

Minutes of Meeting

Petroleum Fund of Timor-Leste

Investment Advisory Board

Held on 31st May 2013

At the Office of Autoridade Nacional do Petroleo (ANP), Dili, Timor-Leste

Present:

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

In attendance:

Filipe Nery Bernardo, Petroleum Fund Analyst, Ministry of Finance
Shih-Yang Ang, Financial Investment Adviser, Ministry of Finance
Simen Bjornerud, Fiscal Policy and Petroleum Fund Advisor, Ministry of Finance
Cosme da Costa Araujo, Petroleum Fund Analyst, Ministry of Finance
Craig Callum, Advisor, BCTL
Samuel V. Robinson, Advisor, BCTL

The Chairman declared the meeting open at 3.30 PM.

1. Election of Chairman

The Board elected Mr de Castro to act as temporary Chairman for the meeting.

2. Apologies

An apology was received from Mr Monteiro.

3. Approval of the agenda

The agenda for the meeting was agreed to.

4. Approval of the minutes of the meeting on 12 April 2013

The minutes of the previous meeting were approved. Item number 6 (discussion of parameters for global sovereign bond mandate) was declared confidential.

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

PFAU noted a Towers Watson's report on determining the strategic portfolio mix for the bond portfolio. The Board agreed to discuss this in the upcoming workshop and IAB meeting.

6. Review of the Fund's performance

The Total Fund returned 2.18% for the quarter of March 2013, while its benchmark returned 2.07%. Fixed Interest returned 0.22% over that period, compared to its benchmark return of 0.17%. International Equities returned 7.79% for the quarter, while its benchmark returned 7.73%.

Since inception, the Total Fund's return was 4.21% pa, relative to its benchmark of 4.20%.

7. Other business

The Board requested periodic briefings by the BCTL on IAB expenses accumulated over the year.

The Secretariat discussed the updated agenda for the Melbourne workshop. The Board also discussed the potential workshop in Oslo in October coinciding with the IFSWF meeting.

8. Schedule next meeting

It was agreed that the next meeting would take place on 27 June 2013, at 5 pm after the workshop in Melbourne.

The Chairman declared the meeting closed at 5:00 PM.

Chairman

Secretary