

INDEX OF DOCUMENTS HELD ON THE PUBLIC REGISTER FOR PETROLEUM RETENTION LICENCE PRL 244

Petroleum Retention Licence PRL 244 emanated from Petroleum Exploration Licence PEL 182. For related documents, please refer to the Licence Register for PEL 182.

1. 14 November 2017 Grant of Petroleum Retention Licence PRL 244 (ex PEL 182).

Interests in the licence are:

Victoria Oil Exploration (1977) Pty Ltd	57%
Acer Energy Pty Limited	43%

2. 14 November 2017 Notation of receipt of security.

3. 14 November 2017 Deed pursuant to Section 31 of the *Native Title Act 1993* dated 12 July 2005 between the Licensee, the Minister for Mineral Resources and Energy, the Yandruwandha/Yawarrawarrka People and the Yandruwandha/Yawarrawarrka Traditional Land Owners (Aboriginal Corporation).

Deed pursuant to Section 31 of the *Native Title Act 1993* dated 12 July 2005 between the Licensee, the Minister for Mineral Resources and Energy, the Dieri People and the Ngayana Dieri Karna (Aboriginal Corporation).

4. 21 November 2017 Gazettal of Grant of PRL 244.

5. 29 May 2020 Suspension of licence for the period from 3 April 2020 to 2 April 2021 inclusive.

PRL 244 is now due to expire on 13 November 2023.

6. 29 May 2020 Memorandum entering suspension of licence on the public register.

7. 4 June 2020 Gazettal of suspension of licence.

8. 11 November 2020 Memorandum entering notation of revision to security arrangements on the public register.

9. 30 November 2020 Memorandum entering notation of the following registrable dealing on the public register:

Asset Sale Agreement dated 2 November 2020 between Senex Energy Limited, Stuart Petroleum Pty Ltd, Stuart Petroleum Cooper Basin Oil Pty Ltd, Victoria Oil Exploration (1977) Pty Ltd, Permian Oil Pty Ltd, Impress (Cooper Basin) Pty Ltd and Beach Energy Limited.
Ref: SA 2020-30

10. 20 April 2021 Suspension of licence for the period from and including 3 April 2021 to 2 April 2022.
- PRL 244 is now due to expire on 12 November 2024.
11. 20 April 2021 Memorandum entering notation of suspension of licence on the public register.
12. 22 April 2021 Gazettal of suspension of licence.
13. 17 June 2021 Memorandum entering notation of the following registrable dealing on the public register:
- Deed of Assignment and Assumption – PEL 182 Joint Operating Agreement dated 1 March 2021 between Impress (Cooper Basin) Pty Ltd, Victoria Oil Exploration (1977) Pty Ltd and Acer Energy Pty Limited.
Ref: SA 2021-06
- Interests in the licence are:
- | | |
|--------------------------------|-----|
| Impress (Cooper Basin) Pty Ltd | 57% |
| Acer Energy Pty Limited | 43% |
14. 11 May 2023 Suspension of licence conditions for the period from 14 November 2023 to 13 November 2024 inclusive.
- Extension of term of licence by the corresponding period of suspension.
- PRL 244 is now due to expire on 13 November 2025.
15. 11 May 2023 Memorandum entering suspension of licence conditions and extension of licence term on the public register.

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244

1. Suspension of the work program commitments under licence condition 12.1 of petroleum retention licences PRLs 238, 239, 240, 241, 242, 243 and 244 is hereby entered on the public register.
2. Extension of the term of PRLs 238, 239, 240, 241, 242, 243 and 244 is hereby entered on the public register.



NICK PANAGOPOULOS
A/ Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Date: 11 May 2023

Ref: MER-2017/0716

Petroleum and Geothermal Energy Act 2000
S.76A

**SUSPENSION OF CONDITION
EXTENSION OF LICENCE TERM**

**PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244**

I, NICK PANAGOPOULOS, A/Executive Director Energy Resources Division, Department for Energy and Mining, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of the Minister for Energy and Mining (Minister), pursuant to delegated powers dated 29 June 2018 hereby –

- a) Suspend the commitments under licence condition 12.1 of petroleum retention licences (PRLs) 238, 239, 240, 241, 242, 243 and 244 for the period from 14 November 2023 to 13 November 2024 inclusive; and
- b) Extend the term of PRLs 238, 239, 240, 241, 242, 243 and 244 by the corresponding period of suspension, such that PRLs 238, 239, 240, 241, 242, 243 and 244 will now expire on 13 November 2025.

Dated: 11 May 2023



NICK PANAGOPOULOS
A/Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Petroleum and Geothermal Energy Act 2000
S. 115

MEMORANDUM

PETROLEUM EXPLORATION LICENCE
PEL 182

PETROLEUM RETENTION LICENCES
PRLs 135, 238, 239, 240, 241, 242, 243 and 244

PETROLEUM PRODUCTION LICENCE
PPL 268

ASSOCIATED FACILITIES LICENCES
AALs 224, 273, 274

SA 2021-06 Notation of registrable dealing as evidenced by Deed of Assignment and Assumption – PEL 182 Joint Operating Agreement dated 1 March 2021 between Impress (Cooper Basin) Pty Ltd, Victoria Oil Exploration (1977) Pty Ltd and Acer Energy Pty Limited is hereby entered on the public register.

Interests in the licence are:

Impress (Cooper Basin) Pty Ltd	57%
Acer Energy Pty Limited	43%



NICK PANAGOPOULOS
A/Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Date: 17 June 2021

Ref: MER-2020/0717

Note—

Under regulation 16(3)(c) of the *Motor Vehicles Regulations 2010*, the Registrar may, by notice in the Gazette, withdraw the recognition of a motor vehicle club if satisfied that the club has contravened or failed to comply with a condition applying to its recognition by the Registrar, or if there is other good cause to withdraw the recognition.

Schedule 1—Recognised motor vehicle clubs**Historic, left-hand drive and street rod motor vehicle clubs**

Adelaide Car Club Incorporated

Made by the Deputy Registrar of Motor Vehicles

On 15 April 2021

NATIONAL PARKS AND WILDLIFE (NATIONAL PARKS) REGULATIONS 2016

Closure of Scott Creek Conservation Park

PURSUANT to Regulation 7(3)(d) of the *National Parks and Wildlife (National Parks) Regulations 2016*, I, Michael Williams, Director of National Parks and Wildlife, reopen to the public, the portion of Scott Creek Conservation Park to the West of Dorset Vale Road from:

6.00 am on Monday, 26 April.

The portion of the park East of Dorset Vale Road will remain closed until further notice. The purpose of the closure is to ensure the safety of the public following recent fires within the park area.

Dated: 20 April 2021

M. WILLIAMS
Director of National Parks and Wildlife
Department for Environment and Water

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

Statement of Environmental Objectives

PURSUANT to Section 104(1) of the *Petroleum and Geothermal Energy Act 2000* (the Act) I, Barry Goldstein, Executive Director Energy Resources Division, Department for Energy and Mining do hereby publish the following document as having been approved as a statement of environmental objectives under the Act.

Documents:

- Santos Ltd, South Australia—Moomba—Statement of Environmental Objectives: Carbon Storage, March 2021

This document is available for public inspection on the Environmental Register section of the following webpage:

<https://www.petroleum.sa.gov.au/regulation/environmental-register>

or at the Public Office determined pursuant to Section 107(1) of the Act to be at:

Energy Resources Division
Customer Services
Level 4
11 Waymouth Street
Adelaide SA 5000

Dated: 16 April 2021

BARRY GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

Suspension of Petroleum Retention Licences—PRLs 238, 239, 240, 241, 242, 243 and 244

Pursuant to Section 90 of the *Petroleum and Geothermal Energy Act 2000*, notice is hereby given that the abovementioned Petroleum Retention Licences have been suspended from 3 April 2021 to 2 April 2022 inclusive, pursuant to delegated powers dated 29 June 2018.

The expiry date of PRLs 238, 239, 240, 241, 242, 243 and 244 is now determined to be 12 November 2024.

Dated: 20 April 2021

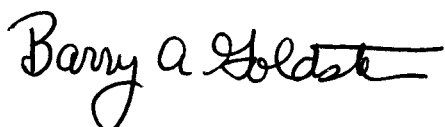
BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244

1. Suspension of these licences is hereby entered on the public register.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Date: 20 April 2021

Ref: MER-2017/0716

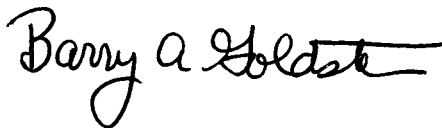
Petroleum and Geothermal Energy Act 2000
S.90

**SUSPENSION OF
PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244**

I, BARRY ALAN GOLDSTEIN, Executive Director Energy Resources Division, Department for Energy and Mining, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Dan van Holst Pellekaan, Minister for Energy and Mining (Minister), pursuant to delegated powers dated 29 June 2018 hereby –

- a) Suspend petroleum retention licences (PRLs) 238, 239, 240, 241, 242, 243 and 244 for the period from 3 April 2021 to 2 April 2022 inclusive.
1. No regulated activities are permitted to be carried out during this period of suspension.
 2. The expiry date of PRLs 238, 239, 240, 241, 242, 243 and 244 is now determined to be 12 November 2024.

Dated: 20 April 2021



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Petroleum and Geothermal Energy Act 2000
S. 115

MEMORANDUM

PETROLEUM EXPLORATION LICENCES

PELs 94, 182, 516 and 639

PETROLEUM RETENTION LICENCES

PRLs 15, 16, 76, 77, 78, 79, 80, 81, 82, 83, 84, 105, 106, 108, 109, 110, 116, 117, 120, 128, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 183, 184, 185, 186, 187, 188, 189, 190, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 237, 238, 239, 240, 241, 242, 243, 244, 245 and 246

PETROLEUM PRODUCTION LICENCES

PPLs 203, 206, 207, 208, 209, 211, 213, 214, 215, 217, 218, 221, 240, 241, 242, 243, 251, 258, 263, 264, 265, 266, 268 and 270

SPECIAL FACILITIES LICENCES

SFLs 4, 8 and 10

ASSOCIATED ACTIVITIES LICENCES

AALs 147, 151, 169, 179, 184, 200, 205, 206, 224, 243, 245, 253, 261, 262, 267, 268, 273, 274, 282, 283, 284, 285, 286, 288, 289 and 290

SA 2020-30 Notation of registrable dealing as evidenced by Asset Sale Agreement dated 2 November 2020 between Senex Energy Limited, Stuart Petroleum Pty Ltd, Stuart Petroleum Cooper Basin Oil Pty Ltd, Victoria Oil Exploration (1977) Pty Ltd, Permian Oil Pty Ltd, Impress (Cooper Basin) Pty Ltd and Beach Energy Limited is hereby entered on the public register.

Note: A full version of the Asset Sale Agreement is contained on the commercial register for PEL 94. A version of the Asset Sales Agreement excluding Schedule 6 is contained on the commercial register of all other above referenced licences.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Date: 30 November 2020

Ref: MER-2020/0717

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

PETROLEUM EXPLORATION LICENCES
PELs 182, 516 and 639

PETROLEUM RETENTION LICENCES
PRLs 15, 16, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 105, 106, 108, 109, 110, 116, 117, 120, 124, 128, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 183, 184, 185, 186, 187, 188, 189, 190, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 237, 238, 239, 240, 241, 242, 243, 244, 245 and 246

PETROLEUM PRODUCTION LICENCES
PPLs 203, 207, 208, 209, 211, 213, 214, 215, 217, 218, 221, 240, 241, 242, 243, 251, 258, 263, 246, 265, 266, 268 and 270

SPECIAL FACILITIES LICENCE
SFL 10

1. Notation of revision to security arrangements is hereby entered on the public register.
2. As from 11 November 2020, revisions to security arrangements for the above-mentioned licences will no longer be noted on the public register.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Date: 11 November 2020

Ref: F2020/000930

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

*Suspension of Petroleum Retention Licences
PRLs 238, 239, 240, 241, 242, 243 and 244*

Pursuant to section 90 of the *Petroleum and Geothermal Energy Act 2000*, notice is hereby given that the abovementioned Petroleum Retention Licences have been suspended from 3 April 2020 to 2 April 2021 inclusive, pursuant to delegated powers dated 29 June 2018.

The expiry date of PRLs 238, 239, 240, 241, 242, 243 and 244 is now determined to be 13 November 2023.

Dated: 29 May 2020

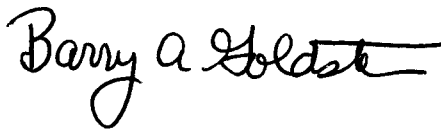
BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244

1. Suspension of these licences is hereby entered on the public register.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

Date: 29 May 2020

Ref: MER-2017/0716

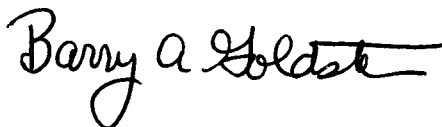
Petroleum and Geothermal Energy Act 2000
S.90

**SUSPENSION OF
PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244**

I, BARRY ALAN GOLDSTEIN, Executive Director Energy Resources Division, Department for Energy and Mining, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Dan van Holst Pellekaan, Minister for Energy and Mining (Minister), pursuant to delegated powers dated 29 June 2018 hereby –

- a) Suspend petroleum retention licences (PRLs) 238, 239, 240, 241, 242, 243 and 244 for the period from 3 April 2020 to 2 April 2021 inclusive.
1. No regulated activities are permitted to be carried out during this period of suspension.
 2. The expiry date of PRLs 238, 239, 240, 241, 242, 243 and 244 is now determined to be 13 November 2023.

Dated: 29 May 2020



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

GRANT OF PETROLEUM RETENTION LICENCES

PRLs 238, 239, 240, 241, 242, 243 and 244

NOTICE is hereby given that the undermentioned Petroleum Retention Licences have been granted under the provisions of the Petroleum and Geothermal Energy Act 2000.

No of Licence	Licensees	Locality	Expiry
PRL 238			
PRL 239			
PRL 240			
PRL 241	Victoria Oil Exploration (1977) Pty Ltd Acer Energy Pty Limited	Cooper Basin	13 November 2022
PRL 242			
PRL 243			
PRL 244			

Further information about the licences including descriptions of the licence areas is available for viewing on the Department of the Premier and Cabinet's Petroleum website via the following link:

http://www.petroleum.dpc.sa.gov.au/licensing_and_land_access/registers

Dated 14 November 2017.

BARRY GOLDSTEIN, Executive Director,
Energy Resources Division, Department of the Premier and Cabinet,
Delegate of the Minister for Mineral Resources and Energy

PLANNING, DEVELOPMENT AND INFRASTRUCTURE ACT 2016

NOTICE UNDER SECTION 42

Practice Directions

Preamble

The State Planning Commission may issue a practice direction for the purposes of this Act.

A practice direction may specify procedural requirements or steps in connection with any matter arising under this Act.

NOTICE

PURSUANT to section 42 (4) (a) of the *Planning, Development and Infrastructure Act 2016*, I, **Timothy Anderson**, State Planning Commission Chairperson,

- a. issue the State Planning Commission Practice Direction (Environment and Food Production Areas – Greater Adelaide) 2017 (Practice Direction)
- b. fix the day on which the Practice Direction is published on the South Australian Planning Portal as the day on which the Practice Direction will come into operation.

Dated 15 November 2017.

TIMOTHY ANDERSON QC, State Planning Commission Chairperson

PROFESSIONAL STANDARDS ACT 2004

Law Society of South Australia Professional Standards Scheme

PURSUANT to section 14 of *Professional Standards Act 2004*, I authorise the publication in the *Gazette* of the Instrument amending the Law Society of South Australia Professional Standards Scheme.

Dated 10 November 2017.

JOHN RAU, Attorney-General

PROFESSIONAL STANDARDS ACT 2004 (SA)

Instrument Amending the Law Society of South Australia Professional Standards Scheme

Preamble

- A. The Law Society of South Australia ("the Society") is an occupational association
- B. The Law Society of South Australia Professional Standards Scheme ("the Scheme") commenced on 1 July 2017.
- C. This instrument of amendment is prepared by the Society for the purposes of amending the Scheme to allow for mutual recognition of the Scheme in Tasmania.

Amendment to the Scheme

1. This instrument to amend the Law Society of South Australia Professional Standards Scheme is prepared pursuant to section 18 of the *Professional Standards Act 2004* (SA) by the Law Society of South Australia, whose business address is Level 10, Terrace Towers, 178 North Terrace, Adelaide, SA, 5000.

Operation of the Scheme in multiple jurisdictions

- 1.1 Amend recital G of the Preamble to delete the phrase "except Tasmania."
- 1.2 Amend clause 3.2 in the Scheme to insert the word "Tasmania," between the words "Western Australia," and "the ACT" thus:
The Scheme applies in New South Wales, Victoria, Queensland, Western Australia, Tasmania, the ACT and the Northern Territory pursuant to the corresponding laws of each of those jurisdictions respectively.

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

PETROLEUM RETENTION LICENCES
PRLs 238, 239, 240, 241, 242, 243 and 244

1. Petroleum Retention Licences PRLs 238, 239, 240, 241, 242, 243 and 244 (emanating from Petroleum Exploration Licence PEL 182) granted on 14 November 2017 are hereby entered on the public register.

Interests in the licences are:

Victoria Oil Exploration (1977) Pty Ltd	57%
Acer Energy Pty Limited	43%

2. Notation of receipt of security is hereby entered on the public register.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of the Premier and Cabinet
Delegate of the Minister for Mineral Resources and Energy

Date: 14 November 2017

File: MER-2017/0716

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

PETROLEUM RETENTION LICENCE

PRL 244

I, BARRY ALAN GOLDSTEIN, Executive Director, Energy Resources Division, Department of the Premier and Cabinet, in the State of South Australia pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000 (SA)* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources and Energy (Minister) pursuant to a delegation dated 31 March 2017 HEREBY GRANT to:

Victoria Oil Exploration (1977) Pty Ltd
ACN 008 898 431

Acer Energy Pty Limited
ACN 101 313 777

(the “**Licensees**”)

a petroleum retention licence pursuant to Section 30(1) of the Act, in relation to all relevant regulated resources except a source of geothermal energy or a natural reservoir for the purposes of gas storage in respect of the Licence Area for the Term.

LICENCE CONDITIONS

1. DESCRIPTION OF LICENCE AREA

The land comprised in this Licence is that part of the State of South Australia described in the Schedule 1 of this Licence (the “**Licence Area**”).

2. DEFINITIONS AND INTERPRETATION

In this Licence unless the context otherwise requires:

- 2.1 “**Act**” means *Petroleum and Geothermal Energy Act 2000* as amended from time to time, and includes any regulations promulgated under that Act;
- 2.2 “**Eligible Activity**” means exploration and appraisal activities consisting of geological, geophysical, seismic, drilling and fracture stimulation activities undertaken within the Group Subject Area during the Term, and includes operations and activities that are necessary for, or reasonably incidental to, Eligible Activity and such other activities as the Minister may from time to time approve as Eligible Activities for the purposes of this Licence.

2.2.1 (for the avoidance of doubt) Eligible Activity includes:

- (a) geological and geophysical assessment, seismic acquisition, processing and re-processing, drilling exploration wells, drilling appraisal wells and all logging, coring and flow testing in those wells required to establish the commerciality of discoveries;
- (b) flow-line(s) from a well head, initial or extended production testing required to establish the commerciality of discoveries, and associated gathering facilities, tank storage, dewatering, pumping, truck load out facilities and flow-lines to a processing facility or transport facility (but not a shared bulk facility, other than for a pro-rata amount attributable to the Eligible Activity);

but excludes operations in respect of an area after production from the area becomes, with requisite certainty, commercially feasible;

- 2.3 **"Force Majeure Event"** means an event which is beyond the reasonable control of the Licensees and which is not able to be overcome by the exercise of due diligence or prevented or avoided through prudent management processes, policies and precautions, including the use of alternate resources or the procuring of services from another source that are reasonably available, and work around plans to the extent practicable.
- 2.4 **"Group Subject Area"** means the area, from time to time, the subject of all the petroleum retention licences granted to the Licensees in respect of the areas comprised within the Subject petroleum exploration licence 93 prior to the date of their grant, being petroleum retention licences numbered [238, 239, 240, 241, 242, 243 and 244];
- 2.5 **"Initial Term"** means the term referred to in clause 3.1 of this Licence;
- 2.6 **"Licence"** means this petroleum retention licence and includes any Schedules or Annexures attached to it;
- 2.7 **"Licence Area"** has the meaning as set out in clause 1;
- 2.8 **"Overall Expenditure Target"** means, the amount determined in accordance with clause 12.1;
- 2.9 **"Term"** means the period during which this Licence is in operation being the term as determined in accordance with clause 3;
- 2.10 any term which used in this Licence which has a specific meaning in the Act, has that same meaning in this Licence;
- 2.11 a reference to a party includes that party's successors and permitted assigns;
- 2.12 where a word or expression is defined or given meaning, another grammatical form has a corresponding meaning;

- 2.13 a reference to legislation or a provision of legislation includes:
- 2.13.1 all regulations, orders or instruments issued under the legislation or provision; and
 - 2.13.2 any modification, consolidation, amendment, re-enactment, replacement or codification of such legislation or provision.
- 2.14 a reference to two or more persons is a reference to those persons jointly and severally; and
- 2.15 a reference to dollars is to Australian dollars.

3. **TERM AND RENEWAL**

14 NOV 17 BR

- 3.1 The initial term of this Licence is the period commencing on *14 November 2017* and, subject to the provisions of the Act, expiring on the day which is five (5) years after that date (**Initial Term**).
- 3.2 The Licensees may apply for a further renewal of this Licence in accordance with the Act.
- 3.3 The Minister may grant a renewal of this Licence in accordance with the Act and with clause 3.4 of this Licence.
- 3.4 The Minister shall have regard to the following matters in considering an application for renewal together with any other matter the Minister considers relevant:
- 3.4.1 the Minister being satisfied as to the condition upon a renewal specified in section 32(2) of the Act; and.
 - 3.4.2 the performance of, or compliance with the obligations under this Licence and the Act by the Licensees during the previous term to the reasonable satisfaction of the Minister.

4. **AUTHORISED OPERATIONS**

During the Term the Licensees are authorised to carry out in the Licence Area:

- 4.1 exploratory and appraisal operations for relevant regulated resources;
- 4.2 operations to establish the nature and extent of a discovery of regulated resources; and to establish the commercial feasibility of production and appropriate production techniques; and
- 4.3 such other regulated activities as are approved by the Minister from time to time.

5. **DIVISION OF REGULATED ACTIVITIES**

Pursuant to Section 74 of the Act the regulated activities to be carried out pursuant to this Licence are classified as requiring low level official surveillance.

6. USE OF INFORMATION

Pursuant to Section 73 of the Act the Licensees hereby authorise the Minister:

- 6.1 to make use of information and records provided by the Licensees under the Act; and
- 6.2 to disclose information and records provided by the Licensees under this Act as authorised by the regulations made under the Act.

7. SECURITY

- 7.1 The Licensees shall during periods determined by the Minister, lodge and maintain with the Minister, in the form acceptable to the Minister, for the satisfaction of obligations arising under the Act or this Licence in respect of all of the petroleum retention licences within the Group Subject Area, a security of fifty thousand dollars (\$50,000) or such greater sum as specified by the Minister from time to time throughout the Term (the "**Security**").
- 7.2 The Security shall be lodged in the form of either:
 - 7.2.1 cash; or
 - 7.2.2 an unconditional, irrevocable bank guarantee or letter of credit in a form, and from a financial institution, approved by the Minister,
- 7.3 Interest will not be payable by the Minister to the Licensees on any Security.
- 7.4 All charges incurred by the Licensees in obtaining and maintaining the Security shall be met by the Licensees.
- 7.5 If upon expiry, this Licence is not renewed and the Minister is satisfied that there are no further obligations under this Licence or the Act, the Minister will return the Security to the Licensees.

8. INSURANCE

- 8.1 The Licensees must:
 - 8.1.1 effect and maintain in force during the Term of this licence public liability insurance to cover regulated activities under this Licence (including sudden and accidental pollution) in the name of the Licensees for a sum not less than \$20,000,000 or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
 - 8.1.2 effect and maintain in force during the drilling of any well or operation in any well, control of well insurance in the name of the Licensees for a sum not less than \$10,000,000 or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require; and

8.1.3 upon request by the Minister, provide the Minister with a cover note or certificate of currency of each insurance policy referred to in paragraphs 8.1.1 and 8.1.2.

8.2 The Minister in specifying the levels of insurance accepts no liability for the completeness of their listing, the adequacy of the sum insured, the limit of liability, the scoped coverage, the conditions or exclusions of these insurances in respect to how they may or may not respond to any loss, damage or liability. The Licensees acknowledge and agrees that it is the Licensees' responsibility to assess and consider the risks and scope of insurances required under this Licence.

9. PRODUCTION PAYMENTS

9.1 The Licensees shall, upon production of a regulated resource from the licence area, comply with its obligations under Clause 7 of the Deed dated 12 July 2005 between the licensees, the Minister, and the Yandruwandha/Yawarrawarrka People native title party, entered into for the purposes of Section 31 of the *Native Title Act 1993*.

9.2 The Licensees shall, upon production of a regulated resource from the licence area, comply with its obligations under Clause 7 of the Deed dated 12 July 2005 between the licensees, the Minister, and the Dieri People native title party, entered into for the purposes of Section 31 of the *Native Title Act 1993*.

10. ENVIRONMENTAL IMPACT

10.1 The Licensees will ensure, when preparing an Environmental Impact Report under Part 12 of the Act, that the report also includes an assessment of the potential economic consequences for other licensees under the Act and owners of land (as defined in the Act), arising out of proposed regulated activities to be carried out in the Licence Area.

10.2 Pursuant to Section 75 of the Act the Licensees warrant that they have adequate technical and financial resources to ensure compliance with the Licensee's environmental obligations (including the rehabilitation of land adversely affected by regulated activities carried out under the Licence).

11. NO EXCLUSION OF WELL OR FACILITY LIABILITY

A contract or agreement entered into by the Licensees to transfer or accept liability for any well or facility constructed for the purpose of undertaking a regulated activity under the Act cannot transfer, limit or exclude liability under the Act unless written consent of the Minister is obtained.

12. GROUP SUBJECT AREA - WORK PROGRAM COMMITMENTS AND SURRENDER OF AREAS

12.1 During the term of this licence, the Licensees shall carry out a minimum work program commensurate with Eligible Activity expenditure of \$12.33 per square kilometre of the Group Subject Area per day, calculated as an aggregate required amount at the end of the Licence Term, or such

other lesser aggregate required amount as may be agreed by the Minister (**Overall Expenditure Target**).

- 12.2 In the event that expenditure by the Licensees on Eligible Activity on or in respect of the Group Subject Area during the term of this licence is less than the Overall Expenditure Target, the sole consequence for the Licensees shall be that, with effect at the commencement of any renewal of the Group Subject Area licences, the Licensees will be required to surrender a percentage of the then Group Subject Area equivalent to the percentage of underspend relative to the Overall Expenditure Target.
- 12.3 In the event that the Licensees expenditure on Eligible Activity within the Group Subject Area during the Term of this Licence is in excess of the Overall Expenditure Target, the Licensees shall be allowed to carry forward any excess expenditure, and such excess expenditure may be credited against the Overall Expenditure Target required on Eligible Activity in any succeeding renewal of the Group Subject Area licences.
- 12.4 In satisfying its obligations in clause 12.1, the Licensees will have the right to determine in their absolute discretion the areas in which the Eligible Activity is undertaken within the Group Subject Area.
- 12.5 In the event that expenditure by the Licensees on Eligible Activity on or in respect of the Group Subject Area during the Term is less than the Overall Expenditure Target:
 - (a) the Licensees will not be liable to pay the Minister any compensation in respect of loss or damage as a result of such shortfall (**Shortfall**) nor will the Licence, subject to the requirements of the Act, be subject to cancellation or variation as a result of the Shortfall (and the Minister releases the Licensees from any liability which the Licensees may otherwise have to the Minister for the Shortfall);
 - (b) the Shortfall shall not constitute a breach of the licence conditions; and
 - (c) the sole consequence of the Shortfall will be as provided in clause 12.3.
- 12.6 The Licensees will have the right to put a proposal in writing to the Minister which nominates the areas which are to be surrendered from the Group Subject Area in satisfaction of its obligation under clause 12.3 and, in that event, the Minister may accept the proposal in accordance with Section 89 of the Act.

13. **ADDITIONAL SURRENDER**

The Licensees may apply to surrender areas from this Licence from time to time throughout the Term in excess of those required to satisfy any surrender obligations arising under clause 12.3 by application to the Minister in accordance with Section 89 of the Act.

14. **ACCOUNTS**

The Licensees shall within three (3) months of the end of the Term provide to the Minister audited accounts of their expenditure on Eligible Activity in respect of the Group Subject Area during the preceding Term.

15. **CONFIGURATION OF SURRENDERED AREAS**

The Licensees must ensure that in submitting an application for surrender pursuant to this Licence that the location of the area or areas applied for to be surrendered shall comprise where technically feasible and having regard to good oil and gas field practice the least number of separate areas or area, and of dimensions reasonably suitable for offering as exploration licences to a third party.

16. **DIVESTMENT OF PETROLEUM RETENTION LICENCES**

If:

16.1 the Licensees apply for an assignment of a Petroleum Retention Licence which is comprised within the Group Subject Area (**Group Area Licence**) pursuant to Section 114 of the Act, with the effect of the proposed assignment being the Licensees will no longer be licensees of the Group Area Licence;

16.2 the incoming assignee (**New Participant**) has agreed in writing to be bound by the expenditure target set out in clause 12.1 and the surrender undertaking set out in clause 12.3 in respect of the Group Area Licence (separate from the Group Subject Area); and

16.3 the assignment to the New Participant is approved by the Minister pursuant to the Act;

then the Group Area Licence will cease to form part of the Group Subject Area for the purpose of this Licence from the date on which the assignment of the interest from the Licensees is approved and registered by the Minister pursuant to Section 113 of the Act.

17. **EFFECT OF A PETROLEUM PRODUCTION LICENCE BEING GRANTED**

If a petroleum production licence is granted to the Licensees pursuant to the Act in respect of part only of the Licence Area, then the area of the production licence granted is excised from the Licence Area and this Licence continues in respect of the reduced area.

18. **TERMINATION**

This Licence may be suspended or cancelled in accordance with the Act.

19. **FORCE MAJEURE**

19.1 Where the Licensees are unable to perform (or cause to be performed) planned Eligible Activity in all or part(s) of the Group Subject Area during the Term by reason of a Force Majeure Event, then the Licensees may

notify the Minister in writing of the occurrence of that Force Majeure Event and seek a proportional reduction in the Overall Expenditure Target.

19.2 If the Licensees issue a notice pursuant to clause 19.1, then the Minister may request such further information as the Minister requires in order to make a determination under this clause 19.

19.3 Provided that the Minister is satisfied that a reduction in the Overall Expenditure Target is not unreasonable in the circumstances (having regard to the nature of the event, its duration, the area affected and the impact on planned Eligible Activities and all other relevant matters) then the Minister will grant a reduction in the Overall Expenditure and will notify the Licensees in writing.

19.4 The Minister will keep a record of the duration (in days) of all sub-areas of the Group Subject Area that are agreed to be affected by a Force Majeure Event during which the Licensees are unable to perform (or cause to be performed) planned Eligible Activities.

19.5 The Licensees must:

- (a) use all reasonable endeavours to work around or overcome the effect of the Force Majeure Event;
- (b) keep the Minister informed of the continuation and expected duration of the Force Majeure Event and of measures taken to comply with this condition; and
- (c) recommence performance of their obligations as soon as possible without delay after the Force Majeure Event has ceased to exist.

Date: 14 November 2017



.....
BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of the Premier and Cabinet
Delegate for the Minister for Mineral Resources and Energy

EXECUTED BY THE LICENSEES:

EXECUTED by Victoria Oil Exploration (1977) Pty Ltd (ACN 008 898 431)
in accordance with Section 127 of the
Corporations Act 2001 and its Constitution



.....
Signature of Director

IAN RICHARD DAVIES

.....
[Print Name of Director]




.....
Signature of Director/Secretary*

FRANCIS LEO CONNOLLY

.....
[Print Name of Director/Secretary*]
(*delete the inapplicable)

EXECUTED by Acer Energy Pty Limited (ACN 101 313 777)
in accordance with Section 127 of the
Corporations Act 2001 and its Constitution



.....
Signature of Director

Morné Engelbrecht
Director

.....
[Print Name of Director]



.....
Signature of Director/Secretary*

CATHY OSTER
COMPANY SECRETARY

.....
[Print Name of Director/Secretary*]
(*delete the inapplicable)

SCHEDULE 1

PETROLEUM RETENTION LICENCE

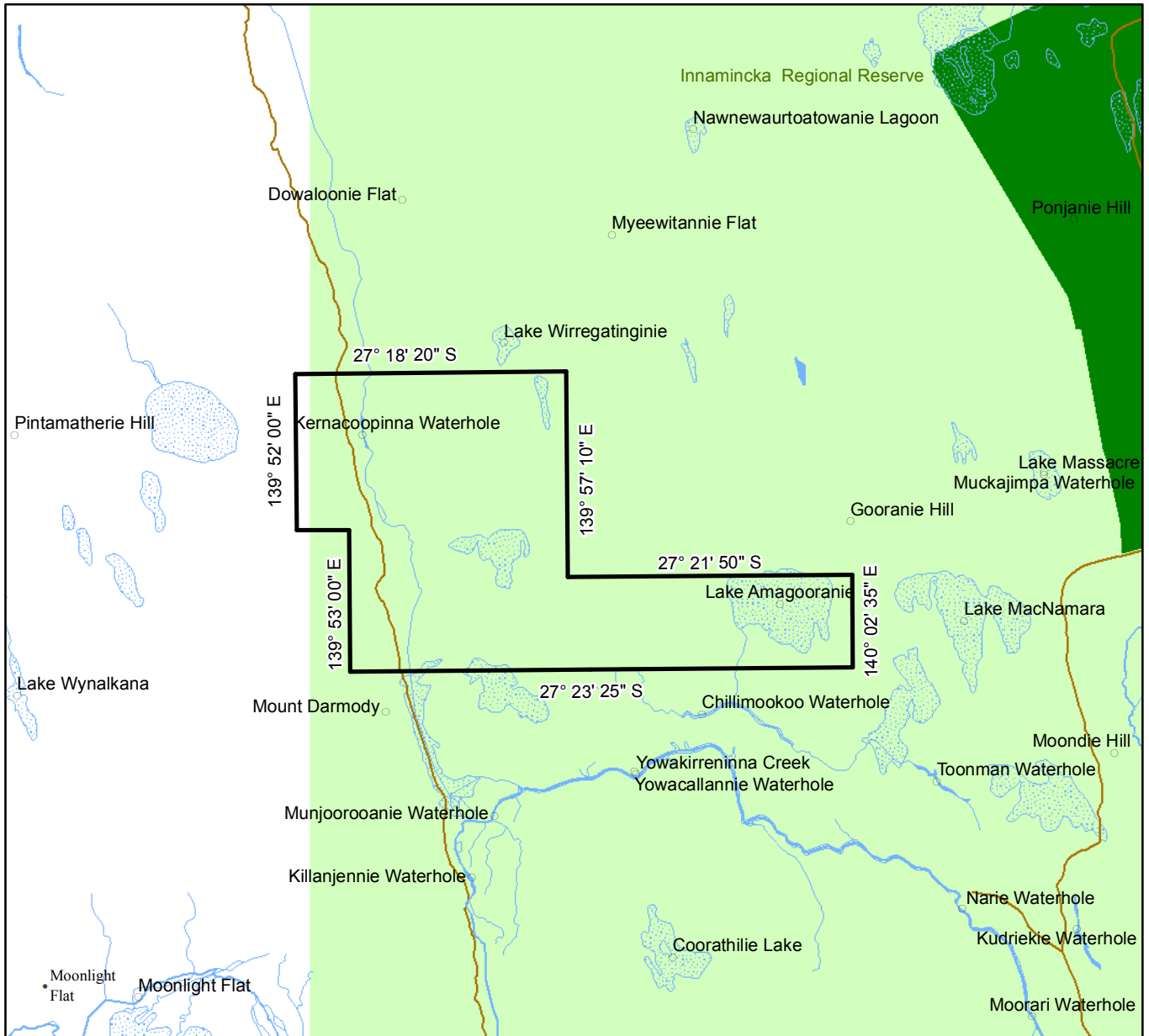
PRL 244

DESCRIPTION OF LICENCE AREA

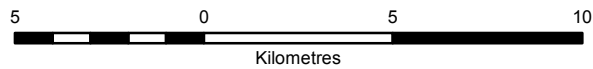
All that part of the State of South Australia, bounded as follows:

Commencing at a point being the intersection of latitude 27°18'20" S GDA94 and longitude 139°52'00" E GDA94, thence east to longitude 139°57'10" E GDA94, south to latitude 27°21'50" S GDA94, east to longitude 140°02'35" E GDA94, south to latitude 27°23'25" S GDA94, west to longitude 139°53'00" E GDA94, north to latitude 27°21'00" S GDA94, west to longitude 139°52'00" E GDA94 and north to the point of commencement.

AREA: **98.69** square kilometres approximately



SCALE 1:200,000



Note: There is no warranty that the boundary of this licence is correct in relation to other features of the map. The boundary is to be ascertained by reference to the Geocentric Datum of Australia (GDA94) and the schedule.

