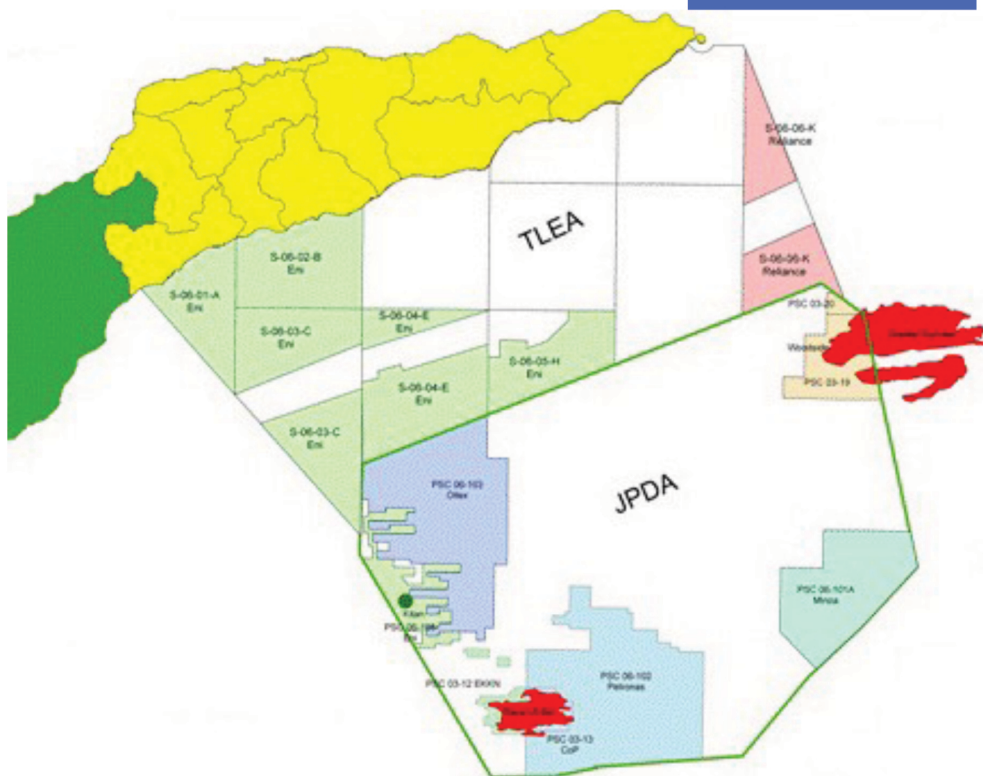


Timor-Leste Extractive Industry Transparency Initiative



Timor-Leste Extractive Industry Transparency Initiative

Secretariat of State for Natural Resources

Democratic Republic of Timor-Leste

31 December 2009

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TIMOR-LESTE EXTRACTIVE INDUSTRY TRANSPARENCY INITIATIVE REPORT

31 December 2009

9 December 2010

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Message from Mr Alfredo Pires – The Secretary of State for Natural Resources

Once again the 2009 TL-EITI Report has confirmed that the Timor-Leste petroleum financial system is robust and very transparent.

In 2010 The Revenue Watch Index put Timor-Leste on 12th position just after the United States of America in terms of transparency in the petroleum sector.

In 2010 Timor-Leste became the 3rd country in the world and 1st in Asia to become EITI compliant.

Also in 2010 Timor Leste jumped 19 spots in the Transparency International Corruption Index.

I'm sure that the Timor-Leste 2008 EITI Report which demonstrated that every dollar was accounted for in the petroleum sector contributed to the ball rolling in favor of Timor-Leste in terms of transparency and accountability.

If we keep this up for another five years transparency will become a thing that we Timorese do and not a thing that we have to do.

Once again congratulations to all in the people involved in the TL-EITI 2009 Report. In particular to the Timor-Leste Civil Society and the International Oil Companies operating in Timor-Leste.



A handwritten signature in blue ink that reads "Alfredo Pires".

Alfredo Pires

Secretary of State for Natural Resources

Definitions

Term	Definition
Additional Profit Tax	Additional Income Tax payable by a Contractor that has a positive amount of accumulated net receipts derived from the Bayu Undan project for a tax year as defined in the <i>Taxation of Bayu Undan Contractors Act (Timor-Leste, 2003)</i>
Aggregating Body	The independent third party who is responsible for aggregating and analysing the Reporting Templates submitted by the Companies and Government.
Autoridade Nacional do Petróleo (ANP) (National Petroleum Authority)	Entity responsible for managing and regulating petroleum activities in the Timor-Leste's exclusive jurisdictional areas and in the JPDA in accordance with the Decree Law on the establishment of the ANP, the Timor-Leste Petroleum Activities Law, and the Timor Sea Treaty. For the purpose of the returns, all payments made by Extractive Industries to the ANP are regarded as payments made to the Government of Timor-Leste.
Application Fee	The fee to be lodged with applications for PSC.
Article 6.1 (a)	As defined under the Petroleum Fund Law.
Article 6.1 (b)	As defined under the Petroleum Fund Law.
Article 6.1 (d)	As defined under the Petroleum Fund Law.
Article 6.1 (e)	As defined under the Petroleum Fund Law.
Benefit Stream	A potential source of economic benefit the Government receives from the extractive industry, as further clarified in Section 8.
Branch Profit Tax	As defined under the relevant Timor-Leste or JPDA taxation legislation.
Company	Any entity issued with a licence to engage in an Extractive Industry by the Government.

Term	Definition
Confidentiality	All information provided on the reporting templates shall be treated on a confidential basis and is only for the use of the Aggregating Body and Government solely for the purposes of EITI Reporting requirements. Other than information disclosed in the EITI Report, no information shall be disclosed to any third party without the disclosing party's written consent, unless disclosure is required by law.
Contractual System	Under a Contractual System an agreement between a contractor and the Government exists whereby the contractor bears all exploration costs and risks and development and production costs in return for a stipulated share of the production resulting from this effort. Generally, the government retains ownership of any hydrocarbons or minerals reserves.
Country	The territorial boundary over which the Government has control or joint control.
Development Fee	Will apply at the time a commercial discovery is declared by the contractor. Fees base on the size of the discovery oil and gas reserve.
Equity Share	The percentage of economic interest in/benefit derived from a concession, licence, operation or Company.
Extractive Industries	Extractive Industries are those industries involved in finding and removing non-renewable natural resources located in or near the earth's crust. Wasting natural resources are those resources that cannot be replaced in their original state by human beings.
First Tranche Payment (FTP)	A production payment made pursuant to a Production Sharing Contract made between the Timor-Leste Government and a Company relating to sales of condensate, LPG or Natural Gas.
Government	The governing regimes and institutions of the Government of the Democratic Republic of Timor-

