



TIMOR GAP, E.P. "CAN DO" spirit

To be a regional leader in oil & gas for sustainable national development

SOUTH HORIZON & AIBEL SIGN A MASTER SERVICE AGREEMENT

Edition of June 2018

On 5th February, a Master Service Agreement between South Horizon (SHO) and Aibel was signed by Deputy Managing Director of SHO, Mr. Francelino Boavida, and Managing Director of Aibel Thailand, Mr. Nick Routledge, in Laem Chabang, Thailand, encompassing the construction of a Topside Structure for ConocoPhillips to the Bayu-Undan Infill Well (BUIW) project.

The above Master Service Agreement follows the ConocoPhillips re-Invitation To Tender (ITT) for the provision of a topside fabrication whose contract was awarded to South Horizon, a Joint venture company established between TIMOR GAP Marine and Siglar Offshore Services. The Master Service Agreement between ConocoPhillips and South Horizon was subsequently signed on January 2018.

The topside fabrication started in February and was concluded by the end of March. As part of this project and in compliance with the local content requirements set out in the Master Service Agreement celebrated between South Horizon and Aibel, two young Timorese, a female welder and a male fitter, were selected from Tibar Training Center to be trained by Aibel, in Thailand.

The training was structured into four days of theoretical training on understanding Welding Procedures (WPS) and understanding of Bill of Material such as fitting and valve. Upon the completion of the theoretical training, the trainees also spent ten days at Deeline's fabrication yard with the purpose to gain real experience on welding and fitting. During these period, they were exposed to fabrication of the said topside structure and other projects at Deeline Construction Co Lda., also located in Thailand.

TIMOR GAP pursues and works hard in the achievement of a greater local participation, by respecting and valuing the local content participation in its projects. Maximization of local content requires early focus on training of nationals to ensure the required skills are available and thus, a local content plan is a key requirement under our agreements and negotiations with partners. Our partnerships with Aibel is a good example of how TIMOR GAP promotes capacity building programs for Timorese human resources.







Ms. Francisca Belo, Welder (picture above), and Mr. Afonso Barreto, Fitter (picture bellow), receiving their certificates.





BUSINESS OPPORTUNITIES



The construction of the Tasi Mane Project is synonymous of manifold business opportunities for services & goods providers and thus, TIMOR GAP has been approached by the best in the industry looking for the opportunity to partake on this mega project on the south coast of Timor-Leste.

Established in 2016, the Portuguese Agency for Trade & Investment, AICEP, channels the expertise and know-how of Portuguese companies to several fields of business, according to the national supply & demand necessities. A wide range of companies have been introduced to TIMOR GAP by AICEP, offering multiple services such as training, engineering, investment raising, fabrication, among others. In this line, on 12th June, a representative from ALLBY, a Portuguese company rendering services in areas such consulting and architecture, met with Infrastructure & Business Development Unit's Director, Mr. Luis Martins.



TIMOR GAP's Director Mr. Luis Martins during the meeting with ALLBY's Head of International Trade, Mr. Ricardo Antunes and AICEP's Representative in Timor-Leste, Mrs Isabel Maia e Silva.



New Zealand Embassy in Dili, represented by the Deputy Head of Mission/Aid Manager, Mrs. Gabrielle Isaak, and her team visited the projects in Suai, Covalima Municipality. The New Zealand Embassy representatives were accompanied and guided by TIMOR GAP team during this two days field trip, which encompassed the recently refurbished Suai Airport and new resettlement of Lohorai, TIMOR GAP's Fuel Station and Highway (Section 1:Suai –Zumalai).

The purpose of the visit was to garner a first-hand knowledge of the progress of the new infrastructures envisaged in the Tasi Mane Project as well as the projects carried by TIMOR GAP and hence lure potential investors. The Tasi Mane Project aims at establishing a national petroleum industry and associated supporting infrastructures, bridging the gap between the development of the northern and south coast of Timor-Leste.