THE PLAN HEREINBEFORE REFERRED TO
PETROLEUM RETENTION LICENCE NO: 244

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

PETROLEUM RETENTION LICENCES
PRLs 238, 240, 243 and 244

1. Deed pursuant to Section 31 of the Native Title Act 1993 dated 12 July 2005 between the Licensee, the Minister, the Yandruwandha/Yawarrawarrka People native title party and the Yandruwandha/Yawarrawarrka Traditional Land Owners (Aboriginal Corporation) is hereby entered on the public register.
2. Deed pursuant to Section 31 of the Native Title Act 1993 dated 12 July 2005 between the Licensee, the Minister, the Dieri People native title party and the Ngayana Dieri Karna (Aboriginal Corporation) is hereby entered on the public register.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of the Premier and Cabinet
Delegate of the Minister for Mineral Resources and Energy

Date: 14 November 2017

File: MER-2017/0716

**THE HONOURABLE PAUL HOLLOWAY, MINISTER FOR MINERAL
RESOURCES DEVELOPMENT
FOR AND ON BEHALF OF THE STATE OF SOUTH AUSTRALIA
(‘Government Party’)**

and

**THE YANDRUWANDHA/YAWARRAWARRKA PEOPLE
(‘Native Title Party’)**

and

**EAGLE BAY RESOURCES NL
(‘Grantee Party’)**

and

**YANDRUWANDHA YAWARRAWARRKA TRADITIONAL LAND OWNERS
(ABORIGINAL CORPORATION) (UNDER ADMINISTRATION)
(‘Association’)**

LAND ACCESS DEED

**THE HONOURABLE PAUL HOLLOWAY, MINISTER FOR MINERAL
RESOURCES DEVELOPMENT
FOR AND ON BEHALF OF THE STATE OF SOUTH AUSTRALIA
(‘Government Party’)**

and

**THE DIERI PEOPLE
(‘Native Title Party’)**

and

**EAGLE BAY RESOURCES NL
(‘Grantee Party’)**

and

**NGAYANA DIERI KARNA
(ABORIGINAL CORPORATION)
(‘Association’)**

LAND ACCESS DEED

TABLE OF CONTENTS

1. INTERPRETATION	3
2. DEFINITIONS	4
3. COMMENCEMENT AND TERM	6
4. AUTHORITY TO ENTER INTO DEED	7
5. THE LICENCE.....	7
6. NATIVE TITLE ACT & PETROLEUM ACT	9
7. PAYMENTS.....	9
8. ABORIGINAL HERITAGE PROTECTION	11
9. GOVERNMENT PARTY NOT LIABLE FOR SCHEDULE 4 OBLIGATIONS...	11
10. DEED NOT CONDITION OF GRANT	12
11. DEED PREVAILS.....	12
12. ENVIRONMENTAL PROTECTION AND REHABILITATION	12
13. NO ACKNOWLEDGEMENT OF NATIVE TITLE	12
14. ASSIGNMENT	12
15. NOTICES.....	12
16. GOVERNING LAW.....	13
17. COUNTERPARTS.....	13
18. GENERAL	13
SCHEDULE 1 : THE LICENCE APPLICATION AND MAP OF THE LICENCE AREA	
SCHEDULE 2 : PART 1 : THE NATIVE TITLE APPLICATION AND MAP OF THE CLAIM AREA	
SCHEDULE 2 : PART 2 : ASSOCIATION	
SCHEDULE 3 : PAYMENTS TO THE ASSOCIATION	
SCHEDULE 4 : ABORIGINAL HERITAGE PROTECTION	

LAND ACCESS DEED

THIS DEED is made the 12th day of July 2005

BETWEEN THE HONOURABLE PAUL HOLLOWAY, MINISTER FOR MINERAL RESOURCES DEVELOPMENT of Level 17, Grenfell Centre, 25 Grenfell Street, Adelaide South Australia 5000 for and on behalf of the State of South Australia.

(‘Government Party’)

AND THE DIERI PEOPLE by DAVID MUNGERANIE, IRENE KEMP, RHONDA KENNEDY-GEPP, SYLVIA STEWART, EDWARD LANDERS AND NELLIE EDGE the registered native title claimants in relation to native title determination application no SG 6017/98 in the Federal Court of Australia, C/- Camatta Lempens Pty Ltd, Barristers and Solicitors, First Floor, 345 King William Street, Adelaide South Australia 5000.

(‘Native Title Party’)

AND EAGLE BAY RESOURCES NL of First Floor, 14 Outram Street, West Perth Western Australia 6005.

(‘Grantee Party’)

AND NGAYANA DIERI KARNA (ABORIGINAL CORPORATION) C/- Camatta Lempens Pty Ltd, Barristers and Solicitors, First Floor, 345 King William Street, Adelaide South Australia 5000.

(‘Association’)

COMMISSIONER OF STATE TAXATION

S.A. STAMP DUTY PAID \$10.00
ADJUDGED DULY STAMPED
ORIGINAL with 2 copies
11/08/2005 11:37:42 00743966.1
DEED

RECITALS

WHEREAS:

- A. The Grantee Party has lodged an application for grant of an exploration licence under the Petroleum Act in respect of the Cooper Basin block described in Schedule 1 (which includes land the subject of the Native Title Application) and seeks the issue of a Licence pursuant to the Petroleum Act.
- B. If the grant of the Licence affects native title it will be a future act as defined in the Native Title Act.
- C. The Government Party has given notice of its intention to grant the Licence in accordance with section 29 of the Native Title Act.
- D. The Native Title Application has been filed under section 13(1) of the Native Title Act, in respect of the Claimed Land on behalf of the Native Title Claim Group.
- E. The Negotiation Parties have negotiated in good faith under Subdivision P of Division 3 of Part 2 of the Native Title Act in relation to the Government Party's intention to grant the Licence.
- F. The issuing of the Licence is subject to the non-extinguishment principle, as defined in section 238 of the Native Title Act.
- G. If the Licence is issued to the Grantee Party in accordance with the Petroleum Act it is the intention of the parties that the grant of the Licence, and any work done pursuant to it, affects any native title rights and interests held by the Native Title Party, if at all, only to the extent necessary for the grant of the Licence and carrying out work pursuant to it, and it is the further intention of the parties that in any event, the grant of the Licence and activities under it will not extinguish or permanently affect such rights and interests.
- H. Following negotiations in good faith between the Negotiation Parties, the Native Title Party has agreed to the grant of the Licence to the Grantee Party consequent upon the execution of this Deed. Subsequent to the execution of this Deed the Native Title Party will consent to a determination under section 38 of the Native Title Act that the Licence and Later Acts may be granted.
- I. The Native Title Claim Group (which includes the registered native title claimants) resolved on the 18th day of May 2001 to incorporate under the Aboriginal Councils and Associations Act 1976 (Commonwealth). On the 19th day of October 2001 the Registrar of Aboriginal Corporations incorporated the Native Title Claim Group as the Ngayana Dieri Karna (Aboriginal Corporation) pursuant to the *Aboriginal Councils and Associations Act 1976* (Commonwealth).
- K. The Government Party, the Native Title Party and the Grantee Party, all having negotiated in good faith have agreed for the better management of interaction between them hereafter and for the purpose of more efficiently managing certain administrative

functions under this Deed for the benefit of the Native Title Party as are more specifically set out in this Deed, to include the Association as a party to this Deed.

OPERATIVE PROVISIONS

The parties agree:

1. INTERPRETATION

1.1 In this Deed, and in the Recitals, unless the contrary intention appears:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (b) the singular includes the plural and vice versa and reference to a gender includes each other gender;
- (c) a reference to an individual person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa;
- (d) a reference to a recital, clause, schedule or annexure is to a recital, clause, schedule or annexure of or to this Deed;
- (e) Recitals and Schedules form part of this Deed;
- (f) a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
- (g) a reference to any party to this Deed includes that party's executors, administrators, substitutes, successors and assigns;
- (h) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (i) 'business day' excludes a Saturday, Sunday or public holiday in South Australia;
- (j) an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
- (k) a reference to anything is a reference to the whole or any part of it and a reference to a group of persons is a reference to any one or more of them;

- (l) a reference to any right, permit, authority, licence, or interest granted pursuant to the Petroleum Act includes any further or other right, permit, authority, licence or other interest derived from any of them or otherwise granted or issued under the Petroleum Act and any variation, renewal, extension and substitution of any of them or any part of any of them;
- (m) the meaning of general words will not be limited by reference to accompanying specific words;
- (n) any term or expression used herein which is defined in either the Petroleum Act or the Native Title Act has the same meaning as in that legislation; and
- (o) monetary references are references to Australian currency.

1.2 If any Court or other competent authority declares, or if any statute or regulation renders, any part of this Deed ineffective, void, voidable, illegal or unenforceable or if by reason of a declaration by any Court or other competent authority or any statute or regulation this Deed would, if any part hereof were not omitted therefrom, be ineffective, void, voidable, illegal or unenforceable then:

- (i) that part shall, without in any way affecting the effectiveness, validity, legality or enforceability of the remainder of this Deed, be severable therefrom, and this Deed shall be read and construed and take effect for all purposes as if that part were not contained herein;
- (ii) the parties shall attempt to renegotiate, in good faith, that part and seek to achieve a result as near as reasonably practicable as is consistent with the severed component; and
- (iii) PROVIDED that in the event the offending provisions are the inclusion of the Association as a party to this Deed and the consequential provisions of that inclusion then the agreements, representations and warranties therein contained shall be attributed to, and be taken to have always been attributed to, the Native Title Party.

1.3 In this Deed, headings are for convenience of reference and do not affect the interpretation of this Deed.

2. DEFINITIONS

2.1 In this Deed and in the Recitals and Schedules unless the context otherwise requires:

‘Applicable Law’ means every law and regulation (whether of the Commonwealth or of the State) from time to time in operation in the State which is applicable to a party including any such laws relating to native title, mining, the environment, or Aboriginal heritage;

'Association' means the association or corporation named in Part 2 of Schedule 2 of this Deed;

'Claimed Land' means the area of land and any waters the subject of the Native Title Application;

'Commencement Day' means the day of the date of this Deed or another date agreed in writing by the parties;

'Deed' means this deed and includes the Recitals and Schedules;

'Essential Term' means those terms in clauses 5.3, 7, 12, and 18.3 of this Deed and in items 7, 8.7, 8.8, 9.7, 13, and 15 of Schedule 4;

'Government Party' means the State of South Australia;

'Grantee Party' means the party to this Deed so described, being the applicant for the Licence;

'Later Act' means the issue of any retention licence, production licence, associated facilities licence or pipeline licence (by whatever name called) subsequent to the grant of the exploration licence referred to in Recital A;

'Licence' means the exploration licence proposed to be issued to the Grantee Party in the Licence Area pursuant to the Petroleum Act referred to in Recital A and includes:

- (a) any associated facilities licence subsequently able to be lawfully issued to the Grantee party within the Licence Area or outside the Licence Area but within the Claimed Land; and
- (b) any other licence or authority subsequently able to be lawfully issued to the Grantee Party within the Licence Area pursuant to the Petroleum Act and which would, without this Deed, attract the right to negotiate provided in the Native Title Act;

'Licence Application' means the application for a Licence under the Petroleum Act being the exploration licence application further described in Schedule 1;

'Licence Area' means the land and any waters the subject of a Licence Application as described in Schedule 1 hereto and subsequent to the grant of the Licence the area for the time being the subject of a Licence provided that, where at any time part of such area ceases to be the subject of a Licence, that area thereupon ceases to form part of the Licence Area;

'Minister' means the Minister responsible for the issue of a Licence pursuant to, and having responsibility for the administration of, the Petroleum Act;

‘Native Title Act’ means the *Native Title Act 1993* (Commonwealth);

‘Native Title Application’ means the Application for Determination of Native Title filed in the Federal Court of Australia by the Native Title Party and described in Part 1 of Schedule 2;

‘Native Title Claim Group’ has the same meaning as in the Native Title Act;

‘Native Title Party’ has the same meaning as in the Native Title Act and includes all members of the Native Title Claim Group in respect of the Native Title Application;

‘Negotiation Parties’ means the Government Party, the Native Title Party and the Grantee Party, in accordance with section 30A of the Native Title Act in relation to the Licence Application;

‘PEL’ means the exploration licence described in Schedule 1 applied for by the Grantee Party pursuant to the Petroleum Act, as renewed, extended, substituted or varied from time to time;

‘Petroleum’ has the same meaning as in the Petroleum Act and where the term ‘petroleum’ is used herein it shall include each and all constituents thereof;

‘Petroleum Act’ means the *Petroleum Act 2000* (South Australia) as amended or any enactment substituted therefore together with any regulations and subordinate legislative made thereunder;

‘Project’ means all operations proposed or which may be undertaken by the Grantee Party or its contractors relating or incidental to the activities conducted or authorised under a Licence;

‘Registered Native Title Claimants’ has the same meaning as in the Native Title Act; and

‘State’ means the State of South Australia.

- 2.2 A reference to a Minister, Department, authority, body or person, includes the Minister, Department, authority, body or person for the time being performing the function of such Minister, Department, authority, body or person

3. COMMENCEMENT AND TERM

- 3.1 This Deed commences on the Commencement Day.
- 3.2 The operation of sub-clauses 7.1(b), 7.2 and 18.3 are conditional upon the grant of the PEL.

- 3.3 Subject to any provision of this Deed to the contrary, this Deed will terminate on the completion of the Project.
- 3.4 This Deed shall not terminate in the event of a breach, but the parties may avail themselves of all other remedies available at law.

4. AUTHORITY TO ENTER INTO DEED

- 4.1 The Native Title Party represents and warrants that all necessary authorisations have been obtained to enter into this Deed and this Deed is valid and binding and enforceable in accordance with its terms against the Native Title Party and all those persons on whose behalf the Native Title Application is made.
- 4.2 The Negotiation Parties all having negotiated in good faith agree, for the better management of interaction between them hereafter and for the purpose of more efficiently managing certain administrative functions under this Deed for the benefit of the Native Title Party as are more specifically set out in this Deed, to include the Association as a party to this Deed.
- 4.3 The Association represents and warrants that all necessary actions have been taken in accordance with its constitution and by law to enter into this Deed and this Deed is valid and binding and enforceable in accordance with its terms against the Association.

5. THE LICENCE

- 5.1 The Native Title Party:
 - (a) agrees to the grant of the PEL by the Minister to the Grantee Party pursuant to the Petroleum Act and to the Grantee Party exercising its rights and entitlements and discharging its obligations under the Licence in accordance with and subject to any conditions imposed by:
 - (i) the Petroleum Act;
 - (ii) any Applicable Law; and
 - (iii) this Deed;
 - (b) covenants not to lodge or make any objection to any grant of the PEL to the Grantee Party pursuant to the Petroleum Act unless the Grantee Party is and remains in breach of an Essential Term;

- (c) agrees to the grant of any subsequent Licence and Later Act by the Minister to the Grantee Party in respect of any part of the Licence Area (or proximate thereto in the case of an associated facilities licence) pursuant to the Petroleum Act and to the Grantee Party exercising its rights and entitlements and discharging its obligations under any subsequent Licence or Later Act in accordance with and subject to any conditions imposed by:
 - (i) the Petroleum Act;
 - (ii) any Applicable Law; and
 - (iii) this Deed;
- (d) covenants not to lodge or make any objection to any grant of any subsequent Licence or Later Act to the Grantee Party pursuant to the Petroleum Act unless the Grantee Party is and remains in breach of an Essential Term.

5.2 The Negotiation Parties acknowledge that:

- (a) the non-extinguishment principle, as defined in section 238 of the Native Title Act, applies to the grant of any Licence or Later Act, and to any work done pursuant to any Licence or Later Act;
- (b) the issue of a Licence or Later Act and any work done pursuant to a Licence or Later Act affects any native title rights and interests held by the Native Title Party, if at all, only to the extent necessary for the grant of the Licence or Later Act and carrying out work pursuant to the Licence or Later Act;
- (c) subject to sub-paragraph 5.2(e), for the purposes of Section 26D(2)(c) of the Native Title Act, if a Later Act occurs or is done in relation to the Licence Area, Sub-division P of Division 3 of Part 2 of the Native Title Act does not apply to that Later Act;
- (d) subject to sub-paragraph 5.2(e) the Negotiation Parties will consent to a determination under section 38 of the Native Title Act that the Licence and any Later Acts may be done;
- (e) the Grantee Party must not before such Later Act is done be in breach of and remain in breach of any Essential Term.

5.3 The Grantee Party covenants with the other Negotiation Parties that it will carry out activities under a Licence on the Licence Area in accordance with:

- (a) the Petroleum Act;
- (b) all Applicable Law;

- (c) the provisions of this Deed; and
- (d) good petroleum industry practice.

6. NATIVE TITLE ACT & PETROLEUM ACT

- 6.1 Each of the Negotiation Parties acknowledge that all Negotiation Parties have negotiated in good faith for the purposes of section 31(1)(b) of the Native Title Act.
- 6.2 The Government Party is authorised to provide a copy of this Deed to:
 - (a) the Minister in accordance with and to satisfy sections 112 and 115 of the Petroleum Act and for inclusion on the public register established pursuant to section 115 of the Petroleum Act; and
 - (b) the South Australian Parliament.

7. PAYMENTS

- 7.1 For better facilitating the administration of this Deed, the Grantee Party will pay to the Association the sum of \$15,000.00 per annum in respect of the PEL provided:
 - (a) the first payment shall be made on the signing of this Deed by the Native Title Party and execution by the Association;
 - (b) thereafter each annual payment shall be made within 7 days following the anniversary of the date of grant of the PEL;
 - (c) where a Licence Area is not entirely located on the Native Title Party's Claimed Land each amount payable under this provision shall be calculated rateably in like proportion as the Claimed Land within the boundary of the total Licence Area bears to the total Licence Area;
 - (d) should the proportion which Claimed Land within the boundary of the total Licence Area bears to a Licence Area change between the anniversary dates of the PEL the amount payable according to this provision will be adjusted and paid, refunded or credited (as the case requires) within seven (7) days following the next anniversary of the date of grant of the PEL; and
 - (e) the maximum payable under this provision is \$75,000.00 for the PEL.
- 7.2 The Grantee Party agrees:
 - (a) to pay from time to time to the Association or to such charitable or other trust fund or funds as may be notified to the Government Party and to the Grantee Party in writing under the Common Seal of the Association in further consideration for the Association entering into

this Deed amounts calculated from time to time in accordance with the terms set out in Schedule 3; and

- (b) the payments the subject of this sub-clause 7.2 shall be effected by the Grantee Party paying those amounts to the State and the State shall accept those payments from the purposes set out in the following sub-clauses of this clause 7.

7.3 The Association hereby requests and directs the State to pay to the Association from time to time the monies received by the State from the Grantee Party in accordance with sub-clause 7.2 and the State agrees so to do.

7.4 Each payment by the State shall be made:

- (a) for and on behalf of the Grantee Party;
- (b) within a reasonable time of receipt of the relevant monies in cleared funds; and
- (c) in full satisfaction and discharge of each respective obligation of the Grantee party arising under sub-clause 7.2.

7.5 Each amount payable by the Grantee Party under this provision will be calculated and paid in accordance with this provision unless and until an alternative payment scheme is agreed pursuant to sub-clause 7.6.

7.6 In the event the method of calculation contained in the Petroleum Act at the date hereof is fundamentally changed so as to occasion a material disadvantage to the State in the State's administration of sub-clauses 7.2, 7.3 and 7.4, the Minister may give six (6) calendar months notice in writing to the other parties of the Minister's desire to re-negotiate the method of collection and distribution of monies in terms of this clause 7 in which case the Negotiation Parties must promptly negotiate in good faith in an endeavour to agree an alternative payment scheme acceptable to all the parties.

7.7 The receipt of the Association shall be a full and sufficient discharge to the Minister and to the Grantee Party for any payments made pursuant to this clause 7.

7.8 Nothing in this clause 7 is intended adversely to affect the integrity of the Native Title Application.

7.9 Nothing in this clause is intended to impose on the State a duty to invest any monies collected by the State for distribution to the Association.

7.10 (a) The Native Title Party and the Association acknowledge that the Government Party's and the Grantee Party's obligations under this Deed, including the payments to be made under this clause 7, are in full and final satisfaction of all liabilities, actions, determinations, orders, claims or demands for compensation, damages, restitution, benefits or

loss whatsoever, whether arising under any State or Commonwealth statute or at common law or equity or otherwise, which the Native Title Party may now or in the future have, or but for this Deed might have had, against the Grantee Party and/or the Government Party and/or their respective employees, officers, agents or contractors in connection with any actual and/or potential extinguishment of, and/or effect or impact on, any native title or claimed native title of the Native Title Party in consequence of or arising out of or in relation to the Licences and the exercise of rights or the discharge of obligations by the Grantee Party under the Licences (“**Compensation Entitlements**”).

- (b) The Native Title Party and the Association release the Grantee Party and the Government Party from, and acknowledge that this Deed may be pleaded as an absolute bar against, all such Compensation Entitlements, liabilities, actions, claims or demands.
- (c) The Native Title Party and the Association will not make any application or claim against the Grantee Party or the Government Party or any other person in any court, tribunal, commission or any other competent body, including the National Native Title Tribunal for compensation, restitution, benefits, damages or any other amount (whether to be held in trust under the Native Title Act or otherwise), in connection with any such Compensation Entitlements, liabilities, actions, claims or demands.

8. ABORIGINAL HERITAGE PROTECTION

8.1 The Grantee Party, Native Title Party and Association must comply with the terms of Schedule 4 which provides:

- (a) certain terms and conditions with which the Grantee Party has agreed to abide by in the course of carrying out Petroleum Operations on the Licence Area; and
- (b) the methodology for the identification and protection of Areas of Significance.

8.2 The Grantee Party’s obligations under Schedule 4 are not dependent upon the Native Title Party establishing native title over the Licence Area or obtaining a determination of native title.

9. GOVERNMENT PARTY NOT LIABLE FOR SCHEDULE 4 OBLIGATIONS

The parties other than the Government Party acknowledge that neither the Government Party nor its officers, employees or agents have any obligation or liability whatsoever in connection with the rights and obligations of those other parties under Schedule 4.

10. DEED NOT CONDITION OF GRANT

The provisions of this Deed (other than the obligations of the Grantee Party and of the Government Party contained in clause 7) are not terms of the grant of a Licence under the Petroleum Act.

11. DEED PREVAILS

The Grantee Party, the Native Title Party and the Association acknowledge that the provisions of this Deed prevail over the provisions of Schedule 4 to the extent of any inconsistency.

12. ENVIRONMENTAL PROTECTION AND REHABILITATION

The Grantee Party will comply with the environment protection procedures required by all Applicable Law relevant to its activities in connection with a Licence.

13. NO ACKNOWLEDGEMENT OF NATIVE TITLE

By entering into this Deed the Government Party and the Grantee Party do not acknowledge any concluded position as to the existence or otherwise of native title to any land the subject matter of this Deed.

14. ASSIGNMENT

14.1 The Grantee Party may at its absolute discretion assign, transfer or novate the whole or part of its interests in this Deed.

14.2 If the Grantee Party assigns or transfers the whole or part of an interest in a Licence, the Grantee Party will procure that the party thereby acquiring that interest in the Licence enters into a deed of assumption whereby the incoming party covenants to assume the obligations of the Grantee Party with regard to the other parties, and to be bound by the terms and conditions of this Deed as if it were a party to this Deed to the extent of the interest so acquired by the incoming party.

14.3 Nothing in this Deed obviates any statutory requirement for prior approval of the Minister in relation to any assignment, transfer or novation.

15. NOTICES

15.1 Subject to any other provision of this Deed to the contrary any notice, request, consent, proposal, or other communication must be in writing and signed by the person giving it and shall be addressed as follows:

The Government Party's address: The Minister for Mineral Resources
Development
C/- The Director, Petroleum Group
Level 6, 101 Grenfell Street
Adelaide SA 5000
Facsimile number: (08) 8463 3202

Native Title Party's address: The Dieri People
C/- Camatta Lempens Pty Ltd
First Floor, 345 King William Street
Adelaide SA 5000
Facsimile number: (08) 8410 0566

Grantee Party's address: Eagle Bay Resources NL
C/- The Directors
First Floor, 14 Outram Street
West Perth WA 6005
Facsimile number: (08) 9481 3300

Association's address: Ngayana Dieri Karna (Aboriginal Corporation)
C/- Camatta Lempens Pty Ltd
First Floor, 345 King William Street
Adelaide SA 5000
Facsimile number: (08) 8410 0566

15.2 In the event that any party changes its address for notices that party must advise the other parties in writing within seven (7) days of its new address, and from that time all parties must address any notices to the new address.

15.3 A notice sent by mail will be deemed received by the party to whom it is addressed on the next business day following its posting. Notices transmitted by facsimile are deemed delivered on the day of transmission subject to confirmation of complete transmission.

16. GOVERNING LAW

This Deed is governed by the laws of and applying in the State and each party submits to the non-exclusive jurisdiction of the courts of the Commonwealth of Australia and of the State and courts competent to hear appeals therefrom. The parties agree that any appeals from the courts of the Commonwealth of Australia will be filed in the South Australia District Registry of the Federal Court of Australia.

17. COUNTERPARTS

This Deed may be executed in any number of counterparts and all of those counterparts taken together constitute one and the same instrument.

18. GENERAL

18.1 Each party agrees, at its own expense, on the request of another party, to do everything reasonably necessary to give effect to this Deed and the matters contemplated by it.

18.2 The Grantee Party will pay the Native Title Party's legal and other costs and expenses in connection with the preparation and completion of this Deed. The Government Party and the Grantee Party will pay their own legal and other

costs and expenses in connection with the preparation and completion of this Deed, except for stamp duty which will be borne and paid by the Government party.

- 18.3 In consideration of the Native Title Claim Group entering into this agreement the Grantee Party agrees to pay the Association a special non-recurrent payment of \$3,360.00 upon grant of the PEL.
- 18.4 Where any payment to be made by the Grantee Party under this Deed ('**Payment**') constitutes consideration for taxable supply by the Association:
- (a) the amount of the Payment shall be increased by, and the paying party shall pay, an additional amount calculated by multiplying the amount of the Payment by the Prevailing GST Rate which is currently 10%;
 - (b) the additional amount must be paid at the same time and in the same manner as the Payment to which it relates; and
 - (c) unless the Grantee Party issues a recipient created tax invoice in relation to a payment, the additional amount need not be paid unless and until the Association has given the paying party a tax invoice sufficient to enable the paying party to claim any input tax credit to which it may be entitled in respect of the taxable supply.
- 18.5 In this clause 18:
- (a) the expression '*Prevailing GST Rate*' in relation to a particular taxable supply means the rate (expressed as a percentage of GST exclusive price) at which GST is imposed on that taxable supply; and
 - (b) a word which is defined in the *A New Tax System (Goods and Services Tax) Act 1999 (Commonwealth)* has the same meaning in this clause.
- 18.6 No modification, variation or amendment to this Deed shall be of any force unless in writing and executed by each party. No waiver by a party of any of the provisions of this Deed shall be binding unless made in writing and any such waiver shall relate only to the specific matter, non-compliance or breach in respect of which it is given and shall not apply to any subsequent or other matter, non-compliance or breach.
- 18.7 This Deed shall be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 18.8 The Association may appoint an agent to carry out its functions under this Deed. At the request of any other party the Association will provide details in writing of the agent and the scope of their authority.

EXECUTED by the parties as a Deed.

THE COMMON SEAL of the MINISTER FOR MINERAL RESOURCES DEVELOPMENT was hereunto affixed in the presence of

..... *[Signature]*
Witness

Name .. LEE .. PITZOS

Address..... 2/25 GILLES ST.....
..... ADELAIDE SA 5000

Occupation PUBLIC SERVANT.....



[Signature: Paul Holloway]
The Honourable Paul Holloway,
Minister for Mineral Resources
Development

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said DAVID MUNGERANIE)
in the presence of)

DAVID Mungeranie
.....
(signed)

.....)
Witness)

Name STEPHEN KERRY)
Address 345 KING WILLIAM ST)
ADELAIDE)

Occupation SOLICITOR)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said IRENE KEMP)
in the presence of)

Irene Kemp
.....
(signed)

.....)
Witness)

Name S. KERRY)
Address 345 King William St)
Adelaide)

Occupation solicitor)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said **RHONDA KENNEDY-**)
GEPP in the presence of)

.....)
Witness)

Name **S. KENNY**)
Address **345 KING WILLIAM ST**)
ADELAIDE)
Occupation **SOLICITOR**)

Rhonda Gepp.....)
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said **SYLVIA STEWART**)
in the presence of)

.....)
Witness)

Name **S. KENNY**)
Address **345 KING WILLIAM ST**)
ADELAIDE)
Occupation **SOLICITOR**)

S Stewart.....)
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said **EDWARD LANDERS**)
in the presence of)

.....)
Witness)

Name **S. KENNY**)
Address)

345 KING WILLIAM W)

Occupation **ADENAIDE**)

SOLICITOR.)

E. Landers.....
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said **NELLIE EDGE**)
in the presence of)

.....)
Witness)

Name **S. KENNY**)
Address)

345 King W. St)

Occupation **Adelaide**)

Solutor)

N. Edge.....
(signed)

EXECUTED BY EAGLE BAY)
RESOURCES NL ACN 051 212 429 in)
accordance with section 127(1) of the)
Corporations Act 2001 (Cth):)

[Handwritten Signature]
.....

Director
Name (printed):

RICHARD EDWARD DIERMAIER

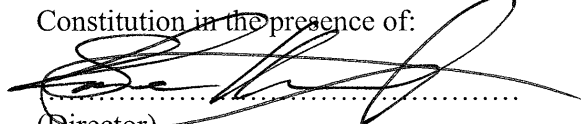
[Handwritten Signature]
.....

Director/Secretary
Name (printed):

ANTHONY RECHNER



THE COMMON SEAL of NGAYANA
DIERI KARNA
(ABORIGINAL CORPORATION)
was affixed hereto in accordance with its
Constitution in the presence of:


.....
(Director)

SHANE KEMP
.....
(Print name of Officer)

Irene Kemp
.....
(Director/Secretary)

IRENE KEMP
.....
(Print name of Officer)



Common Seal

**SCHEDULE 1 : THE LICENCE APPLICATION AND MAP OF THE
LICENCE AREA**

PETROLEUM ACT 2000

APPLICATION FOR THE GRANT OF
EXPLORATION PERMIT FOR PETROLEUM
APPLICATION AREA CO2003-A
COOPER BASIN
SOUTH AUSTRALIA

CONFIDENTIAL - Contains PEL Application to:

Director
Petroleum Group
Primary Industries and Resources South Australia
Level 7, 101 Grenfell Street
Adelaide SA 5000
Australia

Phone: National (08) 8463 3204
International +618 8463 3204
Fax: National (08) 8463 4155
International +618 8463 4155
Website www.petroleum.pir.sa.gov.au

The closing date for CO2003-A applications is 4.00pm on Thursday 29th July 2004

Submitted By:

Eagle Bay Resources NL
First Floor
14 Outram Street
West Perth WA 6005

PETROLEUM ACT 2000

APPLICATION FOR GRANT OF EXPLORATION PERMIT FOR PETROLEUM

In response to invitation made in Release of Onshore Petroleum Areas Australia, CO2003-A, closing on 29th July 2004, Application is hereby made by:

EAGLE BAY RESOURCES NL (ACN 051 212 429), a Company duly incorporated under the law and having its registered office at First Floor, 14 Outram Street, West Perth WA, 6005;

for the grant of an Exploration Permit for Petroleum described as CO2003-A. The necessary information required in support of this application is attached together with the application fee.

DATED this 7th day of July, 2004

MADE under the Petroleum Act 2000.

EAGLE BAY RESOURCES NL



A Rechner
CHAIRMAN

CONTENTS

APPLICATION FOR EXPLORATION PERMIT FOR PETROLEUM

- SECTION 1. Application and Plan of the area.
- SECTION 2. Details of technical assessment of the area applied for.
- SECTION 3. Particulars of the minimum work program proposed for each of the five years of the first term of the permit
- SECTION 4. Particulars of Technical Qualifications of the Applicant and its employees.
- SECTION 5. Particulars of the Technical Advice available to the Applicant.
- SECTION 6. Financial Resources available to the applicant.
- SECTION 7. Application Group.

APPENDICES

- Appendix A The Hydrocarbon Potential of Application Area CO2003-A onshore, Cooper Basin, South Australia.

SECTION 1

PETROLEUM ACT 2000

APPLICATION AND PLAN OF THE AREA

CO2003-A: APPLICATION FOR PETROLEUM EXPLORATION LICENCE
Petroleum Act 2000 and Petroleum Regulations 2000

To the Director, Petroleum Group, Department of Primary Industries and Resources South Australia (as authorised delegate to the Minister for Primary Industries and Resources)

Full Name(s) **EAGLE BAY RESOURCES N.L** Participating interest (%)
100%

Business Address **1/14 OUTRAM STREET, WEST PERTH, WA, 6005**

Telephone **(08) 9481 3322** Facsimile **(08)**
9481 3330

Email **ebr@indigo.net.au**

Name of participant who maybe contacted about the application: **EAGLE BAY RESOURCES N.L**

We hereby make application for the grant of a petroleum exploration licence in respect of The **CO2003-A** area. The application area in the Cooper Basin totals 1745 km (431 199 acres).

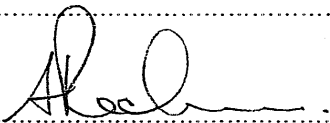
Our technical qualifications and experience (*in the case of a company, the Directors*), or consultants engaged by us are summarised in the attached report.

In the case of an incorporated body applicant only – A copy of our most recent audited annual financial statement and our expected financial position over the anticipated term of the licence is attached (*include statements for each participant.*)

In the case of personal applicants only – A statement demonstrating my/our expected financial position over the anticipated term of the licence is attached. (*Include statements for each participant.*)

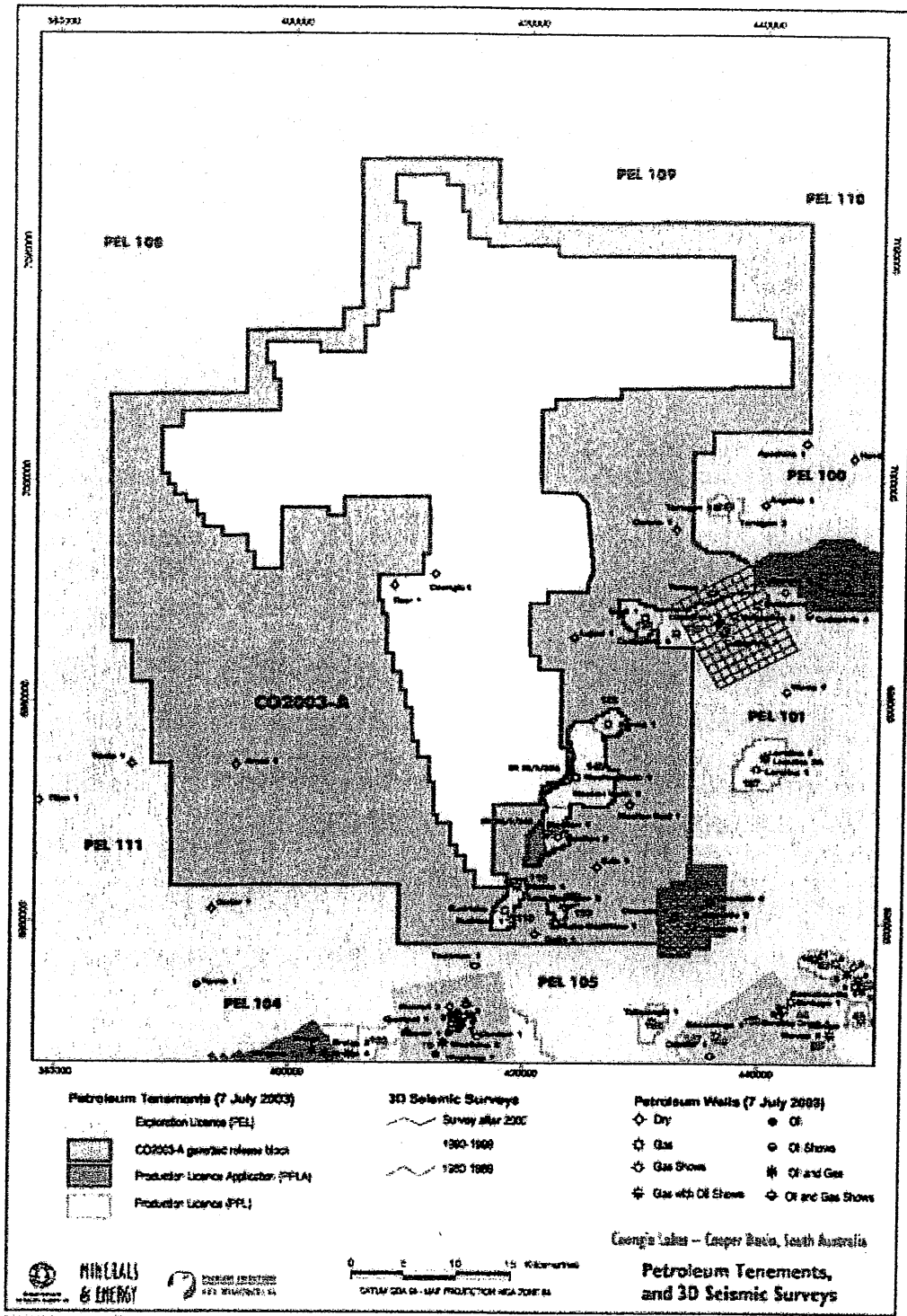
The proposed work program for each of the five years of the initial term of the licence, which includes specific reference to the 'Criteria for assessment of applications' listed above, and a technical report that assesses the prospectivity of the area and how the proposed work program relates to this prospectivity is attached.

The application fee of A\$2736 is attached.

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Signature of applicant(s). Where application is made by a consortium including a company(s), the application must be made under the company(s) seal.

Dated this 7 day of July 2004



SECTION 2

PETROLEUM ACT 2000

DETAILS OF TECHNICAL ASSESSMENT OF THE AREA APPLIED FOR

A report titled "the Hydrocarbon Potential of Application Area CO2003-A, onshore Cooper Basin" by Mr A Rechner forms Appendix A of this application.

This report highlights the 26 Cooper and Eromanga basin leads 5 of which will be drilled in the first year followed by 3 Eromanga wells in year 2 and a further 3 wells in year 3.

The proposed work program reflects a high level of exploration effort required to evaluate the petroleum potential of the area. It is stressed, however, that the proposed work program is the minimum work program and would be exceeded if encouraging results were obtained. The 11 year 1, 2 and 3 wells are firm.

