

33 questions and requests
to His Excellency,
José Alexandre "*Kay Rala Xanana*" Gusmão

Dili, December 8th, 2018

1. Will His Excellency kindly provide hard audited evidence about the manner in which it will be profitable for East Timor to spend as much as \$1 billion for diminutive Timor GAP to buy out the Sunrise partners, since all indicators would advise against the buyout?
2. Will His Excellency kindly provide hard audited evidence about any acceptable level of risk associated with the acquisition of Sunrise from its current owners, since an exceedingly high level of risk has been ascertained in the past 10 years regarding building LNG facilities on Timorese shores?
3. Will His Excellency kindly explain in detail how Timor GAP, the smallest national oil company in the world, with no revenue, little capital, little or no human resources, and little or no experience, could beneficially substitute for, and compete with, some of the largest oil companies in the world, among them ConocoPhillips and Shell?
4. Before any investment is made, will His Excellency kindly produce a strong audited business plan proving the profitability of an LNG plant in Beaçó?
5. Will His Excellency kindly produce hard audited credible evidence that a pipeline across the Timor Trough is technically feasible, other than the simple opinion of anonymous consultants, since there is a near consensus among learned professionals that said pipeline would be almost impossible to install safely?

6. Will His Excellency kindly explain why it is stated that the pipeline to Beaçõ is shorter than the pipeline to Darwin, since the real actual distance along the pipeline route would be 300 km from Sunrise to Beaçõ in very deep water and on extremely rough terrain, while the distance to connect to the Bayu Undan pipeline and thence to Darwin is only 210 km in shallow water and on smooth terrain?
7. In addition, since the pipeline to Beaçõ would have to be dual for technical reasons, and the actual pipeline length to Beaçõ would be 600 km in very deep water and on extremely rough terrain, versus 210 km in shallow water and on smooth terrain to the Bayu Undan pipeline and thence to Darwin, will His Excellency kindly explain how the difficult 600 km pipeline is preferable to the easy to install 210 km pipeline, particularly since the former has never been attempted anywhere on Earth?
8. Will His Excellency kindly explain how the recent Timor Sea Treaty was a victory regarding the establishment of permanent boundaries, since all the treaty boundaries are provisional until after the fields are depleted and Indonesia agrees to the boundaries, the only exception being the southern boundary, which is permanent, but along which 1,000 sq. km of Timorese seabed were lost to Australia?
9. Since the new Timor Sea Treaty is absolutely contingent on the delineation of maritime boundaries with Indonesia, of which there are so far none whatsoever, will His Excellency kindly explain how advanced the boundary negotiation with Indonesia is? Will His Excellency kindly produce hard evidence, instead of vague promises of future events?
10. Will His Excellency kindly explain in which way exactly the alleged Australian spying activities were detrimental to East Timor in the Timor Sea negotiations more than a decade ago, since no explanation has ever been provided and it is hard to understand

how the spying activities could have been detrimental to East Timor?

11. Since there are serious reasons to believe conservatively that crude oil and natural gas annual average prices will not exceed in the next decades \$45 or lower per barrel of crude oil and \$7 only per MMBTU of natural gas, will His Excellency kindly explain how, in such an economic environment, the most expensive and technically difficult option can be more profitable for East Timor than cheaply sending the gas to an existing facility in Darwin?
12. Will His Excellency kindly explain how the Beaço LNG plant can cause 2,500 or more long term jobs to be created, since the Darwin plant created only 160?
13. Will His Excellency kindly explain the rationale for spending \$25 billion in order to create 2,500 long term jobs, and whether each of the 2,500 workers would not prefer to receive a cash payment of \$10 million each, since the project will lose more than it will cost to finance?
14. Since it has been stated in a quite inflationary fashion that as many as 25,000 long term jobs could be created, will His Excellency kindly explain the rationale for spending \$25 billion in order to create 25,000 long term jobs, and whether each of the 25,000 workers would not prefer to receive a cash payment of \$1 million each, since the project will lose more than it will cost to finance?
15. Will His Excellency kindly explain how He plans to avoid an FPSO offshore to store the liquids, LPG and condensate, and whether He plans instead to build at least two more pipelines to Betano for the liquids, in addition to the gas pipeline to Beaço, since liquids and gas cannot transit through the same U-shaped pipeline?
16. Will His Excellency kindly explain how it is a good thing that facilities be spread along a still undeveloped 200 km road from

Beaço to Suai, when all other similar projects in the world concentrate all facilities in one single location?