Term	Definition
	Leste whose territorial boundaries companies within the Extractive Industries operate. The Government includes local, regional, state and federal representatives of these regimes and institutions and entities that are controlled by these regimes and institutions but excludes National State-Owned Companies.
Government Production Entitlement	The produced hydrocarbons or minerals that the Government is entitled to from a mineral reserve/deposit under a Contractual system. Under a Concessionary System the government will not have production entitlement.
Income Tax	Income Tax applicable in Timor-Leste under UNTAET Regulation No. 1999/1.
International Company	<p>For the purposes of these guidelines, an International Company includes:</p> <ul style="list-style-type: none"> • Public and private companies that are in the Extractive Industries Upstream Activities • State-Owned Companies that operate outside the territorial boundaries of the Government that controls them.
Joint Venture Company	A company involved in a joint venture. A joint venture involves a contractual agreement joining together two or more parties for the purpose of executing a particular business undertaking. All parties agree to share in the profits and losses of the enterprise.
Licence	An arrangement between an Extractive Industry company and the Government regarding specific geographical or geological areas and mineral operations relating thereto. For the purposes of the Reporting Guidelines the term Licence is also used to define a permit, an acreage position, a contract area, a lease or a block.
Licence Fee	A fee levied in connection with a licence.

Term	Definition
National Directorate of Petroleum Revenues (NDPR) (Formerly Petroleum Tax Division)	The National Directorate of Petroleum Revenues (NDPR) is responsible for administering all Petroleum Taxes payable in the area covered by the Joint Petroleum Development Area (JPDA) in the Timor Sea and Timor-Leste onshore or offshore petroleum related activities. The NDPR was previously referred as the Petroleum Tax Division (PTD). The Appendices and Guidelines refer to the PTD.
National State-Owned Company	Company controlled by the Government that conducts Extractive Industries' Upstream Activities in Timor-Leste. When determining if the company is controlled the following criterion is used: the ability of the Government to govern the financial and operating policies of the Company so as to obtain benefits from its activities.
Production Sharing Contract (PSC)	A contract between the parties to an oil well and Timor-Leste regarding the percentage of production each party will receive after the participating parties have recovered a specified amount of costs and expenses.
Profit Oil & Gas Payment	A production payment made pursuant to a Production Sharing Contract made between the Timor-Leste Government and a Company relating to profit on sales of condensate, LPG and natural gas.
Reporting Dispensation	On a discretionary basis the Aggregating Body may grant a dispensation to an International Company from submitting a Reporting Template for Timor-Leste where their operations are not significant. The EITI Working Group is responsible for determining the dispensation criteria.
Reporting Entity	Companies and Government in receipt of a Benefit Stream.
Reporting Guidelines	This document, which provides guidance to completing the Reporting Templates indicated in Appendices of this document.

Term	Definition
Reporting Period	The reporting period for the Reporting Template is the period that aligns to the fiscal year of the Government, 31 December.
Reporting Templates	The templates that International, National and Nation State-Owned Companies and Governments submit to the Aggregating Body as part of their responsibility under the Reporting Guidelines.
Surface Fee	For the JPDA the contract service fee. For Timor-Leste Exclusive Area, the rental cost for the Contract area.
Upstream Activity	Upstream Activity includes all activities related to exploration, development and production from mineral assets up to the point where the minerals are extracted are in a marketable state without further processing.
VAT	Means the Law on Value Added Tax on Goods and Services and Sales Tax on Luxury Goods applicable in Timor-Leste under UNTAET Regulation No. 1999/1.
Wages Tax	Means wages less exempt wages and any allowances set out in Part A of Section 5 of Schedule 1 in the UNTAET Regulation No. 2000/18.
Withholding Tax	As defined under the relevant Timor-Leste or JPDA taxation legislation.

1 THE EITI WORKING GROUP REPORT

1.1 The Extractive Industries Transparency Initiative

The Extractive Industries Transparency Initiative (EITI) is the global standard for promoting greater transparency and accountability in countries rich in oil, gas, or mineral resources. The initiative is supported by an international coalition of developing countries, donors, extractive industry companies, civil society organizations, investors, and international organizations. The Principles and Criteria of EITI are attached at Appendix A.

The Government of Timor-Leste was one of the first countries to state its commitment to the Principles and Criteria of the Extractive Industries Transparency Initiative (EITI) on the occasion of the first international conference on EITI in London in June 2003.

1.2 Timor-Leste EITI Working Group

The EITI Working Group (“Working Group”) comprises the following members:

- Secretary of State, Natural Resources/Public Servant EITI Focal Point (Chairperson)
- Two representatives of the Ministry of Finance
- One representative of the Banking and Payments Authority (BPA)
- Two representatives of the State Secretariat of Natural Resources
- Three representatives of civil society
- Three representatives of petroleum companies

As part of the international rules and framework that defines the EITI transparency label, each candidate country has to fulfil various criteria including the publication of an EITI report, in order to reach a compliant status.

1.3 The Timor-Leste EITI Reporting Guidelines

The Timor-Leste EITI Guidelines (the “Guidelines”) provide guidance for reporting to the EITI Aggregating Body.

The Guidelines are designed to provide assistance to Government departments and companies submitting Reporting Templates to the EITI Aggregating Body.

The overall process for reporting benefit Streams to the Aggregating Body is as follows:

- Stage A: Government will report in line with the Government Reporting Templates (see Appendix B, C and D);
- Stage B: Companies will report in line with the standard Company Reporting Templates (see Appendix A); and
- Stage C: The Aggregating Body will aggregate and analyse the data disclosed and investigate discrepancies that arise

Process for completing the template

To complete the reporting process there are 5 key steps which the Government and companies must perform as detailed below. These include references to the relevant sections with the Reporting Guidelines.

STEP 1: Identify the scope

The Reporting Entity must define the activities that will be covered by the Reporting Template, refer to Section 3: Scope of Reporting.



STEP 2: Understand the reporting principles to be applied

Next, the Reporting Entity must understand the reporting principles that are to be complied with when completing the Reporting Template, refer to Section 4: Reporting Principles.



STEP 3: Identify the Benefit Streams

The third step in the process is for the Reporting Entity to identify the Benefit Streams and the associated Equity Share it must include in the Reporting Template, refer to Section 5: Benefit Streams.



STEP 4: Understand the accounting principles

The Reporting Entity must understand the accounting principles that are to be applied when including their Equity Share of each of the Benefit Streams on the Reporting Template, refer to Section 6: Accounting Principles.



STEP 5: Collate, consolidate & submit the Reporting Template

The final step is for the Reporting Entity to collate and consolidate the Information required in line with the accounting principles, refer to Section 4: Reporting Principles, Section 6: Accounting Principles and Appendix E.