SECTION 3

PETROLEUM ACT 2000

PARTICULARS OF THE MINIMUM WORK PROGRAM
PROPOSED FOR EACH OF THE FIVE YEARS
OF THE FIRST TERM OF THE PERMIT

YEAR 1 WORK PROGRAM

Note: All work in Year 1 is guaranteed (Petroleum Act 2000)

WELLS YEAR 1 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3	Well 4	Well 5
Eromanga	√	√	√	√	√
Cooper	√	√	√	√	√
Warburton					

Cost (A\$'000)	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
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SEISMIC YEAR 1

	Km/km ²	Cost (A\$'000)
2D Seismic		
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 1

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$200	Review the Geology & Geophysics of the Permit
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 2 WORK PROGRAM

Entire Year 2 Program: Guaranteed

(You must tick a box) non-guaranteed

WELLS YEAR 2 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga	√	√	√
Cooper			
Warburton			

Cost (A\$'000)	\$1,200	\$1,200	\$1,200
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SEISMIC YEAR 2

	Km/km ²	Cost (A\$'000)
2D Seismic	70km	\$350
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 2

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$250	Geological & Geophysical assessment of Jurassic-Cretaceous Targets
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 3 WORK PROGRAM

Entire Year 3 Program: Guaranteed

(You must tick a box) non-guaranteed

WELLS YEAR 3 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga	√	√	√
Cooper	√	√	√
Warburton			

Cost (A\$'000)	\$1,500	\$1,500	\$1,500
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SEISMIC YEAR 3

	Km/km ²	Cost (A\$'000)
2D Seismic		
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 3

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$250	Geological & Geophysical assessment of Cooper Basin Drill Targets
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 4 WORK PROGRAM

Entire Year 4 Program: Guaranteed

(You must tick a box) non-guaranteed

WELLS YEAR 4 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga			
Cooper			
Warburton			

Cost (A\$'000)

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SEISMIC YEAR 4

	Km/km ²	Cost (A\$'000)
2D Seismic	200km	\$1000
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 4

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$300	Identify targets to drill in Year 5
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 5 WORK PROGRAM

Entire Year 5 Program: Guaranteed

(You must tick a box) non-guaranteed

WELLS YEAR 5 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga	√	√	
Cooper		√	
Warburton			

Cost (A\$'000) :	\$1600	\$1800	
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SEISMIC YEAR 5

	Km/km ²	Cost (A\$'000)
2D Seismic		
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 5

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$200	50% Relinquishment Report
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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SECTION 4

PETROLEUM ACT 2000

PARTICULARS OF THE TECHNICAL QUALIFICATIONS OF THE APPLICANT AND ITS EMPLOYEES

Eagle Bay Resources NL has been an active explorer for 18 years in Australia and is the 100% debt free owner of the Uley Graphite Mine in Port Lincoln, South Australia. This mine has had in excess of A\$20M spent on establishing mining and processing facilities and exporting product from the deep water port of Port Lincoln.

For nine years Eagle Bay Resources' wholly owned subsidiary Tarcoola Gold Ltd owned 50% of Combined Resources NL which held interests in petroleum tenements over three producing oil fields in the USA. The Neale field in Louisiana was drilled and produced at the rate of 135 barrels per day. Evaluation work was conducted on the Taylor sands project in Texas to increase "stripper" production. Joint venture development of the Saticoy project was undertaken.

In early 1999 Eagle Bay was the successful applicant for 100% of VIC P41 in the offshore Gippsland Basin. A A\$5.5m well Northright No 1 was drilled 100% by EBR and to this date all other 2 and 3D seismic programs bid have been completed and the permit is in good standing.

In early 2001 EBR was the successful applicant for 100% of VIC P47 in the offshore Gippsland Basin. All work programs have been completed and the permit is in good standing with a A\$4m well, Moby No 1, due to be drilled later this year.

During all of this period petroleum exploration and production was supervised by Mr Tony Rechner, a Director and employee of the Company whose resume is contained in section 5 of this Application.

SECTION 5

PETROLEUM ACT 2000

PARTICULARS OF THE TECHNICAL ADVICE AVAILABLE TO THE APPLICANT

Eagle Bay Resources NL has available to it the services of Anthony Rechner as Chairman and Executive Director on technical matters.

Anthony Rechner, BSc. M AusIMM

Mr Rechner holds a Bachelor of Science degree in Geology and Physics from the University of Adelaide, South Australia. He is a Member of the Australasian Institute of Mining and Metallurgy and a past committee member of PESA, with over thirty five years experience in Australia and overseas working in petroleum search and exploration.

After gaining extensive basin exploration experience in Western Australia he was appointed Seismic Operations Supervisor for West Australian Petroleum (WAPET) and was seconded to Chevron overseas as part of a three man expatriate team in Sudan, Northern Africa, which made a commercial discovery on the 3rd exploration well. Returning to Perth, Mr Rechner established one of WA's largest petroleum exploration consultancies before assuming various management positions in listed Australian Public Companies.

As Chairman and Managing Director of Eagle Bay Resources since foundation 18 years ago, Mr Rechner has with the assistance of one other geological employee and numerous consultants ran the initial exploration program for offshore Victorian Permits VIC P41 and VIC P47 both of which are in good standing. For the last few years BSOC has been the operator of these permits.

The work programs included 2 and 3D seismic surveys and the 100% funding and administration of the offshore well Northright No 1.

Mr Rechner's involvement as Chairman and Managing Director of Windsor Resources NL, Brunswick NL and Geographe Resources Ltd has resulted in these companies evolving from small explorers to major producers at Mount Percy, Galtee More and Chalice respectively. Specialist consultant in the disciplines of:

Petroleum Geology
Geophysics
Drilling Engineering

will be selected and retained by Mr Rechner to assist in the assessment and exploration of the permit.

SECTION 6

PETROLEUM ACT 2000

FINANCIAL RESOURCES AVAILABLE TO THE APPLICANT

A set of audited financial accounts for Eagle Bay Resources NL are attached.

SECTION 7

PETROLEUM ACT 2000

APPLICATION GROUP

Eagle Bay Resources NL

100% (Operator)

The single address for service of notices in respect of the application is:

Eagle Bay Resources NL
First Floor
14 Outram Street
WEST PERTH WA 6005

Attention: Anthony Rechner

**SCHEDULE 2 : PART 1 : THE NATIVE TITLE APPLICATION AND MAP
OF THE CLAIM AREA**

**Dieri Native Title Claim
Federal Court No. SG 6017/98
National Native Title Tribunal No. SC 97/4**



NATIONAL NATIVE TITLE TRIBUNAL

Claimant Application Summary

Application numbers	Federal Court number: SG6017/98 NNTT number: SC97/4
Application name	Dieri Native Title Claim
Name of body where application filed	National Native Title Tribunal
Date application filed	21/08/1997
Current stage(s)	Notification Complete, In Mediation
Applicants	David Mungeranie, Irene Kemp, Rhonda Kennedy-Gepp, Sylvia Stewart, Edward Landers, Nellie Edge
Address for service	Stephen Kenny Camatta Lempens Pty Ltd Level 1 345 King William Street ADELAIDE SA 5000 Phone: (08) 8410 0211 Fax: (08) 8410 0566
Persons claiming to hold native title	<p>The Dieri Native Title Claim Group comprises those people who hold in common the body of traditional law and custom governing the area that is the subject of the claim and who:-</p> <ol style="list-style-type: none"> 1. Are related by means of the principle of descent to the following apical ancestors: <ol style="list-style-type: none"> 1.1 Ruby Merrick and Tim Maltinha (also known as Tim Merrick) who are the parents of the sibling set - Martin, Gottlieb, Rebecca, Selma (or Thelma); 1.2 Kuriputhanha (known as 'Queen Annie') mother of Karla-warru (also known as Annie); 1.3 Mary Dixon (born at Killalpaninna) mother of the sibling set - Dear Dear (known as 'Tear'), Jack Garret, George Mungeranie, Joe Shaw, and Henry; 1.4 Bertha mother of the sibling set - Johannes and Susanna 1.5 Walter Kennedy husband of Selma (also known as Thelma) nee Merrick; 1.6 Florrie wife of Martin Merrick, and; 1.7 The man Pinnigpan:a (born at Lake Hope) and the woman Kulibani (born at Kalamarina) who are the parents of Sam Tintibana (or Dindibana Ginjmilina). 2. Dieri principles of incorporation into the group according to traditional law and custom also include: <ol style="list-style-type: none"> 2.1 being of Aboriginal descent; and; 2.2 having a connection with the claim area in accordance with the traditional law and custom of the Dieri Native Title Claim Group which includes a principle of descent from their ancestors. 3. The Dieri Native Title Claim Group Management Committee (SC97/04) have the authority acknowledged by the Dieri Native Title Claim Group according to the traditional law and custom of the Native Title Claim Group to determine whether a person of Aboriginal descent has a connection to the Dieri lands and waters in accordance with 2.2 above. 4. Note with regard to those named applicants in accordance with 2. and 3. above, that the principle of authority, based on traditional laws and customs, incorporates the potential transfer of this authority to appropriate persons in future generations.

, 5. This native claim group however specifically excludes all of those people listed as being the applicant group in the particulars of claim filed in the Federal Court matter No. SG66 of 1999 being the Dieri People Angas Warren and Others, whilst those people's names appear as members of that applicant group.

PROVIDED HOWEVER that should any person who is eligible to become part of the native title claim group be part of any other native title claim group whose claim overlaps the boundaries of the Dieri claim, and that claim has been registered prior to the registration of this claim, then those persons shall be specifically excluded from this claim group.

Native title rights and interests claimed

A description of the native title rights and interests claimed in relation to particular land or waters (including any activities in exercise of those rights and interests).

The native title rights and interests claimed are the rights and interests of the common law holders of native title which arise because of the existence of native title, in particular:-

1. The right to possess, occupy, use and enjoy the claim area;
2. The right to make decisions about the use and enjoyment of the claim area;
3. The right of access to the claim area;
4. The right to control the access of others to the claim area;
5. The right to use and enjoy the resources of the claim area;
6. The right to control the use and enjoyment of others of resources of the claim area (subject to Schedule Q);
7. The right to trade in resources of the claim area;
8. The right to receive a proportion of any resources taken by others from the claim area;
9. The right to maintain and protect places of importance under traditional laws, customs and practices in the claim area;
10. The right to carry out and maintain burials of deceased members of the claim group within the claim area;
11. The right to control, maintain, protect and prevent the dissemination and misuse of cultural knowledge associated with the claim area;
12. The right to inherit and bestow native title rights and interests;
13. The right to conduct ceremonies on the claim area;
14. The right to control the conduct of ceremonies of others on the land;
15. The right to hold, assert and exercise responsibility for the welfare of the country in the claim area;
16. The right to resolve amongst the claimant group any disputes between themselves about land tenure;

The native title rights and interest claimed are also subject to the effect of:-

- (a) all existing non native title rights and interests;
- (b) all laws of South Australia made in accordance with s19, 22F, 23E or 23I of the Native Title Act:

To the extent that these are valid and applicable.

Area

Jurisdiction: South Australia

Location: From Maree in the south to Cameron Corner in the east, to Hodden Corner in the north east, following the QLD border to Lake Teetatie, south west to Gypsum Cliff, west to Lake Eyre, south to Marree.

Local government region(s): Outback Areas Community Development Trust, Unincorporated Areas - SA

ATSIC region(s): Nulla Wimila Kutju Regional Council

Representative A/TSI body(s): Aboriginal Legal Rights Movement Inc

Approximate size: 87733 sq km

(Note: There may be areas within the external boundary of the application that are not claimed.)

Land/ water and/or sea: Land/Water

Area covered by the claim (as detailed in the application):

The external boundaries of the area of land and waters covered by the application are described in attached map, marked as Map Schedule C.

The area covered by the application is :

That area which is wholly within the State of South Australia, marked in the attached map marked "Map Schedule C", including the land and water inside the marked area commencing at a point on the south western edge of Lake Blanche, approximated as being 29.209750 degrees Latitude South, 139.452709 degrees Longitude East, the boundary then traverses in a north easterly direction to the northern most part of Lake Blanche, approximated as being 29.126964 degrees Latitude South, 139.617362 degrees Longitude East, then proceeds to the centre of Moomba townsite, approximated as being 28.1167 degrees Latitude South, 140.183 degrees Longitude East.

The boundary then proceeds northerly till it intersects with the boundary of Innaminka Regional Reserve, approximated as being 27.677953 degrees Latitude South, 140.183855 degrees Longitude East. The boundary then traverses north westerly, then westerly then northerly, along the said reserve boundary until a north westerly corner of the reserve, approximated as being 26.953639 degrees Latitude South, 139.874364 degrees Longitude East, which is also coincidental with the boundary of SC98/001.

From here the boundary traverses due west, remaining coincidental with the boundary of SC98/001 until a point, approximated as being 26.955466 degrees Latitude South, 139.365983 degrees Longitude East, where it meets the boundary of SC97/003.

The boundary then proceeds in a southwesterly direction through the point, being coincidental with the boundary of SC97/003, approximated as being 27.789322 degrees Latitude South, 138.717957 degrees Longitude East, then proceeds in a west southwesterly direction to The Warburton at the point approximated as being 27.866271 degrees Latitude South, 138.101381 degrees Longitude East, and enters the centre of The Warburton then proceeds in a north westerly then south westerly direction along the centre line of The Warburton to a point approximated as being 27.876385 degrees Latitude South, 137.265386 degrees Longitude East, being coincidental with SC97/003.

The boundary then traverses in a south easterly direction through the following points, being coincidental with the boundary of SC98/002.

Longitude East	Latitude South
137.351613	27.892836
137.384790	27.906602
137.415622	27.928522
137.462797	27.967863
137.513903	28.012450
137.559767	28.059659
137.618736	28.148833
137.673773	28.214401
137.800883	28.329801
137.833991	28.385783
137.852835	28.428418
137.866356	28.471368
137.879877	28.516773
137.897086	28.585492
137.905690	28.655439
137.914295	28.814967
137.915524	28.910684
137.915832	28.957009
137.916984	29.010006
137.917138	29.032861
137.917138	29.040071
137.917129	29.043350
137.917128	29.043356
137.909209	29.094373
137.898822	29.116027
137.889719	29.160058
137.886684	29.194979
137.894271	29.223826
137.900339	29.249637
137.929167	29.269376
137.953442	29.298223
137.971649	29.319479
137.983786	29.345291
137.986821	29.377175
137.993514	29.425451

137.992204	29.463481
138.000066	29.480528
138.018488	29.489255
138.038406	29.536596
138.068750	29.609475
138.108198	29.670207
138.127107	29.695151

From here the boundary proceeds along the centre of Frome River, represented by the following points

Longitude East	Latitude South
138.141576	29.714237
138.172867	29.751682
138.183809	29.761260
138.201909	29.764586
138.210947	29.772915
138.223329	29.776243
138.246264	29.793189
138.276190	29.791639
138.286681	29.786219
138.326677	29.805336
138.339528	29.809530
138.354790	29.800776
138.370987	29.802437
138.381957	29.795351
138.397369	29.794518
138.397710	29.794081

From here the boundary traverses in an east northeasterly direction through the 29.737334 degrees Latitude South, 138.695849 degrees Longitude East, and then north easterly, passing 12 km east of Murnpeowie, through the following points,

Latitude South	Longitude East
138.793263	29.662173
138.930932	29.539460
139.188046	29.291486
139.278436	29.198113
139.368826	29.151426

Being west of the lake system associated with Lake Blanche.

The boundary then proceeds south easterly along the south western boundary of Lake Blanche to the commencement point.

Area of application (geographic extent) - 47,161sq km

BUT EXCLUDING all freehold land, except for freehold land held by or in Trust for Aboriginal people or any freehold land held by the Crown or a Crown instrumentality where native title has not been extinguished.

The areas within the external boundaries that are excluded from the claim area are as follows:

The applicants exclude from the area covered by this application any area over which native title has been extinguished by Common Law or by Statute save and except for those areas of land or waters over which prior extinguishment may be disregarded in accordance with the provision of either s47, s47A or s47B of the Native Title Act (1993) (as amended) (NTA).

In particular the following are excluded:

Category A past acts, as defined in s229 of the NTA including any previous non- exclusive possession Acts which are also a Category A past act; and Grants or vestings which are "previous exclusive possession acts" (as defined by s23B of the NTA) or "Category A intermediate period acts" (as defined in s232B of the NTA) attributable to the Commonwealth and such grants or vestings which are attributable to the State where the State has made provision as mentioned in s23E and s22F of the NTA in relation to those Acts.

For the avoidance of doubt, the following acts which occurred on or before the 23rd of December 1996, where valid (including because of Division 2 or 2A of Part 2 of the NTA)

are included or, for present purposes, are to be treated as included in the definition of "previous exclusive possession acts", unless excluded from the definition by subsection 23B(9), (9A), (9B), (9C) or (10).

1. The creation or establishment of :
 - (i) a permanent public work;
 - (ii) a dedicated road;
 - (iii) an act of adverse domination where such an act was:
 - . authorised by valid legislation; or
 - . authorised or required by the creation of a valid Crown grant, vesting or other interest;
 - (iv) an unqualified grant of an estate in fee simple.

2. The grant of:-
 - (i) a schedule interest (see s249C of the NTA) including an agricultural lease where intensive cultivation of a permanent nature has been carried out and works or structures of permanent nature have been constructed in accordance with the terms and conditions of the lease;
 - (ii) a residential lease on which a residence has been constructed in accordance with the terms and conditions of the lease (see s249);
 - (iii) a commercial lease on which permanent works or structures have been constructed in accordance with the terms and conditions of the lease (see s246);
 - (iv) a lease for the provision of community services or amenities or a town or city on which works or structures of a permanent nature have been constructed in accordance with the terms and conditions of the lease (see s249A).

Registration information

Please refer to the Register of Native Title Claims/National Native Title Register (as appropriate) for registered details of this application.

Date claim entered on Register of Native Title Claims:

25/11/2003

Registration test status:

Accepted for registration

Registration history:

Registered from 22/08/1997 to 05/05/2003.

Registered from 25/11/2003.

Attachments

1. Map depicting the External Boundaries of the Claim Area, Attachment C of the Application, 1 page - A3, Attached 07/09/1999.

NNTT contact details

Case manager:

Monica Khouri

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National Native Title Tribunal
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Chesser House
91 Grenfell Street
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www.nntt.gov.au

**NATIVE TITLE
DETERMINATION APPLICATION**

**SG6017/98 - SC97/4
Dieri Native Title Claim**

Area of Application (geographic extent)
= 47,161.13 sq km

NOTE: To determine areas subject to claim within the external boundary, reference to the application description is necessary. Map created by: Geospatial Analysis & Mapping Branch, National Native Title Tribunal (27/11/2003)

Application boundary data sourced from & used with the permission of DEH (SA)

Topographic image data is © Commonwealth of Australia and is used under licence from Geoscience Australia
NOTE: Topographic images should be used as a guide only.

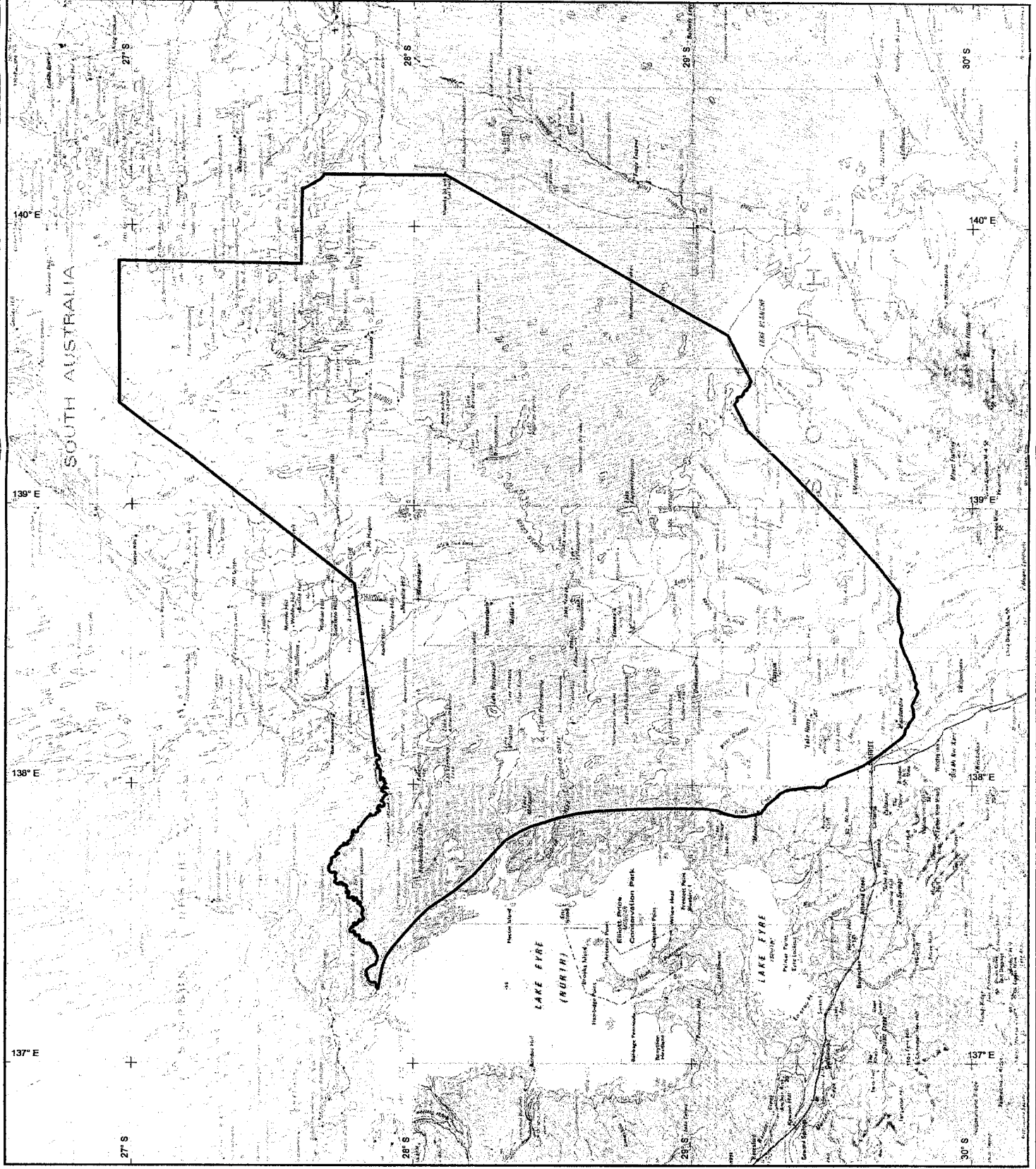
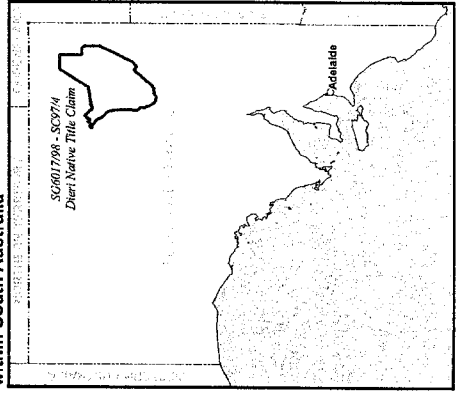
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The Registrar, the National Native Title Tribunal and its staff and officers and the Commonwealth, accept no liability and or give no undertakings, guarantees or warranties concerning the accuracy, completeness or fitness for purpose of the map.

NORTH
0 50
KILOMETRES
Latitude and Longitude based on Geocentric Datum of Australia 1994
Non Projection



**Location of SC97/4
within South Australia**



SCHEDULE 2 : PART 2 : ASSOCIATION

Ngayana Dieri Karna (Aboriginal Corporation)
C/- Camatta Lempens Pty Ltd, Barristers and Solicitors
First Floor, 345 King William Street
Adelaide SA 5000

CERTIFICATE OF
INCORPORATION OF AN

A **BORIGINAL**

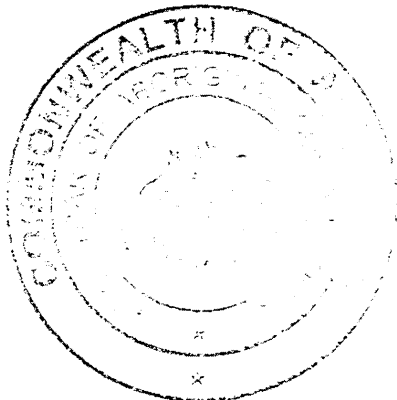
A **SSOCIATION**

I, *JOE MASTROLEMBO, Acting as*
the Registrar of Aboriginal Corporations, pursuant to
paragraph 45 (1) (a) of the Act, hereby certify that

NGAYANA DIERI KARNA ABORIGINAL CORPORATION

has this day been incorporated under the Act

Dated this *19th* day of *October*, 2001 .



g. mastrolembo
Acting Registrar

SCHEDULE 3 : PAYMENTS TO THE ASSOCIATION

PURSUANT TO CLAUSE 7 IN RESPECT OF PETROLEUM OPERATIONS UNDER A PETROLEUM PRODUCTION LICENCE

Production Payments

1. **Tax Invoice for GST component**

Contemporaneously with provision to the Minister of the return required by section 43(4) of the Petroleum Act the Grantee Party shall provide to the Association a draft form of tax invoice containing sufficient particulars to enable the Association to deliver an accurate tax invoice to the Grantee Party for the purposes of this provision.

2. **Payment by Grantee Party to State**

The Grantee Party shall, upon receipt of an invoice, which if the Association is making a taxable supply, must also be a tax invoice or must be accompanied by a tax invoice from the Association, pay to the State and the State shall deposit into a trust account maintained by the State for the benefit of the Association in respect of the production of all Petroleum from the Claimed Land and pursuant to a Licence, as a component of the consideration, 1% of the value at the wellhead of Petroleum produced and sold.

3. **Calculations to follow Petroleum Act**

Value at the wellhead of Petroleum produced and sold is to be calculated in the same way that 'value at the wellhead of Petroleum' is calculated pursuant to section 43(8) of the Petroleum Act (as at the date hereof) where the sale price is bona fide and to an arms length purchaser PROVIDED that the 'Guidelines for Payment of Royalty and Provision of Information' issued by the Department of Primary Industries and Resources of South Australia from time to time (a copy of the current version of which is annexed to this Schedule 3) shall be applied *mutatis mutandis* as if the reference to the royalty rate of 10% therein were a reference to 1%.

In calculating the value of Petroleum at the wellhead the Production Payment shall not be treated as a deduction or outgoing to any extent.

4. **Goods and Services Tax**

4.1 **Acknowledgment**

The parties acknowledge that the payments referred to in clause 7 of the Deed and in this Schedule 3 have been calculated on a GST exclusive basis.

4.2 GST Gross-Up

Where any payment to be made the Grantee Party under clause 7 and in this Schedule 3 of this Deed ('**Payment**') constitutes consideration for a taxable supply by the Association:

- (a) the amount of the Payment shall be increased by, and the Grantee Party shall pay, an additional amount calculated by multiplying the amount of the Payment by the Prevailing GST Rate;
- (b) the Grantee Party must pay that additional amount at the same time and in the same manner as the Payment to which it relates; and
- (c) unless the Grantee Party issues a recipient created tax invoice in relation to a Payment the Grantee Party need not pay the additional amount unless and until the Association has given the Grantee Party a tax invoice sufficient to enable the Grantee Party to claim any input tax credit to which it may be entitled in respect of the taxable supply.

4.3 Interpretation

- (a) In this clause, the expression 'Prevailing GST rate', in relation to a particular taxable supply, means the rate (expressed as a percentage of GST exclusive price) at which GST is imposed on that taxable supply; and
- (b) A word or expression used in this clause which is defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Commonwealth) has the same meaning in this clause.

**Guidelines for Payment of Royalty and Provision of Information issued by the
Department of Primary Industries and Resources of South Australia.**

PETROLEUM ACT 2000

PRODUCTION LICENCE

**GUIDELINES FOR PAYMENT OF ROYALTY
AND PROVISION OF INFORMATION**

(1) Payment of Royalty

The Licensee shall pay royalty in respect of all regulated substance (substance) recovered from Production Licence other than a substance described in Section 43(3)(a) of the *Petroleum Act 2000* ("The Act").

(2) Calculation of Royalty

The Licensee shall pay royalty at a rate of ten (10) percentum of the value at the wellhead of the substance which shall be an amount calculated by taking the amount that could reasonably be realised on sale of the substance to a genuine purchaser at arms length from the Producer (excluding any Goods and Services Tax (GST) component) ('arms length sales value') (as defined in clause (3)(a)(i)) and subtracting therefrom all reasonable expenses reasonably incurred by the Producer (all excluding any GST component) in treating, processing or refining the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, which expenses shall be the following sums:

- (a) a sum calculated by writing off on a straight line basis together with interest on the written down value at the rate provided in clause (3)(c), over a period of ten (10) years commencing from the month the expense was incurred (or such lesser period as may be determined as being the life of the field) the actual capital expenses incurred by the Producer in respect of all plant used for the purposes of treating, processing or refining of the substance prior to delivery (but not upstream of the wellhead) or in transporting the substance to the point of delivery to the purchaser provided however that if any item of such plant is sold prior to being fully depreciated, the amount obtained upon such sale shall be deducted from the written down value of such item for the purposes of calculating the deduction, but not so as to reduce the written down value below zero;
- (b) a sum being expenses actually incurred by the Producer in respect of persons not employed on site by the Producer but whose employment functions directly relate to relevant treating, processing or refining of the substance prior to delivery (but not upstream of the wellhead) or in transporting the substance to the point of delivery to the purchaser;

(c) a sum being expenses (other than expenses upstream of the wellhead) actually incurred by the Producer or some one or more of them in respect of operating costs related to treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, including but not limited to the amount of any licence fees payable in respect of any production licence, associated facilities licence or pipeline licence, provided however that:

(i) the amount of such deduction will be reduced by the amount obtained upon the sale of any item of plant which has not been depreciated or which has been fully depreciated, but not so as to reduce the deduction below zero,

(ii) if any such expenses are incurred pursuant to any agreement which is not *bona fide* or arms length, such expenses (or part thereof) shall not be deducted, and

(iii) any expenses allowed as a deduction under clause 2(c) shall not include any expenditure provided for in clause (2)(a) or (2)(b) or (2)(d),

(d) a sum being expenses (other than expenses upstream of the wellhead) actually incurred by the Producer pursuant to a *bona fide* arms length agreement to lease any plant used for the purposes of treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser provided however that any such expenses in any one calendar year which is in excess of:-

(A) in the calendar year 200.. – the sum of \$.....; or

(B) in all subsequent calendar years, the sum of \$..... increased by the same percentage as the percentage increase in the Consumer Price Index (All Groups) for the City of Adelaide (“CPI”) from the CPI in the calendar year 200.. to the CPI in the relevant year

shall not be deductible,

(e) a sum being the actual expenses (other than expenses upstream of the wellhead) incurred by the Producer in rehabilitating the ground surface and site of plant and the actual expenses incurred in dismantling, removing or abandoning of such plant less any salvage obtained thereon where such plant is used for the purposes of treating processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser and the actual expenses incurred in rehabilitating the ground surface and site of a well of the type described in clause (3)(b) and the actual expenses incurred in abandoning such well but not including any costs incurred as a result of the loss of control of any well.

(3) Further provisions regarding calculation of Royalty

(a) For the purposes of clause (2):-

- (i) in each month the arms length sales value of the substance means the value of the actual sales in respect of the substance described in clause (1) in that month provided however that if any substance is not supplied to a *bona fide* arms length purchaser, not sold for full market value, or returned to a natural reservoir for later production, destroyed, dissipated or used by the Producer not in accordance with Section 43(3) of the Act, the gross sales value of such substance shall be the amount which would have been received in respect of such substance from a *bona fide* arms length purchaser for full market value;
- (ii) the term “plant” includes but is not limited to:
 - (A) any machinery, equipment, vehicle, implement, tool, article, vessel, pit, building, structure, improvement or other such property used in, or in connection with, treating processing or refining of the substance prior to the delivery or in transporting the substance to the point of delivery to the purchaser; or
 - (B) any pipeline;and
- (iii) “wellhead” means the casing head and includes any casing hanger or spool, or tubing hanger, and any flow control equipment up to and including the wing valves.

(b) Non Producing Wells

The capital expenditure referred to in clause (2)(a) may include the actual capital expenditure incurred by the Producer in respect of wells used solely for the purpose of assisting or enhancing the recovery of the substance from other wells or for the purposes of storing the substance or for the recovery or disposal of water used in connection with treating processing or refining of the substance prior to delivery or for any similar purpose other than the production of the substance and may also include the actual capital expenditure incurred by the Producer in converting a well used for the production of the substance to a well used for such other purposes.

(c) Interest Rate

For the purpose of clause (2)(a) the interest rate shall be one half of the long term Australian Government Bond Rate for bonds of a 10 year term as published at the end of the month in which the capital expenditure was made. If no such rate is in existence or published at the end of such period then the interest rate for the purposes of clause (2)(a) shall be one half of the average of the long term Australian Government Bond Rate for bonds of a 10 year term prevailing during the period of 5 years preceding the date on which such rate ceased to exist or be published.

(d) Apportionment of Expenses

Where an item of plant is used partly for the purposes of treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, and partly for some other purpose, the amount of the deduction (whether for capital or operating expenditure) which shall be allowed shall not include the proportion of the actual capital or operating expenditure applicable to that other purpose.

(e) Sale of Plant

Notwithstanding the provisions of clause (2), if an item of plant is sold by a Producer ("the first Producer") to another Producer, or to a company that becomes a successor or assign of the first Producer ("the second Producer"), the second Producer may only depreciate the plant to the extent to which the first Producer was, immediately before the time of sale, entitled to depreciate the plant.

(f) Take or Pay

For the purposes of this clause and of calculating the gross sales value of the substance, where the Producer enters into an agreement commonly known as a take or pay agreement, any payment received by the Producer in respect of petroleum which has been paid for but not been taken shall be treated as part of the gross sales value of the substance at the time of receipt of payment by such Producer and not at any other time.

(g) Tolling

- (i) If the Producer receives any revenue from the use of any plant downstream of the wellhead used for treating processing or refining the substance sourced from anywhere within the area from time to time comprised in Exploration Licence ... or any Production Licence issued from an area which was comprised in Exploration Licence ... immediately prior to the time such Production Licence was issued, or in transporting such substance to the point of delivery to the purchaser such revenue shall be deemed to be part of the *bona fide* sales value of the substance to the intent that royalty shall be payable thereon.
- (ii) Any sums, being sums deemed under clause (3)(g)(i) to be part of the *bona fide* value of the substances, paid by the Producer in respect of the use of such plant for treating processing or refining such substance or in transporting such substance to the point of delivery to the purchaser shall be deemed to be an expense under clause (2)(c).
- (iii) If any such plant is used for treating processing or refining of the substance sourced from outside of the areas referred to in clause (3)(g)(i) or in transporting such substance to the point of delivery to the purchaser any amounts which may be claimed as deductions under this clause (whether such deductions be by way of operating expenditure or capital expenditure) in respect of such plant shall be reduced by the

proportion which would be obtained by the method of apportioning costs used by the Producer to ascertain the tolling fee, but any revenue received by the Producer for the use of such plant for the treating, processing or refining of such substance prior to delivery or in transporting the substance to the point of delivery to the purchaser shall not be deemed to part of the gross sales value of the substance.

(4) Royalty Returns

- (a) Not later than thirty (30) days after the conclusion of each calendar month the Licensee will calculate and notify to the Minister the royalty, calculated by taking the *bona fide* sales value of the substance sold in that month, and deducting therefrom the most recent estimated monthly expenditure provided under clause (4)(c), payable by each Licensee. The Licensee shall with each such notification provide the Minister with a statement, in a form approved by the Minister, advising of the quantity of the substance sold and the amount realised upon such sale during the last preceding month, together with such other information as the Minister may require.
- (b) The Licensees shall not later than thirty (30) days after the conclusion of each calendar month pay to the Minister the amount of royalty specified in the notice referred to in clause (4)(a) as payable.
- (c) On or before each 15th March (in respect of the next succeeding twelve (12) month period commencing 1st July), the Licensee shall *bona fide* estimate the sales volume of the substance, the sales value of the substance, the allowable deductions apportioned between capital and operational deductions and hence calculate the estimated royalty payable for the next succeeding twelve (12) month period and shall provide the Minister with such estimates, together with the apportionment thereof on a monthly basis. A review of such forecast will be required if significant change to the forecast is evident. The Licensee will be required to provide a *bona fide* forecast as necessary for up to a period of 5 financial years including detail as referred to above but excluding a monthly apportionment for all but the proceeding twelve (12) month period.
- (d) Not later than thirty (30) days after the completion of each twelve month period concluding on each 30th June the Licensee shall reconcile the estimated expenditure with the actual expenditure and reconcile all calculations of royalties and shall provide the Minister within the said period of 30 days with copies of such reconciliations, together with a notice advising the Minister of any additional royalty calculated in accordance with the reconciliations as payable by each Licensee. If any such reconciliation shows that the total of the amounts of royalty paid during the last preceding 12 months was in excess of the amount of royalty which should have been paid for that period, the difference may be set off against royalty payable in the next succeeding months provided however that any expenses allowed as a deduction under clause (2)(b) to clause (2)(e) inclusive shall not be carried forward for a period of greater than 12 months from the month of expenditure.
- (e) The Licensee shall not later than thirty (30) days after the completion of each twelve month period concluding on each 30th June pay to the Minister the

additional royalty calculated in accordance with the reconciliation referred to in clause 4(d) as payable by the Licensee.

- (f) The Licensee shall at its cost cause the royalty calculation reconciliations submitted by the Licensee to be audited by the auditor appointed by the Licensee to audit its own accounts (provided that such auditor must be a duly registered auditor in Australia) and the Licensee shall forward a copy of the auditor's report in respect of a particular reconciliation within 3 months of the receipt of such reconciliation by the Minister, such report to be accompanied by a certificate by the auditor that the reconciliation is in accordance with these guidelines.
- (g) The Minister shall in accordance with Section 43(8) of the Act assess the value at the wellhead of the substance produced by the Licensees and may require the Licensee to pay within 30 days of the date of notice of such assessment the additional royalty determined by the Minister as payable.

