



DECREE-LAW No. 25/2023

of 24 May 2023

On the carrying out of Decommissioning Activities in the Bayu-Undan Field

Considering that, the Bayu-Undan Field has, since the coming into force of the Treaty between the Democratic Republic of Timor-Leste and Australia Establishing Their Maritime Boundaries in the Timor Sea, hereinafter referred to as “Treaty”, been subject to the exercise of exclusive jurisdiction of Timor-Leste as foreseen in the said Treaty, and under the terms of Decree-Law No. 24/2019, of 27 August 2019, on the Transition of Petroleum Titles and Regulation of Petroleum Activities in the Bayu-Undan Field;

Considering that, the two production sharing contracts entered into between the limited liability corporations comprising the Bayu-Undan joint venture and the Autoridade Nacional do Petróleo e Minerais (ANPM), in the name and on behalf of the Democratic Republic of Timor-Leste are coming to the end of their production life, and therefore the Bayu-Undan Field needs to be decommissioned;

Taking into consideration that, pursuant to the legal framework applicable to the Bayu-Undan Field and the Bayu-Undan Contractor, especially Article 335 of the JPDA Interim Regulations, duly adapted, *«on completion of production of petroleum, the Contract Operator is to remove all platforms, structures, pipelines, and associated structures and equipment from the contract area as provided for in [Article 22 of Decree-Law No. 24/2019 and subsection 5.2 (e) of the Production Sharing Contracts], also explaining that “removal is to be carried out in accordance with any generally accepted international standards established in this regard by the competent international organisation”;*

Whereas, pursuant to Article 31 of Decree-Law No. 24/2019, of 27 August 2019, *“the Ministry or ANPM may, after discussion with the Bayu-Undan Contractor, issue regulations and directions to apply to legal persons and individuals, consistent with the Treaty and this decree-law, in order to carry out its functions”*, including for the

“removal from a Contract Area of structures, equipment and other property brought into the Contract Area for or in connection with Petroleum Activities”;

Whereas, in light of the legal instruments and provisions referred to above, the ANPM and the Bayu-Undan Contractor shall enter into a Decommissioning Agreement;

Considering the need to approve rules on decommissioning so that the Bayu-Undan Contractor may meet its obligations under the applicable law and the Production Sharing Contracts, while protecting the health, safety and environment of Timor-Leste and its people;

Now, therefore, the Government, pursuant to Articles 115.1 (e) and 115.1 (o) of the Constitution of the Republic, and Article 31 of Decree-Law No. 24/2019, of 27 August 2019, approves the following with the force of law:

Chapter I

General provisions

Article 1

Purpose and scope of applicability

1. This decree-law, together with the Decommissioning Agreement and the Transition Laws, sets forth the special legal framework on Decommissioning Activities carried out in the Contract Area TL-SO-T 19-12, which is mapped in Annex I to this decree-law and an integral part hereto, and in the Contract Area TL-SO-T 19-13, which is mapped in Annex II to this decree-law and an integral part hereto, and onshore in Timor-Leste, giving effect to the provisions of Article 22 of Decree-Law No. 24/2019 of 27 August 2019, Article 335 of the JPDA Interim Regulations, duly adapted, and subsection 5.2(e) of the Production Sharing Contracts.
2. This decree-law shall apply to the Bayu-Undan Contractor as defined in Article 2.
3. The purpose of this decree-law, together with the Decommissioning Agreement and the Transition Laws, is to establish a legal framework for the performance of Decommissioning Activities in the Contract Area and onshore in Timor-Leste.

Article 2

Definitions

For the purposes of this decree-law, the following words means:

- (a) "Affiliate", a corporation or other entity that controls or is controlled by another corporation or entity that is or was a Party to the Decommissioning Agreement, it being understood that control shall mean ownership by one corporation or entity of at least fifty per cent (50%) of:
 - (i) the voting stock, if the other corporation is a corporation issuing stock; or
 - (ii) the controlling rights or interests, if the other entity is not a corporation.
- (b) "Autoridade Nacional de Petróleo e Minerais" or "ANPM", the agency created pursuant to Decree-Law No. 20/2008, of 19 June 2008, which is responsible for regulating petroleum matters, and any entity that may replace it in the future;
- (c) "Bayu-Undan Contractor" the corporations that hold the Production Sharing Contracts on the effective date of this decree-law, subject to any change of Bayu-Undan Contractor approved by the ANPM pursuant to Article 32, until, pursuant to the Decommissioning Agreement, the ANPM notifies the Bayu-Undan Contractor, in writing, that it is satisfied that the Decommissioning Activities are completed;
- (d) "Bayu-Undan Field", the accumulations of Petroleum located within the area of the Production Sharing Contracts;
- (e) "Bayu-Undan Pipeline", the export pipeline which transports gas produced from the Bayu-Undan Field to the Darwin liquefied natural gas processing facility at Wickham Point;
- (f) "Bayu-Undan Production Sharing Contracts", production sharing contract JPDA 03-12 in respect of contract area JPDA 03-12 and production sharing contract JPDA 03-13 in respect of contract area JPDA 03-13 entered into between the Bayu-Undan Contractor and the Designated Authority in the JPDA, and which were replaced by the Production Sharing Contracts;
- (g) "Block", a block constituted in accordance with Article 6;
- (h) "Calendar Year", a period of twelve (12) months commencing on 1 January and ending on the following 31 December, according to the Gregorian Calendar;
- (i) "Contract Area", the area, not relinquished or surrendered, constituted by the blocks which were the subject of the Production Sharing Contracts on their date

of termination, and which are specified in the Appendices thereof and Annexes I and II of this decree-law, and in which Decommissioning Activities are to be carried out;

- (j) "Contract Operator", the contractor appointed and authorized by the Bayu-Undan Contractor to be responsible for Decommissioning Activities and all dealings with the Ministry and the ANPM under this decree-law and the Decommissioning Agreement, on behalf of the Bayu-Undan Contractor;
- (k) "Decommissioning Activities", all activities to be carried out by the Contract Operator, whether onshore or offshore Timor-Leste, on behalf of the Bayu-Undan Contractor, related to decommissioning, dismantling, demolition, removal or disposal of the Facilities and Field Property, or any part thereof, together with the suspension, plugging and abandonment of the Bayu-Undan Field wells in accordance with this decree-law, the Regulations, Directions and Guidelines, the Decommissioning Agreement, and the approved Decommissioning Plan, subject to any agreed exemption or variation pursuant to Article 22;
- (l) "Decommissioning Agreement", means the agreement entered into between the ANPM and the Bayu-Undan Contractor for the purpose of implementing or carrying out Decommissioning Activities;
- (m) "Decommissioning Costs", all expenses incurred in the carrying out of Decommissioning Activities;
- (n) "Decommissioning Plan", the plan for decommissioning of the Contract Area approved by the ANPM in 2022, together with any other revisions as may be approved by the ANPM from time to time in accordance with the Decommissioning Agreement;
- (o) "Facilities", all offshore installations, equipment and structures used in Petroleum Activities in the Bayu-Undan Field, including ancillary facilities, but does not include the Bayu-Undan Pipeline;
- (p) "Field Property", all vessels, equipment, materials and other Property owned, or otherwise purchased or provided, by the Bayu-Undan Contractor for use in Petroleum Activities or Decommissioning Activities at the Bayu-Undan Field in accordance with the PSCs or the Decommissioning Plan, but does not include the Bayu Undan Pipeline;
- (q) "Fiscal Transition Law", law which approved amendments to Law No. 8/2008, of 30 of June 2008, which approved the Tax and Duties Law, Law No. 3/2003, of 1 July 2003, which approved Taxation of Bayu-Undan Contractors Act, and Law No. 4/2003, of 1 July 2003, which approved the Law on Petroleum Development in the Timor Sea (Tax Stability), to implement the Treaty, as subsequently amended on or about the effective date of this decree-law;

- (r) "Former Bayu-Undan Contractor", any corporation that was a Bayu-Undan Contractor prior to a change of Bayu-Undan Contractor approved by the ANPM;
- (s) "Former Contract Operator", any corporation that was the Contract Operator prior to a change of Contract Operator approved by the ANPM;
- (t) "JPDA", the Joint Petroleum Development Area established in Article 3 of the Timor Sea Treaty;
- (u) "Ministry", the member of the Government responsible for the petroleum sector;
- (v) "Petroleum":
 - (i) Any naturally occurring hydrocarbon, whether in a gaseous, liquid, or solid state;
 - (ii) Any naturally occurring mixture of hydrocarbons, whether in a gaseous, liquid or solid state; or
 - (iii) Any naturally occurring mixture of one or more hydrocarbons, whether in a gaseous, liquid or solid state, as well as other substances produced in association with such hydrocarbons;
 - (iv) and includes any Petroleum as defined by sub-paragraphs (i), (ii) or (iii) that has been returned to a natural Reservoir;
- (w) "Petroleum Activities", all activities undertaken by the Bayu-Undan Contractor, to produce Petroleum, authorised or contemplated under a contract, permit or licence, and includes exploration, development, initial processing, production, transportation and marketing as well as the planning and preparation for such activities;
- (x) "Pipeline", a pipe or system of pipes and associated equipment necessary for conveying Petroleum;
- (y) "Production Sharing Contracts" or "PSCs", the contracts that were entered into between the ANPM and the Bayu-Undan Contractor under Article 14 of Law 13/2005, of 2 September 2005, and Decree-Law No. 24/2019, of 27 August 2019, and pursuant to which Petroleum in the Bayu-Undan Field was produced and shared between the parties thereto;
- (z) "Regulations, Directions and Guidelines", the JPDA Interim Regulations, the JPDA Interim Directions and the JPDA Interim Administrative Guidelines which shall apply to Decommissioning Activities, mutatis mutandis;

- (aa) "Regulatory Transition Law", the law which approved the Special Labour and Migration Law Framework for the Bayu-Undan Project to implement the Treaty, or subsequently enacted on or about the effective date of this decree-law;
- (bb) "Reservoir", an accumulation of Petroleum in a geological unit limited by rock, water or other substances without pressure communication through liquid or gas to another accumulation of Petroleum;
- (cc) "Timor Sea Treaty", the treaty between the Government of East Timor and the Government of Australia signed in Dili on 20 May 2002, entered into force on 2 April 2003;
- (dd) "Transition Laws", the Fiscal Transition Law and Regulatory Transition Law;
- (ee) "Treaty", the Treaty between the Democratic Republic of Timor-Leste and Australia Establishing Their Maritime Boundaries in the Timor Sea, signed in New York on 6 March 2018, including its Annexes.
- (ff) "Work Program and Budget of Decommissioning Costs" means the details of Decommissioning Activities to be carried out and budget allocations for Decommissioning Activities in a given Calendar Year.

Article 3

Applicable law

1. Subject to Article 3.2 below, Decommissioning Activities carried out by the Bayu-Undan Contractor in the Contract Area shall be subject to all laws of Timor-Leste, including this decree-law, the Transition Laws, the Regulations, Directions and Guidelines and the Decommissioning Agreement.
2. The provisions of Decree-Law No. 7/2005, of 19 October 2005, and Decree-Law No. 32/2016, of 17 August 2016, do not apply to the Decommissioning Activities.
3. All activities conducted in support of the Bayu-Undan Decommissioning Activities from onshore Timor-Leste shall be subject to the general laws in force in the country.
4. Should the enforcement of the laws of Timor-Leste to offshore Decommissioning Activities carried out by the Bayu-Undan Contractor in the Contract Area constitute a change in circumstances which causes a material adverse impact on the Bayu-Undan Contractor, as defined in the Decommissioning Agreement, then the Bayu-Undan Contractor may resort to the stabilization mechanism mentioned in Article 57.

Article 4

Commercial registration

1. The Contract Operator shall register a permanent representation in Timor-Leste under the applicable commercial registration legislation.
2. All non-operator members of the Bayu-Undan Contractor shall register with the Timor-Leste tax authorities, but are exempted from commercial registration provided they do not establish any material presence in Timor-Leste through, namely but not limited to, the opening of offices or hiring of staff.

Article 5

Carrying out of Decommissioning Activities

The Bayu-Undan Contractor may only carry out Decommissioning Activities, in accordance with this decree-law and the Decommissioning Agreement, and subject to the regulatory structure and supervision foreseen in this decree-law.