TIMOR GAP's GIS Project Team Leader Mr. Francisco Ferreira with the Deputy Head of Mission/Aid Manager, Mrs. Gabrielle Isaak, and her team visiting the projects in Suai – Covalima Municipality.



QHSE UNIT

QHSE through its People and Competence Training procedures offers a short-duration internship program for students, fresh- graduate students and also those who are interested in enriching their knowledge in oil and gas industry particularly in the area of Quality, Health & Safety and Environment and of how TIMOR GAP is going to conduct its business as per QHSE standard. And for the second time in chance, during May 14th to June 14th 2018, a trainee from ISAT training Center, Ms. Delfina Martins Kastono, has successfully undertaken an internship program with QHSE unit.

She was mentored and supervised by each staff under QHSE unit according to each given roles. During the term, she performed activities corresponding to: Introduction to TIMOR GAP, E.P. core business and Strategic Plan, Overview of QHSE Unit Management System (IMS Procedures) and its implementation. She was also introduced on how to Conduct Risk Management through raising Hazard Identification, Risk Assessment and Control (HIRAC) at TIMOR GAP, conducting a workplace Fire Extinguishers Inspection, taking part in a Fire & Emergency Drill at our premises and performing OHS due-diligence to the company's potential contractor and also understanding of Timor Leste' Environmental Licence Process (EIA process and category).



TL-EITI MSG

TIMOR GAP, as the state owned enterprise and a keen supporter the EITI's standards, participated in the Multi-Stakeholders Group (MSG) meeting held on 8th June, which brought together relevant key stakeholders as the likes of Civil Society, Ministry of Finance, ANPM and international gas & oil companies operating in the country, namely ConocoPhillips, ENI and Woodside. Timor-Leste was accepted as an EITI Compliant country on July 2010 and, in June 2012, six months after the start of operations, TIMOR GAP became one of the few national oil companies in the world supporting the EITI.

Items on the aforesaid meeting agenda included the Terms of Reference (ToR) for Independent Administrator, hired to produce the EITI Report. This report is intended to transparently demonstrate the payments made by the extractive companies as well as the revenues collected by the State.



CCFP – DESSEMINATION OF INFORMATION AT REMOTE AREAS

The Petroleum Fund Consultive Council (CCFP) continues to promote the dissemination of information about the Petroleum Fund, Timor-Leste's sovereign wealth fund, across the country, providing information to the people living in remote areas, in compliance with the Petroleum Fund accountability and transparency principles, thus reinforcing the Timor-Gap's stance towards its wealth good governance.

In line with the above, workshops were organised on the Municipalities of Covalima (Administrative Post of Zumalai) and Ainaro (Administrative Post of Hatu-Udo) on the 28th and 29th June respectively, gathering local authorities, community and students. TIMOR GAP is a regular presence in CCFP's workshops and these were not an exception, participating in the event along with Autoridade Nacional do Petróleo e Minerais (ANPM), Extractive Industry Transparency Initiative (TL-EITI), Banco Central de Timor-Leste (BCTL), Ministry of Finance (MoF), Civil Society Representative, among others.

TIMOR GAP's presentation focused on the Tasi Mane project direct and indirect economic impacts, importance of the highway and Suai airport rehabilitation, petroleum value potential sector & its industrialization, and economic development as an opportunity to the local communities.







(Diesel)



TIMOR GAP Fuel Station in Suai is operated by certified people from Covalima community:

- Your friends
- Your neighbors
- Your family



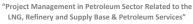
Thank you for your preference













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SOUTHERN COAST PROJECTS

Today, The Company is focused on the Southern Coast (Tasi Mane) Project as the main activity in the formation of a Company Portfolio in the future. The project will focus on the development of the coastal zone from Suai to Beaço that requires infrastructure to support a growing domestic petroleum industry. Following on from this development, the company will diverse into other areas of operations, such as E&P sector and downstream activities.