SCHEDULE 4 : ABORIGINAL HERITAGE PROTECTION

**SCHEDULE 4
ABORIGINAL HERITAGE PROTECTION**

TABLE OF CONTENTS

1.	INTERPRETATION AND OTHER MATTERS.....	2
2.	DEFINITIONS	2
3.	UNDERTAKINGS BY THE GRANTEE PARTY	4
4.	RECONNAISSANCE SURVEYS OF LICENCE AREA BY THE GRANTEE PARTY	4
5.	LAND ACCESS AND OCCUPATION	5
6.	IDENTIFICATION	5
7.	PETROLEUM OPERATIONS.....	5
8.	NOTIFICATION OF OPERATIONS.....	6
9.	INSPECTION AND CLEARANCE.....	9
10.	WORK AREA CLEARANCE GROUP.....	11
11.	REPORTS	12
12.	BUDGETS AND PAYMENT BY THE GRANTEE PARTY FOR CLEARANCE WORK.....	13
13.	REMOVAL OF EMPLOYEES.....	15
14.	INSTRUCTION IN ABORIGINAL CULTURE.....	15
15.	GRANTEE PARTY COVENANTS.....	16
16.	THE NATIVE TITLE PARTY COVENANTS.....	17
17.	RIGHTS OF THE NATIVE TITLE PARTY.....	18
18.	RIGHTS OF THE GRANTEE PARTY	19
19.	REVERSION OF INFRASTRUCTURE.....	19
20.	FIELD DEVELOPMENT AND PRODUCTION	19
21.	FORCE MAJEURE.....	20
22.	CONFIDENTIAL INFORMATION.....	20
23.	GOODS AND SERVICES TAX	20
24.	DISPUTE RESOLUTION.....	22
25.	CESSATION OF ACTIVITIES	24
26.	EMPLOYMENT OPPORTUNITIES	25

SCHEDULE 4

ABORIGINAL HERITAGE PROTECTION

1. INTERPRETATION AND OTHER MATTERS

- 1.1 The definitions and rules of interpretation contained in clauses 1 and 2 of the Deed form part of this Schedule unless the contrary interpretation appears.
- 1.2 Unless the contrary intention appears in this Schedule a reference to the Grantee Party includes the employees, servants, agents, contractors and sub-contractors of the Grantee Party engaged for the purposes of the Petroleum Operations and their permitted invitees and any obligation or duty imposed upon the Grantee Party shall, where the Grantee Party has engaged an agent, contractor or sub-contractor to undertake any activity which the Grantee Party is required or authorised to undertake under this Schedule, be construed as an obligation or duty upon the Grantee Party to procure by reasonable endeavours that its agent, contractor or sub-contractor performs that obligation or duty.
- 1.3 The items in this Schedule shall prevail over any inconsistent provisions in any Annexure to this Schedule.

2. DEFINITIONS

In this Schedule unless the context otherwise requires the following words and expressions shall have the following meanings:

- ‘Aboriginal Record’** has the same meaning as prescribed in the *Aboriginal Heritage Act 1988* (South Australia);
- ‘Areas of Significance’** means any site on the Licence Area of cultural, social or spiritual significance to the Native Title Party of those areas and includes any **‘Aboriginal site’** as defined by the *Aboriginal Heritage Act 1988* (South Australia) and any **‘significant Aboriginal areas’** as defined in the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth)
- ‘Budget’** means a financial plan agreed for the conduct of an inspection and Clearance in accordance with item 12;
- ‘Clearance’** means the agreed procedure for the inspection and clearance of land as described in items 9, 10 and 11 and Annexure A, for the purpose set out in item 9.2 and **‘clear’**, **‘cleared’** and **‘clearing’** have corresponding meaning;

‘Deed’	means the Deed to which this Schedule is attached;
‘Environment’	means all aspects of the surroundings, including the physical, biological, economic, cultural and social aspects; and environment has a corresponding meaning;
‘Essential Term’	has the same meaning as in the Deed;
‘Operational Area’	means any part of the Licence Area upon which from time to time under the terms of this Schedule the Grantee Party proposes to carry out Petroleum Operations;
‘Petroleum Operations’	means operations carried out pursuant to, or for the purpose of giving effect to, a Licence and includes accessing Operational Areas, seismic surveying, drilling, geological, geophysical and other exploration activities, and the development, production, gathering, separating, pressure maintenance, dehydrating, heating, treating, processing, handling, transportation, fractionation, storage and distribution and marketing of Petroleum produced or to be produced from the Licence Area, including the design, capacity, installation, operation, maintenance, repair and replacement of all facilities required;
‘Project’	means all operations proposed or which may be undertaken by the Grantee Party or its contractors relating or incidental to the activities conducted or authorised under a Licence;
‘Report’	means a written report about a Clearance provided by the Native Title Party to the Grantee Party as described in item 11;
‘Work Area Clearance Group’	means the persons referred to in item 10;
‘Seismic Line Access Corridor’	means a corridor of up to 500 metres on each side of a proposed or existing seismic line or access road, or as otherwise agreed between the parties and which has been inspected and cleared in accordance with items 9, 10, and 11 and Annexure A;

‘Specialist’	means an anthropologist or archaeologist or both, as appropriate;
‘Transfer’	means to sell, assign, transfer, convey or otherwise dispose of and ‘transfer’ , ‘transferred’ and ‘transferring’ have corresponding meanings;
‘Work Programme’	means a detailed description of proposed work on an Operational Area by the Grantee Party;
‘Work Site’	means any camp site or other living area, air strip, water bore site, drill site or other location for Petroleum Operations activity in the Licence Area which the Grantee Party proposes pursuant to the terms of this Schedule to locate in an Operational Area and includes any other area in the Licence Area in which the Grantee Party proposes to carry out Petroleum Operations.

3. UNDERTAKINGS BY THE GRANTEE PARTY

The Grantee Party undertakes:

- (a) to grant to the Native Title Party the rights and privileges as set out in this Schedule; and
- (b) subject to compliance on the part of the Native Title Party and the Association with their respective obligations hereunder, the Grantee Party will comply with the terms and conditions on the Grantee Party’s part herein contained and shall make payments in accordance with this Schedule to the Association of the amounts to which the Association is entitled from time to time as provided in this Schedule 4.

4. RECONNAISSANCE SURVEYS OF LICENCE AREA BY THE GRANTEE PARTY

- 4.1 The parties acknowledge that prior to the date of execution of the Deed the Grantee Party has awaited grant of a Licence and except as otherwise disclosed in writing by the Grantee Party, has not been afforded an opportunity to undertake reconnaissance surveys to ascertain proposed paths for seismic lines, access roads and locations for Petroleum Operations on the Licence Area (**‘Reconnaissance Surveys’**).
- 4.2 Notwithstanding the provisions of this Schedule relating to inspection and clearing of Operational Areas, the Native Title Party acknowledges that in order efficiently to carry out the purposes of this Schedule, it may be necessary for the Grantee Party to enter onto the Licence Area to undertake Reconnaissance Surveys and the parties agree that the provisions contained in

items 9, 10 and 11 and Annexure A hereof do not apply to Reconnaissance Surveys where:

- (a) the Grantee Party is conducting the Reconnaissance Surveys pursuant to existing legal rights and by making visual observations in the vicinity thereof to facilitate a request under item 8 hereof; or
- (b) the Association has consented to activities following a preliminary consultation convened with a representative of the Native Title Party for the purpose of the Grantee Party explaining to the Native Title Party its need to conduct Reconnaissance Surveys (which consent shall not be unreasonably or capriciously withheld).

5. LAND ACCESS AND OCCUPATION

- 5.1 The Native Title Party and the Association acknowledge the grant to the Grantee Party of a Licence in respect of the Licence Area authorises the Grantee Party, its contactors, sub-contractors, employees, agents and visitors to enter upon the Licence Area at all times and to commence and proceed with Petroleum Operations.
- 5.2 The Association may object in writing upon reasonable grounds to a person having access to the Licence Area and Grantee Party shall ensure that, as far as is possible within its power, such person or persons shall not enter upon the Licence Area.

6. IDENTIFICATION

- 6.1 The Grantee Party shall notify the Association of the name of the representative of the Grantee Party responsible for Petroleum Operations from time to time on the Licence Area, such notice be given fourteen (14) days in advance in writing where practicable.
- 6.2 The Grantee Party shall inform all of its contractors, employees, agents and visitors of the obligation upon them to contain Petroleum Operations within Seismic Line Access Corridors or Work Sites which have been inspected and cleared in accordance with items 9, 10 and 11 and Annexure A of this Schedule and to comply with all conditions consistent with this Schedule.

7. PETROLEUM OPERATIONS

The Grantee Party shall at all times upon the Licence Area:

- (a) comply with the provisions of the Petroleum Act and any Licence granted to the Grantee Party thereunder;
- (b) comply with the environment protection procedures required by all Applicable Laws relevant to its Petroleum Operations;

- (c) conduct itself in accordance with good and accepted petroleum industry practice standards;
- (d) ensure that as far as is reasonably practical its Petroleum Operations cause minimum disturbance to the Licence Area; and
- (e) use good and accepted petroleum industry practice to avoid oil spills or blowouts.

8. NOTIFICATION OF OPERATIONS

8.1 Subject to the provisions of items 9, 10 and 11 and Annexure A hereof, the Grantee Party shall provide the Association at least sixty-eight (68) days in advance of Petroleum Operations being conducted in an Operational Area by written request for a Clearance on that Operational Area accompanied by particulars in writing of the following parts of the Grantee Party's proposed work programme, namely:

- (a) the proposed location of seismic lines and access roads;
- (b) the proposed approximate location of Work Sites;
- (c) the proposed method of seismic operations (specifically whether two or three dimensional seismic operations over specific areas) and other consequential operations, including exploration drilling and testing and the proposed construction or use of access roads in such operations;
- (d) the major items of equipment proposed to be used;
- (e) the location of any proposed earthworks for the disposal of any waste material arising out of Petroleum Operations;
- (f) the location of any proposed earthworks for minimising environmental disturbance or pollution, including oil spills and blowouts;
- (g) the proposed site and nature of any buildings or structures (including pipelines and associated facilities); and
- (h) any other aspect of the Petroleum Operations which is likely to have an adverse impact upon or cause substantial disturbance to native title rights and interests in any part of the Licence Area.

8.2 Prior to the expiration of fourteen (14) days (or such other period as the parties agree) after the Grantee Party has requested a Clearance and provided the particulars of its proposed work programme in accordance with the preceding paragraph of this item 8, the Grantee Party and the Association by their

respective representatives and advisors, shall meet. The purpose of such meeting shall be:

- (a) to discuss the proposed work programme and its practical implementation including matters such as access to existing tracks, topography, the work programme envisaged (including disturbance to the physical environment) and the major items of equipment to be used;
 - (b) to identify aspects of the proposed work programme and proposed Clearance where efficiencies can be implemented; and
 - (c) to discuss arrangements for preliminary access by the Grantee Party for Reconnaissance Surveys so as to avoid adverse impact on native title rights and interests in the physical environment; and
 - (d) to plan for managing emergencies in the field.
- 8.3 If the Association is not reasonably satisfied with the particulars of the Petroleum Operations given pursuant to item 8.1 hereof, the Association may, prior to the proposed commencement of Petroleum Operations, request the Grantee Party to provide and the Grantee Party shall provide, reasonable further particulars of such proposed Petroleum Operations.
- 8.4 The Association may object to the proposed Petroleum Operations referred to in item 8.1 provided:
- (a) the objection is made in writing within fourteen (14) days of receipt of the work programme; and
 - (b) the matter objected to is likely to have a material adverse impact or cause substantial disturbance to native title rights and interests in the Licence Area.
- 8.5 In the event that the Association has a specific objection to any part of the particulars of the proposed Petroleum Operations supplied by the Grantee Party under item 8.1, or to any substantial change therein of which notice has been given under item 8.8:
- (a) the Association shall refer such objection for resolution pursuant to item 24 within fourteen (14) days of being supplied with such particulars or given such notice;
 - (b) that part of the existing, intensified or changed operational programme to which objection is taken shall not commence until the objection is resolved pursuant to item 24;

- (c) provided always that objection may only be taken where the matter objected to is likely to have a material adverse impact upon or cause substantial disturbance to native title rights in the Licence Area; and
 - (d) if no such specific objection is raised within the said fourteen day period by the Association, the Grantee Party may proceed on the basis that the particulars provided by the Grantee Party pursuant to this item 8 constitute the details of the work programme for its Petroleum Operations.
- 8.6 Where the Association receives a request for Clearance pursuant to item 8.1 in respect of an Operational Area or part thereof and the Operational Area or part thereof has been the subject or prior inspection and Clearance (where the previous work programme is substantially similar to the current request) in accordance with the terms and conditions of this Schedule, the Association shall by notice in writing within two (2) weeks of the request notify the Grantee Party that such Operational Area or part thereof shall be deemed to have been inspected and cleared in accordance with the requirements of this Schedule and subject to any conditions applicable to that Clearance.
- 8.7 There can be no material modification or alteration of any part of a work programme without the written consent of the Association. For this purpose, '**material modification or alteration**' means a modification or alteration:
 - (a) of any Operational Area other than a reduction in the size of that area; or
 - (b) of any Petroleum Operations to be carried out at an Operational Area which is reasonably likely to result in a substantially greater environmental impact than that arising from the existing work programme.
- 8.8 The Grantee Party shall give notice to the Association if the Grantee Party at any time proposes to implement a material modification or alteration. Where the Grantee Party gives such notice after obtaining a Clearance the parties shall proceed in accordance with item 11.6.
- 8.9 Subject to the *Aboriginal Heritage Act 1988* (South Australia), where the Grantee Party has duly complied with the processes required of it:
 - (a) pursuant to item 8.1, and no Clearance is conducted within sixty-eight (68) days (or such later time as the parties in writing agree); or
 - (b) pursuant to item 8.8 for the circumstances set out in sub-item 11.6(b), and no Clearance is conducted within fourteen (14) days (or such later time as the parties in writing agree); or

- (c) pursuant to item 8.8 for the circumstances set out in sub-item 11.6(c) , and no Clearance is conducted within two (2) days (or such later time as the parties in writing agree),

then it is acknowledged the Grantee Party shall be at liberty to proceed with its Petroleum Operations at its risk.

9. INSPECTION AND CLEARANCE

- 9.1 The parties shall conduct all activities under this item in accordance with Annexures A and B.
- 9.2 The parties acknowledge that this Schedule is made for the purpose, inter alia, of providing a Clearance as a workable and effective arrangement to avoid disturbance to Areas of Significance and thereby avoid disputes between them.
- 9.3 The Grantee Party will nominate a representative to assist the Work Area Clearance Group for the duration of the Clearance, the Grantee Party's representative shall:
 - (a) be responsible for identifying the location of proposed seismic lines, access roads and other areas of proposed activity; and
 - (b) where possible, for relocating these where, upon advice from the Work Area Clearance Group, there is likelihood of Areas of Significance being disturbed by Petroleum Operations; and
 - (c) have authority to agree any conditions with the Work Area Clearance Group so as to minimise the impact of Petroleum Operations to Areas of Significance, for the purposes of a Report required to be issued pursuant to item 11 hereof.
- 9.4 The Grantee Party's representative shall accompany the Work Area Clearance Group when required to do so subject to the Work Area Clearance Group's ability to exclude the Grantee Party's representative from its internal discussions and deliberations in the field.
- 9.5 In the event that a proposed Operational Area is not cleared by the Work Area Clearance Group the Specialist shall advise the Grantee Party's representative to that effect and the Grantee Party's representative may propose alternative Operational Areas during the course of the Clearance provided that:
 - (a) any such alternative Operational Areas do not constitute a material modification or alteration to the work programme referred to in item 8.8; and
 - (b) in undertaking any clearance of alternative Operational Areas the Work Area Clearance Group is not required to remain in the field for any additional period of time beyond two (2) days, unless agreed otherwise.

- 9.6 Subject to the *Aboriginal Heritage Act 1988* (South Australia) the Grantee Party shall be absolutely entitled to rely on Clearances provided by the Native Title Party and facilitated by the Association pursuant to this Schedule in which case neither the Native Title Party nor the Association shall complain that Petroleum Operations conducted in accordance with items 8, 9, 10 and 11 hereof interfered with any Areas of Significance. The Grantee Party shall be entitled to plead this provision in defence of any complaint of interference to Areas of Significance made by any person pursuant to any Applicable Law.
- 9.7 The Grantee Party will:
- (a) not conduct any Petroleum Operations on the Licence Area except within a Seismic Line Access Corridor or Work Site which has been cleared in accordance with items 9, 10 and 11 and Annexure A hereof;
 - (b) comply with the conditions of the Clearance (as referred to in item 9 hereof); and
 - (c) instruct its contractors, its employees, agent and visitors accordingly in relation to its obligations under sub-paragraphs (a) and (b) hereof.
- 9.8 A Work Area Clearance Group may re-visit an Area of Significance the subject of an earlier Report, for the purpose of ensuring that the Area of Significance has been avoided by the Grantee Party, and:
- (a) where the primary purpose of the visit to the general locality by the Work Area Clearance Group is for the purpose of conducting a further Clearance for the Grantee Party, then if so requested at the time of negotiating a Budget for that further Clearance, allowance shall be made by the Grantee Party in that Budget to enable no less than two (2) members of the Work Area Clearance Group together with up to two (2) Specialists to re-visit the Area of Significance with no less than two (2) vehicles;
 - (b) where requested at the time of negotiating a Budget for a first clearance, allowance shall be made by the Grantee Party in that Budget to enable no less than two (2) members of the Work Area Clearance Group and one (1) Specialist and one (1) field assistant to re-visit the Area of Significance with no less than two (2) vehicles in the event no further Clearance in the general locality of the Area of Significance takes place for a period of six (6) months after the first Clearance;
 - (c) in the event of any damage, disturbance or interference to such an Area of Significance by the Grantee Party being established, both the Native Title Party and the Association agree to work with the Grantee Party to:
 - (i) rectify as far as is reasonably practicable any damage done by the Grantee Party; and

- (ii) prevent the recurrence of any such damage, disturbance or interference with Areas of Significance.

10. WORK AREA CLEARANCE GROUP

10.1 At the cost of the Grantee Party in accordance with a Budget, the Native Title Party and the Association will identify and the Association will organise the members of a Work Area Clearance Group for the purposes of this item 10 and Annexure A and will ensure that the Work Area Clearance Group is ready to commence Clearance work within forty (40) days after the provision of particulars of the proposed work programme in accordance with Annexure A.

10.2 Subject to cultural and traditional considerations, and any restrictions caused by inclement weather conditions which may prevent movement in the Operational Area and surrounding region, the task of the Work Area Clearance Group shall be to:

- (a) determine whether the seismic lines, access roads or work sites or any other activities described in the work programme are likely to disturb, damage, or interfere with Areas of Significance;
- (b) give advance warning to the Grantee Party's representative nominated to assist the Work Area Clearance Group to enable the Grantee Party's representative to relocate parts of seismic lines, access roads or Work sites or any other activities described in the work programme, in order to avoid and protect Areas of Significance;
- (c) show reasonable diligence in preparing for and carrying out such work while Grantee Party meets its obligations pursuant to this Schedule; and
- (d) make every reasonable endeavour to proceed with its work at a rate that will avoid any delay to the Grantee Party's Petroleum Operations.

10.3 Work Area Clearance Group Composition

The Work Area Clearance Group will comprise:

- (a) up to two (2) qualified Specialists of appropriate gender to be engaged by the Association with the concurrence of the Grantee Party (which concurrence will not be unreasonably withheld); and
- (b) the number of persons required to ensure that integrity of the Clearance up to a maximum of eight (8) persons consisting of such numbers of men and women as thought by the Native Title Party and the Association to be appropriate in accordance with Aboriginal culture and tradition.

10.4 The Native Title Party and the Association acknowledge that in most areas up to four (4) persons will be sufficient to ensure the integrity of the Clearance, however they reserve the right to include up to a maximum of eight (8) people

in the event that they believe it is necessary and appropriate to do so. The Association agrees to consult with the Grantee Party about the number of persons to be included in a Work Area Clearance Group not later than the start of negotiations for setting a budget in accordance with item 12.

11. REPORTS

- 11.1 The Association must promptly notify the Grantee Party upon completion of a Clearance and as soon as practicable but no later than fourteen (14) days after the completion of the Clearance, the Native Title Party and the Association must provide a Report (through a Specialist) to the Grantee Party.
- 11.2 The Report must:
- (a) identify those parts of the Operational Area which are given Clearance by the Native Title Party or denied Clearance by the Native Title Party or given conditional Clearance by the Native Title Party;
 - (b) identify any alternative Operational Areas for which Clearance is given in accordance with the requirements set out in items 9.5 and 10.2(b);
 - (c) describe any conditions on which the Native Title Party has provided the clearance so as to minimise the impact of Petroleum Operations to Areas of Significance; and
 - (d) be signed by the Specialists.
- 11.3 Nothing in this Schedule compels the Native Title Party nor any member of the Work Area Clearance Group or the Association to disclose to the Grantee Party or to the the Grantee Party's representative the location of Areas of Significance, or any Cultural Confidences whatsoever with respect to the Licence Area.
- 11.4 The Native Title Party and the Association shall ensure that any Aboriginal persons accompanying the Work Area Clearance Group shall have knowledge of the Operational Area to be cleared and shall have the traditional knowledge and authority to determine whether there are any Areas of Significance within the Operational Area to be cleared.
- 11.5 In the event that the Work Area Clearance Group determines it is necessary to deviate any proposed seismic line or access road, such deviation shall be made as small as possible and any deviated line or road will be returned to the original planned line or road as soon as practicable, bearing in mind the proximity of any Areas of Significance and the need to minimise unduly sharp line deflections. In the event that relocation of a proposed drill site for an exploration appraisal or development well is being considered, any movement of the proposed drill site shall be minimised so far as possible.
- 11.6 In the event that the Grantee Party has obtained a Clearance pursuant to this Schedule and subsequent events cause the Grantee Party to require any

material modification or alteration (as defined in item 8.7) to any part of the programme of Petroleum Operations or an existing cleared Seismic Line Access Corridor or Work Site which is likely to have an adverse impact upon native title rights in any part of the Licence Area:

- (a) the Grantee Party shall notify the Association as soon as practicable and request that the Work Area Clearance Group inspects and clears each area to be included in such proposed material modification or alteration in accordance with the provisions of this Schedule;
- (b) in such cases (other than circumstances set out in the next subparagraph of this paragraph) the Native Title Party and the Association shall use their respective best endeavours promptly and as soon as practicable to respond to such request, either by notifying the Grantee Party in writing of its consent to such material modification or alteration or ensuring the commencement by a Work Area Clearance Group of the inspection for Clearance of those areas as requested by Grantee Party; and
- (c) in cases where Petroleum Operations are in the course of being conducted and the Work Area Clearance Group has inspected the areas requested by Grantee Party in accordance with subparagraph (a) of this item 11.6 the Work Area Clearance Group will communicate in writing to the Grantee Party the results of its inspection prior to leaving the area and confirm those results in a Report.

12. BUDGETS AND PAYMENT BY THE GRANTEE PARTY FOR CLEARANCE WORK

- 12.1 The Association must, unless otherwise agreed, within fourteen (14) days after receipt of a request for a Clearance pursuant to item 8.1 submit to the Grantee Party a proposed Budget containing an estimate of all of the costs and expenses associated with the requested Clearance to enable the Grantee Party and the Association to negotiate and agree a Budget.
- 12.2 Budgets must be proposed in substantially the form set out in Annexure C and be negotiated, agreed and adopted by the Grantee Party and the Association in writing within seven (7) days of the Association providing a proposed Budget to Grantee Party.
- 12.3 The Grantee Party will make payment of expenditure in accordance with the agreed Budget, to the Association in three separate instalments as follows:
 - (a) forty per cent (40%) seven (7) days prior to the mobilisation of the Work Area Clearance Group; and
 - (b) thirty per cent (30%) at the end of field inspection for the Clearance; and

- (c) thirty per cent (30%) or the balance thereof following receipt of the Report and an invoice of all expenditure.

12.4 The Grantee Party must pay all reasonable costs, fees disbursements and expenses incurred by the Association in carrying out a Clearance, in accordance with a Budget and subject to any agreement in writing to the contrary between the Parties. In particular, the Grantee Party will reimburse the Association in accordance with an agreed Budget for the Association's reasonable costs for, inter alia:

- (a) the services of the members of the Work Area Clearance Group (including the costs of preliminary consultation with a Specialist);
- (b) provision of suitable camping facilities and food and a camp cook for the Work Area Clearance Group;
- (c) provision of sufficient and appropriate all-terrain four-wheel drive (4WD) vehicles equipped with appropriate spare parts;
- (d) vehicle insurance, fuel and costs of any necessary and unavoidable repair required; and
- (e) administration costs associated with the implementation of the Clearance,

in accordance with the Budget.

12.5 In the event that there are at any time more persons forming part of the Work Area Clearance Group than specified in the Budget then the Grantee Party shall not be responsible for the expense of the additional persons, unless otherwise agreed between the parties.

12.6 All monies payable by the Grantee Party pursuant to a Budget shall be paid to the Association or to any legal representative from time to time notified by the Association to the Grantee Party. A receipt from the Association or such legal representative shall be a full and sufficient discharge to the Grantee Party for any payments so made.

12.7 The parties acknowledge that no contractual relationship of any sort whatsoever as between the Grantee Party and any person employed or engaged by the Association to form part of any Work Area Clearance Group arises by virtue of this Schedule, and that nothing contained in this Schedule will be interpreted or deemed to constitute any employment or contractual relationship as between such persons and the Grantee Party. The Native Title Party and the Association will ensure compliance with all Applicable Law including the *Workers Rehabilitation and Compensation Act 1986*, the *Occupational Health, Safety and Welfare Act 1986*, the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* (both Commonwealth) as appropriate and any other legislation relevant to the terms or basis upon which the Association

engages or retains any person for the purposes of performing its obligations under this Schedule.

- 12.8 The Grantee Party is responsible for and indemnifies and agrees to keep indemnified the members of the Work Area Clearance Group from and against all and any claims of whatever nature and however arising for personal injury or death or damage or destruction of personal property of the Work Area Clearance Group or any member of the Work Area Clearance Group to the extent caused or contributed to by any negligent act or omission of the Grantee Party, its employees, contractors or subcontractors.
- 12.9 The Grantee Party may nominate the use of such of its existing facilities and equipment as is practicable in the circumstances of a proposed Clearance in which case consideration will be given to such use and, where used, due allowance made in the Budget for that Clearance.

13. REMOVAL OF EMPLOYEES

- 13.1 Unless the Association otherwise agrees, the Grantee Party shall take all reasonable steps to ensure prompt removal from the Licence Area of any contractor, employee, agent, or visitor of the Grantee Party, who:
- (a) has recklessly or wilfully trespassed on or in any way interfered with any Areas of Significance; or
 - (b) has negligently or wilfully conducted Petroleum Operations outside any Seismic Line Access Corridor or Work Site cleared in accordance with items 9, 10 and 11 and Annexure A hereof except where there is no damage to the interests of the Native Title Party; or
 - (c) has acted in a disorderly manner on the Licence Area or has supplied liquor or prohibited drugs or substances in an unauthorised fashion to members of the Native Title Claim Group.
- 13.2 In the event of a dispute between the Association and the Grantee Party as to whether a person has acted in a manner justifying removal from the Licence Area the matter shall be referred for resolution pursuant to item 24.

14. INSTRUCTION IN ABORIGINAL CULTURE

- 14.1 The Grantee Party will use reasonable endeavours to educate all employees, contractor and sub-contractors who may be involved in Petroleum Operations contemplated by this Schedule to ensure those persons have an awareness and an understanding of:
- (a) native title;
 - (b) their obligations under the *Aboriginal Heritage Act 1988* (South Australia), the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth), the Native Title Act and this

Schedule in relation to avoiding disturbance, damage and interference to any Area of Significance; and

(c) any other matters of which those persons are required to be cognisant by this Schedule.

- 14.2 Appropriate education for the purposes of item 14.1 shall include, for those persons whose duties will involve them in actual disturbance to or excavation of earth, basic instruction from a qualified archaeologist to enable them to identify human skeletal remains and archaeological sites and objects which may be buried in the earth.
- 14.3 A Specialist to be engaged for the purpose of carrying out the education functions specified in this item shall be nominated by the Grantee Party with the concurrence of the Association (which concurrence shall not be unreasonably withheld).
- 14.4 The Grantee Party shall promote among non-Aboriginal people employed in Petroleum Operations a knowledge, understanding and respect for the tradition and culture of the Native Title Claim Group.
- 14.5 The Grantee Party shall ensure that by way of background and orientation all non-Aboriginal employees and personnel are given appropriate instruction on such aspects of the Native Title Claim Group's traditions, history and culture as are known to or reasonably obtainable by the Grantee Party.
- 14.6 The Grantee Party shall consult with and have regard to the views of the Native Title Party in relation to the formulation and presentation of the instruction referred to in item 14.5.
- 14.7 The Association shall, whenever requested by Grantee Party so to do give all reasonable assistance to the Grantee Party in attaining the objectives for this item and shall be reimbursed by the Grantee Party for all reasonable expenses incurred by it in so doing.

15. GRANTEE PARTY COVENANTS

The Grantee Party covenants with the Native Title Party that:

- (a) in connection with the conduct of Petroleum Operations by it on the Licence Area the Grantee Party shall in accordance with applicable Law:
- (i) keep each Work Site to the minimum area considered necessary to conduct efficient Petroleum Operations;
 - (ii) take all precautions to reduce fire risk on the Licence Area;
 - (iii) ensure all well sites are capped or sufficiently fenced off after drilling so as to prevent injury to persons or stock.

- (b) where the Grantee Party reasonably believes appropriate, the Grantee Party will provide to persons from the Native Title Claim Group, the Association and persons accompanying them, relevant:
 - (i) driver training, hard hats, hats, ear plugs, safety glasses, safety vests, sunscreen and such other items of personal safety; and
 - (ii) induction procedures to meet all necessary workplace health and safety requirements,

as the Grantee Party normally provides to, or usually requires of, persons attending locations under the control of the Grantee Party.

- (c) if, at any time in the course of carrying out Petroleum Operations the Grantee Party or any person acting on behalf of the Grantee Party (despite a Clearance) identifies any burial site or any archaeological or historical site or object, or any site or object which the Grantee Party or any person acting on behalf of the Grantee Party suspects to be an Area of Significance or Aboriginal object, then in addition to obligations under the *Aboriginal Heritage Act 1988* (South Australia) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth) the Grantee Party will promptly report the location of such site or object to the Association.
- (d) the location of the site or object will be treated by the Grantee Party as though no Clearance in relation to it had previously been given and any relevant object will be left in situ without being moved or interfered with pending further Clearance in accordance with this Schedule.

16. THE NATIVE TITLE PARTY COVENANTS

The Native Title Party and the Association covenant with the Grantee Party that the Native Title Claim Group and the Association shall:

- (a) not interfere with the conduct of Petroleum Operations upon the Licence Area except in accordance with this Schedule or any other agreement between the parties;
- (b) not lodge or make any objection to any grant to the Grantee Party pursuant to the Petroleum Act unless the Grantee Party has failed to comply with any Essential Term; and
- (c) actively support the Grantee Party's efforts to procure all approvals, consents, and other entitlements and rights (and all regrants, renewals and extensions thereof) as are or will be necessary to support the interests of the Grantee Party in furthering a Project under any current, new or amended legislation. In particular, such active support will include provision of all relevant consents and authorisations to allow the grant of the said approvals, consents and other entitlements and

rights and assistance to procure the withdrawal of any objections thereto;

- (d) actively assist the Grantee Party where a Native Title Claim is made by any Aboriginal person not bound by this Schedule over:
 - (i) any part of a Licence Area, or
 - (ii) any other area utilised or intended to be utilised in relation to a Project

to support the application of this Schedule in relation to Petroleum Operations and the Project (or either of them);

- (e) ensure that where the Grantee Party provides the items mentioned in item 15(b) for the use of the persons mentioned in that item, then all the persons so provided will utilise those provisions and otherwise conduct themselves in accordance with the Grantee Party's reasonable safety requirements;
- (f) refrain from doing any act which would impede, hinder or prevent the Grantee Party from exercising or enjoying directly or indirectly any of the rights granted or consented to under the Deed and this Schedule; and
- (g) in the course of performing their obligations pursuant to this Schedule observe all Applicable Law.

17. RIGHTS OF THE NATIVE TITLE PARTY

- 17.1 The Grantee Party acknowledges that members of the Native Title Claim Group have the right, except where their presence may cause danger to health and safety, or where their presence may interfere with the conduct of efficient Petroleum Operations:
 - (a) to move freely throughout Operational Areas including all roads thereon; and
 - (b) to pursue customary and traditional activities in Operational Areas.
- 17.2 The Native Title Claim Group, its members and agents shall be permitted the use of all roads constructed for the purpose of Petroleum Operations provided such use does not interfere with the conduct of efficient Petroleum Operations.

- 17.3 The use of roads in accordance with this item shall be subject to reasonable control by the Grantee Party for the purpose of safety and to priority of use by the Grantee Party for the purpose of Petroleum Operations without the Grantee Party undertaking any liability for such use.
- 17.4 The Association shall be entitled to select and engage all such employees, agents and independent contractors as are necessary and desirable for the carrying out of any or all of the Association's obligations under this Schedule save that any Specialist engaged by the Association for assistance with Clearances must be engaged with the concurrence of the Grantee Party in accordance with item 10.3(a).

18. RIGHTS OF THE GRANTEE PARTY

- 18.1 The Grantee Party's right to conduct Petroleum Operations in the Licence Area remain specified by the Petroleum Act and terms and conditions of Licences granted.
- 18.2 In the exercise of its rights the Grantee Party undertakes to observe and perform the terms of this Schedule and neither the Native Title Party nor the Association will cause the Grantee Party disturbance or interruption in the course of exercising that right and the discharge of the Grantee Party's legal obligations and duties in respect thereof, in particular under the Petroleum Act and a Licence and any other legislative or administrative requirements relating to the carrying out of Petroleum Operations.
- 18.3 In the event of any emergency situation occurring on a Licence Area at any time the Grantee Party may take such measures as it considers necessary in the circumstances in which case the provisions contained in items 9, 10 and 11 and Annexure A do not apply. The Grantee Party shall notify as soon as reasonably practicable, the Association of the emergency situation, and after the emergency consult with the Association in relation to further measures to be taken in respect thereof.

19. REVERSION OF INFRASTRUCTURE

Within the period of twelve (12) calendar months (or such other time as may be agreed between the parties) after the Grantee Party ceases to have any right to conduct operations in the Licence Area, the Grantee Party shall remove from the Licence Area all surface infrastructure or facilities constructed for the purposes of Petroleum Operations which (subject to the Petroleum Act) are reasonably capable of removal other than those which the Grantee Party, any lessee of the land containing the Licence Area, all government regulatory agencies and the Association agree may remain thereon.

20. FIELD DEVELOPMENT AND PRODUCTION

The parties acknowledge that at any time during or after completion of the Petroleum Operations carried out pursuant to a PEL, the Grantee Party may wish to apply for further or other Licences under the Petroleum Act in respect of the whole or any part

of the Licence Area. In the event of the Grantee Party so applying, and any further or other Licence being granted by the Minister, unless the parties otherwise agree, the provisions of this Schedule shall apply *mutatis mutandis* in relation to the conduct of Petroleum Operations on the further or other Licence so granted.

21. FORCE MAJEURE

21.1 In the event that the performance of this Schedule by a party is prevented or delayed in whole or in part by acts of God, flood, fire or damage caused by lightening, storm, tempest, unseasonable rains, strikes, lockouts or other industrial disturbance, riots, blowouts, laws, rules, regulations, or directions of a governing body having jurisdiction over the Licence Area, religious or other ceremonial activities of members of the Native Title Claim Group, inability to obtain equipment or material or any other causes which by the exercise of due diligence that party is unable to prevent or overcome ('**force majeure**'), this Schedule shall nevertheless continue and remain in force and effect but that party shall not be in default hereunder for as long as it continues to be prevented or delayed as aforesaid by such force majeure and the time within which such party is required to perform any work to satisfy any obligations hereunder shall be extended by a period equivalent to that during which such prevention or delay continues provided that:

- (a) the cause of the force majeure as far as possible shall be remedied with all reasonable dispatch by such party; and
- (b) no party shall be required to settle any strike, lockout, or other industrial disturbance on terms that it does not regard as satisfactory.

21.2 The party affected by any event of force majeure as aforesaid shall forthwith give notice in writing thereof, to each other party of the occurrence of such event, the likely period of delay and the cessation thereof.

22. CONFIDENTIAL INFORMATION

22.1 The Grantee Party agrees to keep confidential each and every Cultural Confidence of which it becomes aware.

22.2 The Native Title Party and the Association agree to keep confidential all aspects of the Grantee Party's activities pertaining to a Licence of which it becomes aware provided such information may be disclosed to a specialist for the purpose of writing a report.

23. GOODS AND SERVICES TAX

23.1 Subject to item 23.3, the Grantee Party must pay to the Association in respect of any taxable supply made to the Grantee Party pursuant to or in connection with this Schedule an amount equal to any GST which is payable by the Association.

- 23.2 The GST on a taxable supply is the amount ascertained by multiplying:
- (a) the amount that would otherwise be payable under this Schedule in respect of the taxable supply if the GST payable were nil, by
 - (b) the prevailing rate of GST for that taxable supply.
- 23.3 The Grantee Party must pay to the Association an amount equal to the GST on a taxable supply, provided the Association has first issued to the Grantee Party a tax invoice, at the same time and in the same manner as it is required to pay any other amount to the Association in respect of that taxable supply. If no other amount is payable by the Grantee Party to the Association in respect of the taxable supply, the Grantee Party must pay to the Association an amount equal to the GST on that taxable supply twenty-eight (28) days after the receipt by the Grantee Party of a tax invoice from the Association.
- 23.4 For the purposes of the GST Act, the Grantee Party shall be regarded as having requested a tax invoice from the Association in respect of each taxable supply. Any tax invoice issued may be issued in addition to any other invoice that relates to the taxable supply.
- 23.5 If an adjustment event has occurred in respect of a supply made pursuant to or in connection with this Schedule, the party that becomes aware of the adjustment event agrees to notify the other party on becoming aware of the adjustment event, and the parties agree to take whatever steps are necessary and to make whatever adjustments are required to ensure that any GST or additional GST on that supply or any refund of any GST (or part thereof) is paid as soon as is practicable but no later than twenty-one (21) days after the Association becomes aware that the adjustment event has occurred.
- 23.6 The Association will issue to the Grantee Party an adjustment note in respect of a supply that is subject to an adjustment event covered by item 23.5. Such adjustment note will be issued no later than twenty-one (21) days after the Association becomes aware that the adjustment event has occurred or refunds any GST (or part thereof) in respect of that supply.
- 23.7 Any disputes between the parties in relation to the operation or interpretation of this item shall be dealt with in accordance with the dispute resolution procedures in item 24 of this Schedule.
- 23.8 The parties agree to make any changes that are required to this item to reflect any amendments made to the GST Act or a related Act or changes in the interpretation of any of those Acts by the courts or the Commissioner of Taxation.
- 23.9 In this item 23:
- (a) **'adjustment event'** means an adjustment event for the purposes of the GST Act and includes any matter or thing that arises out of any error, any decision of a court in relation to the GST Act or a related Act, any

ruling issued by the Commissioner of Taxation, any audit of the tax affairs of the Association or of the Grantee Party or the settlement of any dispute (including a dispute with the Commissioner of Taxation);

- (b) ‘**adjustment note**’ has the same meaning as it has from time to time in the GST Act;
- (c) ‘**GST**’ has the same meaning as it has from time to time in the GST Act;
- (d) ‘**GST Act**’ means the *A New Tax System (Goods and Services Tax) Act 1999* and as that Act is varied in its effect on an event, matter, thing, agreement, transaction or the like by the *A New Tax System (Goods and Services Tax Transition) Act 1999*;
- (e) ‘**price**’ has the same meaning as it has from time to time in the GST Act;
- (f) ‘**supply**’ has the same meaning as it has from time to time in the GST act;
- (g) ‘**tax invoice**’ has the same meaning as it has from time to time in the GST Act; and
- (h) ‘**taxable supply**’ has the same meaning as it has from time to time in the GST Act.

