia as well as with the trilateral with both Australian Government and the Sunrise Joint Venture. There were numbers of acceptance arrangements established in the legal frameworks and fiscal regime which will be implemented in the GSSR project.

In addition to Greater Sunrise, a first meeting was held for the regulatory board of the Greater Sunrise Especial Regime based on the Maritime Boundary Treaty.

An achievement in the local content sector was the launching of the national library construction which was financially supported by the ENI Operator as one of its local content commitments for Kitan and S06-04 field.

In the mining sector, the mining code was taken into effect in the beginning of 2022 where ANPM commenced lots of preparations as steps to promote new areas and auxiliary law to give effect in the implementation of the mining code.

With all the accomplishments achieved in that year, ANPM believes that Timor-Leste can circumvent the crisis of economic sustainability or the fiscal cliff in the near future. ANPM believes that the only way to project the future is to create your own future today.

Cordially Greetings.

Florentino Soares Ferreira

ANPM

TABLE OF CONTENTS

1.	<i>Autoridade Nacional do Petróleo e Minerais in Brief</i>	7
	1.1 <i>ANPM Regulatory Jurisdiction</i>	8
	1.2 <i>Values, Vision, Mission and Goals</i>	9
	1.3 <i>Organizational Structure and Development</i>	10
	1.4 <i>Major Achievements and Project Highlights in 2020</i>	12
	1.5 <i>ANPM Human Resources Development</i>	16
	1.6 <i>Corporate Procurement</i>	17
	1.7 <i>Single Auditor</i>	18
	1.8 <i>Financial Statement and Auditor's Report</i>	19
2.	<i>Petroleum Contract Operator's Activities</i>	26
	2.1 <i>Production Sharing Contracts (PSC) within the Timor-Leste territory and the Special Regime Area</i>	27
	2.2 <i>Petroleum Exploration Performance</i>	29
	2.3 <i>Production Performance</i>	37
	2.4 <i>Health, Safety and Environmental Performance</i>	40
	2.5 <i>Marketing Performance</i>	45
	2.6 <i>Exploration Expenditure Performance</i>	47
	2.7 <i>Production Expenditure Performance</i>	49
	2.8 <i>Local Content Performance</i>	50
3.	<i>Regulatory Performance</i>	75
	3.1 <i>Upstream</i>	76
	3.2 <i>Downstream</i>	95
4.	<i>Mineral Performance</i>	137
	4.1 <i>Mining Activities</i>	138
	4.2 <i>Mining Environmental License</i>	142
	4.3 <i>Monitoring and Inspection of Mining Activities</i>	145
	4.4 <i>Construction Material Production and Revenue Collection</i>	149
5.	<i>Corporate Initiatives</i>	150
	5.1 <i>Graduate Internship Program</i>	151
	5.2 <i>University Final Year Program</i>	151
	5.3 <i>Public Events</i>	152

LIST OF FIGURES

Figure 1: ANPM JURISDICTIONAL AREAS (MAP NOT TO SCALE)..... 8

Figure 2: Inauguration of the member of the Governance Board Timor-Leste and Australia for Greater Sunrise Special Regime 13

Figure 3: The Winner of the Second Licensing Round Period 2019/2022..... 14

Figure 4: 4th Timor-Leste Energy and Mining Summit..... 14

Figure 5: Launching of National Library Construction Project..... 15

Figure 6: Launching of Public Tender for Sand Prospectivity and Survey 16

Figure 7: Signing of PSC for Block A..... 16

Figure 8: The map of the current active PSCs both in the Timor-Leste Onshore and Offshore territory as well as the special regime area 27

Figure 9: Drilling activities of Lafaek-1 Well in Covalima..... 35

Figure 10: Shows the map of the 18 new blocks released for the period of 2019/2022 35

Figure 11: Highlights pictures of the announcement of bid winners 36

Figure 12: highlights pictures during roadshow promotion of 2nd licensing round in Angola and Dubai (A,B,C,and F) 37

Figure 13: President of the ANP presents Timor-Leste’s Energy and Mining Sector 38

Figure 14: Panels discussions of speakers 38

Figure 15: President of RDTL attends gala Dinner and hands over certificate of appreciation to the IOC..... 38

Figure 16: The ANPM President discusses the result of the licensing round and ccs project plan 39

Figure 17: ANPM promotes Timor-Leste petroleum and mining sector during SEAAOC conference 39

Figure 18: Minister of Petroleum and Minerals shares Timor-Leste’s oil and gas, and meeting with Minister of Energy of UEA 40

Figure 19: The map of onshore Airborne Electromagnetic data coverage 41

Figure 20: The map of onshore Airborne Gravity data coverage 42

Figure 21: The map of onshore Airborne Magnetic-Radiometric data coverage 42

Figure 22: Location of survey area for Gravity-Gradiometry..... 43

Figure 23: Fiedl Data Acquisitions of Integrated Airborne Geophysical Survey (IAGS) 43

Figure 24: The field survey of IAGS..... 43

Figure 25: BU Field Location and Facility (Courtesy of Santos) 44

<i>Figure 26: Shobari Nunes, Master of project management, Missouri State university.....</i>	<i>71</i>
<i>Figure 27: First Batch Training Program.....</i>	<i>73</i>
<i>Figure 28: 3rd Batch opening ceremony, Santos-Timor-Leste Content Annual Report 2022.....</i>	<i>74</i>
<i>Figure 29: Horticulture activities of Grupu Buka Rasik.....</i>	<i>75</i>
<i>Figure 30: Horticulture activities of Grupu Haburas rai.....</i>	<i>75</i>
<i>Figure 31: Horticulture activities of Grupu Moris Hamutuk.....</i>	<i>76</i>
<i>Figure 32: Horticulture activities of Grupu Haburas Hamutuk.....</i>	<i>76</i>
<i>Figure 33: Activities of Asosiasaun Rio-Homar.....</i>	<i>77</i>
<i>Figure 34: Activities of Asosiasaun AE-ATB.....</i>	<i>77</i>
<i>Figure 35: Activities of Grupu ESTV Agriculture.....</i>	<i>77</i>
<i>Figure 36: CEO of Timor Resources, Suellen Osborne inaugurated clean water project in Suai, Covalima.....</i>	<i>81</i>
<i>Figure 37: The Lafaek Data Base System and Zebra Data Science virtual data room.....</i>	<i>83</i>
<i>Figure 38: Metering team and commercial team carried out phase 2 of mass balance audit & inlet metering system at DNLG Plant.....</i>	<i>85</i>
<i>Figure 39: Metering team conducted metering audit onboard BU FSO and CUQ facility.....</i>	<i>86</i>
<i>Figure 40: Bayu-Undan Subsurface team from ANPM and Santos in May 2022.....</i>	<i>90</i>
<i>Figure 41: Bayu-Undan Subsurface team from ANPM and Santos in September 2022.....</i>	<i>91</i>
<i>Figure 42: Bayu-Undan monthly subsurface discussion between ANPM and Santos.....</i>	<i>91</i>
<i>Figure 43: ANPM subsurface team and IRT Consultant in IRT office Colorado USA.....</i>	<i>92</i>
<i>Figure 44: Drilling operation observation in Lafaek Well Drilling, Suai, Timor-Leste.....</i>	<i>94</i>
<i>Figure 45: LNG Partnership Industry visit Darwin.....</i>	<i>95</i>
<i>Figure 46: Verification of the Belijo's location in Vemasse, Baucau and Satellite map verification of the CDFG's location in Tilomar, Covalima.....</i>	<i>109</i>
<i>Figure 47: Subsequent inspection to Borala FFS at Viqueque Municipality.....</i>	<i>115</i>
<i>Figure 48: Preliminary Inspection activity conducted at adypay nes ffs in Ossu-Viqueque and Alexa ffs in Liquiça.....</i>	<i>118</i>
<i>Figure 49: Verification and calibration activity at alexa FFS in Liquiça and adypay FFS in Ossu, Viqueque....</i>	<i>120</i>
<i>Figure 50: Random Inspection at Quebubun ffs in Bobonaro and Divita ffs in Tibar, Liquiça.....</i>	<i>121</i>
<i>Figure 51: Review of ToR of LNG Plant and marine facility.....</i>	<i>135</i>
<i>Figure 52: Consultation of area for mining activities with relevant government entites.....</i>	<i>139</i>

Figure 53: Consultation of area for mining activities at municipalities..... 139

Figure 54: Location approved Map from 2018-2022 141

Figure 55: ANPM team attended international event during 2022..... 154

Figure 56: ANPM team during national exhibition in Dili and Manatuto..... 154

LIST OF GRAPHS

GRAPH 1: Total wet gas, injected lean gas and gas exported 45

Graph 2: Total liquid produced..... 45

Graph 3: Bayu-Undan HSE incident on 2022 year to date (YTD)..... 47

Graph 4: 2022 flaring actual vs flaring allowance in Bayu-undan..... 48

Graph 5: Annual flaring trend (2005-2022) in Bayu-undan 49

Graph 6: HSE Incident in the Kumbili & Lafaek Well site (as of 31-12-2022) 50

Graph 7: Total condensate sold from 2019 to 2022..... 52

Graph 8: Total LPG sold from 2020 to 2022 52

Graph 9: Trends of gas export and LNG cargoes from 2018 to 2022 53

Graph 10: Timor-Leste offshore and onshore and special regime area PSCs Exploration expenditure for years 2021 and 2022..... 55

Graph 11: Development Expenditure for year 2021 and 2022 56

Graph 12: Bayu-Undan Employment Category 2022..... 66

Graph 13: Timor Resources permanent staff 81

Graph 14: ANPM HSE Inspection for Bayu-Undan in 2022..... 96

Graph 15: ANPM Inspection for PSC TL-OT 17-08 and 09 in 2022..... 97

Graph 16: Revenue Distributed 2019 – 2022..... 106

Graph 17: Fuels importa data in 2022 vs 2021 137

Graph 18: Location approval application register from 2006-2022..... 141

Graph 19: Summary of License /Permit issued based on type 142

Graph 20: Summary of license/permit issued based on scale..... 143

Graph 21: Summary of license/mineral permit based on category 143

Graph 22: Construction Material Production quantity licensed from 2006-2022 149

<i>Graph 23: Revenue collected from 2005-2022.....</i>	150
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LIST OF TABLES

<i>Table 1: List of Current Petroleum Production Sharing Contracts Both in the Timor-Leste Territory and the Special Regime</i>	27
<i>Table 2: Summary of Exploration PSCs activities within the each contract area</i>	34
<i>Table 3: The Winners of the bid for Timor-Leste 2nd Licensing Round 2019/2022.....</i>	36
<i>Table 4: Celta Calculation for 2021.....</i>	63
<i>Table 5: Training and Promortion of TLN in 2021</i>	70
<i>Table 6: List of the 25 graduates and 1 remaining student.....</i>	72
<i>Table 7: Skill Vocational Training Program Implementation from 2017-2022</i>	73
<i>Table 8: Sumary of local content expenditure for 2022</i>	78
<i>Table 9: Timor-Leste water category regulatory submission and approval status.....</i>	101
<i>Table 10: Timor-Leste Onshore regulatory submission and approval status</i>	103
<i>Table 11: Platform supply base vessels and infield support vessels approvals for Bayu-Undan operation & BU phase 3C infill well drilling campaign</i>	104
<i>Table 12: Offtake tanker entry authorization-LPG for Bayu-Undan.....</i>	104
<i>Table 13: Offtake entry authorization – Condensate for Bayu-Undan</i>	104
<i>Table 14: Survey vessel for Kita ROV Subsea inspection</i>	105
<i>Table 15: Helicopters entry authorization for Bayu-Undan Operations</i>	105
<i>Table 16: Location Applications received in 2022 and their processes</i>	109
<i>Table 17: Location Approval issued in 2022</i>	109
<i>Table 18: Rejection of location applications issued in 2022</i>	110
<i>Table 19: Project designs reviewed in 2022.....</i>	112
<i>Table 20: Project Approval issued in 2022.....</i>	112
<i>Table 21: Operational License Issued to fuel filling station in 2022</i>	112
<i>Table 22: Monitoring activity to the new construction and rehabilitation of FFS.....</i>	114
<i>Table 23: Construction Monitoring at Rizara new FFS in Liquica and new construction of CDFG FFS in Bebora</i>	114
<i>Table 24: List of the inspected FFS</i>	115

<i>Table 25: List of Inspected FFS.....</i>	<i>118</i>
<i>Table 26: Information of verification and calibration activities.....</i>	<i>119</i>
<i>Table 27: Random Inspection Activity to Existing FFS in 2022.....</i>	<i>121</i>
<i>Table 28: Detail of companies and their correspondence fee.....</i>	<i>124</i>
<i>Table 29: Details of the companies and their fee paid in 2022 for 2019, 2020 and 2021.....</i>	<i>125</i>
<i>Table 30: Detail of applicant and new licensed fuel traders in 2022.....</i>	<i>125</i>
<i>Table 31: True Up Mechanism of fee collected in 2021.....</i>	<i>128</i>
<i>Table 32: True Up Mechanism of Licensing Fee Collected in 2022.....</i>	<i>130</i>
<i>Table 33: Fees received in 2022 for 2022-2023 license period.....</i>	<i>130</i>
<i>Table 34: Fee received in 2022 for 2021.....</i>	<i>131</i>
<i>Table 35: Information on project documents reviewed in 2022.....</i>	<i>132</i>
<i>Table 36: Information on EMP and SEIS documents of category B project.....</i>	<i>133</i>
<i>Table 37: Information on EMP and SEIS documents of category B project.....</i>	<i>134</i>
<i>Table 38: Relevant government institutions and coordination objectives.....</i>	<i>136</i>
<i>Table 39: Total fee received in 2022.....</i>	<i>136</i>
<i>Table 40: Proposed Location application register in 2022.....</i>	<i>140</i>
<i>Table 41: Ongoing Exploration License in 2022.....</i>	<i>141</i>
<i>Table 42: Mineral Permit Application Register in 2022.....</i>	<i>142</i>
<i>Table 43: Environmental Application Register in 2022.....</i>	<i>146</i>
<i>Table 44: Rehabilitation progress by company in 2022.....</i>	<i>147</i>
<i>Table 45: Monitoring progress by company in 2022.....</i>	<i>147</i>
<i>Table 46: Inspection progress by company in 2022.....</i>	<i>148</i>
<i>Table 47: Suspension of unauthorized mining activity by company in 2022.....</i>	<i>149</i>
<i>Table 48: 1st Batch of GIP in 2022.....</i>	<i>152</i>
<i>Table 49: 2nd Batch of GIP in 2022.....</i>	<i>153</i>
<i>Table 50: List of final year program in 2022.....</i>	<i>153</i>

LIST OF CHART

CHART 1: ANPM ORGANIZATIONAL STRUCTURE..... 10

CHART 2: ANPM STAFF DISTRIBUTION IN 2022 17

CHART 3: Training for ANPM Staff..... 17

Chart 4: 2022 ANPM PROCUREMENT BY CATEGORIES 18

Chart 5: Bayu-Undan Employment of 2022..... 66

Chart 6: TLN Employment with PSC JPDA 03-19/20 in 2022..... 79

Chart 7: ANPM-HSE Inspection findings summary for Bayu-undan in 2022..... 97

Chart 8: Fuels Import data in 2022 vs 2021 in percentage 137

Chart 9: Use of diesel imported in 2022 vs 2021 137

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.

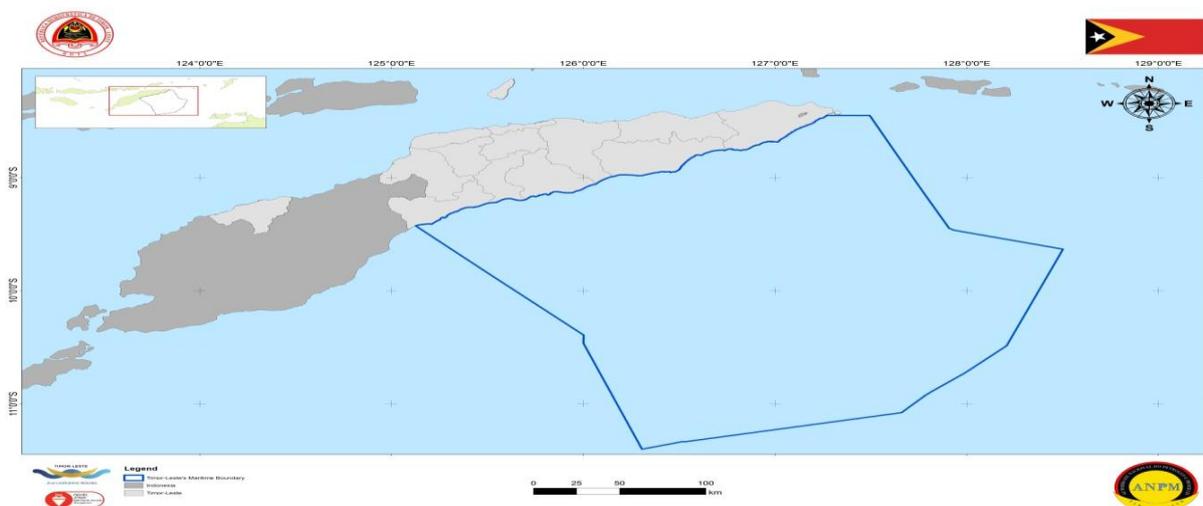


FIGURE 1: ANPM JURISDICTIONAL AREAS (MAP NOT TO SCALE)

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 Vizion

- 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

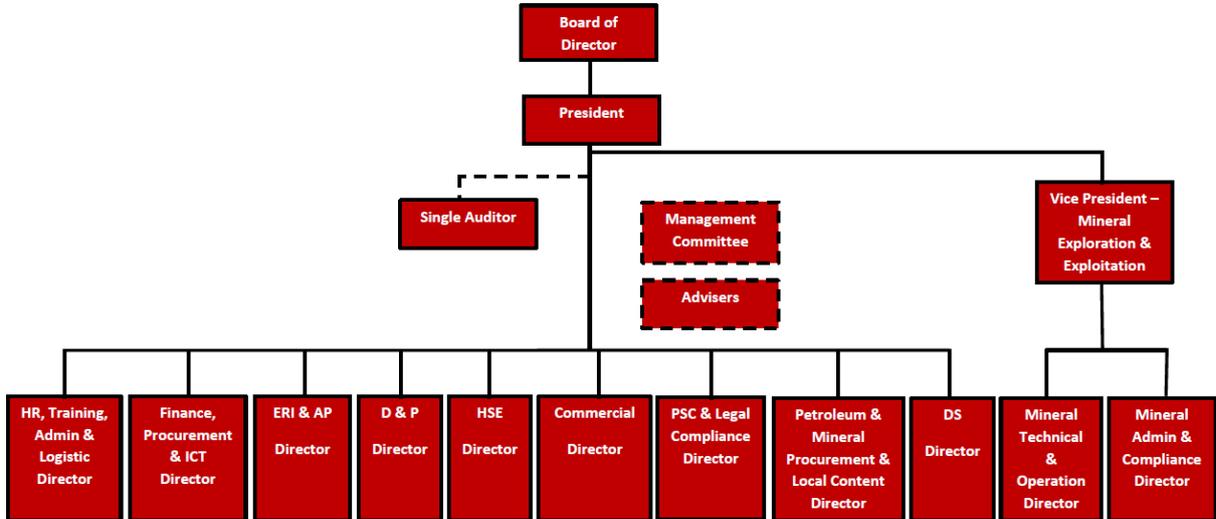


CHART 1: ANPM ORGANIZATIONAL STRUCTURE

BOARD OF DIRECTORS (BOD)

ANPM Board of Directors in 2022 composed of:

Florentino Mateus Soares Ferreira, BSc. (Hons.) MS.	Chairman
Joanito Monteiro, BA, LL.M	Non-Executive member-resigned on Nov. 2022
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 2018-2022 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.

The Management Committee members on 2022 consist of;

Florentino M. Soares Ferreira, BSc. (Hons.) MSc	President and Director In-Charge for HSE
Jose Manuel Gonçalves, BEng (MiningEng)	Vice President - Mineral Exploration & Exploitation
Dionisio Martins, SE, MSc	Director - HR, Training, Admin & Logistic
Edgar da Costa, MBA	Director - Finance, Procurement and ICT
Fernando da Silva, ST, MEDEA	Director - Development and Production
Verawati Corte Real de Oliveira, BSc	Director - Health Safety and Environment (Study Leave)
Mateus da Costa, MSc	Director - Exploration and Acreage Promotion

Rosentino Amado Hei, SH

Director - PSC and Legal Compliance

Rosentino Amado Hei, SH

Director In-charge-Procurement and Local Content for
Petroleum and Mineral

Nelson de Jesus, SE

Director - Downstream

Rafael Danilson Magno de Araujo, ST, MSc.

Director - Mineral

Rafael Danilson Magno de Araujo, ST, MSc.

Directo In-charge-Mineral Administration and
Compliance

1.4 MAJOR ACHIEVEMENTS AND PROJECTS HIGHLIGHTS IN 2022

INAUGURATION OF GOVERNANCE BOARD FOR GREATER SUNRISE SPECIAL REGIME

On the 10th of March 2022, Timor-Leste and Australia welcomed an inaugural meeting from the Greater Sunrise Governance Board in accordance to the Treaty Maritime Boundaries which comprised of one representative appointed by Australia, Michelle Croker and two representatives appointed by Timor-Leste, Cristina Yuri Rebelo dos Santos Costa and Juvinal Dias. The Governance Board provides strategic supervision and approves the principal governing contract on the Greater Sunrise Special Regime.



FIGURE 2: INAUGURATION OF THE MEMBER OF THE GOVERNANCE BOARD TIMOR-LESTE AND AUSTRALIA FOR GREATER SUNRISE SPECIAL REGIME

ANNOUNCEMENT OF THE WINNER FOR SECOND LICENSING ROUND

In April 2022, the Timor Leste Government through the National Authority for Petroleum and Minerals-ANPM, officially announced the bidding winners of the second licensing round 2019/2022 period. The winner for the Block A was TIMOR GAP, E.P, the ETO Lda was awarded Block B, HTS Exploration Ltd was awarded Block F, ENI Australia B.V was awarded Block P and Santos NA Timor-Leste Pty, Ltd, was awarded Block R. Block A, B and F are located onshore while block P and R are in offshore. The next stage would be signing the production contract sharing-PSC between the block winners with the Timor Leste's government through ANPM.



FIGURE 3: THE WINNER OF THE SECOND LICENSING ROUND PERIOD 2019/2022

TIMOR-LESTE ENERGY AND MINING SUMMIT

In June 2022, ANPM organised the fourth annual Timor-Leste Energy & Mining Summit. At least over than 250 companies participated in this summit along with important delegates from several countries such as Portugal, United Kingdom, Singapore, Australia, Indonesia, Malaysia, United State of America, Mozambique, Papua New Guinea and many more.



FIGURE 4: 4TH TIMOR-LESTE ENERGY AND MINING SUMMIT

LAUNCHING OF CONSTRUCTION PROJECT FOR NATIONAL LIBRARY

In July 2022, ANPM in collaboration with the Secretariat of State for Art and Culture (SEAC) and ENI company launched a construction project for Timor-Leste National Library. The project was officially launched by the Prime Minister, Jeneral Taur Matan Ruak, accompanied by president of the ANPM, Florentino S. Ferreira. This project was part of local content commitment by the ENI company as a partnership operator for Kitan field and PSC TL-SO-T 19-10.



FIGURE 5: LAUNCHING OF NATIONAL LIBRARY CONSTRUCTION PROJECT

LAUNCHING OF PUBLIC TENDER FOR RESEARCH AND PROPECTIVITY OF SAND

In December 2022, ANPM through the Ministry Petroleum and Minerals launched a public tender on research and prospection on sand resources in three rivers such as Loes river in Liquica Municipality, Laclo and Laleia river in Manatuto Municipality with aim to export. The purpose of this public tender was to maximize the participation of national enterprises to develop mineral industries in Timor-Leste as well as to explore sand resources to become one of the revenue sources for Timor-Leste and its national companies.



FIGURE 6: LAUNCHING OF PUBLIC TENDER FOR SAND PROSPECTIVITY AND SURVEY

SIGNING OF PRODUCT SHARING CONTRAT FOR BLOCK A

In December 2022, ANPM as the representative of Timor-Leste government signed a PSC contract for block TL-OT-22-18 with Timor Gap Rarahana Block Unipessoal,lda as a subsidiary company of Timor Gap, EP. With this contract allows Timor Gap Rarahana Block Unipessoal, Lda to start initial petroleum activities such as 2D seismic data survey and drilling a well in the PSC TL-OT-22-18 block which is in the municipality of Lautem to discover the potentiality of oil and gas. The contract duration is three (3) years.



FIGURE 7: SIGNING OF PSC FOR BLOCK A

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 2022, ANPM conducted 22 recruitment for new and replacement positions in order to respond to the ANPM's activities. Some new staff has been joined and other is ongoing. By end of 2022, ANPM has a total of 122 staff spread across different directorates, including President and Single Auditor's offices.

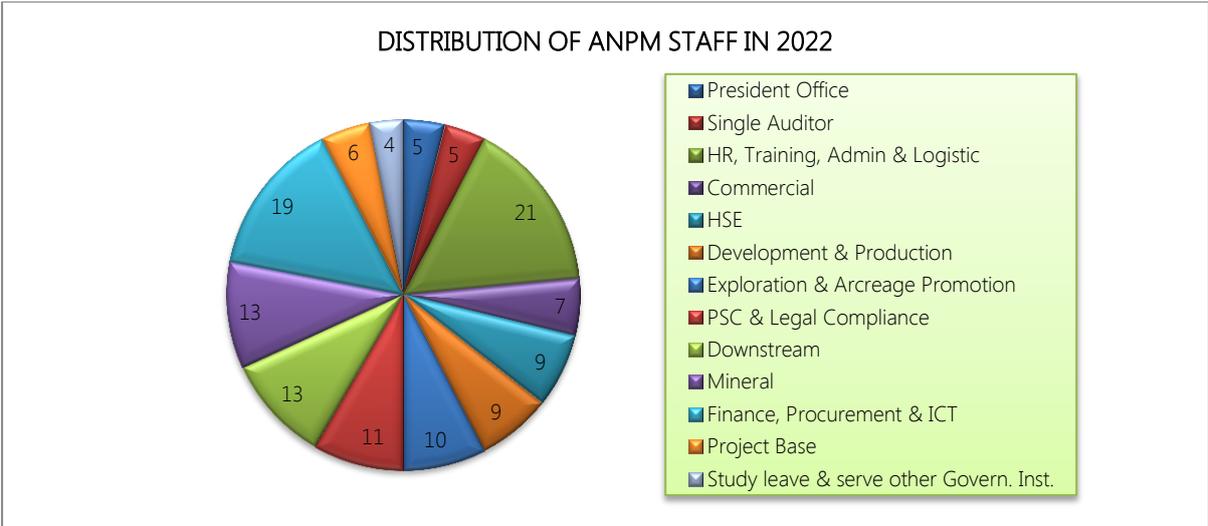


CHART 2: ANPM STAFF DISTRIBUTION IN 2022

TRAINING AND DEVELOPMENT

A total of seven individual training programs were attended by relevant ANPM employees. Most of these training programs were in the Technical areas, and were held attended in overseas. Besides that there were 104 other collective training programs conducted within the state for designated employees from various directorate within the ANPM.

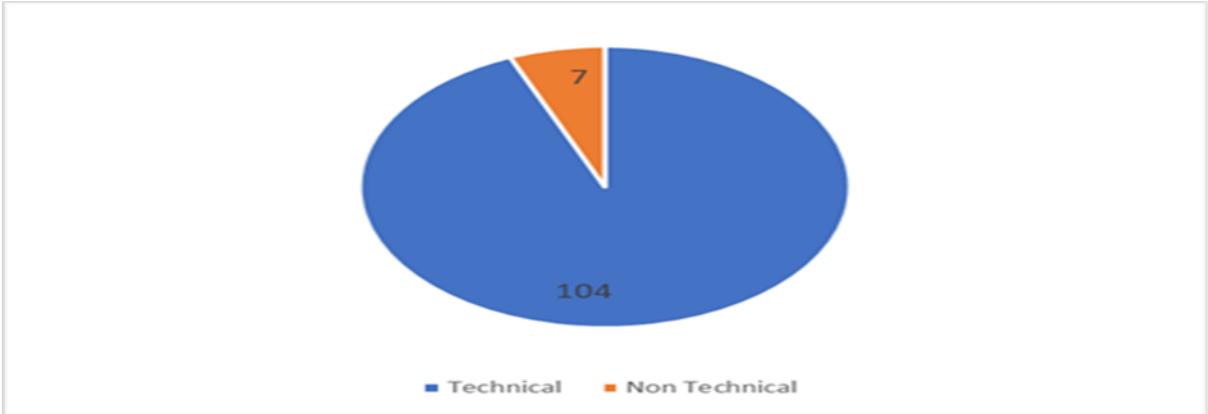


CHART 3: TRAINING FOR ANPM STAFF

1.6 CORPORATE PROCUREMENT

Corporate procurement is categorized into three major items; Consultancy, Goods and Services. In 2022, Corporate procurement amounts to a total of USD \$ 3,973,087.30. 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.

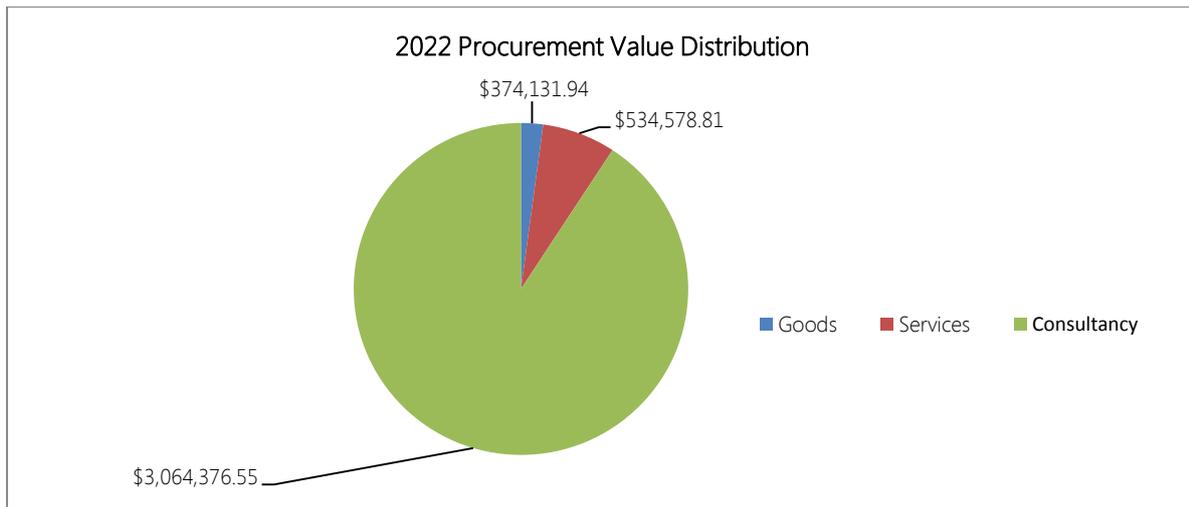


CHART 4: 2022 ANPM PROCUREMENT BY CATEGORIES

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 2022. All figures presented are in United States Dollar.

Expenses Report Per 31 December 2022 (Audited)		
	Actual	Budget
Development Fees	\$ -	\$ -
Contract Services Fees	\$ 320,000.00	\$ 160,000.00
Subsidy from Timor - Leste Government for ANPM Operation	\$ 8,500,001.00	\$ 8,500,000.00
Downstream Fees	\$ 1,010,899.00	\$ 1,000,000.00
Downstream Licenses-trading Fee	\$ 123,417.00	\$ -
Interest	\$ 1,118.00	\$ -
Total Income	\$ 9,955,435.00	\$ 9,660,000.00
EXPENSES		
Employee Cost	\$ 4,357,393.00	\$ 5,478,667.29
General and Administration	\$ 6,570,227.00	\$ 8,517,218.95
Depreciation and Amortisation	\$ 287,092.00	\$ 375,600.00
Interest Expenses	\$ 689.00	\$ -
Net Loss in Foreign Exchange	\$ 4,316.00	\$ -
Contingency	\$ -	\$ 431,144.59
Total Expenditure/Budget	\$ 11,219,717.00	\$ 14,802,630.82
Surplus	\$ (1,264,282.00)	\$ (5,142,630.82)

Percentage Budget vs Actual 76%

Percentage Income vs Expenditure 113%

ANPM - CORPORATE FINANCIAL STATEMENT

AUTORIDADE NACIONAL DO PETRÓLEO

2022 Financial Report (audited)

	Notes	2022 \$	2021 \$
REVENUE AND OTHER INCOME			
Contract service fees		320,000	320,000
Subsidy from Timor-Leste Government		8,500,001	8,735,000
Downstream fees		1,010,899	1,197,683
Downstream licenses - trading fees		123,417	117,913
Interest		1,118	70
TOTAL INCOME		9,955,435	10,370,666
EXPENSES			
Employee costs	16	4,357,393	3,024,473
General and administration	17	6,570,227	3,957,287
Depreciation and amortization		287,092	407,481
Interest expense		689	273
Net loss in foreign exchange		4,316	1,551
TOTAL EXPENSES		11,219,717	7,391,065
(DEFICIT) /SURPLUS FOR THE YEAR		(1,264,282)	2,979,601
OTHER COMPREHENSIVE INCOME/ (LOSS)		-	-
TOTAL COMPREHENSIVE (LOSS) /INCOME FOR THE YEAR		(1,264,282)	2,979,601

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 2022

	Notes	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	16,727,452	17,092,464
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	308,297,296	13,761,726
Cash and cash equivalents - Oilex Settlement Proceeds	4, 19	6,400,000	5,900,000
Cash and cash equivalents -TL Cement Escrow Account	5	50,542,315	50,280,428
Trade and other receivables	6	187,722	223,591
Other current assets	7	117,197	69,311
Total Current Assets		383,808,184	88,863,722
NON-CURRENT ASSETS			
Property, plant and equipment	9	603,204	414,486
Intangibles	8	1,488	27,018
Right-of-use asset	11	17,490	40,811
Total Non-Current Assets		622,182	482,315
TOTAL ASSETS		384,430,366	89,346,037
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	10	3,544,573	2,591,615
Payable in respect of Joint Petroleum Development Area Funds	14	308,297,296	13,761,726
Payable in respect of Oilex Settlement Proceeds	4	6,400,000	5,900,000
Payable TL Cement Escrow Account	15	50,542,315	50,280,428
Unearned income	13	72,877	120,595
Lease liability	11	17,874	23,344
Provisions	12	372,261	228,643
Total Current Liabilities		369,247,196	72,906,351
Lease liability	11	-	17,841
Provisions	12	135,432	109,825
Total Non-Current Liabilities		135,432	127,666
TOTAL LIABILITIES		369,382,628	73,034,017
EQUITY			
Initial contribution	21	2,153,168	2,153,168
Accumulated funds		12,894,570	14,158,852
Total Equity		15,047,738	16,312,020
TOTAL EQUITY AND LIABILITIES		384,430,366	89,346,037

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 2022

	Initial Contribution \$	Accumulated Funds \$	Total Equity \$
At 1 January 2021	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
Total deficit for the year	-	(1,264,282)	(1,264,282)
At 31 December 2022	2,153,168	12,894,570	15,047,738

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

ALLOCATION OF SURPLUS
FOR THE YEAR ENDED 31 DECEMBER 2022

FOR THE YEAR ENDED 31 DECEMBER 2022	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	-	8,500,001	8,500,001
Downstream fees	-	1,010,899	1,010,899
Trading fee	-	123,417	123,417
Interest	1,118	-	197,018
Total Income	321,118	9,634,317	9,955,435
Expenses split per 2022 approved budget proportion	(129,027)	(11,090,690)	(11,219,717)
Surplus (Deficit) for the year	192,091	(1,456,373)	(1,264,282)

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 2022

	Notes	2022 \$	2021 \$
Operating activities			
(Deficit)/Surplus for the year		(1,264,282)	2,979,601
Adjustments to reconcile (deficit)/surplus for the year to net cash flows:			
Depreciation of property, plant and equipment	9	237,846	289,147
Amortization of intangible assets	8	25,925	99,240
Depreciation on right-of-use asset	11	23,321	19,094
Operating (deficit)/surplus before working capital changes		(977,190)	3,387,082
Working capital adjustments:			
Decrease/(Increase) in trade and other receivables	6	35,869	(78,700)
(Increase)/Decrease in other current assets	7	(47,886)	11,400
Increase in trade and other payables	10	295,988,528	9,256,247
Increase in employee benefits provision	11	169,225	61,036
(Decrease)/Increase in unearned income	13	(47,718)	97,356
Net cash flow (used in)/generated from operating activities		295,120,828	12,734,421
Investing activities			
Purchase of intangibles	8	(395)	(3,542)
Purchase of property, plant and equipment	9	(426,564)	(97,479)
Net cash flow used in investing activities		(426,959)	(101,021)
Financing activity			
Payment of principal portion of lease liability		(23,311)	(19,227)
Net cash flow used in financing activity		(23,311)	(19,227)
Net increase in cash and cash equivalents		294,670,558	12,614,173
Cash and cash equivalents at beginning of year		38,290,392	256,76,219
Cash and cash equivalents at end of year	4	332,960,950	38,290,392

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 2022

	Note	2022 \$	2021 \$
Revenue receipts by field			
Bayu-Undan	3	905,981,537	318,504,632
Total revenue receipts received		905,981,537	318,504,632
Interest			
- Interest from Term Deposit	5	227,413	16,911
- Interest from Profit oil/gas interest		-	-
Total receipts received		906,208,950	318,521,542
Bank charges		(120)	(240)
Receipts less bank charges for the year		906,208,830	318,521,302
Cash at beginning of year		13,761,726	5,085,925
		919,970,556	323,607,228
Less: cash at end of year	4	(308,297,296)	(13,761,726)
Amount available for distribution		611,673,260	309,845,502
Distributed as follows:			
Distribution to Petroleum Fund of Timor-Leste		611,673,260	309,845,502
Distribution to Department of the Resources, Energy and Tourism, Australia		-	-
Total payments made		611,673,260	309,845,502

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 2022

	Note	2022 \$	2021 \$
Revenue receipts by type of accounts			
License Fees	3	13,500	14,500
Prospecting		-	-
Exploration		3,000	-
Mining		10,500	14,500
Administrative Fees	4	1,600	-
Mining Fees	5	2,203,041	1,669,916
Mineral Royalty	6	17,280	-
Compensation Fees-Mining Fees	7	167,315	289,461
Administrative Offences Fees-Mineral Royalty Fees	8	48,530	-
Surface Fees	9	10,944	-
Total revenue receipts deposited		2,462,210	1,973,877
Bank interest	10	122	-
Receipts add bank interest for the year		2,462,332	1,973,877
Bank charges	11	59	159
Receipts less bank charges for the year		2,462,273	1,973,719
Cash at beginning of year		-	-
Less: cash at end of year		-	-
Total cash distributed for the year		12	1,973,719

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 2022 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 2022, there were thirteen (13) contract areas that consist of three (4) 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 Teaty between Australia and Timor-Leste. Table 1 below briefly outlines the status of each of the 13 PSCs in 2022.

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 Unip.Ltd	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	Relinquishment 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
TIMOR GAP Rarahana Unip. Ltd	TL-OT-22-18	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 13 PSCs can be seen in figure 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 2022.

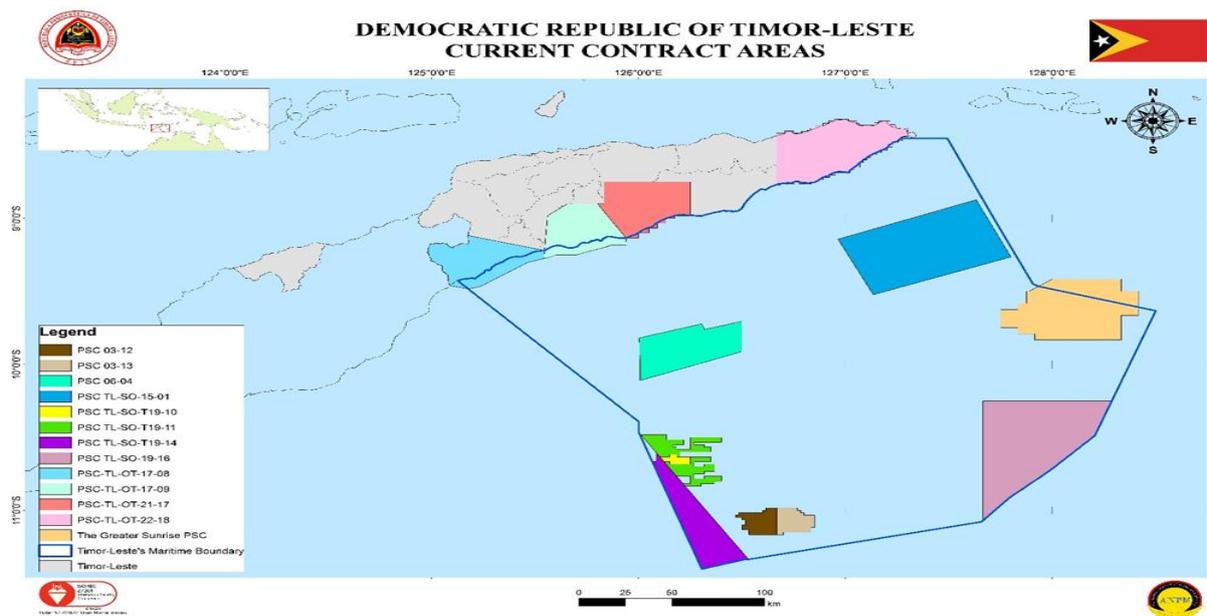
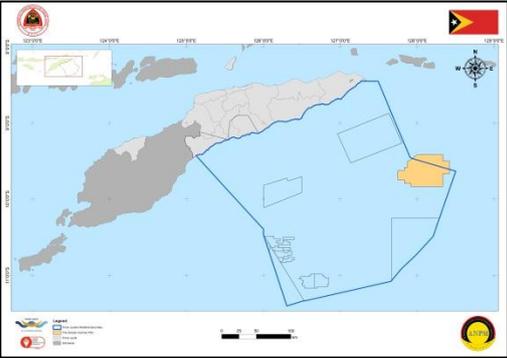
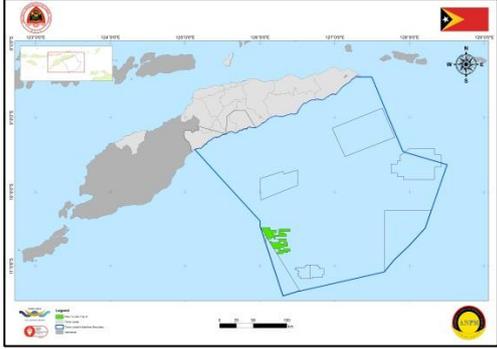
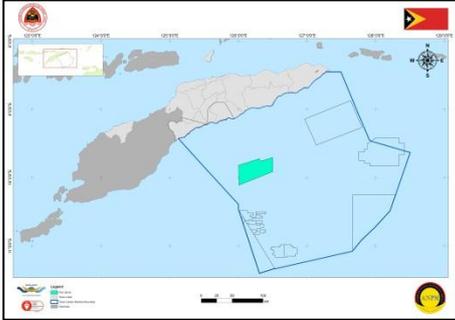


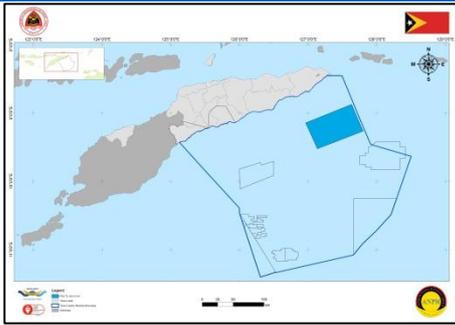
FIGURE 8: THE MAP OF THE CURRENT ACTIVE PSCS BOTH IN THE TIMOR-LESTE ONSHORE AND OFFSHORE TERRITORY AS WELL AS THE SPECIAL REGIME AREA

2.2 PETROLEUM EXPLORATION PERFORMANCES

As briefly outlined in section 2.1, These thirteen (13) 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 relinquishment of contract area of PSC TL- SO-T 19-14 , 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 style="text-align: center;">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 involves 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 style="text-align: center;">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

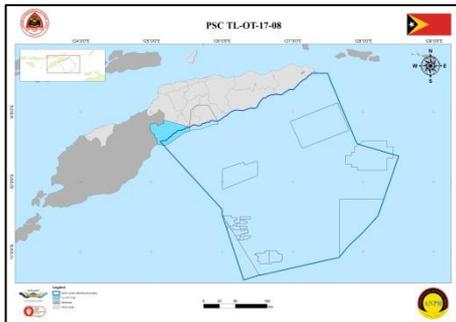
	<p>was changed name to PSC TL-SO-T 19-11 to reflect the permanent maritime boundary arrangement as well as Timor-Leste jurisdiction.</p> <ul style="list-style-type: none"> The Kanase-1 exploration well drilling was carried out within this PSC in 2019, the Kanase-1 exploration well was targeted both Jurassic 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.
<p>TLO PSC S-06-04</p> 	<ul style="list-style-type: none"> 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 de-risking the identified prospects.
<p>TLO PSC TL-SO-15-01</p>	<ul style="list-style-type: none"> 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 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.
- 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 was finalizing the tender process for FWI studies in the work PSC area to further de-risking the identified prospects. Additionally, TIMOR GAP participate in various conference to promote the block for potential companies to farm in.
- 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.