1.4 Scope of Reporting

The following boundaries have been set for Extractive Industries, Upstream Activities and the Government for the purpose of determining the scope of reporting under these Reporting Guidelines.

a) Activity: Extractive Industries

See Definition of Terms for a description of an Extractive Industry. For the purposes of the Reporting Guidelines, non-renewable natural resources are limited to:

- Metal Ores (such as copper, gold, iron, nickel, lead, zinc, silver, tin and platinum);
- Gemstones;
- Crude Oil (including natural gas liquids and oil sands);
- Natural Gas; and
- Coal and industrial minerals.

b) Activity: Upstream Activities

See Definition of Terms for a description of an Upstream Activity. Upstream Activities can be divided into the following phases:

Prospecting

- Acquisition of mineral rights;
- Exploration;
- Appraisal or evaluation;
- Development;
- Construction (not to be considered a separate phase in the oil and gas industry);
- Production; and
- Closure or abandonment.

1.5 Accounting Rules

There are a number of key accounting principles which must be considered:

Cash Basis

The reporting of Benefit Streams must be done on a cash basis (as oppose to an accruals basis). The date of payment is taken as the date that the payer's bank account is debited. The cash basis is considered most appropriate as the

Government is not in a position to estimate accruals for receipts expected to be received from companies. In addition, the Government is required to ensure that all data disclosed by companies are prepared according to the International Financial Reporting Standards (IFRS).

Reporting Currency

The reporting currency for Benefit Streams is United States Dollars (USD).

For transactions conducted in foreign currencies (those other than USD), you should use the daily average exchange rate to translate to USD published by BNU on the reporting day.

1.6 Examples of Benefit Streams

Benefit Stream	Further Explanation
Governments production entitlement	Government's share of total production which can be transferred directly to the Government or to a National State-Owned Company in cash or in kind.
National State-Owned Company production entitlement	National State-Owned Company's share of total production from the company's equity interest in cash or in kind.
Profit taxes	Taxes levied on the profits of a company's Upstream Activities.
First Tranche Petroleum (FTP)	A production payment made pursuant to a Production Sharing Contract made between the Timor-Leste Government and a Company relating to sales of condensate, LPG or Natural Gas.
Profit Oil & Gas Payment	A production payment made pursuant to a Production Sharing Contract made between the Timor-Leste Government and a Company relating to profit on sales of condensate, LPG and natural gas.
Dividends	Paid to the Government from National State-Owned Companies in respect of shares and any profit distributions in any form of capital other than debt or loan capital repayments.
Bonuses	Payments including: <ul style="list-style-type: none"> Awards, grants & transfers of extraction

	rights; <ul style="list-style-type: none"> • Achievement of certain production levels/targets; and • Discover of additional mineral reserves/deposits.
Licence fees, rental fees, entry fees and other considerations for licences	Payments including: <ul style="list-style-type: none"> • Receiving and/or commencing exploration and/or for the retention of a licence or concession; • Performing exploration work and/or collecting data; or • Leasing or renting the concession or licence area.
Other	Taxes / levies / fees on consumption such as value added tax, personal income tax or sales tax.

The following categories of payments made to Government and Government controlled entities that are regarded as normal routine business payments shall not be considered benefit streams and therefore do not require reporting:

- *Vehicle licenses*
- *Visas*
- *Work and residence permits*
- *Electricity*
- *Water*
- *Sewerage*
- *Berthing fees*
- *Business activity licenses*
- *Business/corporate registration*
- *Customs duties*
- *Property leases*

1.7 The Aggregating Body for the year ended 31 December 2009

The Aggregating Body prepares the EITI Reconciliation Statements. The Independent Auditor of the Petroleum Fund was chosen as the Aggregating Body in order to avoid duplication of work, as Independent Auditor collates similar information from the Companies as required by the Petroleum Fund Law.

1.8 Validation of the Timor-Leste EITI

In March 2010, Coffey International Development as Validator of the EITI process in Timor-Leste, confirmed that Timor-Leste had complied with all the Indicators in the Validation Guide and that the EITI process was consistent with EITI's Principles and Criteria. The Overall Assessment is included at Appendix B.

- Timor-Leste was accepted as an EITI Compliant country on 1 July 2010 by the EITI Board. In accordance with the EITI Rules;
- Timor-Leste must be revalidated within 5 years (i.e., by 1 July 2015);
- Stakeholders in the process may call for a new validation at any time within that period if they think the process needs reviewing; and
- Where valid concerns exist that a country has become EITI Compliant, but its implementation of the EITI has subsequently fallen below the standard required for Compliance, then the Board reserves the right to require the country to undergo a new validation or face delisting from the EITI.

1.9 The Petroleum Industry in Timor-Leste

During the year ended 31 December 2010 the only operating field was Bayu Undan. Bayu Undan is operated by ConocoPhillips and the joint venture companies. In April 2010, Eni was granted approval to begin full operations at the Kitan field, with receipts expected to flow to the Government beginning 2011. There are a number of other companies servicing ConocoPhillips and the joint venture companies.

Currently, there is no other material extractive industries other than the petroleum industry therefore the EITI report only includes receipts from the petroleum industry.

1.10 The Legal and Fiscal Regime for Petroleum in Timor-Leste

Timor-Leste petroleum sector operates in two different jurisdictions with relevant legal and fiscal (or taxation) regimes:

- Joint Petroleum Development Area (“JPDA”), which is jointly managed by Australia and Timor-Leste, and
- Timor-Leste Exclusive Area (“TLEA”) and onshore prospects. Both Bayu Undan and Kitan are within the JPDA.

ANP manages Petroleum Sharing Contracts

The Autoridade Nacional do Petroleo (“ANP”) is the official institution to administer the petroleum activities in both the JPDA and TLEA. The ANP enters into Petroleum Sharing Contracts (“PSC”) with contracting companies developing the oil wells. The PSCs stipulate what Royalties and Profit Oil & Gas the ANP will receive on behalf of the Governments of Timor-Leste and Australia.

First Tranche Petroleum (FTP) is calculated as a percentage of petroleum sales as stipulated by the PSC. Profit Oil & Gas receipts are shared between the joint venture companies and the ANP. Profit Oil and Gas takes is calculated to take into account the joint venture company expenditures related to operating the oil well. Royalties are paid by the Operator of the oil well. Profit Oil & Gas are paid by each joint venture company.

The ANP transfers the FTP and Profit Oil and Gas to the Governments of Timor-Leste and Australia in accordance with Timor Sea Treaty. Under the Timor Sea Treaty 90% of Royalties and Profit Oil are allocated to Timor-Leste with the remaining 10% to the Government of Australia.