24. DISPUTE RESOLUTION

24.1 Guiding Principle

The parties agree that every effort should be made to ensure that disputes do not arise and that if a dispute does occur the parties should make every reasonable effort to resolve the dispute without recourse to this item 24.

24.2 Priority of Procedures

Unless otherwise provided in this Schedule, if a dispute arises between the parties concerning this Schedule no party may commence any court proceedings relating to the dispute unless it has complied with the following paragraphs of this item, except where the party seeks urgent interlocutory relief.

24.3 Notice of Dispute

Any party claiming that a dispute has arisen under this Schedule between the Grantee Party and either or both of the Native Title Party and the Association (**‘Complainant’**) must give written notice (**‘Notice of Dispute’**) to the other parties (**‘Respondent’**). The notice must adequately identify and provide details of the dispute and refer to any documentary evidence of the matters

claimed in the dispute and designate a senior representative of the Complainant who has the authority to negotiate and settle the dispute.

24.4 Response to Dispute

Within fourteen (14) days after the Respondent receives a Notice of Dispute, the Respondent must give written notice to the Complainant. That notice must adequately define the Respondent's response to the dispute and provide details and refer to any documentary evidence in support of its response to the dispute and designate a senior representative for each Respondent who has the authority to negotiate and settle the dispute.

24.5 Negotiations

Senior representatives designated pursuant to the preceding sub-items of this item must, within ten (10) days (or within such further period as the senior representatives may agree is appropriate) after the receipt of the notice referred to in item 24.4 investigate, negotiate and endeavour to settle the dispute.

24.6 Mediation

- (a) If, within one month of the date of the Notice of Dispute, the parties are either unable to resolve the dispute or no meeting has been held, the parties must mediate the dispute in accordance with the guidelines set out in Annexure D hereto, or as otherwise agreed by the parties, and shall seek to agree upon the appointment of an independent mediator with relevant experience of the matter in dispute or, failing agreement within fourteen (14) days, the mediator shall be appointed by the President of the Law Society of South Australia for the time being.
- (b) The President of the Law Society of South Australia (in determining who to appoint as the mediator) shall have regard to the parties' intentions in this Schedule:
 - (i) for the preservation and protection of the native title rights and interests of the Native Title Party; and
 - (ii) the statutory rights, obligations and commercial imperatives of the Grantee Party;

and shall take account of the fact that this Schedule constitutes a cross-cultural commercial agreement.

- (c) The mediator, in conducting the mediation shall have regard to:
 - (i) the parties' intentions in this Schedule for the preservation and protection of the Aboriginal tradition of the Native Title Party; and

- (ii) the statutory rights, obligations and commercial imperatives of the Grantee Party.
- (d) If within one month after the date of the mediator's appointment, mediation has not taken place, or has failed to resolve the dispute, or in the event no mediator has been appointed within one month of the Notice of Dispute, then any of the parties may by notice terminate the mediation process and may seek such remedies as they decide.
- (e) Any date or period of time referred to in this item may be varied or amended by agreement between the parties.
- (f) None of the parties may commence court proceedings or arbitration concerning this Schedule unless it has first complied with the dispute resolution provisions contained in this item 24. The parties agree that this Schedule may be pleaded as a bar to any court action commenced prior to termination of the mediation process other than an application for urgent interlocutory relief.
- (g) In any case, each party shall bear its own costs for the mediation.

24.7 Without Prejudice

The parties acknowledge that the purpose of any exchange of information or documents or the making of any offer of settlement pursuant to this item is an attempt to settle the dispute between the parties. No party may use any information or documents obtained through the dispute resolution process established by this item for any other purpose

25. CESSATION OF ACTIVITIES

- 25.1 The Grantee Party shall notify the Association one month prior to any surrender of a Licence in respect of the Licence Area pursuant to the Petroleum Act.
- 25.2 A surrender under item 25.1 is effective on and from the time when the Licence is effectively surrendered in respect of the Licence Area pursuant to the Petroleum Act.
- 25.3 The Grantee Party shall cease Petroleum Operations immediately its Licence expires or is surrendered, withdrawn, revoked or cancelled in respect of the Licence Area.
- 25.4 Upon the surrender, withdrawal, revocation or cancellation of the Grantee Party's Licence in respect of the Licence Area:
 - (a) the Grantee Party shall pay to the Association any and all monies then payable or accrued which are due to the Association pursuant to this Schedule; and

(b) each party shall remain liable to the other party in respect of any liability it has to the other as a consequence of any prior breach of this Schedule.

25.5 Nothing in this Schedule shall be construed as imposing an obligation on the Grantee Party to carry out or complete any Petroleum Operations.

25.6 The parties' obligations under items 7(a), 7(b), 7(d), 15, 19 and 22 shall to the extent referred to therein survive any termination of the Deed and this Schedule.

26. EMPLOYMENT OPPORTUNITIES

The Grantee Party agrees to consider from time to time opportunities for the employment of members of the Native Title Claim Group and for the engagement of enterprises controlled by members of the Native Title Claim Group and to similarly encourage its contractors so to do.

ANNEXURE A TO SCHEDULE 4 : CLEARANCE PROCEDURES

1. The Association in consultation with the Native Title Party will provide a Work Area Clearance Group or teams to undertake inspection and clearing of locations for Petroleum Operations within the Licence Area if and when the requirement arises in accordance with item 10 of Schedule 4.
2. The Association in consultation with the Native Title Party will ensure that if required, both a male and a female Specialist are available to join the Work Area Clearance Group depending on the part of the Licence Area under consideration at any given time and the Area or Areas of Significance that may be therein.
3. A Specialist (engaged according to item 10.3(a) of Schedule 4) will co-ordinate the Work Area Clearance Groups provided for in item 10 of Schedule 4 and will be responsible for conveying the results of the Work Area Clearance Group's inspections and assessments for Clearance of Grantee Party's proposed Petroleum Operations under the terms of Schedule 4.
4. Subject to the terms of Schedule 4, the Native Title Party and the Association will ensure that a Work Clearance Group is available to undertake additional inspections and Clearances for seismic lines, access roads and Work Sites as and when such sites are required by the Grantee Party in the course of carrying out Petroleum Operations. Where such additional inspection and Clearance is required, the Native Title Party and the Association will ensure that the Work Area Clearance Group operates on a regular work schedule that as near as practicable coincides with and accommodates the Grantee Party's work schedule.
5. The Association will arrange suitable camping facilities for the Work Area Clearance Group.
6. The Association in consultation with the Native Title Party will ensure that persons who are members of the Native Title Party (but in any event not exceeding the number of persons agreed with Grantee Party) with traditional knowledge of Areas of Significance in the particular Operational Area, together with appropriate support equipment, are available for all Clearance purposes.
7. The Association will provide sufficient and appropriate all-terrain four-wheel drive vehicles for use by the Work Area Clearance Group while it is undertaking the inspection and Clearance purposes.
8. The said vehicles will be insured by the Association and equipped by the Association with sufficient spare parts for the duration of the Clearance task.
9. The Association will cause a log-book to be kept and will ensure that the following information is recorded in the log book in relation to the use of the four-wheel drive vehicles.
 - (a) Date;
 - (b) Place of departure;
 - (c) Destination;

- (d) Reason for the journey;
- (e) Name of driver; and
- (f) Number of kilometres travelled

in respect of each occasion that the four-wheel drive vehicles are used for or incidental to carrying out a Clearance and will make the log-book available to the Grantee Party upon request.

10. The Grantee Party will reimburse the Association in accordance with an agreed plan and Budget for the Association's reasonable costs for:

- (a) engaging the services of the persons comprising the Work Area Clearance Group;
- (b) providing camping facilities and food to the Work Area Clearance Group; and
- (c) providing sufficient and appropriate four-wheel drive vehicles for use by the Work Area Clearance Group

in accordance with a Budget.

11. In the event that there are at any time more persons forming part of a Work Area Clearance Group than agreed with the Grantee Party and accounted for in a Budget then the Grantee Party shall not be responsible for the expense of the additional persons in such group, unless otherwise agreed between the parties.

12. Remuneration

The Grantee Party will pay to or reimburse the Association the cost of engaging the services of the Work Area Clearance Group, for each Specialist and for each of the agreed number of Work Area Clearance Group members at the respective rates negotiated and agreed during negotiation of a Budget for each day required for compliance with items 9, 10 and 11 of Schedule 4 and this Annexure A and for travel to and from his or her place of residence within Australia, and reasonable travel costs, all in accordance with a Budget.

13. Food for Work Area Clearance Group

The Grantee Party will allow a food allowance for each member of the Work Area Clearance Group at the rate of \$35 per day, fixed for the first twelve (12) months of this Deed, for each day spent undertaking the Clearance and each day spent travelling to and from the Licence Area for that purpose.

14. Four-Wheel Drive Vehicles

The Grantee Party will pay to the Association:

- (a) where the Association provides four-wheel drive vehicles, the sum of fifty-five cents per kilometre in respect of the total number of kilometres properly recorded in the log book, in accordance with paragraph 9 of this Annexure A,

and the cost of fuel, where a four-wheel drive vehicle travelled distances for or incidental to conducting a Clearance; or

- (b) the reasonable cost of hire of four-wheel drive vehicles and the cost of fuel and vehicle insurance, where the vehicle is hired and used for, or incidental to conducting a Clearance provided that the log book details are properly recorded in accordance with paragraph 9 of this Annexure A.

ANNEXURE B TO SCHEDULE 4 : SCHEDULE OF EVENTS

Item	Events	Party Responsible	Maximum period for Events (in days)	Maximum cumulative Elapsed days
1	Grantee Party submits request and proposed work programme to Association <i>(Item 8.1)</i>	Grantee Party	Not applicable	0
2	Preliminary meeting <i>(Item 8.2)</i>	Grantee Party and Association	14	14
3	Association arranges for: 1. Anthropologist or other Specialist; 2. Work Area Clearance Group, and 3. Proposed Clearance Plan and Budget and presents to Grantee Party <i>(Items 10 and 12.1)</i>	Association	7	21
4	Clearance Plan and Budget meeting Plan and Budget agreed <i>(Items 12.1 and 12.2)</i>	Grantee Party and Association	7	28
5	Work Area Clearance Group and field logistics organised, and Work Area Clearance Group mobilised to the field. <i>(Item 10.1)</i>	Native Title Party and Association	12	40
6	Work Area Clearance Group completes field work and demobilises, notifies the Grantee Party. <i>(Item 11.1)</i>	Native Title Party and Association	14	54
7	Report delivered to the Grantee Party <i>(Item 11.1)</i>	Association	14	68

ANNEXURE C TO SCHEDULE 4 : BUDGET

Grantee Party:

Date:

Clearance for PEL number(s):

Item	Description	Remarks	Units	Quantity	Unit Rate \$	Survey Costs	Notes
	Personnel						
	Specialist # 1		days				
	Specialist # 2		days				
	Work Area Clearance Group x		days				
	Camp Cook		days	1			
1	TOTAL PERSONNEL						
	Travel Costs						
	Vehicle Hire	4WD	days				
	Vehicle Fuel		days				
	Private Vehicle 2WD allowance	fuel, oil, tyres, etc	km		0.52		
	Private Vehicle 4WD allowance	fuel, oil, tyres, etc	km		0.55		
2	TOTAL TRAVEL						
	Accommodation & Logistics						
	Food		days				
	Camping allowance		nights				
	GPS hire		days				
	Trailer hire		days				
2	TOTAL ACCOMMODATION & LOGISTICS						
	Administration						
	satellite phone hire		days				
	maps		total				
	photocopying		total				
	phone : fax : mail		total				
	bookings & fees		total				
	meetings & confs		total				
	legal		total				
4	TOTAL ADMINISTRATION						
5	SUB-TOTAL						
6	Contingency						
7	GST						
8	GRAND TOTAL						

ANNEXURE D TO SCHEDULE 4: GUIDELINES TO MEDIATION

The following is a guideline to the mediation process should a dispute arise and be referred to mediation pursuant to item 24 of Schedule 4.

1. Role of Mediator

1.1 The mediator will be neutral and impartial. The mediator will assist the parties attempt to resolve the dispute by helping them to:

- (a) systematically isolate the issues in dispute;
- (b) develop options for the resolution of those issues;
- (c) explore the usefulness of these options; and
- (d) meet their interests and needs.

1.2 The mediator may meet with the parties together or separately.

1.3 The mediator will not give legal or other professional advice to any party, impose a resolution on any party or make a decision for any party.

1.4 The mediator will not accept an appointment in relation to any proceedings concerning the dispute.

1.5 Neither party will take action to cause the mediator to breach paragraph 1.4.

2. Conflict of Interest

The mediator must prior to commencement of mediation disclose to the parties to the best of the mediator's knowledge any prior dealings with any of the parties as well as any interests in the dispute. If in the course of the mediation the mediator becomes aware of any circumstances that might reasonably be considered to affect the mediator's capacity to act impartially, the mediator must immediately inform the parties of those circumstances.

3. Co-operation

The parties must co-operate in good faith with the mediator and each other during the mediation.

4. Conduct of Preliminary Conference

As part of the mediation, the mediator will establish a preliminary conference at a time and venue convenient to the parties to establish a timetable for mediation.

5. The parties must attend the mediation with authority to settle within any range that can reasonably be anticipated. At the mediation each party may have one or more other persons including legally qualified persons to assist and advise them.

6. Communications between Mediator and Parties

Any information disclosed to a mediator in private is to be treated as confidential by the mediator unless the party making the disclosure states otherwise.

7. Confidentiality of the Mediation

The parties and the mediator will not disclose to anyone not involved in the mediation any information or document given to them during the mediation unless required by law to make such disclosure.

8. The parties and the mediator agree that other than in the course of enforcement of the settlement agreement for the dispute by judicial proceedings, the following will be privileged and will not be disclosed in or be the subject of a subpoena to give evidence or to produce documents in any proceedings in respect of the Dispute:

- (a) any settlement proposal whether made by a party or the mediator;
- (b) the willingness of a party to consider any such proposal;
- (c) any statement made by a party or the mediator during the mediation;
and
- (d) any information prepared for the mediation.

9. Termination of the Mediation

A party may terminate the mediation at any time after consultation with the mediator.

10. Settlement of the Dispute

If settlement is reached at the mediation, the terms of the settlement must be written down and signed by the parties before they leave the mediation.

11. Enforcement of the Settlement Agreement

Any party may enforce the terms of the settlement agreement by judicial proceedings. Any party may call evidence:

- (a) for the purposes of this item; and
- (b) of the settlement agreement including evidence from the mediator and any other person engaged in the mediation.

12. Exclusion of Liability

The parties acknowledge that any mediator appointed will not be liable to them for any act or omission in the performance of the mediator's obligations under this Deed. The parties undertake to indemnify the mediator against any claim for any act or omission in the bona fide performance of the mediator's obligations under this Deed.

13. Costs

The parties are separately liable to the mediator in equal proportions for the mediator's fees.

TABLE OF CONTENTS

1. INTERPRETATION	3
2. DEFINITIONS	5
3. COMMENCEMENT AND TERM	7
4. AUTHORITY TO ENTER INTO DEED	7
5. THE LICENCE.....	7
6. NATIVE TITLE ACT & PETROLEUM ACT	9
7. PAYMENTS.....	9
8. ABORIGINAL HERITAGE PROTECTION	11
9. GOVERNMENT PARTY NOT LIABLE FOR SCHEDULE 4 OBLIGATIONS....	11
10. DEED NOT CONDITION OF GRANT	12
11. DEED PREVAILS.....	12
12. ENVIRONMENTAL PROTECTION AND REHABILITATION	12
13. NO ACKNOWLEDGEMENT OF NATIVE TITLE	12
14. ASSIGNMENT.....	12
15. NOTICES.....	12
16. GOVERNING LAW.....	13
17. COUNTERPARTS.....	13
18. GENERAL	13
SCHEDULE 1 : THE LICENCE APPLICATION AND MAP OF THE LICENCE AREA	
SCHEDULE 2 : PART 1 : THE NATIVE TITLE APPLICATION AND MAP OF THE CLAIM AREA	
SCHEDULE 2 : PART 2 : ASSOCIATION	
SCHEDULE 3 : PAYMENTS TO THE ASSOCIATION	
SCHEDULE 4 : ABORIGINAL HERITAGE PROTECTION	

LAND ACCESS DEED

THIS DEED is made the *12th* day of *July* 2005

BETWEEN THE HONOURABLE PAUL HOLLOWAY, MINISTER FOR MINERAL RESOURCES DEVELOPMENT of Level 17, Grenfell Centre, 25 Grenfell Street Adelaide South Australia 5000 for and on behalf of the State of South Australia.

(‘Government Party’)

AND THE YANDRUWANDHA/YAWARRAWARRKA PEOPLE by CHARLIE MOORE, FREDRICK BROWN, LESLIE HARRIS, AARON PATERSON, ANITA PATERSON, for and on behalf of the Native Title Claim Group in native title determination application no SG 6024/98 in the Federal Court of Australia, C/- Hunt & Hunt Solicitors, 12th Floor, 26 Flinders Street Adelaide South Australia 5000.

(‘Native Title Party’)

AND EAGLE BAY RESOURCES NL of First Floor, 14 Outram Street, West Perth Western Australia 6005.

(‘Grantee Party’)

AND YANDRUWANDHA YAWARRAWARRKA TRADITIONAL LAND OWNERS (ABORIGINAL CORPORATION) (Under Administration) of 487 Nerang-Murwillumbah Road, Advancetown, Queensland 4211

(‘Association’)

COMMISSIONER OF STATE TAXATION

S.A. STAMP DUTY PAID \$10.00
ORIGINAL STAMPED (Copy 4 of 4)
11/08/2005 11:36:29 00743963.1
DEED

RECITALS

WHEREAS:

- A. The Grantee Party has lodged an application for grant of an exploration licence under the Petroleum Act in respect of the Cooper Basin block described in Schedule 1 (which includes land the subject of the Native Title Application) and seeks the issue of a Licence pursuant to the Petroleum Act.
- B. If the grant of the Licence affects native title it will be a future act as defined in the Native Title Act.
- C. The Government Party has given notice of its intention to grant the Licence in accordance with section 29 of the Native Title Act.
- D. The Native Title Application has been filed under section 13(1) of the Native Title Act, in respect of the Claimed Land on behalf of the Native Title Claim Group.
- E. The Negotiation Parties have negotiated in good faith under Subdivision P of Division 3 of Part 2 of the Native Title Act in relation to the Government Party's intention to grant the Licence.
- F. The issuing of the Licence is subject to the non-extinguishment principle, as defined in section 238 of the Native Title Act.
- G. If the Licence is issued to the Grantee Party in accordance with the Petroleum Act it is the intention of the parties that the grant of the Licence, and any work done pursuant to it, affects any native title rights and interests held by the Native Title Party, if at all, only to the extent necessary for the grant of the Licence and carrying out work pursuant to it, and it is the further intention of the parties that in any event, the grant of the Licence and activities under it will not extinguish or permanently affect such rights and interests.
- H. Following negotiations in good faith between the Negotiation Parties, the Native Title Party has agreed to the grant of the Licence to the Grantee Party consequent upon the execution of this Deed. Subsequent to the execution of this Deed the Native Title Party will consent to a determination under section 38 of the Native Title Act that the Licence and Later Acts may be granted.
- I. The Native Title Claim Group (which includes the registered native title claimants) resolved on the 12th day of June 2001 to incorporate under the Aboriginal Councils and Associations Act 1976 (Commonwealth). On the 2nd day of August 2001 the Registrar of Aboriginal Corporations incorporated the Native Title Claim Group as the Yandruwandha Yawarrawarrka Traditional Land Owners (Aboriginal Corporation) pursuant to the *Aboriginal Councils and Associations Act 1976* (Commonwealth).
- J. On 18 April 2005, Lindsay Roberts was appointed the administrator of the Association under the *Aboriginal Councils and Associations Act 1976* (Commonwealth).

- K. The Government Party, the Native Title Party and the Grantee Party, all having negotiated in good faith have agreed for the better management of interaction between them hereafter and for the purpose of more efficiently managing certain administrative functions under this Deed for the benefit of the Native Title Party as are more specifically set out in this Deed, to include the Association as a party to this Deed.

OPERATIVE PROVISIONS

The parties agree:

1. INTERPRETATION

1.1 In this Deed, and in the Recitals, unless the contrary intention appears:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (b) the singular includes the plural and vice versa and reference to a gender includes each other gender;
- (c) a reference to an individual person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa;
- (d) a reference to a recital, clause, schedule or annexure is to a recital, clause, schedule or annexure of or to this Deed;
- (e) Recitals and Schedules form part of this Deed;
- (f) a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
- (g) a reference to any party to this Deed includes that party's executors, administrators, substitutes, successors and assigns;
- (h) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (i) 'business day' excludes a Saturday, Sunday or public holiday in South Australia;
- (j) an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;

- (k) a reference to anything is a reference to the whole or any part of it and a reference to a group of persons is a reference to any one or more of them;
- (l) a reference to any right, permit, authority, licence, or interest granted pursuant to the Petroleum Act includes any further or other right, permit, authority, licence or other interest derived from any of them or otherwise granted or issued under the Petroleum Act and any variation, renewal, extension and substitution of any of them or any part of any of them;
- (m) the meaning of general words will not be limited by reference to accompanying specific words;
- (n) any term or expression used herein which is defined in either the Petroleum Act or the Native Title Act has the same meaning as in that legislation; and
- (o) monetary references are references to Australian currency.

1.2 If any Court or other competent authority declares, or if any statute or regulation renders, any part of this Deed ineffective, void, voidable, illegal or unenforceable or if by reason of a declaration by any Court or other competent authority or any statute or regulation this Deed would, if any part hereof were not omitted therefrom, be ineffective, void, voidable, illegal or unenforceable then:

- (i) that part shall, without in any way affecting the effectiveness, validity, legality or enforceability of the remainder of this Deed, be severable therefrom, and this Deed shall be read and construed and take effect for all purposes as if that part were not contained herein;
- (ii) the parties shall attempt to renegotiate, in good faith, that part and seek to achieve a result as near as reasonably practicable as is consistent with the severed component; and
- (iii) PROVIDED that in the event the offending provisions are the inclusion of the Association as a party to this Deed and the consequential provisions of that inclusion then the agreements, representations and warranties therein contained shall be attributed to, and be taken to have always been attributed to, the Native Title Party.

1.3 In this Deed, headings are for convenience of reference and do not affect the interpretation of this Deed.

2. DEFINITIONS

2.1 In this Deed and in the Recitals and Schedules unless the context otherwise requires:

'Applicable Law' means every law and regulation (whether of the Commonwealth or of the State) from time to time in operation in the State which is applicable to a party including any such laws relating to native title, mining, the environment, or Aboriginal heritage;

'Association' means the association or corporation named in Part 2 of Schedule 2 of this Deed;

'Claimed Land' means the area of land and any waters the subject of the Native Title Application;

'Commencement Day' means the day of the date of this Deed or another date agreed in writing by the parties;

'Deed' means this deed and includes the Recitals and Schedules;

'Essential Term' means those terms in clauses 5.3, 7, 12, and 18.3 of this Deed and in items 7, 8.7, 8.8, 9.7, 13, and 15 of Schedule 4;

'Government Party' means the State of South Australia;

'Grantee Party' means the party to this Deed so described, being the applicant for the Licence;

'Later Act' means the issue of any retention licence, production licence, associated facilities licence or pipeline licence (by whatever name called) subsequent to the grant of the exploration licence referred to in Recital A;

'Licence' means the exploration licence proposed to be issued to the Grantee Party in the Licence Area pursuant to the Petroleum Act referred to in Recital A and includes:

- (a) any associated facilities licence subsequently able to be lawfully issued to the Grantee party within the Licence Area or outside the Licence Area but within the Claimed Land; and
- (b) any other licence or authority subsequently able to be lawfully issued to the Grantee Party within the Licence Area pursuant to the Petroleum Act and which would, without this Deed, attract the right to negotiate provided in the Native Title Act;

'Licence Application' means the application for a Licence under the Petroleum Act being the exploration licence application further described in Schedule 1;

‘Licence Area’ means the land and any waters the subject of a Licence Application as described in Schedule 1 hereto and subsequent to the grant of the Licence the area for the time being the subject of a Licence provided that, where at any time part of such area ceases to be the subject of a Licence, that area thereupon ceases to form part of the Licence Area;

‘Minister’ means the Minister responsible for the issue of a Licence pursuant to, and having responsibility for the administration of, the Petroleum Act;

‘Native Title Act’ means the *Native Title Act 1993* (Commonwealth);

‘Native Title Application’ means the Application for Determination of Native Title filed in the Federal Court of Australia by the Native Title Party and described in Part 1 of Schedule 2;

‘Native Title Claim Group’ has the same meaning as in the Native Title Act;

‘Native Title Party’ has the same meaning as in the Native Title Act and includes all members of the Native Title Claim Group in respect of the Native Title Application;

‘Negotiation Parties’ means the Government Party, the Native Title Party and the Grantee Party, in accordance with section 30A of the Native Title Act in relation to the Licence Application;

‘PEL’ means the exploration licence described in Schedule 1 applied for by the Grantee Party pursuant to the Petroleum Act, as renewed, extended, substituted or varied from time to time;

‘Petroleum’ has the same meaning as in the Petroleum Act and where the term ‘petroleum’ is used herein it shall include each and all constituents thereof;

‘Petroleum Act’ means the *Petroleum Act 2000* (South Australia) as amended or any enactment substituted therefore together with any regulations and subordinate legislative made thereunder;

‘Project’ means all operations proposed or which may be undertaken by the Grantee Party or its contractors relating or incidental to the activities conducted or authorised under a Licence;

‘Registered Native Title Claimants’ has the same meaning as in the Native Title Act; and

‘State’ means the State of South Australia.

- 2.2 A reference to a Minister, Department, authority, body or person, includes the Minister, Department, authority, body or person for the time being performing the function of such Minister, Department, authority, body or person.

3. COMMENCEMENT AND TERM

- 3.1 This Deed commences on the Commencement Day.
- 3.2 The operation of sub-clauses 7.1(b), 7.2 and 18.3 are conditional upon the grant of the PEL.
- 3.3 Subject to any provision of this Deed to the contrary, this Deed will terminate on the completion of the Project.
- 3.4 This Deed shall not terminate in the event of a breach, but the parties may avail themselves of all other remedies available at law.

4. AUTHORITY TO ENTER INTO DEED

- 4.1 The Native Title Party represents and warrants that all necessary authorisations have been obtained to enter into this Deed and this Deed is valid and binding and enforceable in accordance with its terms against the Native Title Party and all those persons on whose behalf the Native Title Application is made.
- 4.2 The Negotiation Parties all having negotiated in good faith agree, for the better management of interaction between them hereafter and for the purpose of more efficiently managing certain administrative functions under this Deed for the benefit of the Native Title Party as are more specifically set out in this Deed, to include the Association as a party to this Deed.
- 4.3 The Association represents and warrants that all necessary actions have been taken in accordance with its constitution and by law to enter into this Deed and this Deed is valid and binding and enforceable in accordance with its terms against the Association.

5. THE LICENCE

- 5.1 The Native Title Party:
 - (a) agrees to the grant of the PEL by the Minister to the Grantee Party pursuant to the Petroleum Act and to the Grantee Party exercising its rights and entitlements and discharging its obligations under the Licence in accordance with and subject to any conditions imposed by:
 - (i) the Petroleum Act;
 - (ii) any Applicable Law; and
 - (iii) this Deed;
 - (b) covenants not to lodge or make any objection to any grant of the PEL to the Grantee Party pursuant to the Petroleum Act unless the Grantee Party is and remains in breach of an Essential Term;

- (c) agrees to the grant of any subsequent Licence and Later Act by the Minister to the Grantee Party in respect of any part of the Licence Area (or proximate thereto in the case of an associated facilities licence) pursuant to the Petroleum Act and to the Grantee Party exercising its rights and entitlements and discharging its obligations under any subsequent Licence or Later Act in accordance with and subject to any conditions imposed by:
 - (i) the Petroleum Act;
 - (ii) any Applicable Law; and
 - (iii) this Deed;
- (d) covenants not to lodge or make any objection to any grant of any subsequent Licence or Later Act to the Grantee Party pursuant to the Petroleum Act unless the Grantee Party is and remains in breach of an Essential Term.

5.2 The Negotiation Parties acknowledge that:

- (a) the non-extinguishment principle, as defined in section 238 of the Native Title Act, applies to the grant of any Licence or Later Act, and to any work done pursuant to any Licence or Later Act;
- (b) the issue of a Licence or Later Act and any work done pursuant to a Licence or Later Act affects any native title rights and interests held by the Native Title Party, if at all, only to the extent necessary for the grant of the Licence or Later Act and carrying out work pursuant to the Licence or Later Act;
- (c) subject to sub-paragraph 5.2(e), for the purposes of Section 26D(2)(c) of the Native Title Act, if a Later Act occurs or is done in relation to the Licence Area, Sub-division P of Division 3 of Part 2 of the Native Title Act does not apply to that Later Act;
- (d) subject to sub-paragraph 5.2(e) the Negotiation Parties will consent to a determination under section 38 of the Native Title Act that the Licence and any Later Acts may be done;
- (e) the Grantee Party must not before such Later Act is done be in breach of and remain in breach of any Essential Term.

5.3 The Grantee Party covenants with the other Negotiation Parties that it will carry out activities under a Licence on the Licence Area in accordance with:

- (a) the Petroleum Act;
- (b) all Applicable Law;

- (c) the provisions of this Deed; and
- (d) good petroleum industry practice.

6. NATIVE TITLE ACT & PETROLEUM ACT

- 6.1 Each of the Negotiation Parties acknowledge that all Negotiation Parties have negotiated in good faith for the purposes of section 31(1)(b) of the Native Title Act.
- 6.2 The Government Party is authorised to provide a copy of this Deed to:
 - (a) the Minister in accordance with and to satisfy sections 112 and 115 of the Petroleum Act and for inclusion on the public register established pursuant to section 115 of the Petroleum Act; and
 - (b) the South Australian Parliament.

7. PAYMENTS

- 7.1 For better facilitating the administration of this Deed, the Grantee Party will pay to the Association the sum of \$15,000.00 per annum in respect of the PEL provided:
 - (a) the first payment shall be made on the signing of this Deed by the Native Title Party and execution by the Association;
 - (b) thereafter each annual payment shall be made within 7 days following the anniversary of the date of grant of the PEL;
 - (c) where a Licence Area is not entirely located on the Native Title Party's Claimed Land each amount payable under this provision shall be calculated rateably in like proportion as the Claimed Land within the boundary of the total Licence Area bears to the total Licence Area;
 - (d) should the proportion which Claimed Land within the boundary of the total Licence Area bears to a Licence Area change between the anniversary dates of the PEL the amount payable according to this provision will be adjusted and paid, refunded or credited (as the case requires) within seven (7) days following the next anniversary of the date of grant of the PEL; and
 - (e) the maximum payable under this provision is \$75,000.00 for the PEL.
- 7.2 The Grantee Party agrees:
 - (a) to pay from time to time to the Association or to such charitable or other trust fund or funds as may be notified to the Government Party and to the Grantee Party in writing under the Common Seal of the Association in further consideration for the Association entering into

this Deed amounts calculated from time to time in accordance with the terms set out in Schedule 3; and

- (b) the payments the subject of this sub-clause 7.2 shall be effected by the Grantee Party paying those amounts to the State and the State shall accept those payments from the purposes set out in the following sub-clauses of this clause 7.

7.3 The Association hereby requests and directs the State to pay to the Association from time to time the monies received by the State from the Grantee Party in accordance with sub-clause 7.2 and the State agrees so to do.

7.4 Each payment by the State shall be made:

- (a) for and on behalf of the Grantee Party;
- (b) within a reasonable time of receipt of the relevant monies in cleared funds; and
- (c) in full satisfaction and discharge of each respective obligation of the Grantee party arising under sub-clause 7.2.

7.5 Each amount payable by the Grantee Party under this provision will be calculated and paid in accordance with this provision unless and until an alternative payment scheme is agreed pursuant to sub-clause 7.6.

7.6 In the event the method of calculation contained in the Petroleum Act at the date hereof is fundamentally changed so as to occasion a material disadvantage to the State in the State's administration of sub-clauses 7.2, 7.3 and 7.4, the Minister may give six (6) calendar months notice in writing to the other parties of the Minister's desire to re-negotiate the method of collection and distribution of monies in terms of this clause 7 in which case the Negotiation Parties must promptly negotiate in good faith in an endeavour to agree an alternative payment scheme acceptable to all the parties.

7.7 The receipt of the Association shall be a full and sufficient discharge to the Minister and to the Grantee Party for any payments made pursuant to this clause 7.

7.8 Nothing in this clause 7 is intended adversely to affect the integrity of the Native Title Application.

7.9 Nothing in this clause is intended to impose on the State a duty to invest any monies collected by the State for distribution to the Association.

7.10 (a) The Native Title Party and the Association acknowledge that the Government Party's and the Grantee Party's obligations under this Deed, including the payments to be made under this clause 7, are in full and final satisfaction of all liabilities, actions, determinations, orders, claims or demands for compensation, damages, restitution, benefits or

loss whatsoever, whether arising under any State or Commonwealth statute or at common law or equity or otherwise, which the Native Title Party may now or in the future have, or but for this Deed might have had, against the Grantee Party and/or the Government Party and/or their respective employees, officers, agents or contractors in connection with any actual and/or potential extinguishment of, and/or effect or impact on, any native title or claimed native title of the Native Title Party in consequence of or arising out of or in relation to the Licences and the exercise of rights or the discharge of obligations by the Grantee Party under the Licences (“**Compensation Entitlements**”).

- (b) The Native Title Party and the Association release the Grantee Party and the Government Party from, and acknowledge that this Deed may be pleaded as an absolute bar against, all such Compensation Entitlements, liabilities, actions, claims or demands.
- (c) The Native Title Party and the Association will not make any application or claim against the Grantee Party or the Government Party or any other person in any court, tribunal, commission or any other competent body, including the National Native Title Tribunal for compensation, restitution, benefits, damages or any other amount (whether to be held in trust under the Native Title Act or otherwise), in connection with any such Compensation Entitlements, liabilities, actions, claims or demands.

8. ABORIGINAL HERITAGE PROTECTION

8.1 The Grantee Party, Native Title Party and Association must comply with the terms of Schedule 4 which provides:

- (a) certain terms and conditions with which the Grantee Party has agreed to abide by in the course of carrying out Petroleum Operations on the Licence Area; and
- (b) the methodology for the identification and protection of Areas of Significance.

8.2 The Grantee Party’s obligations under Schedule 4 are not dependent upon the Native Title Party establishing native title over the Licence Area or obtaining a determination of native title.

9. GOVERNMENT PARTY NOT LIABLE FOR SCHEDULE 4 OBLIGATIONS

The parties other than the Government Party acknowledge that neither the Government Party nor its officers, employees or agents have any obligation or liability whatsoever in connection with the rights and obligations of those other parties under Schedule 4.

10. DEED NOT CONDITION OF GRANT

The provisions of this Deed (other than the obligations of the Grantee Party and of the Government Party contained in clause 7) are not terms of the grant of a Licence under the Petroleum Act.

11. DEED PREVAILS

The Grantee Party, the Native Title Party and the Association acknowledge that the provisions of this Deed prevail over the provisions of Schedule 4 to the extent of any inconsistency.

12. ENVIRONMENTAL PROTECTION AND REHABILITATION

The Grantee Party will comply with the environment protection procedures required by all Applicable Law relevant to its activities in connection with a Licence.

13. NO ACKNOWLEDGEMENT OF NATIVE TITLE

By entering into this Deed the Government Party and the Grantee Party do not acknowledge any concluded position as to the existence or otherwise of native title to any land the subject matter of this Deed.

14. ASSIGNMENT

14.1 The Grantee Party may at its absolute discretion assign, transfer or novate the whole or part of its interests in this Deed.

14.2 If the Grantee Party assigns or transfers the whole or part of an interest in a Licence, the Grantee Party will procure that the party thereby acquiring that interest in the Licence enters into a deed of assumption whereby the incoming party covenants to assume the obligations of the Grantee Party with regard to the other parties, and to be bound by the terms and conditions of this Deed as if it were a party to this Deed to the extent of the interest so acquired by the incoming party.

14.3 Nothing in this Deed obviates any statutory requirement for prior approval of the Minister in relation to any assignment, transfer or novation.