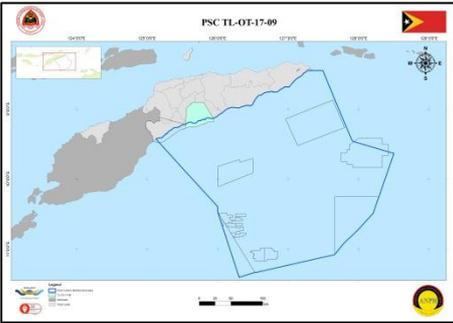
TL-OT-17-08



- 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 2021 and hoping to spud the well in Q2 of 2021.
- 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

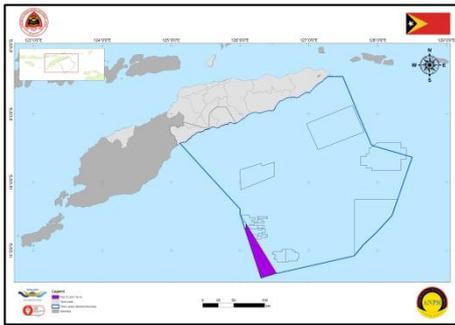
	<p>drilling reached its proposed target and Total Depth (TD) and was suspended in March 2022. Timor Resource is planning to perform well test on Kumbili-1 well after the completion of Lafaek-1 well drilling</p> <ul style="list-style-type: none"> • Timor Resources also has been managing to send cutting 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 that both samples of hydrocarbon and cutting samples well be sent to Indonesia for further analysis. • Lafaek-1 well was spudded in 2nd October 2022, and the drilling is currently ongoing and expected to be drilled to the depth of more than 3000 TVD
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TL-OT-17-09



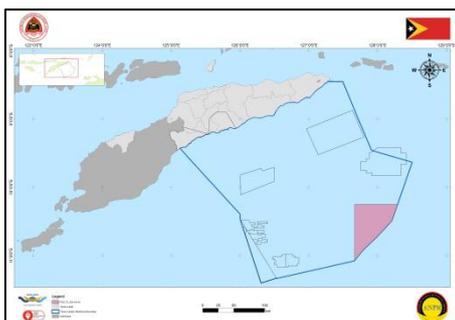
	<ul style="list-style-type: none"> • The Acquisition of the 2D seismic data within PSC TL-OT-17-09 was completed in October 2019 and the processing and interpretation of the seismic data are being done in 2020. • Following the completion of the Interpretation of the Fafulu 2D seismic survey, Timor Resources has identified prospect for upcoming drilling target that was proposed to be drilled in early 2022. • Timor Resources did construct the road access in Carau-Ulo river to access the Rusa-1 drilling location, however the drilling Rusa-1 is schedule for 2023.
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PSC TL-SO-T 19-14



- 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.
- Carnarvon has submitted all the relevant reports and data post the Buffalo-10 well drilling
- The Contractor and ANPM are currently in the process of concluding the relinquishment for the Contract Area.

PSC TL-SO-19-16



- The PSC was awarded in November 2019 and Operated by SundaGas Banda and its joint venture partner TIMOR GAP Offshore 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).

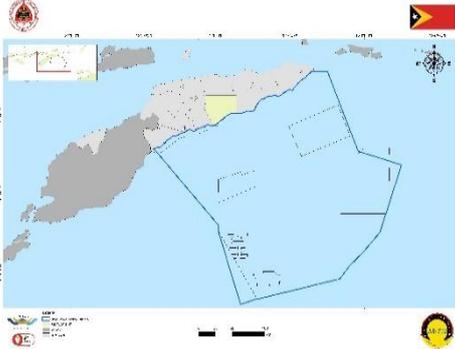
	<ul style="list-style-type: none"> The PSC is presently at the exploration stage and the contractor is focusing on the G&G studies. After the request made by the Contractor, the 6 months extension for the PSC second year of initial exploration period was granted.
<p style="text-align: center;">PSC TL-OT-21-17</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. In 2022, the PSC has just concluded its first year of exploration period and TIMOR GAP Pualaca Block has managed to acquire the Full Tensor Gravity (FTG) data over the PSC area
<p style="text-align: center;">PSC TL-OT-22-18</p> 	<ul style="list-style-type: none"> The PSC TL-OT-22-18 was signed on 22 December 2022. TIMOR GAP Rarahana Unipessoal Lda is the sole Operator for the PSC. The PSC will soon enter to its exploration period once it meets the condition precedent

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



FIGURE 9: DRILLING ACTIVITIES OF LAFAEK-1 WELL IN COVALIMA

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).

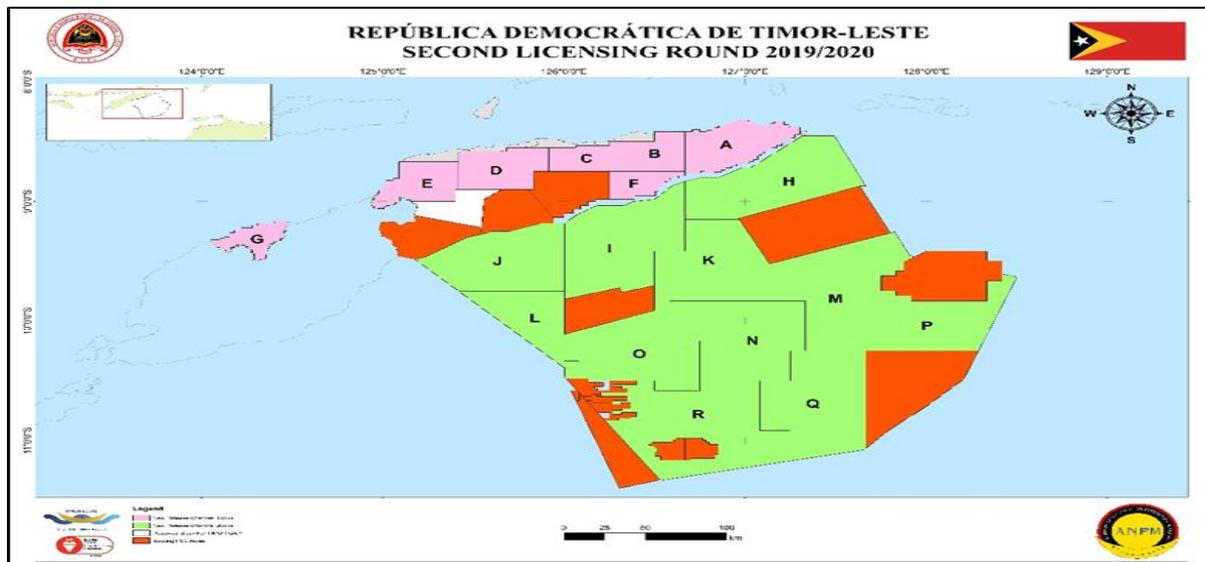


FIGURE 10: SHOWS THE MAP OF THE 18 NEW BLOCKS RELEASED FOR THE PERIOD OF 2019/2022

The licensing round was extended until 2022 due to Global Pandemic of COVID-19. After continues effort of promotion regardless of COVID 19 Pandemic, the ANPM team managed to pre-qualify 10 companies, and out of these 10 companies 7 companies entered to the bid round stage. The bid round was concluded on 4

March 2022, and the bid winners were announced on the 22 April 2022. Below is the list of the result of the bid winners and the blocks.

No.	Block	Winners
1.	A	Timor Gap, E.P
2.	B	Esperança Timor Oan, Lda
3.	F	HTS Exploration, Ltd
4.	P	ENI Australia B.V.
5.	R	Santos NA Timor-Leste, Pty Ltd

TABLE 3: THE WINNERS OF THE BID FOR TIMOR-LESTE 2ND LICENSING ROUND 2019/2022



FIGURE 11: HIGHLIGHTS PICTURES OF THE ANNOUNCEMENT OF BID WINNERS

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. As per plan for 2022 promotion, the ANPM Exploration team continue to further participate on various roadshows in places such as Singapore, Darwin, Abu Dhabi and or Dubai throughout the year of 2022.

Furthermore, The ANPM in collaboration with IN-VR carried out the Fourth Timor-Leste Energy Summit in June 2022. After the 4th Timor-Leste Energy Summit, the ANPM joined Asia Pacific Energy Capital Assembly (APAC) from 6 to 7 June 2022 in Singapore, the South East Asia Australia Offshore & Onshore Conference (SEAAOC) in August 2022 in Darwin, and the Abu Dhabi International Exploration and Conference (ADIPEC) 2022 from 31 October to 3 October 2022.



FIGURE 12: HIGHLIGHTS PICTURES DURING ROADSHOW PROMOTION OF 2ND LICENSING ROUND IN ANGOLA AND DUBAI (A,B,C,AND F)

➤ 4th Timor-Leste Energy and Mining Summit

Within the first and second quarter of the 2022, the ANPM in collaboration with IN-VR carried out the Fourth Timor-Leste Energy Summit in June 2022. The event was successful with more than 300 participants from 100 Companies. The event was focus not only on Petroleum sector but also extend to current global energy topic such as Carbon Capture Sequestration (CCS), and Mining.



FIGURE 13: PRESIDENT OF THE ANP PRESENTS TIMOR-LESTE'S ENERGY AND MINING SECTOR



FIGURE 14: PANELS DISCUSSIONS OF SPEAKERS



FIGURE 15: PRESIDENT OF RDTL ATTENDS GALA DINNER AND HANDS OVER CERTIFICATE OF APPRECIATION TO THE IOC

➤ International Conferences

❖ Asia Pacific Energy Capital Assembly (APAC)

Asia Pacific Energy Capital Assembly (APAC) was held from 6 to 7 June 2022 in Singapore. The President of ANPM was taking part as panel speaker for the event. During the panel discussion, President of ANPM discussed the result of the licensing round and CCS project plan.



FIGURE 16: THE ANPM PRESIDENT DISCUSSES THE RESULT OF THE LICENSING ROUND AND CCS PROJECT PLAN

❖ South East Asia Australia Offshore & Onshore Conference (SEAAOC)

From 24 to 26 August 2022, the ANPM Exploration team participate SEAAOC Conference in Darwin, Northern Territory, Australia. The objective for the participation at SEAAOC was primarily for continuous promotion of the remaining blocks as well as CCS program. During the SEAAOC the exploration team participate as exhibitor.



FIGURE 17: ANPM PROMOTES TIMOR-LESTE PETROLEUM AND MINING SECTOR DURING SEAAOC CONFERENCE

❖ Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC)

The ANPM team participated ADIPEC from 31 October to 3 November 2022, together with H.E. Sr. Victor da Conceição Soares, Minister of Petroleum and Minerals. H. E. Sr. Victor was invited to participate in Ministerial Panel discussion as well as Leadership Round table. During the panel discussion H.E. Sr. Victor talked and gave update on the Licensing round and Oil and Gas Industry in Timor-Leste.



FIGURE 18: MINISTER OF PETROLEUM AND MINERALS SHARES TIMOR-LESTE'S OIL AND GAS, AND MEETING WITH MINISTER OF ENERGY OF UEA

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 Timor-Leste.

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 have been finalized in Early 2022. PT Karvak technical team completed the rest of the project by integrating all the 5 surveys in a comprehensive Integrated Interpretation and Modelling of the Airborne project, as well as the reports for these interpretation and Final Report of the project have been completed June 2022. The handover of the project from PT Karvak Nusa Geomatika to the Steering Committee is planned in Early 2023.

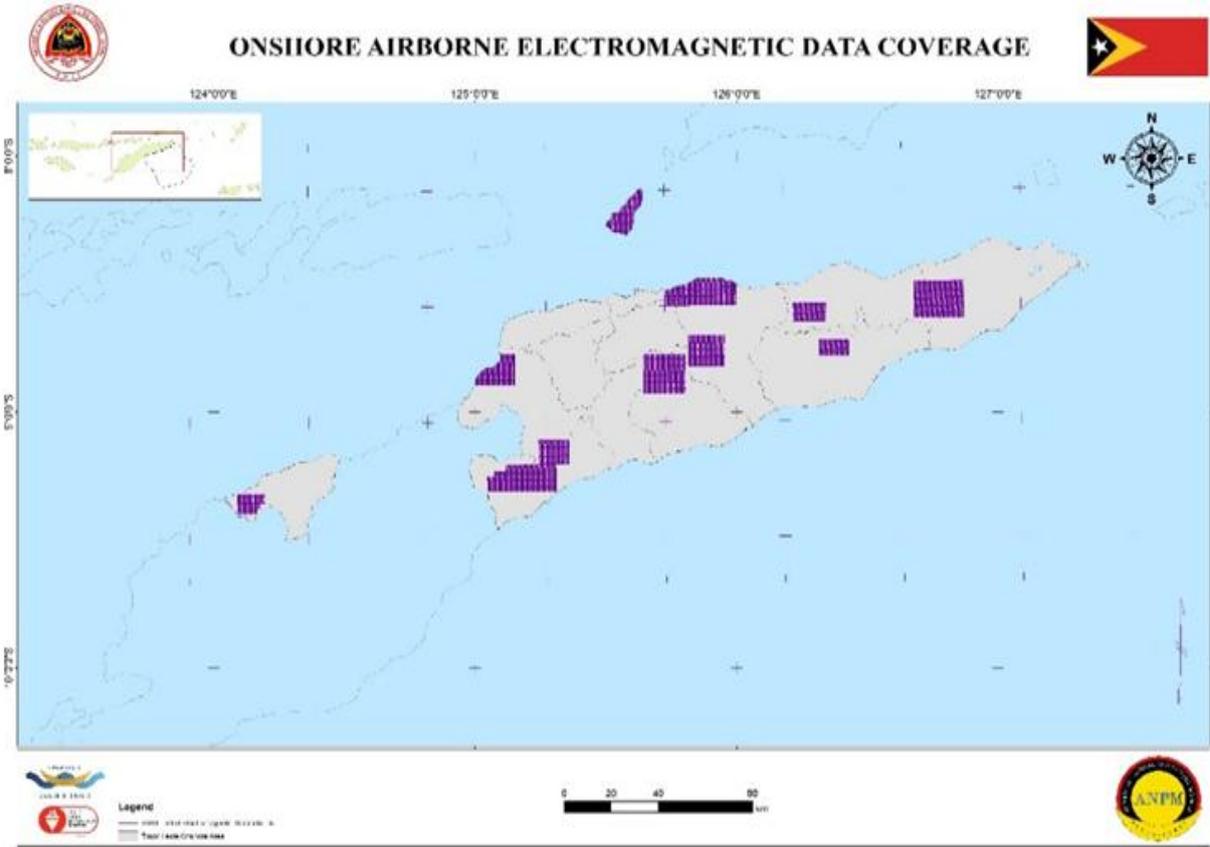


FIGURE 19: THE MAP OF ONSHORE AIRBORNE ELECTROMAGNETIC DATA COVERAGE

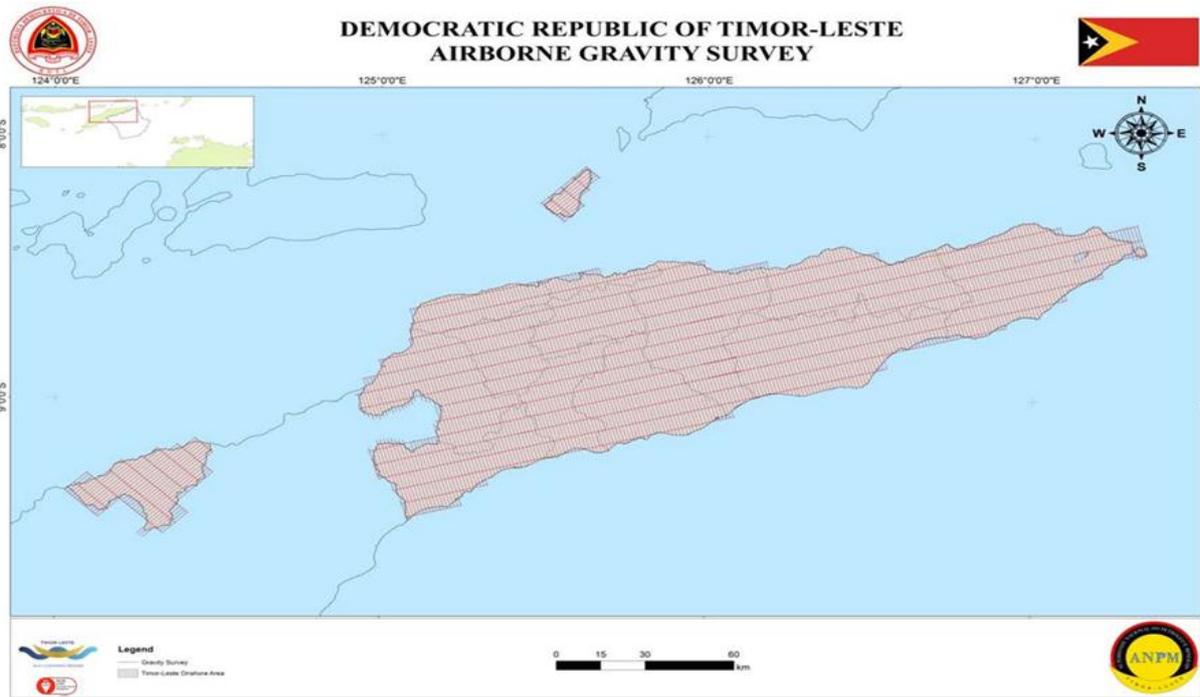


FIGURE 20: THE MAP OF ONSHORE AIRBORNE GRAVITY DATA COVERAGE

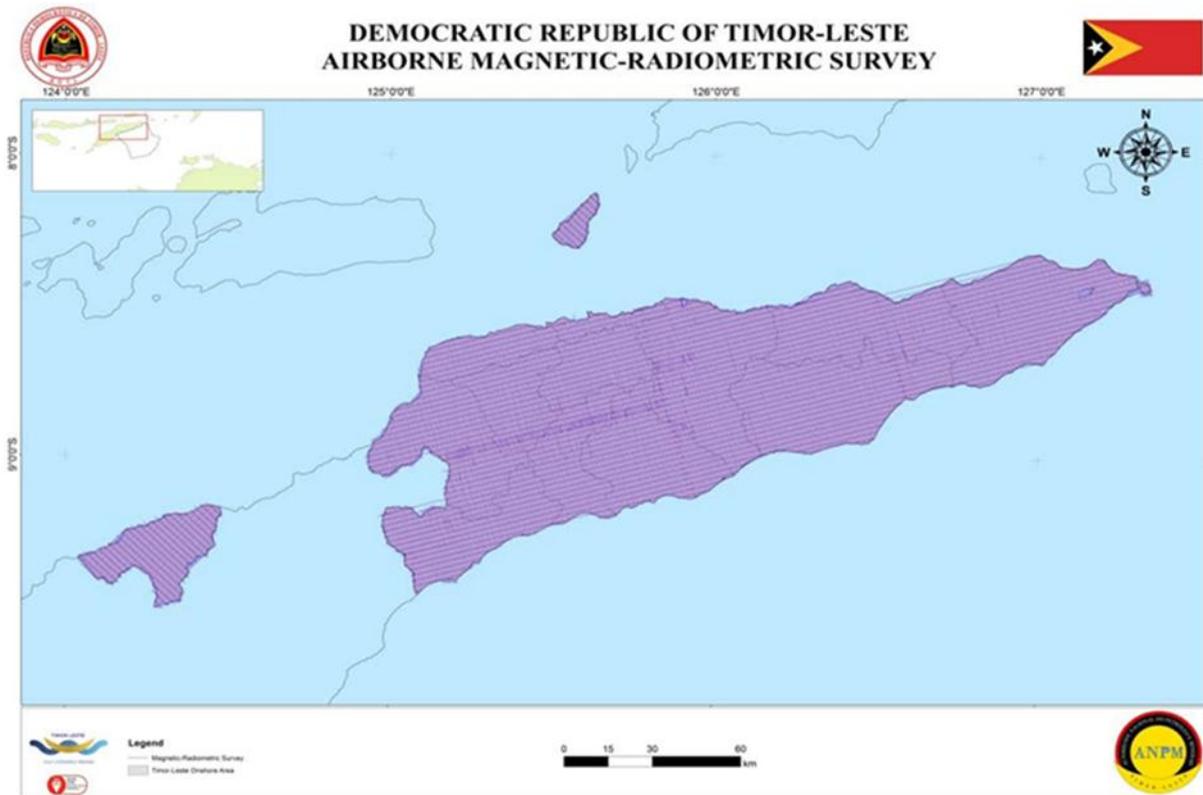


FIGURE 21: THE MAP OF ONSHORE AIRBORNE MAGNETIC-RADIOMETRIC DATA COVERAGE

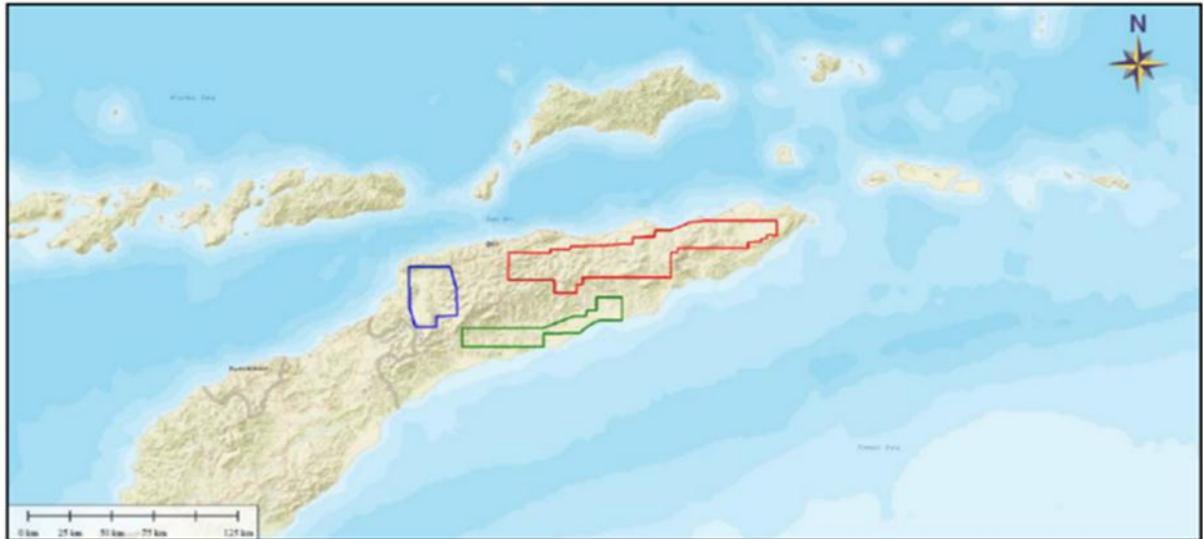


FIGURE 22: LOCATION OF SURVEY AREA FOR GRAVITY-GRADIOMETRY



FIGURE 23: FIEDL DATA ACQUISITIONS OF INTEGRATED AIRBORNE GEOPHYSICAL SURVEY (IAGS)



FIGURE 24: THE FIELD SURVEY OF 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.

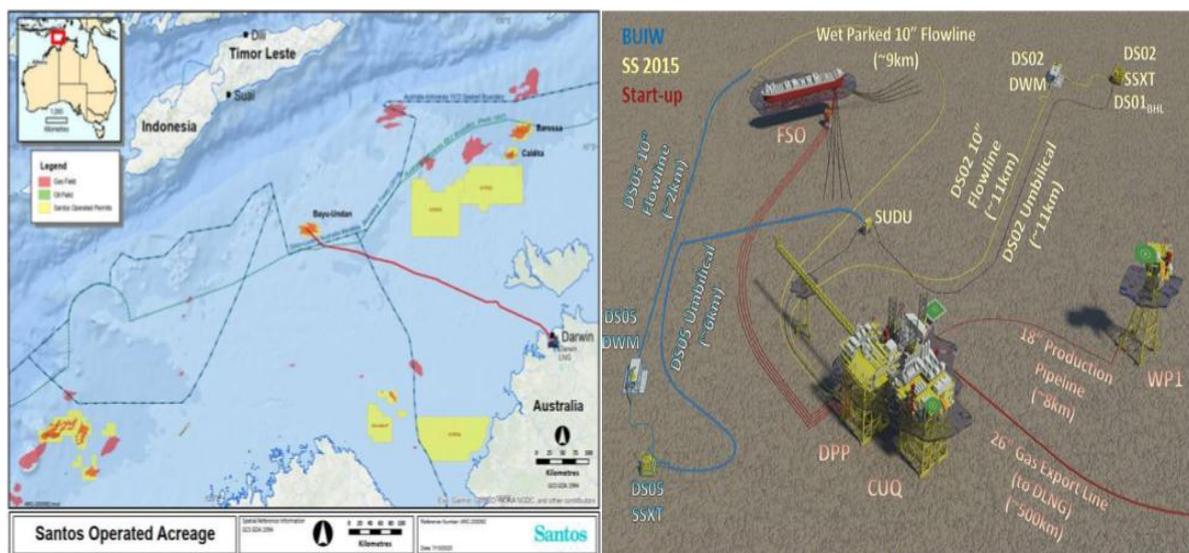


FIGURE 25: BU FIELD LOCATION AND FACILITY (COURTESY OF SANTOS)

The Bayu-Undan field is maturing and productivity from existing wells is decreasing with increasing water production due to water influx. All injector wells have been converted to production since 2021 where D15 was the last injector well to be converted. As production cessation approaching, there was no intent to reinject the produced lean gas except technical requirements i.e. DLNG trip or DLNG plant maintenance.

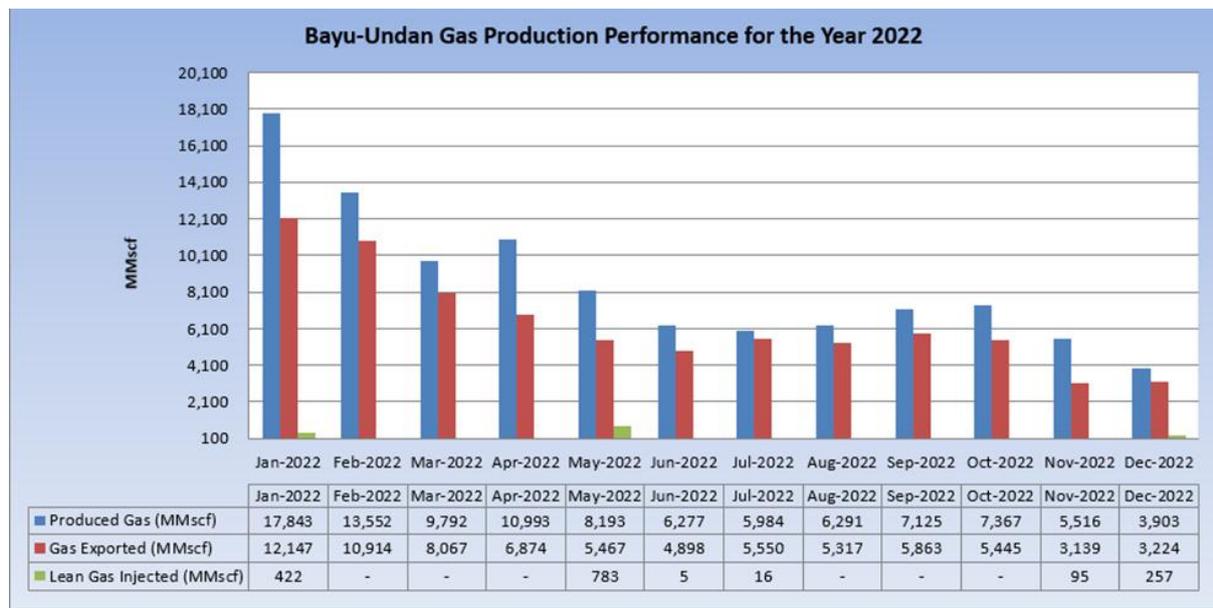
In the year of 2022, Bayu-Undan field produced from 20 producing wells which include 4 (four) R2P (Reinjector to Producer) wells, 3 (three) 2018 infill wells, 3 (three) 2021 BU phase 3C well and 11 existing producing wells. It is worth noting that some wells (particularly cyclical wells) were only brought online for certain period of time or offline due to water loaded. Most of the wells were technically attempted for production and as a result, cyclical wells have contributed significant production volume to the overall field production.

For the reporting period,

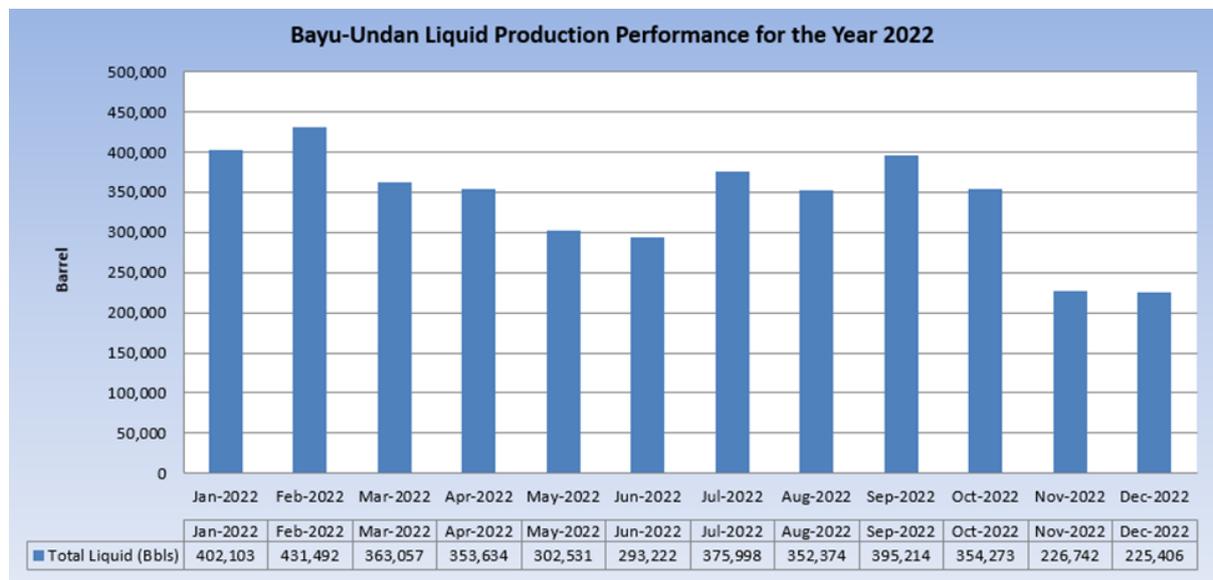
- The total of wet gas production was 102.84 BCF with average production rate of 8,570 MMscf per month.

- The cumulative gas export to DLNG was 76.91 BCF with monthly export rate of 6,409 MMscfd.
- The combined liquid production (Condensate and LPG) was 4.08 MMbbls with mean production rate of 339,671 barrel per month.

The cumulative lean gas injection throughout last year was 1.58 BCF with monthly average injection rate of 132 MMscfd. The lean gas injection was mainly due to the planned DLNG low rate, planned critical turbine maintenance in DLNG and PSD (plant shut-down) event.



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



GRAPH 2: TOTAL LIQUID PRODUCED

In terms of operation, the production was below the budget for the liquid production due to DS06 and W13ST2 poor performance. On the other hand, the gas production performance was slightly above budget. During 2022 there were a number of unplanned deferred production opportunities. Apart from that, several

production optimizations and maintenance work programs such as 2022 well intervention campaigns (W10, W13, D04, D09 and D15), lower export rate due to DLNG outage, service campaign for Reinjection Compressors, Gas Turbine was successfully completed considering late-life operations. All other production interruptions were successfully liquidated.

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 at the time with higher FPSO (Floating Production Storage and Offloading) operating cost. Associated production flowlines and risers were disconnected from FPSO left in-situ. The FPSO and topside process cleaning by flushing and purging of production plant was completed. FPSO departed from Kitan field on 27th February 2016.

ANPM was in continuous discussion with ENI (Contract Operator) on the method of Kitan wells P&A and time for the final subsea system abandonment from the field 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 2022 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. even though the spread of the global pandemic gradually diminished. In doing so, HSE Directorate has been working closely with oil and gas upstream contract operators to implement their respective COVID-19 management plan to ensure that all personnel mobilizing to the oil and gas upstream facilities are fully vaccinated against COVID-19 with a WHO approved vaccine.

Below were key activities and highlight within the reporting periods:

- Review & approval of relevant HSE regulatory submission for Bayu-Undan 2022 subsea assets and gas export pipeline (GEP) integrity survey.
- Routine HSE inspection to petroleum facility (Production facilities, helicopter & vessels including onshore drilling rig)
- Review & approval of relevant revised regulatory submissions such as drilling rig Safety Case and its bridging document including emergency response plan (ERP) for onshore exploration drilling campaign within the contract area PSC TL-OT-17-08.

Undertake public consultation and inter-ministerial technical assessment on EIS and EMP prior to approve by Higher Environmental Authority & Environmental License was granted.

HSE PERFORMANCE IN THE TIMOR LESTE OFFSHORE

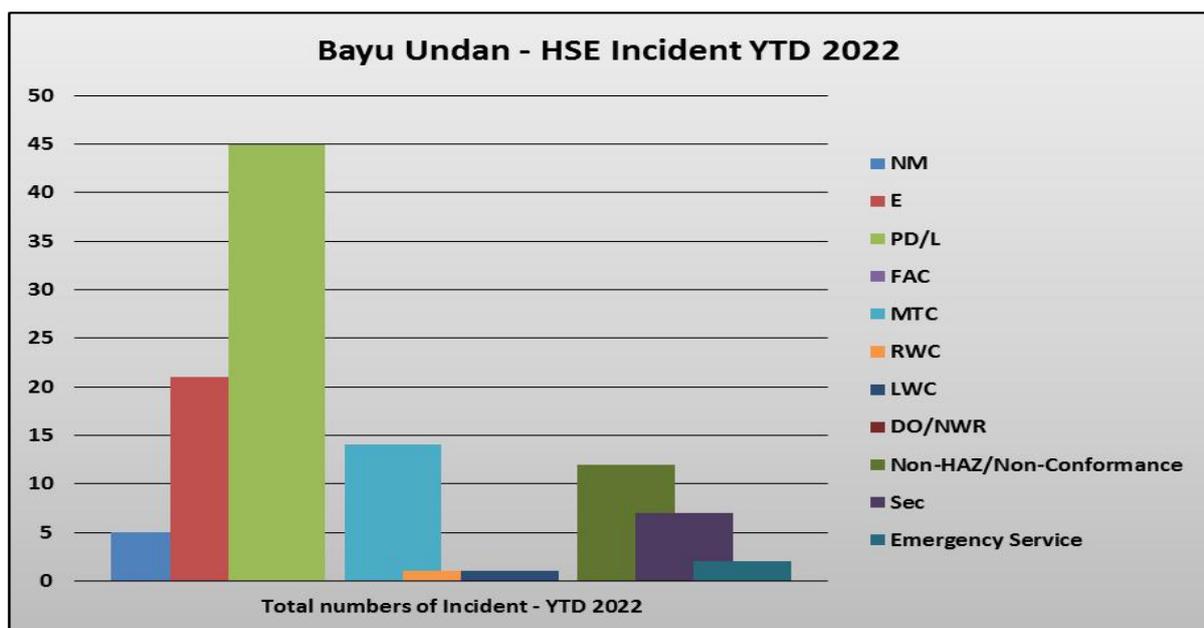
➤ HSE Incident in the Bayu-Undan field

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 2022 there were a total of 108 incidents compiled from the petroleum activities in the Bayu-Undan Field.

The highest number of incidents occurred in the Bayu Undan field as per category was property damage/loss followed by environment, medical treatment case, Non-Hazard, Security, near miss and emergency service, however restricted work case and lost work case was the lowest incidents occurred.

The graphs below represent total numbers of each incident by category/type during 2022, for a total Man Hours of 809,279.



GRAPH 3: BAYU-UNDAN HSE INCIDENT ON 2022 YEAR TO DATE (YTD)

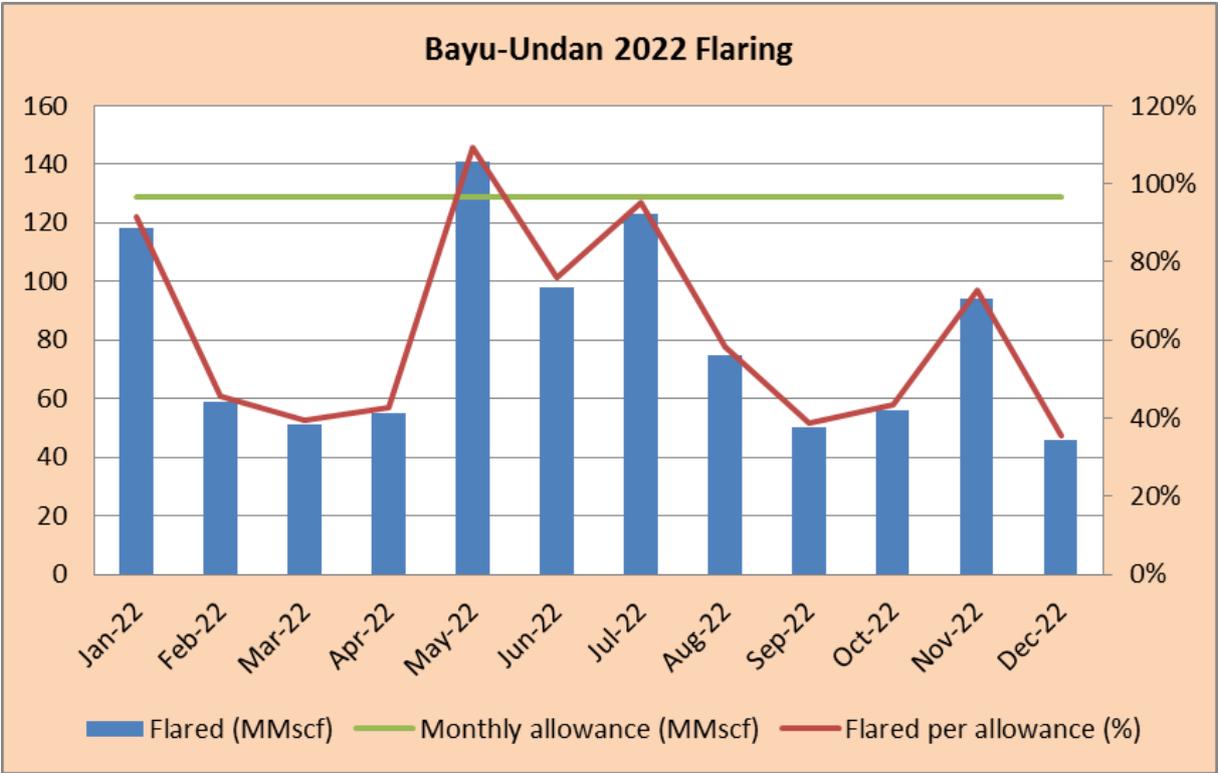
Contract operator is continuously encouraged to report health concerns, workplace hazards, unsafe conditions, near misses and actual incident. The number presented in the above graphs reflected reporting culture in the Bayu-Undan. Total man-hours accumulated in 2022 was 809,279.

➤ **Gas Disposal in the production facility in the Bayu-Undan**

Flaring allowance is approved annually based on the activities to be undertaken each year. In 2022 flaring allowance was granted to BU Operations, as the only production facility in the Timor-Leste water.

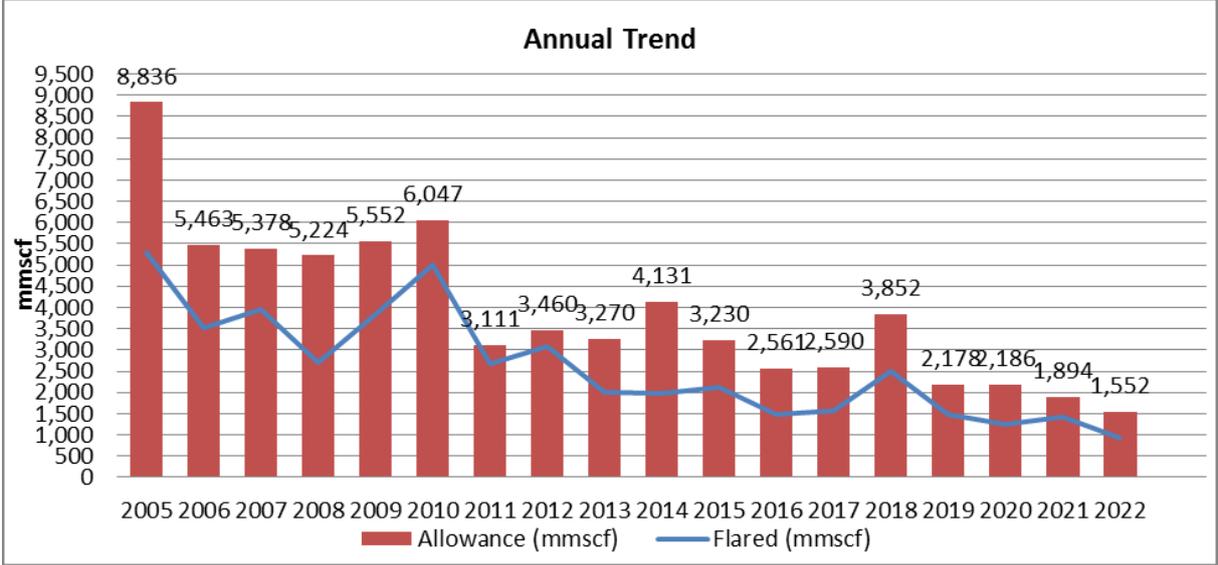
A total of 1,552 mmscf was requested and subsequently approved to be flared in 2022. The amount requested was derived from a combination of historical actual flare data accumulated since commencement of steady-state operation (2005) and the known scope of planned activities in 2022. In addition to routine operational activities, the 2022 application includes allowance for flaring associated with equipment maintenance such as RIC and cold trains.

Total actual volume flared during 2022 was 964 mmscf, which is about 62% 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 1,552 mmscf. The Graph no. 4 below shows the flaring allowance and the actual volume of flared gas during 2022 on a monthly basis.



GRAPH 4: 2022 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 due to Process Shutdown (PSD) in the CPP resulted from fuel gas heater element on a temperature control relay failing, cascading to a full PSD.



GRAPH 5: ANNUAL FLARING TREND (2005-2022) 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

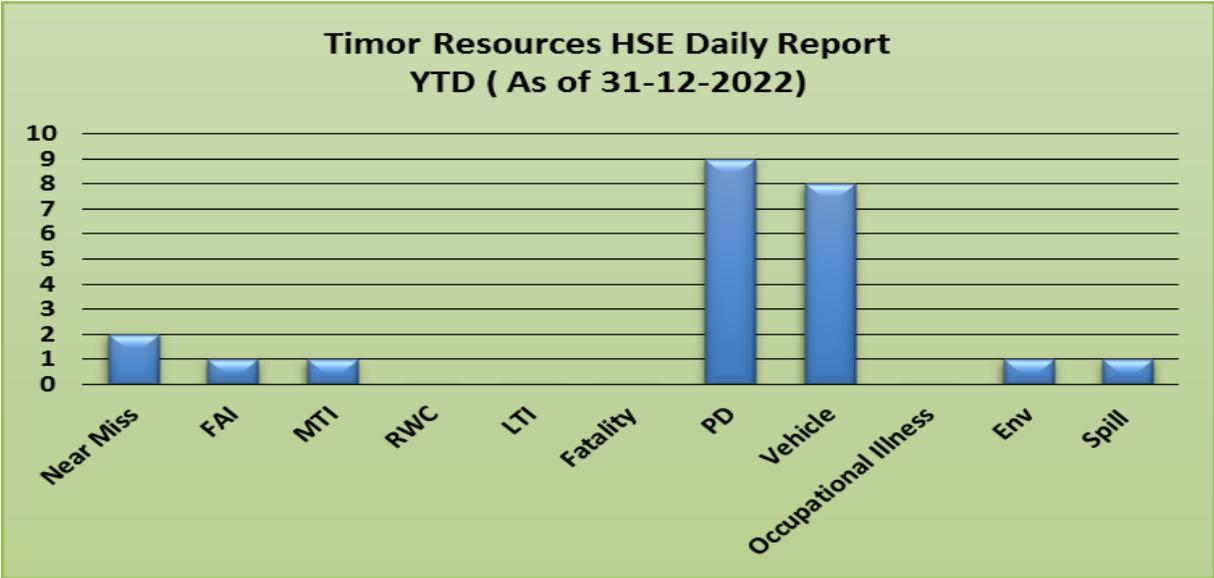
In 2022, there were two onshore drillings at the contract area of PSC TL- OT-17-08. The drillings at Liurai and Lafaek wells was carried out by Timor Resources Pty Ltd, as contract operator of the PSC. The following health and safety regulatory submissions were reviewed during this reporting period: Eastern Drilling rig #1 Safety Case Revision 3, OMS Bridging Document Revision 6, OMS Bridging Document – Inclusion Well Testing Activity Revision 7 and Site Emergency Response Plan (SERP) Revision 3.

ANPM as Environmental Authority for Petroleum and Mining Sector, administered the environmental licensing process for exploration drilling in PSC TL-OT-17-09. 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. Additionally, ANPM-HSE Directorate conducted the assessment to the revised EIS and revised EMP for drilling activity and well testing at PSC TL-OT-17-08.

➤ **HSE Incident in the Kumbili and Lafaek Well**

The graph below provides a summary of incident that occurs in Kumbili and Lafaek wellsite. This data for the summary was extracted from Timor Resources HSE daily drilling report. Property damaged by far was the highest incident, with nine (9). Followed by vehicle with eight (8) incidents, and near miss with two (2) incidents. While other four others type of incident each registered one incident.



GRAPH 6: HSE INCIDENT IN THE KUMBILI & LAFAEK WELL SITE (AS OF 31-12-2022)

2.5 MARKETING PERFORMANCE

The world oil prices surged in 2022, a year in which Russia's invasion of Ukraine collided with the post-pandemic for COVID-19 and economic recovery to drive oil prices to their highest levels in history.

When Russia first attacked Ukraine, the oil prices increased, soaring from around \$86 per barrel at the start of the year to over \$133.18 per barrel on March 08, 2022. The US then announced a ban on Russian oil on March 8, which further drove up domestic energy prices to astronomical levels. Prices increased in March as Russia's war on Ukraine upended global crude flows, crude price for benchmark Dated Brent reaching \$133 per barrel, highest since 2008. Prices cooled rapidly in the second half as central banks increased the interest rates and fanned worries of economic recession.

In the beginning of the year 2022, the spot price of Brent crude oil at US\$ 86 per barrel and reached a high of US\$ 133.18 per barrel on 08 March before declining in the final weeks of year 2022.

In 2022 the annual average price for Brent is about US\$ 100.77 per barrel, which is the highest in the past three years. The price of West Texas Intermediate (WTI) crude oil traced a similar pattern to Brent and averaged \$5 per barrel less than Brent in 2022.

