

Address all correspondence to:
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Freecall: 1800 645 299 www.nlc.org.au ABN 56 327 515 336

13 November 2018

The Hon John Mansfield AM QC Aboriginal Land Commissioner GPO Box 9932 DARWIN NT 0801

By email: AboriginalLandCommissioner@network.pmc.gov.au

Dear Commissioner

Re: Detriment Review: Mataranka Area Land Claim No.69 – Area 4 – Urupunga Stock Route [NT Portion 2193]; Roper Valley Area Land Claim No.164 – Area (i); Mataranka Area Land Claim No.129 – NT Portion 916: Sale of Flying Fox PPL 1179 [NT Portion 4775.]

I apologise for this late correspondence concerning the above land claim areas. However, on 3rd November 2018, the ABC broadcast an item in its Country Hour programme reporting the sale of Flying Fox Station (the sale). A print-out of the news item from the ABC website is attached [Attachment 1]. In view of certain submissions made to the Inquiry I believe I am duty bound to bring the transaction to your attention because the sale is relevant to certain submissions that were made to the Review.

A search of the title confirms the registration of the transfer of PPL 1179 to Kupang Agricultural Management Pty Ltd was registered on 25 October 2018. The transfer was for \$8,900,000. [Attachment 2 – Search Certificate and pp 1 & 2 Record of Administrative Interests].

On Wednesday 12 September 2018 I received a phone call from Paul Maher Solicitors. The caller said they were acting on behalf of a possible purchaser of Flying Fox, and she was inquiring about the Urupunga Stock Route Land Claim. She followed the conversation up with an email [Attachment 3] saying that her firm was "acting for the proposed buyer" of the property, to which I responded the following day [Attachment 4 – letter NLC to Paul Maher Solicitors dated 13 September and enclosed map]. As you will note my letter also drew attention to the land claim over NT Portion 916 adjoining the western boundary of Flying Fox.

The sale is relevant to certain aspects of the submissions made by Flying Fox and on behalf of the NTCA as follows:

1. The submissions by Mark Sullivan on behalf of Flying Fox Pty Ltd, the owner of the lease, stated -

At the time of purchase (October 2003) the current owners undertook Due Diligence prior to purchase. During this process the Urapunga Stock Route was identified as Crown land and no reference to the land claim was discovered.

No mention of the pending land claim was offered by the vendors or their agents.

Katherine	Jabiru	Nhulunbuy	Borroloola	Ngukurr	Tennant Creek	Timber Creek	Wadeye
P.O. Box 396	P.O. Box 18	P.O. Box 820	P.O. Box 453	P.M.B. 85 via	P.O. Box 55	43 Wilson St	Lot 788 Kanarlda St
Katherine NT 0851	Jabiru NT 0886	Nhulunbuy NT 0881	Borroloola NT 0854	Katherine NT 0851	Tennant Creek NT 0861	Timber Creek NT 0852	Wadeye NT 0822
P: (08) 8971 9899	P: (08) 8938 3000	P: (08) 8986 8500	P: (08) 8975 8848	P: (08) 8975 4755	P: (08) 8962 1884	P: (08) 8975 0789	P: 0439 830 435
F: (08) 8972 2190	F: (08) 8979 2650	F: (08) 8987 1334	F: (08) 8975 8745	F: (08) 8975 4601	F: (08) 8962 1636	F: (08) 8975 0664	

There was no way of knowing whether that was an accurate statement, but certainly the new owners could not say the same thing.

- 2. The submissions made on behalf of Flying Fox Pty Ltd are now largely irrelevant as a result of the sale, and should be accorded little weight. The issues of access and pastoral infrastructure on the stock route were detriment issues raised in the land claim, and the observations in this letter should not be taken as any indication that the claimants do not acknowledge the need for arrangements to be made that would enable the proprietor of Flying Fox access over the claim area to conduct pastoral operations on the pastoral lease
- 3. While we do not know whether the inquiry by Paul Maher Solicitors was on behalf of the eventual buyer of Flying Fox, from the timing we believe it was, and if so the buyer was informed of all of the land claims prior to purchase. In our submission the buyer has bought with notice of the land claims and the price would take into account the buyer's assessment of any risk involved.
- 4. The submission by the NTCA dated 4th July 2018 is also of less relevance in the light of the sale. The NTCA submission mentioned and discussed "Investor Insecurity" allegedly arising from land claims. In our submission that claim is also contradicted by the sale and it should be assumed that the buyer, being properly informed, has taken the existence of the land claims into account in making the purchase.