Article 6

Geodetic datum and graticulations

1. Whenever it is necessary to determine the position of a point in the Contract Areas that position shall be determined by reference to a spheroid having its centre at the centre of the Earth and a major (equatorial) radius of 6378160 metres and a flattening of 100/29825 and by reference to the position of the Johnston Geodetic Station in the Northern Territory of Australia, which shall be taken to be situated at 133 degrees, 12 minutes and 30.0771 seconds of East Longitude and at 25 degrees, 56 minutes and 54.5515 seconds of South Latitude and to have a ground level of 571.2 metres above the spheroid referred to above.
2. The positions in the Contract Areas may be expressed by reference to the spheroid World Geodetic System 1984 (WGS 84), which has its centre at the centre of the Earth and a major (equatorial) radius of 6378137 metres and a flattening of 100/29825.7223563.
3. To transform geographic coordinates from the reference system mentioned in the previous paragraph to WGS 84, the ANPM shall resort to internationally recognised datum transformation parameters.
4. For the purposes of this decree-law, the Territory of Timor-Leste, or part thereof, which is designated for a Contract Area for the purpose of performance of

Decommissioning Activities, shall be divided into blocks and sub-blocks according to a grid system.

5. Each block referred in Article 6.4 shall be divided into sections:
 - (a) By the meridian Greenwich and by meridians that are at a distance from that meridian of five (5) minutes, or a multiple of five (5) minutes of longitude; and
 - (b) The equator and by parallels of latitude that are at a distance from the equator of five (5) minutes, or multiple five (5), of latitude.
6. The sections mentioned in Article 6.5 are bounded:
 - (a) By portions of two (2) of those meridians that are at a distance from each other of five (5) minutes of longitude; and
 - (b) By portions of two (2) of those parallels of latitude that are at a distance from each other of five (5) minutes of latitude.
7. Each block mentioned in Article 6.4 shall be further divided into sub-blocks as follows:
 - (a) By the meridian of Greenwich and by meridians that are at a distance from that meridian of one (1) minute, or a multiple of one (1) minute, of longitude; and
 - (b) The equator and by parallels of latitude that are at a distance from the equator of one (1) minute, or a multiple of one (1) minute, of latitude.
8. Each sub-block mentioned in Article 6.7 is bounded:
 - (a) By portions of two (2) of those meridians that are at a distance from each other of one (1) minute of longitude; and
 - (b) By portions of two (2) of those parallels of latitude that are at a distance from each other of one (1) minute of latitude.

Chapter II

Decommissioning Activities

Article 7

Rights and Obligation to carry out Decommissioning Activities

1. The Bayu-Undan Contractor has the exclusive right, obligation and responsibility for carrying out Decommissioning Activities in the Contract Area, and the exclusive right to access the Contract Area until Decommissioning Activities are completed, subject to the provisions of this decree-law, the Decommissioning Agreement, the Regulations, Directions and Guidelines.
2. In the case of the Decommissioning Agreement, being entered into with a group of corporations that comprise the Bayu-Undan Contractor, each corporation shall be jointly and severally liable for complying with the requirements of this decree-law and the Regulations, Directions and Guidelines.
3. For purposes of Article 7.2 above, each corporation shall be a signatory to the Decommissioning Agreement with the ANPM.
4. The Bayu-Undan Contractor shall submit the annual Work Program and Budget of Decommissioning Costs to the ANPM for approval, and may continue Decommissioning Activities pending receipt of such approval.

Article 8

Contract Operator

1. Decommissioning Activities shall be carried out by the Contract Operator appointed under the Production Sharing Contracts, who during Decommissioning Activities shall continue to act as Contract Operator under the Decommissioning Agreement unless changed in accordance with Article 8.3.
2. The Contract Operator shall be responsible, on behalf of the group of corporations, for Decommissioning Activities and all dealings with the Ministry and ANPM under the Decommissioning Agreement and this decree-law.
3. Any change of Contract Operator shall require the express, prior written approval of the ANPM, and shall be subject to confirmation by the ANPM of the proposed new operator's technical and financial capacity.

4. The Contract Operator shall undertake Decommissioning Activities in an efficient manner which minimizes costs and in a manner in accordance with the provisions of the Decommissioning Agreement.
5. Costs incurred by the Contract Operator in undertaking Decommissioning Activities shall not include any component of profit which accrues to the Contract Operator solely by virtue of its role as Contract Operator.
6. All communications on matters related to the Decommissioning Activities shall be effected between the Contract Operator and the ANPM.
7. The Contract Operator shall maintain an office in Timor-Leste.

Article 9

Term of the Decommissioning Activities

1. The Decommissioning Activities shall commence immediately after cessation of production operations, and shall be carried out within the term established in the approved Decommissioning Plan.
2. Any extension to the date of completion of all Decommissioning Activities under the Decommissioning Plan shall require the prior written approval of the ANPM.

Article 10

Publication

The ANPM shall publish in the Jornal da República a summary of the Decommissioning Plan, including but not limited to, details on the Contractor's main obligations thereunder and the term for completion of the Decommissioning Activities.

Article 11

Local Content

In planning for and carrying out Decommissioning Activities, the Bayu-Undan Contractor shall commit, and shall ensure that its subcontractors commit, to clear, measurable and enforceable local content commitments, as agreed in the Decommissioning Agreement, and aligned with the following principles:

- (a) Maximising opportunities for execution of Decommissioning related works through and in onshore Timor-Leste;
- (b) Developing a Bayu-Undan Consolidated Local Content Plan, incorporating sub-contractors' local content programs, to cover all Bayu-Undan Decommissioning Activities;
- (c) Devising and using procurement procedures designed with enablers to increased early Timor-Leste supplier participation and implementation of early engagement measures;
- (d) Using targeted procurement to increase Timor-Leste participation;
- (e) Shall apply local content to all decommissioning work scopes as described in Section 6.7 of the Decommissioning Agreement;
- (f) Promoting and supporting employment and skill development outcomes for Timor-Leste nationals;
- (g) Promoting and implementing in-country capacity building;
- (h) Devising workforce and supplier transition programs for the end of the Decommissioning Activities;
- (i) Transparency and accountability in all local content activities.

Article 12

Periodic Reports

1. The Contract Operator shall provide the ANPM with periodic reports as to the progress of Decommissioning Activities, local content, costs and other relevant information the ANPM may require in accordance with the Decommissioning Agreement and Regulations, Directions and Guidelines.
2. If no operations have been carried out during any of the above the relevant reporting periods, a statement to that effect shall be made.

Article 13

Completion of Decommissioning Activities and Close-Out Report

1. The Bayu-Undan Contractor shall notify the ANPM in writing when it considers that the Decommissioning Activities are completed and provide to the ANPM a report confirming that the Decommissioning Activities have been completed.

2. Upon receiving the report referred to in Article 13.1 above, the ANPM shall, at its sole cost, review its contents and carry out any necessary inspections to confirm that the Decommissioning Activities have been completed, and shall, as soon as is practicable and in any event by no later than 6 months after receipt of such report, subject to the Bayu-Undan Contractor's residual liability under Article 21 below, ANPM shall:
 - (a) Issue to the Bayu-Undan Contractor a certificate confirming that the Bayu-Undan Contractor has completed all Decommissioning Activities and has met all of its obligations under this decree-law, the Decommissioning Agreement and the Decommissioning Plan; or
 - (b) Where the ANPM reasonably considers that the Bayu-Undan Contractor has not completed all Decommissioning Activities or met all of its obligations under this decree-law, the Decommissioning Agreement and the Decommissioning Plan, notify the Bayu-Undan Contractor and consult in good faith with the Bayu-Undan Contractor to agree a suitable remedial action plan.
3. The certification by the ANPM of the completion of Decommissioning Activities does not waive the Bayu-Undan Contractor's residual liabilities under Article 21 below.
4. Any agreement or framework allowing for the postponement of the Decommissioning Activities or removal or repurposing of any facilities, goods, and equipment, shall make provision for the final decommissioning and removal of the said facilities, goods and equipment.

Article 14

Post Decommissioning and Evaluation Monitoring

1. A post-decommissioning monitoring environmental seabed survey, covering pipeline routes, well integrity conditions and the installation site shall be included in the decommissioning close-out report and the survey shall be carried out when Decommissioning Activities have been concluded.
2. The survey as referred to in Article 14.1 shall contain an analysis of any material chemical and physical disturbances caused by the Decommissioning Activities and a comparison to the pre-decommissioning survey.

Chapter III

General rules on Decommissioning Activities

Article 15

Work practices

1. It shall be the responsibility of the Contract Operator to ensure that Decommissioning Activities are carried out in a proper and workmanlike manner and in accordance with good oilfield practice and the Decommissioning Agreement, this decree-law and the Regulations, Directions and Guidelines.
2. The Contract Operator shall take the necessary action to:
 - (a) Protect the environment in and about the Contract Area; and
 - (b) Secure the safety, health and welfare of persons engaged in Decommissioning Activities in or about the Contract Area.

Article 16

Employment

1. The Bayu-Undan Contractor shall comply with the commitments undertaken by it in the Decommissioning Agreement with respect to the employment of Timor-Leste nationals in the decommissioning of the Contract Area.
2. The Bayu-Undan Contractor shall:
 - (a) Take appropriate measures as set out in the Decommissioning Agreement to employ Timor-Leste nationals; and
 - (b) Make commitments with respect to training and employment opportunities for nationals of Timor-Leste in the Decommissioning Agreement.

Article 17

Inspection and maintenance during Decommissioning Activities

Contract Operator shall adequately maintain safety and environmentally critical elements associated with each decommissioning project phase as defined in the

approved Decommissioning Plan, and the ANPM is entitled to inspect those elements.

Article 18

Insurance

1. The ANPM shall require the Bayu-Undan Contractor to maintain to the satisfaction of the ANPM, insurance on a strict liability basis and for an amount proposed by the Bayu-Undan Contractor and approved by the ANPM. The insurance shall cover expenses or liabilities or any other specified things arising in connection with the Decommissioning Activities and other activities associated with those operations in the Contract Area, including expenses associated with the prevention and Clean-up of the escape of Petroleum.
2. The ANPM shall also agree with the Bayu-Undan Contractor on a mechanism whereby compensation claims can be determined.

Article 19

Removal of property and environmental protection

1. As directed by the ANPM and unless alternative arrangements are agreed with the ANPM, the Bayu-Undan Contractor shall remove all property brought into the Contract Area by the Bayu-Undan Contractor or the Contract Operator for the purpose of its Petroleum Activities or Decommissioning Activities and comply with Regulations, Directions and Guidelines concerning the containment and clean-up of pollution.
2. In the event that the Bayu-Undan Contractor does not, within a reasonable time, demonstrate to the ANPM compliance with its obligations to remove property or pollution to the satisfaction of the ANPM or take such other action as is necessary for the effective plugging and abandonment of wells or conservation and protection of the marine environment in the Contract Area (which the ANPM shall monitor), the ANPM shall have the power to issue binding directions under Article 30, directing the recipient of the direction to take necessary remedial action within a reasonable period.
3. Where the ANPM proposes to issue a direction under Article 19.2, the ANPM will provide written notice to the recipient of the proposed direction of such intention and provide the recipient of the proposed direction with relevant information, including reasons for and the content of the proposed direction.

4. The recipient of the proposed direction will be provided with a reasonable opportunity to respond to the proposed direction before the ANPM issues any direction.

Article 20

Trailing liability

1. The ANPM may issue a direction under Article 19.2 above, to any of:
 - (a) the Bayu-Undan Contractor;
 - (b) if the Bayu-Undan Contractor becomes insolvent or is otherwise unable to undertake the activities the subject of the direction,
 - i) an Affiliate of the Bayu-Undan Contractor;
 - ii) a Former Bayu-Undan Contractor; or
 - iii) an Affiliate of a Former Bayu-Undan Contractor.
2. The recipient of a direction issued under Article 19.2 above shall demonstrate compliance with the direction to the ANPM. The ANPM shall monitor compliance with the direction to ensure that the recipient has met the required outcomes as set out in the direction.
3. Should the recipient of a direction issued under Article 19.2 above breach the direction, including by failing to demonstrate to the ANPM compliance with the direction within a reasonable time, the ANPM may undertake the actions the subject of the direction.
4. If the ANPM undertakes the actions the subject of a direction under Article 19.2, the recipient of the direction shall be liable for any costs reasonably incurred by the ANPM in undertaking those actions, net of any amounts received by the ANPM in selling or otherwise disposing of property the subject of the direction.

Article 21

Residual Liability

1. Unless alternative arrangements are agreed with the ANPM, the Bayu-Undan Contractor will remain liable in respect of property brought into the Contract Area for the purposes of its Petroleum Activities or Decommissioning Activities and

which remain after completion of Decommissioning Activities on the terms set forth in Article 21.2 below.