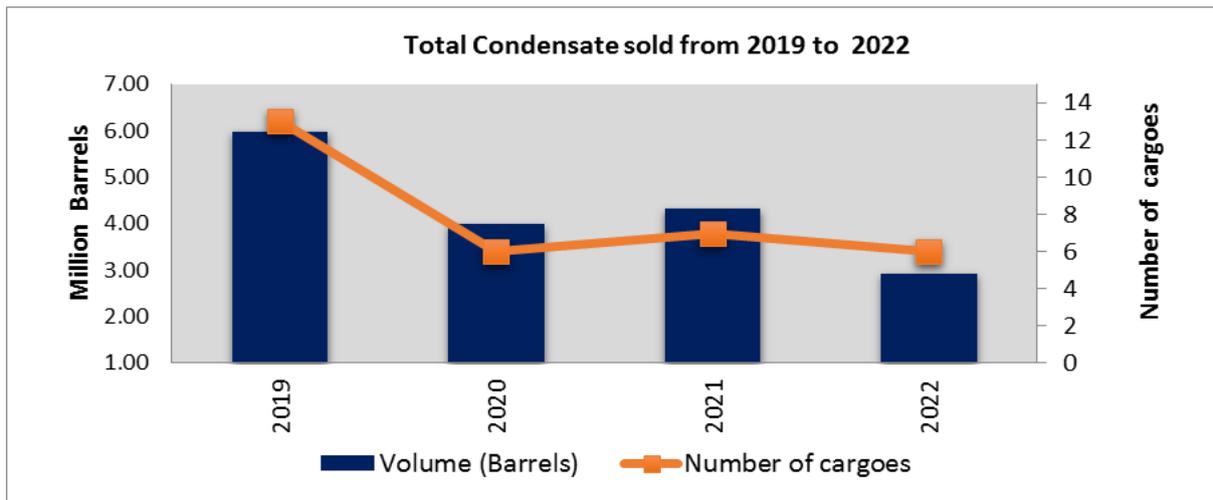
The Ukrainian conflict is not only hit the crude prices but also LPG and LNG prices in the global market. In terms of Bayu Undan LPG and Feedgas sales, although the gas volumes sold rapidly decreased in this year, all available cargoes were marketed in accordance with applicable sales agreements escalated with the uprising of the gas price in 2022 global market.

In the first quarter of 2022, the LPG spot prices rose in Asia Pacific as an indirect result of the Ukraine conflict and competition among Asian buyers rising as more United States LPG delivered to northwest Europe to replace Russian supply. In line with the global LPG market, the average of Saudi CP and AFEI prices rising 2% to USD 823/MT from the Q4 2021, these high prices forced Chinese to cut its LPG demand to feed Propane Dehydrogenation (PDH) plants because of negative marginal return besides, reintroduction of Covid-19 pandemic restrictions further decreased petrochemical demand. While in June, the average of Saudi CP and AFEI prices dropped by 9% from previous quarter due to lower naphtha price made LPG price unattractive, weaker seasonal demand and stable LPG export from the US. Moreover, In the second half of 2022, the average of Saudi CP and AFEI prices continuously decreased gradually to USD 650/MT due ample supply but limited demand.

The selling mechanism of LNG in 2022 in the market, is slightly different from the previous year. The UQT volumes were only available until Q1 of 2022. To establish governance for the sale of spot cargoes through calendar year 2022 the FGSPA has been amended to by BUJV partners and DLNG to allow the sellers to sell the feedgas to buyer. Post Q1 2022, EQ and spot cargo are been sold at JKM premium to oil indexed- term contract price as the JKM pricing influenced by the conflict in Ukraine. Additionally, high seasonal demand from northeast Asia and South Asia has contributed to elevate spot price.

CONDENSATE

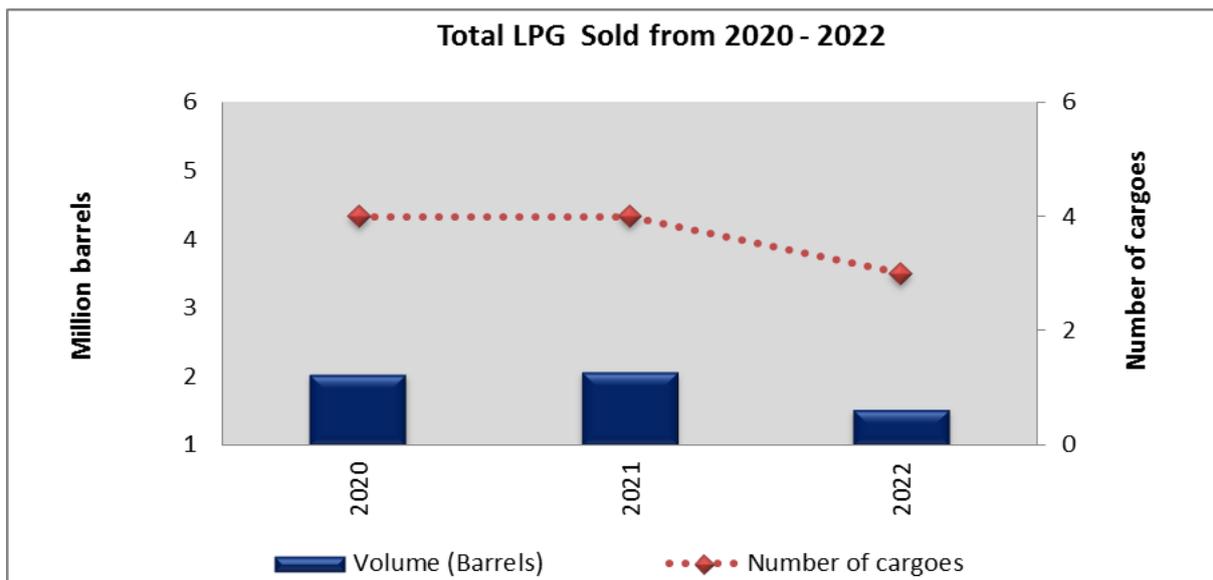
The below graph shows the comparative total Bayu Undan Condensate cargoes sold from 2019 to 2022. Six cargoes were sold in 2022, slightly lower compare to year 2021 which is seven cargoes. This is resulting from the natural depletion of liquid production in Bayu Undan field.



GRAPH 7: TOTAL CONDENSATE SOLD FROM 2019 TO 2022

LIQUEFIED PETROLEUM GAS (LPG)

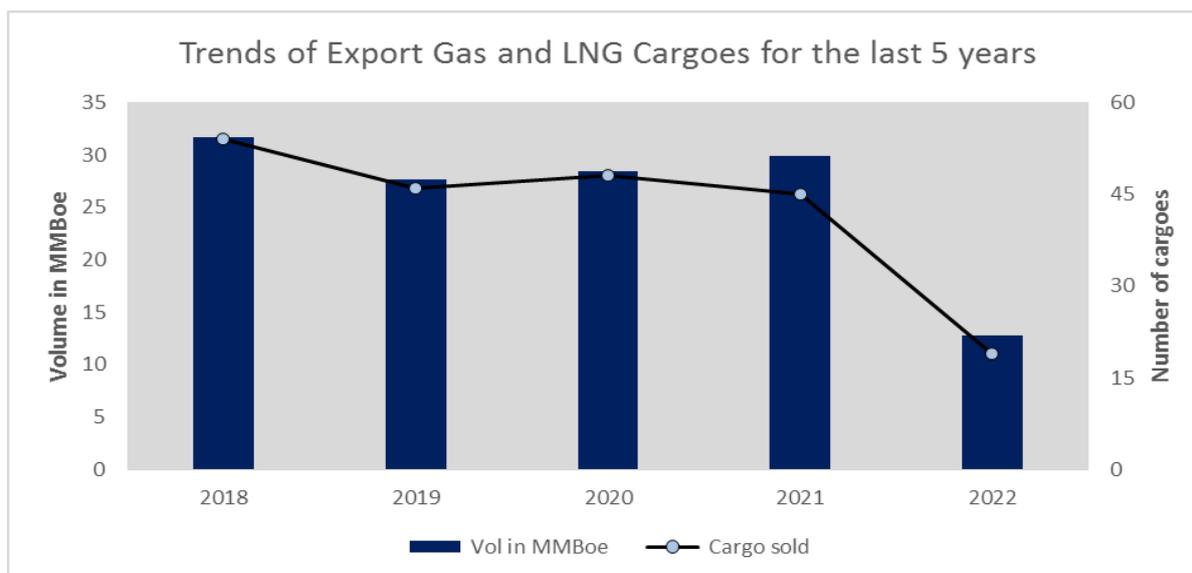
As shown in the below graph, the Bayu Undan LPG sold in 2022 was decreased by one cargo compared to the previous year.



GRAPH 8: TOTAL LPG SOLD FROM 2020 TO 2022

LIQUEFIED NATURAL GAS (LNG)

Due to further natural field depletion throughout the year 2022, the Bayu Undan Feedgas production declined sharply compared to previous year. This resulted only 19 LNG cargoes were lifted in 2022. The cargoes was sold on combine target market through term buyers and spot buyers.



GRAPH 9: TRENDS OF GAS EXPORT AND LNG CARGOES FROM 2018 TO 2022

2.6 EXPLORATION EXPENDITURE PERFORMANCE

TIMOR-LESTE OFFSHORE AREA – EXPLORATION PSC

➤ 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 the 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, Lda with 24% participating interest. Most of the expenditure incurred in the year 2022 was related to geological & geophysical studies, and general & administration including local content.

➤ PSC TLOA S06-04 Block E

This PSC was awarded in 2006 and currently ENI Timor Leste SpA, as the operator of the PSC that holds 100% of the participating interest in the PSC. Most of the expenditure in 2022 was related to the geological & geophysical studies, well preparation, and general & administration including local content.

➤ PSC TL-SO-15-01

This PSC was awarded in late December 2015 to Timor Gap Offshore Block Unipessoal, Lda (“TGOB”), a subsidiary of Timor Gap E.P, which is a State-owned oil and gas company of Timor-Leste. TGOB holds 100% of participating interest in the PSC. For the year 2022, most of the expenditure incurred was related to seismic data processing and interpretation, and general & administration including 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 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 reported in Quarter 1 2022 is related to cost of drilling campaign carried forward from the previous year.

➤ **PSC TL-SO-T 19-16 (SUNDA GAS)**

This PSC was signed in late November 2019 to Joint Venture between SundaGas Banda Unipessoal Lda ("SundaGas") and TIMOR GAP Chuditch Unipessoal Lda (with participating interest of 25%). SundaGas is the operator of this PSC. For the year 2022, most of the expenditure incurred was related to seismic reprocessing, geological & geophysical interpretation and studies, and general & administration costs including local content.

TIMOR-LESTE ONSHORE AREA – EXPLORATION PSC

➤ **PSC TL-OT-17-08**

This PSC was granted in 2017 to Joint Venture between Timor Resources Pty Ltd. ("Timor Resources"), an Australian oil and gas company which has a permanent representation in Timor-Leste, and Timor Gap Onshore Block, Unipessoal, Lda, a subsidiary of Timor Gap E.P., which is a State-owned oil and gas company of Timor-Leste. Both companies of the Joint Venture hold 50% each of the participating interest in the PSC. The operator for this PSC is Timor Resources. Most of the expenditure incurred in the year 2022 was related to the drilling of exploration wells activities, and general & administration including local content.

➤ **PSC TL-OT-17-09**

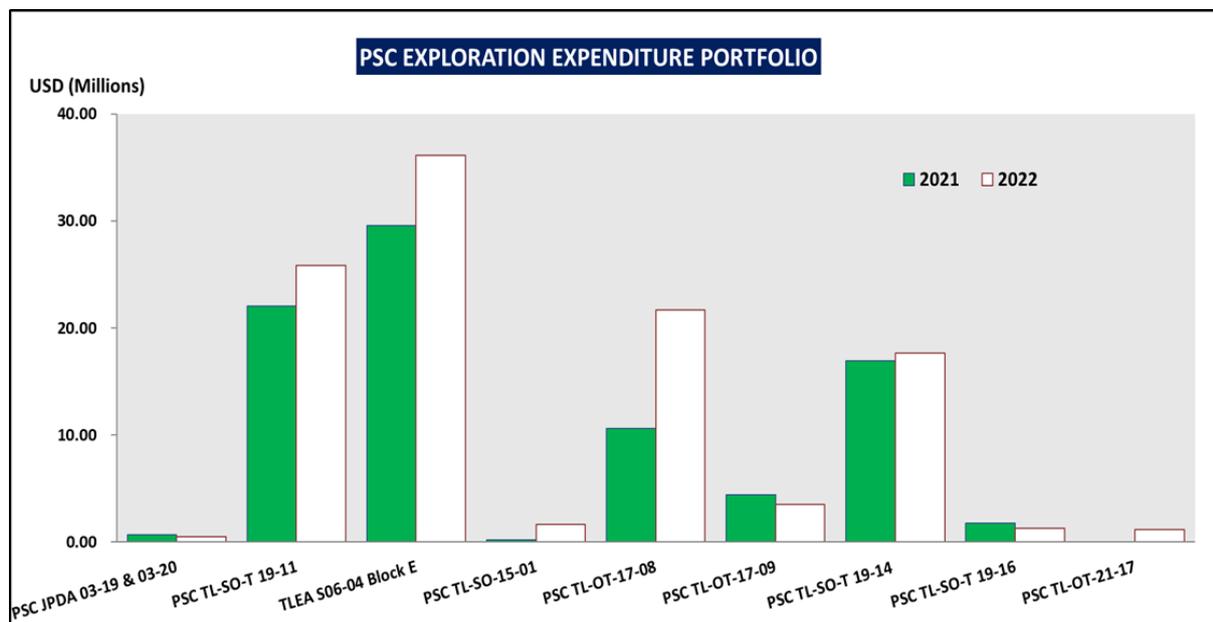
Similar to the PSC TL-OT-17-08, this PSC was granted in 2017 to Joint Venture between Timor Resources Pty Ltd. ("Timor Resources"), an Australian oil and gas company which has a permanent representation in Timor-Leste, and Timor Gap Onshore Block, Unipessoal, Lda, a subsidiary of Timor Gap E.P., which is a State-owned oil and gas company of Timor-Leste. Both companies of the Joint Venture hold 50% each of the participating interest in the PSC. The operator for this PSC is Timor Resources. Most of the expenditure incurred in the year 2022 was related to preparation for drilling of exploration wells, general & administration including local content.

SPECIAL REGIME AREA - EXPLORATION PSC

➤ PSC JPDA 03-19 & JPDA 03-20

Woodside Petroleum (Timor Sea 19) Pty Ltd, Woodside Petroleum (Timor Sea 20) Pty Ltd, Timor Gap Greater 03-19, Unipessoal Lda, Timor Gap Greater Sunrise 03-20, Unipessoal Lda, Osaka Gas Sunrise (PSC19) Pty Ltd and Osaka Gas Sunrise (PSC20) Pty Ltd, together are the Greater Sunrise Joint Ventures. For the participating interests in the Greater Sunrise fields, Woodside (operator) holds 33.44% interest, Timor Gap holds 56.56% interest and Osaka Gas holds 10% interest. 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, namely Timor-Leste and Australia, as well as Greater Sunrise Joint Ventures. In the year 2022, these PSCs continue to maintain its permit with minimum annual work programs and budget for its Timor-Leste office, compliance and engagement, social investment and assess phase activity.

The below graph shows the exploration expenditures of the above PSCs both from Exclusive Area as well as the Greater Sunrise Special Regime Area incurred for the year ended 31 December 2022 in comparison to the previous year. Those expenditures are inclusive of the investment credit and uplift for the period.



GRAPH 10: TIMOR-LESTE OFFSHORE AND ONSHORE AND SPECIAL REGIME AREA PSCS EXPLORATION EXPENDITURE FOR YEARS 2021 AND 2022

2.7 DEVELOPMENT EXPENDITURE PERFORMANCE

PSC TL-SO-T 19-12 AND PSC TL-SO-T 19-23

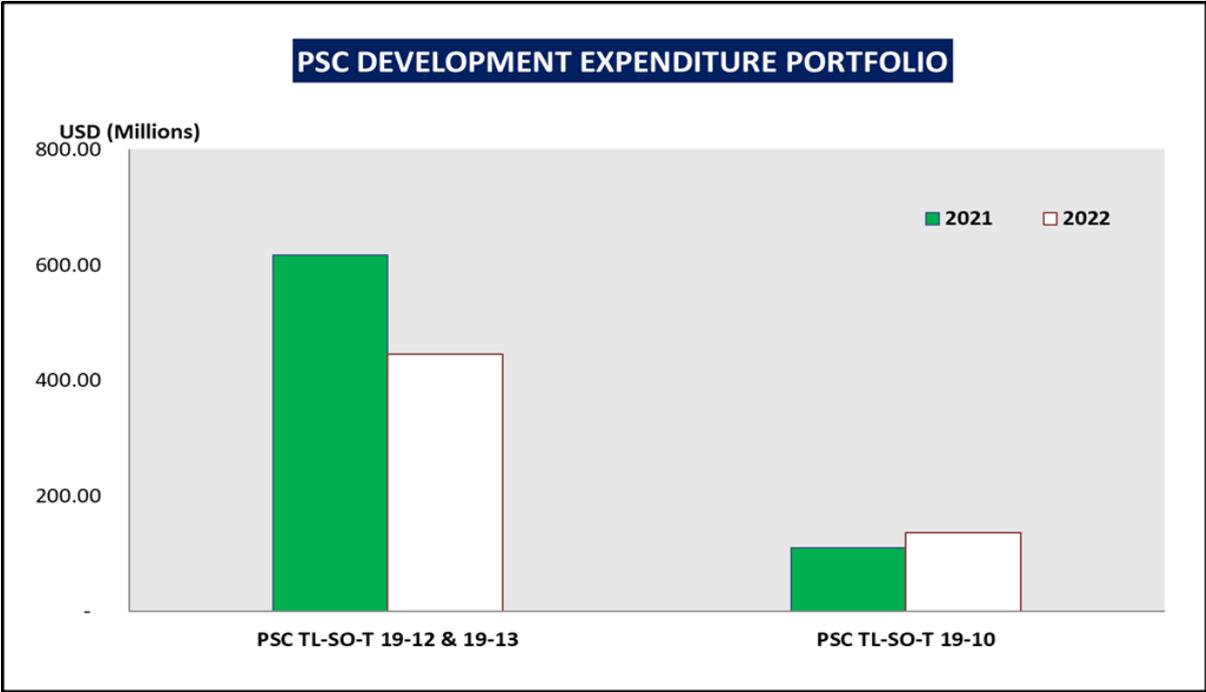
These PSC-TL-SO-T 19-12 and PSC-TL-SO-T 19-13 are PSCs that substitute the existing PSC JPDA 03-12 and PSC JPDA 03-13 as the result of the implementation of the Maritime Boundary Treaty between Timor-

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 2022 were mainly to cover the operation and production including lifting costs, logistic, supply, minor and major maintenance. For 2022 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 2022 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 11: DEVELOPMENT EXPENDITURE FOR YEAR 2021 AND 2022

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 comes into force in the former JPDA cease to be existed and the special regime for Greater Sunrise was established to benefit both countries. The 2022 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 2022 will be reported per PSCs as follows:

➤ Santos – Bayu-Undan Project

Timor-Leste content expenditures as reported by Santos in 2022, the amount spent on local content was US\$21.84 MM. The breakdown of the total spend are:

- Goods and Services of US\$8,261,440 MM
- Training and Employment US\$11,264,511 MM
- CSR and community Investment US\$944,644 MM

Cummulational historical expenditures for Bayu-Undan Porject at 31 of December 2022 has reached US\$20,470,5949 MM.

TIMOR-LESTE GOODS AND SERVICES

In 2022, 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 2022 local content spend on Goods and Services procured from both Timor-Leste local companies and foreign companies from 1 January to 31 December 2022 was in total expenditure of US\$ 8.26 MM, divided by those that are procured

directly from Timor-Leste local companies (65%); and those provided by other Bayu-Undan non- local contractors through subcontracts with local entities (35%).

➤ **Local Goods Expenditures for 2022**

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\$1.54MM has been spent on procurement of Goods supplied by both local and other countries suppliers in 2022, with the breakdown of goods expenditures from:

- Six (6) Timor-Leste Local Companies – US\$237,587
- Four (4) Timor-Leste Other Countries US\$1,302,847

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 2022, 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 2022. 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

➤ **Other Enhancement to the procurement process**

Santos has continued to build on the enhancements to its sourcing and subcontracting process, to encourage and increase the opportunities to supply Timor-Leste Goods and Services and enhance the Procurement capability in Dili. These include the following:

- Expansion of Dili based office capacity and capability has been expanded with our Dili Procurement Officer progressing to a supervisor role of Timor-Leste Engagement Coordinator managing two graduate employees (a Purchasing and Supply Officer and a Purchasing and Logistics Officer) engaged.
- Santos' Perth-based Procurement (contracting) and purchasing team are in regular engagement to discuss Santos' procurement processes and assess capabilities of new suppliers.
- Shortened version of Santos' standard terms and conditions for purchases and services, developed for local Timor-Leste suppliers supplying low risk and low value goods and services, will continue to be used where appropriate.

- The Dili based Timor-Leste engagement team will continue to assist Santos' other key subcontractors in facilitating meetings with potential Timor-Leste suppliers.
- Maintenance of Timor-Leste Suppliers Registry and Timor-Leste engagement Team to continue liaison with CCITL to facilitate the Local Suppliers participation and capacity building.

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 2022 as below:

Est. CETA	2017	2018	2019	2020	2021	2022
BUIW - Drilling	\$2,779.54	\$324,195.18	\$40,316.18	\$7,460.41	\$157,337.39	\$3,886.78
BUIW - Facilities	\$9,573.11	\$5,027.95	\$2,483.25	\$5,597.66	\$5,974.96	\$478.08
Normal Ops	\$107,315.51	\$167,786.84	\$158,535.15	\$382,196.98	\$109,080.31	\$155,049.58
Total CETA	\$119,668.16	\$497,009.97	\$201,334.58	\$395,255.05	\$272,392.66	\$159,414.44

TABLE 4: CELTA CALCULATION FOR 2021

LOGISTIC ENABLERS

➤ **Dili Supply Base & Transportation from Dili to Bayu-Unda**

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.

Based on the 2022 report, a tender was carried at the end of 2022, for the establishment of a supply base in Timor-Leste in 2023, to address all Suspension of Operations (SoOps) activities/requirements. At the time of writing this report, the tender process is its final stages of evaluation.

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 49 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, the numbers of containers being transported has been increased. As

reported, the tenders for the ISV and PSV during 2022 which have scopes with primary route out of Dili are awarded, and also once the Fuel and Supply Base tenders are awarded to carry out activities in and through Timor-Leste, it is expected that the PSV and ISV will be used to transport goods and services from Timor-Leste directly to the Bayu-Undan facility.

➤ **Enterprise Support Service Center (ESSC)**

The establishment of the Enterprise Support Services Centre 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 to provide ongoing support to assist in capacity building to local contractors, facilitate and support early distribution of information for potential operations scopes; 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 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.

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 Scope of Works (SoW). Clarifications were provided to the Proponent, who re-submitted in February 2022. Upon the reassessment of the resubmitted by the proponent, ANPM formally advised Santos not to award the contract. ANPM and Santos will reassess the approach towards the establishment of the center to provide local companies and development initiative. In the meantime, Santos is in the process of finalizing procurement initiatives for the implementation through Santos Procurement function and Dili Office. These initiatives will target supplier engagement and development activities and in country coordination from Dili Office. In the meantime, in the absence of ESSC Procurement of operations and SoOps scopes are being carried out with facilitation and supports from by Santos Dili office including carrying out early supplier engagement, EOI process as well as tracking local suppliers ongoing participation in ongoing tenders.

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

➤ **Supplier Engagement**

During the Pandemic of Covid-19, despite restrictions Santos made efforts to carry out two (2) Information sessions one in as reported, a session was conducted in 2021 and another in early 2022 prior to issuance of expressions of interests. Following the supplier engagements, Santos had also held two sessions of face-to-face meetings with suppliers in May 2022.

➤ **Expression of Interests and EOI Clarifications process**

Following the engagements and face to face meetings suppliers, Santos proceeded with the publishment of EOIs in TL local newspapers and Santos Website. The EOIs were also distributed directly to the suppliers who attended the supplier information session. Throughout the year Santos continued to advertise the SoOps scopes. Following receiving the expression of interests’ responses from local suppliers, Santos continued the effort to maximize local participations by accommodating encouraging local suppliers’ participations, Santos granted requests for time extension and provide assistance related to the tender through queries clarifications and understanding local suppliers interest and capabilities and their strategies as direct tenderers, tenderer in a partnership or as subcontractor.

Based on the report:

- A total of 121 Timor-Leste companies provided Expressions of Interest. Of those:
- 29 of them declined to participate as a Tenderer
- 92 of them confirmed they wanted to participate in the Tender, and hence received the invitation (ITT)

From the 92 local companies that received invitations to tender:

- 36 of them submitted tender proposals
- 56 of them withdrew/ did not submit a tender

Tenders	TL EOI received	TL Invitation to tender	TL Tenders received	TL Companies not submitted Tender
Operations	54	51	22	29
RAD (Removals and Disposals)	56	34	11	23
Suspension of operations	11	7	3	4
Total	121	92	36	56

The efforts to maximize local suppliers in the procurement process of SoOPs scopes, Santos has strengthened its Dili Office team with more active involvement and support including tracking local suppliers’ engagement and participation in the tender process. Santos Procurement function and Dili Office are in the process of finalizing procurement initiatives for implementation in the near future, once discussed with ANPM.

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 361 TLN in 2022. These number represents 161 or 22% of the number of employees who were working in offshore, 124 or 34% of the number of employees who

were working in onshore, and 76 or 21% of TLN who were employed through service companies. This overall TLN employment headcount in 2022 envisage the reduction of 104 TLN, compare to 2021, due to the completion of phase 3C activities at the end of 2021 and workforce reduction associated with Covid-19 PMI management during 2021.

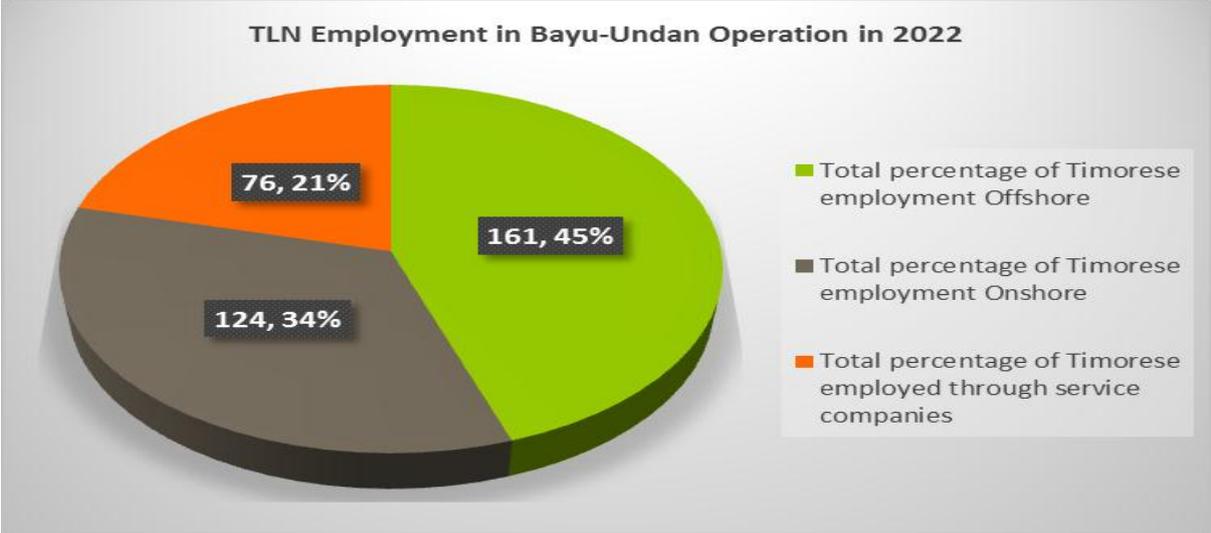
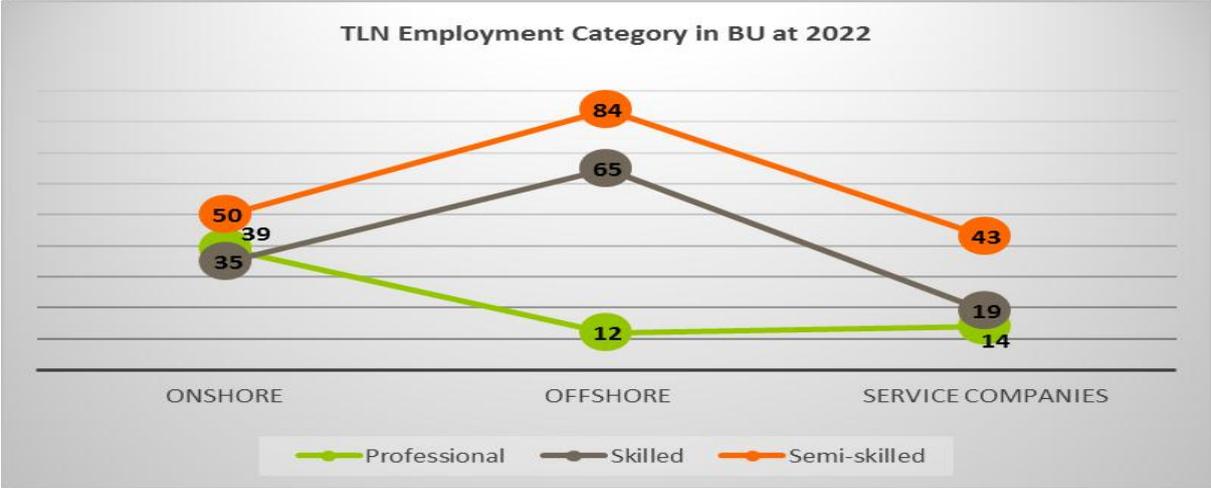


CHART 5: BAYU-UNDAN EMPLOYMENT OF 2022

Additionally, in the graph below also presents TLN employment category in BU operation in 2021. In the Onshore, there were 39 number of TLN working in the Professional Position, 35 number of TLN working in the Skilled position and 50 number of TLN working in the Semi-Skilled position. Whilst, in the Offshore, the Professional position accounted at 12 number of TLN, the Skilled position accounted at 65 number of TLN, while the Semi-Skilled position accounted at 84 number of TLN. Furthermore, there were 14 Professional position, 19 Skilled position and 43 Semi-Skilled position were with the Service Companies. Further to TLN employment category for BU operation.



GRAPH 12: BAYU-UNDAN EMPLOYMENT CATEGORY 2022

TRAINING AND DEVELOPMENT IN BAYU-UNDAN PROJECT

➤ Training and Development Program for Bayu-Undan Normal Operation

The Contractor and Sub-contractors continue to provide training and development programs as per their commitment in 2022, which resulted in more promotions to Timor-Leste Nationals roles in this period.

The progress update of the training and development program and promotion of TLN in 2022 are in the following:

No.	Contractor	Progress Update on Training and Promotion of TLN in 2022
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 Commercial Administrator ➤ Promotion of an Office Administrator to Senior Commercial Administrator ➤ Promotion of a Condition Monitoring to Condition Monitoring Machinery Lubrication Analyst ➤ Promotion of a Data Analyst to Junior Training and Competency Administrator ➤ Promotion of Junior Training and Competency Administrator to Training Competency Administrator ➤ Promotion of a Data Analyst to Human Resource Administrator ➤ Promotion of a Data Analyst to Commercial Assistant ➤ Promotion of a Project Administrator to Project Coordinator <p>Offshore:</p> <ul style="list-style-type: none"> ➤ Promotion of 3 HSE Advisors to HSE Advisors ➤ Promotion of 5 Intermediate Scaffolder to Advanced Scaffolders ➤ Promotion of 4 Blast and Paint IRATA (Industrial Rope Access Trade Association) Level 1 to Blast and Paint IRATA

		<p>Level 2</p> <ul style="list-style-type: none"> ➤ Promotion of 4 Trade Trainees to Instrument and Control Technical Assistant ➤ Promotion of 2 Trade Trainees to Mechanical Technical Assistant ➤ Promotion of 4 Basic Rigger/Dogger to Intermediate Rigger/Dogger ➤ Promotion of 7 Basic Scaffolders to Intermediate Scaffolders ➤ Promotion of 4 TLN to Core Crew Trainee Mechanical and Blast and Paint Technician ➤ Promotion of one Blaster and Painter to IRATA Level 1
3.	Babcok – Helicopter Services Contractor	<ul style="list-style-type: none"> ➤ First Aid Refresher training and English Course completed by the Stores Person ➤ Diploma of Aircraft Maintenance Engineering is a program that is currently being undertaken by one TLN Trainee Engineer, at Aviation Australia in Brisbane. From the 28 modules offered, he has completed 10 of them. ➤ 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. ➤ Dangerous Goods Online Training has been attended by one of Apprentice Engineer ➤ Model Eliciting Activity (MEA) assessment is being undertaken by one TL engineer. ➤
4.	ESS – Catering and Cleaning Services Contractor	<p>Onshore:</p> <ul style="list-style-type: none"> ➤ Hygiene Cleaning and De-Contamination Cleaning

		<p>training completed by TL PMI Ramelau Utility and TL PMI Ramelau Supervisor</p> <p>Offshore:</p> <ul style="list-style-type: none"> ➤ The accomplishment of 100% TLN in crew positions is finally achieved in December 2022 ➤ Completion of the enhanced competency training done by 3 TLN Offshore Unit Manager positions: <ul style="list-style-type: none"> - In July 2022, the team members have completed the Excel and Advanced Allergens and Food Safety Training - Completion of Health and Safety and Environment Training in Darwin and recertification TFOET (Tropical Further Offshore Emergency Training) in Perth for one of the Offshore Unit Manager ➤ 2 TLN Trainees Cook and Chefs, have successfully passed the Verification of Competence (VOC) assessment, after reconducted it in the end of 2022. This has resulted a completed transition of 8 trainees to active roles as night cooks (4 TLN) and Head Chefs (4 TLN ➤ finally, they have successfully passed the assessment at the end of 2022 and the ➤ The Commencement of Unit Management Training for 4 TLN Supervisors position as part of the uplift training and succession planning. ➤ The new TLN trainee cohort: use Proema as a training provider to provide skills training comprising of cooking and theory. They will be working with Offshore Australia Discipline Skills Mentor
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5.	Oceaneering – Non Destructive Testing (NDT) and Inspection Services Contractor	<ul style="list-style-type: none"> ➤ Completion of ET (Eddy Current Testing), Radiation Safety Licence, rope access and TBOSIET (Tropical Basic Offshore Safety Induction and Emergency Training) training for the new Non-Destructive Testing (NDT) trainee ➤ The radiation licence training (at TCS NDT Pty Ltd) and exam (in Radiation Services Western Australia) and Eddy Current Training (ET) and Exam (TCS NDT Pty Ltd) accomplished by 5 NDT technicians. ➤ IRATA (Industrial Ropes Access Trade Association) Rope Access Level 1 completed by the 3 NDT
6.	Wood Group – Engineering Services Contractor	<ul style="list-style-type: none"> ➤ Leadership training was completed by Wood Group Team and Lead and 1 Design Engineer ➤ Designers and Junir Designers accomplished the Smart Plant training to skilled uip to support the Wood Perth Team ➤ Online Lead Auditor in Quality Management Systems ISO 9001: 20015 & ISO 19011: 2018 training was attended by the Technical Clerk, in June 2022 ➤ TBOSIET Training in ERGT and on the Job Training (OJT) in Santos Perth Office with Electrical and Instrumentation team was accomplished by two Trainee Engineers, for one week in Wood Office in Australia
7.	Other Contractors	The other active contractors such as Altus, Kotug Maritime, MMA and other general services contractors (Air North, Callidus Process Solutions, Contract Resources, RMS, Bollore Logistic, Bhagwan Marine, Contract Resources, etc.) also provided capacity building and training program for TLN in 2022, in accordance with their local content plan.

TABLE 5: TRAINING AND PROMORTION OF TLN IN 2021

COMMUNITY INVESTMENT AND CSR COMMITMET AND PROJECT FUNDED THROUGH UNDER BAYU-UNDAN PROJECTS

➤ SERN-Fullbright Program



FIGURE 26: SHOBARI NUNES, MASTER OF PROJECT MANAGEMENT, MISSOURI STATE UNIVERSITY

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 and as of the end of 2022, four of out of 5 scholars recruited in the last batch in 2019 have successfully completed their degrees and returned to Timor-Leste.

One remaining scholar will complete his study in May 2023.

In total, the program recruited 29 Timorese students, of which 25 have successfully completed the program in their respective area of study and returned home, one scholar from the last batch intake is due to complete his Masters' degree in May 2023.

No.	Name	Field of Study	University	Year of Graduation
1.	Cosme Belo Ximenes	Engineering Management	Rochester Institute of Technology	Dec 2013
2.	Augusto Manuel Pinto	Environmental Science	Ohio University	Dec 2014
3.	Florentino Soares Ferreira	Reservoir Characterization	The University of Tulsa	Dec 2014
4.	Odivio Candido P. Gusmão	LLM, Law	The University of Pittsburgh	Dec 2014
5.	Abilio Barros Soares	Natural Resources Economic	North Dakota State University	Dec 2015
6.	Rafael Danilson Magno de Araújo	Petroleum Management	Missouri University of Science and Technology	Dec 2014
7.	Decio Ribeiro Sarmento	Environmental Health Science	Georgia State University	May 2015
8.	José Joanico Soares	Geosciences	Western Michigan University	June 2015
9.	Profírio Fernandes Xavier	Urban and Rural Planning	The University of KANSAS	Dec 2015
10.	Aida Silva Pinto da Silva	Business Administration	The University of AKRON – Ohio, USA	Dec 2015
11.	Almanzo da Costa Salsinha	International Development Administration (MIDA)	Western Michigan University	Dec 2015

12.	Nizia Maria Lopes da Cruz	Natural Resources Management	North Nakota State University	May 2016
13.	Simao Baptista Guterres Pereira	Geoscience	Southern Illinois University	Jun 2016
14.	Venancio Soares Pinto	Public Health Science	Georgia State University	Aug 2016
15.	Palmira Gonçalves A. Vilanova	MBA – Project Management	George Washington University	May 2016
16.	Bonaventura Alves Mangu Bali	Mining Engineering	West Virginia University	May 2018
17.	Andre Anuno Nono	Geotechnical Engineering	Iowa state university	Dec 2018
18.	Justina Aurea da Costa Belo	Environmental Management	Oklahoma State University	May 2018
19.	Victor Fernandes da Costa Freitas	Environmental Health Science	Indiana University, Bloomington.	Dec 2018
20.	Gilsel Emanuel Morais Borges	Geology	Southern Illinois University	Dec 2019
21.	Ernesto Pinto	Accounting in Oil and Gas	Missouri University of Science and Technology	Aug 2020
22.	Shobari Guterres	Project Management	Missouri State University	Dec 2022
23.	Nelson Mesquita	Project Management	Rochester Institute of Technology	Dec 2022
24.	Atanasio Xavier	LLM, Law	University of Illinois at Urbana – Champaign	Dec 2021
25.	Gregorio do Rosario Pires	Petroleum Engineering	Missouri University of Science and Technology	Dec 2021
26.	Januario Ribeiro da Costa		Missouri State University	May 2023

TABLE 6: LIST OF THE 25 GRADUATES AND 1 REMAINING STUDENT

➤ **TIMOR-LESTE Skill Vocational and Education Training Centre**

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),

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

partners.



FIGURE 27: FIRST BATCH TRAINING PROGRAM

Group	Year of Implementation	Total Beneficiaries Trained in the area	Internship/Employment Opportunities for Beneficiaries	Project Expenditures
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
Batch	2022-2023	21	To be updated	To be updated

TABLE 7: SKILL VOCATIONAL TRAINING PROGRAM IMPLEMENTATION FROM 2017-2022

Despite Covid-19 pandemic which hinder the program execution for 2 years, the program is finally able to recommence on 4th August 2022. The recruitment process has successfully secured the number of 24 trainees to undertake the fundamental training course, unfortunately, due to underperformance and other personal reason, 3 of the trainees withdrew, and 21 trainees remain in the program as of third quarter 2021.

The Third Batch Program was officially opened on 28th September to welcome the new trainees. The event was participated by the trainees, CEGELEC and CNEFP Tibar trainers, SEFOPE, ANPM, Santos and Bayu-Undan Joint Ventures representative, industries and local media.

Furthermore, the 4 CNEFP Tibar and 1 Tibar Project Coordinator assigned for the program are also trained by the CEGELEC trainers as part of the program sustainability plan strategy, as to ensure that, once the program completes they are able to take over the program.

All 21 trainees are progressing well with their Level 1 Electrical and Instrumentation training program, as of last quarter of 2022.



FIGURE 28: 3RD BATCH OPENING CEREMONY, SANTOS-TIMOR-LESTE CONTENT ANNUAL REPORT 2022

➤ **PSC TL-SO-T 19-14 – Buffalo Field**

The contract operator of PSC TL-S-OT-19-14 is Carnarvon Petroleum Timor Unipessoal Lda. With the unsuccessful exploration drilling carried out in the first quarter 2021, the contract operator has relinquished the contract area in Timor Sea. Though, the Contract Operator commits to contribute USD\$100,000.00 to fund the horticulture projects as part of the Production Sharing Contract Obligations.

There are in total of 7 community groups are identified as beneficiaries and target group for the the small-scale horticulture pilot projects, which consists of 3 community groups in Suco Maluro, Beço, Administrative Post of Viqueque, Viqueque Municipality, which are composed of Haburas Rai, Haburas Hamutuk, Moris Hamutuk, and Buka Rasik. In addition, 2 other community groups and 1 Vocational School which also funded are AE-ATB (Assosiasaun Econimoc-Agricola Tua Laran Buras), Assosiasaun Rio-Hamor and 1 Escola Secundaria Tecnico Vocacional (ESTV)-Agrcultura, located in Administrative-Post of Alas, Manufahi municipality. The community groups in Beço who has been previously supported by the ADRA Ngo and

the other 2 community group and 1 vocational school in Alas, has each of group structure who continue to maintain the run of the project aims for the sustainability improvement of the household social economic and community benefit in Agriculture sector as a whole. The funding agreement was signed between ANPM and community groups in 2022 ,to ensure the program is effectively implemented within 1 year period with regular monitoring done by ANPM.

The community groups'horticulture projects are in the following:

- ❖ Grupu Buka Rasik, Suco Maluro, Beaço, Viqueque Administrative-Post, Viqueque Municipality – focus on horticulture and other associated supporting horticulture project



FIGURE 29: HORTICULTURE ACTIVITIES OF GRUPU BUKA RASIK

- ❖ Grupu Haburas Rai, Suco Maluro, Beaço, Viqueque Administrative-Post, Viqueque Municipality – focus on horticulture and other associated supporting horticulture project



FIGURE 30: HORTICULTURE ACTIVITIES OF GRUPU HABURAS RAI

- ❖ Grupu Moris Hamutuk, Suco Maluro, Beaço, Viqueque Administrative-Post, Viqueque Municipality- focus on horticulture and other associated supporting horticulture project



FIGURE 31: HORTICULTURE ACTIVITIES OF GRUPU MORIS HAMUTUK

- ❖ Grupu Haburas Hamutuk, Suco Maluro, Beaço, Viqueque Administrative-Post, Viqueque Municipality- focus on horticulture and other associated supporting horticulture project



FIGURE 32: HORTICULTURE ACTIVITIES OF GRUPU HABURAS HAMUTUK

The horticulture program has been yet implemented by Haburas Hamutuk group due to rainy season. Once the rainy season ends, the group will implement the project accordingly.

- ❖ Asosiasaun Rio-Hamor, Suco Taitudac, Alas Administrative-Post, Manufahi Municipality- focus on horticulture and poultry/chicken farm

The horticulture program has been yet implemented by Assosiasaun Rio-Hamor, due to rainy season. Once the rainy season ends, the group will implement the project accordingly.



FIGURE 33: ACTIVITIES OF ASOSIASAUN RIO-HOMAR

- ❖ Asosiasaun Economico Agricola Tua-Laran Buras (AE-ATB), Alas Administrative-Post, Manufahi Municipality- focus on construction of the food storage



FIGURE 34: ACTIVITIES OF ASOSIASAUN AE-ATB

- ❖ Escola Secundaria Tecnico Vocacional (ESTV) Agricultura-Dotik, Alas Administrative-Post, Manufahi Municipality- focus on horticulture project and other associated supporting horticulture project

The horticulture program has been yet implemented by Assosiasaun Rio-Hamor, due to rainy season. Once the rainy season ends, the group will implement the project accordingly.



FIGURE 35: ACTIVITIES OF GRUPO ESTV AGRICULTURE

➤ **PSC Contract Area JPDA 03-19/20 – 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 2022 Local Content activities and Local Content expenditures for this contract area as outline in the table below.

❖ Summary of local content expenditure for 2022

USD	Greater Sunrise JV spend	JPDA 03-20 share
Timor-Leste Office	232,899	46,580
Timor-Leste Social Investment	137,000	27,400
Total	369,899	73,980

TABLE 8: SUMMARY OF LOCAL CONTENT EXPENDITURE FOR 2022

❖ Social Investment and CSR in 2022

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 2022 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.
- Continued support HIAM Health NGO to implement Community and School Nutritious Garden Programs in the Manufahi municipality through advance horticultural training.
- Continue to identify further social investment opportunities through engagement with local and international organizations.

❖ Employment

The number of Timor-Leste Nationals employed under this PSC JPDA 03-19/20 is presented in the following chart.

