

Timor Sea Petroleum
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Re: Inquiry into Increasing Value-Adding to Australia's Raw Materials

Thank you for your letter of 27h May advising of the above Inquiry and enclosing an information paper concerning the preparation of submissions.

Our Company, in conjunction with Shell Development (Australia) Pty Ltd, are tenements holders of NT/P48 containing the giant Evans Shoal gasfield, in the Timor Sea, offshore Darwin. The gasfield is wholly in Australia.

We note that your Inquiry at this stage is evaluating the current state of value-adding in Australia, and how it compares internationally. Unfortunately, most of us know the answer already. My guess is that for a developed country we don't rank very well and, indeed, we may be among the dunces of the class. I hope that's why you are holding this Inquiry; you want to do something about our value-adding lethargy.

When it comes time to make submissions on specific cases, we will be only too pleased to give you our ideas with respect to the possible value-adding to our 17 Tcf Evans Shoal gasfield, one of the biggest in Australia, and certainly the closest large gasfield to the industrial hub of Asia.

Our field has recoverable reserves of between 7-10 Tcf of gas. If we can value-add to create the equivalent of just \$3.00 a thousand cubic feet of gas, our resource over 20-30 years could produce \$21-30 billion.

We have enclosed our 1998 Annual Report.

Please keep us informed of progress.

E G Albers
Chairman