2. If after completion of Decommissioning Activities a situation arises where, as a result of any act or omission of the Contract Operator, Former Contract Operator, Bayu-Undan Contractor or Former Bayu-Undan Contractor during Petroleum Activities or Decommissioning Activities, there is a material risk of pollution or an incident capable of creating a material risk to the environment or persons, whether due to leaks in a plugged and abandoned well, deterioration of equipment left in situ, or similar circumstances, the ANPM may issue a direction under Article 30, directing the recipient to undertake the necessary remediation activities, at their sole cost.
3. The ANPM may issue a direction under Article 21.2 above, to any of:
 - (a) the Bayu-Undan Contractor;
 - (b) if the Bayu-Undan Contractor becomes insolvent or is otherwise unable to undertake the activities the subject of the direction:
 - i) an Affiliate of the Bayu-Undan Contractor;
 - ii) a Former Bayu-Undan Contractor; or
 - iii) an Affiliate of a Former Bayu-Undan Contractor.
4. Where the ANPM proposes to issue a direction under Article 21.2, the ANPM will provide written notice to the recipient of the proposed direction of such intention and provide the recipient of the proposed direction with relevant information, including reasons for and the content of the proposed direction. The recipient of the proposed direction shall be provided with a reasonable opportunity to respond to the proposed direction before the ANPM issues any direction.
5. The recipient of a direction issued under Article 21.2 above shall demonstrate compliance with the direction to the ANPM. The ANPM shall monitor compliance with the direction to ensure that the recipient has met the required outcomes as set out in the direction.
6. Should the recipient of a direction issued under Article 21.2 above breach the direction, including by failing to demonstrate to the ANPM compliance with the direction within a reasonable time, the ANPM may undertake the actions the subject of the direction.
7. If the ANPM undertakes the actions the subject of a direction issued under Article 21.2, the recipient of the direction shall be liable for any costs reasonably

incurred by the ANPM in undertaking those actions, net of any amounts received by the ANPM in selling or otherwise disposing of property the subject of the direction.

Article 22

Exemption from or variation of conditions

1. Upon request by the Bayu-Undan Contractor, the ANPM may exempt the Bayu-Undan Contractor from or vary any terms or conditions for carrying out Decommissioning Activities, including without limitation by variation to the Decommissioning Agreement or Decommissioning Plan, if grounded on good oilfield practice, or if the ANPM and the Bayu-Undan Contractor agree that it would provide a better outcome to Timor-Leste.
2. To the extent possible, any variation or exemption from any other obligations provided under the Treaty, international conventions or this decree-law shall require prior approval of the member of the Government responsible for the petroleum sector.

Article 23

Provision of information

1. The ANPM may direct the Bayu-Undan Contractor to provide the ANPM with data, documents or information relating to Decommissioning Activities including but not limited to routine operational and financial reports, technical reports and studies relating to Decommissioning Activities.
2. The ANPM may require the Bayu-Undan Contractor to provide that information in writing within a specified period.
3. The ANPM shall have title to all data obtained from and collected during Decommissioning Activities.
4. The Bayu-Undan Contractor shall not be excused from furnishing information on the grounds that the information might tend to incriminate the Bayu-Undan Contractor but the information shall not be admissible in evidence against the Bayu-Undan Contractor in criminal proceedings.

Article 24

Safety zones

1. The ANPM may declare a safety zone around any specified structure in the Contract Area, and may require the Contract Operator to install, maintain or provide thereon, navigation, fog and illumination lighting, acoustic and other devices and equipment necessary for the safety of the Decommissioning Activities.
2. The safety zone may extend up to five hundred (500) meters from the extremities of the structure.
3. Additionally, a restricted zone of one thousand two hundred and fifty (1250) meters may be declared around the extremities of safety zones and Pipelines in which area unauthorized vessels employed in exploitation of Petroleum resources are prohibited from laying anchor or manoeuvring.
4. Unauthorized vessels shall be prohibited from entering the safety zone.
5. The ANPM shall, together with other relevant Timor-Leste authorities, seek to ensure that the existing safety and restricted zones and any such future zones and any structures left on the seabed following the completion of Decommissioning Activities are duly identified in the navigational charts issued by the said authorities and by other relevant international maritime authorities or issuers of navigational charts.
6. Where the Bayu-Undan Contractor notifies the relevant Timor-Leste and other relevant international maritime authorities or issuers of navigational charts of such structures for the purpose of identifying them in navigational charts, neither of the Bayu-Undan Contractor nor the Contract Operator will be liable, including pursuant to Article 21 above, for any damage caused, or to undertake any remedial activities necessitated by, a collision with such structures by a vessel or by any such similar incident.

Article 25

Records to be kept

1. The ANPM shall require the Bayu-Undan Contractor to keep accounts, records or other documents, including financial records, in connection with Decommissioning Activities and to furnish to the ANPM, in the manner specified in this decree-law, the Decommissioning Agreement, Regulations, Directions, Guidelines and the Decommissioning Plan, data, reports, returns or other documents in connection with those operations.

2. Article 23.1 above shall also apply to any cores, cuttings and samples taken during the performance of Decommissioning Activities in the Contract Area.

Article 26

Access approval

1. In order to promote the optimum performance of Decommissioning Activities, the ANPM may give approval to the Bayu-Undan Contractor to enter a contract area, not being the Contract Area, to carry out activities in accordance with that approval.
2. The ANPM shall consult with the contract operator of the contract area into which access is sought before giving approval.
3. The terms and conditions of approval shall include an obligation to furnish to the ANPM in a specified manner data, reports, returns or other documents in connection with activities carried out under the access approval.

Article 27

Inspectors

1. The ANPM may appoint a person to be an inspector for the purposes of this decree-law, the Regulations, Directions and Guidelines, the Decommissioning Plan and any terms and conditions applying to Decommissioning Activities.
2. The inspector shall, at all reasonable times and on production of a certificate of appointment:
 - (a) Have the right to enter any structure, vessel or aircraft in the Contract Area being used for Decommissioning Activities;
 - (b) Have the right to inspect and test any equipment being used or proposed to be used for Decommissioning Activities; and
 - (c) Have the right to enter any structure, vessel, aircraft or building in which it is thought there are any documents relating to Decommissioning Activities in the Contract Area and may inspect, take extracts from and make copies of any of those documents.
3. The Bayu-Undan Contractor shall provide an inspector with all reasonable facilities and assistance that the inspector requests for the effective exercise of the inspector's powers.

Article 28

Service of notices

1. A document to be served on a person other than the Ministry, the ANPM or a corporation shall be served:
 - (a) By delivering the document to that person;
 - (b) By posting the document addressed to that person;
 - (c) By delivering the document to that address and leaving the document with any employee of that person;
 - (d) By sending an email attaching a copy of the document to that person's email address.
2. A document to be served on a corporation shall be served by complying with sub-paragraphs (b), (c) or (d) of Article 28.1 above.
3. A document to be served on the Ministry or the ANPM shall be served by leaving it with a person employed in connection with the Ministry or the ANPM, at a place of business of the Ministry or the ANPM specified in the Decommissioning Agreement or by posting the document as a letter addressed to the Ministry or the ANPM at that place of business or by sending the document as an email attachment to the Ministry's or ANPM's email address.
4. Where a document is posted as a letter, service shall be deemed to have been effected within seven (7) days of the letter having been posted, unless the contrary is proved.

Article 29

Release of information and data

1. The ANPM may make such use as it wishes of information and data relating to Decommissioning Activities, and contained in a report, return or other document furnished to the ANPM, provided that information and data is not made publicly known before the periods of confidentiality identified below have expired.
2. Basic information and data about Decommissioning Activities may be released upon completion of the Decommissioning Activities.
3. Notwithstanding Article 29.2 above, the Contract Operator shall have the right to have access to and use all information held by the ANPM relating to the

Decommissioning Activities, and where information and data has been released by the person or some party acting on the person's behalf, the ANPM shall not be obliged to maintain the confidentiality of that information and data.

4. The ANPM shall be free to use any information and data relating to relinquished, surrendered and other blocks outside the Contract Area, including releasing it to any party.
5. The Bayu-Undan Contractor shall not use such information and data outside Timor-Leste without the approval of the ANPM except that such approval is deemed to have been granted with respect to the use of information and data outside of Timor-Leste:
 - (a) For the purposes of enabling the Bayu-Undan Contractor to comply with applicable legal and regulatory requirements;
 - (b) In accordance with usual business practice.
6. Officials of the Timor-Leste Government may have access to information and data provided to the ANPM under this decree-law, provided such officials comply with the provisions of this Article.

Article 30

Regulations and directions

1. To the extent not inconsistent with the Regulations, Directions and Guidelines, and provided it is necessary to ensure that good oilfield practice is followed, the Ministry or ANPM may issue regulations and directions to apply to Decommissioning Activities, consistent with the Treaty and this decree-law, in order to carry out its functions.
2. The ANPM may, by instrument in writing served on a person or class of persons, make a regulation or direction on a matter consistent with the above to apply specifically to that person or class of persons.

Article 31

Register of contractors

The ANPM shall maintain a register setting out summary details of:

- (a) Areas over which Decommissioning Activities have been concluded or are or will be performed;

- (b) The Contract Operator and the Bayu-Undan Contractor;
- (c) Changes, exemptions or waivers to the conditions of Decommissioning Activities, the Contract Operator and the undivided participating interest of the Bayu-Undan Contractor in a Contract Area; and
- (d) Changes in names and addresses of the Contract Operator and the Bayu-Undan Contractor.

Article 32

Approval of contractors

1. Corporations wishing to hold an undivided participating interest which would result in changes to the Bayu-Undan Contractor in the Contract Area shall be required to obtain the ANPM's prior approval of those changes.
2. Any approval under Article 32.1 above shall only be given if the ANPM is satisfied that the corporation in question has the necessary financial and technical capacity, and that any corporation which will cease to be a Bayu-Undan Contractor does not waive the trailing and residual liability obligations under Articles 20 and 21 above.
3. The ANPM shall note such approval in the register.
4. Until such approval is given by the ANPM, with the prior consent of the Minister responsible for the petroleum sector, the new participating interest holders' agreement shall not be recognized by the ANPM, and the Bayu-Undan Contractor's and Contract Operator's liabilities under a contract shall remain unchanged.

Article 33

Inspection of register

The ANPM shall ensure the register is available for inspection by any person during working hours.

Article 34

Auditing of contractor's books and accounts

The Bayu-Undan Contractor's books and accounts shall be subject to audit by the ANPM, which shall be conducted annually. The ANPM may issue regulations and directions with respect to the auditing of books and accounts.

Article 35

Security of structures

1. Operators of vessels, drilling rigs and structures in the Contract Area shall be responsible for controlling access to their facilities; providing adequate surveillance of safety zones and their approaches; and establishing communications with, and arranging action by, the appropriate authorities in the event of an accident or incident involving threat to life or security.
2. To assist operators in meeting these responsibilities, the ANPM shall appoint persons, to be stationed at the office of the ANPM, responsible for liaising with appropriate Timor-Leste and other authorities.

Chapter IV

Fees

Article 36

Contract service fee

Until the Completion Date as defined in the Decommissioning Agreement, the Contract Operator shall pay to the ANPM the annual contract service fees as established in Annex III to this decree-law, which is an integral part hereto.

Article 37

Registration fees

For the approval and registration of agreements between corporations which result in changes to the undivided participating interests of the Bayu-Undan Contractor in

the Contract Area, the Contract Operator shall pay to the ANPM a fee as established in Annex III hereto.

Article 38

Amendment of fees

1. The ANPM may change the fees specified in this chapter and foreseen in Annex III hereto, to reflect any changes in the costs of administration.
2. The changes in fees mentioned in Article 38.1 shall not be made more frequently than once a year and shall not be applied retrospectively.

Chapter V

Penal provisions

Article 39

Non-compliance with decommissioning obligations

1. Where the Bayu-Undan Contractor has committed a serious breach of the provisions of this decree-law, the Regulations, Directions and Guidelines, the Decommissioning Plan, Decommissioning Agreement, or any direction received from the ANPM in respect of Decommissioning Activities within a reasonable time, the ANPM may resort to the mechanisms referred in Article 39.2 below.
2. In the situations foreseen in Article 39.1, the ANPM may, in an increasing order of escalation:
 - (a) Issue a direction under Article 30, requiring the Bayu-Undan Contractor to comply with its decommissioning obligations;
 - (b) Replace the Bayu-Undan Contractor in the performance of Decommissioning Activities, and recover all costs reasonably incurred in the performance of the Decommissioning Activities from the Bayu-Undan Contractor in accordance with Articles 20 and 21.
3. The ANPM shall give thirty (30) days written notice to the Bayu-Undan Contractor of the ANPM's intention to apply any of the mechanisms foreseen in subparagraphs (a) or (b) of Article 39.2.