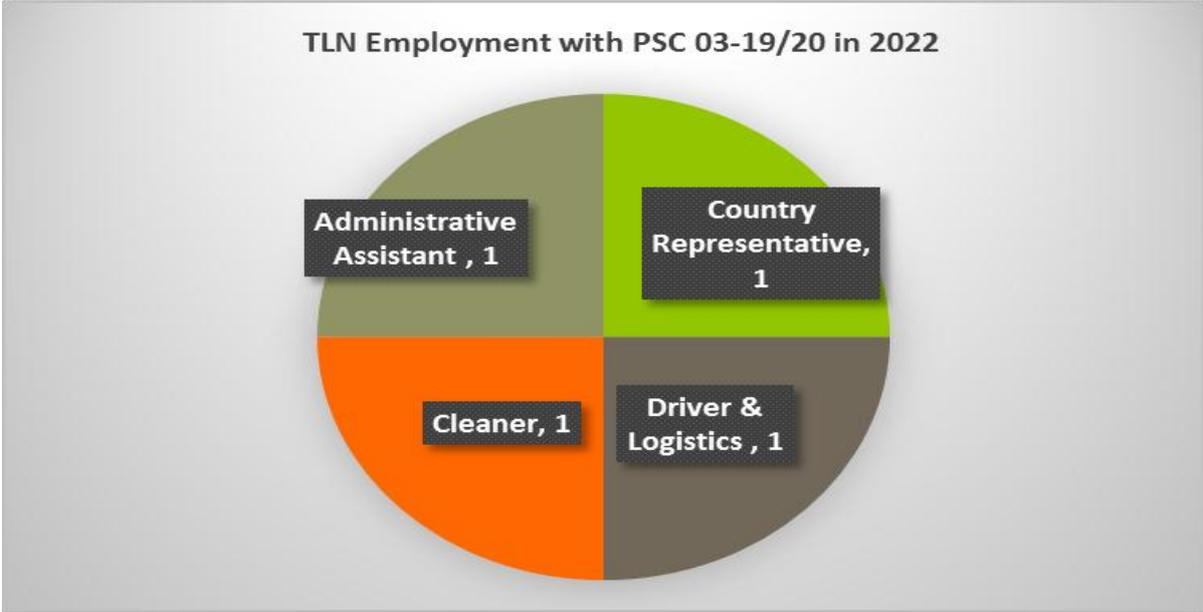


CHART 6: TLN EMPLOYMENT WITH PSC JPDA 03-19/20 IN 2022

Chart above reveals that, in 2022, there were 4 TLN employed by the Contract Operator in Dili office. The 4 TLN is employed in the position of Country Representative, Diver and logistics, cleaner and administrative assistant.

➤ **PSC TL-OT-17-08, 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 Goods and Services

In 2022, 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 Cruiser).

❖ Training and Employment

During the reporting period, Timor Resources has employed 12 Timor-Leste in the Head office, in the roles of Country Manager, Operations and Logistics Manager, Senior Geologist, Petroleum Geophysicist Senior Finance Manager, Community Affairs Officer, Local Content Officer and Junior Admin role.

To further support the drilling activities in the contract area, Timor Resources has also employed around 139 number of TLN in the various positions. There was a short term employment opportunities associated with the drilling operations, where TLN were employed in the positions of unskilled labourers, light and heavy vehicle drivers, crane and bulldozers operators, forklift operators, bus drivers, driller, roustabouts, floorman, water truck drivers, cementing crew, bulk materials handling stadd, warehouse and inventory staff, operations management staff, camp accommodation management and team members, local community liaison staff, electricians, construction crew (builders, labourers), cleaners, laundry, security staff, etc.

A further training opportunities was also provided to local staff during 2022, such as periodic health and safety and environmental training, fire fighting and response training, food hygiene and food handling training, periodic induction and training of cooks and cleaners, health and safety and hygiene training, first aid training, safety and emergency response to oil spill training, operational command training, etc.

❖ Local Content Project

Under the Annex D 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.

The projects are implemented by constructing or rehabilitation of existing 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, all projects are planned to be completed in 2022.

The clean water project for the community of Labarai villages was successfully implemented with involvement and participation of the community of the three aldeias Meop, Holba and Lonsele. In September 2022 The whole Community in each of the villages united their effort to celebrate the completion of the project, with an inauguration ceremony.



FIGURE 36: CEO OF TIMOR RESOURCES, SUELLEN OSBORNE INAGURATED CLEAN WATER PROJECT IN SUAI, COVALIMA

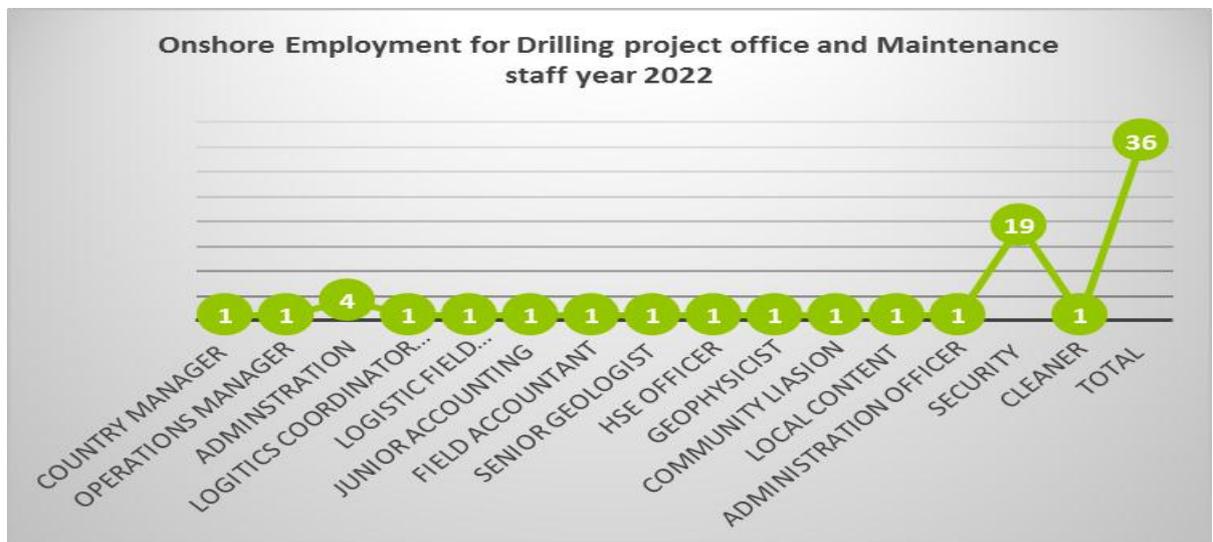
➤ PSC TL-OT-17-19, BLOCK C MANUFAHI AREA

- ❖ Procurement of Goods and Services

In 2022, due to the global pandemic there were less activities for the project in 2022.

- ❖ Training and Employment

Timor Resources has employed 36 permanent staff as indicated in the graph below.



GRAPH 13: TIMOR RESOURCES PERMANENT STAFF

In addition, Timor Resources also employed local workforce in the Block C for the preparation construction at well site Rusa for couple of months. The local workforce employed in the positions such as occasional labor, unskilled labor, light vehicle drivers, administration and accounting staff, community liaison staff, local content, health and safety and environment staff and members, geological, and geophysics.

❖ Local Content Project.

Under the Annex D 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.

❖ Water and Horticulture Project at Feriksare

The projects will be implemented by constructing or rehabilitation of existing 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.

Clean water projects will be carried out to provide local communities access to clean water to respond to communities needs for clean water. The water project at Feriksare has been differed as per plan of the local authorities. The project implementation is delayed due to the unavailability of local authorities with other local projects being planned and implemented in the local area. It is viewed that the project will be implemented once the similar water project is finalized in the area. Timor Resources will further discuss the plan for water project proposals with the local authorities. Timor Resources has been in contact with the local authority of Alas for their availability to assist implementation of the project, to continue this good initiative.

3. REGULATORY PERFORMANCE

3.1 UPSTREAM

LEGAL FRAMEWORK REVISION

During 2021, ANPM were focusing on the revising the Onshore petroleum regulation and Petroleum Act. Chapter II of Draft Onshore Petroleum Regulation was revised in order to accommodate current industry standard practice. The ANPM were also revising Petroleum Act article 22 in late 2018 just to be in line with the upcoming Maritime Boundary Treaty.

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.

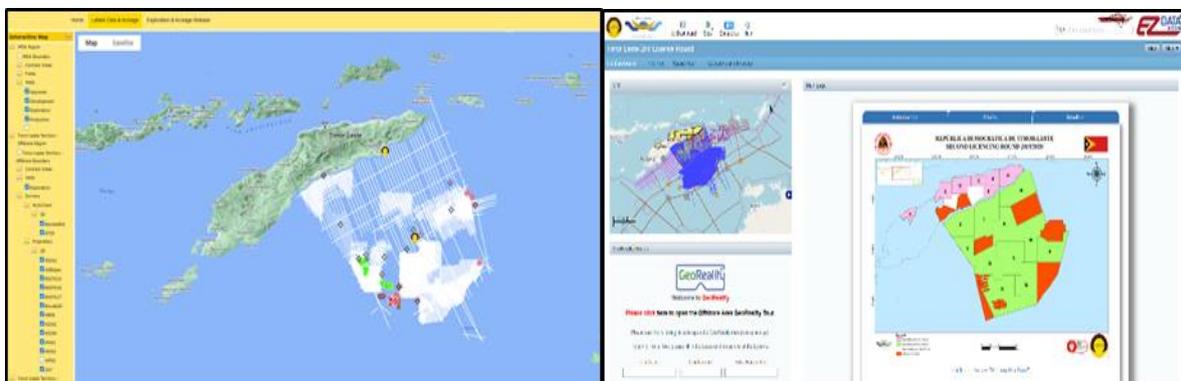


FIGURE 37: THE LAFAEK DATA BASE SYSTEM AND ZEBRA DATA SCIENCE VIRTUAL DATA ROOM

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 2022, ANPM metering team managed to carry out onsite audit of “Mass Balance Phase 2”, “DLNG Inlet Metering system Phase 2” and BU Offshore Fiscal Metering in the Operator premises of Perth Office, DLNG plant and Bayu-Undan facility. These audits were conducted in March, April, May, and November.

❖ Mass Balance Onsite Phase 2 Audit

This Mass Balance phase 2 onsite audit was carried out by ANPM with the aim to follow up the recent virtual audit phase 1 conducted in October 2021.

This onsite phase 2 audits were conducted in two different facilities. First was in Darwin LNG plant from 28 Feb – 4 Mar 2022 and the second phase was over the period of 4 days from 19 to 23 May 2022 in Bayu Undan offshore.

Phase 2 onsite audit assessment concludes that there were in total of 5 High related to DCS Scaling, meters’s velocity of sound and fuel gas composition (2 for Bayu Undan and 3 for Darwin LNG plant) and 3 Low related to DCS scaling and valve minor leakages (only for DLNG Plant) category findings.

Most of the findings had been closed and the remaining outstanding will be followed up on the next mass balance audit plan for 2023.



FIGURE 38: METERING TEAM AND COMMERCIAL TEAM CARRIED OUT PHASE 2 OF MASS BALANCE AUDIT & INLET METERING SYSTEM AT DNLG PLANT

❖ DNLG Inlet Metering System Phase 2 Audit

This metering phase 2 onsite audit was carried out by Autoridade Nacional do Petróleo e Minerais (ANPM) to the Darwin Inlet Metering System in parallel with Phase 2 Mass Balance audit with the aim of the audit was to follow up the recent virtual audit phase 1 conducted in November 2021.

This onsite phase 2 audit was conducted over the period of 28 February to 4 March 2022 inclusive of LNG offtake witnessing on the following month from 1 to 2 April 2022.

The audit team conducted in-depth assessment and found that all associated test set equipments have current certification, lab GC maintained as per standard and work very well, LNG reference calibration gases also valid for the purpose, MeterSuite operability and data integration had no issue including pulses verification and there was no issue as well with the LNG offtake.

Despite of the good performance, the audit team also noted that there was a minor finding on the historical log alarms on PWC system that is required to have some clarifications from operator.

In relation to past audit 2021 follow up, it was concluded that most of the findings had been addressed with some findings in the process of closing out. These will be followed up in 2023 audit

❖ BU Offshore Metering Audit

The ANPM audit team conducted BU FSO and CUQ Metering audit from 9th to 23rd November 2022. In reference to the scope of work, the audit team conducted in-depth check of LPG and Condensate quantity and quality records, validation record, test certifications, and calculations results generally are conforming. However, there were two major finding for BU FSO Custody Transfer Metering System related to CTS Test equipment – Test Cables which are outdated and Uncertainty of LPG and Condensate Offtake that higher than expected. While, for CUQ export metering system it was found that there are three major findings consist of meters USM speed of sound error, Flow Computer physical properties and outdated test set equipment. In addition to major findings, there are few medium and minor findings for both system and mostly related to gas chromatography validation check, laboratory GC preventive maintenance, CTS inventory and documentation control including one observation point on the new H2S equipment.

The report had been sent to operator on the 20th of December 2022 and the response with action plan will be provided to ANPM in January 2023.



FIGURE 39: METERING TEAM CONDUCTED METERING AUDIT ONBOARD BU FSO AND CUQ FACILITY

INSPECTIONA FOR MAINTENANCE

The maintenance team carried out the 2021 Offshore Bayu-Undan Maintenance Inspection at Bayu-Undan platform (CPP and FSO) at the end of Q1 2022. 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; and
- 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.

➤ Inspection Process

Process inspection was carried out at two different sites, the Santos office in Perth and Bayu-Undan offshore from 3-13 Oct 2022 and 24-27 October 2022 accordingly. The inspection scope was to assess the efficiency and productivity of the process facilities that are subject to rationalisation and optimisation. From the inspection, it was concluded that the optimisation and rationalisation were successfully implemented with:

- Reduction of Front-End Pressure from 91 barg to ~77 barg to allow cyclical wells to flow
- Installation of gas recycle line to maintain the Turbo Expander meeting the flowrate limit of 215 mmscfd
- Cold train optimisation resulting in further reduction of the pressure and temperature on the low temperature separator
- LPG splitter optimisation resulting in further butane recovered in the propane from 0.1 vol% to 1.9 vol%
- Swapping over the fuel gas source from its initial source (cold trains line) with the backup fuel line at the export gas unit

The inspection report was sent to the operator on 6 December 2022 with an observation list that related to continuous updates with optimisation planning in the future (if any), fuel gas consumption and other related operation matters. The operator provided their response to the observation list on 15 December 2022 which mostly agreed with the ANPM recommendation.

SUBSURFACE UPDATE

➤ Subsurface Studies

❖ Bayu-Undan BTC 2022 Model for the End of Field Life (EOFL) Purpose

Bayu Undan Contract Operator (Santos) and ANPM continued collaborating on updating the BTC 2021 model with the three Phase 3C infill wells and new production data up to September 2022. The purpose of the updating model was to include all new subsurface data for the use of Bayu Undan End of field life planning (EOFL) including use for the CCS project once field production is ceased. In addition, the updated model incorporated some technical recommendations based on the BTC 2021 model discussion. The BTC 2022 model was completed in November 2022 which was a slightly delayed as per timeline due to nature of the model including simulation software compatibility for the model review. The outcomes of the Bayu Undan BTC 2022 model are as follows:

- Bayu Undan updated BTC 2022 Static and Dynamic mode. Both models have been submitted to ANPM
- Summary report which summarized in presentation material and presented to ANPM through technical workshops
- Bayu Undan BTC 2022 EOFL model including CCS model

❖ Greater Sunrise Subsurface Studies

ANPM technical team continued collaborating with IRT consultant in completing subsurface studies which commenced in September 2021. The aims of the studies were to build Greater Sunrise model (both static and dynamic) with the technical reasonable estimation of Initial Gas in Place, optimum recovery, production and reservoir management practices in supporting Field Development Plan (FDP) discussion. The project was completed in February 2022 as per timeline and within the allocated budget. The deliverables of the Greater sunrise subsurface studies are as follows:

- Final Report for both Static and Dynamic model
- Full completed both Static and Dynamic model and have been submitted to ANPM
- Delivered capacity building to ANPM subsurface team in IRT Consultant office in Colorado USA

BAYU-UNDAN RESERVOIR PERFORMANCE MANAGEMENT AND RESERVOIR SURVEILLANCE

➤ Bayu-Undan Reservoir Management

- Field wet gas rate was produced at average of 298 MMscfd which is lower than previous years due to field depletion. Majority of lean gas was exported to DLNG for the commercial purpose. Overall, Bayu-Undan continued to maintain gas deliverability to DLNG with minimum rate above turndown limit of approx. 72 MMscfd.
- Liquid rate entered the year at approximately 15,250 STB/day and considerably decreased to approximately 6,700 STB/day in December due to rich gas wells experiencing water loaded particularly W13ST2. The average liquid production of the year was 11,200 STB/day. The major liquid was contributed from R2P wells particularly D04.
- Field water rate entered the year at approximately 36,900 STB/day and peaked at 50,000 STB/day due to some high-water wells were brought online. The average water production rate of the field was approximately 30,200 STB/day. Overall, the field water production was driven by the cyclical well production.
- Injected lean gas rate entered and exited the year at 70 MMscfd and 0 MMscfd respectively. Lean gas injected reached its peak of 160 MMscfd in May due to DLNG under maintenance. The injection was made through D09 and D15. Overall, produced lean gas were exported to DLNG for the sale purpose except some technical issues in DLNG.

➤ Bayu-Undan Reservoir Management

As Bayu-Undan field becomes mature and approaches end of field life, the production optimisation (both subsurface and surface facilities) was critical in delivering gas to DLNG for the commercial purpose. Considering this, the well test was conducted frequently 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: In June 2022, there was a DPP well intervention where focused on key wells D04, D09 and D15. As a result, the performance of the key wells was maintained longevity in its production during year 2022 except D09 was unsuccessful due to technical integrity issue.
- End of Field life Planning: ANPM actively collaborated with the operator in conducting well test program for the purpose of well monitoring. Thus, the field decline capacity was determined through Decline curve analysis updated on Monthly basis
- Production Optimization activities: Various production activities were implemented to maintain the well performance and deliver gas to DLNG for the commercial sale. Cyclical wells were frequently

attempted for the production and as a result, cyclical wells contributed significant both liquid and gas to the total field production.

SUBSURFACE WORKSHOP

➤ Bayu-Undan Subsurface Workshop

There were several subsurface workshops conducted in 2022 between ANPM and contract operator (Santos).

❖ Bayu-Undan BTC 2022 Model

In May 2022, ANPM and contract operator conducted a subsurface workshop in SANTOS Perth office Australia. The aim was to discuss the progress of BTC 2022 model (both Static and Dynamic). The outcomes of the workshop were the completion of BTC static model with minor improvement as recommended by ANPM and partial completion of simulation model. In addition, the contract operator was willing to incorporate all ANPM technical recommendations for the both static and dynamic improvement and fine tuning for the model improvement.



FIGURE 40: BAYU-UNDAN SUBSURFACE TEAM FROM ANPM AND SANTOS IN MAY 2022

In September 2022, ANPM and contract operator conducted another subsurface workshop as follow up from May workshop for the BTC 2022 model building discussion. This aim was to discuss the updated model with ANPM technical recommendations and progress work of simulation model. The outcomes of the workshop were static model required further improvement to better represent the field and dynamic model required to further tune with more geological approach. In addition, this model can be used for the CCS project in the future with further geological tuning.



FIGURE 41: BAYU-UNDAN SUBSURFACE TEAM FROM ANPM AND SANTOS IN SEPTEMBER 2022

❖ Bayu-Undan Subsurface Monthly Meeting

ANPM and operator conducted monthly subsurface meetings for the purpose of discussing ongoing Bayu Undan field reservoir surveillance and well performance towards end of field life (EOFL). Amongst the meetings, some were conducted via virtual teleconference while some were conducted in SANTOS Perth office Australia. The discussions were mainly on the ongoing well test for the field decline capacity monitoring, cyclical wells productions, key wells performance and production cessation as per DCA forecast updated in monthly basis.



FIGURE 42: BAYU-UNDAN MONTHLY SUBSURFACE DISCUSSION BETWEEN ANPM AND SANTOS

➤ Greater Sunrise Subsurface Workshop

ANPM and IRT consultant conducted subsurface workshop in IRT office in Colorado USA from 9th to 16th April 2022. The intent of the workshop was to discuss the completion of full fill subsurface studies of Greater Sunrise field. The outcomes of the workshop were the completion of both static and dynamic model, final report and associated technical aspects for the field development plan. In addition, this workshop provided technology transfer and capacity building to the ANPM subsurface team.

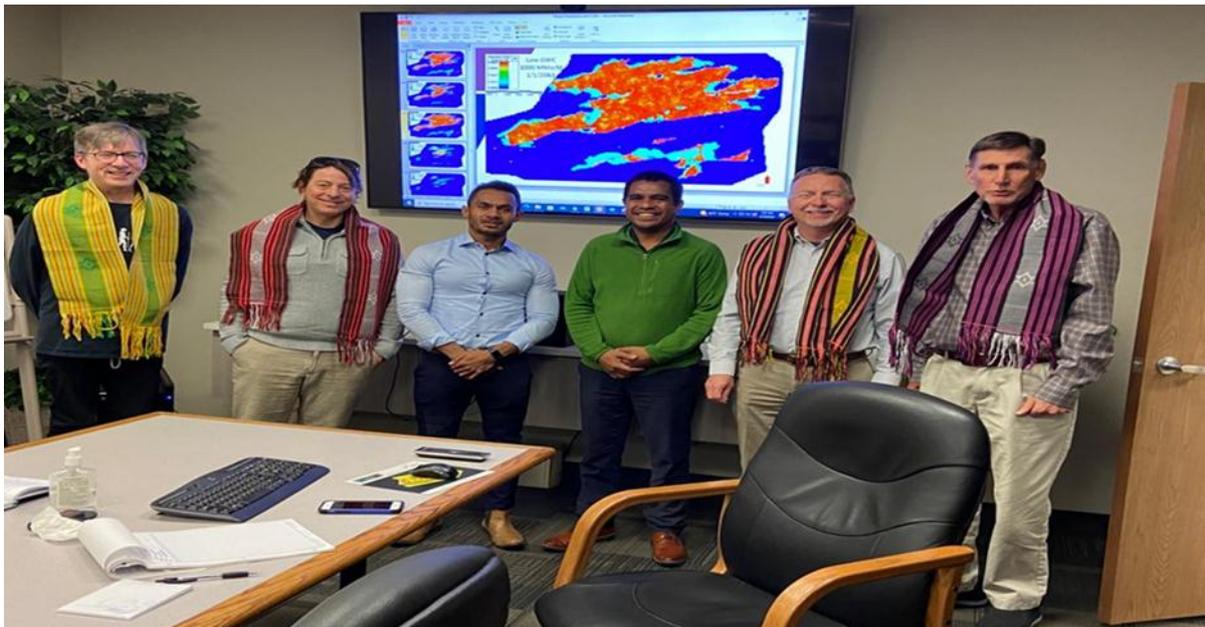


FIGURE 43: ANPM SUBSURFACE TEAM AND IRT CONSULTANT IN IRT OFFICE COLORADO USA

DRILLING, WELL INTERVENTION, OBSERVATION AND DECOMMISSIONING ACTIVITIES

➤ Bayu-Undan well intervention

Upon receiving WP1 February 2022 well intervention campaign notification in December 2021 for three dedicated wells (W10, W12, and W13ST2) from the Operator (Santos), the ANPM simultaneously conducted a thoroughly review, assess, and approved the intervention program. However, during the execution of the intervention, the operator successfully executed two (2) wells only as W10 and W13ST2 wells. Those two wells were back in production upon the intervention campaign completion.

In May 2022, the operator again submitted a notification to conduct a well intervention for five (5) dedicated wells such as D04, D09, D15, W01, and W02. However, during the intervention, the operator only successfully carried out three (3) wells such as D04, D09, and D15. All those three wells were brought back to production upon completion of well intervention campaign.

➤ **PSC TL-OT-17-08 (Liurai Well) Drilling**

Liurai well was drilled from 26th December 2021 to 17th March 2022. The well was initially planned to reach its total depth of 1,472 m MD/TVD RT. However, during the operation, the operator (Timor-Resoruces) drilled a bit further deeper to 1,670 MD / TVD RT. The well was successfully temporarily plugged and abandoned and waiting for well testing.

➤ **PSC TL-OT-17-08 (Lafaek Well) Drilling**

Lafaek-1 exploration well was drilled on 2nd October 2022 and was estimated to complete the drilling operation next eighty-seven (87) days from the day of spudding the well. The well was planned to reach its total depth of 3500 m MD/ TVD RT. During the reporting period, the drilling operation was ongoing, and planned to complete in 2023.

➤ **PSC TL-OT-17-09 (Rusa Well) Drilling**

The ANPM team has successfully submitted its technical recommendation on EMP and EIS for PSC - TL- OT - 17- 09 to the Ministry of Petroleum and Mineral. The Ministry had issued an approval letter for EMP and EIS for PSC-TL-OT-17-19 for Rusa exploration well.

➤ **Bayu-Undan Decommissioning**

Through subsequent detailed review and assessment, the ANPM has finally approved Bayu- Undan Well Plug and Abandon methodology, and the base case for the plug and abandon methodology was in line with the current Interim Regulation (JPDA regulation) requirement. However, the ANPM is also committed and willing to discuss further detail on the plug and abandon methodology with Operator (Santos) on the future exemptions and deviation from the current interim regulation (JPDA regulation) on the plug and abandon requirement.

➤ **Kitan Decommissioning**

ANPM continued carry out in detail assessment and review of the Kitan Well Basis of Design (BOD) including its request for a deviation to the IR (JPDA regulation) methodology. Through subsequent technical detail discussion, the Operator (ENI) was finally agreed to apply interim regulation (JPDA regulation) for plug and abandon methodology as a base case for the future of all the Kitan wells plug and abandon methodology.



FIGURE 44: DRILLING OPERATION OBSERVATION IN LAFAEK WELL DRILLING, SUAI, TIMOR-LESTE

OTHER PROJECT

➤ Assistance for Carbon Capture Storage and Sequestration (CCS) Project

During 2022 D&P directorate has actively assisted the CCS project on the technical aspect regarding the development of the CCS project in Timor-Leste.

➤ LNG Partnership Program

Refer to the progress discussion of bilateral partnership between government of Timor-Leste and Australia in relation to LNG Partnership Programme, Autoridade Nacional do Petróleo e Minerais (ANPM), in partnership with Department of Industry, Science and Resources (DISR) had organized Timor-Leste delegation visit to Australia for industrial engagement in Darwin. The event was conducted from 19 to 23 September 2022 with total participants 12 people.

The outcomes of LNG Partnership program revealed that participants from various intuitions namely IPG, Timor Gap, MPM, ANPM, Dili Waste Municipality, UNDIL, DIT, UNITAL, UNTL and CCITL had expose to oil and gas industry and building networking with industry and government during the 5 days visit in Darwin. Within period of 5 days the participants attended APPEA LNG course, visit Inpex LNG Ithcys facility, met with

Northern Territory government, visited to Santos LNG plant, and visited renewable energy grid testing facility at Charles Darwin University.



FIGURE 45: LNG PARTNERSHIP INDUSTRY VISIT DARWIN

GREATER SUNRISE SPECIAL REGIME (GSSR)

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

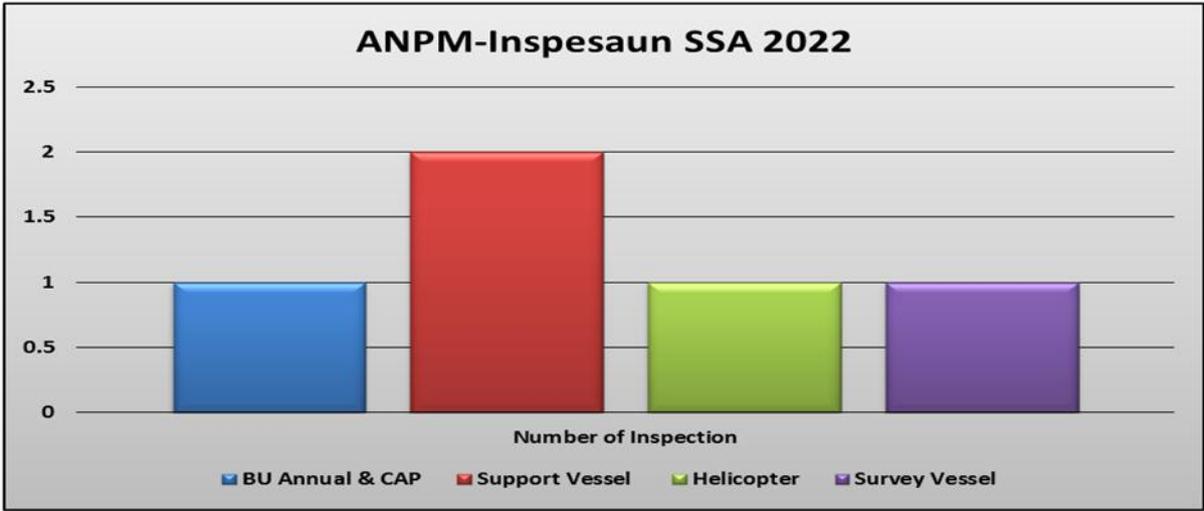
practices. In particular, the discussion includes the GSSR Petroleum Mining Code (PMC), Production Sharing Contract (PSC), Jurisdictional Competencies, Fiscal regime and other relevant matters with the objective to ensure the development of GSSR for the benefit of all stakeholders.

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

➤ Inspection

❖ Petroleum Operation Inspection (Offshore Bayu-Undan)

During the reporting period, the HSE directorate conducted a total of 11 inspections across a range of facility types such as fixed production and storage facility, Platform Supply Vessels/Infield Support Vessels, Helicopters and Corrective Action Plan (CAP) Inspections as per shown in the graph below. The main inspection objectives were to ensure the contract operators comply to the applicable legislations and conform with relevant regulatory submissions that were approved and/or accepted by the ANPM.



GRAPH 14: ANPM HSE INSPECTION FOR BAYU-UNDAN IN 2022

From the inspection activities referred above a total of 243 inspection findings were recorded. Where 122 findings required corrective actions, this includes non-conformance to operator management system. Furthermore, the graph below provides a breakdown of findings required corrective action recorded during 2022 inspection to petroleum facilities and its associated supporting facilities such as helicopters and vessels, etc.

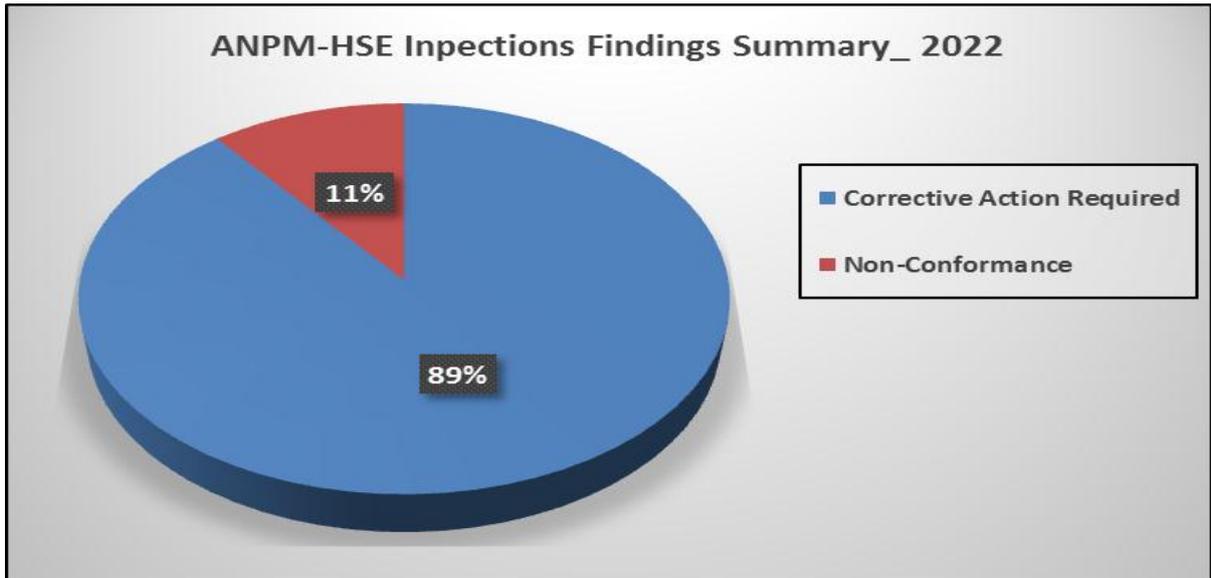
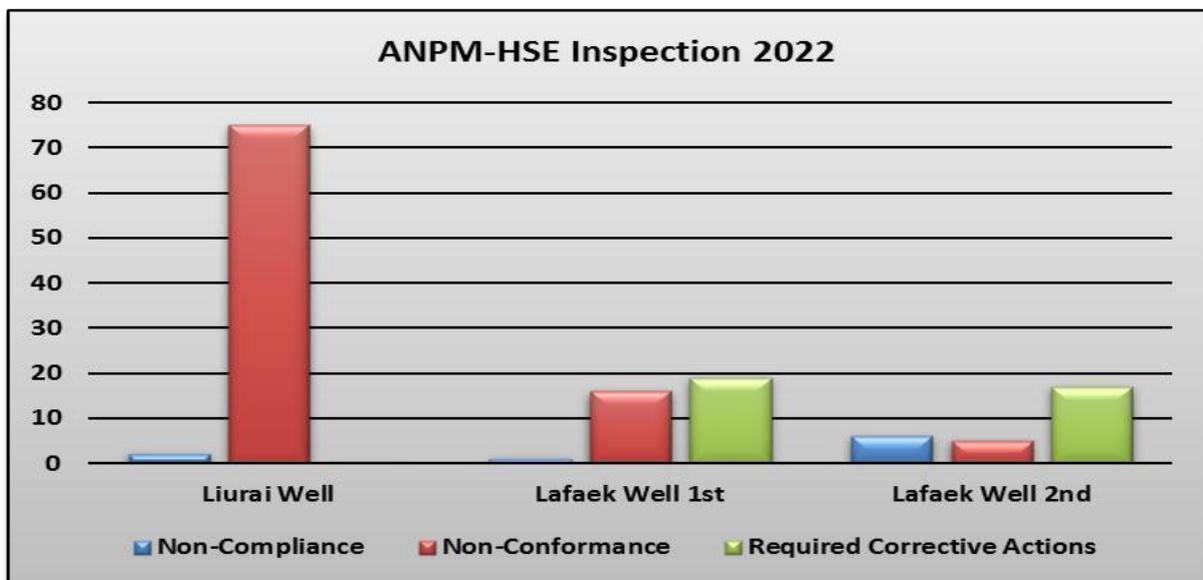


CHART 7: ANPM-HSE INSPECTION FINDINGS SUMMARY FOR BAYU-UNDAN IN 2022

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 been in progress to close out by the contract operators.

❖ Petroleum Operation Inspection (Onshore PSC TL-OT-17-08 and PSC TL-OT 17-09)

In 2022, three (4) inspection activity was carried out to petroleum related facilities and its operation in Timor Leste onshore area i.e., three (3) inspections activity carried out to Easter Drilling Rig in two different sites such as Liurai and Lafaek wells in Suai-Covalima and another one (1) inspection to Bell Geospace (ALCI Aviation Ltd) fixed wing which was contracted by Timor GAP.EP to carry out FTG survey in Pualaca Block area (TL-OT-21-17).



GRAPH 15: ANPM INSPECTION FOR PSC TL-OT 17-08 AND 09 IN 2022

The graph above illustrates numbers of findings for each well site from the inspection activity carried out in the PSC TL-OT-17-08 and 09 a total of 177 findings were recorded. There were 9 non-compliances, 96 non-conformance and 36 findings required corrective actions by Timor Resources.

A total of 36 findings were recorded during inspection to Bellgespace aviation which carried out FTG survey in the Pualaca block (PSC TL-OT-21-17).

Findings identified during the inspections were recorded in a report format and communicated to relevant contract operators for closing out in a timeline agreed by both ANPM and contract operators. Overall, most of the findings required corrective actions have been in progress to closed out by the contract operators.

➤ **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 &	Health, Safety &			

Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome	Remarks
Safety	Environment Plan (HSE) for BU 2022 subsea assets & GEP integrity survey.	1	Approval granted	NA
	Emergency Response Plan (ERP) for Bayu-Undan Subsea Assets and Gas Export Pipeline (GEP) Integrity Survey.	1	Approval granted.	NA
	Facilitating BU single shipment permit/ to import/export radioactive sources for Ministry of Interior approvals	2	Approval granted by Ministry of Interior	NA
Environment	Bayu-Undan application to Flare and Vent for 2022, submitted on 23/12/2021	1	Granted on 18/01/2022	
	Bayu-Undan Master Chemicals Approvals for December 2021, January 2022, May	7	Approvals granted	

Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome	Remarks
	2022, July 2022, August 2022, September 2022 and November 2022,			
	Bayu-Undan Oil Spill Contingency Plan (revision 7), submitted on 17/06/2021	2	Granted on 16 February 2022.	
	Bayu-Undan Suspension of Operations Environmental Management Plan (Rev.0), submitted on 29 October 2022	1	Review is ongoing	ANPM is expecting Santos to submit the revised version.
	Bayu-Undan Suspension of Operations Oil Spill Contingency Plan (Rev.0), submitted on 29 October 2022	1	Review is ongoing	ANPM is expecting Santos to submit the revised version.
	Bayu-Undan application to flare and vent for 1 st Jan – 28 th Feb. 2023, submitted on 21/12/2022	1	Review is ongoing	

Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome	Remarks
Buffalo Field (PSC TL-SO-T 19-14)				
Environment	Buffalo-10 End of Well Environmental Performance Report, submitted on 28 March 2022	1	Review completed,	

TABLE 9: TIMOR-LESTE WATER CATEGORY REGULATORY SUBMISSION AND APPROVAL 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 at PSC TL-OT-17-08, PSC TL-OT-17-09 and Timor Gap Onshore Pualaca Block PSC TL-OT-21-17.

PSC TL-OT-17-08 and 09				
Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome	
Health and Safety	Eastern Drilling Rig Safety Case document ED/HSE/SC-001 Rev3 dated 15 th Sept 2022 & OMS Bridging document TR.HSE.BRD.001 Rev6 dated 16 th Sept 2022. <i>Revision due to facility modification/upgrades & sub-contractor changes.</i>	1	Approval granted dated 2 nd October 2022	
	Revised Site Emergency Response Plan (SERP) document TR-HSE-PLN-003 Rev3 dated 28 th Sept 2022. <i>Revision to organisational structural</i>	1		

	<i>changes.</i>		Approval granted on 2 nd October 2022
	OMS Bridging document Rev7 TR-HSE-BRD-001 dated 13 th Oct 2022. <i>Revision for inclusion of well testing operations.</i>	1	Approval granted in 2023
Environment	Final submissions of Environmental Impact Statement (revision 2) and Environmental Management Plan (revision 2) for PSC TL-OT-17-09 Exploration Drilling, submitted on 4 January 2022	1	Approval granted by Higher Environmental Authority on 21 January 2022
	Environmental Impact Statement and Environmental Management Plan (Rev.4) for Drilling Activity and Well Testing at PSC TL-OT-17-08	1	Review is ongoing
Timor Gap Onshore Pualaca Block – PSC TL-OT-21-17			
Submission Type	Submission Sub-Type	Number Submitted	Assessment Outcome
Health & Safety	Health, Safety & Environment (HSE) plan for full tensor gradiometry survey.	1	Approval Granted
	Emergency Response Plan (ERP) for full tensor gravity gradiometry survey.	1	Approval Granted

Environment	Project Document for Full Tensor Gravimetric (FTG) survey form Onshore Pualaca Block	1	Classified as Category B on 5 August 2022
	Simplified Environmental Impact Statement and Environmental Management Plan for FTG survey in the Pualaca Block	1	Environmental License granted on 26 August 2022

TABLE 10: TIMOR-LESTE ONSHORE REGULATORY SUBMISSION AND APPROVAL STATUS

➤ **Entry Authorization into the Contract Area**

❖ **Vessels**

During the reporting period a total of four (4) vessel entry authorizations were issued to the contract operators that operating in the Timor-Leste waters to enter contract area. Three (3) vessel entry authorization were granted for the Bayu Undan operations and one (1) was granted for Kitan ROV subsea survey.

In addition, there were nine (9) entry authorizations issued for offtake tankers to enter contract area in the Timor-Leste waters. Three (3) entry authorizations were granted for the LPG offtake tankers and 6 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 and Kitan contact areas.

No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
1	Bhagwan Dryden	Survey Vessel	BU Operations	20 th Oct 2022	7 th Dec 2022
		Platform Supply Vessel & Marine Survey Vessel	BU Operations	10 th Jan	9 th Jan 2023

No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
2	MMA Inscription			2022	
3	RT Raven	Offshore Tug/Supply Vessel	BU Operations	1 st Jun 2022	31 st May 2022

TABLE 11: PLATFORM SUPPLY BASE VESSELS AND INFIELD SUPPORT VESSELS APPROVALS FOR BAYU-UNDAN OPERATION & BU PHASE 3C INFILL WELL DRILLING CAMPAIGN

No.	Offtake Tanker Name	Offtake Number	Field Name	Date of Approval
1	Lucina Providence	LPG Offtake – L0283	Bayu Undan	21 st Jan 2022
2	Legend Prosperity	LPG Offtake – L0284	Bayu Undan	15 th July 2022
3	Linden Pride	LPG Offtake – L0285	Bayu Undan	5 th Dec 2022

TABLE 12: OFFTAKE TANKER ENTRY AUTHORIZATION-LPG FOR BAYU-UNDAN

No.	Offtake Tanker Name	Offtake Number	Field Name	Date of Approval
1	AG NEPTUNE	CO Offtake – C0404	Bayu Undan	31 st Jan 2022
2	VUKOVAR	CO Offtake – CO405	Bayu Undan	26 th Apr 2022
3	FAROS	CO Offtake – CO406	Bayu Undan	7 th Jun 2022
4	KK MARLIN	CO Offtake – CO407	Bayu Undan	9 th Jun 2022
5	CELSIUS ESBJERG	CO Offtake – CO408	Bayu Undan	24 th Aug 2022
6	CSK ENDEAVOUR	CO Offtake – CO409	Bayu Undan	26 th Oct 2022

TABLE 13: OFFTAKE ENTRY AUTHORIZATION – CONDENSATE FOR BAYU-UNDAN

No.	Vessel's Name	Type of Vessel	Project/Activities	Approval Date	Expire Date
1	Bhagwan Dryden	Survey Vessel	Kitan/ROV Subsea Inspection	12 th Jun 2022	19 th Jun 2022

TABLE 14: SURVEY VESSEL FOR KITA ROV SUBSEA INSPECTION

❖ Helicopters

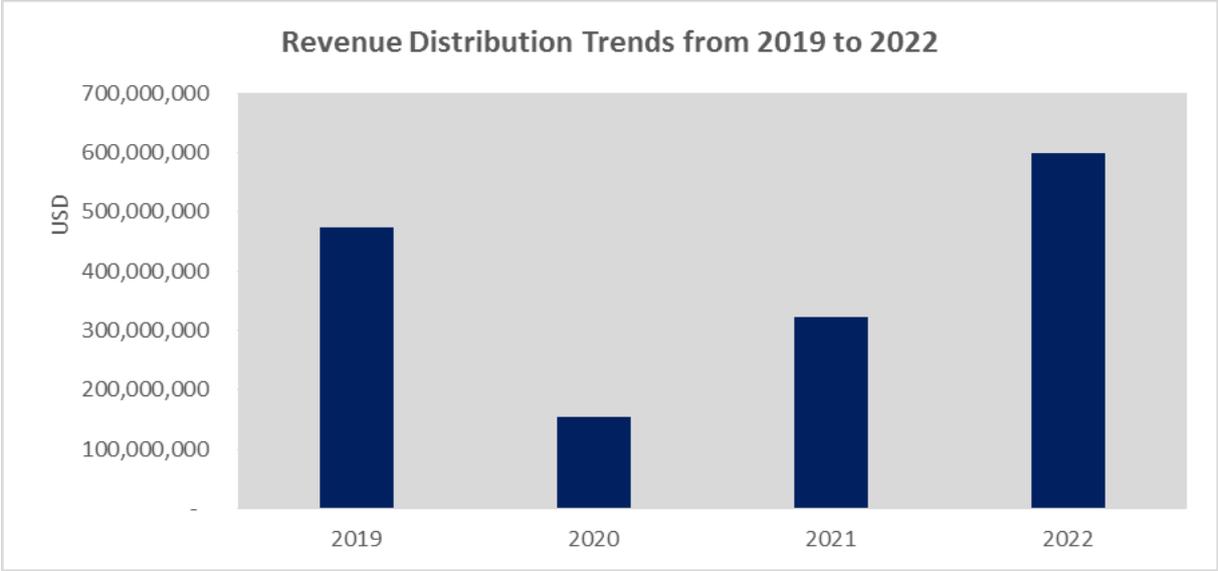
In total there were three (3) entry authorizations issued to helicopters during the reporting period. Two (2) were annual entry authorizations granted for two Airbus H175 Helicopters for Bayu-Undan Operations and one (1) entry authorization was granted for Sikorsky S92 (VH-NVU) as substitute helicopter for coverage of H175 (EC 175 B VH-NYI and EC 175 B VH-NYJ) during maintenance of this helicopter.

No	Helicopter's Name	Code of Helicopter/	Project/Activities	Approval Date	Expire Date
1	Airbus Helicopter EC 175 - 5027	VH-NYI	Annual entry authorization	1 Jan 22	31 Dec 22
2	Airbus Helicopter EC 175 - 5028	VH-NYJ	Annual entry authorization	1 Jan 22	31 Dec 22
3	Sikorsky S92	VH-NVU	Approved as substitute helicopter for coverage of H175 (EC 175 B VH-NYI and EC 175 B VH-NYJ) during maintenance of these helicopters	10 Jan 22	30 April 22
4	Sikorsky S92	VH-NVU	Re-entry authorization for S92 as substitute helicopter for coverage of H175 (EC 175 B VH-NYI and EC 175 B VH-NYJ) during maintenance of these helicopters	1 st May 22	31 May 22

TABLE 15: HELICOPTERS ENTRY AUTHORIZATION FOR BAYU-UNDAN OPERATIONS

REVENUE DISTRIBUTION

The revenue distribution to Timor-Leste’s Petroleum Fund showed an increase in year 2022 compare the previous year. As presented in the below graph, although BU project faced the natural field depleting represent from the lower LNG cargoes sold, with the uprising gas price in global market has contributed significantly to revenues received by Government. Revenue distributed in 2022 recorded USD 612 Million higher than previous year which is 322MM.



GRAPH 16: REVENUE DISTRIBUTED 2019 – 2022

3.2 DOWNSTREAM PETROLEUM ACTIVITIES

AMENDMENT OF EXISTING LEGAL FRAMEWORK

➤ **Amendment of Regulation of Installation and Operation of Fuel Filling Station**

The proposal for the amendment of the Regulation was discussed and approved by the ANPM Board of Directors on third quarter of 2022. The proposal of the amendment was put forward considering the experience in the implementation of the Regulation and the challenges facing by the sector especially considering the social and economic context of Timor-Leste. The amendment covers:

- Provision on the rights over the land and the duration of the license,
- Changes on distance requirements from 1 km to 0.5 km from the new proposed Automotive Fuel Filling Station (FFS) to the existing FFS in Municipality,
- Additional insertion on certification of electrical equipment and installation where it shall be mandatory upon the creation of a Timor-Leste certification entity.
- Provision on the suspension of operation due to non-renewal of underlying lease or other land use

agreement.