15. NOTICES

15.1 Subject to any other provision of this Deed to the contrary any notice, request, consent, proposal, or other communication must be in writing and signed by the person giving it and shall be addressed as follows:

The Government Party's address: The Minister for Mineral Resources
Development
C/- The Director, Petroleum Group
Level 6, 101 Grenfell Street
Adelaide SA 5000
Facsimile number: (08) 8463 3202

Native Title Party's address: The Yandruwandha/Yawarrawarrka People
C/- Hunt & Hunt Lawyers
12th Floor, 26 Flinders Street
Adelaide SA 5000
Facsimile number: (08) 8211 7362

Grantee Party's address: Eagle Bay Resources NL
C/- The Directors
First Floor, 14 Outram Street
West Perth WA 6005
Facsimile number: (08) 9481 3300

Association's address: Yandruwandha Yawarrawarrka Traditional Land
Owners (Aboriginal Corporation)
(Under Administration)
C/- Mr Lindsay Roberts
487 Nerang-Murwillumbah Road
Advancetown Queensland 4211
Facsimile number: (07) 5533 2129

15.2 In the event that any party changes its address for notices that party must advise the other parties in writing within seven (7) days of its new address, and from that time all parties must address any notices to the new address.

15.3 A notice sent by mail will be deemed received by the party to whom it is addressed on the next business day following its posting. Notices transmitted by facsimile are deemed delivered on the day of transmission subject to confirmation of complete transmission.

16. GOVERNING LAW

This Deed is governed by the laws of and applying in the State and each party submits to the non-exclusive jurisdiction of the courts of the Commonwealth of Australia and of the State and courts competent to hear appeals therefrom. The parties agree that any appeals from the courts of the Commonwealth of Australia will be filed in the South Australia District Registry of the Federal Court of Australia.

17. COUNTERPARTS

This Deed may be executed in any number of counterparts and all of those counterparts taken together constitute one and the same instrument.

18. GENERAL

18.1 Each party agrees, at its own expense, on the request of another party, to do everything reasonably necessary to give effect to this Deed and the matters contemplated by it.

- 18.2 The Grantee Party will pay the Native Title Party's legal and other costs and expenses in connection with the preparation and completion of this Deed. The Government Party and the Grantee Party will pay their own legal and other costs and expenses in connection with the preparation and completion of this Deed, except for stamp duty which will be borne and paid by the Government party.
- 18.3 In consideration of the Native Title Claim Group entering into this agreement the Grantee Party agrees to pay the Association a special non-recurrent payment of \$56,640.00 upon grant of the PEL.
- 18.4 Where any payment to be made by the Grantee Party under this Deed ('**Payment**') constitutes consideration for taxable supply by the Association:
- (a) the amount of the Payment shall be increased by, and the paying party shall pay, an additional amount calculated by multiplying the amount of the Payment by the Prevailing GST Rate which is currently 10%;
 - (b) the additional amount must be paid at the same time and in the same manner as the Payment to which it relates; and
 - (c) unless the Grantee Party issues a recipient created tax invoice in relation to a payment, the additional amount need not be paid unless and until the Association has given the paying party a tax invoice sufficient to enable the paying party to claim any input tax credit to which it may be entitled in respect of the taxable supply.
- 18.5 In this clause 18:
- (a) the expression '*Prevailing GST Rate*' in relation to a particular taxable supply means the rate (expressed as a percentage of GST exclusive price) at which GST is imposed on that taxable supply; and
 - (b) a word which is defined in the *A New Tax System (Goods and Services Tax) Act 1999 (Commonwealth)* has the same meaning in this clause.
- 18.6 No modification, variation or amendment to this Deed shall be of any force unless in writing and executed by each party. No waiver by a party of any of the provisions of this Deed shall be binding unless made in writing and any such waiver shall relate only to the specific matter, non-compliance or breach in respect of which it is given and shall not apply to any subsequent or other matter, non-compliance or breach.
- 18.7 This Deed shall be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 18.8 The Association may appoint an agent to carry out its functions under this Deed. At the request of any other party the Association will provide details in writing of the agent and the scope of their authority.

EXECUTED by the parties as a Deed.

THE COMMON SEAL of the MINISTER)
FOR MINERAL RESOURCES)
DEVELOPMENT was hereunto affixed in the)
presence of)

..... *LB*)
Witness)

Name ... *LEE BITZIOS*)

Address... *3/25 GILLES ST*)

..... *ADELAIDE SA 5000*)

Occupation ... *PUBLIC SERVANT*)



Paul Holloway

**The Honourable Paul Holloway,
Minister for Mineral Resources
Development**

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said CHARLIE MOORE)
in the presence of)

Susan Roberts)
.....)
Witness)

Name Susan Roberts.)
Address 487 Nerang -)
Murwillumbah Road.)
Advancetown AId 4211)
Occupation Solicitor SR.)
Office Manager.)

Charlie Moore
.....
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said FREDRICK BROWN)
in the presence of)

Susan Roberts)
.....)
Witness)

Name Susan Roberts.)
Address 487 Nerang -)
Murwillumbah Rd)
Occupation Advancetown AId.)
4211.)

Office Manager.

F. Brown
.....
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said **LESLIE HARRIS**)
in the presence of)

.....)
Witness)

Name)
Address)

Occupation)

.....
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said **AARON PATERSON**)
in the presence of)

Susan Roberts)
.....)
Witness)

Name *Susan Roberts.*)
Address *487 Nerang -*)
Murwillumbah Road,)
Advancetown. Old 4211.)
Occupation)
Office Manager.)

Aaron Paterson
.....
(signed)

SIGNED SEALED AND DELIVERED for)
and on behalf of each member of the Native Title)
Claim Group by the said ANITA PATERSON)
in the presence of)

.....*Susan Roberts*.....)
Witness)

Susan Roberts.)
Name)
Address *487 Nerang -)
Muswillumbah Rd.)
Advanctown. Qld. 4211.*)
Occupation)

Office Manager.


.....)
(signed)

EXECUTED BY EAGLE BAY
RESOURCES NL ACN 051 212 429 in
accordance with section 127(1) of the
Corporations Act 2001 (Cth):



[Handwritten signature]

Director
Name (printed):

RICHARD DIERMAJER

[Handwritten signature]

Director/Secretary
Name (printed):

×

SIGNED SEALED AND DELIVERED by)
LINDSAY ROBERTS)
 in his capacity as Administrator of the)
YANDRUWANDHA YAWARRAWARRKA)
TRADITIONAL LAND OWNERS)
(ABORIGINAL CORPORATION) (UNDER)
ADMINISTRATION))
 in the presence of:)

..... *JAB*)
 Witness)

Name *Jodi Ann Barry*)
 Address *62 North Rd*)
 Lower Beechmont)
 QLD 4211)
 Occupation *Teacher.*)



**SCHEDULE 1 : THE LICENCE APPLICATION AND MAP OF THE
LICENCE AREA**

PETROLEUM ACT 2000

APPLICATION FOR THE GRANT OF
EXPLORATION PERMIT FOR PETROLEUM
APPLICATION AREA CO2003-A
COOPER BASIN
SOUTH AUSTRALIA

CONFIDENTIAL - Contains PEL Application to:

Director
Petroleum Group
Primary Industries and Resources South Australia
Level 7, 101 Grenfell Street
Adelaide SA 5000
Australia

Phone: National (08) 8463 3204
International +618 8463 3204
Fax: National (08) 8463 4155
International +618 8463 4155
Website www.petroleum.pir.sa.gov.au

The closing date for CO2003-A applications is 4.00pm on Thursday 29th July 2004

Submitted By:

Eagle Bay Resources NL
First Floor
14 Outram Street
West Perth WA 6005

PETROLEUM ACT 2000

APPLICATION FOR GRANT OF EXPLORATION PERMIT FOR PETROLEUM

In response to invitation made in Release of Onshore Petroleum Areas Australia, CO2003-A, closing on 29th July 2004, Application is hereby made by:

EAGLE BAY RESOURCES NL (ACN 051 212 429), a Company duly incorporated under the law and having its registered office at First Floor, 14 Outram Street, West Perth WA, 6005;

for the grant of an Exploration Permit for Petroleum described as CO2003-A. The necessary information required in support of this application is attached together with the application fee.

DATED this 7th day of July, 2004

MADE under the Petroleum Act 2000.

EAGLE BAY RESOURCES NL



A Rechner
CHAIRMAN

CONTENTS

APPLICATION FOR EXPLORATION PERMIT FOR PETROLEUM

- SECTION 1. Application and Plan of the area.
- SECTION 2. Details of technical assessment of the area applied for.
- SECTION 3. Particulars of the minimum work program proposed for each of the five years of the first term of the permit
- SECTION 4. Particulars of Technical Qualifications of the Applicant and its employees.
- SECTION 5. Particulars of the Technical Advice available to the Applicant.
- SECTION 6. Financial Resources available to the applicant.
- SECTION 7. Application Group.

APPENDICES

- Appendix A The Hydrocarbon Potential of Application Area CO2003-A onshore, Cooper Basin, South Australia.

SECTION 1

PETROLEUM ACT 2000

APPLICATION AND PLAN OF THE AREA

CO2003-A: APPLICATION FOR PETROLEUM EXPLORATION LICENCE
Petroleum Act 2000 and Petroleum Regulations 2000

To the Director, Petroleum Group, Department of Primary Industries and Resources South Australia (as authorised delegate to the Minister for Primary Industries and Resources)

Full Name(s) **EAGLE BAY RESOURCES N.L** Participating interest (%)
100%

Business Address **1/14 OUTRAM STREET, WEST PERTH, WA, 6005**

Telephone **(08) 9481 3322** Facsimile **(08)**
9481 3330

Email **ebr@indigo.net.au**

Name of participant who maybe contacted about the application: **EAGLE BAY RESOURCES N.L**

We hereby make application for the grant of a petroleum exploration licence in respect of The **CO2003-A** area. The application area in the Cooper Basin totals 1745 km (431 199 acres).

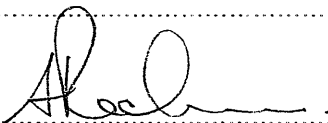
Our technical qualifications and experience (*in the case of a company, the Directors*), or consultants engaged by us are summarised in the attached report.

In the case of an incorporated body applicant only – A copy of our most recent audited annual financial statement and our expected financial position over the anticipated term of the licence is attached (*include statements for each participant.*)

In the case of personal applicants only – A statement demonstrating my/our expected financial position over the anticipated term of the licence is attached. (*Include statements for each participant.*)

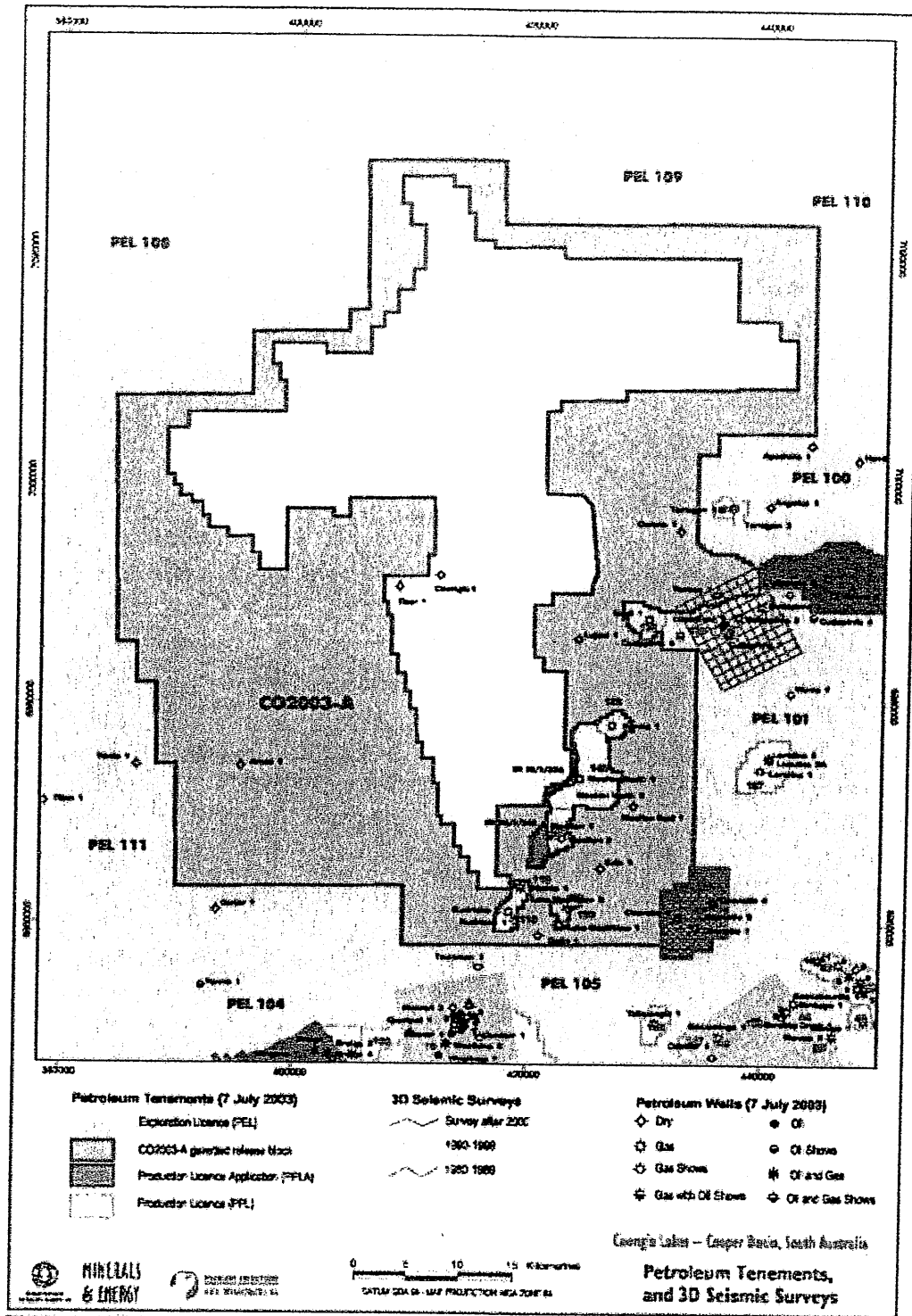
The proposed work program for each of the five years of the initial term of the licence, which includes specific reference to the 'Criteria for assessment of applications' listed above, and a technical report that assesses the prospectivity of the area and how the proposed work program relates to this prospectivity is attached.

The application fee of A\$2736 is attached.

.....
.....

.....
.....

Signature of applicant(s). Where application is made by a consortium including a company(s), the application must be made under the company(s) seal.

Dated this 7 day of July 2004



SECTION 2

PETROLEUM ACT 2000

DETAILS OF TECHNICAL ASSESSMENT OF THE AREA APPLIED FOR

A report titled "the Hydrocarbon Potential of Application Area CO2003-A, onshore Cooper Basin" by Mr A Rechner forms Appendix A of this application.

This report highlights the 26 Cooper and Eromanga basin leads 5 of which will be drilled in the first year followed by 3 Eromanga wells in year 2 and a further 3 wells in year 3.

The proposed work program reflects a high level of exploration effort required to evaluate the petroleum potential of the area. It is stressed, however, that the proposed work program is the minimum work program and would be exceeded if encouraging results were obtained. The 11 year 1, 2 and 3 wells are firm.

SECTION 3

PETROLEUM ACT 2000

PARTICULARS OF THE MINIMUM WORK PROGRAM
PROPOSED FOR EACH OF THE FIVE YEARS
OF THE FIRST TERM OF THE PERMIT

YEAR 1 WORK PROGRAM

Note: All work in Year 1 is guaranteed (Petroleum Act 2000)

WELLS YEAR 1 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3	Well 4	Well 5
Eromanga	√	√	√	√	√
Cooper	√	√	√	√	√
Warburton					

Cost (A\$'000)	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
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SEISMIC YEAR 1

	Km/km ²	Cost (A\$'000)
2D Seismic		
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 1

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$200	Review the Geology & Geophysics of the Permit
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

.....

.....

.....

.....

YEAR 2 WORK PROGRAM

Entire Year 2 Program: Guaranteed

(You must tick a box) non-guaranteed

WELLS YEAR 2 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga	√	√	√
Cooper			
Warburton			

Cost (A\$'000)	\$1,200	\$1,200	\$1,200
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SEISMIC YEAR 2

	Km/km ²	Cost (A\$'000)
2D Seismic	70km	\$350
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 2

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$250	Geological & Geophysical assessment of Jurassic-Cretaceous Targets
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 3 WORK PROGRAM

Entire Year 3 Program: Guaranteed

(You must tick a box) non-guaranteed

WELLS YEAR 3 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga	√	√	√
Cooper	√	√	√
Warburton			

Cost (A\$'000)	\$1,500	\$1,500	\$1,500
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SEISMIC YEAR 3

	Km/km ²	Cost (A\$'000)
2D Seismic		
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 3

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$250	Geological & Geophysical assessment of Cooper Basin Drill Targets
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 4 WORK PROGRAM

Entire Year 4 Program: Guaranteed
 (You must tick a box) non-guaranteed

WELLS YEAR 4 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga			
Cooper			
Warburton			

Cost (A\$'000)

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SEISMIC YEAR 4

	Km/km ²	Cost (A\$'000)
2D Seismic	200km	\$1000
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 4

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$300	Identify targets to drill in Year 5
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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YEAR 5 WORK PROGRAM

Entire Year 5 Program: Guaranteed
 (You must tick a box) non-guaranteed

WELLS YEAR 5 Please identify all test targets for all wells by ticking appropriate boxes

	Well 1	Well 2	Well 3
Eromanga	√	√	
Cooper		√	
Warburton			

Cost (A\$'000) :	\$1600	\$1800	
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SEISMIC YEAR 5

	Km/km ²	Cost (A\$'000)
2D Seismic		
3D Seismic		
Seismic Reprocessing		

OTHER STUDIES YEAR 5

	Cost (A\$'000)	Description
Geological & Geophysical Studies	\$200	50% Relinquishment Report
Aeromagnetic Surveys		
Geochemical Surveys		
Other		

COMMENTS

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SECTION 4

PETROLEUM ACT 2000

PARTICULARS OF THE TECHNICAL QUALIFICATIONS OF THE APPLICANT AND ITS EMPLOYEES

Eagle Bay Resources NL has been an active explorer for 18 years in Australia and is the 100% debt free owner of the Uley Graphite Mine in Port Lincoln, South Australia. This mine has had in excess of A\$20M spent on establishing mining and processing facilities and exporting product from the deep water port of Port Lincoln.

For nine years Eagle Bay Resources' wholly owned subsidiary Tarcoola Gold Ltd owned 50% of Combined Resources NL which held interests in petroleum tenements over three producing oil fields in the USA. The Neale field in Louisiana was drilled and produced at the rate of 135 barrels per day. Evaluation work was conducted on the Taylor sands project in Texas to increase "stripper" production. Joint venture development of the Saticoy project was undertaken.

In early 1999 Eagle Bay was the successful applicant for 100% of VIC P41 in the offshore Gippsland Basin. A A\$5.5m well Northright No 1 was drilled 100% by EBR and to this date all other 2 and 3D seismic programs bid have been completed and the permit is in good standing.

In early 2001 EBR was the successful applicant for 100% of VIC P47 in the offshore Gippsland Basin. All work programs have been completed and the permit is in good standing with a A\$4m well, Moby No 1, due to be drilled later this year.

During all of this period petroleum exploration and production was supervised by Mr Tony Rechner, a Director and employee of the Company whose resume is contained in section 5 of this Application.

SECTION 6

PETROLEUM ACT 2000

FINANCIAL RESOURCES AVAILABLE TO THE APPLICANT

A set of audited financial accounts for Eagle Bay Resources NL are attached.

SECTION 5

PETROLEUM ACT 2000

PARTICULARS OF THE TECHNICAL ADVICE AVAILABLE TO THE APPLICANT

Eagle Bay Resources NL has available to it the services of Anthony Rechner as Chairman and Executive Director on technical matters.

Anthony Rechner, BSc. M AusIMM

Mr Rechner holds a Bachelor of Science degree in Geology and Physics from the University of Adelaide, South Australia. He is a Member of the Australasian Institute of Mining and Metallurgy and a past committee member of PESA, with over thirty five years experience in Australia and overseas working in petroleum search and exploration.

After gaining extensive basin exploration experience in Western Australia he was appointed Seismic Operations Supervisor for West Australian Petroleum (WAPET) and was seconded to Chevron overseas as part of a three man expatriate team in Sudan, Northern Africa, which made a commercial discovery on the 3rd exploration well. Returning to Perth, Mr Rechner established one of WA's largest petroleum exploration consultancies before assuming various management positions in listed Australian Public Companies.

As Chairman and Managing Director of Eagle Bay Resources since foundation 18 years ago, Mr Rechner has with the assistance of one other geological employee and numerous consultants ran the initial exploration program for offshore Victorian Permits VIC P41 and VIC P47 both of which are in good standing. For the last few years BSOC has been the operator of these permits.

The work programs included 2 and 3D seismic surveys and the 100% funding and administration of the offshore well Northright No 1.

Mr Rechner's involvement as Chairman and Managing Director of Windsor Resources NL, Brunswick NL and Geographe Resources Ltd has resulted in these companies evolving from small explorers to major producers at Mount Percy, Galtee More and Chalice respectively. Specialist consultant in the disciplines of:

Petroleum Geology

Geophysics

Drilling Engineering

will be selected and retained by Mr Rechner to assist in the assessment and exploration of the permit.

SECTION 7

PETROLEUM ACT 2000

APPLICATION GROUP

Eagle Bay Resources NL

100% (Operator)

The single address for service of notices in respect of the application is:

Eagle Bay Resources NL
First Floor
14 Outram Street
WEST PERTH WA 6005

Attention: Anthony Rechner

**SCHEDULE 2 : PART 1 : THE NATIVE TITLE APPLICATION AND MAP
OF THE CLAIM AREA**

**Yandawandha/Yawarrawarrka Native Title Claim
Federal Court No. SG 6024/98
National Native Title Tribunal No. SC 98/1**



NATIONAL NATIVE TITLE TRIBUNAL

Claimant Application Summary

Application numbers	Federal Court number: SG6024/98 NNTT number: SC98/1
Application name	Yandruwandha/Yawarrawarrka Native Title Claim
Name of body where application filed	National Native Title Tribunal
Date application filed	08/01/1998
Current stage(s)	Notification Complete
Applicants	Mr Charlie Moore, Mr Fredrick Brown, Name Withheld for Cultural Reasons, Mr Leslie Harris, Mr Aaron Paterson, Ms Anita Paterson, Ms Fay Nicholls, Ms Theresa Bottrell
Address for service	Michael Steele Hunt & Hunt 12th Floor 26 Flinders Street ADELAIDE SA 5000 Phone: (08) 8414 3333 Fax: (08) 8211 7362
Persons claiming to hold native title	<p>The Yandruwandha/Yawarrawarrka Native Title claim group comprises those people who hold in common the body of traditional law and culture governing the area that is the subject of the claim being:</p> <ol style="list-style-type: none"> 1 People who are related by means of the principle of descent to the following Yandruwandha/Yawarrawarrka apical ancestors: <ol style="list-style-type: none"> 1.1 Annie (born at Cordillo Downs) who is the mother of Archie Guttie; 1.2 Maggie, who is the mother of Annie King. 1.3 Tiniwa Clara, mother of Frank Booth and Alice Miller (nee Booth); 1.4 The parents of Punbili Bob Parker (Senior); 1.5 Flash Ted Bikehandle and his wife Topsy; 1.6 Kimi (born at Innamincka) and his wife; 1.7 Maramundu Jack "The Ripper" Parker; 1.8 The woman (born at Cordillo Downs) who is the mother of the sibling set - Mary Stafford (nee Moore), Jack Moore, Charlie Moore (Senior), and female twins whose names are unknown; 1.9 The parents of Albert Moore; 1.10 Brothers Walter Harris(on) and Dick Harrison; 1.11 The parents of Lilly (whose married name is Parker) and her sister Kathlene (whose married name is George); 1.12 Annie and her husband, who are the parents of Coongie Maggie (born at Coongie Lakes in South Australia); 1.13 The parents of the sibling set - Billy Parker, Jessy Parker, Peter "Petekin" Parker, and Paddy Parker; 1.14 Flash Tommy and his wife Sarah, who are the parents of the sibling set - Colin Flash, George Flash (also known as George Murray), Ted "Chippie" Flash and Albert "Bully" Flash. Sarah is also the mother of John Murray (also known as "Chunder" Williams) and Roger Murray; 1.15 The parents of sibling set - Merty George and Merty Johnny and Merty Mick; and 1.16 Larrikin Mick, 2 The Yandruwandha/Yawarrawarrka principles of incorporation into the group according to traditional law and custom also include:

	<p>2.1 Being of Aboriginal descent;</p> <p>2.2 Having a connection with the claim area in accordance with the traditional laws and customs of the Yandruwandha/Yawarrawarrka native title claim group following the principle of biological descent from their ancestors.</p> <p>3 Yandruwandha/Yawarrawarrka principles of incorporation into the group also require:</p> <p>3.1 Being specifically of Yandruwandha or Yawarrawarrka biological descent or specifically of both Yandruwandha and Yawarrawarrka biological descent.,</p> <p>4 Where, despite the application of the principles set out in paragraphs 2 and 3 above, there remains any uncertainty as to whether a person can be identified as a Yandruwandha or Yawarrawarrka person:</p> <p>4.1 The applicants Jack Guttie (deceased) and Aaron Paterson have the authority to determine whether or not a person of Aboriginal descent has a connection to the Yandruwandha lands and waters in accordance with the Yandruwandha traditional laws and customs (see paragraph 2.1 and 2.2 above);</p> <p>4.2 Hector Harrison and his brothers Willie Harrison and Alfie Harrison have the authority to determine whether or not a person of Aboriginal descent has a connection to the Yawarrawarrka lands and waters in accordance with the Yawarrawarrka traditional laws and customs (see paragraphs 2.1 and 2.2 above);</p> <p>4.3 The Yandruwandha/Yawarrawarrka native title claim group acknowledges the authority of Jack Guttie (deceased), Aaron Paterson, Hector Harrison, Willie Harrison and Alfie Harrison for the purposes set out in paragraphs 4.1 and 4.2 herein and assert that the principle of authority, based on traditional laws and customs, incorporates the potential transfer of the authority to appropriate persons in future generations.,</p> <p>5 The Yandruwandha/Yawarrawarrka native title claim group specifically excludes from membership any person who is a member of an overlapping claim, listed in Schedule H herein, whilst that claim continues to overlap the Yandruwandha/Yawarrawarrka native title claim.</p>
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<p>Native title rights and interests claimed</p>	<p>The native title rights and interests claimed are subject to the effect of the rights validly granted by the Crown to others pursuant to statute to possess, occupy, use and enjoy all or part of the Yandruwandha/Yawarrawarrka land and waters.</p> <p>In this Application no claim is being made on any native title rights and interests consisting of or including ownership of minerals, petroleum or gas wholly owned by the Crown.</p> <ol style="list-style-type: none"> 1 The right to have access to, and reside on Yandruwandha/Yawarrawarrka land and waters. 2 The right to enjoy the resources of the Yandruwandha/Yawarrawarrka land and waters. 3 The right to control the access and conduct of others with respect to Yandruwandha/Yawarrawarrka land and waters. 4 The right to control the use and enjoyment of others of the resources arising from Yandruwandha/Yawarrawarrka land and waters. 5 The right to maintain and protect Yandruwandha/Yawarrawarrka land and waters, in particular, sites and areas of importance. 6 The right to control, maintain, protect and prevent the dissemination and misuse of cultural knowledge of the Yandruwandha/Yawarrawarrka native title claim group. 7 The right to transmit knowledge and information concerning Yandruwandha/Yawarrawarrka land and waters and related customs and social practices to younger generations of Yandruwandha/Yawarrawarrka peoples who inherit this right 8 The right to conduct and maintain mortuary practices according to Yandruwandha/Yawarrawarrka traditional laws and customs. 9 The right to conduct and maintain ceremonial practices according to Yandruwandha/Yawarrawarrka traditional laws and customs. 10 The right to trade in the resources of Yandruwandha/Yawarrawarrka land and waters (which include, but are not limited to birds, animals, plants, fish, marine animals, shellfish, timber, ochre, stone, minerals and subsurface minerals). 11 The right to inherit and bestow native title rights and interests.
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<p>Area</p>	<p>Jurisdiction: South Australia Location: North East corner of South Australia extending South to Lake Blanche Local government region(s): Outback Areas Community Development Trust, Unincorporated Areas - SA ATSIC region(s): Nulla Wimila Kutju Regional Council Representative A/TSI body(s): Aboriginal Legal Rights Movement Inc Approximate size: 40,304 sq km (Note: There may be areas within the external boundary of the application that are not claimed.)</p>
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Land/ water and/ or sea: Land/Water

Area covered by the claim (as detailed in the application):

A) a map showing the external boundaries of the area covered by the claim, marked as Attachment C

B) a technical description of the external boundary, marked as Attachment C1

1. The Yandruwandha/Yawarrawarrka native title claim area is in relation to all land and inland waters identified by the mid point of the blue line on the map (attachment C) showing the geographical boundaries of the claim area subject to:

1.1 The co-ordinates of the external boundaries of the Yandruwandha/Yawarrawarrka claim area are shown in attachment C;

1.2 The waters claimed include the bed and banks of all waterways including rivers, tributaries and creeks as far as they have not been alienated;

1.3 To the extent of any inconsistencies between attachment C and the co-ordinates with the following description, attachment C and the co-ordinates shall prevail;

1.4 The Yandruwandha/Yawarrawarrka claim area boundary extends in a northerly direction from the northern most point of Lake Blanche in a straight line to the centre of the township of Moomba. The boundary then extends north in a straight line to the edge of the Innamincka Regional Reserve at a point 5 kms southeast of the Gidgealpa Homestead. The boundary then extends along the Innamincka Regional Reserve boundary initially in a north-westerly direction and then due west to the western side of the Reserve. The boundary then extends in a northerly direction along the western side of the Reserve to its northwest corner. The boundary then continues due west for 50 kms. The boundary then extends in a northeasterly direction for 45.5 kms to Geakes Hill, then extends northeasterly for 30.5 kms to Koornoo Hill, then extends in a northeasterly direction to a point on the Queensland/South Australia border 1 kms due west of Lake Teetarobie. The boundary then follows the Queensland/South Australia border east to the point where it meets the Queensland/South Australia border at Haddon Corner. The claim boundary then extends south along the line of the South Australia/Queensland border to the border of South Australia/Queensland and New South Wales at Cameron Corner. The boundary then extends in a westerly/southwesterly direction in a straight line to Lake Blanche and then along the southerly edge of Lake Blanche until it reaches a point where Lake Blanche narrows at its western side at a point approximately 2.5 kms east of Mound Spring and then in a generally north, northeast direction along the edge of Lake Blanche to its most northerly point.

The coordinates of the external boundary of the area covered by the application are set out in Attachment C1. To the extent of any consistency between the map and the coordinates, and the above description the coordinates shall prevail.

The areas within the external boundaries that are excluded from the claim area are as follows:

The applicants exclude from the area covered by the application any area over which native title has been extinguished save and except for those areas of land or waters over which prior extinguishment may be disregarded in accordance with the provisions of either section 47, section 47A or section 47B of the Native Title Act 1993.

Category A past Acts as defined in section 229 of the NTA, including any previous non exclusion possession acts which are also a category A past Act; and

Grants or vestings which are previous exclusion possession acts or valid Category A intermediate period acts (as defined in section 23B and section 23A of the NTA) attributable to the Commonwealth and such grants or vestings which are attributable to the State where the State has made provision as mentioned in section 23E and section 22F of NTA in relation to these Acts:

- (1) The valid creation or establishment of:
 - (i) a permanent public work;
 - (ii) a dedicated road; and
 - (iii) an act of adverse dominion wheresuch an act was:
 - . authorised by valid legislation; or
 - . authorised or required by the condition of a valid Crown Grant vesting or other interests;

	<p>(iv) a valid unqualified grant of an estate in fee simple.</p> <p>(2) The valid grant of:</p> <p>(i) a scheduled interest (see section 249C of the NTA), including an agricultural lease where intensive cultivation of a permanent nature has been carried out and works or structures of permanent nature have been constructed in accordance with the terms and the conditions of the lease;</p> <p>(ii) a residential lease on which a residence has been constructed in accordance with the terms and conditions of the lease (see section 249);</p> <p>(iii) a commercial lease on which permanent works or structures have been constructed in accordance with the terms and conditions of the lease (see section 246);</p> <p>(iv) a lease for the provision of a community services or amenities within a town or city on which works or structures of a permanent nature have been constructed in accordance with the terms and conditions of the lease (see section 249A).</p> <p>It is not intended that exclusive rights and interests are claimed in relation to areas subject to valid previous non exclusive possession acts, as defined by s. 23F of the Native Title Act 1993 .</p>
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<p>Registration information</p>	<p><i>Please refer to the Register of Native Title Claims/National Native Title Register (as appropriate) for registered details of this application.</i></p> <p>Date claim entered on Register of Native Title Claims: 08/01/1998</p> <p>Registration test status: Accepted for registration</p> <p>Registration history: Registered from 08/01/1998.</p>
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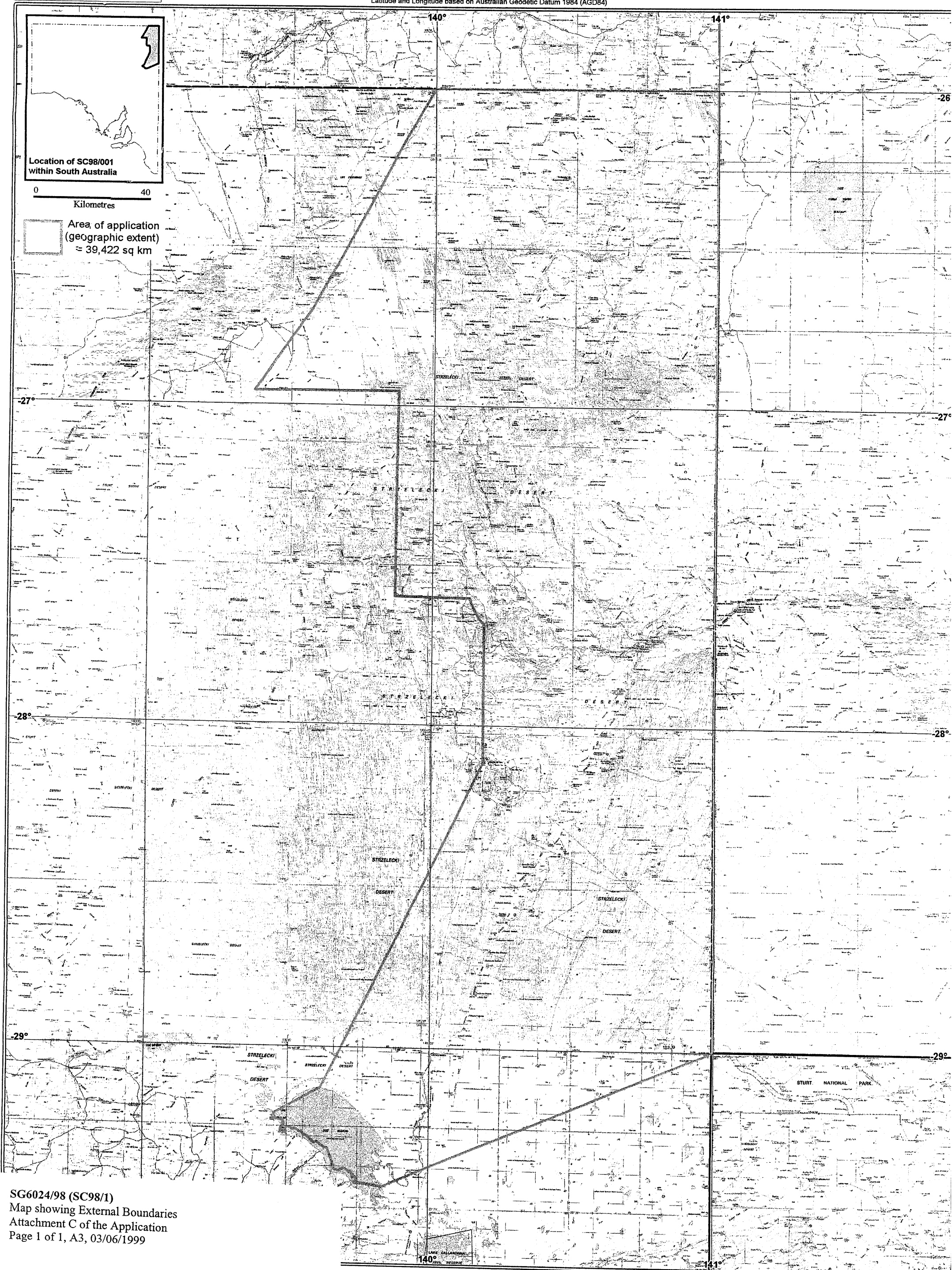
<p>Attachments</p>	<p>1. Map showing External Boundaries, Attachment C of the Application, 1 page - A3, Attached 03/06/1999.</p> <p>2. Technical description of external boundary, Attachment C1 of the Application, 1 page - A4, Attached 03/06/1999.</p>
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<p>NNTT contact details</p>	<p>Case manager: Monica Khouri</p> <p>Address: National Native Title Tribunal Level 10 Chesser House 91 Grenfell Street ADELAIDE SA 5000</p> <p>GPO Box 9973 ADELAIDE SA 5001</p> <p>Phone: (08) 8306 1230 Freecall 1800 640 501</p> <p>Fax: (08) 8224 0939</p> <p>Web page: www.nntt.gov.au</p>
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Map shall not be sold, given away, traded, let, hired or otherwise dealt with. This is a condition of the Data Licensing Agreement for the AUSLIG data.