4. The ANPM shall not apply any of the mechanisms foreseen in subparagraphs (a) or (b) of Article 39.2 until the Bayu-Undan Contractor has had an opportunity to provide the ANPM with reasons why such mechanisms should not be applied, and the ANPM has given full consideration to those reasons.
5. The Bayu-Undan Contractor must provide reasons for non-applicability of the mechanisms foreseen in subparagraphs (a) or (b) of Article 39.2 within thirty (30) days of receipt of notice of the ANPM's intention.
6. In the event of a dispute between the ANPM and the Bayu-Undan Contractor regarding application of the mechanism described in Article 39.2(b), the operation of that mechanism applied, or purported to be applied, by the ANPM shall be suspended until a final decision regarding the relevant dispute has been made.
7. Notwithstanding the application of any of the mechanisms foreseen in this Article, the Bayu-Undan Contractor shall remain liable to take such action as is necessary to clean-up the Contract Area and remove property brought into that area pursuant to Article 19 above.

Chapter VI

Operational rules

Section I

General provisions

Article 40

Customs, quarantine and migration

1. Timor-Leste may, subject to the Transition Laws and Articles 40.3, 40.4, 41 and 42 below, apply customs, migration and quarantine laws to persons, equipment and goods entering or leaving its territory.
2. The competent authorities may adopt arrangements to facilitate such entry into, and departure from, the national territory.
3. The Bayu-Undan Contractor shall ensure, unless otherwise authorised by the ANPM, that persons, equipment and goods that enter the Contract Area comply with the customs, quarantine, and migration controls set out in this decree-law and the Transition Laws.

4. The provisions of this Chapter VI are further regulated in the Master Arrangement foreseen in Annex IV to this decree-law, which is an integral part hereto.

Section II

Customs, Quarantine and Vessels

Article 41

Quarantine

1. The Contract Area, including any facilities or installations located therein, shall not be deemed Timor-Leste territory for the purposes of quarantine legislation and regulations.
2. All vessels and aircraft that have entered the Contract Area and come into contact with any structures, facilities or vessels that have originated from a foreign port or waters and have not cleared Timor-Leste quarantine shall be subject to quarantine control upon entering a Timor-Leste port or airport, or the territorial sea.
3. All goods from the Contract Area that are subsequently unloaded in Timor-Leste shall be subject to quarantine control.
4. Discharge of ballast water by vessels that have called at any foreign ports or that have arrived from foreign maritime areas or the high seas is prohibited in national ports or in internal waters and the territorial sea.
5. The Timor-Leste quarantine authorities are authorised to enter into any required agreements with the Australian quarantine authorities to allow for streamlined quarantine clearance, if necessary.

Article 42

Customs

1. Vessels, goods and equipment, including chemicals, used for offshore Decommissioning Activities in the Contract Area shall be imported into Timor-Leste customs territory under the Timor-Leste Customs Code, subject to the provisions of this Article 42.

2. The ANPM together with the other responsible authorities shall create the conditions required to avoid unnecessary disruptions to the Bayu-Undan Contractor's operations as a result of such clearance procedures for regular consignments of goods and equipment and regular entries of vessels into the Contract Area, which may include, amongst others, the establishment of pre-clearance or pre-inspection procedures, online filings and applications, clearance at the Bayu-Undan facilities, and random inspections.
3. Non-regular consignments of goods and equipment and non-regular entry of vessels into the Contract Area shall be subject to mandatory inspection by the customs authorities, unless the latter waive such requirement in writing.
4. For the purposes of this Article 42 a regular consignment of goods and equipment and a regular entry of vessels into the Contract Area shall mean the entry into and exit from the Contract Area of goods, equipment, vessels, and waste, of a routine nature as approved by the ANPM.
5. For purposes of importation and re-exportation, the importer of record shall submit to the ANPM a master list of equipment and comply with all other requirements and formalities foreseen in clause 621 of the JPDA Interim Directions.
6. If the requirements and formalities mentioned in Article 42.5 above are not complied with, the customs authorities shall be entitled to carry out a customs inspection prior to the vessels, goods and equipment being used.
7. Any vessels, goods and equipment imported under the temporary importation regime and which are not re-exported once the temporary importation period has expired, or any such vessels, goods or equipment that are definitively introduced into the Timor-Leste customs territory, shall be subject to the relevant provisions of the Timor-Leste customs code.
8. Under the terms foreseen in Annex IV, the ANPM shall act as a point of contact between the Bayu-Undan Contractor and the customs authorities, and facilitate the interactions amongst them.
9. The Bayu-Undan Contractor shall be entitled to export waste that cannot be safely treated or disposed of in Timor-Leste, under the terms agreed with the ANPM and the Timor-Leste Customs Authorities, and subject to Applicable Law and relevant international conventions.

Article 43

Petroleum industry vessels - safety, operating standards and crewing

1. Vessels engaged in Decommissioning Activities in the Contract Area shall be subject to international safety and operating standards and crewing regulations.
2. The ANPM shall be responsible for authorizing the use of such vessels and confirming the referred safety and operating standards.

Article 44

Entry of dangerous goods into the Contract Area

1. All entries of dangerous goods, including but not limited to chemicals, explosives, radioactive and other toxic goods and materials, into the Contract Area shall be subject to international regulations and best practices in terms of shipping, handling and labelling, and be approved by the ANPM in accordance with the Master Arrangement attached at Annex IV of this decree-law and in consultation with the relevant authorities of Timor-Leste.
2. Where it is necessary to bring radioactive materials into the Contract Area, the Bayu-Undan Contractor will provide prior notification to the ANPM as soon as it is operationally practicable to do so, in order to expedite the approval process.
3. Subject to the remaining provisions of this Article 44 and this decree-law, the importation, transport, handling, storage and use of explosives in the Contract Area shall not be subject to special licensing under the general law, or to the provisions foreseen therein.
4. The Bayu-Undan Contractor shall advise the ANPM and the Ministry of Interior, with reasonable advance notice, of the use of explosives in the Contract Area.

Article 45

Importation of medicine

1. The Bayu-Undan Contractor is authorized to import annually into Timor-Leste the medication required to stock its medical facilities in the Contract Area.
2. For the purposes of Article 45.1 above, the Bayu-Undan Contractor shall provide to the ANPM and the Ministry of Health, within sixty days (60) of the Effective Date and thereafter by 30th November of each year, a list of the medication and respective quantities required at all times at the medical facilities in the Contract

Area, together with proof of the qualifications of the person responsible for the said medical facilities.

3. The list mentioned in Article 45.2 above, duly stamped by the ANPM and the Ministry of Health, shall be sufficient for purposes of importation and customs documentation requirements.
4. Any changes to the list mentioned in Article 45.3 shall be subject to prior approval by the ANPM and the Ministry of Health.

Section III

Onshore Operation Requirements

Article 46

Plans and reports (including emergency reports and regular updates)

1. The Contract Operator shall prepare and submit for approval (or submit for information only, as applicable) the following information to the relevant competent authority in Timor-Leste prior to the commencement of any phase or aspect of Decommissioning Activities that requires prior approval of a relevant competent authority and is to be undertaken onshore in Timor-Leste:
 - a. inventory of hazardous material (**IHM**);
 - b. the health and safety plan for approval;
 - c. emergency response plan (including in relation to telephone notification);
 - d. decontamination plan and hazardous material / waste storage facility plan for approval;
 - e. any applicable association, bridging or coordinating document for approval;
 - f. request for export of hazardous waste for approval;
 - g. template forms used for reporting; and
 - h. any other reports, plans or similar documents specified in Regulations, Directions and Guidelines from time to time.
2. The relevant competent authority shall specify the requirements of the relevant reports, plans or similar documents specified above in Article 46.1 or in Regulations, Directions or Guidelines to be satisfied by the Contract Operator.
3. The relevant competent authority shall approve, or request amendments (if applicable) to, the relevant reports, plans or similar documents specified above in Article 46.1.

4. The Contract Operator may only commence a specific phase or aspect of Decommissioning Activities to be undertaken onshore in Timor-Leste when the reports, plans or similar documents specified above in Article 46.1 are approved by the relevant competent authority, subject to any waiver of approvals by the relevant competent authority.
5. From the time they are approved by the relevant competent authority, the Contract Operator must adhere to the relevant reports, plans or similar documents specified in this Article 46.1 for the duration of the Decommissioning Activities undertaken onshore in Timor-Leste, or such longer period of time as specified therein.

Article 47

Tibar port authorization

1. The Contract Operator may only commence Decommissioning Activities to be undertaken at Tibar Port when it has been granted authorization by the operator of the Tibar Port to conduct the relevant Decommissioning Activities at Tibar Port, including in relation to decontamination and management of storage facility for the hazardous waste at Tibar Port.
2. In obtaining the authorization referred in 47.1 above, the Contract Operator must satisfy the operator of the Tibar Port of its ability to meet relevant international standards and applicable Timor-Leste law, including this decree-law, in the Decommissioning Activities to be undertaken at Tibar Port.

Article 48

Permits for shipment to ship recycling facility

1. The Contract Operator may only commence the shipment of the Floating Storage and Offloading (FSO) facility to a ship recycling facility, following the issuance by the relevant competent authority of:
 - a. the FSO export permit;
 - b. the hazardous waste export permit; and
 - c. any other permits or similar authorizations specified in Regulations, Directions and Guidelines.
2. The Contract Operator must adhere to the permits specified in Article 48.1 when transferring the FSO out of Tibar Port or any other ports in Timor-Leste.

3. Relevant competent authorities of Timor-Leste shall notify the country of import to obtain prior consent to any cross-border transport of hazardous waste.
4. In order to prepare the notification letter, the Contract Operator shall provide necessary details of transboundary waste movement to the relevant competent authorities of Timor-Leste.

Article 49

Independent verification

1. The Contract Operator and the relevant competent authority in Timor-Leste may, by mutual agreement from time to time, consult and agree to the appointment of an independent and impartial third party to regularly monitor and verify the Contract Operator's compliance with its obligations relating to Decommissioning Activities undertaken onshore in Timor-Leste.
2. Subject to any waiver provided by the relevant competent authority in Timor-Leste, the Contract Operator and relevant competent authority in Timor-Leste shall, by mutual agreement, work together to address any recommendations of the independent third party in the Decommissioning Activities undertaken onshore in Timor-Leste.

Article 50

Inspections

1. The relevant competent authority in Timor-Leste shall have the power to inspect the Decommissioning Activities undertaken onshore in Timor-Leste, including in relation to undertaking:
 - a. joint inspections; and
 - b. joint investigations on matters pertaining to major accidents (as considered to be major accidents in the reasonable view of the relevant competent authority in Timor-Leste).
2. The Contract Operator must do all things reasonable and necessary to allow reasonable and safe access to the Bayu-Undan Contractor's operations at Tibar Port for the relevant competent authority in Timor-Leste to exercise its powers noted in Article 50.1 (including procuring that its subcontractors provide such access).
3. The Contract Operator and the relevant competent authority in Timor-Leste may mutually agree to the involvement of the independent and impartial third party

appointed under Article 49 to review any major accidents (as considered to be major accidents in the reasonable view of the relevant competent authority in Timor-Leste).

4. The relevant competent authority in Timor-Leste shall have the powers reserved to them under Timor-Leste law in investigating any safety issues or major accidents that have occurred in relation to the Decommissioning Activities undertaken onshore in Timor-Leste.

Article 51

International standards

1. In addition to the standards noted elsewhere in this decree-law, including Article 15, the relevant competent authorities may, in consultation with the Contract Operator, adopt and approve in Regulations, Directions and Guidelines from time to time, other relevant international standards for the Decommissioning Activities undertaken onshore in Timor-Leste, including in relation to:
 - a. environmental sampling, analysis, and monitoring;
 - b. handling and storage of hazardous waste;
 - c. handling and storage of chemicals;
 - d. handling and disposal of non-hazardous waste; and
 - e. any other international standard approved by the relevant competent authority.
2. The Contract Operator must adhere to the relevant standard adopted in Article 51 for the duration of the Decommissioning Activities undertaken onshore in Timor-Leste, or such longer period of time as required.

Article 52

Disposal at Designated Landfill

1. A designated landfill may be used by Contract Operator for disposal of non-hazardous waste generated by the carrying out of Decommissioning Activities.
2. Disposal of hazardous waste at the designated landfill is strictly prohibited.
3. Contract Operator shall ensure all rules and procedures applicable in the designated landfill are complied with, notably, security and safety rules, and the Contract Operator will make sure such rules and procedures are made known to its personnel and sub-contractors.

4. The designated landfill is provided with security 24/7 and non-authorized personnel are not permitted access thereto.
5. Contract Operator will ensure its personnel or any subcontractor will request prior authorization from the operator of the designated landfill for access.
6. Prior to entrance, any visitors shall attend an induction and be required to use personal protection equipment, including, at least, the following:
 - a. Hard hat (green);
 - b. High-viz vest;
 - c. Boots;
 - d. Gloves, as may be recommended; and
 - e. Safety glasses, as may be recommended.
7. Trespassers and anyone caught damaging property, notably, cutting fences or damaging facilities will be reported to local authorities, and be subject to sanctions.
8. Contract Operator must ensure its personnel and sub-contractors act in accordance with applicable rules and laws.
9. All waste must be weighed and recorded before dumping, and segregation plans for re-useable or recyclable goods, batteries, paint, oil or chemicals, and marine growth shall be complied with.