17. Will His Excellency kindly explain why the results of the 2012 AUV survey along the potential pipeline routes across the Timor Sea were kept secret and were never ever mentioned, let alone published?
18. Will His Excellency kindly explain why Woodside should not start production of the liquids through an FPSO offshore as soon as possible, since liquids and gas productions are independent of each other, and gas production can start years after liquids production?
19. Since the LNG plant in Timor cannot be profitable in the short, medium, or long term, will His Excellency kindly explain where the billions of dollars required for the project will come from?
20. Since there can be no profitability for the Timorese LNG option, if only the Chinese are willing to invest, what is His Excellency prepared to give them in exchange?
21. Will His Excellency kindly confirm that the only thing the Chinese could be interested in, in return for the billions of dollars they would sink without any hope of profit, is a Navy Base in Suai and an Air Force Base in Baucau?
22. Will His Excellency kindly confirm that He clearly understands that such a deal would trigger international events with which the Indonesian invasion of 1975 would pale in comparison?
23. Will His Excellency kindly explain why the so-called supply base should be in distant Suai, which still has no facilities except a quite underutilized airport, which however bears His Excellency's name, since the distance from Sunrise to Com is only half as much and the distance to Dili is comparable and in calmer waters?

24. Will His Excellency kindly explain on what assumptions or surveys it was decided that the pipeline go to Beaço rather than several more convenient locations along the south coast, or even to the north coast, which would be a much better choice?
25. Will His Excellency kindly explain why He spent \$15 million on various highly professional bathymetric, geophysical and geotechnical surveys, which are praised to this day by the heads of both the National Oil Company and the Petroleum Authority, only to reject en bloc all the recommendations received from the surveyors?
26. Will His Excellency kindly explain why the Timorese people should believe Him when He imposes on them the pipeline to Beaço as the best solution, against all sensible professional recommendations, since He has unfortunately been unsuccessful in each and every one of His former economic projects: power plants that are idle for lack of affordable fuel, stalled Tibar port, stalled cement plant, stalled Suai port, stalled Tasi Mane highway, stalled petrochemical plant in Betano, impossible Dili airport runway extension, disastrous so-called diversification of the Petroleum Fund, and other ill-advised ventures?
27. Conversely, will His Excellency kindly state one actual and verified successful economic achievement to His credit?
28. Will His Excellency kindly demonstrate that He has undeniable competence, knowledge, and skill in economic and engineering matters, particularly regarding technical and financial aspects of the oil and gas industry?
29. Will His Excellency kindly provide the names and resumes of all the technical and financial people who support His choices?
30. Will His Excellency kindly explain why He spent \$68 million on a quite underutilized airport in Suai, which however bears His Excellency's name, and commands no traffic, except a small

- airplane occasionally, which could easily have been substituted for by helicopters from Dili?
31. Will His Excellency kindly explain why the Oecusse runway is long enough to accommodate an Airbus A-330, and what kind of traffic for such large aircraft He expects at Oecusse airport?
 32. Will His Excellency kindly explain why He has not only consistently refused to consider any of the numerous economically and technically feasible solutions that were submitted to him in the last 10 years regarding Sunrise, natural gas supplies, port construction, etc., but also strongly acted against any such proposal?
 33. Finally, will His Excellency kindly explain why He handed over the prime-ministership to the opposition party in February 2015, clearly against the electoral pronouncement of the Timorese voters, and without any legitimate reason? Will His Excellency kindly provide a single example in any democracy of such an abandonment of political power to the opposition, unjustified as it was by any election or by any censure by the electorate?