SC98/001 (SG6024/98) Yandruwandha (Amended)

Application boundary data sourced from Resource Information DEHAA, and verified by NNTT
Topographic image maps (1:250,000) sourced from AUSLIG
Map created by Geospatial Information Unit, National Native Title Tribunal
Latitude and Longitude based on Australian Geodetic Datum 1984 (AGD84)

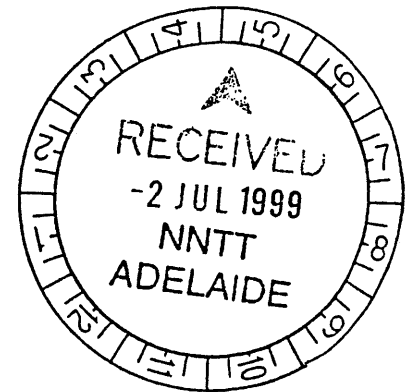


SG6024/98 (SC98/1)
Map showing External Boundaries
Attachment C of the Application
Page 1 of 1, A3, 03/06/1999

SC98/1 YANDRUWANDHA/YAWARRAWARRKA
 COORDINATES OF EXTERNAL BOUNDARY
 (Coordinates: Decimal Degrees. Datum: AGD84)

5024/98 (SC98/1)
 Technical description of external boundary
 Attachment C1 of the Application
 Page 1 of 1, A4, 03/06/1999

Longitude East	Latitude South
139.737303	-29.418630
139.772781	-29.420940
139.804519	-29.424681
139.830734	-29.429037
139.834408	-29.429836
139.861790	-29.419667
140.347810	-29.239654
140.657300	-29.124604
140.998021	-28.997612
140.998030	-28.966730
140.998030	-28.937710
140.998040	-28.876460
140.998060	-28.793130
140.998080	-28.730180
140.998090	-28.646850
140.998110	-28.581480
140.998170	-25.997890
139.999994	-25.998040
139.899486	-26.149154
139.799511	-26.317416
139.568507	-26.694866
139.365983	-26.955466
139.874364	-26.953639
139.873204	-27.000069
139.873193	-27.000528
139.869907	-27.316296
139.867955	-27.500069
139.866921	-27.596802
139.999995	-27.598386
140.132342	-27.599835
140.135962	-27.611105
140.139910	-27.619416
140.164364	-27.662183
140.176638	-27.674922
140.180584	-27.677391
140.183592	-27.677908
140.183000	-28.116700
139.617362	-29.126964
139.452709	-29.209750
139.454302	-29.212482
139.454764	-29.213275
139.453353	-29.215443
139.455917	-29.217386
139.455936	-29.217812
139.456016	-29.219624
139.453601	-29.221528
139.453008	-29.223353
139.452762	-29.223505
139.451531	-29.224264
139.450910	-29.224646
139.449322	-29.225053
139.447978	-29.225397
139.447719	-29.225508
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139.444944	-29.226697
139.445014	-29.226936
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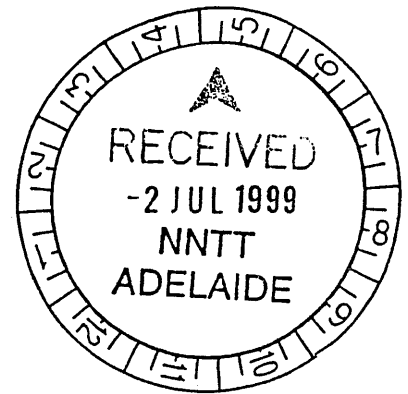
SC98/1 YANDRUWANDHA/YAWARRAWARRKA
 COORDINATES OF EXTERNAL BOUNDARY
 (Coordinates: Decimal Degrees. Datum: AGD84)

Longitude East	Latitude South
139.445930	-29.228886
139.447547	-29.228874
139.447925	-29.228871
139.449527	-29.228935
139.451092	-29.228998
139.456471	-29.228419
139.457800	-29.226631
139.458014	-29.226343
139.458446	-29.226392
139.459791	-29.226546
139.460572	-29.226634
139.461764	-29.228143
139.462025	-29.228474
139.464708	-29.226917
139.464952	-29.226775
139.465992	-29.227079
139.467615	-29.227555
139.468073	-29.227648
139.470025	-29.228043
139.470561	-29.228097
139.472168	-29.228261
139.472316	-29.228276
139.474592	-29.228789
139.477338	-29.228902
139.477452	-29.228267
139.477707	-29.226849
139.478350	-29.226854
139.480024	-29.226866
139.480043	-29.226866
139.482778	-29.226266
139.482784	-29.226266
139.484259	-29.226365
139.485192	-29.226428
139.485447	-29.227014
139.486645	-29.229766
139.486657	-29.229831
139.487179	-29.232907
139.487422	-29.234341
139.487526	-29.234648
139.488674	-29.238027
139.489471	-29.241204
139.490301	-29.243011
139.490558	-29.243571
139.489249	-29.244084
139.488074	-29.244545
139.487891	-29.244747
139.486223	-29.246581
139.485665	-29.248840
139.484533	-29.250921
139.482529	-29.253187
139.481562	-29.254280
139.481315	-29.254831
139.479871	-29.258058
139.479614	-29.258635
139.479548	-29.259045
139.479081	-29.261940
139.478898	-29.262256



SC98/1 YANDRUWANDHA/YAWARRAWARRKA
 COORDINATES OF EXTERNAL BOUNDARY
 (Coordinates: Decimal Degrees. Datum: AGD84)

Longitude East	Latitude South
139.475955	-29.267337
139.474883	-29.269545
139.475789	-29.269201
139.477107	-29.268701
139.477191	-29.268669
139.479686	-29.267197
139.480389	-29.266783
139.482159	-29.264683
139.483132	-29.264240
139.484506	-29.263614
139.484656	-29.263547
139.484787	-29.263661
139.486891	-29.265485
139.488987	-29.264596
139.489646	-29.264316
139.489942	-29.264669
139.491710	-29.266776
139.495079	-29.270068
139.495606	-29.270583
139.497413	-29.268031
139.497825	-29.265961
139.497277	-29.263969
139.496443	-29.261198
139.496562	-29.260739
139.497458	-29.257266
139.497593	-29.256883
139.498082	-29.255491
139.498241	-29.255037
139.499761	-29.252759
139.500135	-29.252198
139.500645	-29.252165
139.501940	-29.252080
139.505440	-29.251851
139.510511	-29.252639
139.514213	-29.254268
139.515794	-29.255663
139.519446	-29.258883
139.519702	-29.258802
139.527675	-29.256267
139.548148	-29.268312
139.550904	-29.266285
139.559023	-29.276570
139.566120	-29.276971
139.572203	-29.280664
139.576432	-29.282306
139.582689	-29.289096
139.587878	-29.291244
139.586544	-29.294723
139.587830	-29.297019
139.598164	-29.300124
139.600920	-29.298141
139.606400	-29.296357
139.607222	-29.296951
139.627976	-29.311949
139.631214	-29.314662
139.641583	-29.314669
139.642406	-29.316111



SC98/1 YANDRUWANDHA/YAWARRAWARRKA
 COORDINATES OF EXTERNAL BOUNDARY
 (Coordinates: Decimal Degrees. Datum: AGD84)

Longitude East	Latitude South
139.646079	-29.322539
139.646333	-29.322983
139.646340	-29.323136
139.646437	-29.325222
139.651666	-29.337945
139.651114	-29.341477
139.652983	-29.344293
139.655578	-29.345114
139.660921	-29.361104
139.659724	-29.364404
139.663218	-29.366605
139.664889	-29.368832
139.665059	-29.373121
139.666312	-29.378963
139.677571	-29.382360
139.680640	-29.383807
139.680756	-29.383862
139.687933	-29.383401
139.689124	-29.380552
139.693109	-29.379941
139.699396	-29.378162
139.703977	-29.376076
139.716497	-29.384960
139.719938	-29.387430
139.722105	-29.386367
139.723755	-29.383802
139.727313	-29.386851
139.728835	-29.392009
139.733583	-29.394725
139.732467	-29.403342
139.734287	-29.402272
139.735550	-29.401530
139.739992	-29.399858
139.740570	-29.402254
139.743961	-29.402214
139.746562	-29.404405
139.743483	-29.413409
139.737056	-29.417211
139.737303	-29.418630



SCHEDULE 2 : PART 2 : ASSOCIATION

Yandruwandha Yawarrawarrka Traditional Land Owners (Aboriginal Corporation)
(Under Administration)
C/- Mr Lindsay Roberts
487 Nerang-Murwillumbah Road
Advancetown Queensland 4211



COMMONWEALTH OF AUSTRALIA
ABORIGINAL COUNCILS AND ASSOCIATIONS ACT 1976

CERTIFICATE OF INCORPORATION OF AN

ABORIGINAL

ASSOCIATION

I, **JOE MASTROLEMBO**, Acting as
the Registrar of Aboriginal Corporations, pursuant to
paragraph 45 (1) (a) of the Act, hereby certify that

**YANDRUWANDHA YAWARRAWARRKA
TRADITIONAL LAND OWNERS (ABORIGINAL CORPORATION)**

has this day been incorporated under the Act

Dated this **Second** day of **August**, 2001 .



J. Mastrolemba
Acting Registrar

SCANNED

SCHEDULE 3 : PAYMENTS TO THE ASSOCIATION

PURSUANT TO CLAUSE 7 IN RESPECT OF PETROLEUM OPERATIONS UNDER A PETROLEUM PRODUCTION LICENCE

Production Payments

1. **Tax Invoice for GST component**

Contemporaneously with provision to the Minister of the return required by section 43(4) of the Petroleum Act the Grantee Party shall provide to the Association a draft form of tax invoice containing sufficient particulars to enable the Association to deliver an accurate tax invoice to the Grantee Party for the purposes of this provision.

2. **Payment by Grantee Party to State**

The Grantee Party shall, upon receipt of an invoice, which if the Association is making a taxable supply, must also be a tax invoice or must be accompanied by a tax invoice from the Association, pay to the State and the State shall deposit into a trust account maintained by the State for the benefit of the Association in respect of the production of all Petroleum from the Claimed Land and pursuant to a Licence, as a component of the consideration, 1% of the value at the wellhead of Petroleum produced and sold.

3. **Calculations to follow Petroleum Act**

Value at the wellhead of Petroleum produced and sold is to be calculated in the same way that 'value at the wellhead of Petroleum' is calculated pursuant to section 43(8) of the Petroleum Act (as at the date hereof) where the sale price is bona fide and to an arms length purchaser PROVIDED that the 'Guidelines for Payment of Royalty and Provision of Information' issued by the Department of Primary Industries and Resources of South Australia from time to time (a copy of the current version of which is annexed to this Schedule 3) shall be applied *mutatis mutandis* as if the reference to the royalty rate of 10% therein were a reference to 1%.

In calculating the value of Petroleum at the wellhead the Production Payment shall not be treated as a deduction or outgoing to any extent.

4. **Goods and Services Tax**

4.1 **Acknowledgment**

The parties acknowledge that the payments referred to in clause 7 of the Deed and in this Schedule 3 have been calculated on a GST exclusive basis.

4.2 GST Gross-Up

Where any payment to be made the Grantee Party under clause 7 and in this Schedule 3 of this Deed ('Payment') constitutes consideration for a taxable supply by the Association:

- (a) the amount of the Payment shall be increased by, and the Grantee Party shall pay, an additional amount calculated by multiplying the amount of the Payment by the Prevailing GST Rate;
- (b) the Grantee Party must pay that additional amount at the same time and in the same manner as the Payment to which it relates; and
- (c) unless the Grantee Party issues a recipient created tax invoice in relation to a Payment the Grantee Party need not pay the additional amount unless and until the Association has given the Grantee Party a tax invoice sufficient to enable the Grantee Party to claim any input tax credit to which it may be entitled in respect of the taxable supply.

4.3 Interpretation

- (a) In this clause, the expression 'Prevailing GST rate', in relation to a particular taxable supply, means the rate (expressed as a percentage of GST exclusive price) at which GST is imposed on that taxable supply; and
- (b) A word or expression used in this clause which is defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Commonwealth) has the same meaning in this clause.

**Guidelines for Payment of Royalty and Provision of Information issued by the
Department of Primary Industries and Resources of South Australia.**

PETROLEUM ACT 2000

PRODUCTION LICENCE

**GUIDELINES FOR PAYMENT OF ROYALTY
AND PROVISION OF INFORMATION**

(1) Payment of Royalty

The Licensee shall pay royalty in respect of all regulated substance (substance) recovered from Production Licence other than a substance described in Section 43(3)(a) of the *Petroleum Act 2000* ("The Act").

(2) Calculation of Royalty

The Licensee shall pay royalty at a rate of ten (10) percentum of the value at the wellhead of the substance which shall be an amount calculated by taking the amount that could reasonably be realised on sale of the substance to a genuine purchaser at arms length from the Producer (excluding any Goods and Services Tax (GST) component) ('arms length sales value') (as defined in clause (3)(a)(i)) and subtracting therefrom all reasonable expenses reasonably incurred by the Producer (all excluding any GST component) in treating, processing or refining the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, which expenses shall be the following sums:

- (a) a sum calculated by writing off on a straight line basis together with interest on the written down value at the rate provided in clause (3)(c), over a period of ten (10) years commencing from the month the expense was incurred (or such lesser period as may be determined as being the life of the field) the actual capital expenses incurred by the Producer in respect of all plant used for the purposes of treating, processing or refining of the substance prior to delivery (but not upstream of the wellhead) or in transporting the substance to the point of delivery to the purchaser provided however that if any item of such plant is sold prior to being fully depreciated, the amount obtained upon such sale shall be deducted from the written down value of such item for the purposes of calculating the deduction, but not so as to reduce the written down value below zero;
- (b) a sum being expenses actually incurred by the Producer in respect of persons not employed on site by the Producer but whose employment functions directly relate to relevant treating, processing or refining of the substance prior to delivery (but not upstream of the wellhead) or in transporting the substance to the point of delivery to the purchaser;

- (c) a sum being expenses (other than expenses upstream of the wellhead) actually incurred by the Producer or some one or more of them in respect of operating costs related to treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, including but not limited to the amount of any licence fees payable in respect of any production licence, associated facilities licence or pipeline licence, provided however that:
- (i) the amount of such deduction will be reduced by the amount obtained upon the sale of any item of plant which has not been depreciated or which has been fully depreciated, but not so as to reduce the deduction below zero,
 - (ii) if any such expenses are incurred pursuant to any agreement which is not *bona fide* or arms length, such expenses (or part thereof) shall not be deducted, and
 - (iii) any expenses allowed as a deduction under clause 2(c) shall not include any expenditure provided for in clause (2)(a) or (2)(b) or (2)(d),

- (d) a sum being expenses (other than expenses upstream of the wellhead) actually incurred by the Producer pursuant to a *bona fide* arms length agreement to lease any plant used for the purposes of treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser provided however that any such expenses in any one calendar year which is in excess of:-

- (A) in the calendar year 200.. – the sum of \$.....; or
- (B) in all subsequent calendar years, the sum of \$..... increased by the same percentage as the percentage increase in the Consumer Price Index (All Groups) for the City of Adelaide (“CPI”) from the CPI in the calendar year 200.. to the CPI in the relevant year

shall not be deductible,

- (e) a sum being the actual expenses (other than expenses upstream of the wellhead) incurred by the Producer in rehabilitating the ground surface and site of plant and the actual expenses incurred in dismantling, removing or abandoning of such plant less any salvage obtained thereon where such plant is used for the purposes of treating processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser and the actual expenses incurred in rehabilitating the ground surface and site of a well of the type described in clause (3)(b) and the actual expenses incurred in abandoning such well but not including any costs incurred as a result of the loss of control of any well.

(3) Further provisions regarding calculation of Royalty

- (a) For the purposes of clause (2):-

- (i) in each month the arms length sales value of the substance means the value of the actual sales in respect of the substance described in clause (1) in that month provided however that if any substance is not supplied to a *bona fide* arms length purchaser, not sold for full market value, or returned to a natural reservoir for later production, destroyed, dissipated or used by the Producer not in accordance with Section 43(3) of the Act, the gross sales value of such substance shall be the amount which would have been received in respect of such substance from a *bona fide* arms length purchaser for full market value;
- (ii) the term “plant” includes but is not limited to:
 - (A) any machinery, equipment, vehicle, implement, tool, article, vessel, pit, building, structure, improvement or other such property used in, or in connection with, treating processing or refining of the substance prior to the delivery or in transporting the substance to the point of delivery to the purchaser; or
 - (B) any pipeline;and
- (iii) “wellhead” means the casing head and includes any casing hanger or spool, or tubing hanger, and any flow control equipment up to and including the wing valves.

(b) Non Producing Wells

The capital expenditure referred to in clause (2)(a) may include the actual capital expenditure incurred by the Producer in respect of wells used solely for the purpose of assisting or enhancing the recovery of the substance from other wells or for the purposes of storing the substance or for the recovery or disposal of water used in connection with treating processing or refining of the substance prior to delivery or for any similar purpose other than the production of the substance and may also include the actual capital expenditure incurred by the Producer in converting a well used for the production of the substance to a well used for such other purposes.

(c) Interest Rate

For the purpose of clause (2)(a) the interest rate shall be one half of the long term Australian Government Bond Rate for bonds of a 10 year term as published at the end of the month in which the capital expenditure was made. If no such rate is in existence or published at the end of such period then the interest rate for the purposes of clause (2)(a) shall be one half of the average of the long term Australian Government Bond Rate for bonds of a 10 year term prevailing during the period of 5 years preceding the date on which such rate ceased to exist or be published.

(d) Apportionment of Expenses

Where an item of plant is used partly for the purposes of treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, and partly for some other purpose, the amount of the deduction (whether for capital or operating expenditure) which shall be allowed shall not include the proportion of the actual capital or operating expenditure applicable to that other purpose.

(e) Sale of Plant

Notwithstanding the provisions of clause (2), if an item of plant is sold by a Producer ("the first Producer") to another Producer, or to a company that becomes a successor or assign of the first Producer ("the second Producer"), the second Producer may only depreciate the plant to the extent to which the first Producer was, immediately before the time of sale, entitled to depreciate the plant.

(f) Take or Pay

For the purposes of this clause and of calculating the gross sales value of the substance, where the Producer enters into an agreement commonly known as a take or pay agreement, any payment received by the Producer in respect of petroleum which has been paid for but not been taken shall be treated as part of the gross sales value of the substance at the time of receipt of payment by such Producer and not at any other time.

(g) Tolling

- (i) If the Producer receives any revenue from the use of any plant downstream of the wellhead used for treating processing or refining the substance sourced from anywhere within the area from time to time comprised in Exploration Licence ... or any Production Licence issued from an area which was comprised in Exploration Licence ... immediately prior to the time such Production Licence was issued, or in transporting such substance to the point of delivery to the purchaser such revenue shall be deemed to be part of the *bona fide* sales value of the substance to the intent that royalty shall be payable thereon.
- (ii) Any sums, being sums deemed under clause (3)(g)(i) to be part of the *bona fide* value of the substances, paid by the Producer in respect of the use of such plant for treating processing or refining such substance or in transporting such substance to the point of delivery to the purchaser shall be deemed to be an expense under clause (2)(c).
- (iii) If any such plant is used for treating processing or refining of the substance sourced from outside of the areas referred to in clause (3)(g)(i) or in transporting such substance to the point of delivery to the purchaser any amounts which may be claimed as deductions under this clause (whether such deductions be by way of operating expenditure or capital expenditure) in respect of such plant shall be reduced by the

proportion which would be obtained by the method of apportioning costs used by the Producer to ascertain the tolling fee, but any revenue received by the Producer for the use of such plant for the treating, processing or refining of such substance prior to delivery or in transporting the substance to the point of delivery to the purchaser shall not be deemed to part of the gross sales value of the substance.

(4) Royalty Returns

- (a) Not later than thirty (30) days after the conclusion of each calendar month the Licensee will calculate and notify to the Minister the royalty, calculated by taking the *bona fide* sales value of the substance sold in that month, and deducting therefrom the most recent estimated monthly expenditure provided under clause (4)(c), payable by each Licensee. The Licensee shall with each such notification provide the Minister with a statement, in a form approved by the Minister, advising of the quantity of the substance sold and the amount realised upon such sale during the last preceding month, together with such other information as the Minister may require.
- (b) The Licensees shall not later than thirty (30) days after the conclusion of each calendar month pay to the Minister the amount of royalty specified in the notice referred to in clause (4)(a) as payable.
- (c) On or before each 15th March (in respect of the next succeeding twelve (12) month period commencing 1st July), the Licensee shall *bona fide* estimate the sales volume of the substance, the sales value of the substance, the allowable deductions apportioned between capital and operational deductions and hence calculate the estimated royalty payable for the next succeeding twelve (12) month period and shall provide the Minister with such estimates, together with the apportionment thereof on a monthly basis. A review of such forecast will be required if significant change to the forecast is evident. The Licensee will be required to provide a *bona fide* forecast as necessary for up to a period of 5 financial years including detail as referred to above but excluding a monthly apportionment for all but the proceeding twelve (12) month period.
- (d) Not later than thirty (30) days after the completion of each twelve month period concluding on each 30th June the Licensee shall reconcile the estimated expenditure with the actual expenditure and reconcile all calculations of royalties and shall provide the Minister within the said period of 30 days with copies of such reconciliations, together with a notice advising the Minister of any additional royalty calculated in accordance with the reconciliations as payable by each Licensee. If any such reconciliation shows that the total of the amounts of royalty paid during the last preceding 12 months was in excess of the amount of royalty which should have been paid for that period, the difference may be set off against royalty payable in the next succeeding months provided however that any expenses allowed as a deduction under clause (2)(b) to clause (2)(e) inclusive shall not be carried forward for a period of greater than 12 months from the month of expenditure.
- (e) The Licensee shall not later than thirty (30) days after the completion of each twelve month period concluding on each 30th June pay to the Minister the

additional royalty calculated in accordance with the reconciliation referred to in clause 4(d) as payable by the Licensee.

- (f) The Licensee shall at its cost cause the royalty calculation reconciliations submitted by the Licensee to be audited by the auditor appointed by the Licensee to audit its own accounts (provided that such auditor must be a duly registered auditor in Australia) and the Licensee shall forward a copy of the auditor's report in respect of a particular reconciliation within 3 months of the receipt of such reconciliation by the Minister, such report to be accompanied by a certificate by the auditor that the reconciliation is in accordance with these guidelines.
- (g) The Minister shall in accordance with Section 43(8) of the Act assess the value at the wellhead of the substance produced by the Licensees and may require the Licensee to pay within 30 days of the date of notice of such assessment the additional royalty determined by the Minister as payable.

SCHEDULE 4 : ABORIGINAL HERITAGE PROTECTION

**SCHEDULE 4
ABORIGINAL HERITAGE PROTECTION**

TABLE OF CONTENTS

1.	INTERPRETATION AND OTHER MATTERS	2
2.	DEFINITIONS	2
3.	UNDERTAKINGS BY THE GRANTEE PARTY	4
4.	RECONNAISSANCE SURVEYS OF LICENCE AREA BY THE GRANTEE PARTY	4
5.	LAND ACCESS AND OCCUPATION	5
6.	IDENTIFICATION	5
7.	PETROLEUM OPERATIONS	5
8.	NOTIFICATION OF OPERATIONS	6
9.	INSPECTION AND CLEARANCE	9
10.	WORK AREA CLEARANCE GROUP	11
11.	REPORTS	12
12.	BUDGETS AND PAYMENT BY THE GRANTEE PARTY FOR CLEARANCE WORK	13
13.	REMOVAL OF EMPLOYEES	15
14.	INSTRUCTION IN ABORIGINAL CULTURE	15
15.	GRANTEE PARTY COVENANTS	16
16.	THE NATIVE TITLE PARTY COVENANTS	17
17.	RIGHTS OF THE NATIVE TITLE PARTY	18
18.	RIGHTS OF THE GRANTEE PARTY	19
19.	REVERSION OF INFRASTRUCTURE	19
20.	FIELD DEVELOPMENT AND PRODUCTION	19
21.	FORCE MAJEURE	20
22.	CONFIDENTIAL INFORMATION	20
23.	GOODS AND SERVICES TAX	20
24.	DISPUTE RESOLUTION	22
25.	CESSATION OF ACTIVITIES	24
26.	EMPLOYMENT OPPORTUNITIES	25

SCHEDULE 4

ABORIGINAL HERITAGE PROTECTION

1. INTERPRETATION AND OTHER MATTERS

- 1.1 The definitions and rules of interpretation contained in clauses 1 and 2 of the Deed form part of this Schedule unless the contrary interpretation appears.
- 1.2 Unless the contrary intention appears in this Schedule a reference to the Grantee Party includes the employees, servants, agents, contractors and sub-contractors of the Grantee Party engaged for the purposes of the Petroleum Operations and their permitted invitees and any obligation or duty imposed upon the Grantee Party shall, where the Grantee Party has engaged an agent, contractor or sub-contractor to undertake any activity which the Grantee Party is required or authorised to undertake under this Schedule, be construed as an obligation or duty upon the Grantee Party to procure by reasonable endeavours that its agent, contractor or sub-contractor performs that obligation or duty.
- 1.3 The items in this Schedule shall prevail over any inconsistent provisions in any Annexure to this Schedule.

2. DEFINITIONS

In this Schedule unless the context otherwise requires the following words and expressions shall have the following meanings:

- 'Aboriginal Record'** has the same meaning as prescribed in the *Aboriginal Heritage Act 1988* (South Australia);
- 'Areas of Significance'** means any site on the Licence Area of cultural, social or spiritual significance to the Native Title Party of those areas and includes any **'Aboriginal site'** as defined by the *Aboriginal Heritage Act 1988* (South Australia) and any **'significant Aboriginal areas'** as defined in the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth)
- 'Budget'** means a financial plan agreed for the conduct of an inspection and Clearance in accordance with item 12;
- 'Clearance'** means the agreed procedure for the inspection and clearance of land as described in items 9, 10 and 11 and Annexure A, for the purpose set out in item 9.2 and **'clear'**, **'cleared'** and **'clearing'** have corresponding meaning;

'Deed'	means the Deed to which this Schedule is attached;
'Environment'	means all aspects of the surroundings, including the physical, biological, economic, cultural and social aspects; and environmental has a corresponding meaning;
'Essential Term'	has the same meaning as in the Deed;
'Operational Area'	means any part of the Licence Area upon which from time to time under the terms of this Schedule the Grantee Party proposes to carry out Petroleum Operations;
'Petroleum Operations'	means operations carried out pursuant to, or for the purpose of giving effect to, a Licence and includes accessing Operational Areas, seismic surveying, drilling, geological, geophysical and other exploration activities, and the development, production, gathering, separating, pressure maintenance, dehydrating, heating, treating, processing, handling, transportation, fractionation, storage and distribution and marketing of Petroleum produced or to be produced from the Licence Area, including the design, capacity, installation, operation, maintenance, repair and replacement of all facilities required;
'Project'	means all operations proposed or which may be undertaken by the Grantee Party or its contractors relating or incidental to the activities conducted or authorised under a Licence;
'Report'	means a written report about a Clearance provided by the Native Title Party to the Grantee Party as described in item 11;
'Work Area Clearance Group'	means the persons referred to in item 10;
'Seismic Line Access Corridor'	means a corridor of up to 500 metres on each side of a proposed or existing seismic line or access road, or as otherwise agreed between the parties and which has been inspected and cleared in accordance with items 9, 10, and 11 and Annexure A;

‘Specialist’	means an anthropologist or archaeologist or both, as appropriate;
‘Transfer’	means to sell, assign, transfer, convey or otherwise dispose of and ‘transfer’ , ‘transferred’ and ‘transferring’ have corresponding meanings;
‘Work Programme’	means a detailed description of proposed work on an Operational Area by the Grantee Party;
‘Work Site’	means any camp site or other living area, air strip, water bore site, drill site or other location for Petroleum Operations activity in the Licence Area which the Grantee Party proposes pursuant to the terms of this Schedule to locate in an Operational Area and includes any other area in the Licence Area in which the Grantee Party proposes to carry out Petroleum Operations.

3. **UNDERTAKINGS BY THE GRANTEE PARTY**

The Grantee Party undertakes:

- (a) to grant to the Native Title Party the rights and privileges as set out in this Schedule; and
- (b) subject to compliance on the part of the Native Title Party and the Association with their respective obligations hereunder, the Grantee Party will comply with the terms and conditions on the Grantee Party’s part herein contained and shall make payments in accordance with this Schedule to the Association of the amounts to which the Association is entitled from time to time as provided in this Schedule 4.

4. **RECONNAISSANCE SURVEYS OF LICENCE AREA BY THE GRANTEE PARTY**

- 4.1 The parties acknowledge that prior to the date of execution of the Deed the Grantee Party has awaited grant of a Licence and except as otherwise disclosed in writing by the Grantee Party, has not been afforded an opportunity to undertake reconnaissance surveys to ascertain proposed paths for seismic lines, access roads and locations for Petroleum Operations on the Licence Area (**‘Reconnaissance Surveys’**).
- 4.2 Notwithstanding the provisions of this Schedule relating to inspection and clearing of Operational Areas, the Native Title Party acknowledges that in order efficiently to carry out the purposes of this Schedule, it may be necessary for the Grantee Party to enter onto the Licence Area to undertake Reconnaissance Surveys and the parties agree that the provisions contained in

items 9, 10 and 11 and Annexure A hereof do not apply to Reconnaissance Surveys where:

- (a) the Grantee Party is conducting the Reconnaissance Surveys pursuant to existing legal rights and by making visual observations in the vicinity thereof to facilitate a request under item 8 hereof; or
- (b) the Association has consented to activities following a preliminary consultation convened with a representative of the Native Title Party for the purpose of the Grantee Party explaining to the Native Title Party its need to conduct Reconnaissance Surveys (which consent shall not be unreasonably or capriciously withheld).

5. LAND ACCESS AND OCCUPATION

- 5.1 The Native Title Party and the Association acknowledge the grant to the Grantee Party of a Licence in respect of the Licence Area authorises the Grantee Party, its contactors, sub-contractors, employees, agents and visitors to enter upon the Licence Area at all times and to commence and proceed with Petroleum Operations.
- 5.2 The Association may object in writing upon reasonable grounds to a person having access to the Licence Area and Grantee Party shall ensure that, as far as is possible within its power, such person or persons shall not enter upon the Licence Area.

6. IDENTIFICATION

- 6.1 The Grantee Party shall notify the Association of the name of the representative of the Grantee Party responsible for Petroleum Operations from time to time on the Licence Area, such notice be given fourteen (14) days in advance in writing where practicable.
- 6.2 The Grantee Party shall inform all of its contractors, employees, agents and visitors of the obligation upon them to contain Petroleum Operations within Seismic Line Access Corridors or Work Sites which have been inspected and cleared in accordance with items 9, 10 and 11 and Annexure A of this Schedule and to comply with all conditions consistent with this Schedule.

7. PETROLEUM OPERATIONS

The Grantee Party shall at all times upon the Licence Area:

- (a) comply with the provisions of the Petroleum Act and any Licence granted to the Grantee Party thereunder;
- (b) comply with the environment protection procedures required by all Applicable Laws relevant to its Petroleum Operations;

- (c) conduct itself in accordance with good and accepted petroleum industry practice standards;
- (d) ensure that as far as is reasonably practical its Petroleum Operations cause minimum disturbance to the Licence Area; and
- (e) use good and accepted petroleum industry practice to avoid oil spills or blowouts.

8. NOTIFICATION OF OPERATIONS

8.1 Subject to the provisions of items 9, 10 and 11 and Annexure A hereof, the Grantee Party shall provide the Association at least sixty-eight (68) days in advance of Petroleum Operations being conducted in an Operational Area by written request for a Clearance on that Operational Area accompanied by particulars in writing of the following parts of the Grantee Party's proposed work programme, namely:

- (a) the proposed location of seismic lines and access roads;
- (b) the proposed approximate location of Work Sites;
- (c) the proposed method of seismic operations (specifically whether two or three dimensional seismic operations over specific areas) and other consequential operations, including exploration drilling and testing and the proposed construction or use of access roads in such operations;
- (d) the major items of equipment proposed to be used;
- (e) the location of any proposed earthworks for the disposal of any waste material arising out of Petroleum Operations;
- (f) the location of any proposed earthworks for minimising environmental disturbance or pollution, including oil spills and blowouts;
- (g) the proposed site and nature of any buildings or structures (including pipelines and associated facilities); and
- (h) any other aspect of the Petroleum Operations which is likely to have an adverse impact upon or cause substantial disturbance to native title rights and interests in any part of the Licence Area.

8.2 Prior to the expiration of fourteen (14) days (or such other period as the parties agree) after the Grantee Party has requested a Clearance and provided the particulars of its proposed work programme in accordance with the preceding paragraph of this item 8, the Grantee Party and the Association by their

respective representatives and advisors, shall meet. The purpose of such meeting shall be:

- (a) to discuss the proposed work programme and its practical implementation including matters such as access to existing tracks, topography, the work programme envisaged (including disturbance to the physical environment) and the major items of equipment to be used;
 - (b) to identify aspects of the proposed work programme and proposed Clearance where efficiencies can be implemented; and
 - (c) to discuss arrangements for preliminary access by the Grantee Party for Reconnaissance Surveys so as to avoid adverse impact on native title rights and interests in the physical environment; and
 - (d) to plan for managing emergencies in the field.
- 8.3 If the Association is not reasonably satisfied with the particulars of the Petroleum Operations given pursuant to item 8.1 hereof, the Association may, prior to the proposed commencement of Petroleum Operations, request the Grantee Party to provide and the Grantee Party shall provide, reasonable further particulars of such proposed Petroleum Operations.
- 8.4 The Association may object to the proposed Petroleum Operations referred to in item 8.1 provided:
- (a) the objection is made in writing within fourteen (14) days of receipt of the work programme; and
 - (b) the matter objected to is likely to have a material adverse impact or cause substantial disturbance to native title rights and interests in the Licence Area.
- 8.5 In the event that the Association has a specific objection to any part of the particulars of the proposed Petroleum Operations supplied by the Grantee Party under item 8.1, or to any substantial change therein of which notice has been given under item 8.8:
- (a) the Association shall refer such objection for resolution pursuant to item 24 within fourteen (14) days of being supplied with such particulars or given such notice;
 - (b) that part of the existing, intensified or changed operational programme to which objection is taken shall not commence until the objection is resolved pursuant to item 24;

- (c) provided always that objection may only be taken where the matter objected to is likely to have a material adverse impact upon or cause substantial disturbance to native title rights in the Licence Area; and
 - (d) if no such specific objection is raised within the said fourteen day period by the Association, the Grantee Party may proceed on the basis that the particulars provided by the Grantee Party pursuant to this item 8 constitute the details of the work programme for its Petroleum Operations.
- 8.6 Where the Association receives a request for Clearance pursuant to item 8.1 in respect of an Operational Area or part thereof and the Operational Area or part thereof has been the subject or prior inspection and Clearance (where the previous work programme is substantially similar to the current request) in accordance with the terms and conditions of this Schedule, the Association shall by notice in writing within two (2) weeks of the request notify the Grantee Party that such Operational Area or part thereof shall be deemed to have been inspected and cleared in accordance with the requirements of this Schedule and subject to any conditions applicable to that Clearance.
- 8.7 There can be no material modification or alteration of any part of a work programme without the written consent of the Association. For this purpose, '**material modification or alteration**' means a modification or alteration:
 - (a) of any Operational Area other than a reduction in the size of that area; or
 - (b) of any Petroleum Operations to be carried out at an Operational Area which is reasonably likely to result in a substantially greater environmental impact than that arising from the existing work programme.
- 8.8 The Grantee Party shall give notice to the Association if the Grantee Party at any time proposes to implement a material modification or alteration. Where the Grantee Party gives such notice after obtaining a Clearance the parties shall proceed in accordance with item 11.6.
- 8.9 Subject to the *Aboriginal Heritage Act 1988* (South Australia), where the Grantee Party has duly complied with the processes required of it:
 - (a) pursuant to item 8.1, and no Clearance is conducted within sixty-eight (68) days (or such later time as the parties in writing agree); or
 - (b) pursuant to item 8.8 for the circumstances set out in sub-item 11.6(b), and no Clearance is conducted within fourteen (14) days (or such later time as the parties in writing agree); or

- (c) pursuant to item 8.8 for the circumstances set out in sub-item 11.6(c) , and no Clearance is conducted within two (2) days (or such later time as the parties in writing agree),

then it is acknowledged the Grantee Party shall be at liberty to proceed with its Petroleum Operations at its risk.

9. INSPECTION AND CLEARANCE

- 9.1 The parties shall conduct all activities under this item in accordance with Annexures A and B.
- 9.2 The parties acknowledge that this Schedule is made for the purpose, inter alia, of providing a Clearance as a workable and effective arrangement to avoid disturbance to Areas of Significance and thereby avoid disputes between them.
- 9.3 The Grantee Party will nominate a representative to assist the Work Area Clearance Group for the duration of the Clearance, the Grantee Party's representative shall:
 - (a) be responsible for identifying the location of proposed seismic lines, access roads and other areas of proposed activity; and
 - (b) where possible, for relocating these where, upon advice from the Work Area Clearance Group, there is likelihood of Areas of Significance being disturbed by Petroleum Operations; and
 - (c) have authority to agree any conditions with the Work Area Clearance Group so as to minimise the impact of Petroleum Operations to Areas of Significance, for the purposes of a Report required to be issued pursuant to item 11 hereof.
- 9.4 The Grantee Party's representative shall accompany the Work Area Clearance Group when required to do so subject to the Work Area Clearance Group's ability to exclude the Grantee Party's representative from its internal discussions and deliberations in the field.
- 9.5 In the event that a proposed Operational Area is not cleared by the Work Area Clearance Group the Specialist shall advise the Grantee Party's representative to that effect and the Grantee Party's representative may propose alternative Operational Areas during the course of the Clearance provided that:
 - (a) any such alternative Operational Areas do not constitute a material modification or alteration to the work programme referred to in item 8.8; and
 - (b) in undertaking any clearance of alternative Operational Areas the Work Area Clearance Group is not required to remain in the field for any additional period of time beyond two (2) days, unless agreed otherwise.