Chapter VII

Final provisions

Article 53

Regulatory cooperation

For the purposes of implementation of the regulatory cooperation foreseen in Annex D of the Treaty, the ANPM and, if applicable, the relevant Timor-Leste environmental authorities shall enter into an agreement with the relevant Australian regulatory authorities on cooperation with a view to ensuring the safe and efficient decommissioning of the Bayu-Undan Gas Field, including the Bayu-Undan Pipeline, consistent with terms of the Bayu-Undan Gas Field and Bayu-Undan Pipeline decommissioning plans.

Article 54

Prior Regulations and guidelines

1. Any work programs, expenditures and regulatory approvals, including but not limited to decisions, notices, returns and audits related thereto and all correspondence, written or oral, results and submissions in support of such work programs, expenditures, approvals, decisions, notices, returns and audits made or approved prior to the effective date of this decree-law, and in force on the said date, shall continue to apply to the Bayu-Undan Contractor, subject to this decree-law and the Decommissioning Agreement.
2. Decommissioning Activities shall continue to be subject to the Regulations, Directions and Guidelines, mutatis mutandis.
3. The references in the Interim Regulations, the Interim Directions and the Interim Administrative Guidelines for the JPDA to the bodies comprising the three-tiered regulatory structure for the regulation and administration of the JPDA, created by the Timor Sea Treaty, shall be duly interpreted and adapted mutatis mutandis in accordance with the provisions of this decree-law.
4. For purposes of Article 54.3, any interpretations or adaptations shall be valid only to the extent that they do not result in a substantive change to the meaning or effect of the relevant JPDA regulation, direction or guideline.

Article 55

Amendment of this decree-law

Except in the case of amendments to Chapter IV, where the provisions of this decree-law are amended, to the extent that the amendments are not consistent with the provisions of the Decommissioning Agreement in force prior to the amendments, those amendments may only apply by agreement between the Bayu-Undan Contractor and the ANPM.

Article 56

State Participation

Timor-Leste participation in the Decommissioning Activities may only take place on the basis of a commercial agreement between Timor-Leste and the Bayu-Undan Contractor.

Article 57

Stability of the regulatory regime

The Decommissioning Agreement shall provide a stability mechanism for the regulatory regime applicable to Decommissioning Activities.

Article 58

Special Regime

This decree-law, the Decommissioning Agreement and the Transition Laws set forth the special legal framework on Decommissioning Activities and prevail over any other provisions of general law.

Article 59

Effective date

This decree-law shall come into force on the day following its publication

Approved at the Council of Ministers, on 22 March 2023

The Prime-Minister,

Taur Matan Ruak

The Minister for Petroleum and Mineral

Víctor Conceição Soares

Promulgated on 15 May 2023

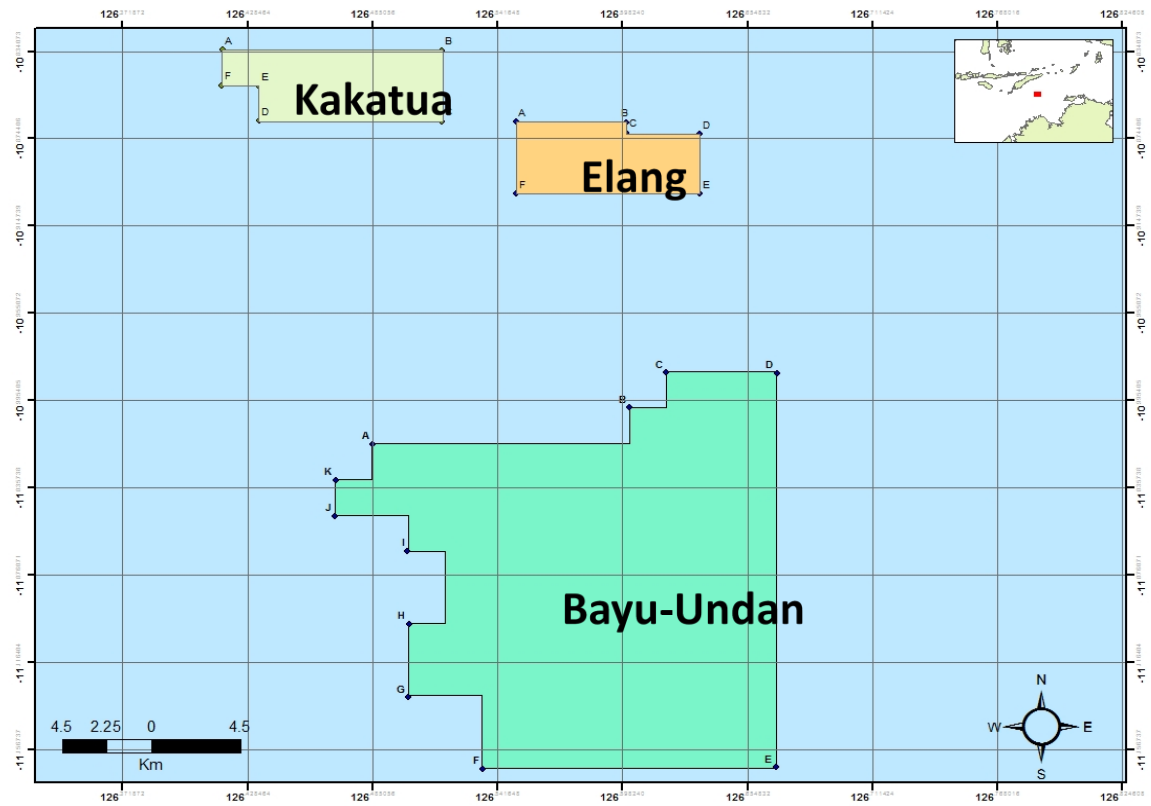
Be it published.

The President of the Republic

José Ramos Horta

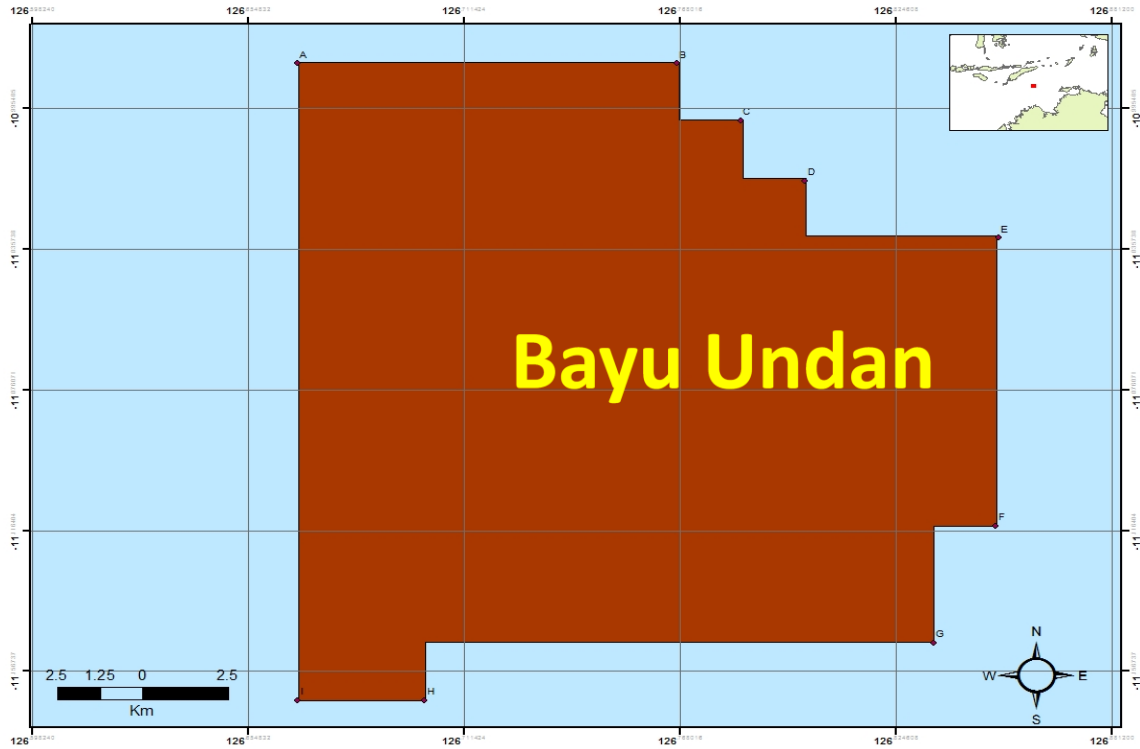
ANNEX I

Map of the Contract Area TL-SO-T 19-12



ANNEX II

Map of the Contract Area TL-SO-T 19-13



ANNEX III

Fees Foreseen in Chapter IV

CONTRACT SERVICE FEE:

The Contract Operator shall pay to the ANPM, at the start of each calendar year until the Completion Date as defined in the Decommissioning Agreement, an annual contract service fee of US\$ three hundred and twenty thousand (320,000) compounded annually at the rate of 2.5% calculated from the effective date of Decommissioning Agreement.

REGISTRATION FEE:

For the approval and registration of agreements between corporations which result in changes to the undivided participating interests of the Bayu-Undan Contractor in the Contract Area, the Contract Operator shall pay to the ANPM a fee of US\$ two thousand five hundred (2,500).

ANNEX IV

Master Arrangement for the Bayu-Undan Decommissioning Activities

PART I. IMMIGRATION

SECTION I: TYPE OF VISA / AUTHORISATION

(a) Work Visa

This visa is a multiple entry visa valid for 1 year, renewable, for personnel that work offshore on a regular basis including in offshore facilities and vessels; e.g. core crew working rostered rotations.

If a Work Visa is granted it shall be valid for a period of either:

- (i) 1 year; or
- (ii) the remaining term of the applicant's contract of employment, whichever is shorter.

The Contract Operator shall ensure that the person that requests a Work Visa has a valid employment contract. In the event that employment contract is terminated before its expiry date, the Contract Operator shall provide a notice to the authorities listed in part I section II(a) of this Master Arrangement.

Requests for this visa (and subsequent renewal requests) shall be made in accordance with part I section II(a) of this Master Arrangement.

(b) Temporary Stay Visa

This visa applies to technical, management and other specialized personnel that are associated with Bayu-Undan activities and that will travel to the Contract Area or Timor-Leste territory multiple times a year but not on a regular basis to carry out highly qualified tasks. It shall be granted for an initial period corresponding to their respective assignment and with a maximum of 1 year, and may be renewable, and if so justified allow for multiple entries. Examples include personnel supporting: (i) rotating equipment planned maintenance; (ii) planned well interventions; (iii) planned audits or inspections; and (iv) planned infield engineering support.

If a Temporary Stay Visa is granted it shall be valid for a period of either:

- (i) 1 year; or
- (ii) the remaining term of the applicant's contract of employment; or
- (iii) the period of the planned non-routine activities (where the period is certain at the time of the request), whichever is shorter.

The Contract Operator shall ensure that the person that requests a Temporary Stay Visa has a valid employment contract. In the event that employment contract is terminated before its expiry date, the Contract Operator shall provide a notice to the authorities listed in part I section II(b) of this Master Arrangement.

Requests for this visa (and subsequent renewal requests) shall be made in accordance with part I section II(b) of this Master Arrangement.

(c) Bayu-Undan Short Stay Visa

This visa may be used to support emergency or unexpected activities in the Contract Area, enabling one-off visits for personnel who need to travel to the field on an expedited basis, and shall be valid for the period and on the terms foreseen in Article 35.2 of the Migration and Asylum Law.

This visa can only be requested where the Temporary Stay Visa application cannot be filed or timely approved due to the date of the personnel's required entry into the Contract Area. Examples include personnel supporting: (i) visits to offshore facilities by senior Timor-Leste officials; (ii) urgent and unforeseen operations critical activities such as urgent wireline interventions or asset integrity remediation activities; (iii) responses to HSE events (including near-miss events that do not technically constitute emergency incidents).

If a Bayu-Undan Short Stay Visa is granted it shall be valid for a period of either: (i) 30 days; or (ii) the period of the planned non-routine activities (where the period is certain at the time of the request), whichever is shorter.

Requests for this visa shall be made in accordance with part I section II(c) of this Master Arrangement.

(d) Authorisation to Enter on Exceptional Circumstances

This authorisation process allows for single entries to the contract area and will be utilised for unplanned activities and emergencies; examples pilots and/or medical personnel who fly from Darwin to airlift personnel back to Darwin.

Requests for this authorisation shall be made in accordance with part I section II(d) of this Master Arrangement.

