

Woodside open to onshore LNG export project in East Timor

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By **Damon Evans**



A mural of the East Timorese flag on a wall in Dili, the capital of East Timor. Photo by Damon Evans.

Woodside Energy (ASX:WDS) is reconsidering the potential development of Greater Sunrise via an onshore liquefied natural gas (LNG) export terminal in East Timor. This marks a significant about-turn for the Australian LNG developer.

In an investor briefing on Thursday, the company's chief executive Meg O'Neill put the undeveloped Sunrise and Browse gas projects back on its agenda, citing the long-term need for gas, particularly in Asia.

Woodside had previously insisted that only onshore processing of Sunrise gas in Darwin, northern Australia, would be acceptable. In July 2020, [Woodside said the carrying value of the Greater Sunrise project off East Timor, also known as Timor Leste, was zero following a US\\$170 million write down.](#)

O'Neill told investors today that the economics had always gone against processing Sunrise gas in East Timor as extensive infrastructure already exists at two LNG export projects in Darwin, which made processing the gas in northern Australia more commercial.

However, she said Woodside now recognised the importance of an onshore development in East Timor for that country and therefore Woodside had reopened talks around potential development concepts for Sunrise LNG.

Woodside has a 33.44% stake in Greater Sunrise. East Timor's national oil company Timor GAP holds 56.56% after buying out Shell and ConocoPhillips in 2018. Japan's Osaka Gas holds the balance of 10%.

About 70% of Greater Sunrise – consisting of the Sunrise and Troubadour fields – lies in East Timor's seabed following a 2018 maritime boundary deal with Australia. The fields are only about 150 km south of Timor Leste's coastline but in between lies the 3,300 metre-deep Timor Trench, [which creates significant challenges for laying pipelines.](#)

"Over the years we've looked at Sunrise many, many different times. We have done technical pipeline studies to understand the feasibility of going across the trench," O'Neill said at the company's investor briefing day in relation to an analyst question.

"Those studies have always indicated that with the right will, the right engineering, the right execution plan, that you can execute that scope of work," she said

"The challenge has away been the economics."

O'Neill noted that modular LNG facilities, which are now cheaper and quicker to build compared with legacy LNG projects, could be used for any potential development in East Timor.