In accordance with the Petroleum Fund Law the ANP transfers these receipts to the Petroleum Fund which is managed by the Banking and Payments Authority (BPA).

National Directorate of Petroleum Revenues levies Taxation

The Government of Timor-Leste levies petroleum taxes on the oil companies according to applicable Taxation Law. The Extractive Industry Companies and Service Contractors pay Income tax, additional profit tax, value added tax (VAT), wages tax and withholding tax. The National Directorate of Petroleum Revenues (formerly the Petroleum Tax Directorate (PTD)) in the Ministry of Finance administers petroleum taxes.

Fees

Development fee and contract service fee are fees applicable within the JPDA. License fee/surface fee are applicable within the TLEA.

1.11 Petroleum Revenue

The total petroleum revenues paid by the Companies and received by the Government for 2009 are presented in Table 1.

<i>Table 1. Total petroleum revenues 2009</i>			<i>US Dollars</i>
Revenue items	Paid by companies	Received by Government	Differences
Petroleum Taxes	650,220,161	650,220,161	-
FTP / Royalties / Profit Oil & Gas	1,109,024,844	1,109,024,844	-
Fees	4,644,990	4,644,990	-
	1,763,889,995	1,763,889,995	-
Petroleum taxes as % of total revenue	37%	37%	
FTP as % of total revenue	63%	63%	
Fees as % of total revenue	0.26%	0.26%	

The petroleum taxes and royalties/profit oil & gas were approximately 37% and 63% of the total petroleum revenues in 2009 respectively. Fees paid to the ANP in 2009 were US\$ 4,644,990 which is 0.3% of the total petroleum revenues during the reporting period.

Petroleum Taxes by Company

Table 2 lists all Extractive Industry Petroleum Revenues received by the Government in 2009 by Company:

Table 2 Petroleum tax revenues 2009			US Dollar
Name of Company	Paid by companies	Received by Government	Differences
ConocoPhillips (Emet) Pty Ltd (Revised)	5,639,213	5,639,213	-
ConocoPhillips JPDA Pty Ltd	85,230,527	85,230,527	-
ConocoPhillips (03-13) Pty Ltd	28,957,881	28,957,881	-
ConocoPhillips (03-12) Pty Ltd	185,400,285	185,400,285	-
ConocoPhillips (Timor Sea) Pty Ltd	47,971,847	47,971,847	-
Conoco Phillips (03-19) Pty Ltd (Revised)	4,480	4,480	-
PC (Timor Sea 06-102) Ltd (Revised)	3,595,515	3,595,515	-
Santos JPDA (91-12) Pty Ltd	72,185,360	72,185,360	-
ENI JPDA 03-13 Limited	74,673,381	74,673,381	-
ENI Timor - Leste S.P.A (PSC 1-5)	113,848	113,848	-
ENI JPDA 06-105 PTY LTD (Revised)	1,884,719	1,884,719	-
MINZA OIL & GAS LIMITED	95,684	95,684	-
Oilex (JPDA 06-103) Ltd (Revised)	10,563	10,563	-
Tokyo Timor Sea Resource Pty Ltd	64,650,319	64,650,319	-
Inpex Sahul Co. Ltd (Revised)	77,143,602	77,143,602	-
Woodside Petroleum (Timor Sea 19) Pty Ltd	1,324,023	1,324,023	-
Woodside Petroleum (Timor Sea 20) Pty Ltd	6,245	6,245	-
Reliance Exploration & Production DMCC	1,332,669	1,332,669	-
			-
Total	650,220,161	650,220,161	-
ConocoPhillips as % of total tax revenue	54%		

17 Extractive industry companies paid petroleum taxes to the Government of Timor-Leste in 2009. ConocoPhillips paid 60% of the total petroleum taxes received by the Government. The joint venture companies Eni, Inpex, Santos and Tokyo Timor Sea paid significant petroleum taxes during this period.

First Tranche Payment and Profit Oil & Gas by Company

The First Tranche Petroleum (FTP) and Profit Oil & Gas paid by the Companies and received by the Government are included in Table 3.

<i>Table 3 FTP/Profit Oil and Gas 2009</i>			<i>US Dollar</i>
Name of Company	Paid by companies	Received by Government	Differences
ConocoPhillips (Emet) Pty Ltd	8,852,230	8,852,230	-
ConocoPhillips JPDA Pty Ltd	151,021,834	151,021,834	-
ConocoPhillips (03-13) Pty Ltd	52,862,834	52,862,834	-
ConocoPhillips (03-12) Pty Ltd	396,072,797	396,072,797	-
ConocoPhillips (Timor Sea) Pty Ltd	75,055,944	75,055,944	-
ENI JPDA 03-13 Limited	108,227,122	108,227,122	-
Santos JPDA (91-12) Pty Ltd	107,794,679	107,794,679	-
Tokyo Timor Sea Resource Pty Ltd	90,613,101	90,613,101	-
Inpex Sahul Co. Ltd	118,524,303	118,524,303	-
Total	1,109,024,844	1,109,024,844	-

ConocoPhillips as operator of the Bayu Undan field pays the profit oil on behalf of the joint venture companies, while each company pays its share of Profit Oil & Gas. ConocoPhillips paid 54% of the total FTP and profit oil & gas received by the National Petroleum Authority in 2009.

Fees by Company

A complete list of fees paid by the companies and received by the Government in 2009 is included in Table 4.

<i>Table 4 Fees 2009</i>			<i>US Dollars</i>
Name of company	Paid by companies	Paid by Government	Difference
<u>JPDA</u>			
ConocoPhillips JPDA Pty Ltd TRS			
- Contract service fee	160,000	160,000	-
			-
ConocoPhillips (03-12) Pty Ltd			-
- Development fee	2,814,000	2,814,000	-
- Contract service fee	160,000	160,000	-
			-
ENI JPDA (06-105) (Revised)			-
- Development fee	250,000	250,000	-
- Contract service fee	160,000	160,000	-
			-
PC (Timor Sea 06-102) Ltd (Revised)			-
- Contract service fee	80,000	80,000	-
			-
Woodside Petroleum (Timor Sea 19) Pty Ltd			-
- Contract service fee	160,000	160,000	-
			-
Woodside Petroleum (Timor Sea 20) Pty Ltd			-
- Contract service fee	160,000	160,000	-
			-
MINZA OIL & GAS LIMITED			-
- Contract service fee	80,000	80,000	-
			-
<u>Timor-Leste Exclusive Area:</u>			
ENI TL SPA			-
- License fee/Surface fee	543,510	543,510	-
			-
Reliance Exploration & Production DMCC (Revised)			-
- License fee/Surface fee	77,480	77,480	-
Total	4,644,990	4,644,990	-

95% of the fees received by the National Petroleum Authority are from the JPDA while 5% of the revenues are from the Timor-Leste Exclusive Area. Contract service and development fees are retained by the ANP. License fees for the Timor Leste Exclusive Area are transferred to the Petroleum Fund.