SECTION II: PROCEDURE TO APPLY FOR VISA OR AUTHORISATION

Below are processes to apply for a visa or authorisation.

Before visa applications are made for offshore Bayu-Undan activities, the Contract Operator shall lodge copies of the following documents with the Timor-Leste Directorate of Migration Office and the Ministry of Foreign Affairs and Cooperation (MNEC):

- Timor-Leste commercial register of the company (*Registo Comercial*) *
- Authorisation for the economic activities (*Autorização para o Exercício de Atividade Económica*)
- Debts Certificate (*Certidão de Dívidas*)

- * Employees of any contractor or sub-contractor which is not a registered Timor-Leste company will be issued a visa or authorisation under the Contract Operator's register number and TIN.

NOTE: The *Autoridade Nacional de Petróleo e Minerais* (ANPM) will act as the interface to facilitate visa processes with relevant authorities.

a) Request for Work Visa – Requirements for Applicants

Requests for Work Visa must be accompanied by the following documents in English:

- Letter of support – stating the purpose and condition for staying (i.e. means of subsistence and lodging) and date of expected return*;
- Completed visa application form;
- Copy of the identification page of the individual's passport;
- Passport-sized colour photograph on unpatterned background;
- Certificate of criminal record from the individual's country of residence;
- Certificate of Physical and Mental Capacity or HUET Certificate (Helicopter Underwater Escape Training) (valid at the time of request);
- Copy of the employment contract;
- Proof of competency or qualifications.

* For any contractor or sub-contractor with registered Timor-Leste company and TIN number, the letter of support shall also be accompanied with a letter from the Contract Operator confirming the contractual relationship.

○ Submission of Application

- Contract Operator will lodge the visa application and the required documents on behalf of the applicant by a single email addressed to the Migration Services, copying the email to Secretaria de Estado da Formação Profissional e Emprego (SEFOPE), the MNEC and the ANPM, prior to the employee entering the national territory. Where it is not possible to file the application due to duly justified reasons including lack of ability to timely obtain the required documents, the application must be filed as soon as possible, but in no event later than 40 days after entry of the employee into Timor-Leste.

| Institution | Email address |
|--------------------|--|
| Migration Services | bayuundan@migracao.gov.tl |
| MNEC | TBC |
| SEFOPE | TBC |
| ANPM | buvisa.application@anpm.tl |

- The applicant's passport must be valid for 6 months on the date of arrival and have a minimum of 2 blank pages.

○ Issuance of Work Visa

- Applicant may enter into Timor-Leste or the Contract Area for the first time with a Tourism Visa. The Tourism Visa may also be used for subsequent entries into Timor-Leste or the Contract Area after the respective visa application has been filed and pending its issuance.
- Clearance / favourable opinion from MNEC
- Clearance / favourable opinion from SEFOPE
- Visa will be processed within 30 days of the date on which a complete application is emailed by the Contract Operator or the first working day following submission if it is emailed by the Contract Operator on the weekend or during a public holiday in Timor-Leste.
- Only complete submissions will be processed.
- Successful applicant will be issued with "Visa Application Authorisation". This must be printed and retained by each individual.
- *Visa Application Authorisation* will be sent to applicant's email address, copied to the Contract Operator.

| | Email address |
|-------------------|-----------------------|
| Contract Operator | People.Ops@santos.com |

NOTE: The Contract Operator will act as an interface for the individual applicant to facilitate visa processes with the ANPM and relevant authorities.

b) Request for Temporary Stay Visa

Request for Temporary Stay Visa shall be accompanied with the following documents in English:

- Letter of support – stating the purpose and condition for staying (i.e. means of subsistence and lodging) and date of expected return*;
- Completed visa application form;
- Copy of the photographic page of the individual's passport;
- Passport-sized color photograph on unpatterned background;
- Certificate of criminal record from the individual's country of residence;
- Certificate of Physical and Mental Capacity or HUET Certificate (valid at the time of request);
- Proof of competency or qualifications;

* for any sub-contractor with registered Timor-Leste company and TIN number, the letter of support shall also be accompanied with a letter from the Contract Operator confirming the contractual relationship.

○ Submission of Application

- Contract Operator will lodge the visa application along with the required documents by a single email addressed to Timor-Leste Migration Services, copying the email to the ANPM.

| Institution | Email address |
|--------------------|--|
| Migration Services | bayuundan@migracao.gov.tl |
| ANPM | buvisa.application@anpm.tl |

- Passport should be valid for 6 months on the date of arrival and have a minimum of 2 blank pages.

NOTE: ANPM will act as the interface to facilitate visa processes with the Migration Services.

- Issuance of Temporary Stay Visa
 - Visa will be processed within 7 days of the date on which a complete application is emailed by the Contract Operator, or the first working day following submission if it is made on the weekend or public holiday.
 - Only complete submissions will be processed.
 - Successful applicant will be issued "Visa Application Authorisation". This must be printed and retained by each individual.
 - *Visa Application Authorisation* will be sent to applicant's email address, copied to the Contract Operator.

| | Email address |
|-------------------|--|
| Contract Operator | People.Ops@santos.com |

NOTE: The Contract Operator will act as an interface for the individual applicant to facilitate visa processes with the ANPM and relevant authorities.

c) Request for Bayu-Undan Short Stay Visa

Request for Bayu-Undan Short Stay Visa shall be accompanied with the following documents in English:

| |
|--|
| <ul style="list-style-type: none"> • Letter of support – stating the purpose and condition for staying (i.e. means of subsistence and lodging) and date of expected return*; • Copy of the photographic page of the individual's passport; • Return airline ticket. |
| <p>* for any sub-contractor with registered Timor-Leste company and TIN number, the letter of support shall also be accompanied with a letter from the Contract Operator confirming the contractual relationship.</p> |

- Submission of Application

- Contract Operator will lodge the visa application along with the required documents by a single email addressed to Timor-Leste Migration Services, copying the email to the ANPM.

| Institution | Email address |
|--------------------|--|
| Migration Services | bayuundan@migracao.gov.tl |
| ANPM | buvisa.application@anpm.tl |

- Passport should be valid for 6 months on the date of arrival and have a minimum of 2 blank pages.
- Issuance of Bayu-Undan Short Stay Visa
 - Visa request will be processed within 72-hours of the time that a complete application is emailed by the Contract Operator.
 - Contract Operator shall contact ANPM BU Support Desk in the case of a visa request which is emailed by the Contract Operator over the weekend or during a public holiday in Timor-Leste.
 - Successful applicant will be issued “Visa Application Authorisation”. This must be printed and retained by each individual.
 - This visa will be issued and placed on the passport upon arrival at the Helicopter Embarkation Zone (HEZ).
 - Only complete submissions will be processed.
 - *Visa Application Authorisation* will be sent to applicant’s email address, copied to the Contract Operator.

| | Email address |
|-------------------|--|
| Contract Operator | People.Ops@santos.com |

NOTE: The Contract Operator will act as an interface for the individual applicant to facilitate visa processes with the ANPM and relevant authorities.

d) Authorisation to Enter on Exceptional Circumstances

Request for Authorisation to Enter shall be made through the email of a letter addressed to the Migration Services, copy ANPM.

| Institution | Email address |
|--------------------|--|
| Migration Services | bayuundan@migracao.gov.tl |
| ANPM | buvisa.application@anpm.tl |

The letter shall state the purpose of the visit, the exceptional circumstances, and condition for staying (i.e. means of subsistence and lodging). This request shall be accompanied with a copy of passport.

The movement of personnel under this authorisation does not require a formal reply from the Migration Services. However, the Migration Services may request by email addressed to the Contract Operator that the Contract Operator provide some additional information if deemed necessary.

| | Email address |
|-------------------|-----------------------|
| Contract Operator | People.Ops@santos.com |

e. Additional Information

It is not possible to transfer a visa from one passport to another without making a new visa application.

If the passport in which your visa has been placed in has expired, the visa in the old passport still can be used, provided that you also carry a valid passport of the same nationality with the same information.

When passport details of personnel holding a visa under this framework have changed, a new visa application must be lodged as per the above process.

The Contract Operator shall notify the Migration Services and the ANPM should the holder of a valid visa misplace his/her passport or the same be damaged or destroyed. In such cases, a copy of the new passport, a statement attesting the loss or damage of the original passport, and a copy of the original visa application authorisation shall be provided to the authorities prior to the next entry into Timor-Leste. Upon arrival at the HEZ a new visa will be placed on the new passport for the term remaining on the initial visa.

SECTION III. NOTIFICATION OF SEAFARERS

This is a notification process only and is designed for personnel who are associated with vessels that move in and out of the contract area but that do not pass through a Timor-Leste port. This notification is only applicable for Seafarers or marine crews. Other personnel working on the vessel (e.g. seismic crew) must obtain the relevant visa or authorisation to work in Timor-Leste.

The Contract Operator shall submit the notification of Seafarers arriving with vessels at the BU field PSV (Platform Supply Vessel), ISV (Infield Support Vessel) or offtake tankers.

This notification shall be accompanied with the following documents:

1. A copy of the single letter of support from Contract Operator for the relevant vessel, which will include details of the vessel and the general purpose of its movement into and out of the contract area the period of that letter of support
2. IMO (International Maritime Organization) FAL Form 5 per vessel movement into and out of the contract area.

○ Submission of Notification

- Notification to enter Timor-Leste

Contract Operator will lodge the notification to enter Timor-Leste along with the supporting documentation by a single email addressed to Timor-Leste Migration Services, with a copy to ANPM and the National Directorate of Maritime Transport (DNTM).

- Notification to exit Timor-Leste
Contract Operator will lodge the notification to exit Timor-Leste with supporting documentation by a single email addressed to Timor-Leste Migration Services, with a copy to ANPM and DNTM.

| Institution | Email address |
|--------------------|--|
| Migration Services | bayuundan@migracao.gov.tl |
| ANPM | buvisa.application@anpm.tl |
| DNTM | TBC |

SECTION IV. MOVEMENT OF BAYU-UNDAN PERSONNEL

Personnel travelling to the contract area on aircraft shall be subject to immigration and quarantine checks at the Helicopter Embarkation Zone (HEZ).

The Contract Operator shall ensure that all personnel and materials complete Timor-Leste customs, immigration and quarantine formalities as required upon arrival at the airport and where necessary liaise with Timor-Leste officials and the Customs Broker to facilitate timely resolution of any issues which may delay flights.

5.1. Mobilisation via aircraft and demobilisation via vessel

Contract Operator shall ensure that personnel who are going to be demobilised via vessels shall fill *outgoing card* to indicate the same.

Notification to the Migration Services and ANPM shall be lodged 5 days prior to demobilisation.

5.2. Mobilisation via vessel and demobilisation via aircraft

Contract Operator shall notify the relevant Timor-Leste authorities of personnel who are going to be mobilised via vessel from Darwin to Bayu-Undan and demobilised through Timor-Leste Airport.

Contract Operator shall send a letter informing the same to the Migration Services with a copy to ANPM normally 5 days prior to demobilisation through Timor-Leste Airport. This must be printed, retained and be presented at the immigration. In unexpected situations impacting that personnel (e.g. compassionate leave or injury) notification can be made on short notice prior to demobilisation.

5.3. Mobilisation or demobilisation of Seafarer via aircraft

Contract Operator shall ensure that seafarer complete documentations are clearly presented at the immigration. This movement shall be informed to the Migration Services and ANPM normally 5 days prior to the movement takes place. In unexpected situations impacting that personnel (e.g. compassionate leave or injury) notification can be made on short notice prior to demobilisation.

5.4. Demobilisation via aircraft directly to Darwin

Contract Operator shall as soon as possible send a notification to Timor-Leste Migration Services with a copy to ANPM for personnel being demobilised from BU directly to Darwin due to exceptional circumstances or emergency, i.e. medivacs.

The notification to Timor-Leste Migration Services shall be printed and retained by individual and be presented at the Immigration check in the next mobilisation via Dili Airport or Suai Airport.

5.5. Notification should be sent to the following email addresses:

| Institution | Email address |
|--------------------|--|
| Migration Services | bayuundan@migracao.gov.tl |
| ANPM | buvisa.application@anpm.tl |

SECTION V. REPORTING REQUIREMENTS

Contract Operator will provide monthly reports detailing movement of all personnel entering and exiting Timor-Leste for the purpose of Bayu-Undan operations. These reports will form the basis for review and audit of the effectiveness of the Contract Operator's personnel processes and specific enquiries regarding individual personnel approvals and/or movements.

PART II. CUSTOMS

SECTION I. MANAGEMENT OF CUSTOMS CLEARANCE

For the purposes of operations at the Bayu-Undan field, arrangements for customs clearance can be divided into:

- a. Regular movement
- b. Non-regular movement

The following processes for customs clearance is only applicable for regular movement of vessel as required under article 42 of this decree-law i.e. for infield support vessel and supply vessel.