In our submission to the inquiry we commented about the NTCA submission as follows:

"The principal point Mr Nott seems to want to make is that land claims cause investor insecurity. Whatever is intended to be captured by the term 'investor insecurity' the point seems not to be well made in the context of this land claim."

The recent sale adds considerable weight to that submission: the land claim has not dissuaded the purchaser from investing in the purchaser, belying Mr Nott's assertion of "investor insecurity"...

Yours faithfully,

DAVID AVERY
Solicitor for the Claimants
Northern Land Council



Rural

NT's Flying Fox cattle station sells for \$8.9m, with potential for cotton development

NT Country Hour By <u>Daniel Fitzgerald</u>
Posted Tuesday at 05-04

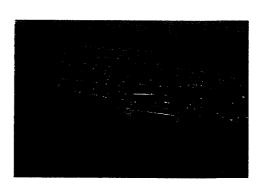
The Northern Territory's Flying Fox Station has been bought for \$8.9 million by an Australian buyer who is potentially interested in developing the property for cotton.

The 89,500-hectare property sits on the Roper River, 540 kilometres south-east of Darwin, and was sold with about 6,500 head of Brahman cattle.

Documents obtained from the NT Land Titles Office show the cattle station was bought by Kupang Agricultural Management, a company registered in August, based in New South Wales.

Andrew Gray from Territory Rural, who sold the property alongside CBRE Brisbane, said Flying Fox Station had soil well suited to cropping, which had interested the buyers.

"Flying Fox includes large areas of black soil which I am advised is very similar, if not the same, as the black soil plains found in the Ord Valley," he said.



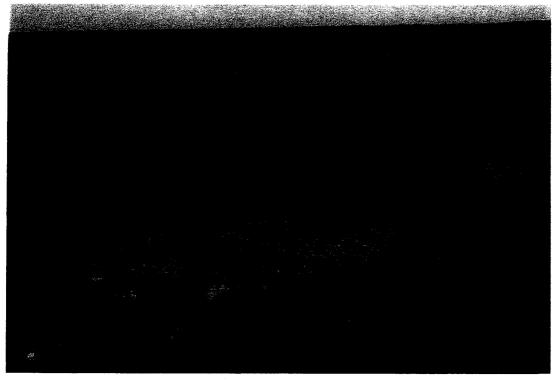
The black soil on Flying Pox Station drew interest from a number of parties for its proposed Flying Fox Station

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"The [previous] owners of Flying Fox had undertaken a range of development assessments on that property to trap overland water, not the rivers, just the normal flow of rivers across the land, and flood irrigate the black soil.

"The purchaser has seized upon that opportunity and will hopefully see some development in that space in regards to flood irrigation."



Flying Fox Station was sold with about 6,500 head of Brahman cattle. (Supplied: Flying Fox Station)

Potential for cotton development

Mr Gray said the new owners would initially be looking to sow improved pastures to allow the property to run more cattle.

"At this stage [development] will be slow and steady. There are areas cleared already and there are assessments being done on the soil and what type of pasture could be grown," he said.

"The black soil is lightly timbered with coolibah trees, so it won't take much to even leave the trees there and sow in between, but that's up to the new owners."

Flying Fox Station had a number of parties interested in its cropping potential, including a large Ethiopian cotton grower.

With the harvest of the Ord Valley's <u>first commercial cotton crop since the 1970s</u>, Mr Gray said there was "a real sense that cotton could be a massive industry for the Northern Territory".