Discrepancies

There were no discrepancies between the final figures reported by the Companies and Government for 2009.

There were differences identified on the original returns as reported in Appendix E. These differences occurred for a number of reasons including:

- Receipts amount incorrectly recorded by Companies, NDPR and ANP
- Receipts incorrectly classified by Companies, NDPR and ANP
- Receipts recorded in the incorrect period by a Company
- Receipts recorded on an accruals basis rather than a cash basis by a Company

Once a discrepancy is identified by the Aggregating Body, the Aggregating Body requests both the Company and either the NDPR or ANP, depending on what benefit stream the discrepancy arose to investigate. The Aggregating Body confirms that both the Company and either the NDPR or the ANP agree on the final amount.

1.12 Reconciliation of Petroleum Fund Receipts to EITI Report

For the year ended 31 December 2009, the EITI report is prepared on a basis that differs to the Petroleum Fund financial statements, hence a reconciliation has been prepared as follows:

Table 5

Reconciliation of receipts - Petroleum Fund and EITI			
Petroleum Receipts as reported in cashflow of Petroleum Fund Financial Statements			
Petroleum receipts		1,660,299,285	
Less: Taxation refunds		(110,970)	
Add: Interest received		167,294,658	1,827,482,973
Add: Receipts included in scope of EITI not paid to Petroleum Fund			
Development and contract service fees paid to the ANP		4,024,000	
Article 6.1 (b) Receipts			
Timing differences		5,070,713	
Amount paid to the Australian Government:			
- Total ANP receipts	1,113,669,834		
- Less: Development and contract service fees	4,024,000		
Net fees	1,109,645,834		
10% of Net fees paid to Australian Government		110,964,583	120,059,296
Deduct: Receipts excluded from scope of EITI received by Petroleum Fund			
Article 6.1 (a) Receipts			
Subcontractors taxes		(11,052,125)	
Article 6.1 (c) Receipts			
Interest		(167,294,658)	
Article 6.1 (e) Receipts			
Pipeline		(5,240,800)	
Interest receipts (net of bank charges) by the ANP		(64,691)	(183,652,274)
Petroleum receipts reported by in EITI			1,763,889,995

The Petroleum Fund financial statements are audited in accordance with International Standards on Auditing. The Government as represented by the Minister of Finance is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards.

2 Recent History of EITI in Timor-Leste

Year	Detail
2002	EITI global launch
2003	Government of Timor-Leste announces Commitment to EITI
2004	Production begins at Bayu Undan oil well
2005	Petroleum Fund of Timor-Leste created
2006	Government invites formation of EITI Working Group
2007	First meeting of EITI Working Group
2008	ANP created
2008	EITI Secretariate created
2009	EITI Guidelines finalised by EITI Working Group
2009	First EITI report prepared for year ending 31 December 2008
2010	EITI Board approves Timor-Leste as compliant

APPENDIX A – The Extractive Industry Transparency Initiative

What is the EITI?

<http://www.eiti.org/eiti>

The EITI sets a global standard for transparency in oil, gas and mining. It is...

An effort to make natural resources benefit all

3.5 billion people live in countries rich in oil, gas and minerals. With good governance the exploitation of these resources can generate large revenues to foster growth and reduce poverty. However, when governance is weak, it may result in poverty, corruption, and conflict. The Extractive Industries Transparency Initiative (EITI) aims to strengthen governance by improving transparency and accountability in the extractives sector.

The EITI supports improved governance in resource-rich countries through the verification and full publication of company payments and government revenues from oil, gas and mining.

A coalition of governments, companies and civil society

The EITI is a coalition of governments, companies, civil society groups, investors and international organisations. This is reflected not only in the EITI processes in the countries implementing the EITI, but also on the international level: the EITI Board consists of members from governments, companies and civil society, and is appointed at the bi-annual EITI Global Conference. EITI's current governance structure was formalised at the latest EITI Global Conference in Doha, February 2009

A standard for companies to publish what they pay and for governments to disclose what they receive

The EITI has a robust yet flexible methodology that ensures a global standard is maintained throughout the different implementing countries. The EITI Board and the international Secretariat are the guardians of that methodology. Implementation itself, however, is the responsibility of individual countries. The EITI, in a nutshell, is a globally developed standard that promotes revenue transparency at the local level. The EITI Rules establishes the methodology countries need to follow to become fully compliant with the EITI.

The EITI Principles and Criteria

The EITI Principles and Criteria

www.eiti.org/eiti/principles

What is now known as the EITI process evolved from the first statement of the EITI Principles at the EITI Conference in 2003. The Validation methodology was finalised by the EITI Board in 2007. Still, the EITI Principles and EITI Criteria are the most concise statement of the beliefs and aims of the Initiative. These beliefs and aims are endorsed by EITI stakeholders, supporters and implementers alike.

The EITI Principles

The EITI Principles, agreed at the Lancaster House Conference in June 2003, provide the cornerstone of the initiative. They are:

1. We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.
2. We affirm that management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interests of their national development.
3. We recognise that the benefits of resource extraction occur as revenue streams over many years and can be highly price dependent.
4. We recognise that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.
5. We underline the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability.

6. We recognise that achievement of greater transparency must be set in the context of respect for contracts and laws.
7. We recognise the enhanced environment for domestic and foreign direct investment that financial transparency may bring.
8. We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.
9. We are committed to encouraging high standards of transparency and accountability in public life, government operations and in business.
10. We believe that a broadly consistent and workable approach to the disclosure of payments and revenues is required, which is simple to undertake and to use.
11. We believe that payments' disclosure in a given country should involve all extractive industry companies operating in that country.
12. In seeking solutions, we believe that all stakeholders have important and relevant contributions to make – including governments and their agencies, extractive industry companies, service companies, multilateral organisations, financial organisations, investors, and non-governmental organisations.

The EITI Criteria

Implementation of EITI must be consistent with the criteria below:

1. Regular publication of all material oil, gas and mining payments by companies to governments (“payments”) and all material revenues received by governments from oil, gas and mining companies (“revenues”) to a wide audience in a publicly accessible, comprehensive and comprehensible manner.
2. Where such audits do not already exist, payments and revenues are the subject of a credible, independent audit, applying international auditing standards.
3. Payments and revenues are reconciled by a credible, independent administrator, applying international auditing standards and with publication of the administrator’s opinion regarding that reconciliation including discrepancies, should any be identified.
4. This approach is extended to all companies including state-owned enterprises.
5. Civil society is actively engaged as a participant in the design, monitoring and evaluation of this process and contributes towards public debate.
6. A public, financially sustainable work plan for all the above is developed by the host government, with assistance from the international financial institutions where required, including measurable targets, a timetable for implementation, and an assessment of potential capacity constraints.