Non regular movement shall go through the normal customs clearance processes, which may include physical inspection prior to entering into Timor-Leste.

Notwithstanding, it is noted that all materials, goods and equipment imported to Timor-Leste via commercial flights will undergo customs clearance as per part II section II below.

SECTION II. CUSTOMS CLEARANCE FOR MATERIAL, GOODS AND EQUIPMENT TO BE BROUGHT TO BAYU-UNDAN VIA HELICOPTER

The Contract Operator shall ensure that all personnel and materials comply with Timor-Leste customs formalities as required upon arrival at any port or airport in Timor-Leste and where necessary liaise with Timor-Leste officials and the Customs Broker to facilitate timely resolution of any issues which may delay flights.

It is noted that cargo will clear customs clearance as per the applicable protocols and processes at the any port or airport in Timor-Leste. Any additional screening of goods will be completed at the HEZ.

Personnel luggage will be screened at the HEZ.

SECTION III. CUSTOMS CLEARANCE TO MATERIAL, GOODS AND EQUIPMENT TO BE BROUGHT TO THE BAYU-UNDAN VIA VESSEL

The following customs procedure is applicable for regular consignments of goods, material and equipment and regular vessel.

A. ASYCUDA

Prior to this Master Arrangement coming into effect, the Contract Operator working in collaboration with the ANPM and relevant TL authorities progressed testing of the ASYCUDA system and identified certain issues relating to practical and timely implementation of the process. The ANPM will, during the period that this Master Arrangement is in effect, work with the Contract Operator and the Customs Broker to resolve these detailed practical issues in order to ensure ongoing safe and efficient operations offshore (specifically relating to the efficient movement of vessels and cargo in and out of Timor-Leste).

If the Contract Operator has completed the required customs submission (including attached permits, licenses, and/or approvals) but the customs clearance without an inspection has not been granted through ASYCUDA, the Contract Operator will notify the ANPM BU Support Desk to enable continued vessel and cargo movements. On the next working day, the ANPM and Contract Operator agree to work with the relevant TL agencies to resolve any outstanding issues.

For imported and exported goods to clear customs, the following documents are to be submitted:

- Master list which should indicate:
 - 1) the name(s) or identification of the item(s) or lots of items listed, the manufacturer/fabricator and country of origin;
 - 2) the United States dollar value of the items(s) or lots of items listed;
 - 3) name and address of carrier, and reference number of the Bill of Lading;
 - 4) description and quantities;
 - 5) the signature of the Contract Operator's authorised officer responsible for correctness of the master list's contents;
 - 6) the date of lodgement; and
 - 7) Australian Export Document Number as evidence the equipment and goods listed have been duly cleared by Australian customs.
- Declaração aduaneira - Documento Administrativo Único (DAU);
- Purchase order from buyer;
- Sales invoice;
- Packing list;
- Shipping bill;
- Bill of lading or airway bill;
- Certificate of origin.

Please see the below section on "Import of Dangerous Goods" for required permits, certificates or approvals. If a permit or license is identified to be required, but not addressed by this Master Arrangement, the ANPM and Contract Operator will work together collaboratively to reach a resolution as early as possible to ensure ongoing safe and efficient operations offshore.

The Contract Operator through its Customs Broker shall lodge copies of the following documents in the ASYCUDA for the purpose of importation and exportation to and from Bayu-Undan:

- Timor-Leste commercial register of the company (*Registo Comercial*)*;
- Authorisation for the economic activities (*Autorização para o Exercício de Atividade Económica*);
- Debts Certificate (*Certidão de Dívidas*).

- * Employees of any contractor or sub-contractor which is not a registered Timor-Leste company will be issued a visa or authorisation under the Contract Operator's register number and TIN.

B) Customs inspection

Customs may inspect the cargo. Inspection can be divided into:

1) Planned inspection

Customs Authority, together with the ANPM, will arrange for mutually agreeable time with Contract Operator to inspect import cargo at the Bayu-Undan platform.

Inspection plan will be submitted 3 months prior to the inspection or at the beginning of each year.

When the timing of the annual inspection has been agreed, the Contract Operator will make arrangements for the transfer and return of inspection personnel from Dili airport or Suai airport to the offshore facilities. The annual planned inspection team may comprise up to a maximum of 5 personnel from the ANPM and/or relevant Timor-Leste agencies, and the period of the annual planned will be 4 days. The scope of the annual planned inspection will cover containers that are located on the FSO (Floating Storage and Offloading) or platform.

2) Pre-shipment inspection

Customs Authority may choose to carry out pre-shipment inspection at the port or airport of loading through a certified company approved by the ANPM and Customs Authorities and subject to audit by the latter. Arrangement may also be carried out with the Australian Government through Australian Customs.

C) Timeline to clear customs

Turnaround time for customs clearance through ASYCUDA is 24-hours for a complete submission.

PART III. QUARANTINE

SECTION I. MANAGEMENT OF QUARANTINE CLEARANCE

Contract Operator shall ensure that all personnel, materials, goods and equipment shall complete Timor-Leste quarantine formalities as required upon arrival at Dili or any other locations in Timor-Leste and where necessary liaise with Timor-Leste officials and the Customs Broker to facilitate timely resolution of any issues which may delay flights or voyages.

SECTION II. QUARANTINE INSPECTION

- Subject to the above terms relating to the planned annual inspection of goods on the offshore facilities, Timor-Leste's quarantine agency may participate in the joint inspection for observation purposes.
- All materials, goods and equipment imported to Timor-Leste via commercial flights will undergo quarantine clearance as per the normal practices.

SECTION III. HUMAN BIO-SECURITY

- Contract Operator shall inform the Ministry of Health with a copy to ANPM when there is a death or when there is an outbreak of an infectious disease offshore that could constitute a risk to public health concern if infected personnel were to transit to or through Timor-Leste. The notification shall be sent to:

| Institution | Email address |
|--------------------|--|
| Ministry of Health | TBC |
| ANPM | hse.staff@anpm.tl |

PART IV. IMPORT OF DANGEROUS GOODS

SECTION I. CHEMICALS

a) ANPM approval for chemicals

Any chemical for use in Decommissioning Activities is subject of the approval as per the ANPM Guideline for Submission of Application for Approval of Chemicals.

b) Imports of chemicals

The required documentation for import of chemicals shall be submitted through ASYCUDA for customs clearances.

Customs Broker shall ensure that the required documentation such as the multi-modal form and ANPM approval of chemicals is included in the submission for customs clearances.

c) Transportation of chemicals to Bayu-Undan

Transportation of chemicals shall follow the respective International Air Transport Association (IATA) or IMO regulations as applicable. Along with customs clearance, Contract Operator nominated agent shall ensure that notification is provided to the DNTM for shipping by vessel.

d) Reporting to ANPM

Contract Operator shall provide an annual report to the ANPM on quantity imported of chemicals at the Bayu-Undan field.

SECTION II. RADIOACTIVE SOURCES

a) Importation of Radioactive Sources

For the import and export of a Category 1 or 2 radioactive sources to or from Timor-Leste, the relevant sub-contractor of the Contract Operator shall promptly seek a single shipment permit to import radioactive sources.

Application for a single shipment permit is to be lodged by email addressed to the Ministry of Interior for approval, with a copy to the ANPM

| Institution | Email address |
|----------------------|--|
| ANPM | hse.staff@anpm.tl |
| Ministry of Interior | TBC |

A letter of application shall be submitted by email by the sub-contractor who is responsible for the radiation source. The application shall be accompanied with the following information:

1. Description of the radioactive source;
2. Expected activity level (and associated category) of the radioactive source when it arrives at the facility (categories shall be defined in accordance with Table 1 of the International Atomic Energy Agency “Code of Conduct on the Safety and Security of Radioactive Sources”);
3. Intended use/application of the radioactive source;
4. Reference to the licenses held by the sub-contractors that apply to the specific radioactive source and proposed use;
5. The latest applicable radioactive manual / procedures to demonstrate the management system to transport, handle, store and use of radioactive materials;
6. Confirmation that the approved Safety Manual procedure (for safe handling of radioactive sources in the contract area) applies to the type of radioactive source being imported and its intended use. If not, what procedures will be used to manage the source;
7. The name, position, contracting organization, relevant qualifications and license of the Radiation Safety Officers who will be responsible for the radioactive source whilst on the facility;

8. Expected date of requirement on the facility and expected date of removal (export) from the facility;
9. Proposed disposal method and intended recipient (including address etc.).

The ANPM and Ministry of Interior may ask additional information in support of the application to import radioactive sources.

The permit request will be processed within 30 days of the time that a complete submission to import radioactive sources is received by the Ministry of Interior and ANPM, or the first working day following submission if it is made on the weekend or public holiday. In unplanned events, the Ministry of Interior will provide an expedited approval in a timeframe that takes account the half-life of the radioactive material and the planned date for its usage.

Following the grant of a permit, any changes to information provided as part of the application for that permit shall be reported to ANPM and Ministry of Interior.

NOTE:

- This section does not include Naturally Occurring Radioactive Materials (NORM);
- Any loss of radioactive sources shall immediately be informed to ANPM and the Ministry of Interior in accordance with the Bayu-Undan Emergency Response Plan.

b) Import of radioactive sources to Timor-Leste

Contract Operator and its sub-contractor may temporarily import radioactive sources to Timor-Leste. A copy of the approved radioactive sources temporary permit shall be submitted through ASYCUDA for customs clearances.

Customs Broker shall ensure that the required documentation is included in the submission for customs clearances.

c) Transportation of radioactive sources to Bayu-Undan

Transportation of radioactive sources shall follow the respective IATA or IMO regulations as applicable. Along with customs clearance, Contract Operator or its sub-contractors that are permanently registered in Timor-Leste shall ensure that notification is provided to DNTM for shipping by vessel.

d) Exportation of radioactive sources from Timor-Leste

Unless otherwise authorised by the Ministry of Interior, the Contract Operator shall (to the extent possible) export radioactive sources by the expected date of removal (export) from the facility. Contract Operator may request for extension for expected date of re-exportation from the facility. This request shall be made in writing to the Ministry of Interior for approval, with a copy to the ANPM, where practicable within 5 days as of the lapse of permit expiry.

e) Loss of radioactive sources

In the event that losses of radioactive sources due to operations i.e. un-retrievable radioactive sources downhole, the Contract Operator shall report to the Ministry of Interior and ANPM.

Ministry of Interior and ANPM will assess the report and justification for the purpose of issuance of declaration to enable the exportation of the remaining radioactive sources.

This declaration shall be used as the justification for customs clearance for exportation.

SECTION III. EXPLOSIVE

a) License to import and use explosives

The sub-contractor of the Contract Operator shall secure a license to import and use explosives for the purpose of Decommissioning Activities. Applications shall be accompanied with the following information:

- a. Cover letter from the Contract Operator supporting the sub-contractor to import the explosives;
- b. Contractor operator's manual/procedure on management of explosives in the Contract Area;
- c. Purpose of using explosive;
- d. Sub-contractor applicable manual / procedures to demonstrate the management system to transport, handle, store and use explosives;
- e. Information on the sub-contractor, including but not limited to name and address of the supplier and its license or permits to use explosives;
- f. Information on qualifications and duties of personnel providing the administration and control of explosives.

The ANPM and the Ministry of Interior may seek additional information in support of the application to import explosive.

Application for license is to be lodged to the Ministry of Interior for approval with a copy to the ANPM.

| Institution | Email address |
|----------------------|--|
| Ministry of Interior | TBC |
| ANPM | hse.staff@anpm.tl |

The Ministry of Interior shall process the permit request within 30 days to import explosives. In unplanned events the Ministry of Interior will provide an expedited approval within 24 hours.

Following the grant of a license, any changes to information provided as part of the application shall immediately be reported to ANPM and Ministry of Interior. In response to any such change, the manuals / procedures referred in part IV section III (a)(2) and (4) above shall be updated as required. Any update of the manuals / procedures shall be submitted to the Ministry of Interior and ANPM for re-approval of the permit taking into account the change in circumstances.

b) Import of explosive

A copy of explosives license shall be submitted through ASYCUDA for customs clearances. Customs Broker shall ensure that the required documentation is included in the submission for customs clearances.

c) Transportation of explosives to Bayu-Undan

Transportation of explosives shall follow IMO regulations as applicable. Along with customs clearance, Contract Operator shall ensure notification is provided to DNTM for shipping by vessel.

d) Reporting to Ministry of Interior and ANPM

A report shall be issued by the Contract Operator to the Ministry of Interior and ANPM every 2 months confirming the amount of explosives being held in the Contract Area.