"With the genetically modified cotton varieties we have these days, we don't have the fear of chemical over-sprays and the massive amount of difficulties that New South Wales and Queensland cotton growers have faced," he said.

"But we need a gin to gin the cotton, and while there isn't one in the Northern Territory, the likelihood of it happening today is probably greater than it was four or five years ago."

Flying Fox Station is one of a number of Top End properties to change hands in the past few months, with <u>Mt McMinn</u>, <u>Margaret Downs</u> and Edith Springs stations all selling since June.

Date Registered: 25/10/2018

Duplicate Certificate as to Title issued? No

Volume 829 Folio 652

SEARCH CERTIFICATE

PERPETUAL PASTORAL LEASE 01179

N.T. Portion 4775 from plan(s) S95/218A Area under title is 895 square kilometres 80 hectares

Owner:

Kupang Agricultural Management Pty Ltd (ACN 628 156 114) of Canonbar, Gundy NSW 2337

Registered Date	Dealing Number	Description
		Previous title is Volume 745 Folio 956
25/10/2018	910374	Mortgage Incanus Investments Limited
13/05/2015	849229	Miscellaneous Application - Non Pastoral Use Permit Number NPU 15/2
End of Dealing	as	•

Commencement Date: 11th November 2003

Expiry Date: In Perpetuity

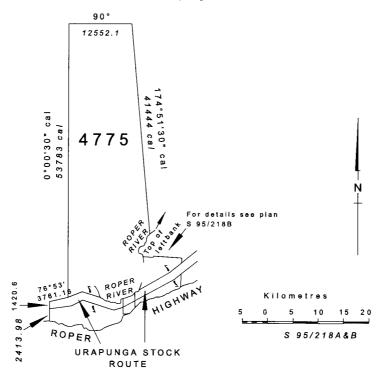
Conditions and Reservations:

The lease is subject to the conditions and reservations set out in Sections 38 and 39 of the Pastoral Land Act.

Date Registered: 25/10/2018

Duplicate Certificate as to Title issued? No

NOTE: Lease excludes Urapunga Stock Route



NOTE: The trigonometric surveys not being sufficiently advanced to enable the preparation of correct plans, this plan is issued on the distinct understanding that it is liable to correction on completion of surveys so as to secure original boundaries to prior applicants. All corrections of boundaries and areas to be subject to the approval of the Surveyor-General whose decisions in all cases shall be final.



Record of Administrative Interests and Information

Record of Administrative Interests and Information

The information contained in this record of Administrative Interests only relates to the below parcel reference.

Parcel Reference: N.T. Portion 04775 plan(s) S95/218A

(See section 38 of the Land Title Act)

Note: The Record of Administrative Interests and Information is not part of the Land Register and is not guaranteed by the Northern Territory of Australia, and the NT Government accepts no Liability for any omission, misstatement or inaccuracy contained in this statement.

Registrar G	eneral			
Government L (none found	_	 		

Custodian - Registrar General (+61 8 8999 6252)

Current Title

CUFT 829 652 (order 1)

Tenure Type

PERPETUAL PASTORAL LEASE 1179

Tenure Status

Current

Area Under Title

895 square kilometres 80 hectares

Owners

Kupang Agricultural Management Pty Ltd (ACN 628 156 114) Canonbar, Gundy NSW 2337

Easements

(none found)

Scheme Name

(none found)

Scheme Body Corporate Name

(none found)

Reserved Name(s)

(none found)

Unit Entitlements

(none found)

Transfers

25/10/2018 for \$8,900,000 31/03/2010 for \$5,491,000 16/04/2009 for \$8,400,847 19/11/2003 for \$1,900,000 22/09/2000 for \$790,000 21/03/1996 for \$200,000 20/12/1995 for \$170,000 13/12/1995 for \$387,750

Tenure Comments

(none found)

Historic Titles

CUFT 745 956 (order 1) CUFT 735 329 (order 1) CUFT 668 810 (order 1) CUFT 668 514 (order 1) CUFT 668 480 (order 1) CUFT 630 031 (order 1) CUFT 463 083 (order 1) CUFT 451 030 (order 1) CUFT 450 024 (order 1) CUFT 450 022 (order 1)