EITI Validation

EITI Validation

<http://eiti.org/eiti/validation>

What is EITI Validation?

Validation is EITI's quality assurance mechanism and an essential feature of the EITI process. It serves two critical functions. First, it promotes dialogue and learning at the country level. Second, it safeguards the EITI brand by holding all EITI implementing countries to the same global standard.

Validation is not an audit. It does not repeat the disclosure and reconciliation work that is carried out to produce EITI reports. Validation has broader objectives: it evaluates EITI implementation in consultation with stakeholders, it verifies achievements with reference to the EITI global standard, and it identifies opportunities to strengthen the EITI process going forward.

Validation is also the mechanism that the EITI Board uses to determine a country's candidate or compliant status. There are currently 28 Candidate countries. These countries have met the four "sign-up" indicators and are at different stages in EITI implementation. The EITI requires that these Candidates complete Validation within two years to assess whether they have achieved EITI Compliance.

Through Validation, countries that demonstrate their compliance with EITI (or demonstrate substantive progress toward achieving this goal) receive international recognition for their efforts and achievements. If Validation is not completed, or if the validation shows that there has been no meaningful progress toward achieving EITI Compliance, the EITI Board will revoke that country's Candidate status. For more information on the rules relating to the 2-year deadline.

The EITI Secretariat is currently working with all the Candidate countries to provide support and build awareness about the importance of Validation.

How Does Validation Work?

The Validation Process is carried out at the national level and is overseen by the national multi-stakeholder group. The Validation methodology is set out in the EITI Rules.

The first step is the appointment of the Validator by the multi-stakeholder group. The EITI Board has approved a list of accredited EITI Validators, and has issued guidance to implementing countries on how to procure a Validator.

The selected Validator will then use three key documents to underpin their work. These are:

- The Country Work Plan
- The Validation Grid and Indicator Assessment Tools, and
- The Company Forms

Using these documents, the Validator meets with the multi-stakeholder group, the organisation contracted to reconcile the figures disclosed by companies and the government and other key stakeholders (including companies and civil society not on the multi-stakeholder group).

Using this information, the Validator completes a report, comprising:

- A short narrative report on progress against the Country Work Plan
- A short narrative report on progress against the indicators in the Validation Grid
- The completed Validation Grid
- A narrative report on company implementation
- Collated Company Forms
- An overall assessment of the implementation of EITI: is a country a candidate, compliant or is there no meaningful progress

This report goes initially to the multi-stakeholder group, the government and the EITI Board. If these groups are content with the Validation Report, it is published and conclusions and suggestions acted upon. If there is disagreement regarding the validation process, then this is dealt with in the first instance locally, with the EITI Board only called in to help in cases of serious dispute.

For more information on the EITI and the EITI Timor-Leste:

<http://www.eiti.org/eiti>

<http://www.eiti.org/TimorLeste>

<http://www.eiti.org/news-events/Timor-Leste-designated-eiti-compliant-eiti-board>

APPENDIX B – Validation of the Timor- Leste Extractive Industry Transparency Initiative (EITI)

Extract of the Validation Report –
Overall Assessment



3 OVERALL ASSESSMENT

Validation of the Timor-Leste Extractive
Industries Transparency Initiative (EITI)

OVERALL ASSESSMENT

Timor-Leste decided to pursue extractive industry transparency shortly after it achieved full independence, and developed an advanced system for monitoring and receiving petroleum revenues. It transfers all such revenues (except for comparatively minor management and marketing fees) directly to the Petroleum Fund. Timor-Leste has also established a Sustainable Income Benchmark for withdrawals from the Petroleum Fund, in order to maintain the fund for future generations. The benchmark has for the most part been adhered to. Both the Petroleum Fund and the ANP have been audited by international CPAs from the beginning. In short, transparency in the oil and gas sector is well in place in Timor-Leste.

The EITI process in Timor-Leste has now also proven that company and government numbers can be aligned. This was a new exercise which demonstrates a new form of accountability in the management of oil and gas revenues, which we consider important in its own right, as it provides further credibility to an already-strong system.

We believe that the EITI-process has further strengthened and contributed to a wide and long lasting support for transparency in the petroleum sector in Timor-Leste.

As the Validator of the EITI process in Timor-Leste, we are pleased to confirm our judgment that Timor-Leste has complied with all the indicators contained in the Validation Guide and that additionally, the process is consistent with the EITI's Principles and Criteria.

AGGREGATING BODY'S REPORT – Compilation Report and Reconciliation Statements

31 December 2009

Contents

Aggregating Body's Compilation Report
Reconciliation Statements

Aggregating Body's Compilation Report

**Compilation Report to The Ministry of Finance
Government of the Democratic Republic of Timor-Leste
in respect of the Extractive Industries Transparency Initiative for
the year ended 31 December 2009**

On the basis of information provided to us by the Government or Extractive Companies (“the reporting parties”), we have compiled, in accordance with the International Standard on Related Services applicable to compilation engagements, the attached Appendices A to E which reconcile the payments and revenues reported to us by the reporting parties for the year ended 31 December 2009.

Information was provided to us initially in the form of the templates completed by the reporting parties, prepared in the format as set out in the Government of The Democratic Republic of Timor-Leste Extractive Industries Transparency Initiative Guidelines for Reporting to the EITI Aggregating Body Published in March 2009 (“Guidelines”). Additional information was provided, by the relevant reporting party, where reconciling items were identified. The reporting parties are responsible for the information contained in the attached Appendices A to E. As this is a Compilation Report we do not express a review statement or an audit opinion thereon.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU
Chartered Accountant
Darwin
9 December 2010

Reconciliation Appendices

Appendices A-E

Timor Leste Extractive Industries Transparency Initiative
Summary Reconciliation of
Amounts reported as paid by the Extractive Companies (Guidelines Template 1)
to
Amounts reported as received by The Government of Timor Leste (per Guideline Templates)
For the year ended 31 December 2009

