

Minutes of Meeting

Petroleum Fund of Timor-Leste

Investment Advisory Board

Held on 5 March 2014

At the Office of Union Club, 25 Bent Street, Sydney

Present:

Olgario de Castro (Chairman)
Gualdino da Silva
Francisco Monteiro
Kevin Bailey
Torres Trovik (via teleconference)
Venancio Alves Maria
Basilio Soares
Gastao de Sousa (Secretary)

In attendance:

Filipe Nery Bernardo, Petroleum Fund Analyst, Ministry of Finance
Shih-Yang Ang, Financial Investment Adviser, Ministry of Finance
Cosme da Costa Araujo, Petroleum Fund Analyst, Ministry of Finance
Fernando da Silva, Chief accounting, BCTL
Samuel V. Robinson, Advisor, BCTL
Tobias Ferreira, PF investment officer, BCTL
Torgim Roll, Advisor, BCTL (via teleconference)
Craig Callum, Advisor

The Chairman declared the meeting open at 4.30 PM.

1. Election of Chairman

The Board elected Mr de Castro as permanent Chairman for a one year term.

2. Apologies

None.

3. Approval of the agenda

The agenda for the meeting was agreed to.

4. Approval of the minutes of the meeting on 16 December 2013

The minutes of the previous meeting were approved.

5. Matters arising from the minutes not otherwise included in the agenda

The Board agreed in its previous meetings for the BCTL to expand its operations by looking at the possibility of managing an equity index mandate. Mr Venancio presented to the Board on the BCTL's progress on implementing the new passive equity index mandate. The Board agreed on passively managing to the MSCI Australia index.

6. Review of the Fund's performance

The Board postponed the agenda item for the next IAB meeting.

7. Discussion of the non-US sovereign Bond mandate

Mr Venancio presented on the non US sovereign bond mandate. He said that the BCTL has executed the manager selection process requested by the Minister. A proposal to appoint two external managers was sent to the Minister. The Board agreed with the BCTL's proposal. The parameters for the mandate are being finalized.

8. Sydney workshop

The IAB workshop held in Sydney from 3 to 5 March discussed the Board's strategic asset allocation (SAA) plan, dynamic asset allocation (DAA) and equity portfolio construction.

9. Develop IAB work plan for 2014

The Board postponed the agenda item for the next IAB meeting.

10. Other business

None.

11. Next meeting

The Board members would organize a suitable time.

The Chairman declared the meeting closed at 6:00 PM.

Chairman

Secretary