Visit the website http://www.nt.gov.au/justice/bdm/land_title_office/

Custodian - Surveyor General (+61 8 8995 5319)

Address

10805 ROPER HWY, FLYING FOX

Property Name

FLYING FOX

Survey Plan

S 95/218A

Survey Status

Approved

Parcel Status

CURRENT

Parcel Area

895 square kilometres, 80 hectares

Map Reference

Code 670 Scale 500000 Sheet 00.08

Parent Parcels

N.T. Portion 00712 plan(s) S 931033

Parcel Comments

PROPERTY NAME 'FLYING FOX'. TELSTRA SITE NT POR 5116(A) OVER PART - S97/167.

Survey Comments

SUBDIVISION OF NT PORTION 712 'ROPER VALLEY'. SURVEY ON PLANS A & B.

David Avery

From:

Cathy Hernandez-Cusi <cathy.hernandez-cusi@mahersolicitors.com.au>

Sent:

Wednesday, 12 September 2018 11:51 AM

To:

David Avery

Subject:

Due Diligence Enquiries - NT Portion 4775 - Flying Fox Station

Dear David

Further to our telephone conversation this morning, I confirm that our firm is acting for the proposed buyer of NT Portion 4775. As part of the buyer's due diligence enquiries, I would be grateful if you could provide information on the Urapunga Stock Route (NT Portion 2193) land claim and the Roper River Bed and Bank land claim.

Thanks for your assistance.

Regards,

Cathy Hernandez-Cusi

PAUL MAHER SOLICITORS

cathy.hernandez-cusi@mahersolicitors.com.au

(08) 8941 4754 (08) 8941 4753 GPO Box 3478, Darwin NT 0801

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13 September 2018

Ms. Cathy Hernandez-Cusi Paul Maher Solicitors GPO Box 3478 DARWIN NT 0801

By email: cathy.hernandez-cusi@mahersolicitors.com.au

Dear Ms. Hernandez-Cusi.

Re: Mataranka Area Land Claim No. 69 - Area 4 - Urupunga Stock Route [NT Portion 2193]; Roper Valley Area Land Claim No. 164 - Area (i) - Roper River bed and banks between NT Portions 4775 and 4972; Mataranka Area Land Claim No. 129 - NT Portion 916.

You have requested information about the first two land claims mentioned above as they affect NT Portion 4775 (Flying Fox). Both land claims have been recommended for grant, and on behalf of the traditional owners the NLC continues to seek grant of them to a land trust.

Recent submissions on behalf of the claimants to the 'Review of Detriment on Aboriginal land claims recommended for grant but not yet finalised' currently being conducted by the Aboriginal Land Commissioner, recognised the need to reach agreements with pastoral leaseholders to address ongoing use of the stock route area and the Roper River bed and banks for normal pastoral activities, including cattle management, access, and pumping and piping water from the river for domestic and pastoral purposes. Any agreements would be made pursuant to the *Aboriginal Land Rights (Northern Territory) Act* 1976

Mataranka Area Land Claim No.129 over NT Portion 916 (see map attached but note NTP 916 does not include the banks or bed of the Roper River) adjoins the western boundary of Flying Fox. This area has also been recommended for grant (in two separate land claims) and the NLC continues to seek the grant of it to an Aboriginal Land Trust.

Yours faithfully,

DAVID AVERY

Solicitor
Northern Land Council

Attachment: NLC map of NT Portion 916

Katherine	Jäbiru	Nhulunbuy	Borroloola	Ngukurr	Tennant Creek	Timber Creek	Wadeye
P.O. Box 396	P.O. Box 18	P.O. Box 820	P.O. Box 453	P.M.B. 85 via	P.O. Box 55	43 Wilson St	Lot 788 Kanarlda St
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F: (08) 8972 2190	F: (08) 8979 2650	F: (08) 8987 1334	F: (08) 8975 8745	F: (08) 8975 4601	F: (08) 8962 1636	F: (08) 8975 0664	