Total for all Companies	Appendix	Amounts reported a paid by Companies- template 1			Amounts reported as received by the Government of Timor-Leste (per guidelines Templates)			Difference	
		Cash US\$	Kind		Cash US\$	Kind		Cash US\$	Kind
			Value US\$	Description		Value US\$	Description		Value US\$
Petroleum Tax	B	650,220,161	-		650,220,161	-		-	-
FTP/ Royalties / Profit Oil & Gas	C	1,109,024,844	-		1,109,024,844	-		-	-
JPDA Fee:									
- Application fee	D	-	-		-	-		-	-
- Seismic data fee	D	-	-		-	-		-	-
- Development fee	D	3,064,000	-		3,064,000	-		-	-
- Contract Service fee	D	960,000	-		960,000	-		-	-
Timor-Leste Exclusive Area:									
- Application fee	D	-	-		-	-		-	-
- Seismic data fee	D	-	-		-	-		-	-
- Licence fee/Surface fee	D	620,990	-		620,990	-		-	-
		1,763,889,995	-		1,763,889,995	-		-	-

Timor Leste Extractive Industries Transparency Initiative
Reconciliation of
The petroleum taxes reported as paid by the Extractive Companies (Guidelines Template 1 Section 2 a)
to
The petroleum taxes reported as received by the Petroleum Tax Directorate (Guidelines Template 2)
For the year ended 31 December 2009

Name of Company	Petroleum Taxes reported as paid by Companies- Template 1 (Section 2a)			Petroleum Taxes reported as received by the Petroleum Tax Directorate- Template 2			Diference	
	Cash US\$	Kind		Cash US\$	Kind		Cash US\$	Kind
		Value US\$	Description		Value US\$	Description		Value US\$
ConocoPhilips (Emet) Pty Ltd (Revised)	5,639,213	-		5,639,213	-		-	-
ConocoPhilips JPDA Pty Ltd	85,230,527	-		85,230,527	-		-	-
ConocoPhilips (03-13) Pty Ltd	28,957,881	-		28,957,881	-		-	-
ConocoPhilips (03-12) Pty Ltd	185,400,285	-		185,400,285	-		-	-
ConocoPhilips (Timor Sea) Pty Ltd	47,971,847	-		47,971,847	-		-	-
ConocoPhilips (03-19) Pty Ltd (Revised)	4,480	-		4,480	-		-	-
ConocoPhilips (03-20) Pty Ltd	-	-		-	-		-	-
PC (Timor Sea 06-102) Ltd (Revised)	3,595,515	-		3,595,515	-		-	-
Santos JPDA (91-12) Pty Ltd	72,185,360	-		72,185,360	-		-	-
Eni JPDA 03-13 Limited	74,673,381	-		74,673,381	-		-	-
Eni Timor-Leste S.P.A (PSC 1-5)	113,848	-		113,848	-		-	-
Eni JPDA 06-105 PTY LTD (Revised)	1,884,719	-		1,884,719	-		-	-
MINZA OIL & GAS LIMITED	95,684	-		95,684	-		-	-
Oilex (JPDA 06-103) Ltd (Revised)	10,563	-		10,563	-		-	-
Tokyo Timor Sea Resource Pty Ltd	64,650,319	-		64,650,319	-		-	-
Impex Sahul Co. Ltd (Revised)	77,143,602	-		77,143,602	-		-	-
Woodside Petroleum (Timor Sea 19) Pty Ltd (Revised)	1,324,023	-		1,324,023	-		-	-
Woodside Petroleum (Timor Sea 20) Pty Ltd (Revised)	6,245	-		6,245	-		-	-
Reliance Exploration & Production DMCC (Revised)	1,332,669	-		1,332,669	-		-	-
Total	650,220,161	-		650,220,161	-		-	-

Timor-Leste Extractive Industries Transparency Initiative
Reconciliation of
The First Tranche Petroleum / Royalties and Profit Oil & Gas reported as paid by the Extractive Companies
(Guidelines Template 1 Section 2 b i & ii)
to
The First Tranche Petroleum / Royalties and Profit Oil & Gas reported as received by the National
Petroleum Authority (Guidelines Template 3)
For the year ended 31 December 2009

Name of Company	The First Tranche Petroleum / Royalties and Profit Oil & Gas reported as paid by Companies – Template 1 (Section 2b i & ii)			The First Tranche Petroleum / Royalties and Profit Oil & Gas as received by the National Petroleum Authority – Template 3			Difference	
	Cash US\$	Kind		Cash US\$	Kind		Cash US\$	Kind
		Value US\$	Description		Value US\$	Description		Value US\$
ConocoPhillips (Emet) Pty Ltd	8,852,230	-		8,852,230	-		-	-
ConocoPhillips JPDA Pty Ltd	151,021,834	-		151,021,834	-		-	-
ConocoPhillips (03-13) Pty Ltd	52,862,834	-		52,862,834	-		-	-
ConocoPhillips (03-12) Pty Ltd	396,072,797	-		396,072,797	-		-	-
ConocoPhillips (Timor Sea) Pty Ltd	75,055,944	-		75,055,944	-		-	-
Conoco Phillips (03-19) Pty Ltd	-	-		-	-		-	-
Conoco Phillips (03-20) Pty Ltd	-	-		-	-		-	-
Eni JPDA 03-13 Limited	108,227,122	-		108,227,122	-		-	-
Eni JPDA 06-105 PTY LTD	-	-		-	-		-	-
Woodside Petroleum (Timor Sea 19) Pty Ltd	-	-		-	-		-	-
Woodside Petroleum (Timor Sea 20) Pty Ltd	-	-		-	-		-	-
PC (Timor Sea 06-102) Ltd	-	-		-	-		-	-
Santos JPDA (91-12) Pty Ltd	107,794,679	-		107,794,679	-		-	-
Eni Timor - Leste S.P.A (PSC 1-5)	-	-		-	-		-	-
MINZA OIL & GAS LIMITED	-	-		-	-		-	-
Oilex (JPDA 06-103) Ltd	-	-		-	-		-	-
Tokyo Timor Sea Resource Pty Ltd	90,613,101	-		90,613,101	-		-	-
Inpex Sahul Co. Ltd (Revised)	118,524,303	-		118,524,303	-		-	-
Reliance Exploration & Production DMCC	-	-		-	-		-	-
Total	1,109,024,844	-		1,109,024,844	-		-	-

Timor Leste Extractive Industries Transparency Initiative
Reconciliation of
Other payments reported as paid by the Extractive Companies (Guidelines Template 1 Section 2 b iii)
to
Other payments reported as received by the National Petroleum Authority (Guidelines Template 3)
For the year ended 31 December 2009

Total for all Companies	Other payments reported as paid by Companies-Template 1 (Section 2b iii)			Other payments reported as received by the National Petroleum Authority			Difference	
	Cash US\$	Kind		Cash US\$	Kind		Cash US\$	Kind
		Value US\$	Description		Value US\$	Description		Value US\$

ConocoPhillips JPDA Pty Ltd TRS

JPDA Fee:

- Application fee	-	-		-	-		-	-
- Seismic data fee	-	-		-	-		-	-
- Development fee	-	-		-	-		-	-
- Contract Service fee	160,000	-		160,000	-		-	-

Timor-Leste Exclusive Area :

- Application fee	-	-		-	-		-	-
- Seismic data fee	-	-		-	-		-	-
- License fee / Surface fee	-	-		-	-		-	-

ConocoPhillips (03-12) Pty Ltd

JPDA Fee

- Application fee	-	-		-	-		-	-
- Seismic data fee	-	-		-	-		-	-
- Development fee	2,814,000	-		2,814,000	-		-	-
- Contract Service fee	160,000	-		160,000	-		-	-

Timor-Leste Exclusive Area :

- Application fee	-	-		-	-		-	-
- Seismic data fee	-	-		-	-		-	-
- License fee / Surface fee	-	-		-	-		-	-

Eni JPDA (06-105)

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	250,000	-	250,000	-	-	-
- Contract Service fee	160,000	-	160,000	-	-	-

Timor-Leste Exclusive Area :

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	-	-	-	-	-	-

Eni TL SPA

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	-	-	-	-	-	-
- Contract Service fee	-	-	-	-	-	-

Timor-Leste Exclusive Area :

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	543,510	-	543,510	-	-	-

PC (Timor Sea 06-102) Ltd (Revised)

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	-	-	-	-	-	-
- Contract Service fee	80,000	-	80,000	-	-	-

Timor-Leste Exclusive Area :

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	-	-	-	-	-	-

Reliance Exploration & Production DMCC**(Revised)**

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	-	-	-	-	-	-
- Contract Service fee	-	-	-	-	-	-
Timor-Leste Exclusive Area :						
- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	77,480	-	77,480	-	-	-

Woodside Petroleum (Timor Sea 19) Pty Ltd

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	-	-	-	-	-	-
- Contract Service fee	160,000	-	160,000	-	-	-
Timor-Leste Exclusive Area :						
- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	-	-	-	-	-	-

Woodside Petroleum (Timor Sea 20) Pty Ltd

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	-	-	-	-	-	-
- Contract Service fee	160,000	-	160,000	-	-	-
Timor-Leste Exclusive Area:						
- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	-	-	-	-	-	-

MINZA OIL & GAS LIMITED

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	-	-	-	-	-	-
- Contract Service fee	80,000	-	80,000	-	-	-

Timor-Leste Exclusive Area :

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	-	-	-	-	-	-

TOTAL

JPDA Fee

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- Development fee	3,064.000	-	3,064.000	-	-	-
- Contract Service fee	960,000	-	960,000	-	-	-

Timor-Leste Exclusive Area :

- Application fee	-	-	-	-	-	-
- Seismic data fee	-	-	-	-	-	-
- License fee / Surface fee	620,990	-	620,990	-	-	-

Total	4,644.990	-	4,644.990	-	-	-
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Timor Leste Extractive Industries Transparency Initiative
Summary Reconciliation of
Original Reported Figures
to
Final Report Figures
For the year ended 31 December 2009

Summary Description of Payment	Per Companies			Per Government		
	Original US\$	Adjustments US\$	Final US\$	Original US\$	Adjustments US\$	Final US\$
1. Benefit Stream be reported by International Companies only	0	0	0	0	0	0
1 a) National State-Owned/ Joint Venture Company equity share of Host Government Production	0	0	0	0	0	0
1 b) Production received by National State-Owned/ Joint Venture Company	0	0	0	0	0	0
1 c) National State-Owned/ Joint Venture Company production entitlement	0	0	0	0	0	0
1 d) Production entitlement received on behalf of the Host Government	0	0	0	0	0	0
2. Payments to Host Government						
2 a) Petroleum Tax Department	649,422,368	797,794	650,220,161	650,223,322	-3,161	650,220,161
i) Income tax payments	280,337,646	1,000,000	281,337,646	280,022,974	1,314,672	281,337,646
ii) Additional profits tax payments/Supplemental Petroleum Tax payments	341,914,480	0	341,914,480	343,229,152	-1,314,672	341,914,480
iii) Branch profits tax payments	0	0	0	0	0	0
iv) VAT payments	15,315,110	-173,196	15,141,914	15,141,914	0	15,141,914
v) With Holding Tax payments	7,125,210	-24,130	7,101,079	7,118,970	-17,890	7,101,079
vi) Wages Tax	4,619,678	-4,881	4,614,798	4,600,069	14,729	4,614,798
vii) Penalty/ Interest	110,244	0	110,244	110,244	0	110,244
viii) Other Payments	0	0	0	0	0	0
2 b) National Petroleum Authority						
* For the purpose of the returns, all payments made by Extractive Industries to the National Petroleum Authority are regarded as payments made to the Government of Timor Leste	1,094,011,964	19,657,870	1,113,669,834	1,113,426,174	243,660	1,113,669,834
i) First Tranche Petroleum Payments (FTP)						
- Condensate	54,101,146	0	54,101,146	54,101,146	0	54,101,146
- Liquefied Petroleum Gas	21,716,835	0	21,716,835	21,716,835	0	21,716,835
- Gas	63,589,365	191,528	63,780,893	63,780,893	0	63,780,893
ii) Profit oil & gas payments	949,879,628	19,546,342	969,425,970	969,425,970	0	969,425,970
iii) Other Payments:	0	0	0	0	0	0
JPDA Fee:						
- Application fee	0	0	0	0	0	0
- Seismic data fee	0	0	0	0	0	0
- Development fee	3,064,000	0	3,064,000	3,064,000	0	3,064,000
- Contract service fee	720,000	240,000	960,000	960,000	0	960,000
Timor Leste Exclusive Area:						
- Application fee	0	0	0	0	0	0
- Seismic data fee	0	0	0	0	0	0
- License fee/Surface fee	940,990	-320,000	620,990	377,330	243,660	620,990
2c. Other	0	0	0	0	0	0
a) Other payments to Government/ Person	0	0	0	0	0	0
Government agency/ National State-Owned/ Joint Venture Company name:	0	0	0	0	0	0
Government agency/ National State-Owned/ Joint Venture Company Representative name:	0	0	0	0	0	0
Payment description:	0	0	0	0	0	0
4. Total						
Total Payments	1,743,434,332	20,455,663	1,763,889,995	1,763,649,496	240,499	1,763,889,995

Note:

As disclosed on page 16 of the EITI Working Group Report, adjustments made to original returns occurred because:

- Receipt amount incorrectly recorded by Companies, NDPR and ANP
- Receipts incorrectly classified by Companies, NDPR and ANP
- Receipts recorded in the incorrect period by a Company
- Receipts recorded on an accruals basis rather than on a cash basis by a Company