The amendmend Regulation was effective after its publication in the Journal da Republica on 14 October 2022.

➤ **Amendment of Regulation of Fuel, Biofuel and Lubricant Quality Standard and Specification**

The proposal for the amendment of the Regulation was submitted together with the proposal of the amendment of Regulation on Installation and Operation of Fuel Filling Station where it was also discussed and approved by the ANPM Board of the Directors on third quarter of 2022.

The amendment was only made to the specification of Automotive Gasoline and Diesel. The ANPM considered that it was appropriate to amend the specification of both products to align with the specification of the fuel in the region.

LICENSING PROCESS AND SUPERVISION OF INSTALLATION AND OPERATION OF FUEL FILLING STATION ACTIVITY

➤ **Location and Project Application and Operational License for Fuel Filling Station Activity**

❖ Application for Location Approvals

a) New Location Application in 2022

A total of 31 new applications were submitted seeking for the approval of location for a fuel filling station activity. Most of the applications have been assessed and verified. Few are still under discussion. Detail information on each of the application is provided in the table below:

No	Company/Applicant	Location proposed	Remarks
1	Uzia Madeira	Gleno, Ermera	Verification result showed that the location proposed fulfill 1 m distance requirements and the company are required to fulfilled the location requirements within 1 year
2	Lafahek Oil and Gas	Pante-Macassar, Oecusse	
3	Lafahek Oil and Gas	Debos, Suai	
4	Lafahek Oil and Gas	Aiteas, Manatuto Vila	Verification result showed that the location proposed did not fulfill 1 km distance requirement.
5	Lafahek Oil and Gas	Ainaro Vila	
6	Lucky Strike	Metinaro, Dili	
7	Timor Gap E.P	Pante Macassar, Oecusse	Verification result showed that the location proposed fulfill distance requirements and the ANPM is still waiting for confirmation from Autoridade RAEOA prior to proceed with the next process
8	Siagisa	Hera, Dili	

			Verification result showed that the location proposed fulfill distance requirements and the company are required to fulfilled the location requirements within 1 year
9	Graca Silva	Ritabou, Maliana	
10	Pertamina International Timor SA	Bahu, Baucau Villa	Under Discussion
11	Pertamina International Timor SA	Maumeta, Liquiça	Verification result showed that the location proposed did not fulfill 1 km distance requirement.
12	Realistic Fuel	Becora, Dili	Verification result showed that the location proposed fulfill distance requirements and the company are required to fulfilled the location requirements within 1 year
13	Pedrita	Ritabou, Maliana	
14	CDFG	Tilomar, Suai	
15	Morca Mail-Mer	Railaku, Ermera	Under discussion
16	Roman Fuel	Gleno, Ermera	
17	Sinelever	Pante-Macassar, Oecusse	Verification result showed that the location proposed did not fulfill 1 km distance requirement.
18	CDFG	Gariwai, Baucau	Verification result showed that the location proposed fulfill distance requirements and the company are required to fulfilled the location requirements within 1 year
19	Pertamina International Timor SA	Pante-Macassar, Oecusse	
20	Timor Gap E.P	Lospala, Lospalos	
21	Ra'ameta	Vemasse, Baucau	
22	Timor Gap E.P	Pante Macassar, Oecusse	Under discussion
23	Timor Gap E.P	Pante Macassar, Oecusse	
24	Franda	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
25	Sarikira	Bemoris, Lospalos Vila	
26	Belijo	Vemasse, Baucau	
27	Ana Fernandes	Maubara, Liquiça	Under discussion

28	Borala	Suai Loro, Suai	Verification result showed that the location proposed fulfill distance requirements and the company are required to fulfilled the location requirements within 1 year
29	Borala	Tibar, Liquiça	
30	Borala	Manatuto Vila	Under discussion
31	Jesoria	Luca, Viqueque	

TABLE 16: LOCATION APPLICATIONS RECEIVED IN 2022 AND THEIR PROCESSES

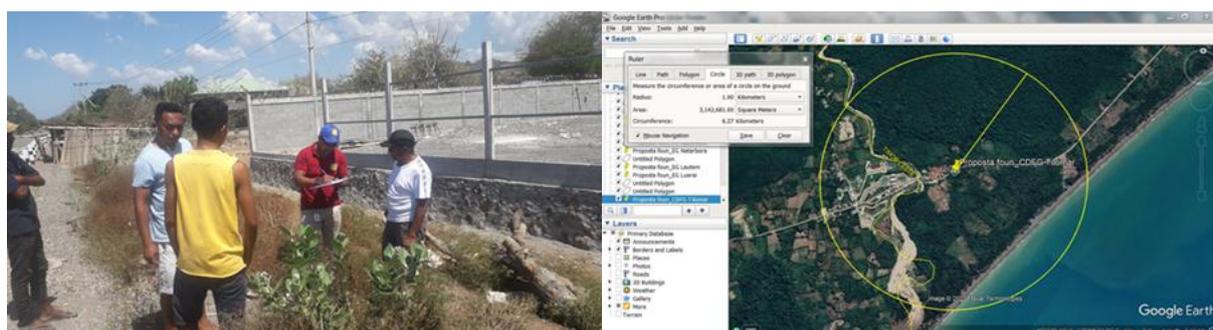


FIGURE 46: VERIFICATION OF THE BELIJO'S LOCATION IN VEMASSE, BAUCAU AND SATELITE MAP VERIFICATION OF THE CDFG'S LOCATION IN TILOMAR, COVALIMA

b) Location Approval in 2022

In 2022, the Directorate issued 3 approvals to the locations applications that submitted in previous year. The approval was granted following the completion of location requirements. Detail information is provided below:

No.	Company/Interest Person	Location Proposed	Location Approval
1.	Esperança Timor Oan	Batugade, Bobonaro	✓
2.	El-Pasra	Bucoli, Baucau	✓
3.	Belijo	Vemassee, Baucau	✓

TABLE 17: LOCATION APPROVAL ISSUED IN 2022

c) Rejection to Location Applications

In 2022, the Directorate issued rejection to 5 new applications submitted in 2022 and the rejection was issued since the location proposed did not fulfill distance requirement. The Directorate also issue 11 rejections to the applications that submitted in 2021 and the rejection was issued since the applicant could not fulfill the requirement within one year. Detail information is provided in the table below:

No	Company/Interested Person	Location proposed	Remarks
1	Lafahek Oil and Gas	Aiteas, Manatuto Vila	The site proposed does not fulfill 1 km distance requirement
2	Lafahek Oil and Gas	Ainaro Vila	
3	Lucky Strike	Metinaro, Dili	
4	Pertamina International Timor SA	Maumeta, Liquiça	
5	Sinelever	Pante-Macassar, Oecusse	
6	Risa Fuel	Pante Macassar, Oecusse	The company could not fulfill the requirement for location approval within 1 year timeline therefore, the application was rejected
7	Jesoria	Bahalarauain, Viqueque	
8	KCXII	Same, Manufahi	
9	Salve	Fuiloro, Lospalos Vila	
10	Mateus Alves	Zumalai, Covalima	
11	Kaliak	Maubara, Liquiça	
12	Timor Gap E.P	Costa, Pante Macassar, Oecusse	
13	Timor Gap E.P	Nipane, Pante Macassar, Oecusse	
14	Lafahek Oil and Gas	Ainaro Vila	
15	Rarilivos	Batugade, Bobonaro	
16	Lafahek Oil and Gas	Batugade, Bobonaro	

TABLE 18: REJECTION OF LOCATION APPLICATIONS ISSUED IN 2022

❖ Application and Project Approvals

a). Project Application Review

The Directorate received several applications 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 2022 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. Detail information is provided in the table below:

No.	Company's Name	Location	Project Title	Remarks
1	Aitula Fuel	Maliana	New construction of FFS	The design has been approved
2	CDFG	Becora-Dili	New construction of FFS	
3	Esperanca Timor Oan	Tibar-Liquica	New construction of FFS	
4	Fitun-Foun	Aileu	New construction of FFS	
5	Pertamina International Timor SA (PITSA)	Tibar-Liquica	New construction of FFS	
6	Esperanca Timor Oan	Mandarin-Dili	Rehabilitation project	
7	Realistic Fuel	Baucau	As-Built Drawing	
8	Fecilia	Baucau	As-Built Drawing	
9	Repende Unipessoal, Lda	Gleno, Ermera	Rehabilitation Project	
10	Belijo Fuel Unipessoal, Lda	Vemasse, Baucau	New construction of FFS	Final stage of review and will be approved in the first quarter of 2023
11	Joker Global	Maliana	New construction of FFS	
12	Rozi Fuel Unipessoal, Lda	Dili	Rehabilitation Project	
13	My friend	Same	Rehabilitation project	The review had been concluded and it required revision from the company.
14	Andikalima	Liquica	Modification project	
15	Neno	Oecusse	New construction of FFS	
16	V&S Fuel	Natarbora-Manatuto	New construction of FFS	
17	Mae da Graca	Loes-Liquica	New construction of FFS	
18	Mae da Graca	Maliana	New construction of FFS	The review had not been finalized
19	Timor Gap, E.P. - Homebase	Covalima	Rehabilitation Project	
20	Jesoria Unipessoal, Lda,	Natarbora	New construction of FFS	

	Sucursal			and it is carried forward to 2023.
21	El-Pasra Unipessoal, Lda	Baucau	New construction of FFS	

TABLE 19: PROJECT DESIGNS REVIEWED IN 2022

b). Project Approvals

Directorate issued project approval to six (6) new fuel filling station projects in Dili, Bobonaro, Aileu, and Liquiça. The Directorate also issue project approval to 2 rehabilitation and modification project in Dili and Ermera. Detail information is provided in the table below:

No.	Company's Name	Location	Project Title
1	Aitula Fuel	Maliana	New construction of FFS
2	CDFG	Becora-Dili	New construction of FFS
3	Esperanca Timor Oan	Tibar-Liquica	New construction of FFS
4	Fitun-Foun	Aileu	New construction of FFS
5	Pertamina International Timor SA (PITSA)	Tibar-Liquica	New construction of FFS
6	Rizara	Liquiça	New construction of FFS
7	Esperanca Timor Oan	Mandarin-Dili	Rehabilitation project
8	Repende Unipessoal, Lda	Gleno, Ermera	Rehabilitation Project

TABLE 20: PROJECT APPROVAL ISSUED IN 2022

❖ Operational License

a) Issuance of new operational license

The Directorate issued operational license to two (2) new built fuel filling stations and three (3) license to existing fuel filling stations. The detail of licensed Fuel Filling Station is outlined in the table below.

No.	Name of FFS	Operator/Company	Location
1	Adi Phy Fuel Filling Station	Ady Pay II Unip. Lda	Ossu, Viqueque
2	CDFG Fuel Filling Station	CDFG (Cesario Dias Freitas Gusmão) Unip. Lda	Camea, Becora, Dili
3	Irmão Timor Fuel Filling Station	Irmão Timor Unip. Lda Sucursal	Pante Makasar, Oecusse
4	Aitula Fuel Filling Station	Aitula Fuel Lda, Sucursal	Same, Manufahi
5	Aitula Fuel Filling Station	Aitula Fuel Lda, Sucursal	Ainaro Vila

TABLE 21: OPERATIONAL LICENSE ISSUED TO FUEL FILLING STATION IN 2022

b) Transfer of Operational License

In 2022, the ANPM received 2 applications for the transfer of operational license. One of the application is from Miramar for the transfer of its FFS's operational license to Esperança Timor Oan. Another application was submitted by Risa Fuel for the transfer of its FFS operational license to Moundias. The transfer of license process had been completed and approved following the payment of license transfer fee.

➤ **Monitoring the New Construction and Rehabilitation of Fuel Filling Station**

In 2022, the Directorate undertaken project monitoring to new constructed FFS projects as well rehabilitation of Fuel Filling Station. This activity is to ensure the construction and rehabilitation of the FFS is in accordance with the the approved design. Below table foreseen information on the activity and its result.

FFS	Location	Monitoring result
FFDTL Home Base FFS	Metinaro, Dili	Monitoring activity was carried out several times and mostly it was conducted jointly with the Ministry Of Defence and ADN. By end of 2022, the construction progress was almost 80%. All monitoring results were communicated with Ministry of Defence as the project proponent.
CDFG FFS	Becora, Dili	Monitoring was performed to this construction projects including assisting line distribution testing. The construction was completed and recommended for further process to obtain operational license.
Ady Phy FFS	Ossu de Cima, Viqueque	Monitoring was performed to this construction projects including assisting line distribution testing. The construction was completed and recommended for further process to obtain operational license.
Andikalima FFS	Liquiça	Monitoring was performed to monitore the replacement of existing tank with new underground tank as to meet the requirement of installation and operation of FFS. Overall, the installation is complied with the technical rules and the pumping system is remained as per previous arrangement.
Esperança Timor Oan FFS	Palapaço, Mandarin, Dili	It is a rehabilitation project and monitoring were conducted to ensure the physical construction is in line with the approved design. The rehabilitation project had not be completed since several FFS components have not been installed. It is targeted, the rehabilitation project will be completed in mid 2023.

Alexa FFS	Liquiça	It is a rehabilitation project and monitoring were conducted to ensure the physical construction is in line with the approved design. The rehabilitation project was completed and the facility has been back to operation following the performance of Preliminary inspection.
Rizara FFS	Liquica	It is a new project construction and monitoring were conducted to ensure the physical construction is in line with the approved design. The construction of the project had not be completed since several FFS components have not been installed. It is targeted, the rehabilitation project will be completed in mid 2023.

TABLE 22: MONITORING ACTIVITY TO THE NEW CONSTRUCTION AND REHABILITATION OF FFS



TABLE 23: CONSTRUCTION MONITORING AT RIZARA NEW FFS IN LIQUICA AND NEW CONSTRUCTION OF CDFG FFS IN BEBORA

➤ Subsequent Inspections

Subsequent inspection activity was performed to 12 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 for further decision on suspension of operation. The result of inspection showed that some facilities had closed all inspection findings while few still had not closed the inspection findings. Detail information can be seen in the table below:

No.	Name of FFS	Location	Remark
1	Queybubun Laco Combustives, Lda	Maliana, Bobonaro	The operator has not closed inspection recommendations
2	Titer, Lda	Laútem	
3	Borala, Lda, Sucursal	Beloi, Viqueque	
4	Borala, Lda, Sucursal	Mercida, Viqueque	
5	Cabureno Unipessoal, Lda	Baucau	
6	Albatross Unipessoal, Lda	Baucau	
7	Raameta Fuel Unipessoal, Lda	Baucau	
8	Risa Fuel Unipessoal, Lda	Dili	

9	Adikalima Unipessoal, Lda	Liquica	The company has closed all inspection findings
10	Realistic Fuel Unipessoal, Lda	Baucau	
11	Belijo Fuel Unipessoal, Lda	Baucau	
12	Ficilia Unipessoal, Lda	Baucau	

TABLE 24: LIST OF THE INSPECTED FFS

Subsequent inspections were also performed to all licensed Fuel Filling Stations both in Dili as well as Municipalities. This activity was part of the Downstream Inspection Division 2022 program. This activity was aimed to verify the implementation of new rules foreseen in ANPM Regulation Nr. 1/2020 on Second Amendment of Regulation No. 1/2013 on Installation and Operation of Fuel Filling Stations as amended by Regulation No. 3/2014. The inspection result shows that most of the FFS in operation have not adhered to the new rules foreseen in the Regulation. The inspection reports have been shared with the operators and amongst 45, only 12 operators responded to the report by providing evidence on the implementation of the new rules and the rest requested for the extension.

The directorate plan in 2023 to continue engage with operators of the facilities to implement the new rules.

Below are some pictures taken during subsequent inspection activities.



FIGURE 47: SUBSEQUENT INSPECTION TO BORALA FFS AT VIQUEQUE MUNICIPALITY

➤ Preliminary Inspection

In 2022, the Directorate through inspection division conducted preliminary inspections to two (2) new built Fuel Filling Station located in Ossu, Viqueque Municipality and Becora, Dili Municipality. The inspection aimed to verify the facility for the issuance of operational license.

Preliminary Inspection was also conducted to Alexa FFS in Liquiça which undertake modification. The activity was also extended to the existing Fuel Filling Station in operation located in Lautem, Ainaro, Manufahi and Baucau Municipality to verify the facility for further decision since there are FFS that continue the operation without operational license. Decision on the license was made to Aitula FFS at Manufahi and Ainaro Municipality. Detail information is provided in the table below.

No	Name of FFS	Location	Inspection Result
1	Adi Phy Fuel Filling Station	Ossu, Viqueque	The result of inspection showed that overall, the facility had fullfill most of the rules and requirements for the installation and operation of FFS. Minor findings were found and recommendations had been given to the company to implement. Later, operation license was issued to the facility after the operator has e fulfilled all the required recommendations and also the minimum requirement for the issuance of operational licence.
2	CDFG Fuel Filling Station	Camea, Becora, Dili	The result of inspection showed that overall, the facility had fullfill all of the rules and requirements for the installation and operation of FFS. The operation license was issued to the facility after the operator has fulfilled the minimum requirement for the issuance of operational licence.
3	Irmão Timor Fuel Filling Station	Pante Makasar, Oecusse	The result of inspection showed that the facilities have not fullfilled most of the rules and requirements for the installation and operation of FFS. Inspection findings and recommendations had been shared
4	Aitula Fuel Filling Station	Same, Manufahi	
5	Aitula Fuel Filling Station	Ainaro Vila	

			with the companies.
6	Alexa Fuel Filling Station	Liquiça Vila, Liquiça	The result of inspection showed that overall, the facility had fullfill most of the rules and requirements for the installation and operation of FFS. Minor findings were found and recommendations had been given to the company to implement. Later, operation license was issued to the facility after the operator has fulfilled all the required recommendations and also the minimum requirement for the issuance of operational licence.
7	Ilie Chão	Lospalos, Lautem	The result of inspection shows that the facilities does not fulfill installation and operational requirements. The team have finalized the report and the decision is to not allow the facility to operate until they fulfill the requirement on installation and operation of FFS. The decision has been communicated with the company.
8	Central Hill	Baucau	
9	TIMOR GAP, HBFFS	Suai, Covalima	The result of inspection shows that the facilities does not fulfill installation and operational requirements. The inspection result has been communicated with the company.
10	Grupu Veterano	Ainaro Vila	The result of inspection shows that the facilities does not fulfill installation and
10	Aljo Saljo	Same, Manufahi	

			operational requirements. The company is required to comply with the technical rules for the installation and operation of Fuel Filling Station.
12	Gilvade, Atypical Minipump	Darsula, Baucau	The activity is located in an area where there is no proper FFS exit. Therefore, the facility is allowed to operate.

TABLE 25: LIST OF INSPECTED FFS



FIGURE 48: PRELIMINARY INSPECTION ACTIVITY CONDUCTED AT ADYPAY NES FFS IN OSSU-VIQUEQUE AND ALEXA FFS IN LIQUIÇA

➤ Fuel Dispenser Verification and Calibration Activity

In 2022, Downstream Directorate conducted fuel dispenser verification and calibration at 52 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	Note
1	Aitula FFS	Comoro, DILI	Annual calibration
2	Esperança Timor Oan FFS	Lahane Oriental, DILI	Annual calibration
3	68 Petroleum FFS	Hudilaran, Dili	Annual calibration
4	Nundole Wey Station FS	Lisbutak, Dili	Annual calibration
5	Pertamina International Timor, SA FFS	Rua de Bairro Pite, Dom Aleixo, Dili	Annual calibration
6	Arjumar FFS	Manleuana, Dili	Annual calibration
7	99 Petroleum FFS	Hudilaran, Dili	Annual calibration
8	Culu Hun Fuel Statio FFS	Culuhun, Dili	Annual calibration
9	Chong Ti Petroleum FFS	Culuhun, Dili	Annual calibration
10	Belak Fuel FFS	Fomento, Comoro, Dili	Annual calibration
11	Xalila FFS	Manleuana, Dili	Annual calibration
12	Lafaek Oil & Gas FFS	Comoro, Dili	Annual calibration

13	East Gas Corporation FFS	Bidau, Dili	Annual calibration
14	Borala Unipessoal FFS	Comoro, Dili	Annual calibration
15	De Shun Fuel Station FFS	Fatuhada, Dili	Annual calibration
16	Esperança Timor Oan FFS	Mandarin, Dili	Annual calibration
17	Mega Petroleum FFS	Fatuhada, Dili	Annual calibration
18	Mekar Fuel FFS	Comoro, Dili	Annual calibration
19	Super Fuel FFS	Culuhun, Dili	Annual calibration
20	Mãe da Graça FFS	Comoro, Dili	Annual calibration
21	Mãe da Graça FFS	Golgota, Comoro, Dili	Annual calibration
22	Realistic FFS	Balide, Dili	Annual calibration
23	Realistic FFS	Hera, Dili	Annual calibration
24	Miramar FFS	Fatuhada, Dili	Annual calibration
25	Ergin FFS	Metinaru, Dili	Annual calibration
26	Vida Diak Petroleum FFS	Kaitehu, Lequica	Annual calibration
27	Alexa Fuel FFS	Leopa, Dato, Liquiça	Annual calibration
28	Andika Lima FFS	Dato, Liquiça	Annual calibration
29	Abom kase FFS	Bilicou Holsa, Maliana, Bobonaro	Annual calibration
30	Graça Silva FFS	Rai Foun, Maliana, Bobonaro	Annual calibration
31	Rarilivos FFS	Atabae, Bobonaro	Annual calibration
32	Albatros FFS	Bahu, Baucau	Annual calibration
33	Belijo FFS	Trilolo, Baucau	Annual calibration
34	Fecilia FFS,	Triloka, Baucau	Annual calibration
35	Realistic FFS,	Bahu, Baucau	Annual calibration
36	Ra'ameta FFS,	Buibau, Baucau	Annual calibration
37	GSGP Petrol Station FFS	Laga, Baucau	Annual calibration
38	Miglen FFS	Rua Hudi laran Aileu Vila, Aileu	Annual calibration
39	Esperança Timor Oan FFS,	Sau, Manatuto	Annual calibration
40	Titer Unipessoal FFS,	Rua Lospalos Lautem	Annual calibration
41	Mosalaki 99 FFS,	Lospalos, Raca	Annual calibration
42	Tatoli FFS,	Lospalos, Lautem	Annual calibration
43	Borala FFS,	Caraubalo, Beloi, Viqueque	Annual calibration
44	Borala FFS,	Caraubalo, Mercida, Viqueque	Annual calibration
45	Jesoria FFS,	Caraubalu, Viqueque	Annual calibration
46	Repende FFS,	Gleno, Ermera	Annual calibration
47	Roman FFS,	Gleno, Ermera	Annual calibration
48	Aidalau Furak FFS,	Letefoho, Same, Manufahi	Annual calibration
49	Timor Gap E.P. FFS	Camanaça, Suai Vila, Covalima	Annual calibration
50	Global Fuel FFS,	Suai, Covalima	Annual calibration
51	CDFG Fuel Filling Station	Camea, Becora, Dili	Calibration for the issuance of new operational license
52	Ady Phy Fuel Filling Station	Ossu, Viqueque,	

TABLE 26: INFORMATION OF VERIFICATION AND CALIBRATION ACTIVITIES



FIGURE 49: VERIFICATION AND CALIBRATION ACTIVITY AT ALEXA FFS IN LIQUIÇA AND ADYPAY FFS IN OSSU, VIQUEQUE

➤ **Random Inspection**

Random inspection activity was performed to several 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 within additional timeline granted after the performance of last subsequent inspection activity. The inspection results shows that some FFS have implemented the inspection recommendation while 4 existing FFS have not closed the inspection recommendations within the given additional timeline. Decision on the suspension of operation had been taken to the existing FFS that did not implemented the corrective actions. Table below foreseen information on the list of FFS and its inspection result.

Random inspection was also performed to existing FFS that do not pay the license fee and also to FFS that operate without license. This inspection aimed to suspend the operation of FFS until the operator close all the outstanding fee and corrective actions.

No	Name of Fuel Filling Station	Location	Note
1	Andikalima FFS	Kamalehohoru, Dato, Liquiça Municipality	The company has implemented all corrective actions within the given timeline.
2	Realistic FFS	Lutu Mutu, Bahu, Baucau Municipality	
3	Belijo FFS	Tirilolo, Baucau Municipality	
4	Fecilia FFS	Aubaka, Triloka, Baucau Municipality	
5	Borala FFS	Beloi, Caraubalu, Viqueque Municipality	
6	Borala FFS	Mercida, Caraubalu, Viqueque Municipality	The operation was suspended by sealing the tank's inlet but later the seals were removed by the ANPM since the company has implemented
7	Ra'ameta FFS	Buibau, Baucau Municipality	
8	Titer FFS	30 de Agostu, Fuiloro, Lautem Municipality	

			the required recommendation.
9	Risa Fuel FFS	Taibesi, Culuhun, Cristu Rei, Dili Municipality	The operator have not closed all inspection recommendation and the facility was not in operation.
10	Cabureno FFS	Watu Lete, Tirilolo, Baucau Municipality	The operation was suspended by sealing the tank's inlet. The ANPM will authorize the company to operate after it has closed all required corrective actions
11	Albatros FFS	Lutu Mutu, Bahu, Baucau Municipality	
12	Queybubun FFS	Ritabou, Maliana, Bobonaro Municipality	
13	Divita FFS	Tibar, Liquiça	Suspension of operation. The facility was back into operation after the company close all the outstanding fees.
14	Nagarjo	Bahu, Baucau Vila	Suspension of operation since the company operate the FFS without license. The suspension of operation was done through sealing of access to storage tank.
15	Central Hill	Bahu, Baucau	Suspension of operation since the company operate the FFS without license.
16	Ilhie Cão	Lospalos, Lautem	Suspension of operation

TABLE 27: RANDOM INSPECTION ACTIVITY TO EXISTING FFS IN 2022



FIGURE 50: RANDOM INSPECTION AT QUEBUBUN FFS IN BOBONARO AND DIVITA FFS IN TIBAR, LIQUIÇA

➤ HSE Inspection

In 2022, the Downstream Directorate conducted HSE inspection to 40 existing Fuel Filling Stations in Dili and Municipalities.. The objective of 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 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.

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.

➤ **Firefighting and First Aid Training**

In first quarter of 2022, the Directorate in coordination with Bombeiros Timor-Leste conducted firefighting and first aid training to the existing FFS operators in Dili. This program was initiated to facilitate the FFS operators to fulfil the operational requirement on Trainings. All of the targeted FFS attended the training.

➤ **In House Training on underground tank and line distribution testing at fuel filling station**

In 2022, The Directorate organized an in-house training on underground tank and line distribution testing at FFS. This training was aimed to enhance the staff knowledge in the area of underground tank and line distribution system testing so as to facilitate the staff when comes to the assessment and monitoring of the test by the contractor at Fuel Filling Station projects. This training was provided by Best Western Petroleum Services (BWPS) on 31 May 2022 – 5th June 2022.

➤ **Collection of Fees from Fuel Filling Station**

Total fee for FFS activity collected by the Directorate in 2022 was \$ 263,864. This fee covers:

- a. Fee for the issuance of new license in 2022
- b. Annual license fee paid for 2022 period by the operator of FFS licensed in 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2021
- c. Annual license fee paid for 2019, 2020 and 2021

Detail information on the above is provided in table below.

No	Name of Company	Annual Fee	Total Received	Not Yet Received
1	Esperança Timor Oan Balidi Dili	\$ 8,350.00		\$ 8,350.00
2	Aitula Fuel, Lda Dili	\$ 3,850.00	\$ 3,850.00	
3	E Silva Motors	\$ 1,200.00	\$ 1,200.00	
4	Rozi Fuel Lda Caculidun	\$ 1,200.00	-	-
5	Mekar Fuel, Lda	\$ 2,200.00	\$ 2,200.00	
6	Esperança Timor Oan, Lda, Manatuto	\$ 3,200.00	\$ 3,200.00	
7	East Gas Corporation, Lda	\$ 2,350.00	\$ 2,350.00	
8	Vida Diak Petroleum, Lda	\$ 2,350.00	\$ 2,350.00	
9	Borala, Lda Dili	\$ 8,500.00		\$ 8,500.00
10	Mãe da Graça Unipessoal, Lda Bebonuk	\$ 2,200.00	\$ 2,200.00	
11	ETO (Ex SVSC) Palapaco	\$ 10,800.00		\$10,800.00
12	Mega Petroleo, Lda	\$ 5,200.00	\$ 5,200.00	
13	Xalila Fuel Unipessoal, Lda	\$ 7,500.00	\$ 7,500.00	
14	Timor Gap E.P Suai	\$ 8,200.00	\$ 5,200.00	
15	68 Petroleum, Lda	\$ 8,800.00	\$ 8,800.00	
16	Chong Ti Petroleum, Lda	\$ 6,700.00	\$ 6,700.00	
17	99 Petroleum, Lda	\$ 6,700.00	\$ 6,700.00	
18	De Shun Fuel Station, Lda	\$ 6,700.00	\$ 6,700.00	
19	Culu Hun Fuel Station, Lda	\$ 6,700.00	\$ 6,700.00	
20	Realistic Fuel Unipessoal, Lda Balidi	\$ 4,500.00	\$ 4,500.00	
21	Super Fuel, Lda	\$ 2,350.00	\$ 2,350.00	
22	Ruvic Unipessoal, Lda Hera	\$ 3,500.00	-	-
23	Arjumar Unipessoal, Lda	\$ 3,700.00	\$ 3,700.00	
24	Global Fuel Station	\$ 1,600.00	\$ 1,600.00	
25	Abom Kase Unipessoal, Lda	\$ 1,200.00		\$ 1,200.00
26	Belak Fuel, Unipessoal, Lda	\$ 1,650.00	\$ 1,650.00	
27	Alexa Fuel Unipessoal, Lda	\$ 1,200.00	\$ 1,200.00	
28	Lafaek Oil and Gas Unipessoal, Lda	\$ 2,500.00	\$ 2,500.00	
29	Mãe da Graça Unipessoal, Lda Raikotuk	\$ 3,350.00	\$ 3,350.00	
30	Divita Fuel Unipessoal, Lda	\$ 6,350.00	\$ 3,157.00	\$ 3,157.00
31	Andika Lima Fuel Unipessoal, Lda	\$ 2,200.00	\$ 2,200.00	
32	PITSA Bebora	\$ 8,200.00	\$ 8,200.00	
33	Roman Fuel Unipessoal, Lda	\$ 1,350.00	\$ 1,350.00	
34	Nusabe III Unipessoal	\$ 2,200.00	\$ 2,200.00	
35	Miglen Unipessoal, Lda	\$ 1,200.00	\$ 1,200.00	
36	Mosalaki 99 Unipessoal	\$ 2,200.00		\$ 2,200.00
37	Albatross Unipessoal	\$ 1,350.00		\$ 1,200.00
38	Repende Unipessoal	\$ 1,200.00	\$ 1,200.00	
39	Jesoria Unipessoal	\$ 2,200.00	\$ 2,200.00	
40	Belijo	\$ 1,200.00	\$ 1,200.00	
41	Realistic Unipessoal Baucau	\$ 1,850.00	\$ 1,850.00	
42	Realistic, Sucursal Hera	\$ 3,350.00	\$ 3,350.00	
43	Ai-Dalau Furak Unipessoal, Lda	\$ 1,200.00		\$ 1,200.00

44	Miramar Unipessoal, Lda Dili	\$ 3,650.00	\$ 3,650.00	
45	Tatoli unipessoal, Lda	\$ 1,900.00	\$ 1,900.00	
46	Nundole Wei Fuel Station, Lda	\$ 4,200.00	\$ 4,200.00	
47	Ra'ameta	\$ 3,500.00	\$ 3,500.00	
48	Titer Unipessoal, Lda	\$ 1,350.00	\$ 1,350.00	
49	Risa Fuel, Lda Dili	\$ 5,200.00		
50	ETO FFS Aviation	\$ 15,700.00	\$ 15,700.00	
51	PITSA FFS Aviation	\$ 21,200.00	\$ 21,200.00	
52	Cabureno Fuel, Lda	\$ 1,350.00		\$ 1,350.00
53	Ficilia Unip., Lda	\$ 1,200.00	\$ 1,200.00	
54	Aitula Fuel, Lda Covalima	\$ 1,200.00		\$ 1,200.00
55	Aitula Fuel, Lda Ainaro	\$ 1,200.00	\$ 1,200.00	
56	Aitula Fuel Lda Manufahi	\$ 1,200.00	\$ 1,200.00	
57	Queybubun, Lda	\$ 1,200.00		\$ 1,200.00
58	Borala, Lda Beloi Viqueque	\$ 1,200.00		\$ 1,200.00
59	Borala, Lda Mercida Viqueque	\$ 3,000.00		\$ 3,000.00
60	Ergin	\$ 5,950.00	\$ 5,950.00	
61	Graca Silva	\$ 1,200.00	\$ 1,200.00	
62	Manudare Unip., Lda	\$ 1,350.00	\$ 1,350.00	
63	GSGP Petrol Station	\$ 1,200.00	\$ 1,200.00	
64	Rarilivos	\$ 1,200.00	\$ 1,200.00	
65	Irmão Timor	\$ 2,200.00	\$ 2,200.00	
66	Ady Pay	\$ 1,200.00	\$ 1,200.00	
67	CDFG	\$ 3,200.00	\$ 3,200.00	
Total		\$245,650.00	\$188,007.00	\$49,757.00

TABLE 28: DETAIL OF COMPANIES AND THEIR CORRESPONDENCE FEE

Table above shows that total annual fee registered in 2022 is \$245,650.00. From this amount, the Directorate only collected \$ 188,007.00. This fee is lesser than registered due to 13 operator of FFS have not paid the fee and the Directorate will continue follow up with the operators to finalize the payment. While one facility is not in operation (Rozi Fuel Cacauidun (Ex Ruvic)) since it is required to undertake modification to meet technical requirements, therefore, fee is not charged from this facility until it is back into operation. One facility (Ruvic Hera) is also not in operation therefore no license fee is paid by the company.

No	Name of Company	License Date	Annual Fee	Period	Received
1	ETO_Balidi, Dili	25-Nov-14	\$ 8,350	2021	\$ 8,350
2	E-Silva Motor	27-Nov-14	\$ 1,200	2021	\$ 1,200
3	Vida Diak Petroleo	02-Dec-15	\$ 2,350	2021	\$ 2,350
4	ETO_Mandarin, Dili	02-Dec-15	\$10,800	2021	\$10,800
5	Arjumar	29-Jun-16	\$3,700	2021	\$3,700
6	Abom Kase	01-Dec-16	\$1,200	2021	\$1,200
7	Belak Fuel	16-Dec-16	\$1,650	2021	\$1,650
8	Aidalau Furak	8-Oct-18	\$1,200	2021	\$1,200
9	Miramar	17-Jan-19	\$3,650	2021	\$3,650
10	Raameta	22-Apr-19	\$3,500	2021	\$3,500
11	Risa Fuel	18-Jun-19	\$5,200	2021	\$5,200

12	Aitula Ainaro	30-Oct-21	\$1,200	2021	\$1,200
13	Aitula Manufahi	30-Oct-21	\$1,200	2021	\$1,200
14	Borala Dili	02-Dec-15	\$8,500	2019	\$4,250 (semester)
15	Borala Beloi Viqueque	30-Oct-19	\$1,200	2020	\$1,200
16	Borala Mercida	30-Oct-19	\$3,000	2020	\$3,000
17.	Divita Fuel	19-May-17	\$6,350	2019	\$6,350
				2020	\$6,350
				2021	\$6,350
				2022	\$3,157 (semester)
Total					\$ 75,857

TABLE 29: DETAILS OF THE COMPANIES AND THEIR FEE PAID IN 2022 FOR 2019, 2020 AND 2021

Table above displays the fee of 2019, 2020 and 2021 period which the operators paid in 2022. The fee amounted is \$ 75,857.

Total accumulative fee received in 2022 for fuel filling station activity is \$263,864.

LICENSING PROCESS AND SUPERVISION OF FUEL, BIOFUEL AND LUBRICANT TRADING ACTIVITY

➤ Licensing Process of Fuel, Biofuel and Lubricant Trading Activity

In 2022, the Directorate reviewed 8 applications submitted by the companies to carry out Trading activity. All applications were approved and licenses have been issued to each of the company. Detail information provided in the table below:

No.	Name/Company	Type of Product to be imported	Result	License Duration
1	Ave Jasmiraga	Diesel	License has been issued	10 Years
2	88 Spare Parts Lda	Lubricant	License has been issued	10 Years
3	Timor Resources	Lubricant	License has been issued	10 Years
4	Virgo Unipessoal	Lubricant	License has been issued	10 Years
5	Yer Motor	Lubricant	License has been issued	10 Years
6	Nove da GLoria	Lubricant	License has been issued	10 Years
7	York Leto Mali	Lubricant	License has been issued	10 Years
8	Ponte Unipessoal, Lda	Lubricant	License has been issued	10 Years

TABLE 30: DETAIL OF APPLICANT AND NEW LICENSED FUEL TRADERS IN 2022

➤ **Approval of Transaction Authorization and free circulation**

In 2022, the Directorate assessed fuel import applications. The assessment is to ensure the application fulfill the requirement under the Regulation of Fuel, Biofuel and Lubricant Trading Activity for the approval of Transaction authorization as well as free circulation. A total of 316 transaction authorization (TA) applications as well as 313 free circulation applications were submitted and approvals were granted to the applications. Following the issuance of Free Circulations, the companies had released the imported products to each of their facilities.

➤ **True Up Mechanism of 2021 and Trading Licensing fee in 2022**

❖ True Up Mechanism of 2021

In January 2022, the Directorate conducted True up Mechanism of Trading fees collected from Trading Activity in 2021. The result of True up mechanism is foreseen 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. Lda.,	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	\$ 774.43	-	\$ 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, Lda	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	Vemisdel 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	\$ 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 31: TRUE UP MECHANISM OF FEE COLLECTED IN 2021

❖ 2022 Trading Licensing Fee and 2022 Trading Annual Fee

In 2022, 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, 2020 and 2021 based on their 2022 import plan.

The True up Mechanism of Trading activity in 2022 will be conducted in 2023 to reconcile the fee based on import realization. Based on the data recorded by the Directorate, it shows that up to end of 2022 most of the companies realize the import plan. Detail information on the fee is provided in the table below:

No.	Company	2022 Annual Plan (Liters) (AP)	Realization (Liters) (R)	Differences (Liters) (R-AP)	Fee paid based on 2022 Annual Plan	Actual Fee based on Realisation	Final Fee Receivable in 2022
1	Aitula Fuel, Lda	497,750.00	40,000.00	-457,750.00	\$ 248.88	\$ 20.00	\$ 20.00
2	Aimutin Furak II, Lda	400,000.00	321,370.60	- 78,629.40	\$ 200.00	\$ 160.69	\$ 60.69
3	Auto Timor Leste	492,033.00	486,718.04	- 5,314.96	\$ 246.02	\$ 243.36	\$ 243.36
4	Ave Jasmiraga	7,200,000.00	-	- 7,200,000.00	\$ 3,600.00	\$ -	\$ -
5	Cahaya Jaya Abadi	702,552.44	169,159.92	- 533,392.52	\$ 351.28	\$ 84.58	\$ 84.58
6	Campeao Motor	851,511.00	180,924.00	- 670,587.00	\$ 425.76	\$ 90.46	\$ 90.46
7	Carindo Midas	29,000.00	2,285.00	- 26,715.00	\$ 14.50	\$ 1.14	\$ 1.14
8	Carya Timor Leste	250,000.00	127,530.00	- 122,470.00	\$ 125.00	\$ 63.77	\$ 63.77

9	Divita	1,000.00	-	- 1,000.00	\$ 0.50	\$ -	\$ -
10	Dragon Service Unip Lda.,	8,746.00	-	- 8,746.00	\$ 4.37	\$ -	\$ -
11	Eastern Dragon, Lda	310,752.00	179,040.00	- 131,712.00	\$ 155.38	\$ 89.52	\$ 89.52
12	Eastern Star Motors & Diverse Trade	32,346.00	17,568.00	- 14,778.00	\$ 16.17	\$ 8.78	\$ 8.78
13	Esperanca Timor Oan (ETO)	109,985,258.00	105,689,701.00	- 4,295,557.00	\$ 54,992.63	\$ 52,844.85	\$ 52,844.85
14	Express Distribution Service	264,810.00	194,327.50	- 70,482.50	\$ 132.41	\$ 97.16	\$ 97.16
15	Far Ocean	3,061,278.00	-	- 3,061,278.00	\$ 1,530.64	\$ -	\$ -
16	Fortuna Star, Lda	518,969.00	53,311.00	- 465,658.00	\$ 259.48	\$ 26.66	\$ 26.66
17	Gafung	2,962,915.00	-	- 2,962,915.00	\$ 1,481.46	\$ -	\$ -
18	Gio Motor	189,633.00	51,801.60	- 137,831.40	\$ 94.82	\$ 25.90	\$ 25.90
19	Gilficac	767,080.00	-	- 767,080.00	\$ 383.54	\$ -	\$ -
20	Golden Energy VIP, Lda	796,004.70	640,383.09	- 155,621.61	\$ 398.00	\$ 320.19	\$ 320.19
21	Henk-Jon, Lda	93,558.80	58,432.00	- 35,126.80	\$ 46.78	\$ 29.22	\$ 29.22
22	Heranty Motor	2,103.00	-	- 2,103.00	\$ 1.05	\$ -	\$ -
23	Jonize	12,566,200.00	104,560.00	- 12,461,640.00	\$ 6,283.10	\$ 52.28	\$ 52.28
24	Jova Construction	200,000.00	-	- 200,000.00	\$ 100.00	\$ -	\$ -
25	Junior G.G.A	39,932.00	24,332.00	- 15,600.00	\$ 19.97	\$ 12.17	\$ 12.17
26	King Construction	538,060.00	180,760.00	- 357,300.00	\$ 269.03	\$ 90.38	\$ 90.38
27	Klean Gas, Lda	1,092,800.00	673,200.00	- 419,600.00	\$ 546.40	\$ 336.60	\$ 336.60
28	Limpeno Unipessoal, Lda	8,000.00	2,088	- 5,912.00	\$ 4.00	\$ 1.04	\$ 1.04
29	Montana Diak	515,000.00	-	- 515,000.00	\$ 257.50	\$ -	\$ -
30	MATO	11,581,582.00	-	- 11,581,582.00	\$ 5,790.79	\$ -	\$ -
31	Nison	112,382.00	57,792.00	- 54,590.00	\$ 56.19	\$ 28.90	\$ 28.90
32	Nove da Gloria	10,000.00	945.00	- 9,055.00	\$ 5.00	\$ 0.47	\$ 0.47
33	OTE Energy	891,332.00	702,400.00	- 188,932.00	\$ 445.67	\$ 351.20	\$ 351.20
34	Pertamina International, S.A	67,880,814.02	59,955,977.74	- 7,924,836.28	\$ 33,940.41	\$ 29,977.99	\$ 29,977.99
35	Petromor	126,000.00	-	- 126,000.00	\$ 63.00	\$ -	\$ -
36	Ponte Unip., Lda	20,000.00	7,400.00	- 12,600.00	\$ 10.00	\$ 3.70	\$ 3.70
37	Rahardjo	234,999.08	190,926.72	- 44,072.36	\$ 117.50	\$ 95.46	\$ 95.46
38	Rufa Forever	100,000.00	-	- 100,000.00	\$ 50.00	\$ -	\$ -
39	Sacom energy, Lda	133,366,629.00	47,090,460.00	- 86,276,169.00	\$ 66,683.31	\$ 23,545.23	\$ 23,545.23
40	Sister Motor	1,180,560.00	307,327.60	- 873,232.40	\$ 590.28	\$ 153.66	\$ 153.66
41	Surya Putra II	94,874.00	-	- 94,874.00	\$ 47.44	\$ -	\$ -
42	Tanjung Motor	172,243.84	126,229.86	- 46,013.98	\$ 86.12	\$ 63.11	\$ 63.11
43	Thai Siam	30,843.00	16,143.00	- 14,700.00	\$ 15.42	\$ 8.07	\$ 8.07
44	Tjing Fa Ho	16,068.00	15,496.00	- 572.00	\$ 8.03	\$ 7.75	\$ 7.75
45	Timor Gap E.P	31,966,473.00	27,112,980.00	- 4,853,493.00	\$ 15,983.24	\$ 13,556.49	\$ 13,556.49
46	Timor Resources	56,000.00	118.60	- 55,881.40	\$ 28.00	\$ 0.06	\$ 0.06
47	Uma Asia	93,759.00	21,001.00	- 72,758.00	\$ 46.88	\$ 10.50	\$ 10.50
48	Vemisdal Unipessoal, Lda	1,439,366.00	1,169,200.00	- 270,166.00	\$ 719.68	\$ 584.60	\$ 584.60
49	VSL Oilchem	1,063,243.80	738,466.12	- 324,777.68	\$ 531.62	\$ 369.23	\$ 369.23
50	Yer Motor	200,000.00	123,360.00	- 76,640.00	\$ 100.00	\$ 61.68	\$ 61.68
51	York Leto	110,000.00	-	- 110,000.00	\$ 55.00	\$ -	\$ -
52	Zemarco Supcon	-	-	-	\$ -	\$ -	\$ -

	Unip Lda.,						
53	ZL Hardware and Machinery	420,000.00	-	- 420,000.00	\$ 210.00	\$ -	\$ -
54	88 Spare parts	5,000.00	-	- 5,000.00	\$ 2.50	\$ -	\$ -
	Total	395,549,460.68		-	\$197,774.73	\$123,416.86	\$123,416.86
			246,833,715.39	148,715,745.29			

TABLE 32: TRUE UP MECHANISM OF LICENSING FEE COLLECTED IN 2022

Table above shows that the fee payable based on the 2022 import plan is \$ 123,416.86.

LICENSING STORAGE ACTIVITY

➤ Subsequent Inspection to Existing Fuel Storage Facility

Subsequent inspection was performed to two (2) existing fuel storage facilities, namely Pertamina International Timor, SA (PITSA) and Esperansa Timor Oan (ETO). The activity is aimed to verify the implementation status of the corrective actions following the mandatory preliminary inspection conducted to the facilities in 2017, and submission of implementation evidence by the operators. The result of the inspection showed that these facilities would require a subsequent inspection (plan for the next year) that will involve additional expertise in the area of storage tanks, pipework, electrical system, firefighting and fire protection system, jetty, and management system.

