

Comments on Hamish McDonald's article "Bernard Collaery's bombshell"

March 2020

Before I go any further, and I will, the helium non-issue arose in 2012 and I wrote at the time several studies on it. See my emails dated October 2012. It is, and was, a non-issue.

To start, I read in Hamish's article:

By 2015, according to Collaery, the annual output of the plant, which cost perhaps \$50 million to build, was an estimated 200 million standard cubic feet. At prevailing prices, that's \$2 billion in revenue per year. When I enquired, BOC Australia refused to comment on these claims, saying it cannot reveal confidential information about agreements with suppliers or customers.

However, despite the fact that the Wickham Point's plant is sized for 150 million cubic feet (150 MMCF) per year, not 200, here is an excerpt from one of my 2012 emails:

In 2012, the price of helium sold by the US BLM, the world's largest supplier, was \$75.75 to the public and \$65.50 for federal purposes, per 1,000 CF (MCF). This would translate into **\$8.4 million** average revenue at Darwin, plus or minus regional differences, etc. Remember the ABC reel at one point mentioned \$12 million.

Where does Collaery's figure of \$2 billion come from? Why an extravagant unit price of \$10,000 per MCF (US\$2,000 per kg)? The BLM price since 2012 has increased five-fold to nearly \$300 per thousand cubic feet, but that would still return US\$60 million, a far cry from \$2 billion.

Further, the contract with ConocoPhillips was indeed not a good contract but the advisors to the Timorese at the time have only themselves to blame, not the opposing party. The Timorese had Peter Galbraith as their chief negotiator, among other infantile activists, and, although he was a well-known ultra-liberal politician, he had no experience at all in the matter. It is unheard of to blame the other party just because one was too arrogant and ignorant to negotiate a good agreement.

The real issue is not that the Australian government spied on the Timorese (and Collaery and Hamish have still not explained what was the bona fide secret that, had it not been revealed to Australia, would have compelled her to give up all of Sunrise), nor

accusing ConocoPhillips of stealing \$2 billion every year, the figure being probably inflated about 30 fold, no less.

The real issues, among others, are that:

1. Xanana's advisors, among them Collaery and several others, are totally incompetent and driven by political rancor;
2. The 2018 Treaty, which has been clamored by virtually everyone as a great victory for Timor, is in fact a serious defeat;
3. Under pressure from their advisors, Timor has purchased from Shell and ConocoPhillips, for no less than US\$650 million, shares of a gas field that is currently without value;
4. The media have not objected to mammoth oil companies robbing candy from toddlers;
5. Democracy has deserted Timor since at least the soft coup of February 2015, although not one activist noticed.

I have been in repeated contact with Hamish, who apparently has not learned his lesson. Real facts and logics seem to vanish in reviews that appeal to the reader's self-righteous, but fictional, indignation.

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Article at: <https://insidestory.org.au/bernard-collaerys-bombshell/>