PART V. HEALTH SERVICES

Bayu-Undan field requires medical clinics for the preservation of life in the remote location. Depending on the activities occurring in the field the number of medical clinics may vary to provide enough coverage for the number of people in the field and work locations. The medical clinics provide general health checks, occupational health checks, and in an emergency, provide first response to injured personnel. This is achieved by each facility being manned on a 12-hour day shift by a medic, who is on-call during night shift. In addition, remote Doctor support is available 24/7 On Call.

SECTION I. NOTIFICATION OF MEDICAL CLINICS

Contract Operator shall provide information to the Ministry of Health with a copy to ANPM regarding each medical facility and its medics. The following information shall be provided accordingly:

- Medical facilities;
- Medical devices and equipment;
- List of medics and its qualifications.

Contract Operator shall ensure that all information is up to date. Any changes to the above shall be informed to the Ministry of Health with a copy to ANPM.

1) Import of medicines for the purpose of medical clinics

a) Annual License to Import medicines

- Pursuant to article 45 of this decree-law, the Contract Operator shall lodge its annual application to import medicine. The application can be lodged through the following email addresses:

| Institution | Email address |
|--------------------|--|
| Ministry of Health | TBC |
| ANPM | hse.staff@anpm.tl |

- Application shall be accompanied with the following information:
 - List of medicine;
 - Quantity required at the facilities;
 - Qualification of the medics.
- Ministry of Health will provide its decision within 30-days following the receipt of the application.
- License to import medicine is valid for 1 year.
- Contract Operator shall only import medicine under the approved list.
- Contract Operator shall seek for approval from the Ministry of Health and ANPM when additional medicines required to be imported to the Bayu-Undan field.
- Contract Operator shall provide bi-annual report to the Ministry of Health with a copy to ANPM on quantity imported, exported, consumed, and disposed at the Bayu-Undan field.

b) Import of Medicine

The required documentation for import of medicines shall be submitted through ASYCUDA for customs clearances.

PART VI. MANAGEMENT OF VESSEL BY THE CONTRACT OPERATOR

This section describes the regular and non-regular movement of vessels entering waters subject to Timor-Leste jurisdiction including contract area in respect of activities associated with the Bayu-Undan facilities:

- Support vessels contracted to transfer equipment and goods to and from the facilities during installation, completions, operations, and drilling phases and to provide rescue craft services.
- Support vessels contracted to provide tug services for cargo offtake operations, cargo and passenger transfer operations, and field guard duties.

- Vessels employed for the offloading of petroleum products.
- Mobilisation and demobilisation of mobile platforms, drill rigs, barges and vessels engaged in facility maintenance, shutdowns, or other activities associated with the facility.

Support Vessel Entry Requirements

The Contract Operator will ensure that all vessels entering waters subject to the jurisdiction of Timor-Leste including the contract area in relation to the Bayu-Undan facilities satisfy the agreed customs, immigration, quarantine and DNTM requirements established for regular or non-regular entry of vessels.

The Contract Operator will ensure that all vessels entering waters subject to the jurisdiction of Timor-Leste, including the contract area meet the applicable IMO regulations.

The Contract Operator also have obligations under the Safety Cases and safety management systems to ensure that vessels entering the contract area are fit for their intended purpose and that the contracted vessels safety management systems are effectively bridged to the applicable Safety Case. As such, review of records or physical vessel suitability surveys (technical and HSE) shall be performed prior to any vessel entering waters subject to the jurisdiction of Timor-Leste and contract area for the first time.

a) Vessel entry into waters subject to the jurisdiction of Timor-Leste and the contract area for the purpose of Decommissioning Activities

Vessel entering waters subject to the jurisdiction of Timor-Leste and the contract area for the purpose of Decommissioning Activities shall be in compliance with the applicable IMO regulations.

Customs Broker shall ensure that the following forms are filled and lodged to ASYCUDA for customs clearance, and be sent to the following email addresses for vessel clearances:

| Institutions | Email Address |
|---------------------|--|
| DNTM | TBC |
| ANPM | hse.staff@anpm.tl |

The following forms can be obtained at ANPM's website:

- 1) General Declaration;
- 2) Cargo Declaration;
- 3) Ship's Stores Declaration;
- 4) Crew's Effects Declaration;
- 5) Crew List;
- 6) Passenger List;
- 7) Dangerous Goods Manifest;

8) Port Clearance.

Along with the above forms, the vessel dossiers will be submitted to DNTM. Certificates to be included in the vessel dossiers are listed in the following section.

For the purpose of immigration, the crew list and passenger list shall also be provided to Immigration as described in the above section on movement of personnel.

b) Vessels Entry to Contract Area

Application to enter the contract area is to be lodged to the ANPM for approval of primary vessels and mobile platforms and sub-contractor operated supply vessels associated with operations, maintenance activities, or similar activities shall be made in conjunction with the related applications to commence the associated work. This application is to be made following the ANPM contract clearance.

Application for approval of Contract Operator contracted supply vessels used regularly to support Bayu-Undan shall generally be made on an annual submission however application for replacement or additional vessels may be made during the year.

For all vessels or mobile platforms entering waters subject to the jurisdiction of Timor-Leste for the purpose of Decommissioning Activities within the contract area, the following details in respect of the vessel are required to be supplied by contractors to support the application to enter the contract area. This information provided by contractors is also supported by the Contract Operator's Operational Suitability Report to ensure the capability of the vessel and proposed crews for the specific activities. Including:

- Vessel report as a result of an inspection as per Common Marine Inspection Document (CMID) or Offshore Vessel Inspection Database (OVID) within 1 year;
- Class & Flag State Certification Dossier including, but not limited to:
 - Vessel Specification Sheet;
 - Vessel Deck and Profile Plan;
 - Certificate of Registration and Minimum Safe Manning Certificate;
 - Ship's Certificate of Class;
 - Ship Management (ISM) SMS Certificate and Document of Compliance (DOC) (as applicable for size of vessel and flag state requirements);
 - International Ship Security (ISPS) Certificate (as applicable for the size and type of vessel);
 - Statutory Survey Reports (or recognised summary sheet);
 - Classification Survey Reports (status including conditions of class, memoranda and equipment accreditation status);
 - Cargo Ship Safety Equipment Certificate;
 - Cargo Ship Safety Construction Certificate;
 - International Load Line Certificate;
 - International Oil Pollution Prevention Certificate;
 - International Tonnage Certificate;
 - International Sewage Pollution Prevention Checklist;
 - International Air Pollution Prevention Certificate;

- Prevention of pollution by garbage;
- International Anti-fouling Certificate;
- Declaration of Anti-fouling Systems;
- Ozone Depleting Substances record book;
- Carriage of Noxious Liquid Substances in Bulk, Noxious Liquid Substances (NLS) Certificate;
- Cargo Ship Safety Radio License;
- Crane and Cargo Gear Certificates;
- Vessel's Lifting Gear Register;
- International Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk;
- Medical Supplies Certification;
- Maritime Labour Convention (MLC) Certificate;
- Ships Sanitation or Sanitation Exemption Certificate;
- Asbestos Free Certification/Inspection;
- Global Maritime Distress Safety System (GMDSS) Maintenance Certificate; Bollard Pull Certificate; Noise Survey Report (if applicable) resolution A.468 (XII), section 4.3;
- Record of any port state inspection;
- Continuous Synopsis Record (CSR);
- On-board Training and Drills Record;
- Certificate of Insurance in respect to oil pollution;
- Special Purpose Ship Safety Certificate (if applicable);
- Certificate of Fitness for Offshore Support Vessels (if applicable);
- Offshore Supply Vessel Document of Compliance (if applicable);
- Diving System Safety Certificate (if applicable);
- Mobile Offshore Drilling Unit Safety Certificate (if applicable);
- Helideck Certification (if applicable);
- HSE assessment of Contractor (vessel provider);
- HSE assessment of Subcontractors;
- Closed out action list of findings from vetting, International Marine Contractors Association (IMCA), OVID, Certification and HSE assessment;
- Vessel Chemical Register (in appropriate template).

For vessels or mobile platforms that are not defined platform (offshore) support vessels providing cargo services, guard or general support the following additional documentation is required to support the application to enter the contract area:

- proposed scope of work;
- safety and environmental risk assessment of the proposed scope of work in respect of the current safety case and environmental plan; and
- an HSE bridging document between the mobile platform/vessel safety and environmental management systems and the relevant facility safety and environmental management systems.

Offtake Tankers

The Contract Operator Marine Department will provide the offtake tanker details to the Customs Broker and the ANPM with the following information:

- 1) Vessel name;
- 2) IMO number;
- 3) Port of Registration;
- 4) Classification;
- 5) International Ship Security;
- 6) Safety Construction/Fitness;
- 7) Loadline;
- 8) International Oil Pollution Prevention Certificate (IOPP);
- 9) Oil Pollution Insurance;
- 10) Safety Radio;
- 11) Safety Station Licence;
- 12) Safety Equipment;
- 13) ISM Safety Management;
- 14) Minimum Safety Manning;
- 15) Manifold Crane;

Customs Broker will submit the required documentations for customs clearance through ASYCUDA.

Hazardous Materials

The vessels used must meet the appropriate IMO requirements for vessels transporting dangerous goods or hazardous wastes dependent on the type of material being transported.

Vessel Scheduling

The Contract Operator shall establish and maintain schedules consistent with forecast material movements. Schedules will be released and updated on an as required basis to the ANPM.

Vessel movements to and from the contract area will comprise:

- Mobilisation and demobilisation of mobile platforms, barges and support vessels employed during the maintenance, construction, and installation of the facilities;
- Support vessels contracted to transfer equipment and goods to and from the facilities and to provide rescue craft services; and
- Vessels employed for the offloading of petroleum products.

Quarantine

All vessels entering to Timor-Leste territorial waters or calling at Timor-Leste ports shall be subject to the quarantine rules foreseen in this decree-law.

Supply Vessels to Bayu-Undan

All freight presented for shipment by sea must comply with the Contract Operator's material handling specifications, standards and guidelines appropriate for shipment. All containers and freight with lifting points/slings must have valid certification approved by an acceptable certifying authority.

Dangerous Goods must be accompanied by a Safety Data Sheet (SDS) and a Dangerous Goods Declaration in accordance with the International Maritime Dangerous Goods (IMDG) Code.

All lifting containers must be identified with the following:

- Weight of the container including Certification of gross mass;
- Destination sticker; and
- Dangerous Goods labels (if required)

All freight should be presented or advised by means of a load out list to the supply base at least 24 hours prior to the scheduled sailing time unless due to the nature of the goods, such as bulk products or urgent late items, it is impractical to do so or at the discretion of the Contract Operator.

Under normal circumstances 24 hours prior to sailing of the vessel, a draft manifest should be prepared and include the description, quantity, weight, value and origin of the cargo to the Customs Broker or pre-clearance and Export Document Numbers.

At the completion of loading, a final and completed cargo manifest to the Customs Broker, who in turn will present the document to customs for final export clearance of the vessel.

A copy of the completed manifest complete with any Dangerous Goods Declarations and relevant export/import permits to the:

- Master of the vessel;
- Facility Materials Coordinators;
- Ship's Agent;
- The Contract Operator's Customs Broker;
- Appropriate Contract Operator distribution list;
- ANPM; and
- DNTM.

Supply Vessels from Bayu-Undan

All freight presented for shipment by sea complies with the Contract Operator's material handling specifications, standards and guidelines appropriate for shipment.

Dangerous Goods must be accompanied by a Safety Data Sheet (SDS) and a Dangerous Goods Declaration in accordance with the IMDG Code. Prior to departure of the vessel a detailed cargo manifest which includes description, quantity, weight, value and origin of the Dangerous Goods or Hazardous Waste to the following:

- Darwin Materials Coordinator;
- Darwin Logistics Technical Assistant;
- Darwin Marine Logistics Coordinator;
- Master of the vessel;
- Ship's Agent;
- The Contract Operator's Customs Broker;
- Appropriate contract operator distribution list;
- ANPM; and
- DNTM.

Following completion of formalities, the Master shall then assume responsibility for pre-voyage checks, port control requirements and the voyage.

The Customs Broker shall make all arrangements for the clearances prior to the arrival of the vessel into port.

PART VII. MANAGEMENT OF EMERGENCY RESPONSE

This section is applicable to emergency response for the Bayu-Undan field.

In an emergency in the Field the Contract Operator will utilise the approved emergency response procedures listed below for the preservation of life and protection of marine environment.

Approved Emergency Response Procedures for Bayu-Undan:

Bayu-Undan Emergency Response Plan (ALL/HSE/ER/003)

Bayu-Undan Medical Emergency Response Plan (BU/HSE/BDG/012)

Bayu-Undan Oil Spill Contingency Plan (ALL/HSE/ER/010)

Bayu-Undan to Darwin Gas Export Pipeline Oil Spill Contingency Plan (ALL/HSE/PLN/024)