➤ Licensing Process of Global Oil Storage Facility

The ANPM conducted review to project applications that submitted in last quarter of 2021. The review result shows that the design only covers feed design while detail engineering design is also required. Therefore, the company has been requested to submit detail engineering design (DED). By end of 2022, there is no submission of DED thus the review process of Global project application will be carry forward to 2023 depending on the submission.

➤ Collection of Fees from Installation and Operation of Storage Activity

Total fee for Storage activity collected by the Directorate in 2022 was \$739,166.66. This fee covers the annual license fee paid for 2021 and 2022. 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	\$ 67,166.66	\$335,833.34
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	\$336,166.66	\$335,833.34

TABLE 33: FEES RECEIVED IN 2022 FOR 2022-2023 LICENSE PERIOD

Table above shows that total annual fee registered in 2022 is \$ 746,000. From this amount, the Directorate only collected \$336,166.66. This fee is lesser than registered since one of the licensed company pays the license monthly based on the request which was approved by the Directorate. Another company which is Lai-Ara Nikmat Mujur also requested not to pay the fee since the facility has not been in operation and this

request has been approved and applied since 2021.

In addition to the above, fee received in 2022 for 2021 monthly instalment is provided below:

Name of Company	Amount Received	Note
Esperanca Timor Oan, Lda.,	\$ 403,000.00	Fee paid for 2021
Total	\$ 403,000.00	

TABLE 34: FEE RECEIVED IN 2022 FOR 2021

RANDON INSPECTION OF FUEL QUALITY

The Downstream Inspection Division conducted random inspection to PITSA Storage Facility. This inspection aimed to collect gasoline and diesel sample for laboratory analysis. This action is taken as part of approval conditions imposed to PITSA for the granting of free circulation of fuel in January 2022. The laboratory result was used as one of the basis for the amendment of the Gasoline and Diesel specification.

ENVIRONMENTAL LICENSING PROCESS

In 2022, ANPM conducted review to environmental licensing documents both for Category A and B projects. Category A project covering LNG Plant and modification of existing fuel storage facility. Category B covering existing and new proposed fuel filling station projects including 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 an 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 2022, the Directorate conducted review to 12 project documents of category B projects. Detail information on the review process is provided in the table below:

No	Proponent	Location	Note
1	Jesoria	Luca Viqueque	The location had rejected due to not fulfilling location requirements. Therefore, the review had been discontinued.
2	Pertamina International, S.A.	Tibar, Bazartete, Liquiça	Project Category Issued
3	V&S Fuel	Natarbora, Manatuto	
4	Caileba	Bazartete, Liquiça	
5	Rozi	Bairo Pite, Dili	
6	Belijo Fuel	Vemasse, Baucau	

7	Pertamina Interntional, S.A.	Batugade, Balibo	Under Review
8	Lucano	Manatuto	The review had been completed and Project Category had been issued
9	Mae da Graca	Vatuboro, Maubara, Liquica	The review had been completed and revision is required from the company.
10	Mae da Graca	Tapo, Maliana	
11	Lopes Star	Viqueque	
12	Jesoria Natarbora	Natarbora, Manatuto	

TABLE 35: INFORMATION ON PROJECT DOCUMENTS REVIEWED IN 2022

➤ Term of Reference (ToR) Document

In 2022, the Directorate reviewed 13 Simplified Environmental Impact Statement and Environmental Management Plan (EMP) of new project as well as 10 EMP of existing activities. The projects cover new FFS, existing FFS (covering modification of existing infrastructure) as well for existing LPG Storage and Refilling activity. Detail information is provided in the table below:

No	Company	Location	Document	Result
1	Alexa	Dato, Liquica	EMP	Under review process
2	Aitula	Aimutin, Dili	EMP	
3	ETO Lda. Sucursal	Tibar, Bazartete, Liquiça	SEIS and EMP	
4	Klean Gas	Beduku, Comoro, Dili	EMP	
5	Ilie-Chao	Lospalos, Lautem	EMP	
6	Andika Lima	Dato, Liquica	EMP	
7	Golden Energy, VIP Gas	Tibar, Bazartete, Liquiça	EMP	
8	EDSD	Beduku, Comoro, Dili	EMP	
9	Belijo	Vemasse, Baucau	SEIS and EMP	The review has been concluded and the Directorate is Preparing recommendation letter for Higher Environmental Authority for Approval of the documents and authorization for the issuance
10	Aitula	Maliana, Bobonaro	SEIS and EMP	
11	Rizara	Liquica	SEIS and EMP	
12	Rozi Fuel	Bairo Pite, Dili	SEIS and EMP for upgrading existing facility (Ex Ruvic FFS)	
13	Esperança Timor Oan, Lda.	Mandarin, Dili	EMP for upgrading existing facility	The EL process has been terminated because company is planning to the site for another project that is not related to Downstream
14	ETO Gas	Fomentu I, Dili	SEIS and EMP	
15	Joker Global	Ti-Matan, Suco Ritabou, Maliana, Bobonaro	SEIS and EMP	
16	PITSA	Libaulelo, Suco Tibar, Posto Administrativo	SEIS and EMP	The review had been concluded

		Bazartete, Municipio Liquiça		
17	Caileba	Rua Haulara, Camalehohoru, Liquiça, Timor-Leste	SEIS and EMP	The result of review has been shared with the company for revision
18	V&S Fuel- Virna & Sam Fuel Unipessoal Lda	Aldeia fehuk Rin, Umabeco, Barique, Manatuto, Timor Leste	SEIS and EMP	
19	ETO	Batugade, Balibo, Bobonaro	SEIS and EMP	
20	Sarjo	Betano, Manufahi	SEIS and EMP	
21	Optemulia	Betano, Manufahi	SEIS and EMP	
22	Lopho Loy	Lospalos	SEIS and EMP	
23	Nauteto	Baucau	SEIS and EMP	The review was discontinued since the company did not fulfill the document for Project approval within the given timeline.

TABLE 36: INFORMATION ON EMP AND SEIS DOCUMENTS OF CATEGORY B PROJECT

➤ Issuance of Environmental License

In 2022, the Downstream Directorate granted 7 new and 27 renewal of Environmental Licenses for Category B projects. The licences were issued following the approval of the recommendation by the Minister of Petroleum and Mineral (MPM). Detail information is provided in the table below:

No	Company/Proponent	Type of Project	Location	Note
1	CDFG	FFS	Fatuk Fransisco, Camea, Cristo Rei, Dili	New License
2	Carrier Fuel	FFS	Metiaut, Dili	New License
3	Andika Lima Fuel Unipessoal, Lda.	FFS	Camalehohoru, Dato, Liquiça, Liquica, Timor-Leste.	New License
4	Esperança Timor Oan LDa. (Sucursal)	FFS	Tibar, Mau-Soi, Bazartete, Liquiça	New License
5	Ilie Chao Unipessoal, Lda, Sucursal	FFS	Rua de Bemoris, Fuiuro, Lospalos, Lautem, Timor-leste	New License
6	Joker & Global Petrol Station, Lda.	FFS	Ti-Matan, Suco Ritabou, Maliana, Bobonaro, Timor Leste	New License
7	Pertamina International Timor, S.A Sucursal	FFS	Pertamina International Timor, S.A Sucursal	New License
8	Timor GAP FFS Suai	FFS	Camanasa, Suai, Covalima	Renewal
9	PITSA FFS Bebora	FFS	Bebora, Dili	Renewal
10	PITSA Aviation Comoro	FFS	Aeroporto Comoro, Dili	Renewal
11	PITSA Storage	Storage activity	Praia dos Coquerus, Dili	Renewal

12	68 Petroleum	FFS	Hudi Iaran, Dili	Renewal
13	99 Petroleum	FFS	Hudi Iaran, Dili	Renewal
14	Belak G and C	FFS	Fomentu I, Dili	Renewal
15	Chong Ti Petroleum	FFS	Kuluhun, Dili,	Renewal
16	De Shun Fuel Station	FFS	Fatuhada, Dili	Renewal
17	Ergin Fuel	FFS	Metinaro, Dili	Renewal
18	Global Fuel Station	FFS	Suai, Covalima	Renewal
19	Kuluhun Fuel Station	FFS	Kuluhun, Dili	Renewal
20	Mega Petroleum	FFS	Fatuhada, Dili	Renewal
21	Super Fuel	FFS	Kuluhun, Dili	Renewal
22	Ady Phy Unipessoal, Lda	FFS	Satu Issi, Borala, Ossu de Cima, Ossu, Viqueque	Renewal
23	Borala, Lda Sucursal	FFS	Beloi, Viqueque	Renewal
24	Borala Lda	FFS	30 de Agosto Malinamoc, Dom-Aleixo, Dili	Renewal
25	Borala Lda, Sucursal	FFS	Rua Mercida, Caraubalo, Viqueque	Renewal
26	Green Diamond Unipessoal, Lda	FFS	Rua Oe-Sono, Costa Pante-Macassar, RAEOA	Renewal
27	Jesoria Unipessoal, Lda	FFS	Rua Lugatoi Caraubalo, Viqueque	Renewal
28	Lafahek Oil and Gas Unipessoal, Lda.	FFS	Avenida de Presidente Nicolau Lobato, Comoro, Dom Aleixo, Dili	Renewal
29	Queybubun Laco Combustiveis Unipessoal	FFS	Queybubun Laco Combustiveis Unipessoal	Renewal
30	Repende Unipessoal, Lda	FFS	Nunusa, Talimoro, Gleno, Ermera	Renewal
31	Vida Diak Petróleo, Lda	FFS	Rua de Aipelo, Suco Lauhata, Posto Administrativo de Bazartete, Município de Liquiça	Renewal
32	Xalila Fuel Unipessoal, Lda	FFS	Rua Delta, Manleuana, Comoro Dom Aleixo, Dili	Renewal
33	Aitula Fuel, Lda	FFS	Rua de Martires da Patria, Comoro, Dom leixo, Díli, Timor-Leste	Renewal
34	Alexa Fuel, Unipessoal,	FFS	Aldeia Leopa, Dato, Liquiça, Liquica, Timor-Leste	Renewal

TABLE 37: INFORMATION ON EMP AND SEIS DOCUMENTS OF CATEGORY B PROJECT

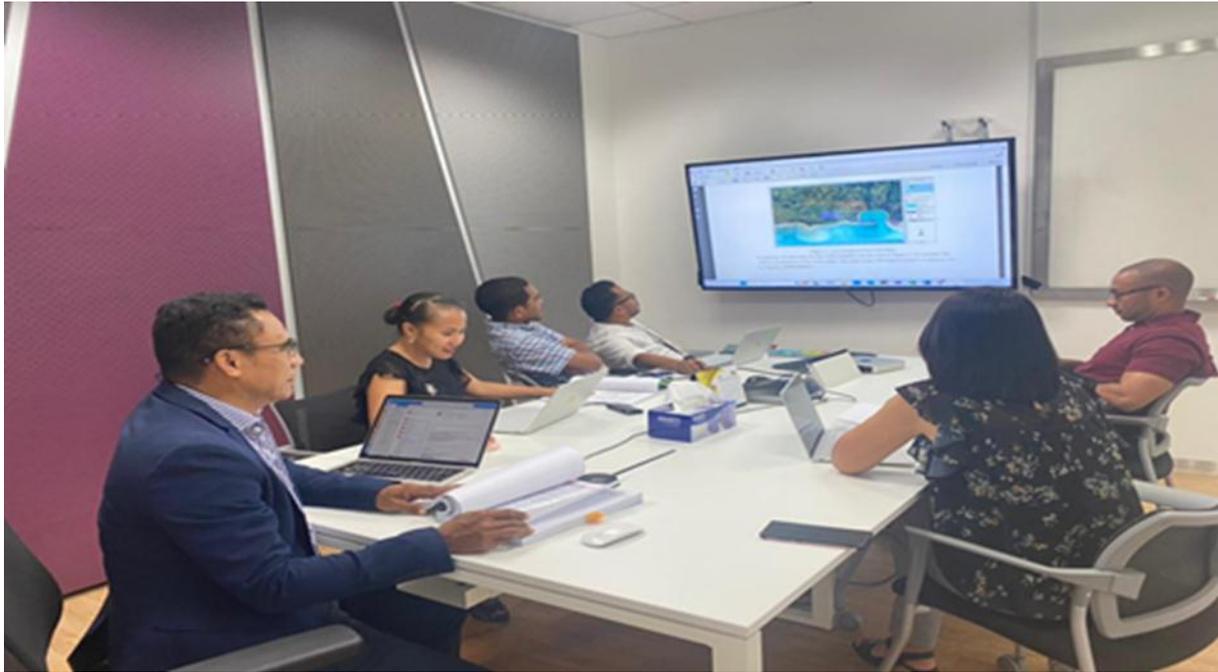


FIGURE 51: REVIEW OF TOR OF LNG PLANT AND MARINE FACILITY

➤ **Environmental Monitoring**

The Directorate conducted Environmental Monitoring to Fuel Filling Stations in West and East Zone. This activity was performed to ensure the proponent implement the mitigation measures listed in the Environmental Management Plan. The monitoring activity was concluded, and the result of the activity shows that the proponent have implemented most of mitigation measures. There are several recommendations that required the company to implement based on the site observation and interview.

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. Below table foresee information on the institutions and the coordination's objectives.

No	Institutions	Coordination Objectives
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 new legal documents as well as renewal of legal documents at SERVE. In 2022, the ANPM issued 61 letters to SERVE for the issuance and renewal of companies legal documents.
2	Secretaria de Estado de Terras	Coordination and communication in regards with the location proposed by the companies wishing to carry FFS and Storage activity. In 2022, the ANPM issued 17 letters to Nacional Land and Property

	e Propriedades	Directorate to facilitate the FFS applicants to obtain land recommendations.
3	Autoridade Aduaneira	Coordination and communication in regards with the import of fuel and equipment to be used in Downstream sector. In 2022, the Directorate assisted 6 companies in the importation of Fuel Tank Trucks, Fuel Dispensers as well as Underground storage tanks. The Directorate also issued 313 approval of free circulation to Autridade Aduaneira to process the import of fuel to be release from Port and Borders.

TABLE 38: RELEVANT GOVERNMENT INSTITUTIONS AND COORDINATION OBJECTIVES

LICENSE FEES

The Directorate in 2022 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 2022
1	Installation and Operation of Fuel Filling Station	\$ 263,864.00
2	Installation and Operation of Storage Facility	\$ 739,166.66
3	Fuel, Biofuel and Lubricant Trading Activity	\$ 123,416.86
	Total	\$ 1,126,447.52

TABLE 39: TOTAL FEE RECEIVED IN 2022

FUEL IMPORT DATA

In 2022, the Directorate registered 7 types of products that had been imported to the country. It covers, Diesel both for automotive and power plant, gasoline, Jet Fuel, Avgas, Lubricant, Asphalt and LPG. The data shows that the quantity of diesel, Petrol, Jet Fuel, Avgas, LPG and Lubricant imported in 2022 were higher than 2021. Meanwhile, Asphalt was imported a bit lower than 2021.

The chart and graph below provided information on the types of products imported in 2022 and also as well 2021.

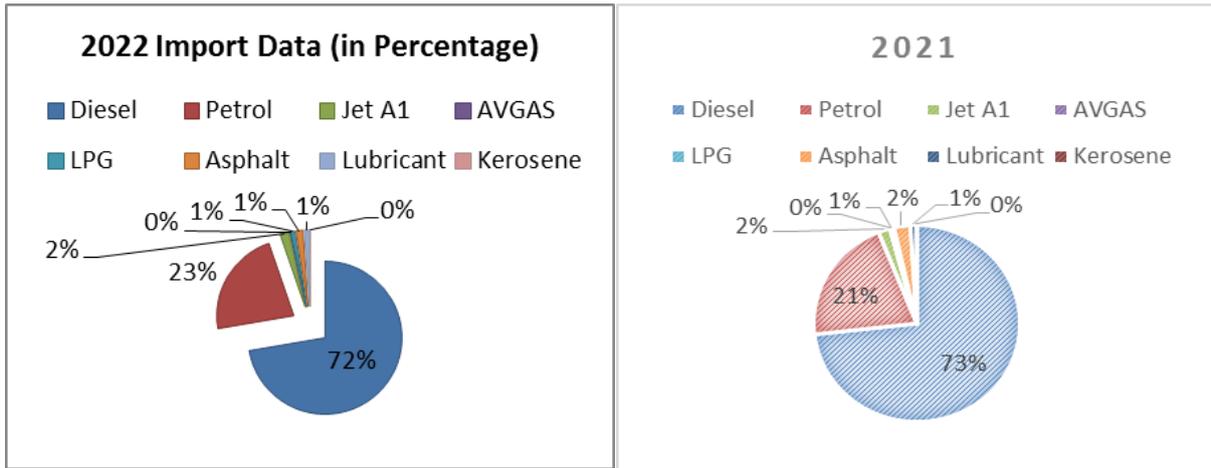
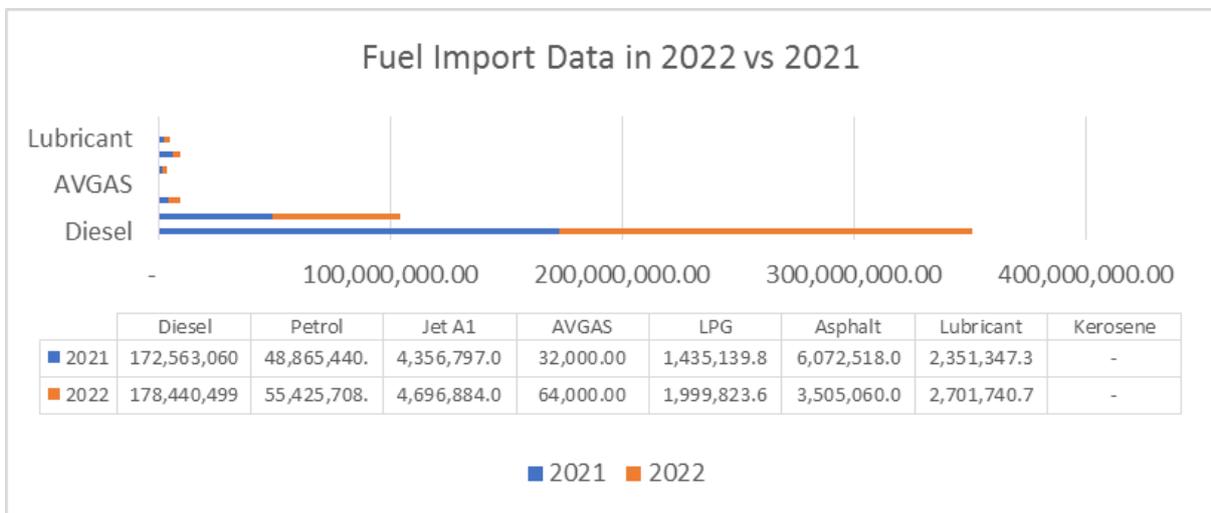


CHART 8: FUELS IMPORT DATA IN 2022 VS 2021 IN PERCENTAGE



GRAPH 17: FUELS IMPORT DATA IN 2022 VS 2021

70% of Diesel imported to the country were used to generate the electricity at Hera and Betano power plant. The data shows that importation of diesel to EDTL in 2022 increased by 1% compared to 2021. Chart below foresees information on the usage of diesel for electricity generation as well as for automotive.

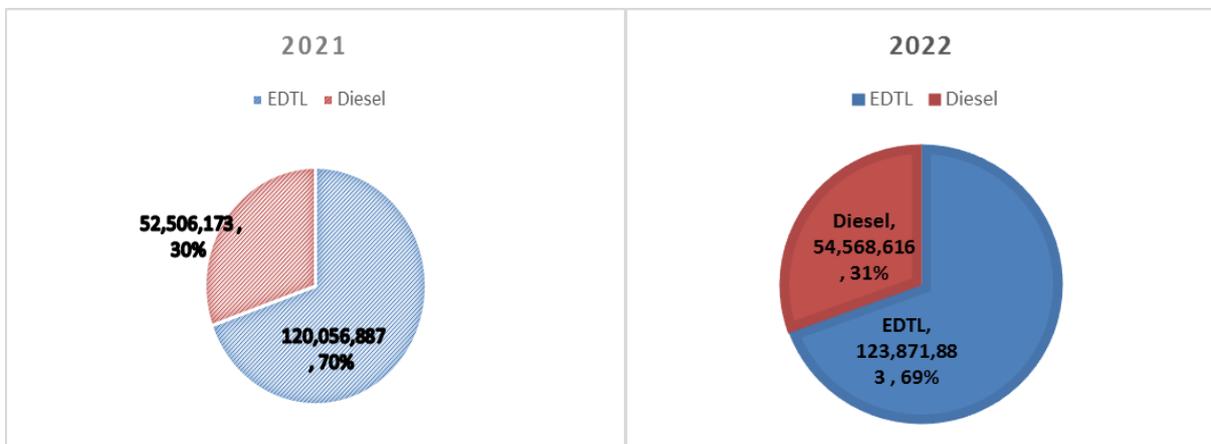


CHART 9: USE OF DIESEL IMPORTED IN 2022 VS 2021

4. MINERAL PERFORMANCE

The year of 2022 is a transition year of the enforcement of legal framework applicable for Mineral sector in Timor – Leste. The Law No. 12/21 of 30 June of the Mining Code is fully implemented from the beginning of the year. The enforcement of the Law has brought the changes on administration processes for the mineral applications, document evaluation process which eventually revised the process for issuance of Mineral Rights.

This report covers the update of administration, legal and technical from the existing 3 (three) departments under the Mineral Directorate; starting from the administration for application process, technical assessment for proposal and the company response as well as the application for environmental license for mineral activities proposed by the applicant and /or quarry operator.

In addition to legal enforcement, the Directorate is initiating the draft of ancillary regulations to support the implementation of the Law No. 12/21 of 30 of the Mining Code. This drafting process is ongoing and expected to be completed latest this year. Having said that, the presence of the ancillary regulations will support the full implementation of the Mining Code.

The mineral permit granted in 2022 mainly dominated by Construction Material (sand and gravel) whereas a few of Mineral Permit granted is carry over from the previous year and ongoing exploration license for Marble Study in Ilimanu area, Suco Uma Kaduak Manatuto Municipality. Meanwhile, On the revenue part, the biggest revenue collection is from the result of audit of books and records from China Harbour Timor.Lda and its third-party contribution.

4.1 MINING ACTIVITIES

AREAS FOR MINING ACTIVITIES

➤ Consultation of Area for Mining Activities

The Mining Activities are to be developed within the delineated areas based on the recommendation from the Regulatory Authority to the Member of Government responsible for Mineral sector and approved by the Council of Ministers as set forth in Law No. 12/2021 of 30th June of the Mining Code. To fulfill the requirement as set forth in Article 8 of Law No. 12/2021, of 30th June of the Mining Code the Ministry of Petroleum and Minerals and the Regulatory Authority have carried out consultations with relevant government entities and authorities at national and municipal levels in 2022. The relevant ministries consulted at national level were Ministry of Justice (Land and Property); Ministry Planning and Territory; Ministry of Tourism, Trade and Industry; Ministry of Public Works; Ministry State Administration; Ministry of

Higher Education, Science and Culture; Ministry of Agriculture and Fisheries; Ministry of Defense, Secretary of State for the Environment; and Secretary of State for Art and Culture; including Institute of Petroleum and Geology (IPG) under the Ministry of Petroleum and Minerals.



FIGURE 52: CONSULTATION OF AREA FOR MINING ACTIVITIES WITH RELEVANT GOVERNMENT ENTITIES



FIGURE 53: CONSULTATION OF AREA FOR MINING ACTIVITIES AT MUNICIPALITIES

Consultation of area for Mining Activities at Municipalities level were carried out throughout the territory including the newly established municipal Atauro and Special Administrative Region Oe-cusse Ambeno (RAEOA).

➤ **Opening of Area for Mining Activities**

Through the Government Resolution No.35/2022 of 16 December which approved the opening of areas for Mining Activities for minerals classified as Construction Materials and Term of Reference for Mineral Rights Tender for large-scale exploration and mining of river sands for export purposes.

Areas for Mining Activities for minerals classified as Industrial Minerals with category of Construction Materials cover the territory of Timor-Leste with the restriction as set forth in Article 58 of Law No. 12/2021, Mining Code. With the opening of area for Mining Activities for Industrial Minerals with the category of Construction Materials, any interested natural and legal person(s) are welcomed to submit their applications to explore, develop and mining of the minerals.

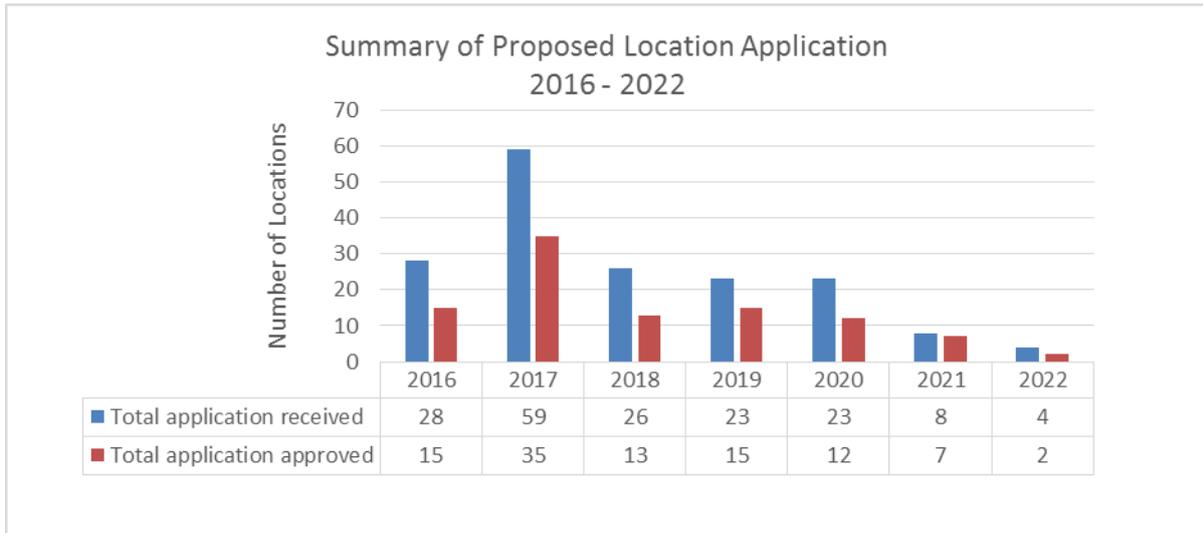
ADMINISTRATION AND LICENSING OF MINING ACTIVITIES

➤ **Mineral Proposed Location Registry and Approval**

The application for proposed location approval lodge to Mineral Directorate only 4 (four) applications register for the year of 2022. The number mentioned request for Mineral Permit for Construction Materials only. The details and status of applications as shown on the following table.

No	Name of Company	Proposed Location	Status
1	CDFG Unipessoal.Lda	Aldeia Leometik, Suco Batugede, Posto Administrativu Atabae, Maliana Municipality	Desktop Assessment
2	Asmaber Unipessoal.Lda	Aldeia Pitsanulok, Suco Lauhata, Posto Administrativu Bazartete, Liquisa Municipality	Location approved and process for Mining Plan Submission
3	Boheek Unipessoal.Lda	Aldeia Turleu, Suco Tibar, Posto Administrativu Bazartete, Liquisa Municipality	Application rejected due to the integrated plan for Beduku Rehabilitation Program
4	Gali's Bro Unipessoal.Lda	Aldeia Kunshing, Suco Bokolelo, Posto Administrativu Lulara, Aileu Municipality	Location approved and process for Mining Plan Submission

TABLE 40: PROPOSED LOCATION APPLICATION REGISTER IN 2022



GRAPH 18: LOCATION APPROVAL APPLICATION REGISTER FROM 2006-2022

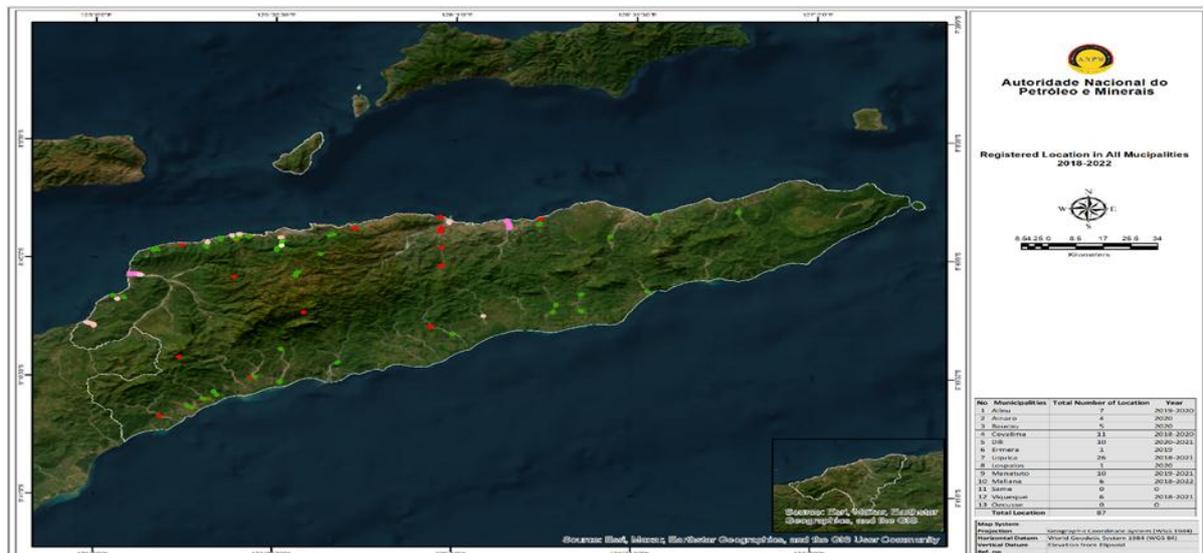


FIGURE 54: LOCATION APPROVED MAP FROM 2018-2022

➤ Application for Exploration License

No application for Mineral Exploration registers in 2022, the exploration from the previous year only registers for 2 (two) companies under the Marble Exploration Agreement with The Ministry of Petroleum and Mineral (MPM) and licensed by Mineral Directorate. The details of the companies shown on the table below.

No	Name of Company	Proposed Location	Status
1	Uma Marble Timor.Lda	Aldeia Ilimanu, suco Uma Kaduak, Postu Administrativu Lacló, Manatuto Municipality.	Continue exploration study
2	EMG Stone.Unip.Lda	Aldeia Ilimanu, suco Uma Kaduak, Postu Administrativu Lacló, Manatuto Municipality.	Continue exploration study

TABLE 41: ONGOING EXPLORATION LICENSE IN 2022

➤ Mineral Permit Application Registered and Licensed

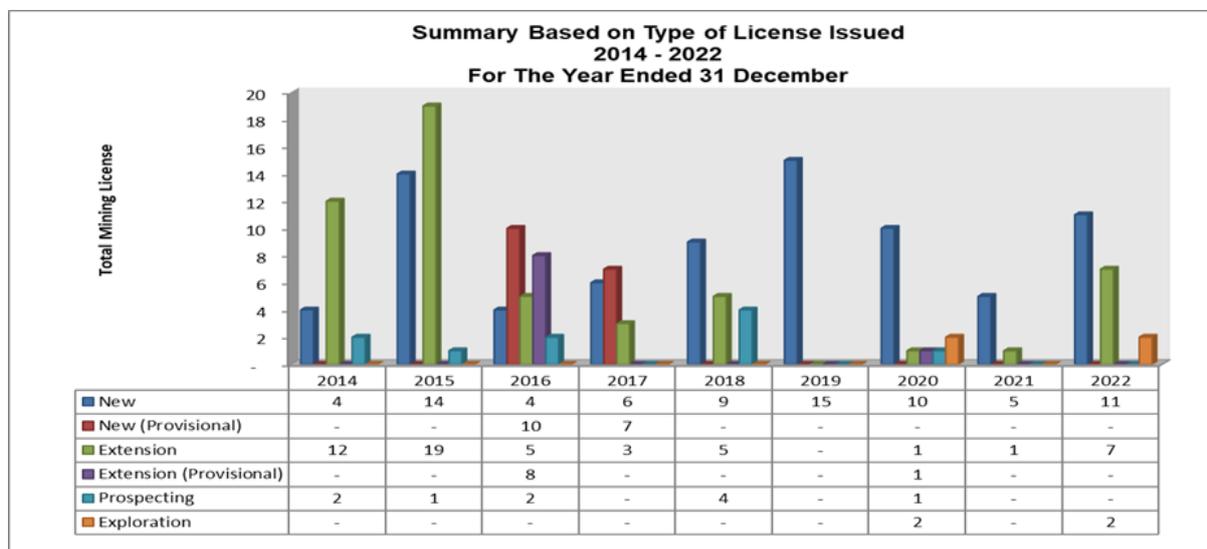
Only two (2) applications lodge for Mineral Permit in 2022. The two applications are proposed for commercial quarries operation and the application assessment is under assessment. Details of applicant as shown on the table below.

No	Name of Company	Proposed Location	Status
1	Asmaber Unipessoal.Lda	Aldeia Pitsanulok, Suco Lauhata, Posto Administrativu Bazartete, Liquisa Municipality	Location approved and process for Mining Plan Submission
2	Gali's Bro Unipessoal.Lda	Aldeia Kunshimng, Suco Bokolelo, Posto Administrativu Laulara, Aileu Municipality	Location approved and process for Mining Plan Submission

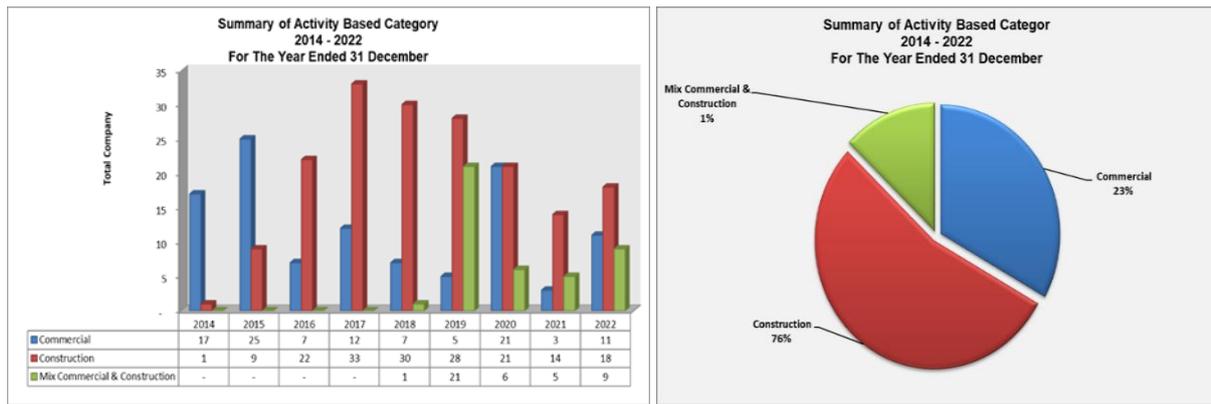
TABLE 42: MINERAL PERMIT APPLICATION REGISTER IN 2022

MINERAL PERMIT ISSUED IN 2022

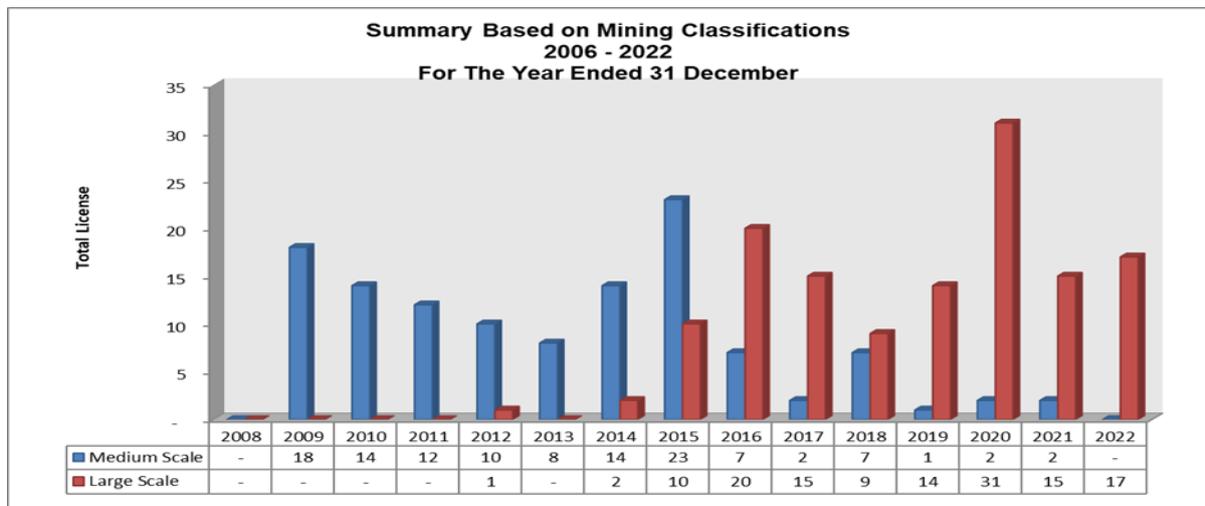
For the year of 2022, a total of 16 (sixteen) application reviewed to proceed for Mineral Permit and following the evaluation only 10 permits granted, these composed of three (2) local companies and three (3) international companies.



GRAPH 19: SUMMARY OF LICENSE /PERMIT ISSUED BASED ON TYPE



GRAPH 20: SUMMARY OF LICENSE/PERMIT ISSUED BASED ON SCALE



GRAPH 21: SUMMARY OF LICENSE/MINERAL PERMIT BASED ON CATEGORY

4.2 MINING ENVIRONMENTAL LICENSE

ENVIRONMENTAL LICENSE APPLICATION REGISTER 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 2022, Mineral Directorate received total of 22 environmental application for environmental license.

The application assessment process covering project document, project category, IEE (SEIS&EMP) for category B project, EL extension for category A and B, Site Specific Environmental Management Plan and the issuance of Environmental license.

➤ Environmental License Register

As part of data management system, HSE department recorder or logged all the environmental documents application from initial stage up to the issuance for Environmental License in a registered called environmental license register. All the applications in 2022 will be elaborated in the following table:

AUTORIDADE NACIONAL DO PETROLEO E MINERAIS
MINERAL DIRECTORATE
ENVIRONMENT HEALTH AND SAFETY DEPARTMENT
ENVIRONMENTAL LICENSE APPLICATION REGISTER YEAR 2022

No	Environmental License Stage	Proponent	Material Extracted	Location	Status
1	Project Document (PD)	Caiulu Unip.Lda	River Sand	Laclo River, Aldeia Laclo, Suco Dato, P.A Liquisa, Liquisa Municipality	Closed
		Timor Resources Pty.,Ltd	Sand Extraction	Karauulun river, Aldeia Raimerlau, P.A Hato Udo, Ainaro Municipality	Closed
		Gali's Bro Unip.Lda	Sand Extraction	Be Foer river, Aldeia Kuncin, Suco Bociolelo, P.A Laulara, Aileu Municipality	Closed
		Asmaber Unip.Lda	Sand Extraction	Aldeia Pisu Leten, Suco Lauhata, P.A Bazartete, Liquisa Municipality	Closed
		Uma Marble Timor.Lda	Marble Exploration	Aldeia Ili- Manu, Suco Uma Caduak, P.A Laclo, Manatuto Municipality	Closed
		Aitula.,Lda	Sand Extraction	Haemanu river, Aldeia Haemanu, Suco Beco, P.A Suai, Covalima Municipality	Closed
		Aitula.,Lda	Gravel Extraction	Mola river, Aldeia Zulo Tas, Suco Zulo, P.A Zumalai, Covalima Municipality	Closed
2	Project Category	Caiulu Unip.Lda	River Sand	Laclo River, Aldeia Laclo, Suco Dato, P.A Liquisa, Liquisa Municipality	Closed
		Timor Resources Pty.,Ltd	Sand Extraction	Karauulun river, Aldeia Raimerlau, P.A Hato Udo, Ainaro Municipality	Closed
		Gali's Bro Unip.Lda	Sand Extraction	Be Foer river, Aldeia Kuncin, Suco Bociolelo, P.A Laulara, Aileu Municipality	Closed
		Asmaber Unip.Lda	Sand Extraction	Aldeia Pisu Leten, Suco Lauhata, P.A Bazartete, Liquisa Municipality	Closed
		Uma Marble Timor.Lda	Marble Exploration	Aldeia Ili- Manu, Suco Uma Caduak, P.A Laclo, Manatuto Municipality	Closed

		Aitula.,Lda	Sand Extraction	Haemanu river, Aldeia Haemanu, Suco Beco, P.A Suai, Covalima Municipality	Closed
		Aitula.,Lda	Gravel Extraction	Mola river, Aldeia Zulo Tas, Suco Zulo, P.A Zumalai, Covalima Municipality	Closed
		Timor General Development Group.Co.,Ltd	Rock Quarry	Mota Kiik river, Aldeia Mota Kiik, Suco Hera, P.A Cristo Rei, Dili Municipality	Closed
3	SEIS and EMP	Xirevo VC Unip.Lda	Rock Quarry	Aldeia Nauner, Suco Ulmera, P.A Bazaretete, Liquisa Municipality	Closed
		Nananiu Unip,Lda	River Quarry	Aldeia fatuk Ahu, Suco Raimea, Suco Raimea, P.A Zumalai, Covsalimas Municipality	Closed
		Timor Resources Pty.,Ltd	Sand Extraction	Karau ulun river, Aldeia Raimerlau, P.A Hato Udo, Ainaro Municipality	Closed
		Caiulu Unip.Lda	River Sand	Laclo River, Aldeia Laclo, Suco Dato, P.A Liquisa, Liquisa Municipality	Closed
		Gali's Bro Unip.Lda	Sand Extraction	Be Foer river, Aldeia Kuncin, Suco Bociolelo, P.A Laulara, Aileu Municipality	Closed
		Asmaber Unip.Lda	Sand Extraction	Aldeia Pisu Leten, Suco Lauhata, P.A Bazartete, Liquisa Municipality	Closed
4	Site Specific Environmental Management Plan (SSEMP)	CRIG - COVEC JV	River Quarry	Craras river, Aldeia Caninuc, Suco bahalaruain, P.A Viqueque, Viqueque Municipality	SSEMP Issued for 2 years
			River quarry	Waibere river, Ladeia Wala Walu, Suco Lou Huno, P.A Ossu, Viqueque Municipality	SSEMP Issued for 2 years
			Sand Extraction	Uatua river, Aldeia Uatua, Suco gariuai, P.A Baucau, Baucau Municipality	SSEMP Issued for 2 years
			Sand Extraction	Uaimui river, Aldeia Uaimui, Suco Tequinomata, P.A Laga, Baucau Municipality	SSEMP Issued for 2 years

5	Environmental License Granted in 2022	Shabryca Unip.Lda	Rock Quarry	Aldeia Nauner, Suco Ulmera, P.A Bazaretete, Liquisa Municipality	Issued
		Timor General Development Group.Co.,Ltd	Mountain quarry	Aldeia Mota Ki'ik, Suco Hera, P.A Cristo Rei, Dili Municipality	Issued
		Timor Resources Pty.,Ltd	Sand extraction	Karauulun river, Aldeia Raimerlau, P.A Hato Udo, Ainaro Municipality	
		Xirevo VC Unip.Lda	Rock Quarry	Aldeia Nauner, Suco Ulmera, P.A Bazaretete, Liquisa Municipality	Issued
		Timor General Development Group.Co.,Ltd	Sand extraction	Aldeia Mota Ki'ik, Suco Hera, P.A Cristo Rei, Dili Municipality	Issued
6	Environmental License Extension	China Harbour Timor.Lda (CHT)	Rock Quarry	Aldeia Kaitehu, Suco Mota Ulun, P.A Bazartete, Liquisa Municipality	Issued
		King Construction .Lda	Rock Quarry	Aldeia Kaitehu, Suco Mota Ulun, P.A Bazartete, Liquisa Municipality	Issued
		Montana Diak Unip.Lda	Rock Quarry	Aldeia Acanuno, Suco Hera, P.A Cristo Rei, Dili Municipality	Issued

TABLE 43: ENVIRONMENTAL APPLICATION REGISTER IN 2022

REHABILITATION PLAN

Mining Closure Plan or Rehabilitation plan is an integral part of mining cycle where a license holder is obliged to rehabilitate, conduct any reclamation to the site, revegetation etc. to recover, reshape to its original topography as reasonable as possible. ANPM has enforced companies to implement the mining closure plan as shown in table below:

AUTORIDADE NACIONAL DO PETROLEO E MINERAIS MINERAL DIRECTORATE ENVIRONMENT HEALTH AND SAFETY DEPARTMENT REHABILITATION ACTIVITY PERFORMED IN THE YEAR OF 2022				
N	Proponent	Type of Project	Location	Status
1	China Harbour Timor.Lda	Rehabilitation - Rock Quarry A and Quarry B	Aldeia Mota Ikun, Suco Mota Ulun, Ulmera, Liquisa Municipality	Ongoing rehabilitation and under monitoring status by ANPM
2	Uhacae.Lda	Rock Quarry Rehabilitation	Aldeia Cai Uai Hoó, Suco de Cima, Ossu, Viqueque Municipality	Ongoing rehabilitation and under monitoring status by ANPM
3	Carya Timor Leste.Lda	Rock Quarry Rehabilitation	Aldeia Turliu, Suco Tibar, P.A Bazartete, Liquisa Municipality	Under Planning for rehabilitation
4	Jonize Unip.Lda	Rock Quarry Rehabilitation	Aldeia Turliu, Suco Tibar, P.A Bazartete, Liquisa Municipality	Under Planning for rehabilitation
5	City Development Group,.Lda	Rock Quarry Rehabilitation	Aldeia Turliu, Suco Tibar, P.A Bazartete, Liquisa Municipality	Under Planning for rehabilitation
6	Weng Enterprise Group.Co.Ltd	Rock Quarry Rehabilitation	Aldeia Turliu, Suco Tibar, P.A Bazartete, Liquisa Municipality	Under Planning for rehabilitation
7	Boheek Unip.Lda	Rock Quarry Rehabilitation	Aldeia Turliu, Suco Tibar, P.A Bazartete, Liquisa Municipality	Under Planning for rehabilitation

TABLE 44: REHABILITATION PROGRESS BY COMPANY IN 2022

4.3 MONITORING AND INSPECTION OF MINING ACTIVITY

MONITORING ACTIVITY

Monitoring activity had been carried out jointly with Exploration and Development department to ensure that the activities performed comply with the applicable legal and contractual obligations in all phases of Mining activity. The details of monitoring activities carried out can be seen in the following table:

AUTORIDADE NACIONAL DO PETROLEO E MINERAIS MINERAL DIRECTORATE ENVIRONMENT HEALTH AND SAFETY DEPARTMENT MONITORING ACTIVITY PERFORMED IN THE YEAR OF 2022				
No	Proponent	Location	Monitoring Date	Status
1	China Harbour Timor.Lda (CHT)	Aldeia Mota Ikun, Suco Mota Ulun, P.A Bazartete, Liquisa Municipality	10-Aug-22	Monitor the rehabilitation progress of quarry A and B
2	Starking Raw Material Industry Unip., Lda (SRMI)	Raiketán river, Aldeia Gazolo, Suco Belcasacm, P.A Maucatar, Covalima Municipality	18-Aug-22	Regular monitoring for EMP for the environmental extension license
3	Aquarius Construction Unip.Lda	Kaibuti river, Aldeia Piso Kraik, Suco Lauhata, P.A Bazartete, Liquisa Municipality	22-Aug-22	Regular monitoring for EMP for the environmental extension license
4	Pro Frawijaya Unip.Lda	Aldeia Caimeo Lorosae, Suco Dato..A Bazartete, Liquisa Municipality	22-Aug-22	Regular monitoring for EMP for the environmental extension license
5	Timor Resources Pty.Ltd	Karau ulun river, Aldeia raimerlau, Suco Fohoailico, P.A Hatoudo, Ainaro Municipality	17-Aug-22	Regular monitoring for EMP for the environmental extension license

TABLE 45: MONITORING PROGRESS BY COMPANY IN 2022

INSPECTION ACTIVITY

The inspection activity carried out jointly with Exploration and Development department. The inspections conducted within the scope of supervision and power to sites, building and facilities where or through which mining activities are conducted to ensure compliance with the applicable law and to confirm that the operator meet the necessary technical and safety condition. The details of inspections activities performed as shown in the following table:

AUTORIDADE NACIONAL DO PETROLEO E MINERAIS MINERAL DIRECTORATE ENVIRONMENT HEALTH AND SAFETY DEPARTMENT INSPECTION ACTIVITY PERFORMED IN THE YEAR OF 2022				
No	Proponent	Location	Monitoring Date	Status
1	Jonized Unip.Lda, Lacu Hu'u Unip.Lda and Alda Magno Unip.Lda	Comoro river, Aldeia Fatunia, Suco Tibar, P.A Bazartete, Liquisa Municipality	8& 11 July 2022	Random inspection of the utilization of mechanical equipment within non mechanical extraction activity area
2	Inur Behau Unip.Lda, Yefa Unip.Lda & Mira Mar Blocu Unip.Lda	Comoro river, Aldeia Fatunia, Suco Tibar, P.A Bazartete, Liquisa Municipality	13-Jul-22	Random inspection of the utilization of mechanical equipment within non mechanical extraction activity area
3	Weng Enterprise Group.Co.Lda	Comoro river, Aldeia Fatunia, Suco Tibar, P.A Bazartete, Liquisa Municipality	09-Aug-22	Regular inspection was carried out for river normalization issues
4	Somos Amigos S.A	Laclo river, Suco Lauhata, P.A Bazartete, Liquisa Municipality	09-Aug-22	Regular inspection for unlicensed activity have been long carried out
5	China Harbour Timor.Lda (CHT)	Aldeia Mota Ikun, Suco Mota Ulun, P.A Bazartete, Liquisa Municipality	10-Aug-22	inspection for the irregularity operational matters
6	Libama Consorsio and Metalica Unip.Lda	Laclo river, Suco Lauhata, P.A Bazartete, Liquisa Municipality	22-Aug-22	Inspection for unlicensed activity
7	Atrailos Unip.Lda	Laclo river, Aldeia Laclo, Suco Loidahar, P.A Liquisa, Liquisa Municipality	20-Sep-22	Inspection for unlicensed activity
8	Maliana Brother Unip.Lda	Nunura river, Aldeia Holbes, P.A Maliana, Bobonaro Municipality	27-Sep-22	Inspection for unlicensed activity
9	Aitula.Lda	Aipelu river, Suco Loidahar, P.A Liquisa, Liquisa Municipality	12-Oct-22	Random inspection for unlicensed activity
10	Jonize Unip.Lda	Rock Quarry, Aldeia Turliu, Suco Tibar, P.A Bazartete, Liquisa Municipality	13-Oct-22	Random inspection for unlicensed activity
11	Star Concrete Unip.Lda	Aipelu river, Suco Loidahar, P.A Liquisa, Liquisa Municipality	19-Oct-22	Random inspection for unlicensed activity
12	RMS Engineering Pty.Ltd	Processing facilities, Aldeia Moris Foun, Suco Comoro, P.A bazratete, Liquisa Municipality	27-Oct-22	Random inspection for unlicensed activity
13	Montana Diak Unip.Lda	Rock quarry, Aldeia Akanuno, Suco Hera, P.A Criso Rei, Dili Municipality	07-Nov-22	Regular inspection for license purpose
14	Fikikay Unip.Lda	Rock quarry, Aldeia Akanuno, Suco Hera, P.A Criso Rei, Dili Municipality	19-Nov-22	Random inspection for unlicensed activity

TABLE 46: INSPECTION PROGRESS BY COMPANY IN 2022

SUSPENSION OF UNAUTHORIZED MINING ACTIVITY

The partially suspension for unauthorized mining activity is to ensure the operator have a valid mineral permit prior to perform the quarry or extraction activity and to correct the unlawful situation, repair of damage caused and prevent risk, health or safety and property, or to the environment. The partial suspension issued in 2022 for the list of companies as shown on the table below.

