The Australian Embassy in Dili presents its compliments to the Ministry of Foreign Affairs and Cooperation of the Democratic Republic of Timor-Leste and has the honour to refer to the *Treaty between Australia and the Democratic Republic of Timor-Leste on Certain Maritime Arrangements in the Timor Sea*, done at Sydney on 12 January 2006 ('the CMATS Treaty').

The Australian Embassy has the further honour to refer to the notification by the Democratic Republic of Timor-Leste, dated 10 January 2017, of its wish to terminate the CMATS Treaty. The Australian Embassy notes that, in accordance with Article 12(2), the CMATS Treaty shall cease to be in force three calendar months after such notification is given, that is, on 10 April 2017.

The Australian Embassy further notes that the Governments of the Democratic Republic of Timor-Leste and Australia have reached a shared understanding of the legal effects of the termination of the CMATS Treaty. It is agreed that the termination of the CMATS Treaty shall include the termination of Article 12(4) of that Treaty such that no provision of the Treaty will survive termination. Thus, all provisions of the Treaty will cease to have effect three months after the delivery of Timor-Leste's notification of termination.

Further, the Australian Embassy notes that the Governments of the Democratic Republic of Timor-Leste and Australia have agreed that the *Timor Sea Treaty between the Government of East Timor and the Government of Australia*, signed in Dili on 20 May 2002, and its supporting regulatory framework will remain in force between the Parties in its original form, that is, prior to its amendment by the CMATS Treaty.

The Australian Embassy has the honour to propose on behalf of the Government of Australia that this Note and a Note in response from the Ministry of Foreign Affairs and Cooperation shall constitute an agreement between the Government of Australia and the Government of the Democratic Republic of Timor-Leste to give effect to the above understanding (the 'Agreement').

The Australian Embassy in Dili avails itself of this opportunity to renew to the Ministry of Foreign Affairs and Cooperation of the Democratic Republic of Timor-Leste the assurances of its highest consideration.

The Ministry of Foreign Affairs and Cooperation of the Democratic Republic of Timor-Leste presents its compliments to the Australian Embassy in Dili and has the honour to refer to Note No [] regarding the *Treaty between Australia and the Democratic Republic of Timor-Leste on Certain Maritime Arrangements in the Timor Sea*, signed in Sydney on 12 January 2006 ('the CMATS Treaty').

The Ministry of Foreign Affairs and Cooperation, on behalf of the Government of the Democratic Republic of Timor-Leste, confirms its acceptance of the terms set out in Note No [], and confirms that that Note and this Note shall constitute an agreement between the Government of the Democratic Republic of Timor-Leste and the Government of Australia on the matters set out in Note No [] (the 'Agreement').

The Ministry of Foreign Affairs and Cooperation confirms that the Agreement shall take effect on 10 April 2017.

The Ministry of Foreign Affairs and Cooperation avails itself of this opportunity to renew to the Australian Embassy in Dili the assurances of its highest consideration.

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