

# Timor Resources secures Timor-Leste PSC

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Timor Resources Holdings has secured a 50% interest in two onshore blocks, as part of a production sharing contract (PSC) with Autoridade Nacional do Petróleo e Minerais, a government authority of Timor-Leste.

Timor Resources will be the operator, in a joint venture arrangement with TIMOR GAP, the national petroleum company of Timor-Leste.

Timor Resources chairman said his team had been in discussions with the national oil company for more than six months.

“The Timorese government recognizes that this project has the potential to bring life-changing benefits to its people. They don’t have the resources to fund a development of this size alone so they have been looking for a partner who is prepared to share the risks and the rewards – a partner they can trust and who will work in a partnership,” he said.

Timor-Leste, formerly known as East Timor, is considered to be one of the last unexplored frontiers for oil and gas. Located less than two hours flight from Darwin, the highly prospective region is well known for hydrocarbons but its onshore oil fields have been closed to international exploration for 40 years.

For many years, Australia has been embroiled in a political struggle with its tiny northern neighbor over potentially billions of dollars in offshore oil and gas reserves in the Timor Sea.

Timor Resources is now the only company in the world with the rights for oil and gas exploration and production on mainland Timor-Leste. Under the agreement, the company will work closely with the Timorese Government to explore 200,000 hectares.

Timor Resources’ general manager of exploration Mike Bucknill said, “We know there is oil in the area - the question now is how much?”

“More than 60 oil seeps have been identified in the PSC area, and Blocks A and C encompass 2000sq km.”

Geological and geophysical data estimates a resource with the potential for a world class discovery. Reserves are expected to feed a new onshore processing facility that will be built to produce hydrocarbon products for domestic consumption and export sales.

Exploration will start early next year with an extensive 900km of 2D seismic planned for early 2018.

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