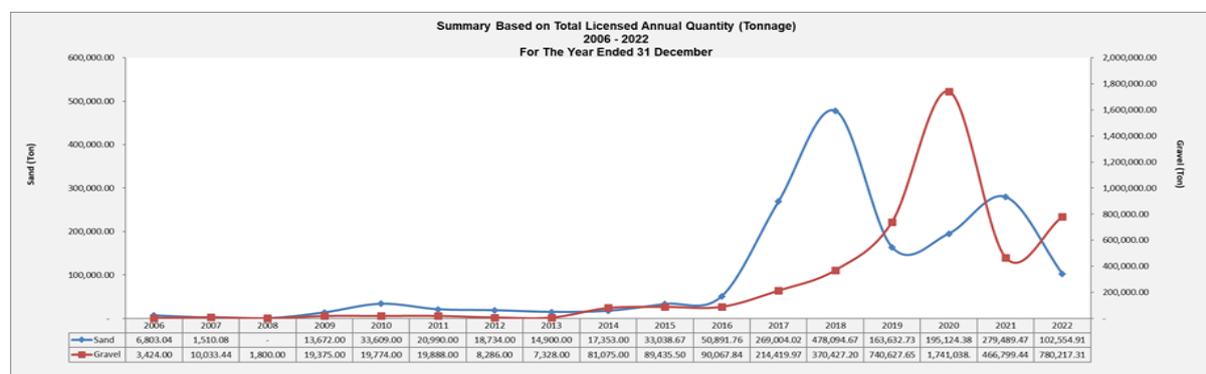
AUTORIDADE NACIONAL DO PETROLEO E MINERAIS MINERAL DIRECTORATE ADMINISTRATION AND REVENUE DEPARTMENT LIST OF COMPANY SUSPENDED 2022									
NO	COMPANY NAME	ORIGIN	SUSPENSION DATE	TYPE OF ACTIVITIES	MINERAL EXTRACTED	LOCATION			
						Aldeia	Suco	Posto	Municipality
1	Uhacae Unipessoal.Lda	Local	05-Apr-22	Extraction	Gravel	Cai Uai Hoo	Ossu de Cima	Ossu de Cima	Viqueque
2	Jonize Construction Unipessoal.Lda	Local	8 July 22	Extraction	Gravel	Turliu	Tibar	Bazartete	Liquisa
3	Alda Magno Unipessoal.Lda	Local	8 July 22	Extraction	Sand	Turliu	Tibar	Bazartete	Liquisa
4	Lacu'Hu Unipessoal.Lda	Local	8 July 22	Extraction	Sand	Turliu	Tibar	Bazartete	Liquisa
5	Inur Behau Motaain Unip.Lda	Local	13-Jul-22	Extraction	Sand	Turliu	Tibar	Bazartete	Liquisa
6	Yefa Unipessoal.Lda	Local	13-Jul-22	Extraction	Sand	Turliu	Tibar	Bazartete	Liquisa
7	Miramar Bloku Unipessoal.Lda	Local	13-Jul-22	Extraction	Sand	Turliu	Tibar	Bazartete	Liquisa
8	Weng Enterprise Group.Lda	Local	14-Jul-22	Extraction	Gravel	Turliu	Tibar	Bazartete	Liquisa
9	Somos Amigos S.A	International	09-Aug-22	Extraction	Sand	Maumeta		Bazartete	Liquisa
10	China Harbour Timor.Lda	International	10-Aug-22	Extraction	Gravel	Kaitehu	Ulmera	Bazartete	Liquisa
11	Libama Consorcio. Unip.Lda	Local	22-Aug-22	Extraction	Sand	Maumeta		Bazartete	Liquisa
12	Metalica Unipessoal.Lda	Local	22-Aug-22	Extraction	Sand	Ulmera	Mota Ulun	Bazartete	Liquisa
13	Atrillos Unipessoal.Lda	Local	20-Sep-22	Extraction	Sand	Maumeta		Liquisa	Liquisa
14	Maliana Brother Unip.Lda	Local	27-Sep-22	Processing	Sand	Mota Nunura	Tapo	Maliana	Bobonaro
15	Aitula Construction Unip.Lda	Local	12-Oct-22	Extraction	Sand	Turliu	Tibar	Bazartete	Liquisa
16	Star Concrete Industry Unip.Lda	Local	19-Oct-22	Extraction	Sand	Mota Ikun	Ulmera	Bazartete	Liquisa
17	RMS Engineering Pty.Ltd	International	27-Oct-22	Processing	Sand	Turliu	Tibar	Bazartete	Liquisa
18	Montana Diak Unip.Lda	Local	07-Nov-22	Extraction	Gravel	Akanunu	Hera	Christo Rei	Dili
19	Fikikay Unipessoal.Lda	Local	19 Dez 22	Extraction	Gravel	Akanunu	Hera	Christo Rei	Dili

TABLE 47: SUSPENSION OF UNAUTHORIZED MINING ACTIVITY BY COMPANY IN 2022

4.4 CONSTRUCTION MATERIALS PRODUCTION AND REVENUE COLLECTION

CONSTRUCTION MATERIAL PRODUCTION

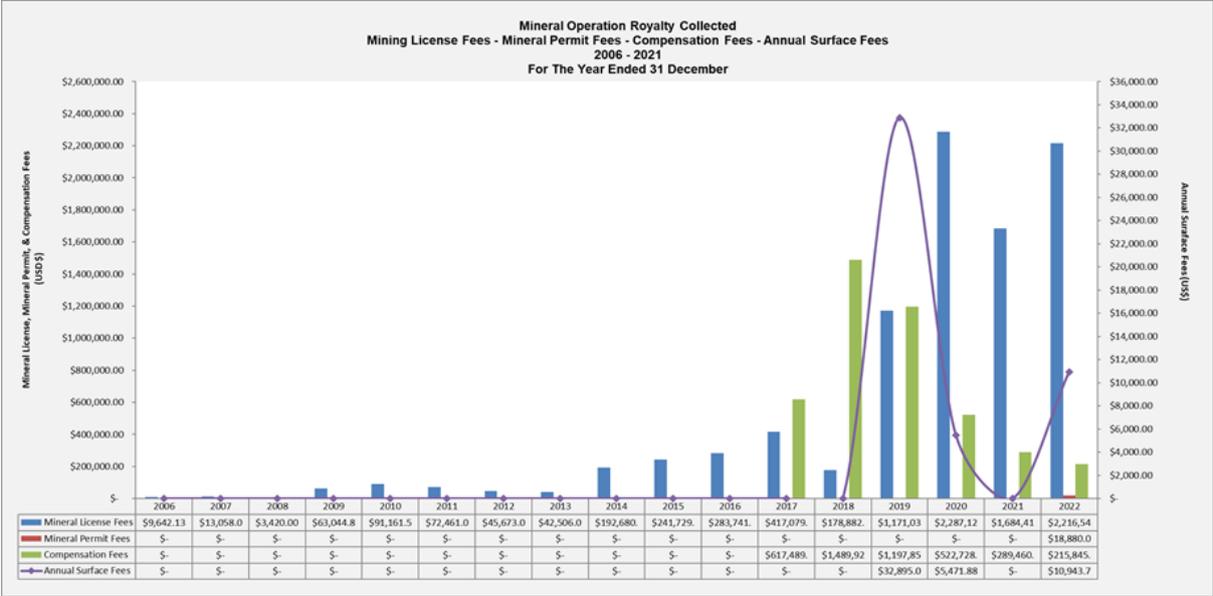
The construction material extracted in 2022 is 882,772.22 tons which is the sum of 780,217.31 tons of gravel and 102,554.91 tons of sand. this quantity of production is accumulated from quantity licensed and quantity for compensation payment. The details comparison of material extracted can be seen on the following graph.



GRAPH 22: CONSTRUCTION MATERIAL PRODUCTION QUANTITY LICENSED FROM 2006-2022

REVENUE COLLECTION

The mineral revenue collected is collected under category of prospecting license fee, exploration and mining license fee and compensation fee. In 2022, total mineral revenue collected is USD 2,462,209.97 which is the sum of USD 2,216,541.97 for Mineral license, USD 18,880.00 for Mineral Permit, USD 215,845.15 from unauthorized activity and USD 10,943.77 from Surface fee respectively.



GRAPH 23: REVENUE COLLECTED FROM 2005-2022

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 2022, 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

The GIP is a program offered by the ANPM to fresh University graduates to have experiences in the professional work environment. 1st Batch of the GIP for 2022 started on 5th on January 2022 and ended on January 2022 and ended on 30th June 2022. The 2nd Batch of GIP started at 1 July 2022 and ended 31 December 2022. The GIP is offered to the graduates through recruitment and selection process. The interested graduates should compete in order to be selected. There are three different processes in recruitment and selection. They are Applications (Online) Screening – Written test – Interview. The program is categorized into Corporate and Technical groups.

Technical Group				
Program	Directorate	Interns		Total
		Male	Female	
Geology and Geophysics	ERIAP	2	0	2
Development and Production	D&P	2	0	2
Oil and Gas Commercial	Commercial	1	1	2
Local Content & Procurement in Oil and Gas	PSC Legal Compliance	0	2	2
Downstream Fuel Quality Assurance	Downstream	0	1	1
Downstream Health & Safety	Downstream	1	0	1
Mining Engineering	Mineral	1	0	1
Total		7	4	11
Corporate Group				
Program	Directorate	Interns		Total
		Male	Female	

Information and Technology	FPICT	1	0	1
Training Development	HRTLA	0	1	1
Total		1	6	2

TABLE 48: 1ST BATCH OF GIP IN 2022

Technical Group				
Program	Directorate	Interns		Total
		Male	Female	
Geology and Geophysics	ERIAP	2	2	4
Development and Production	D&P	2	0	2
Oil and Gas Commercial	Commercial	1	1	2
Lega Framework Oil and Gas	PSC Legal Compliance	0	1	1
Downstream Project Appraisal & Monitoring	Downstream	1	1	2
Downstream Environmental Engineering		0	1	1
Mining Engineering	Mineral	0	1	1
Mining Environmental Engineering		1	0	1
Mining Geologist for Exploration		1	0	1
Environmental Engineering (Oil & Gas)	HSE	0	1	1
Total		8	8	16
Corporate Group				
Program	Directorate	Interns		Total
		Male	Female	
Corporate Information and Technology	FPICT	0	1	1
Corporate Finance	FPICT	0	1	1
Corporate Procurement	HRTLA	0	1	1
Training Development	HRTLA	1	1	2
Corporate Administration	HRTLA	0	1	1

Corporate Logistic	HRTLA	1	0	1
Human Resource	HRTLA	0	1	1
Total		2	6	8

TABLE 49: 2ND BATCH OF GIP IN 2022

5.2 UNIVERSITY FINAL YEAR PROJECT

FYP is a program that aim to assist final year students from Tertiary educational institutions and Vocational Training Centre in completing their final year projects in the areas related to ANPM's roles and functions. The purpose of FYP is to offer opportunities to the students to compile data information from the ANPM for their thesis writing purposes. Students undertaking FYP at the ANPM shall not disclose confidential information related to his/her project without prior consent of the ANPM. The FYP at ANPM may take from one to three months depending on the requirements provided in the areas of studies.

Type of Proposal	Student Name	Department / University	Address to	
1 st Batch (Jan-March 2022)				
1.	Tome Magno	Petroleum Engineering/ UNITAL	D&P	
2.	Margarida Silva	Petroleum Engineering/ UNITAL	D&P	
3.	Samuel de Jesus	Petroleum Engineering/ UNITAL	D&P	
4.	Terezinha Piedade	Petroleum Engineering/ UNITAL	D&P	
5.	Lidia Soares	Petroleum Engineering/ UNITAL	D&P	
2 nd Batch (Apr-June 2022)				
1.	Data Collection	Joanico da Costa	Petroleum Engineering/ UNITAL	D&P
3 rd Batch (Jul-Sept 2022)				
1.	Data Collection	Quintao Barros	Petroleum Engineering/ UNITAL	D&P
2.	Data Collection	Laura Carceres	Petroleum Engineering/ UNITAL	D&P
3.	Data Collection	Belita dos Santos	Petroleum Engineering/ UNITAL	D&P
4 th Batch (Oct-Dec 2022)				
1.	Data Collection	Helga Rita	Accounting/ UNTL	Corporate Finance
2.	Data Collection	Martinha da Costa	International Relation/UNTL	Legal Framework
3.	Data Collection	Alexandrina Moreira	Marketing/DIT	Downstream

TABLE 50: LIST OF FINAL YEAR PROGRAM IN 2022

5.3 PUBLIC EVENTS

INTERNATIONAL EXHIBITION

On 2022, ANPM team attended several International Exhibition and Conference in USA, Uni Emirat Arab, Singapore 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 55: ANPM TEAM ATTENDED INTERNATIONAL EVENT DURING 2022

NATIONAL EXHIBITION

On May 2022, ANPM was invited together with Ministry for Petroleum and Mineral to attend the National Exhibition in Dili Convention Centre for commemorating 20th Anniversary of Restoration of Independence of Timor-Leste. And on November 2022, in Manatuto for commemorating 47th anniversary of Proclamation of Independence of Timor-Leste. This exhibition also attended by the other government institution and



FIGURE 56: ANPM TEAM DURING NATIONAL EXHIBITION IN DILI AND MANATUTO

ANNEX I

Item No	Procurement Types (Audit/consultant/service/goods)	Procurement Type Descriptions	Contract Fee/Item Price	Successful Vendor
1	Consultant	Legal service rendered on our matter "Award of Paluaca Block"	\$ 4,060.00	Vieira de Almeida
2	Consultant	Legal service rendered on our matter regulations to mining code	\$ 27,555.00	Vieira de Almeida
3	Consultant	Legal service rendered to our matter "state farm-in in TLC"	\$ 17,443.75	Vieira de Almeida
4	Services	Internet Service to ANPM Office	\$ 41,400.00	Gardamor ISP, Lda
5	Services	Fuel supply to ANPM		PITSA
6	Goods	Procurement of goods- safety shoes for Exploration and Acreage Promotion Directorate	\$ 400.00	Electrical Sales & Service E/T
7	Services	Printing and laminating CBS Certificates staff and GIP interns	\$ 120.00	Grafica Patria
8	Services	Printing christmas invitation and banners	\$ 90.50	Grafica Patria
9	Services	Payment for OILMAP annual subscriptions for 2022	\$ 10,000.00	RPS Australia
10	Services	Advertisement of short-listing for executive secretary & IT ISNS Assistant in English version for 1 day	\$ 150.00	Timor Post
11	Goods	Procurement of sport equipments for FSC team (futsal ball and basket ball)	\$ 150.00	Hard Rock
12	Services	Cocktails event with Carnarvon on 22 and 23 of December 2021	\$ 1,581.00	Hotel Timor
13	Services	Procurement of venue and catering for ANPM Christmas party requested by Admin and Logistic department	\$ 3,500.00	Salaun Rudal 7984 Unipessoal, Lda

14	Services	Catering services for ANPM 2021 christmas party for minimum 200 participants	\$ 3,000.00	Royal Brother Unipessoal Lda
15	Services	Shipping fuel sample to NT, Australia through marine Transportation using local courier	\$ 3,369.00	Bollore Logistics Timor Unipessoal Lda
16	Goods	Procurement of ANPM Musical instruments Accessories for ANPM band (ANPM Social Club)	\$ 1,000.00	Hard Rock
17	Services	Procurement to provide venue and catering service for mining code public consultation on 21 and 24 January 2022	\$ 11,508.00	Timor plaza Hotel and Apartments
18	Services	Purchase 150 Personality test keycodes	\$ 4,003.63	PT Konsultant Masa Depan
19	Services	To clean up hold ol water well located at farol office and to also install new water pump at the said water well	\$ 617.00	Friends Lda
20	Goods	Purchase of seven units of Android TV Box Type: MXQ Pro 4K 2GB/16GB	\$ 315.00	Zeon International
21	Services	Talk show - kodigu mineiru	\$ 800.00	RTLL, EP
22	Services	Advertisement of ANPM/PROC/RFP/21/011 - RFP for ANPM Financial, Petroleum Revenue and Mineral Revenue Statement Audit Services	\$ 450.00	Diario Nacional
23	Services	Advertisement of ANPm recruitment process of Training and Development Officer and Procurement Sourcing Assisstant	\$ 525.00	STL
24	Services	Advertisement of ANPm recruitment process of Training and Development Officer and Procurement Sourcing Assisstant	\$ 450.00	Timor Post

25	Services	Advertisement Notification of Award in Tetun and English	\$ 350.00	STL
26	Services	Advertisement of Shortlisting Executive Secretary and IT Assistant	\$ 175.00	STL
27	Services	Advertisement of RFP ANPM Financial Petroleum Revenue and Mineral Revenue	\$ 525.00	STL
28	Services	Advertisement of Notification of Award in Tetun and English	\$ 300.00	Diario Nacional
29	Services	Renting Vechile		Express Distribution
30	Goods	Pocurement of Full Size Workstation + Monitor 4K Resolutions for Mineral directorate	\$ 7,400.00	Visimitra Unipeesal Lda
31	Services	Rental one unit color printer for mineral directorate		Sylvia Dili Unipessoal Lda
32	Services	First Amendement of Service Agreement for the Dedicated Internet Access Services in Post Paid System	\$ 11,424.00	Timor Telecom
33	Consultant	Legal services rendered on our matter regulations to mining code	\$ 27,555.00	Vieira de Almeida
34	Goods	Supply Stationary to ANPM		Boa Ventura
35	Consultant	Review Fuel Storage Activity Applications and Performing Inspection Activities		Bro Nant International
36	Consultant	Supervision of Design and Construction, Including Fit-out of the National Library of Timor Leste		Ongoing
37	Consultant	Legal services from Miranda to regulations and use of radioactive materials October 2021	\$ 6,135.00	Miranda & Associados
38	Consultant	Legal service rendered on our matter revision of Pualaca Block PSC	\$ 26,700.00	Vieira de Almeida

39	Consultant	Provision service on ongoing marketing + business development for period January 2022	\$ 27,778.00	IN-VR Limited
40	Consultant	Annual update subscriptions ArcGIS Desktop advanced concurrent use for period 2022	\$ 13,210.00	PT Esri Indonesia
41	Consultant	Payment to subscriptions to the Oil, gas and energy law (OGEL) for period starting from 14 January 2022 until 14 January 2023	\$ 905.25	Maris B.V
42	Consultant	Assist ANPM in performing laboratory analysis to two samples of Automotive Diesel and two samples of Petrol sampled by the ANPM inspectors	\$ 9,855.69	Intertek PTY Limited
43	Consultant	Provision legal service on Timor Leste regulation and use radioactive materials september 2021	\$ 17,922.00	Miranda & Associados
44	Services	Payment to internet service at ANPM Suai Office	\$ 1,250.00	Telkomcel
45	Services	Payment to internet service at ANPM Suai Office	\$ 4,500.00	Telkomcel
46	Services	Payment to internet service at ANPM Suai Office	\$ 4,125.00	Telkomcel
47	Services	Procurement of venue & catering services for Downstream firefighter training & conference	\$ 2,700.00	Tower Unipessoal Lda
48	Services	procurement of Acrylic plaque trophy for 4 ANPM staffs farewell	\$ 160.50	Instantshop
49	Services	First Amendement of Service Agreement for the Internet service at ANPM office MoF	\$ 16,800.00	Timor Telecom
50	Services	Collective Learning on English and Portuguese Languages Course in 2022	\$ 2,100.00	Leli Unipessoal Lda
51	Services	Fornesementu be'e hemu ho marka Fresca ba ANPM		Consortio Austim Beverage, S.A

52	Services	Fornesementu be'e hemu ho marka GOTA ba ANPM		Gota Bebidas e Alimentos Lda
53	Consultant	Provision legal services rendered on our matter "Greater Sunrise/PSC/PMC/Technical Regulations	\$ 36,150.00	Vieira de Almeida
54	Consultant	Provision service on ongoing marketing + business development for period period 2022	\$ 27,778.00	IN-VR Limited
55	Goods	Procurement of Antigen rapid test	\$ 1,450.00	Boa Ventura
56	Services	Subscriptions to OpenVPN license for 100 clients/connections	\$ 2,304.00	Open VPN
57	Consultant	provision surveillance audit ISO 9001:2015 for 3 days between 29/9/2021-01/10/2021	\$ 4,200.00	PT. BSI Group Indonesia
58	Services	Office Cleaning Services	\$ 2,259.58	Greenbox Unipessoal Lda
59	Consultant	ANPM Financial Statement, Petroleum Revenue and Mineral fees Collection and Deposit External Audit Service		E&Y
60	Consultant	New License Agreement with the on Kelton Software License, Flocal and Uncertaintyplus	\$ 9,332.53	Kelton Engineering Limited
61	Consultant	Payment for shipment samples return from ALS Laboratory to ANPM office, this is the back-charged invoice due to the return samples	\$ 561.62	Australian Laboratory Services
62	Services	Payment to Grupo Cultural Wehali	\$ 500.00	Grupo Cultural Wehali
63	Consultant	Payment for Airbone Geophysical Control for period February 2022	\$ 10,312.54	Exploration General Services
64	Goods	Procurement of safe boxes for opening of Licensing round bidding document	\$ 1,230.00	Vinod Patel

65	Consultant	Extension service agreement with Cambridge Geo Consultant		Cambridge Geo Consultant
66	Consultant	Extension service agreement with Mr. Paul Robinson Spectrum Petroleum Solutions		Paul Robinson
67	Consultant	Extension engagement with Mr. Peter Baillie		Mr. Peter Baillie
68	Goods	Procurement Money counting machine	\$ 155.00	Memimart Supermercado
69	Services	Extention for P2P MPLS connection between Farol and MoF office	\$ 1,250.00	Timor Telecom
70	Consultant	Provision Legal Services rendered on our matter "Greater Sunrise for period up to and including 31 January 2022	\$ 63,452.22	DLA Piper
71	Consultant	Provision Legal service rendered on Greater Sunrise performed for period up to and including 28 February 2022	\$ 109,622.39	DLA Piper
72	Consultant	Provision Service on new redefinition of Tasi mane Projects and aligment in the startegic plan upstream oil and gas	\$ 4,800.00	Mr.Peter Cockroft
73	Consultant	Provision Service on new redefinition of Tasi mane Projects and aligment in the startegic plan upstream oil and gas	\$ 6,000.00	Mr.Peter Cockroft
74	Consultant	Provision service for Ongoing marketing + Business Developmnet services for ANPM for the period March	\$ 27,778.00	IN-VR Limited
75	Consultant	Provision Legal service on Bufallo Field Drilling EIA - 1 through 16 December 2021	\$ 3,895.00	Miranda & Asociados
76	Goods	Procurement of Office table	\$ 180.00	Vinod Patel

77	Services	Subscriptions to the Oil, gas and Energy Law for period starting from 14 January 2022 until 14 January 2023	\$ 798.75	Maris B.V
78	Services	Procurement of Venue and catering services for opening of Licensing round bidding	\$ 5,003.00	Novo Turismo
79	Services	Provide venue and catering services for ANPM staff	\$ 1,050.00	Royal Brother Unipessoal Lda
80	Consultant	Petrel License renewal 2022	\$ 55,792.00	Schlumberger Australia PTY Ltd
81	Consultant	Redesigning licensing round website	\$ 3,040.00	R2M IT Solutions
82	Consultant	Human Resource Management system development phase II	\$ 14,350.00	R2M IT Solutions
83	Consultant	Upstream Procurement System Development Phase I	\$ 4,100.00	R2M IT Solutions
84	Consultant	Payment to BNI for assess and provide the technical opinion on the plan submitted by one of the companies to constrcut a three-floor supermarket, rental and hotel building near PITSA storage facility	\$ 4,180.00	Bro Nant International
85	Consultant	Provision legal service on lawsuit NUC 0144/17.CVTDD (Arjumar)- Novembro 2021 through February 2022 statement	\$ 9,204.00	Miranda & Associados
86	Consultant	Provision legal service on new extension of deadline foresseen in article 40 FFS regulations - March 2022 statement	\$ 1,885.00	Miranda & Associados
87	Consultant	provision legal service rendered on our matter mining code - transition period	\$ 6,017.50	Vieira de Almeida

88	Consultant	Provision service on translation of mining code	\$ 567.50	Vieira de Almeida
89	Consultant	Provision on legal service rendered on our matter "regulations to mining code"	\$ 90,082.50	Vieira de Almeida
90	Services	Advertisement of six post vacancy announcement for 3 days on local newspaper	\$ 525.00	STL
91	Services	Advertisement of six post vacancy announcement for 3 days on local newspaper	\$ 456.00	Timor Post
92	Services	Advertisement of Notification of award in tetum and English version for 1 day	\$ 350.00	STL
93	Services	Advertisement of Notification of award in tetum and English version for 1 day	\$ 304.00	Timor Post
94	Services	advertisement for notification of award in Tetum and english version dated on 15 February 2022	\$ 300.00	Diario Nacional
95	Services	advertisement for notification of award in Tetum and english version dated on 21 February 2022	\$ 200.00	Independente
96	Services	Advertisement of ANPM/PROC/RFP/22/002 - Ticketing & Accommodation services in english version dated on 11, 14 & 16 of February	\$ 525.00	STL
97	Services	Advertisement of ANPM/PROC/RFP/22/002 - Ticketing & Accommodation services in english version dated on 4,8 & 10 of March	\$ 300.00	Independente

98	Services	Advertisement of ANPM/PROC/RFP/22/004 - Review environmental Document of Downstream Activity in English version dated on 9 & 11 February	\$ 350.00	STL
99	Services	Advertisement of ANPM/PROC/RFP/22/004 - Review environmental Document of Downstream Activity in English version dated on 14 & 16 February	\$ 304.00	Timor Post
100	Services	Advertisement of ANPM/PROC/RFP/22/004 - Review environmental Document of Downstream Activity in English version dated on 25 & 28 February	\$ 300.00	Diario Nacional
101	Services	Advertisement of ANPM/PROC/RFP/22/004 - Review environmental Document of Downstream Activity in English version dated on 4 & 7 of March	\$ 200.00	Independente
102	Services	Advertisement of ANPM/PROC/RFP/22/001- Supervision Consultant in English version dated on 11, 14 & 16 of February 2022	\$ 525.00	STL
103	Services	Advertisement of ANPM/PROC/RFP/22/001- Supervision Consultant in English version dated on 18, 21 & 23 of February 2022	\$ 456.00	Timor Post
104	Services	Advertisement of ANPM/PROC/RFP/22/001-	\$ 300.00	Independente
105	Services	Advertisement of short-listing for Training & Development Officer and Procurement Sourcing Assistant in Tetum Version	\$ 175.00	STL

106	Services	Re-Advertise ANPM/PROC/RFP/22/004 - Review environmental document of downstream activity , dated on 17 & 18 of March	\$	350.00	STL
107	Services	Re-Advertise ANPM/PROC/RFP/22/004 - Review environmental document of downstream activity , dated on 21 & 22 of March	\$	304.00	Timor Post
108	Services	Re-Advertise ANPM/PROC/RFP/22/004 - Review environmental document of downstream activity , dated on 24 & 25 of March	\$	300.00	Diario Nacional
109	Services	Re-Advertise ANPM/PROC/RFP/22/004 - Review environmental document of downstream activity , dated on 28 & 29 of March	\$	200.00	Independente
110	Services	Advertisement of short-listing for five posts - Directors Managers , officer and secretary executive dated on 24 of March	\$	175.00	STL
111	Services	Advertisement of short-listing for five posts - Directors Managers , officer and secretary executive, dated on 25 of March	\$	150.00	Timor Post
112	Consultant	Airbone Geophysical data quality control for period march 2022	\$	19,850.25	Exploration General Services
113	Consultant	Review of ENI'S (Kitan) BOD, regarding P&A methodology review comments, update form Will Speck 1.5hours	\$	546.00	TSB Offshore, INC
114	Goods	Procurement of face mask (Promask brand)	\$	300.00	Vinod Patel

115	Services	Engaging with DHL for Licensing Round Bids Documents Submission and Sending of Related Documents		DHL Express
116	Services	Extends the service on an existing license of cerberus FTP server enterprise for 1 year	\$ 750.00	Cerberus
117	Services	Extends the service on an existing license of cerberus FTP server enterprise for 1 year 193 days	\$ 396.58	Cerberus
118	Goods	Procurement of Cisco Catalyst 3750-Xseries		Inovar4 Lda
119	Services	ANPM participation in international conference of Asia-	\$ 9,000.00	Clarion Energy Limited
120	Consultant	Extension Contract with Intertek		Intertek PTY Limited
121	Consultant	Legal service rendered on our matter "Public Tenders Exploitation"	\$ 5,227.50	Vieira de Almeida
122	Consultant	Legal services rendered on our matter "regulations to mining code"	\$ 12,471.25	Vieira de Almeida
123	Services	Shipment of Licensing round bids documents of Dravida, ENI and HTS Exploration	\$ 856.73	DHL Express
124	Services	Shipment of Licensing round bids documents of Supernova Energy	\$ 342.56	DHL Express
125	Services	Shipment of rock and water samples	\$ 85.33	DHL Express
126	Consultant	Subsurface reservoir studies of greater sunrise field phase 3 Project incorporating into static model of Geophysic and geology, Petrophysics	\$ 31,111.10	International Reservoir Technologies, INC

127	Services	Construction of the ANPM Cobe House		Ongoing
128	Goods	Supply New Dell Laptops and Monitors to ANPM	\$ 267,600.00	Domin Timor Diak
129	Goods	Supply New Vehicle to the ANPM		Ongoing
130	Services	Provision subscriptions service of reporting on LPG and LNG market information	\$ 27,165.00	Argus Media Ltd
131	Services	Sending Licensing round documents from Australia to ANPM	\$ 161.82	DHL Express
132	Consultant	Provision of and EzDataroom web Geotechnical VDR, From 1st january - Sep 2022	\$ 17,100.00	Zebra data Sciences
133	Consultant	Review with President ANPM before meeting with Santos, Organized meeting with professor Kaldi and Develop First Draft Upstream economics Spreadsheet for GS.	\$ 4,800.00	Mr.Peter Cockroft
134	Consultant	Review of Santos CCS proposal and Sent comments to President, Compose letter from ANPM to Santos, Develop upstream economic spraedheet for Bayu Undan	\$ 7,800.00	Mr.Peter Cockroft
135	Services	Procurement of Venue and Catering Services for ANPM Staff Easter Recollection	\$ 1,850.00	Centro Formacao JP II
136	Services	Procurement of Venue to accommodate 98 people for ANPM 2nd Batch GIP 2022 test	\$ 480.00	Delta Nova
137	Services	Procurement of Venue and Beverages for ANPM Bid Winner Announcement	\$ 3,902.55	Timor plaza Hotel and Apartments

138	Consultant	Provide phase 4 subsurface reservoir studies of greater sunrise studies on Dynamic Modelling and Forecast	\$ 75,233.32	International Reservoir Technologies, INC
139	Consultant	To Assist ANPM on Tank and Line Testing Classroom based lesson and onsite, demonstrating and Training	\$ 28,440.00	Best Western Petroleum Services
140	Goods	Procurement Prefabricates Toyota Hilux Sr5 4x4 SR5 2.8L T Diesel, Automatic double cab for Inspection Activity	\$ 23,235.84	Best Western Petroleum Services
141	Consultant	Legal Services rendered matter on Regulations to Mining Code"	\$ 20,816.25	Vieira de Almeida
142	Consultant	Review Discussion with President re BU and Snatos Meeting, Review discussion with ANPM re Woodside meeting, review	\$ 4,800.00	Mr.Peter Cockroft
143	Goods	Purchasing Dewalt 30m Laser distance Measurement device	\$ 100.00	Vinod Patel
144	Services	Advertisement of RFP, ANPM/PROC/RFP/21/002 - Fornese Stationario ba ANPM	\$ 152.00	STL
145	Services	Notification of Award in tetum and english Version requested by Procurement	\$ 304.00	Timor Post
146	Services	Notification of Award in tetum and english Version requested by Procurement	\$ 350.00	STL
147	Services	Notification of Award in tetum and english Version requested by Procurement	\$ 200.00	Independente
148	Services	advertisement of 2nd Batche GIP Recruitment Process in Tetum Version by Training	\$ 175.00	STL
149	Services	advertisement of 2nd Batche GIP Recruitment Process in Tetum Version by Training	\$ 152.00	Timor Post

150	Services	Advertisement of ANPM request for Cancellation in tetum and English by Procurement	\$ 350.00	STL
151	Services	Advertisement of ANPM request for Cancellation in tetum and English by Procurement	\$ 304.00	Timor Post
152	Services	Advertisement of ANPM request for Cancellation in tetum and English by Procurement	\$ 200.00	Independente
153	Services	Advertisement of ANPM/PROC/RFP/21/010 Construction of ANPM Cobe House	\$ 525.00	STL
154	Goods	Purchasing IT equipment to support immigration office for business purpose	\$ 4,638.00	Visimitra Unipeesal Lda
155	Goods	Fixed asset, Full size workstation - Monitor 4K Resolution, screen size range from 2-27 inch for Mineral Directortae	\$ 7,400.00	Visimitra Unipeesal Lda
156	Goods	Fixed asset procurement of Computer Work Station and Monitor for HSE Directorate	\$ 15,400.00	Visimitra Unipeesal Lda
157	Goods	Procurement of Kingee work cool2 reflective spliced shirt K54880/ nay Yellow Color Prefereable, K43535 Reflective Pants Navy	\$ 2,869.90	Territory Uniforms
158	Goods	Embroidery - Tu Missed on invoice 22-00001030 for the back garments	\$ 192.00	Territory Uniforms
159	Goods	Procurement of Goods - procurement of PPE for Exploration Research Innovations and Acreage Promotion Directorate	\$ 6,989.97	Territory Uniforms
160	Goods	Procurement of PPE for Admin and Logistic	\$ 4,111.73	Territory Uniforms

161	Goods	Procurement of PPE for Mineral Directorate	\$ 3,094.37	Territory Uniforms
162	Goods	Procurement of PPE - join Order Local Content	\$ 2,458.09	Territory Uniforms
163	Goods	Procurement of PPE for Legal Compliance	\$ 2,082.20	Territory Uniforms
164	Goods	Procurement of PPE for HSE	\$ 6,481.84	Territory Uniforms
165	Consultant	Provide ANPM Financial Statement Petroleum Revenue and Mineral Fees Collection and Deposit for 2021	\$ 60,020.00	E&Y
166	Services	Direct Source - Annual Subscription of Web Filter and Software Maintenance of Kerio Control Platforms	\$ 1,480.00	Han Technology PTE LTD
167	Services	Ticketing and Accommodation Services		Dili World Travel
168	Consultant	Extending R2M It Solutions Lda Services Agreement for Providing IT Consultancy Services to ANPM		R2M IT Solutions
169	Consultant	Provision service on Investigate and economic analysis, feassile development options - perform review of all the available data to validate the recoveracle HC	\$ 38,888.88	International Reservoir Technologies, INC
170	Consultant	License Renewal for Flocalc and uncertainty plus renewal	\$ 10,369.47	Kelton Engineering Limited
171	Consultant	Greater Sunrise March 2022 Monthky Invoice for Work Performed for the Period up to including 31 March 2022	\$ 94,693.54	DLA Piper

172	Consultant	Greater Sunrise April 2022 Monthly Invoice for Work Performed for the Period up to including 30 April 2022	\$ 108,975.24	DLA Piper
173	Consultant	Legal services on Our Matter "Greater Sunrise" PSC/PMC/Technical Regultaion, Invoice Number FAC1.2022.00958	\$ 158,042.94	Vieira de Almeida
174	Consultant	Legal services on Our Matter "Greater Sunrise" PSC/PMC/Technical Regultaion, Invoice Number FAC1.2022.01394	\$ 16,443.75	Vieira de Almeida
175	Consultant	Provide BU BTC 2022 Model Peer Assisstant	\$ 13,640.00	Odin Reservoir Consultant
176	Consultant	Provision consultancy service on Bayu Undan decomissionig decree- law on May 2022	\$ 11,137.00	Miranda & Associados
177	Consultant	services rendered during 4th TL energy and mining summit preparation and attendance	\$ 10,433.82	Spectrum Petroleum Solutions
178	Services	Direct Sourcing for SSL Wild Card Digital Certificate	\$ 3,784.00	Digicert, Inc
179	Services	Procurement of Services - Vehicle Rent for 4th TL Energy and Mining Summit	\$ 12,589.30	eSilva Car Rentals
180	Services	Direct Sourcing for renting bucket car and procuring Nitrogen Gas for Tank and Line testing	\$ 200.00	Instantshop
181	Services	Direct Source of Venue for PSC Negotiations ANPM and HTS exploration Ltd	\$ 1,200.00	Alma do Mar Resort
182	Services	Food Tasting in Tofta Choice Lda for Summit Gala Dinner	\$ 366.00	Tofta Choice

183	Services	Venue and Catering services for BU Decommissioning Workshop	\$ 2,538.76	Timor plaza Hotel and Apartments
184	Services	HCL IBM Lotus Domino Collab annual maintenance for 2022	\$ 3,380.00	ISW Development
185	Services	Utilization of PAX security equipment and personnel	\$ 2,246.50	PAX Protector
186	Services	Renting sound system and lighting for gala dinner was on 14 June 2022 at Palacio Nobre	\$ 2,965.00	LCS Sound
187	Services	Entertainment live music performance during gala dinner on 14th June 2022 at Palacio noble	\$ 865.00	SAFREI
188	Services	Traditional live music performance during gala dinner on 14th June 2022	\$ 1,500.00	Lahane Group
189	Services	Jazz genre live musi performance during 4th Timor Leste Summit Gala Dinner	\$ 1,400.00	K'Dalak Experiments
190	Consultant	Review decommissioning Plan, call, project accounting - Drew Hunger and Drew- Will Speck	\$ 1,722.00	TSB Offshore, INC
191	Services	Advertisement of 2nd Batche GIP Recruitment Process in Tetum Version by HR, Training, Admin & Logistic Directorate	\$ 150.00	Timor Post
192	Services	Ecobook annual maintenance from 15 July 2022 to 14 July 2023	\$ 1,596.00	Skynapse Business

193	Services	Procurement services catering for gala dinner at Palacio Nobre on 14 June 2022 for 300 VVIP and for 300 ANPM supporting team and operational staff	\$ 16,500.00	Cordelia Unipessoal Lda
194	Services	Catering services (meeting package) for 200 people of ANPM supporting team and operational staff, during summit event in City 8, on 14 June 2022 and cocktail package for 200 people of ANPM supporting team in City 8 on 15 June 2022	\$ 17,000.00	The Jungle Unipessoal Lda
195	Services	Outdoor tent services provider for the mining and Energy summit 2022 gala dinner	\$ 18,265.00	Central Yurico Unipessoal Lda
196	Services	Live broadcasting for the 4th Energy and Mining summit event 2022	\$ 6,000.00	Diario Nacional
197	Services	Procurement of venue and catering services for PSC discussion with HTS exploration Ltd	\$ 752.00	Novo Turismo
198	Goods	Purchase kitchen supply	\$ 407.50	Vinod Patel
199	Services	Documentation for 4th Timor Leste summit on Energy and Mining both photos and video	\$ 2,700.00	Crocodili Multimedia
200	Services	Provide live streaming for ANPM Social Media	\$ 500.00	Diario Nacional
201	Services	Live broadcasting for the 4th Energy and Mining summit event 2022	\$ 1,000.00	RTLL, EP
202	Consultant	Service charged for with the analysis of Petrol and Diesel ex East Timor received on 20 June 2022	\$ 4,038.87	Intertek PTY Limited
203	Services	Assist ANPM dispatching fuel sample to Darwin	\$ 3,176.92	Bollere Logistics Timor Unipessoal Lda

204	Consultant	In relation to provision of legal services		Miranda & Associados
205	Consultant	ManageEngine Enterprise IT management Software	\$ 16,256.00	PT. Prodata Sistem Teknologi
206	Services	Providing certificate and plakat acrylic during 4th Energy and mining summit	\$ 756.00	Planet Unipessoal Lda
207	Services	Generator Maintenance services		A1 Services
208	Consultant	Legal Services on Our matter " Regulations to Mining Code"	\$ 922.50	Vieira de Almeida
209	Services	Rent a musical group to entertain the ANPM Anniversary	\$ 300.00	Dumbledore Band
210	Services	Rent crane for 4th TL Summit	\$ 675.00	Fabuldus
211	Goods	Purchase kitchen supply utensils	\$ 407.50	Vinod Patel
212	Consultant	Legal services rendered on our matter "Greater Sunrise PSC/PMC/Technical Regulations"	\$ 46,400.79	Vieira de Almeida
213	Consultant	New redefinition of Tasi Mane Projects and Alignment the strategic plan of upstream oil and Gas Payment to Peter Cockroft for period May 2022	\$ 6,900.00	Mr.Peter Cockroft
214	Consultant	New redefinition of Tasi Mane Projects and Alignment the strategic plan of upstream oil and Gas Payment to Peter Cockroft for period June 2022	\$ 12,300.00	Mr.Peter Cockroft
215	Services	Purchase toolkit ISO27001-2013	\$ 897.00	Advisera Expert Solutions
216	Services	Procurement of Venue and Catering Services for ANPM meeting with Santos	\$ 2,012.25	Fundacao Sao Paulo Diocese Dili
217	Goods	Procurement of Office Furniture	\$ 475.00	Vinod Patel