- 9.6 Subject to the *Aboriginal Heritage Act 1988* (South Australia) the Grantee Party shall be absolutely entitled to rely on Clearances provided by the Native Title Party and facilitated by the Association pursuant to this Schedule in which case neither the Native Title Party nor the Association shall complain that Petroleum Operations conducted in accordance with items 8, 9, 10 and 11 hereof interfered with any Areas of Significance. The Grantee Party shall be entitled to plead this provision in defence of any complaint of interference to Areas of Significance made by any person pursuant to any Applicable Law.
- 9.7 The Grantee Party will:
- (a) not conduct any Petroleum Operations on the Licence Area except within a Seismic Line Access Corridor or Work Site which has been cleared in accordance with items 9, 10 and 11 and Annexure A hereof;
 - (b) comply with the conditions of the Clearance (as referred to in item 9 hereof); and
 - (c) instruct its contractors, its employees, agent and visitors accordingly in relation to its obligations under sub-paragraphs (a) and (b) hereof.
- 9.8 A Work Area Clearance Group may re-visit an Area of Significance the subject of an earlier Report, for the purpose of ensuring that the Area of Significance has been avoided by the Grantee Party, and:
- (a) where the primary purpose of the visit to the general locality by the Work Area Clearance Group is for the purpose of conducting a further Clearance for the Grantee Party, then if so requested at the time of negotiating a Budget for that further Clearance, allowance shall be made by the Grantee Party in that Budget to enable no less than two (2) members of the Work Area Clearance Group together with up to two (2) Specialists to re-visit the Area of Significance with no less than two (2) vehicles;
 - (b) where requested at the time of negotiating a Budget for a first clearance, allowance shall be made by the Grantee Party in that Budget to enable no less than two (2) members of the Work Area Clearance Group and one (1) Specialist and one (1) field assistant to re-visit the Area of Significance with no less than two (2) vehicles in the event no further Clearance in the general locality of the Area of Significance takes place for a period of six (6) months after the first Clearance;
 - (c) in the event of any damage, disturbance or interference to such an Area of Significance by the Grantee Party being established, both the Native Title Party and the Association agree to work with the Grantee Party to:
 - (i) rectify as far as is reasonably practicable any damage done by the Grantee Party; and

- (ii) prevent the recurrence of any such damage, disturbance or interference with Areas of Significance.

10. WORK AREA CLEARANCE GROUP

10.1 At the cost of the Grantee Party in accordance with a Budget, the Native Title Party and the Association will identify and the Association will organise the members of a Work Area Clearance Group for the purposes of this item 10 and Annexure A and will ensure that the Work Area Clearance Group is ready to commence Clearance work within forty (40) days after the provision of particulars of the proposed work programme in accordance with Annexure A.

10.2 Subject to cultural and traditional considerations, and any restrictions caused by inclement weather conditions which may prevent movement in the Operational Area and surrounding region, the task of the Work Area Clearance Group shall be to:

- (a) determine whether the seismic lines, access roads or work sites or any other activities described in the work programme are likely to disturb, damage, or interfere with Areas of Significance;
- (b) give advance warning to the Grantee Party's representative nominated to assist the Work Area Clearance Group to enable the Grantee Party's representative to relocate parts of seismic lines, access roads or Work sites or any other activities described in the work programme, in order to avoid and protect Areas of Significance;
- (c) show reasonable diligence in preparing for and carrying out such work while Grantee Party meets its obligations pursuant to this Schedule; and
- (d) make every reasonable endeavour to proceed with its work at a rate that will avoid any delay to the Grantee Party's Petroleum Operations.

10.3 Work Area Clearance Group Composition

The Work Area Clearance Group will comprise:

- (a) up to two (2) qualified Specialists of appropriate gender to be engaged by the Association with the concurrence of the Grantee Party (which concurrence will not be unreasonably withheld); and
- (b) the number of persons required to ensure that integrity of the Clearance up to a maximum of eight (8) persons consisting of such numbers of men and women as thought by the Native Title Party and the Association to be appropriate in accordance with Aboriginal culture and tradition.

10.4 The Native Title Party and the Association acknowledge that in most areas up to four (4) persons will be sufficient to ensure the integrity of the Clearance, however they reserve the right to include up to a maximum of eight (8) people

in the event that they believe it is necessary and appropriate to do so. The Association agrees to consult with the Grantee Party about the number of persons to be included in a Work Area Clearance Group not later than the start of negotiations for setting a budget in accordance with item 12.

11. REPORTS

- 11.1 The Association must promptly notify the Grantee Party upon completion of a Clearance and as soon as practicable but no later than fourteen (14) days after the completion of the Clearance, the Native Title Party and the Association must provide a Report (through a Specialist) to the Grantee Party.
- 11.2 The Report must:
- (a) identify those parts of the Operational Area which are given Clearance by the Native Title Party or denied Clearance by the Native Title Party or given conditional Clearance by the Native Title Party;
 - (b) identify any alternative Operational Areas for which Clearance is given in accordance with the requirements set out in items 9.5 and 10.2(b);
 - (c) describe any conditions on which the Native Title Party has provided the clearance so as to minimise the impact of Petroleum Operations to Areas of Significance; and
 - (d) be signed by the Specialists.
- 11.3 Nothing in this Schedule compels the Native Title Party nor any member of the Work Area Clearance Group or the Association to disclose to the Grantee Party or to the the Grantee Party's representative the location of Areas of Significance, or any Cultural Confidences whatsoever with respect to the Licence Area.
- 11.4 The Native Title Party and the Association shall ensure that any Aboriginal persons accompanying the Work Area Clearance Group shall have knowledge of the Operational Area to be cleared and shall have the traditional knowledge and authority to determine whether there are any Areas of Significance within the Operational Area to be cleared.
- 11.5 In the event that the Work Area Clearance Group determines it is necessary to deviate any proposed seismic line or access road, such deviation shall be made as small as possible and any deviated line or road will be returned to the original planned line or road as soon as practicable, bearing in mind the proximity of any Areas of Significance and the need to minimise unduly sharp line deflections. In the event that relocation of a proposed drill site for an exploration appraisal or development well is being considered, any movement of the proposed drill site shall be minimised so far as possible.
- 11.6 In the event that the Grantee Party has obtained a Clearance pursuant to this Schedule and subsequent events cause the Grantee Party to require any

material modification or alteration (as defined in item 8.7) to any part of the programme of Petroleum Operations or an existing cleared Seismic Line Access Corridor or Work Site which is likely to have an adverse impact upon native title rights in any part of the Licence Area:

- (a) the Grantee Party shall notify the Association as soon as practicable and request that the Work Area Clearance Group inspects and clears each area to be included in such proposed material modification or alteration in accordance with the provisions of this Schedule;
- (b) in such cases (other than circumstances set out in the next sub-paragraph of this paragraph) the Native Title Party and the Association shall use their respective best endeavours promptly and as soon as practicable to respond to such request, either by notifying the Grantee Party in writing of its consent to such material modification or alteration or ensuring the commencement by a Work Area Clearance Group of the inspection for Clearance of those areas as requested by Grantee Party; and
- (c) in cases where Petroleum Operations are in the course of being conducted and the Work Area Clearance Group has inspected the areas requested by Grantee Party in accordance with sub-paragraph (a) of this item 11.6 the Work Area Clearance Group will communicate in writing to the Grantee Party the results of its inspection prior to leaving the area and confirm those results in a Report.

12. BUDGETS AND PAYMENT BY THE GRANTEE PARTY FOR CLEARANCE WORK

- 12.1 The Association must, unless otherwise agreed, within fourteen (14) days after receipt of a request for a Clearance pursuant to item 8.1 submit to the Grantee Party a proposed Budget containing an estimate of all of the costs and expenses associated with the requested Clearance to enable the Grantee Party and the Association to negotiate and agree a Budget.
- 12.2 Budgets must be proposed in substantially the form set out in Annexure C and be negotiated, agreed and adopted by the Grantee Party and the Association in writing within seven (7) days of the Association providing a proposed Budget to Grantee Party.
- 12.3 The Grantee Party will make payment of expenditure in accordance with the agreed Budget, to the Association in three separate instalments as follows:
 - (a) forty per cent (40%) seven (7) days prior to the mobilisation of the Work Area Clearance Group; and
 - (b) thirty per cent (30%) at the end of field inspection for the Clearance; and

- (c) thirty per cent (30%) or the balance thereof following receipt of the Report and an invoice of all expenditure.

12.4 The Grantee Party must pay all reasonable costs, fees disbursements and expenses incurred by the Association in carrying out a Clearance, in accordance with a Budget and subject to any agreement in writing to the contrary between the Parties. In particular, the Grantee Party will reimburse the Association in accordance with an agreed Budget for the Association's reasonable costs for, inter alia:

- (a) the services of the members of the Work Area Clearance Group (including the costs of preliminary consultation with a Specialist);
- (b) provision of suitable camping facilities and food and a camp cook for the Work Area Clearance Group;
- (c) provision of sufficient and appropriate all-terrain four-wheel drive (4WD) vehicles equipped with appropriate spare parts;
- (d) vehicle insurance, fuel and costs of any necessary and unavoidable repair required; and
- (e) administration costs associated with the implementation of the Clearance,

in accordance with the Budget.

12.5 In the event that there are at any time more persons forming part of the Work Area Clearance Group than specified in the Budget then the Grantee Party shall not be responsible for the expense of the additional persons, unless otherwise agreed between the parties.

12.6 All monies payable by the Grantee Party pursuant to a Budget shall be paid to the Association or to any legal representative from time to time notified by the Association to the Grantee Party. A receipt from the Association or such legal representative shall be a full and sufficient discharge to the Grantee Party for any payments so made.

12.7 The parties acknowledge that no contractual relationship of any sort whatsoever as between the Grantee Party and any person employed or engaged by the Association to form part of any Work Area Clearance Group arises by virtue of this Schedule, and that nothing contained in this Schedule will be interpreted or deemed to constitute any employment or contractual relationship as between such persons and the Grantee Party. The Native Title Party and the Association will ensure compliance with all Applicable Law including the *Workers Rehabilitation and Compensation Act 1986*, the *Occupational Health, Safety and Welfare Act 1986*, the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* (both Commonwealth) as appropriate and any other legislation relevant to the terms or basis upon which the Association

engages or retains any person for the purposes of performing its obligations under this Schedule.

- 12.8 The Grantee Party is responsible for and indemnifies and agrees to keep indemnified the members of the Work Area Clearance Group from and against all and any claims of whatever nature and however arising for personal injury or death or damage or destruction of personal property of the Work Area Clearance Group or any member of the Work Area Clearance Group to the extent caused or contributed to by any negligent act or omission of the Grantee Party, its employees, contractors or subcontractors.
- 12.9 The Grantee Party may nominate the use of such of its existing facilities and equipment as is practicable in the circumstances of a proposed Clearance in which case consideration will be given to such use and, where used, due allowance made in the Budget for that Clearance.

13. REMOVAL OF EMPLOYEES

- 13.1 Unless the Association otherwise agrees, the Grantee Party shall take all reasonable steps to ensure prompt removal from the Licence Area of any contractor, employee, agent, or visitor of the Grantee Party, who:
- (a) has recklessly or wilfully trespassed on or in any way interfered with any Areas of Significance; or
 - (b) has negligently or wilfully conducted Petroleum Operations outside any Seismic Line Access Corridor or Work Site cleared in accordance with items 9, 10 and 11 and Annexure A hereof except where there is no damage to the interests of the Native Title Party; or
 - (c) has acted in a disorderly manner on the Licence Area or has supplied liquor or prohibited drugs or substances in an unauthorised fashion to members of the Native Title Claim Group.
- 13.2 In the event of a dispute between the Association and the Grantee Party as to whether a person has acted in a manner justifying removal from the Licence Area the matter shall be referred for resolution pursuant to item 24.

14. INSTRUCTION IN ABORIGINAL CULTURE

- 14.1 The Grantee Party will use reasonable endeavours to educate all employees, contractor and sub-contractors who may be involved in Petroleum Operations contemplated by this Schedule to ensure those persons have an awareness and an understanding of:
- (a) native title;
 - (b) their obligations under the *Aboriginal Heritage Act 1988* (South Australia), the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth), the Native Title Act and this

Schedule in relation to avoiding disturbance, damage and interference to any Area of Significance; and

- (c) any other matters of which those persons are required to be cognisant by this Schedule.
- 14.2 Appropriate education for the purposes of item 14.1 shall include, for those persons whose duties will involve them in actual disturbance to or excavation of earth, basic instruction from a qualified archaeologist to enable them to identify human skeletal remains and archaeological sites and objects which may be buried in the earth.
- 14.3 A Specialist to be engaged for the purpose of carrying out the education functions specified in this item shall be nominated by the Grantee Party with the concurrence of the Association (which concurrence shall not be unreasonably withheld).
- 14.4 The Grantee Party shall promote among non-Aboriginal people employed in Petroleum Operations a knowledge, understanding and respect for the tradition and culture of the Native Title Claim Group.
- 14.5 The Grantee Party shall ensure that by way of background and orientation all non-Aboriginal employees and personnel are given appropriate instruction on such aspects of the Native Title Claim Group's traditions, history and culture as are known to or reasonably obtainable by the Grantee Party.
- 14.6 The Grantee Party shall consult with and have regard to the views of the Native Title Party in relation to the formulation and presentation of the instruction referred to in item 14.5.
- 14.7 The Association shall, whenever requested by Grantee Party so to do give all reasonable assistance to the Grantee Party in attaining the objectives for this item and shall be reimbursed by the Grantee Party for all reasonable expenses incurred by it in so doing.

15. GRANTEE PARTY COVENANTS

The Grantee Party covenants with the Native Title Party that:

- (a) in connection with the conduct of Petroleum Operations by it on the Licence Area the Grantee Party shall in accordance with applicable Law:
 - (i) keep each Work Site to the minimum area considered necessary to conduct efficient Petroleum Operations;
 - (ii) take all precautions to reduce fire risk on the Licence Area;
 - (iii) ensure all well sites are capped or sufficiently fenced off after drilling so as to prevent injury to persons or stock.

- (b) where the Grantee Party reasonably believes appropriate, the Grantee Party will provide to persons from the Native Title Claim Group, the Association and persons accompanying them, relevant:
 - (i) driver training, hard hats, hats, ear plugs, safety glasses, safety vests, sunscreen and such other items of personal safety; and
 - (ii) induction procedures to meet all necessary workplace health and safety requirements,

as the Grantee Party normally provides to, or usually requires of, persons attending locations under the control of the Grantee Party.

- (c) if, at any time in the course of carrying out Petroleum Operations the Grantee Party or any person acting on behalf of the Grantee Party (despite a Clearance) identifies any burial site or any archaeological or historical site or object, or any site or object which the Grantee Party or any person acting on behalf of the Grantee Party suspects to be an Area of Significance or Aboriginal object, then in addition to obligations under the *Aboriginal Heritage Act 1988* (South Australia) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth) the Grantee Party will promptly report the location of such site or object to the Association.
- (d) the location of the site or object will be treated by the Grantee Party as though no Clearance in relation to it had previously been given and any relevant object will be left in situ without being moved or interfered with pending further Clearance in accordance with this Schedule.

16. THE NATIVE TITLE PARTY COVENANTS

The Native Title Party and the Association covenant with the Grantee Party that the Native Title Claim Group and the Association shall:

- (a) not interfere with the conduct of Petroleum Operations upon the Licence Area except in accordance with this Schedule or any other agreement between the parties;
- (b) not lodge or make any objection to any grant to the Grantee Party pursuant to the Petroleum Act unless the Grantee Party has failed to comply with any Essential Term; and
- (c) actively support the Grantee Party's efforts to procure all approvals, consents, and other entitlements and rights (and all regrants, renewals and extensions thereof) as are or will be necessary to support the interests of the Grantee Party in furthering a Project under any current, new or amended legislation. In particular, such active support will include provision of all relevant consents and authorisations to allow the grant of the said approvals, consents and other entitlements and

rights and assistance to procure the withdrawal of any objections thereto;

- (d) actively assist the Grantee Party where a Native Title Claim is made by any Aboriginal person not bound by this Schedule over:
 - (i) any part of a Licence Area, or
 - (ii) any other area utilised or intended to be utilised in relation to a Project

to support the application of this Schedule in relation to Petroleum Operations and the Project (or either of them);

- (e) ensure that where the Grantee Party provides the items mentioned in item 15(b) for the use of the persons mentioned in that item, then all the persons so provided will utilise those provisions and otherwise conduct themselves in accordance with the Grantee Party's reasonable safety requirements;
- (f) refrain from doing any act which would impede, hinder or prevent the Grantee Party from exercising or enjoying directly or indirectly any of the rights granted or consented to under the Deed and this Schedule; and
- (g) in the course of performing their obligations pursuant to this Schedule observe all Applicable Law.

17. RIGHTS OF THE NATIVE TITLE PARTY

17.1 The Grantee Party acknowledges that members of the Native Title Claim Group have the right, except where their presence may cause danger to health and safety, or where their presence may interfere with the conduct of efficient Petroleum Operations:

- (a) to move freely throughout Operational Areas including all roads thereon; and
- (b) to pursue customary and traditional activities in Operational Areas.

17.2 The Native Title Claim Group, its members and agents shall be permitted the use of all roads constructed for the purpose of Petroleum Operations provided such use does not interfere with the conduct of efficient Petroleum Operations.

- 17.3 The use of roads in accordance with this item shall be subject to reasonable control by the Grantee Party for the purpose of safety and to priority of use by the Grantee Party for the purpose of Petroleum Operations without the Grantee Party undertaking any liability for such use.
- 17.4 The Association shall be entitled to select and engage all such employees, agents and independent contractors as are necessary and desirable for the carrying out of any or all of the Association's obligations under this Schedule save that any Specialist engaged by the Association for assistance with Clearances must be engaged with the concurrence of the Grantee Party in accordance with item 10.3(a).

18. RIGHTS OF THE GRANTEE PARTY

- 18.1 The Grantee Party's right to conduct Petroleum Operations in the Licence Area remain specified by the Petroleum Act and terms and conditions of Licences granted.
- 18.2 In the exercise of its rights the Grantee Party undertakes to observe and perform the terms of this Schedule and neither the Native Title Party nor the Association will cause the Grantee Party disturbance or interruption in the course of exercising that right and the discharge of the Grantee Party's legal obligations and duties in respect thereof, in particular under the Petroleum Act and a Licence and any other legislative or administrative requirements relating to the carrying out of Petroleum Operations.
- 18.3 In the event of any emergency situation occurring on a Licence Area at any time the Grantee Party may take such measures as it considers necessary in the circumstances in which case the provisions contained in items 9, 10 and 11 and Annexure A do not apply. The Grantee Party shall notify as soon as reasonably practicable, the Association of the emergency situation, and after the emergency consult with the Association in relation to further measures to be taken in respect thereof.

19. REVERSION OF INFRASTRUCTURE

Within the period of twelve (12) calendar months (or such other time as may be agreed between the parties) after the Grantee Party ceases to have any right to conduct operations in the Licence Area, the Grantee Party shall remove from the Licence Area all surface infrastructure or facilities constructed for the purposes of Petroleum Operations which (subject to the Petroleum Act) are reasonably capable of removal other than those which the Grantee Party, any lessee of the land containing the Licence Area, all government regulatory agencies and the Association agree may remain thereon.

20. FIELD DEVELOPMENT AND PRODUCTION

The parties acknowledge that at any time during or after completion of the Petroleum Operations carried out pursuant to a PEL, the Grantee Party may wish to apply for further or other Licences under the Petroleum Act in respect of the whole or any part

of the Licence Area. In the event of the Grantee Party so applying, and any further or other Licence being granted by the Minister, unless the parties otherwise agree, the provisions of this Schedule shall apply *mutatis mutandis* in relation to the conduct of Petroleum Operations on the further or other Licence so granted.

21. FORCE MAJEURE

21.1 In the event that the performance of this Schedule by a party is prevented or delayed in whole or in part by acts of God, flood, fire or damage caused by lightning, storm, tempest, unseasonable rains, strikes, lockouts or other industrial disturbance, riots, blowouts, laws, rules, regulations, or directions of a governing body having jurisdiction over the Licence Area, religious or other ceremonial activities of members of the Native Title Claim Group, inability to obtain equipment or material or any other causes which by the exercise of due diligence that party is unable to prevent or overcome ('**force majeure**'), this Schedule shall nevertheless continue and remain in force and effect but that party shall not be in default hereunder for as long as it continues to be prevented or delayed as aforesaid by such force majeure and the time within which such party is required to perform any work to satisfy any obligations hereunder shall be extended by a period equivalent to that during which such prevention or delay continues provided that:

- (a) the cause of the force majeure as far as possible shall be remedied with all reasonable dispatch by such party; and
- (b) no party shall be required to settle any strike, lockout, or other industrial disturbance on terms that it does not regard as satisfactory.

21.2 The party affected by any event of force majeure as aforesaid shall forthwith give notice in writing thereof, to each other party of the occurrence of such event, the likely period of delay and the cessation thereof.

22. CONFIDENTIAL INFORMATION

22.1 The Grantee Party agrees to keep confidential each and every Cultural Confidence of which it becomes aware.

22.2 The Native Title Party and the Association agree to keep confidential all aspects of the Grantee Party's activities pertaining to a Licence of which it becomes aware provided such information may be disclosed to a specialist for the purpose of writing a report.

23. GOODS AND SERVICES TAX

23.1 Subject to item 23.3, the Grantee Party must pay to the Association in respect of any taxable supply made to the Grantee Party pursuant to or in connection with this Schedule an amount equal to any GST which is payable by the Association.

- 23.2 The GST on a taxable supply is the amount ascertained by multiplying:
- (a) the amount that would otherwise be payable under this Schedule in respect of the taxable supply if the GST payable were nil, by
 - (b) the prevailing rate of GST for that taxable supply.
- 23.3 The Grantee Party must pay to the Association an amount equal to the GST on a taxable supply, provided the Association has first issued to the Grantee Party a tax invoice, at the same time and in the same manner as it is required to pay any other amount to the Association in respect of that taxable supply. If no other amount is payable by the Grantee Party to the Association in respect of the taxable supply, the Grantee Party must pay to the Association an amount equal to the GST on that taxable supply twenty-eight (28) days after the receipt by the Grantee Party of a tax invoice from the Association.
- 23.4 For the purposes of the GST Act, the Grantee Party shall be regarded as having requested a tax invoice from the Association in respect of each taxable supply. Any tax invoice issued may be issued in addition to any other invoice that relates to the taxable supply.
- 23.5 If an adjustment event has occurred in respect of a supply made pursuant to or in connection with this Schedule, the party that becomes aware of the adjustment event agrees to notify the other party on becoming aware of the adjustment event, and the parties agree to take whatever steps are necessary and to make whatever adjustments are required to ensure that any GST or additional GST on that supply or any refund of any GST (or part thereof) is paid as soon as is practicable but no later than twenty-one (21) days after the Association becomes aware that the adjustment event has occurred.
- 23.6 The Association will issue to the Grantee Party an adjustment note in respect of a supply that is subject to an adjustment event covered by item 23.5. Such adjustment note will be issued no later than twenty-one (21) days after the Association becomes aware that the adjustment event has occurred or refunds any GST (or part thereof) in respect of that supply.
- 23.7 Any disputes between the parties in relation to the operation or interpretation of this item shall be dealt with in accordance with the dispute resolution procedures in item 24 of this Schedule.
- 23.8 The parties agree to make any changes that are required to this item to reflect any amendments made to the GST Act or a related Act or changes in the interpretation of any of those Acts by the courts or the Commissioner of Taxation.
- 23.9 In this item 23:
- (a) **'adjustment event'** means an adjustment event for the purposes of the GST Act and includes any matter or thing that arises out of any error, any decision of a court in relation to the GST Act or a related Act, any

ruling issued by the Commissioner of Taxation, any audit of the tax affairs of the Association or of the Grantee Party or the settlement of any dispute (including a dispute with the Commissioner of Taxation);

- (b) ‘**adjustment note**’ has the same meaning as it has from time to time in the GST Act;
- (c) ‘**GST**’ has the same meaning as it has from time to time in the GST Act;
- (d) ‘**GST Act**’ means the *A New Tax System (Goods and Services Tax) Act 1999* and as that Act is varied in its effect on an event, matter, thing, agreement, transaction or the like by the *A New Tax System (Goods and Services Tax Transition) Act 1999*;
- (e) ‘**price**’ has the same meaning as it has from time to time in the GST Act;
- (f) ‘**supply**’ has the same meaning as it has from time to time in the GST act;
- (g) ‘**tax invoice**’ has the same meaning as it has from time to time in the GST Act; and
- (h) ‘**taxable supply**’ has the same meaning as it has from time to time in the GST Act.

24. DISPUTE RESOLUTION

24.1 Guiding Principle

The parties agree that every effort should be made to ensure that disputes do not arise and that if a dispute does occur the parties should make every reasonable effort to resolve the dispute without recourse to this item 24.

24.2 Priority of Procedures

Unless otherwise provided in this Schedule, if a dispute arises between the parties concerning this Schedule no party may commence any court proceedings relating to the dispute unless it has complied with the following paragraphs of this item, except where the party seeks urgent interlocutory relief.

24.3 Notice of Dispute

Any party claiming that a dispute has arisen under this Schedule between the Grantee Party and either or both of the Native Title Party and the Association (‘**Complainant**’) must give written notice (‘**Notice of Dispute**’) to the other parties (‘**Respondent**’). The notice must adequately identify and provide details of the dispute and refer to any documentary evidence of the matters

claimed in the dispute and designate a senior representative of the Complainant who has the authority to negotiate and settle the dispute.

24.4 Response to Dispute

Within fourteen (14) days after the Respondent receives a Notice of Dispute, the Respondent must give written notice to the Complainant. That notice must adequately define the Respondent's response to the dispute and provide details and refer to any documentary evidence in support of its response to the dispute and designate a senior representative for each Respondent who has the authority to negotiate and settle the dispute.

24.5 Negotiations

Senior representatives designated pursuant to the preceding sub-items of this item must, within ten (10) days (or within such further period as the senior representatives may agree is appropriate) after the receipt of the notice referred to in item 24.4 investigate, negotiate and endeavour to settle the dispute.

24.6 Mediation

- (a) If, within one month of the date of the Notice of Dispute, the parties are either unable to resolve the dispute or no meeting has been held, the parties must mediate the dispute in accordance with the guidelines set out in Annexure D hereto, or as otherwise agreed by the parties, and shall seek to agree upon the appointment of an independent mediator with relevant experience of the matter in dispute or, failing agreement within fourteen (14) days, the mediator shall be appointed by the President of the Law Society of South Australia for the time being.
- (b) The President of the Law Society of South Australia (in determining who to appoint as the mediator) shall have regard to the parties' intentions in this Schedule:
 - (i) for the preservation and protection of the native title rights and interests of the Native Title Party; and
 - (ii) the statutory rights, obligations and commercial imperatives of the Grantee Party;

and shall take account of the fact that this Schedule constitutes a cross-cultural commercial agreement.

- (c) The mediator, in conducting the mediation shall have regard to:
 - (i) the parties' intentions in this Schedule for the preservation and protection of the Aboriginal tradition of the Native Title Party; and

- (ii) the statutory rights, obligations and commercial imperatives of the Grantee Party.
- (d) If within one month after the date of the mediator's appointment, mediation has not taken place, or has failed to resolve the dispute, or in the event no mediator has been appointed within one month of the Notice of Dispute, then any of the parties may by notice terminate the mediation process and may seek such remedies as they decide.
- (e) Any date or period of time referred to in this item may be varied or amended by agreement between the parties.
- (f) None of the parties may commence court proceedings or arbitration concerning this Schedule unless it has first complied with the dispute resolution provisions contained in this item 24. The parties agree that this Schedule may be pleaded as a bar to any court action commenced prior to termination of the mediation process other than an application for urgent interlocutory relief.
- (g) In any case, each party shall bear its own costs for the mediation.

24.7 Without Prejudice

The parties acknowledge that the purpose of any exchange of information or documents or the making of any offer of settlement pursuant to this item is an attempt to settle the dispute between the parties. No party may use any information or documents obtained through the dispute resolution process established by this item for any other purpose

25. CESSATION OF ACTIVITIES

- 25.1 The Grantee Party shall notify the Association one month prior to any surrender of a Licence in respect of the Licence Area pursuant to the Petroleum Act.
- 25.2 A surrender under item 25.1 is effective on and from the time when the Licence is effectively surrendered in respect of the Licence Area pursuant to the Petroleum Act.
- 25.3 The Grantee Party shall cease Petroleum Operations immediately its Licence expires or is surrendered, withdrawn, revoked or cancelled in respect of the Licence Area.
- 25.4 Upon the surrender, withdrawal, revocation or cancellation of the Grantee Party's Licence in respect of the Licence Area:
 - (a) the Grantee Party shall pay to the Association any and all monies then payable or accrued which are due to the Association pursuant to this Schedule; and

- (b) each party shall remain liable to the other party in respect of any liability it has to the other as a consequence of any prior breach of this Schedule.

25.5 Nothing in this Schedule shall be construed as imposing an obligation on the Grantee Party to carry out or complete any Petroleum Operations.

25.6 The parties' obligations under items 7(a), 7(b), 7(d), 15, 19 and 22 shall to the extent referred to therein survive any termination of the Deed and this Schedule.

26. EMPLOYMENT OPPORTUNITIES

The Grantee Party agrees to consider from time to time opportunities for the employment of members of the Native Title Claim Group and for the engagement of enterprises controlled by members of the Native Title Claim Group and to similarly encourage its contractors so to do.

ANNEXURE A TO SCHEDULE 4 : CLEARANCE PROCEDURES

1. The Association in consultation with the Native Title Party will provide a Work Area Clearance Group or teams to undertake inspection and clearing of locations for Petroleum Operations within the Licence Area if and when the requirement arises in accordance with item 10 of Schedule 4.
2. The Association in consultation with the Native Title Party will ensure that if required, both a male and a female Specialist are available to join the Work Area Clearance Group depending on the part of the Licence Area under consideration at any given time and the Area or Areas of Significance that may be therein.
3. A Specialist (engaged according to item 10.3(a) of Schedule 4) will co-ordinate the Work Area Clearance Groups provided for in item 10 of Schedule 4 and will be responsible for conveying the results of the Work Area Clearance Group's inspections and assessments for Clearance of Grantee Party's proposed Petroleum Operations under the terms of Schedule 4.
4. Subject to the terms of Schedule 4, the Native Title Party and the Association will ensure that a Work Clearance Group is available to undertake additional inspections and Clearances for seismic lines, access roads and Work Sites as and when such sites are required by the Grantee Party in the course of carrying out Petroleum Operations. Where such additional inspection and Clearance is required, the Native Title Party and the Association will ensure that the Work Area Clearance Group operates on a regular work schedule that as near as practicable coincides with and accommodates the Grantee Party's work schedule.
5. The Association will arrange suitable camping facilities for the Work Area Clearance Group.
6. The Association in consultation with the Native Title Party will ensure that persons who are members of the Native Title Party (but in any event not exceeding the number of persons agreed with Grantee Party) with traditional knowledge of Areas of Significance in the particular Operational Area, together with appropriate support equipment, are available for all Clearance purposes.
7. The Association will provide sufficient and appropriate all-terrain four-wheel drive vehicles for use by the Work Area Clearance Group while it is undertaking the inspection and Clearance purposes.
8. The said vehicles will be insured by the Association and equipped by the Association with sufficient spare parts for the duration of the Clearance task.
9. The Association will cause a log-book to be kept and will ensure that the following information is recorded in the log book in relation to the use of the four-wheel drive vehicles.
 - (a) Date;
 - (b) Place of departure;
 - (c) Destination;

- (d) Reason for the journey;
- (e) Name of driver; and
- (f) Number of kilometres travelled

in respect of each occasion that the four-wheel drive vehicles are used for or incidental to carrying out a Clearance and will make the log-book available to the Grantee Party upon request.

10. The Grantee Party will reimburse the Association in accordance with an agreed plan and Budget for the Association's reasonable costs for:

- (a) engaging the services of the persons comprising the Work Area Clearance Group;
- (b) providing camping facilities and food to the Work Area Clearance Group; and
- (c) providing sufficient and appropriate four-wheel drive vehicles for use by the Work Area Clearance Group

in accordance with a Budget.

11. In the event that there are at any time more persons forming part of a Work Area Clearance Group than agreed with the Grantee Party and accounted for in a Budget then the Grantee Party shall not be responsible for the expense of the additional persons in such group, unless otherwise agreed between the parties.

12. Remuneration

The Grantee Party will pay to or reimburse the Association the cost of engaging the services of the Work Area Clearance Group, for each Specialist and for each of the agreed number of Work Area Clearance Group members at the respective rates negotiated and agreed during negotiation of a Budget for each day required for compliance with items 9, 10 and 11 of Schedule 4 and this Annexure A and for travel to and from his or her place of residence within Australia, and reasonable travel costs, all in accordance with a Budget.

13. Food for Work Area Clearance Group

The Grantee Party will allow a food allowance for each member of the Work Area Clearance Group at the rate of \$35 per day, fixed for the first twelve (12) months of this Deed, for each day spent undertaking the Clearance and each day spent travelling to and from the Licence Area for that purpose.

14. Four-Wheel Drive Vehicles

The Grantee Party will pay to the Association:

- (a) where the Association provides four-wheel drive vehicles, the sum of fifty-five cents per kilometre in respect of the total number of kilometres properly recorded in the log book, in accordance with paragraph 9 of this Annexure A,

and the cost of fuel, where a four-wheel drive vehicle travelled distances for or incidental to conducting a Clearance; or

- (b) the reasonable cost of hire of four-wheel drive vehicles and the cost of fuel and vehicle insurance, where the vehicle is hired and used for, or incidental to conducting a Clearance provided that the log book details are properly recorded in accordance with paragraph 9 of this Annexure A.

ANNEXURE B TO SCHEDULE 4 : SCHEDULE OF EVENTS

Item	Events	Party Responsible	Maximum period for Events (in days)	Maximum cumulative Elapsed days
1	Grantee Party submits request and proposed work programme to Association <i>(Item 8.1)</i>	Grantee Party	Not applicable	0
2	Preliminary meeting <i>(Item 8.2)</i>	Grantee Party and Association	14	14
3	Association arranges for: 1. Anthropologist or other Specialist; 2. Work Area Clearance Group, and 3. Proposed Clearance Plan and Budget and presents to Grantee Party <i>(Items 10 and 12.1)</i>	Association	7	21
4	Clearance Plan and Budget meeting Plan and Budget agreed <i>(Items 12.1 and 12.2)</i>	Grantee Party and Association	7	28
5	Work Area Clearance Group and field logistics organised, and Work Area Clearance Group mobilised to the field. <i>(Item 10.1)</i>	Native Title Party and Association	12	40
6	Work Area Clearance Group completes field work and demobilises, notifies the Grantee Party. <i>(Item 11.1)</i>	Native Title Party and Association	14	54
7	Report delivered to the Grantee Party <i>(Item 11.1)</i>	Association	14	68

ANNEXURE C TO SCHEDULE 4 : BUDGET

Grantee Party:

Date:

Clearance for PEL number(s):

Item	Description	Remarks	Units	Quantity	Unit Rate \$	Survey Costs	Notes
	<i>Personnel</i>						
	Specialist # 1		days				
	Specialist # 2		days				
	Work Area Clearance Group x		days				
	Camp Cook		days	1			
1	TOTAL PERSONNEL						
	<i>Travel Costs</i>						
	Vehicle Hire	4WD	days				
	Vehicle Fuel		days				
	Private Vehicle 2WD allowance	fuel, oil, tyres, etc	km		0.52		
	Private Vehicle 4WD allowance	fuel, oil, tyres, etc	km		0.55		
2	TOTAL TRAVEL						
	<i>Accommodation & Logistics</i>						
	Food		days				
	Camping allowance		nights				
	GPS hire		days				
	Trailer hire		days				
2	TOTAL ACCOMMODATION & LOGISTICS						
	<i>Administration</i>						
	satellite phone hire		days				
	maps		total				
	photocopying		total				
	phone : fax : mail		total				
	bookings & fees		total				
	meetings & confs		total				
	legal		total				
4	TOTAL ADMINISTRATION						
5	SUB-TOTAL						
6	Contingency						
7	GST						
8	GRAND TOTAL						

ANNEXURE D TO SCHEDULE 4: GUIDELINES TO MEDIATION

The following is a guideline to the mediation process should a dispute arise and be referred to mediation pursuant to item 24 of Schedule 4.

1. Role of Mediator

1.1 The mediator will be neutral and impartial. The mediator will assist the parties attempt to resolve the dispute by helping them to:

- (a) systematically isolate the issues in dispute;
- (b) develop options for the resolution of those issues;
- (c) explore the usefulness of these options; and
- (d) meet their interests and needs.

1.2 The mediator may meet with the parties together or separately.

1.3 The mediator will not give legal or other professional advice to any party, impose a resolution on any party or make a decision for any party.

1.4 The mediator will not accept an appointment in relation to any proceedings concerning the dispute.

1.5 Neither party will take action to cause the mediator to breach paragraph 1.4.

2. Conflict of Interest

The mediator must prior to commencement of mediation disclose to the parties to the best of the mediator's knowledge any prior dealings with any of the parties as well as any interests in the dispute. If in the course of the mediation the mediator becomes aware of any circumstances that might reasonably be considered to affect the mediator's capacity to act impartially, the mediator must immediately inform the parties of those circumstances.

3. Co-operation

The parties must co-operate in good faith with the mediator and each other during the mediation.

4. Conduct of Preliminary Conference

As part of the mediation, the mediator will establish a preliminary conference at a time and venue convenient to the parties to establish a timetable for mediation.

5. The parties must attend the mediation with authority to settle within any range that can reasonably be anticipated. At the mediation each party may have one or more other persons including legally qualified persons to assist and advise them.

6. Communications between Mediator and Parties

Any information disclosed to a mediator in private is to be treated as confidential by the mediator unless the party making the disclosure states otherwise.

7. Confidentiality of the Mediation

The parties and the mediator will not disclose to anyone not involved in the mediation any information or document given to them during the mediation unless required by law to make such disclosure.

8. The parties and the mediator agree that other than in the course of enforcement of the settlement agreement for the dispute by judicial proceedings, the following will be privileged and will not be disclosed in or be the subject of a subpoena to give evidence or to produce documents in any proceedings in respect of the Dispute:

- (a) any settlement proposal whether made by a party or the mediator;
- (b) the willingness of a party to consider any such proposal;
- (c) any statement made by a party or the mediator during the mediation;
and
- (d) any information prepared for the mediation.

9. Termination of the Mediation

A party may terminate the mediation at any time after consultation with the mediator.

10. Settlement of the Dispute

If settlement is reached at the mediation, the terms of the settlement must be written down and signed by the parties before they leave the mediation.

11. Enforcement of the Settlement Agreement

Any party may enforce the terms of the settlement agreement by judicial proceedings. Any party may call evidence:

- (a) for the purposes of this item; and
- (b) of the settlement agreement including evidence from the mediator and any other person engaged in the mediation.

12. Exclusion of Liability

The parties acknowledge that any mediator appointed will not be liable to them for any act or omission in the performance of the mediator's obligations under this Deed. The parties undertake to indemnify the mediator against any claim for any act or omission in the bona fide performance of the mediator's obligations under this Deed.

13. Costs

The parties are separately liable to the mediator in equal proportions for the mediator's fees.