218	Goods	Purchase new Laptop for ANPM Staff	\$ 6,550.00	Visimitra Unipeesal Lda
219	Consultant	To assess the ANPM for the establishment of both seismic and non-seismic data processing center at the ANPM office	\$ 38,257.14	Cambridge Geo Consultant
220	Consultant	To assess the ANPM for the establishment of both seismic and non-seismic data processing center at the ANPM office	\$ 748.31	Cambridge Geo Consultant
221	Consultant	To assess the ANPM for the establishment of both seismic and non-seismic data processing center at the ANPM office	\$ 9,454.32	Cambridge Geo Consultant
222	Consultant	Reservoir Simulation Software T-Navigator License	\$ 43,200.00	Rock Flow Dynamics
223	Consultant	Lawsuit NUC 0144/17.CVTDD (Arjumar) June 2022 Statement	\$ 1,826.00	Miranda & Associados
224	Consultant	Technical Note on Law No. 23/2021 - June 2022 Statement	\$ 3,613.00	Miranda & Associados
225	Consultant	Establishment of Oil and Gas Training Centre in Timor Leste Paymnet for Preliminary engineer daring for Infrastructure and list of training equipment	\$ 106,000.00	Petronas Technical Training
226	Consultant	Human Resource Management system development Dashboard Administration and Public	\$ 9,137.70	R2M IT Solutions
227	Consultant	BU Decommissioning Decree Law _ July 2022 Statement - Invoice No 69/2022	\$ 5,891.00	Miranda & Associados
228	Services	Rental, Print and Install Billboard @Mandarin 4x8M advertismnt for the launching National Library Project	\$ 3,595.00	Instantshop

229	Consultant	Provision of Legal Service for BU Decomissioning Decree-Law for Period of June 2022	\$ 3,175.00	Miranda & Associados
230	Services	Direct Sourcing for the Provision of Logistics, Equipment and Entertainment for the Launching of National Library Project	\$ 8,825.00	Pro Sound
231	Services	Caterring services providing cocktails for National Library Construction	\$ 3,750.00	Mattrozeg
232	Services	VPE Internet Servvices to Farol Office	\$ 11,424.00	Timor Telecom
233	Services	ANPM Participation in SEAAOC 2022 in Darwin 24-25 Aug 2022, Paymnet for Conference Pass Sr. Francelino	\$ 2,524.50	Informa Australia
234	Services	ANPM Participation in SEAAOC 2022 in Darwin 24-25 Aug 2022, Paymnet for Conference Pass Sr. Jose celestino	\$ 2,524.50	Informa Australia
235	Services	Payment fpr additional Exhibition Passes	\$ 600.00	Informa Australia
236	Services	Payment for Stand Exhibitiom in Darwin	\$ 13,266.00	Informa Australia
237	Services	Stand Upgarde for SEAAOC event in Darwin Australia	\$ 7,407.68	Fusion Exhibition
238	Services	ANPM Participation in SEAAOC 2022 in Darwin 24-25 Aug 2022, Paymnet for Conference Pass Sr. Jose Goncalves	\$ 2,524.50	Informa Australia

239	Services	Paymnet for Sending out Notification on 2nd Licensing Round to LR Bidders	\$ 525.31	DHL Express
240	Consultant	2022 FFS Amendment _June and July 2022 Statement	\$ 5,582.00	Miranda & Associados
241	Consultant	2021 Bu Decomissioning Agreement - June and July 2022 Statement	\$ 9,329.00	Miranda & Associados
242	Consultant	Legal Opinion on Removal of FSO Liberdade 1 July - 5 Aug 2022		Miranda & Associados
243	Consultant	Provision word for ANPM on Greater Sunrise Project focused on - Advising on the Greaster Sunrise Soecial Regime and related planning, Review and preparing responses to questions received by the Sunrise Joint venture in respect of the petroleum Mining code and production sharing, preparing for trilateral meetings between Timor Leste and advising on the taxation and fiscal regime	\$ 136,101.48	DLA Piper
244	Services	Annual HIS Kingdom License Software (Aug 2022- Aug 2023) Annual maintenance fee	\$ 16,050.12	HIS Global
245	Services	Key codes for work performance test	\$ 16,650.00	PT.Konsultant Masa Depan

246	Consultant	Greater Sunrise work performance for period up to and including 30 June 2022	\$ 84,154.15	DLA Piper
247	Consultant	Legal services rendered on our matter "Greater Sunrise PSC/PMC/Technical Regulations"	\$ 46,400.79	Vieira de Almeida
248	Goods	Supply face mask to ANPM Office	\$ 435.00	Boa Ventura
249	Goods	Procurement of good and services - Procurement of Network Installation	\$ 470.00	Techelita
250	Goods	Pensonic Air Cooler	\$ 125.00	Vinod Patel
251	Services	Airboned Electromgnetic Data Pick up at NRG Office Perth	\$ 188.90	DHL Express
252	Services	Banner for Alas Manufahi	\$ 45.00	Grafica Patria
253	Consultant	provision service on New redefinition of Tasi Mane Project and Alignment in the strategic plan of upstream oil and gas,	\$ 10,200.00	Mr.Peter Cockroft
254	Goods	Procurement of Goods and Services - Supply and Printing trophy for Staff Award	\$ 390.00	Instantshop
255	Services	Printing Material for expo in Darwin	\$ 4,345.00	IMA Digital Design
256	Goods	Procurement of Office Assets Gozo writing table	\$ 475.00	Vinod Patel
257	Consultant	Legal Services on Aour Matter Greater Sunrise PSC/PMC/Technical regulation	\$ 140,012.07	Vieira de Almeida
258	Services	Rent Tent and Chair fro 14 years of ANPM Anniversary	\$ 1,155.00	Uma Lifres Aita-Laran

259	Consultant	Re-Certification Audit of ISO 27001:2013	\$	12,500.00	PT. BSI Group Indonesia
260	Consultant	Peer review assistance for BU BTC 2022 Model	\$	34,760.00	Odin Reservoir Consultant
261	Services	Publication of RFP Printing Services to ANPM dated 7,10 and 12 Oct 2022	\$	900.00	Diario Nacional
262	Goods	Procurement of Office desk Gozzo Writing table	\$	100.00	Vinod Patel
263	Goods	Procurement of Office desk Godrej Dull height	\$	475.00	Vinod Patel
264	Services	Purchase geosoft Oasis Montaj software package	\$	26,420.00	Bentley System International Limited
265	Services	Attend Schlumberger Digital forum in Switzerland	\$	7,844.44	Schlumberger Australia PTY Ltd
266	Consultant	provision service on New redefinition of Tasi Mane Project and Alignment in the strategic plan of upstream oil and gas,	\$	7,200.00	Mr.Peter Cockroft
267	Consultant	Revision of Fuel Standards and specifications regulations September 2022 statement	\$	838.00	Miranda & Asociados
268	Consultant	FFS Amendment	\$	215.00	Miranda & Asociados
269	Consultant	Legal Opinion on advertising law - August 2022	\$	3,816.00	Miranda & Asociados
270	Consultant	FFS Amendment September 2022	\$	1,527.00	Miranda & Asociados
271	Consultant	Provision revision to the draft Bayu-Undan decommissioning decree law	\$	24,929.94	DLA Piper
272	Consultant	Provision work performed for the period up to and including 31 July 2022	\$	99,978.03	DLA Piper

273	Services	Fuel supply to ANPM		PITSA
274	Goods	Supply the PPE of Logistic and Administration	\$ 3,139.60	Territory Uniforms
275	Consultant	Provision legal service rendered on our matter "state farm-in TLC"	\$ 19,272.50	Vieira de Almeida
276	Consultant	Provision legal service rendered on our matter Draft Mining Code	\$ 23,530.00	Vieira de Almeida
277	Consultant	Provision legal services rendered on our matter Sand Export- ToR for Publci tender	\$ 33,123.75	Vieira de Almeida
278	Services	VPE Office Stationary		Boa Ventura
279	Services	ANPM Online Downstream e-License Fuel Filling Station	\$ 11,720.00	R2M IT Solutions
280	Services	ANPM Oilmap System Subscription	\$ 10,000.00	RPS Australia
281	Services	Training and Conference Venue and Catering Services for GSSR Meeting	\$ 7,200.00	The Jungle Unipessoal Lda
282	Goods	Supply PPE to President Office	\$ 1,448.40	Territory Uniforms
283	Services	Procurement of venue and catering services for GSSR Meeting	\$ 7,200.00	City 8
284	Services	22/11/22-23/11/22 Coffeebreak and lunch for 10 Participants	\$ 1,150.00	City 8
285	Services	Provide snack, lunch and dinner to 20 participants on 9 Nov 2022 and 10 Nov 2022	\$ 660.00	Unio do Clero Diocesano de Dili
286	Services	VPE Catering Services		Proniamor
287	Services	Global Fuels Application	\$ 20,240.00	BNI

288	Services	Purchase ANPM Zebra barcode scanner	\$ 2,319.60	Aptus Business Solutions
289	Consultant	Lawsuit NUC 0144/17.CVTDD (Arjumar) March 2022 Statement	\$ 229.00	Miranda & Asociados
290	Consultant	Lawsuit NUC 014417.CVTDD (Arjumar) - October 2022 Statement	\$ 1,491.00	Miranda & Asociados
291	Consultant	Payment to Peter Cockcroft as per timesheet invoice for September 2022	\$ 5,400.00	Mr.Peter Cockcroft
292	Consultant	Payment to Peter Cockcroft as per timesheet invoice for October 2022	\$ 8,400.00	Mr.Peter Cockcroft
293	Consultant	2021 - bayu Undan decommissioning Agreement - April 2022 Statement	\$ 14,542.00	Miranda & Asociados
294	Consultant	2022- legal Opinion on remuneration DL - August 2022 Statement	\$ 10,781.00	Miranda & Asociados
295	Consultant	BU Decommissioning Decree Law - October 2022 Statement	\$ 15,050.00	Miranda & Asociados
296	Consultant	Provision of work performed for the period up to and including 31 July 2022, fees fo DLA Professional services	\$ 99,978.03	DLA Piper
297	Consultant	Provision revision to the draft Bayu-Undan decommissioning decree law	\$ 24,929.94	DLA Piper
298	Consultant	Modification of TOBUCA - October 2022 Statement	\$ 2,159.00	Miranda & Asociados
299	Consultant	Greater Sunrise Monthly invoice September 2022 work performed for the period up to and including 30 September 2022	\$ 135,413.33	DLA Piper
300	Consultant	2021 BU decomissioning Agreement - October 2022 Statement	\$ 5,719.00	Miranda & Asociados

301	Consultant	Revision of Fuel Standards and specifications regulations October 2022 statement	\$ 258.00	Miranda & Associados
302	Consultant	Legal Services rendered on our matter "Public tender for Metallic Minerals"	\$ 55,908.75	Vieira de Almeida
303	Consultant	Legal Services rendered on our matter "Advice on Collecting of fees by ANPM"	\$ 1,592.50	Vieira de Almeida
304	Consultant	Legal Services rendered on our matter "Regulatory Approval for Change in Control of Mining Rights Holder"	\$ 2,182.50	Vieira de Almeida
305	Consultant	Legal Services rendered on our matter 'Sand Export - ToR for Public Tender'	\$ 12,425.00	Vieira de Almeida
306	Services	Training and Conference - Participate in Different International oil and Gas Conference Exhibitions in 2023	\$ 26,939.00	Diversified Communications Australia
307	Services	Exhibition Space for the 24th WPC congress in Calgary, Alberta	\$ 15,900.00	World Petroleum Council
308	Consultant	Greater Sunrise Monthly invoice August 2022 work performed for the period up to and including 31 August 2022	\$ 58,106.68	DLA Piper
309	Consultant	Greater Sunrise Monthly invoice October 2022 work performed for the period up to and including 31 October 2022	\$ 183,437.68	DLA Piper

ANNEX II



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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 Maritime Boundary 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 FPICT:	Mr. Edgar da Costa
Bankers:	Australia and New Zealand (ANZ) Banking Group Limited
Currency:	United States Dollars

CONTENTS

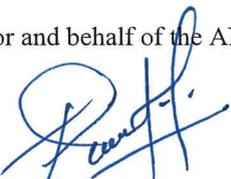
	Page
Director's Declaration	3
External Audit Opinion	4-6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11-35

DIRECTOR'S DECLARATON

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 2022 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:



Edgar da Costa
Director of Finance, Procurement and ICT Directorate



Florentino. M. Soares Ferreira
President of ANPM

Dili, Timor-Leste
31 / May /2023



**Building a better
working world**

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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 2022, 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 2022, 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

Ernst & Young
Perth
31 May 2023

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Notes	\$	\$
REVENUE AND OTHER INCOME			
Contract service fees		320,000	320,000
Subsidy from Timor-Leste Government		8,500,001	8,735,000
Downstream fees		1,010,899	1,197,683
Downstream licenses - trading fees		123,417	117,913
Interest		1,118	70
TOTAL INCOME		9,955,435	10,370,666
EXPENSES			
Employee costs	16	4,357,393	3,024,473
General and administration	17	6,570,227	3,957,287
Depreciation and amortization		287,092	407,481
Interest expense		689	273
Net loss in foreign exchange		4,316	1,551
TOTAL EXPENSES		11,219,717	7,391,065
(DEFICIT) /SURPLUS FOR THE YEAR		(1,264,282)	2,979,601
OTHER COMPREHENSIVE INCOME/ (LOSS)		-	-
TOTAL COMPREHENSIVE (LOSS) /INCOME FOR THE YEAR		(1,264,282)	2,979,601

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 2022

	Notes	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	16,727,452	17,092,464
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	308,297,296	13,761,726
Cash and cash equivalents - Oilex Settlement Proceeds	4, 19	6,400,000	5,900,000
Cash and cash equivalents -TL Cement Escrow Account	5	50,542,315	50,280,428
Trade and other receivables	6	187,722	223,591
Other current assets	7	117,197	69,311
Total Current Assets		383,808,184	88,863,722
NON-CURRENT ASSETS			
Property, plant and equipment	9	603,204	414,486
Intangibles	8	1,488	27,018
Right-of-use asset	11	17,490	40,811
Total Non-Current Assets		622,182	482,315
TOTAL ASSETS		384,430,366	89,346,037
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	10	3,544,573	2,591,615
Payable in respect of Joint Petroleum Development Area Funds	14	308,297,296	13,761,726
Payable in respect of Oilex Settlement Proceeds	4	6,400,000	5,900,000
Payable TL Cement Escrow Account	15	50,542,315	50,280,428
Unearned income	13	72,877	120,595
Lease liability	11	17,874	23,344
Provisions	12	372,261	228,643
Total Current Liabilities		369,247,196	72,906,351
Lease liability	11	-	17,841
Provisions	12	135,432	109,825
Total Non-Current Liabilities		135,432	127,666
TOTAL LIABILITIES		369,382,628	73,034,017
EQUITY			
Initial contribution	21	2,153,168	2,153,168
Accumulated funds		12,894,570	14,158,852
Total Equity		15,047,738	16,312,020
TOTAL EQUITY AND LIABILITIES		384,430,366	89,346,037

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 2022

	Initial Contribution	Accumulated Funds	Total Equity
	\$	\$	\$
At 1 January 2021	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
Total deficit for the year	-	(1,264,282)	(1,264,282)
At 31 December 2022	2,153,168	12,894,570	15,047,738

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 2022

	Notes	2022 \$	2021 \$
Operating activities			
(Deficit)/Surplus for the year		(1,264,282)	2,979,601
Adjustments to reconcile (deficit)/surplus for the year to net cash flows:			
Depreciation of property, plant and equipment	9	237,846	289,147
Amortization of intangible assets	8	25,925	99,240
Depreciation on right-of-use asset	11	23,321	19,094
Operating (deficit)/surplus before working capital changes		(977,190)	3,387,082
Working capital adjustments:			
Decrease/(Increase) in trade and other receivables	6	35,869	(78,700)
(Increase)/Decrease in other current assets	7	(47,886)	11,400
Increase in trade and other payables	10	295,988,528	9,256,247
Increase in employee benefits provision	11	169,225	61,036
(Decrease)/Increase in unearned income	13	(47,718)	97,356
Net cash flow (used in)/generated from operating activities		295,120,828	12,734,421
Investing activities			
Purchase of intangibles	8	(395)	(3,542)
Purchase of property, plant and equipment	9	(426,564)	(97,479)
Net cash flow used in investing activities		(426,959)	(101,021)
Financing activity			
Payment of principal portion of lease liability		(23,311)	(19,227)
Net cash flow used in financing activity		(23,311)	(19,227)
Net increase in cash and cash equivalents		294,670,558	12,614,173
Cash and cash equivalents at beginning of year		38,290,392	256,76,219
Cash and cash equivalents at end of year	4	332,960,950	38,290,392

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 2022

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.

Under 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 31 May 2023.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022. 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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

Under 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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

***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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

***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.

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

n. Allocation of costs

The ANPM carries out functions on behalf of the Sunrise Special Regime as the Designated Authority, and also carries out functions in the Timor-Leste Exclusive Area (TLEA). Article 6.2 (c) of the Annex B - Greater Sunrise Special Regime states that the Designated Authority of the JPDA, being the ANPM, shall be financed from fees collected under the Petroleum Mining Code and the Greater Sunrise Production Sharing Contract.

Each year the Joint Commission of the Greater Sunrise Special Regime 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 Sunrise Special Regime and TLEA for each internal directorate.

Directorate	2022		2021	
	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
Finance, Procurement & ICT	1	99	1	99
HR, Training, Logistic & Admin	1	99	1	99
Commercial	2	98	2.61	97.39
Health Safety and Environment	1.59	98.41	3	97
Development and Production	2	98	3	97
Exploration & Acreage Release	2	98	3	97
PSC & Legal Compliance	2	98	2	98
PMP & Local Content	2	98	-	-
Downstream	-	100	-	100
Mineral Legal Compliance and Admin Revenue	-	100	-	100
Mineral Technical Operation	-	100	-	100
BOD	1	99	1	99
Overhead	1	99	1	99
Contingencies	1	99	1	99

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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	2022	2021
	\$	\$
Cash at bank (ANZ Dili)	16,727,452	17,092,464
Cash and cash equivalents held for the operations of the ANPM	16,727,452	17,092,464
<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)	6,400,000	5,900,000
ANZ Singapore JPDA funds**	308,297,296	13,761,726
Total	332,960,950	38,290,392

* In 2017 and 2019 the Government of Timor-Leste transferred \$1,500,000 and \$825,000, respectively, to this ANPM account to fund the Timor-Leste National Library project. As the funds can only be used for the local project, the amount is restricted from being used for any other purpose. As of 31 December 2022, the restricted balance amounts to \$1,536,202 (31 December 2021: \$1,536,202).

** The ANZ Singapore Joint Petroleum Development Area ('JPDA') funds are held in name of ANPM as representative of Timor-Leste State which is stipulated under the government Decree Law No, 24/2019 on 27 August 2019 and Parliament Resolution no 15/2019 on 27 August 2019 that the operator and its joint venture of Bayu-Udan Field must pay the Timor-Leste State's entitlement to ANPM, and the fund will further distribute to the Timor-Leste Petroleum fund account by ANPM.

Due to the uncertainty and sharp declining of the Bayu-Udan field production as the field approaches its end of field life, cash from profit oil and gas was withheld by ANPM and not distributed to the Petroleum Fund account of the Central Bank of Timor-Leste to allow for refund in case of any cash settlement for overpayment of provisional profit oil and gas that was expected in 2023. In addition, this approach is presented, to ensure that ANPM, as parties to the PSCs comply with the provision under the PSCs. On 4 April 2023, the cash from profit oil and gas amounting to \$308,297,276 that was withheld in December was subsequently distributed to the Petroleum Fund.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5	TL CEMENT ESCROW ACCOUNT	2022	2021
		\$	\$
	TL Cement Escrow Account	50,542,315	50,280,428
		50,542,315	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.

On 1 February 2023, the Council of Minister, taking into consideration of the State Audit Chamber, issued a government resolution to return the special fund allocated to the TL Cement Project, to the Government of Timor-Leste. On 4 April 2023, the TL Cement Escrow Account was closed following the return of the special fund allocated to the TL Cement Project to the Government of Timor-Leste (refer to Note 20).

6	TRADE AND OTHER RECEIVABLES	2022	2021
		\$	\$
	Refundable deposits	6,232	6,232
	Corporate credit card security placement	127,044	127,044
	Other receivables	29,705	73,509
	Cash advances	24,741	16,806
		187,722	223,591

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

7	OTHER CURRENT ASSETS	2022	2021
		\$	\$
	Prepayment	117,197	69,311
		117,197	69,311

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8 INTANGIBLES	2022	2021
	\$	\$
<i>Software</i>		
Costs		
Balance at beginning of year	1,376,357	1,372,815
Additions	395	3,542
Balance at the end of the year	1,376,752	1,376,357
Accumulated Amortisation		
Balance at beginning of year	1,349,339	1,250,099
Amortisation expense	25,925	99,240
Balance at the end of the year	1,375,264	1,349,339
Net book value	1,488	27,018

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment \$	Vehicles \$	Leasehold Improvements \$	Office Equipment \$	Office Furniture \$	Other Assets \$	Total \$
Cost							
Balance at 1 January 2022	756,154	618,023	325,009	1,631,620	86,895	88,742	3,506,443
Additions	264,085	139,663	-	22,816	-	-	426,564
Disposal	-	-	-	-	-	-	-
Balance at 31 December 2022	1,020,239	757,686	325,009	1,654,436	86,895	88,742	3,933,007
Accumulated Depreciation							
Balance at 1 January 2022	717,530	522,536	289,276	1,386,996	86,877	88,742	3,091,957
Depreciation and amortization	35,651	25,175	16,670	160,332	18	-	237,846
Depreciation on disposal	-	-	-	-	-	-	-
Balance at 31 December 2022	753,181	547,711	305,946	1,547,328	86,895	88,742	3,329,803
Net book value – 31 December 2022	267,058	209,975	19,063	107,108	-	-	603,204

The gross carrying amount of fully depreciated property, plant and equipment amounting to 2022: \$1,865,556 (2021 \$2,135,212) is still in use as of 31 December 2022.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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	86,895	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	86,877	88,742	3,091,957
Net book value at 31 December 2021	38,624	95,487	35,733	244,624	18	-	414,486

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10	TRADE AND OTHER PAYABLES	2022	2021
		\$	\$
	Trade payables	1,785,385	917,267
	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	62,419	26,283
	PAYG Clearing	44,626	28,254
	Payroll Clearing	110,105	77,775
	Total	3,544,573	2,591,616

	2022	2021
	\$	\$
<p>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.</p>		
	5,836	5,836
	-	-
	5,836	5,836

	2022	2021
	\$	\$
<p>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 tender process of the project is currently in progress..</p>		
	1,536,202	1,536,202
	-	-
	-	-
	1,536,202	1,536,202

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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:

	2022	2021
	\$	\$
Beginning balance – 1 January	40,811	30,948
Additions	-	28,957
Depreciation expense	(23,321)	(19,094)
Ending balance – 31 December	17,490	40,811

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

	2022	2021
	\$	\$
Beginning balance – 1 January	41,185	31,454
Additions	-	28,957
Accretion of interest	689	273
Payments	(24,000)	(19,499)
Ending balance – 31 December	17,874	41,185

	2022	2021
	\$	\$
Lease liability – current	17,874	23,344
Lease liability – noncurrent	-	17,841
	17,874	41,185

Payments of \$82,641 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 2022 (2021: \$53,831).

12 PROVISIONS	2022	2021
	\$	\$
Employee length of service compensation – current	372,261	228,643
Employee length of service compensation – non-current	135,432	109,825
	507,693	338,468

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 2022

13	UNEARNED INCOME	2022	2021
		\$	\$
	Downstream licenses - trading fees	72,877	120,595
		72,877	120,595

14	JOINT PETROLEUM DEVELOPMENT AREA BANK ACCOUNT MOVEMENTS SUMMARY	2022	2021
		\$	\$
	Opening balance ANZ Singapore JPDA funds	13,761,726	5,085,925
	Cash received from the operators	905,981,537	318,504,632
	Interest received	227,413	16,911
	Bank charges	(120)	(240)
	Net funds available for distribution	919,970,556	323,607,228
	Funds distributed to Government of Timor-Leste	(611,673,260)	(309,845,502)
	Closing balance ANZ Singapore JPDA funds	308,297,296	13,761,726
	Payable in respect of JPDA funds:		
	To be distributed to the Government of Timor-Leste	308,297,296	13,761,726
		308,297,296	13,761,726

Refer to Note 4 for details in relation to the JPDA funds.

15	PAYABLE - TL CEMENT ESCROW ACCOUNT	2022	2021
		\$	\$
	Opening balance at 1 January	50,280,428	50,280,428
	Interest received	261,887	-
	Closing balance at 31 December	50,542,315	50,280,428

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

16	EMPLOYEE COSTS	2022	2021
		\$	\$
	Salaries and wages, including employee length of service compensation	3,894,218	2,702,057
	Social Security	216,276	150,030
	Staff amenities	13,349	7,896
	Insurance	58,920	52,219
	Overtime	174,630	86,127
	Other	-	26,144
		4,357,393	3,024,473

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17	GENERAL AND ADMINISTRATIVE	2022 \$	2021 \$
	Consultancy	3,061,255	1,394,305
	Travel	1,140,053	420,922
	Training	815,079	35,349
	Motor vehicle and equipment related costs	424,502	370,919
	Advertising and promotion	577,074	1,116,781
	Utilities	165,947	231,500
	Printing and office supplies	83,902	109,691
	Professional fees	74,029	57,990
	Cleaning	54,141	52,444
	Security	50,758	55,078
	Subscription and membership	32,265	31,516
	Bank charges	13,674	6,825
	Other expenses	77,548	73,967
		6,570,227	3,957,287

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 2022

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 as well as to Note 4, 14 and 19 for the JPDA and Oilex Settlement Proceeds' related assets and liabilities.

19 Oilex Settlement Proceeds

During the 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 2022, \$6,400,000 of the agreed settlement amount has been received (31 December 2021: \$5,900,000). 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 2022, the ANPM has recognised the amount of settlement received as restricted cash with a corresponding liability to the Government of Timor-Leste and Australia.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

20 EVENTS AFTER THE REPORTING DATE

Return of TL Cement Project Fund to the Government of Timor-Leste

On 1 February 2023, the Council of Minister, taking into consideration of the State Audit Chamber, issued a government resolution to return the special fund allocated to the TL Cement Project, to the Government of Timor-Leste. On 4 April 2023, the TL Cement Escrow Account was closed following the return of the special fund allocated to the TL Cement Project to the Government of Timor-Leste. This subsequent event is considered non-adjusting event after the reporting date.

Subsequent Distribution to the Petroleum Fund of Cash withheld as at 31 December 2022

Due to the uncertainty and sharp declining of the Bayu-Undan field production as the field approaches its end of field life, cash from profit oil and gas was withheld by ANPM and not distributed to the Petroleum Fund account of the Central Bank of Timor-Leste to allow for refund in case of any cash settlement for overpayment of provisional profit oil and gas that was expected in 2023. In addition, this approach is presented, to ensure that ANPM, as parties to the PSCs comply with the provision under the PSCs. On 4 April 2023, the cash from profit oil and gas amounting to \$308,297,276 that was withheld in December was subsequently distributed to the Petroleum Fund. This subsequent event is considered non-adjusting event after the reporting date.

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

21 EQUITY	2022	2021
	\$	\$
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 2022, ANPM has commitments of \$634,359 (2021: \$425,000) relating to the purchase of new vehicles. There are no contingent liabilities or contingent assets as at 31 December 2022.

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:

	2022	2021
	\$	\$
Short term employee benefit	836,487	590,894
Long-term employee benefit	61,992	65,785
Total compensation paid to key management personnel	898,479	656,679

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

24 TAXES

Income and deferred tax

ANPM is a government entity and 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 2022	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	-	8,500,001	8,500,001
Downstream fees	-	1,010,899	1,010,899
Trading fee	-	123,417	123,417
Interest	1,118	-	197,018
Total Income	321,118	9,634,317	9,955,435
Expenses split per 2022 approved budget proportion	(129,027)	(11,090,690)	(11,219,717)
Surplus (Deficit) for the year	192,091	(1,456,373)	(1,264,282)

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

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 2022 and 2021 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 2022, the expenditure reserve amounted to nil (2022: \$Nil).

27 CAPITAL RISK MANAGEMENT

The ANPM's capital comprises initial capital contributions, accumulated funds, capital asset reserve and expenditure reserves amounting to \$15,047,738 as at 31 December 2022 (2021: \$16,312,020). 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 2022**

**AUTORIDADE NACIONAL DO PETRÓLEO OF TIMOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 Ministerio das Financas, 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

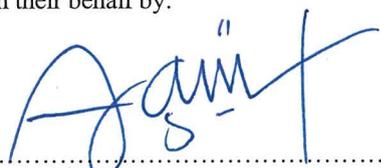
Currency: United States Dollars

CONTENTS

	Page
Audit Report	2-3
Statement of Petroleum Revenues Receipts and Payments	4
Accounting Policies and Explanatory Notes	5-8

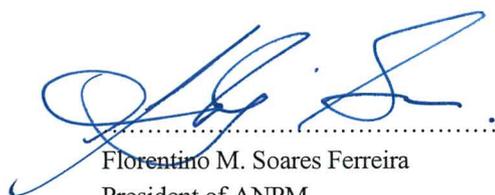
APPROVAL OF THE STATEMENTS

The Statement of Petroleum Revenue Receipts and Payments for the year ended 31 December 2022 set out on pages 4 to 8 were authorised for issue in accordance with a resolution of the Board of Directors and are signed on their behalf by:



Agus Maradona Tilman
Director of Commercial

31./ May /2023



Florentino M. Soares Ferreira
President of ANPM

31./ May /2023



**Building a better
working world**

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Independent auditor's report to the Directors of Autoridade Nacional do Petr6leo e Minerais

Opinion

We have audited the Statement of Petroleum Revenue Receipts and Payments ("the Statement") of Autoridade Nacional do Petr6leo e Minerais ("the Authority"), which comprises the statement of petroleum revenue receipts and payments for the year ended 31 December 2022, 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
31 May 2023

AUTORIDADE NACIONAL DO PETRÓLEO OF TIMOR-LESTE
STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Revenue receipts by field			
Bayu-Undan	3	905,981,537	318,504,632
Total revenue receipts received		905,981,537	318,504,632
Interest			
- Interest from Term Deposit	5	227,413	16,911
- Interest from Profit oil/gas interest		-	-
Total receipts received		906,208,950	318,521,542
Bank charges		(120)	(240)
Receipts less bank charges for the year		906,208,830	318,521,302
Cash at beginning of year		13,761,726	5,085,925
		919,970,556	323,607,228
Less: cash at end of year	4	(308,297,296)	(13,761,726)
Amount available for distribution		611,673,260	309,845,502
Distributed as follows:			
Distribution to Petroleum Fund of Timor-Leste		611,673,260	309,845,502
Distribution to Department of the Resources, Energy and Tourism, Australia		-	-
Total payments made		611,673,260	309,845,502

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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. ConocoPhillips Corporation (“ConocoPhillips”) was the operator of the project.

On 28 May 2020, Santos Limited (“Santos”) acquired ConocoPhillips’ Timor-Leste and northern Australian assets including Bayu-Undan field, DLNG Plant and the business unit as announced on Australian Securities Exchange (ASX). Prior to the settlement of the acquisition, on 28 April 2020 ANPM, acting according to article 33 of the Decree-law 24/2019 on the transitional Petroleum Titles and Regulation of Petroleum Activities in Bayu-Undan field with prior consents from the Acting Minister for Petroleum and Mineral Resources and the Special Representative of the Government for the Petroleum Sector, had granted its approval to the change the contract operator from ConocoPhillips to Santos. Post the acquisition, Santos held 68.4% interest entitlement 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”) sold its 25% interest in Bayu-Undan to BU12 Australia PTY LTD (“BU12”) & BU13 Australia PTY LTD (BU13).

Due to the uncertainty and sharp declining of the Bayu-Undan field production as the field approaches its end of field life, cash from profit oil and gas was withheld by ANPM and not distributed to the Petroleum Fund account of the Central Bank of Timor-Leste to allow for refund in case of any cash settlement for overpayment of provisional profit oil and gas that was expected in 2023. Refer to Note 4.

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 ANZ bank account in the

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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 2022

3. Bayu-Undan Field Receipts

Year ended 31 December 2022

	First Tranche Petroleum (FTP) \$			Total	Profit oil and gas (PO) \$			Total	Grand Total
	Condensate	LPG	LNG		Condensate	LPG	LNG		
Santos Petroleum Pty Ltd	14,156,790	2,476,506	73,775,745	90,409,041	50,504,639	14,063,338	289,234,174	353,802,151	444,211,192
Tokyo Timor Sea Resources ENI JPDA 03-13	-	-	-	-	10,698,351	2,976,408	61,272,114	74,946,873	74,946,873
Inpex Sahul BU12	-	-	-	-	12,777,973	3,554,983	73,182,625	89,515,581	89,515,581
BU13	-	-	-	-	13,225,609	3,684,431	75,749,947	92,659,987	92,659,987
	-	-	-	-	18,591,599	5,178,792	106,473,213	130,243,604	130,243,604
BU 13	-	-	-	-	10,620,901	2,954,860	60,828,539	74,404,300	74,404,300
Total Bayu-Undan receipts received	14,156,790	2,476,506	73,775,745	90,409,041	116,419,072	32,412,812	666,740,612	815,572,496	905,981,537

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 ENI JPDA 03-13	-	-	-	-	5,225,720	1,532,133	15,172,811	21,930,664	21,930,664
Inpex Sahul BU 13 **	-	-	-	-	6,241,533	2,043,029	19,338,316	27,622,878	27,622,878
BU12 **	-	-	-	-	5,896,581	1,856,567	18,431,470	26,184,618	26,184,618
	-	-	-	-	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.

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS
NOTES TO THE STATEMENT OF PETROLEUM REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Cash and Cash Equivalents	2022	2021
	\$	\$
ANZ Singapore held in the name of Autoridade Nacional do Petróleo e Minerais of Timor-Leste at year end	308,297,296	13,761,726
- To be distributed to Petroleum Fund of Timor-Leste	308,297,296	13,761,726

Due to the uncertainty and sharp declining of the Bayu-Undan field production as the field approaches its end of field life, cash from profit oil and gas was withheld by ANPM and not distributed to the Petroleum Fund account of the Central Bank of Timor-Leste to allow for refund in case of any cash settlement for overpayment of provisional profit oil and gas that was expected in 2023. In addition, this approach is presented, to ensure that ANPM, as parties to the PSCs comply with the provision under the PSCs. On 4 April 2023, the cash from profit oil and gas amounting to \$308,297,276 that was withheld in December was subsequently distributed to the Petroleum Fund.

5. Interest from Term Deposit	2022	2021
	\$	\$
ANZ Bank Interest	227,413	16,911
	227,413	16,911

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 2022

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: Edifício do Ministério das Finanças, Pisos 6 e 7, Apartado 11,
Aitarak Iaran, Dili, Timor Leste.

Bankers: Banco Ultra Marino (BNU) Timor-Leste
Banco Nacional de Timor Leste (BNCTL)

Single auditor: Mr. Oscar Sanches Faria

External Auditor: Ernst & Young, Perth Australia

Country of Incorporation: Timor-Leste

Currency: United States Dollars

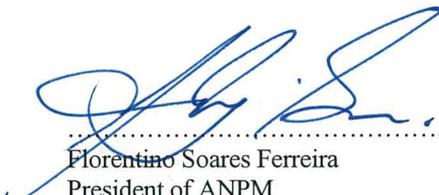
CONTENTS

	Page
Audit Report	3-4
Statement of Mineral Revenue Receipts and Payments	5
Accounting Policies and Explanatory Notes	6-11

APPROVAL OF THE STATEMENTS

The Statement of mineral revenue receipts and payments for the year ended 31 December 2022 set out on pages 4 to 7 were 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
31./ May /2023


.....
Florentino Soares Ferreira
President of ANPM
31./ May /2023



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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 2022, 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 Mining Code. 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
31 May 2023

AUTORIDADE NACIONAL DO PETRÓLEO E MINERAIS OF TIMOR-LESTE
STATEMENT OF MINERAL REVENUE RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Revenue receipts by type of accounts			
License Fees	3	13,500	14,500
Prospecting		-	-
Exploration		3,000	-
Mining		10,500	14,500
Administrative Fees	4	1,600	-
Mining Fees	5	2,203,041	1,669,916
Mineral Royalty	6	17,280	-
Compensation Fees-Mining Fees	7	167,315	289,461
Administrative Offences Fees-Mineral Royalty Fees	8	48,530	-
Surface Fees	9	10,944	-
Total revenue receipts deposited		2,462,210	1,973,877
Bank interest	10	122	-
Receipts add bank interest for the year		2,462,332	1,973,877
Bank charges	11	59	159
Receipts less bank charges for the year		2,462,273	1,973,719
Cash at beginning of year		-	-
Less: cash at end of year		-	-
Total cash distributed for the year	12	2,462,273	1,973,719

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 2022

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 no.64/2016 (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 on 24 May 2021 and promulgated by President of the Republica Democratica de Timor-Leste on 25 June 2021 and officially published on 30 June 2021. The related Decree Law on Regulation for Mining code or auxiliary laws and regulation to operationalise the Mining Code are yet to be finalised.

The Mining Code includes the regulation related to mining activities including reconnaissance, exploration and evaluation, appraisal, development, mining processing, transportation and marketing of minerals and mine. Under the code, the mining activities are to be imposed to the mineral right holders through a mineral royalty for the mineral extracted and processed; administrative fees for the submission, processing of application, enlargement of the concession areas and extension of rights and annual surface fee for carrying out mining activities. Article 108.3, 111.3 and 152.2 of the mining code stipulated that all fees is to be administered by the ANPM and deposited in the official account in the Central Bank Timor-Leste or another official account approved by the Ministry of Finance Timor-Leste.

Prior to Mining code comes into force on 1 January 2022, all mining activities was regulated by the old Ministerial Diploma.

2. Significant accounting policies

a. Basis of preparation

The Statement of Mineral Revenue Deposited is prepared on a cash basis. The statement is prepared for monies received by the ANPM as a Regulatory Authority under the Ministerial Diploma and Mining Code, in which all mining applications and fees, processed prior to the effective date of the Mining Code, is calculated based on the Ministerial Diploma whilst fees for mining activities taken place from 1 January 2022 onwards, is subject to Mineral Royalty, administrative fees and annual surface fees under the Mining Code.

The deposits from the fees are received by the ANPM on behalf of the Ministry of Finance of Timor-Leste in an official bank account and distributed to the main account in the Central Bank of Timor-Leste net of bank charges incurred. The accounting policies have been applied consistently throughout the period.

b. Mineral revenue

Mineral revenues paid by Mineral Permit Holders starting from January until October 2022, are deposited in a BNU Timor bank account and with the authorization from the Ministry of Finance, the ANPM established a new bank account in BNCTL, a state-owned commercial bank and all revenue from November 2022 onwards is deposited to the BNCTL bank account.

Mineral revenue is recognised on receipt in the Statement of Mineral Revenue Receipts and Payments and are defined under the Ministerial Diploma and Mining Code as described below.

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 2022

2. Significant accounting policies (continued)

Ministerial Diploma

Under the Ministerial Diploma which is effective from 17 November 2016 to 31 December 2021, the mineral revenue comprises of Prospecting Fees, Exploration Fees and Mining Fees and are defined under the Ministerial Diploma's Article 7 and 8. 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.
- **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.

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 2022

2. Significant accounting policies (continued)

Mining Code

Under the Mining Code, the mineral revenue comprises of Administrative Fees, Mineral Royalty, Administrative offences fees and Surface fees defined under the Mining Code's article 108 and annex II, article 111 and annex III, and article 152. Such fees are to be collected from the holder of mineral rights who undertakes the mining activities. Moreover, section II of the Mining Code regulates the revocation of licences, including the suspension and ceasing of mining activities, and the payment of compensation fees.

• **Administrative Fees**

Article 152 stipulates that these are fees levied to the Mineral Right Holders for the submission and processing of application for granting of mineral right, enlargement of concession areas, extension of rights and other administrative acts and these administrative fees' details are further regulated in annex of Table of tax in the Diploma Ministerial No.55/2022 as follows:

- Reconnaissance Permit: rate based on size of the area (max 50 km³)
- Exploration and Evaluation license: fee rate based on the size of area
- Mining License: fee rate based on annual quantity extraction capacity.
- Mineral Permit: Fees rate based on annual quantity extraction capacity
- Marketing license
- Application for transfer Mineral Rights
- Registration of transfer Mineral Rights
- Application for Concession Area Enlargement
- Registration of Concession Area Enlargement
- Other Ore Minerals and to Other Mineral Resources
- Mineral Registry Certificate

• **Mineral Royalty**

Article 105 defines that a mineral royalty, levied on the value of the Minerals extracted or processed within the territory of Timor-Leste and is payable by the Mineral Right Holders carrying out mining and processing operations in accordance to the assessment and payment stipulated under article 108 and annex II. The mineral royalty rates as stipulated in the annex II is based on Mineral classification as follows:

1. Precious metals/minerals
2. Base Metals
3. Gemstones
4. Radioactive, minerals
5. Coal
6. Rare Earth Elements
7. Industrial Minerals (i) Process Materials other than stones and stones (ii) ornamental Stones (iii) Construction materials (a) for domestic use and (b) exports

• **Administrative Offences Fees**

Article 131 states that the number of penalties shall be determined based on the level of seriousness of the administrative offences and culpability of the offenders. Furthermore, article 132 classifies the following administrative offences:

(1) light offences include failure to perform obligation to prepare and submit reports, studies, records, budgets and plans within statutory deadline

(2) serious offences include failure to timely submit royalties, surface fee return, assignment or transfer of right or change, transfer of marketing rights, breach of training, employment and procurement rules and failure to maintain insurance

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 2022

2. Significant accounting policies (continued)

(3) very serious offences include conduct mining activity without valid Mineral right, breach of suspension and/or notification foreseen in Articles 28,29,50.2 and 70.2 (d and e) and breach of any applicable health and safety requirements

- **Surface Fee**

Article 111 defines that the natural and legal person carrying out Mining Activities shall pay an annual surface fee on the mining site, in which, it is assessed based on the number of square kilometres of the Concession Area as set out in the Annex III of the mining code.

c. Payments

Payments are distributed to the Ministry of Finance of Timor-Leste, in accordance with the Ministerial Diploma and Mining Code. The operators make payment to the Mineral Operation Royalty account in BNU (Jan to Nov 2022) and BNCTL (Nov 2022 until present) owned by Ministry of Finance Timor-Leste, and it is transferred immediately to the main account and are net of bank charges (TBC) and it is transferred immediately to the main account and are net of bank charges.

d. Foreign currency

The ANPM's statement of receipts and payments are presented in United States Dollars.

e. Bank Interest

Bank interests are given based on the amount deposited by the Mineral Right Holder into the BNCTL temporary bank account and subsequently transferred to the main account in the Central Bank Timor-Leste. The bank applies 0.15% of interest to all state account.

f. Bank Charges

Bank charges are applied to amounts deposited by the contract operator into the BNU Timor temporary bank account. However, as the Mineral Royalty Account is a state account, BNCTL does not apply any bank charges in accordance with Article 8.3 of the Decree-Law No.1/2023 of 25 Janeiro.

g. Transitional Periods

Article 6 of the Mining Code stated that the act shall come into force 180 days following its publication, which is from 1 January 2022. Article 161 of the Mining Code further stipulates that mining contracts executed after the effective date of this Code but negotiated or approved by the Council of Ministers or by the Minister responsible for the mining sector, as applicable, prior to 1 January 2022, can be negotiated and/or governed under the previously approved terms of the Ministerial Diploma No. 64/2016.

Mining permits previously approved by the Council of Ministers or by the Minister responsible for the mining sector, as applicable, prior to 1 January 2022, should also adopt the Mining Code by 1 January 2024

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 2022

3. LICENSE FEES

	2022	2021
	\$	\$
Prospecting	-	-
Exploration	3,000	-
Mining		
Medium Scale Mining	-	1,000
Large Scale Mining	10,500	13,500
Total License Fees Receipts Deposited	13,500	14,500

4. ADMINISTRATIVE FEES

	2022	2021
	\$	\$
Mineral Permit		
Application Fee	100	-
Title Issuance Fee	1,500	-
Total Administrative Fees Receipts Deposited	1,600	-

5. MINING EXTRACTION FEES

	2022	2021
	\$	\$
Sand	151,800	418,471
Gravels	2,051,241	1,251,445
Total Mining Extraction Fees Receipts Deposited	2,203,041	1,669,916

6. MINERAL ROYALTIES

	2022	2021
	\$	\$
Construction Materials	17,280	-
Total Mineral Royalty Receipts Deposited	17,280	-

7. COMPENSATION FEES-MINING FEES

Article 42.2 gives the authority to the ANPM to apply a penalty to contract operators that operate without a valid Mining License. This fee is levied to compensate mining materials that have been extracted from sites. Furthermore, the operator will be temporarily suspended until the new license is granted.

	2022	2021
	\$	\$
Sand	4,780	140,507
Gravel	162,535	148,954
Total Compensation Fees Receipt Deposited	167,315	289,461

8. ADMINISTRATIVE OFFENCES FEES-MINERAL ROYALTY FEES

	2022	2021
	\$	\$
Construction Materials	48,530	-
Total Administrative offences fees Deposited	48,530	-

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 2022

9. SURFACE FEES

	2022	2021
	\$	\$
Surface Fees	10,944	-
Total Surface Fee	10,944	-

10. BANK INTEREST

	2022	2021
	\$	\$
Bank Interest	122	-
Total Bank Interest	122	-

11. BANK CHARGES

	2022	2021
	\$	\$
Bank charges	59	159
Total Bank Charges	59	159

12. TOTAL CASH DISTRIBUTED FOR THE YEAR

	2022	2021
	\$	\$
Total cash receipts during the year (net of bank interest and charges)	2,462,273	1,973,719
Total cash distributed to Ministry of Finance of Timor-Leste during the year	2,462,273	1,973,719