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File Ref: 20151634: grouping 4:  
GP2  
Your Ref: *(delete if not applicable)*

The Honourable John Mansfield AM QC  
Aboriginal Land Commissioner  
Office of the Aboriginal Land Commissioner  
Level 4, Jacana House, 39-41 Woods Street  
DARWIN NT 0800

Via email: [AboriginalLandCommissioner@network.pmc.gov.au](mailto:AboriginalLandCommissioner@network.pmc.gov.au) / [elena.zola@network.pmc.gov.au](mailto:elena.zola@network.pmc.gov.au)

Dear Commissioner

**Invitation to participate: Review of detriment issues – Grouping 4: Seven Emu Region Land Claim No. 186, Wollogorang Region Land Claim No.187 and part Manangoora Region Land Claim No. 185: Grouping 4 Detriment review**

I refer your letter dated 22 March 2018 regarding the above detriment review and subsequent email correspondence between the writer and staff from the Office of Aboriginal Land Commissioner regarding provision of the Northern Territory's detriment review response by 4 June 2018.

Please find attached, Detriment Review Table for the above grouping. I have also included the 9 attachments to the Detriment Review Table in a separate pdf document as an attachment to the email including this letter.

Please do not hesitate to contact me if you have any queries.

Yours sincerely



**Kalliopi (Poppi) Gatis**  
Senior Lawyer  
4 June 2018

cc. Mr David Avery, Northern Land Council  
via email: [david.avery@nlc.org.au](mailto:david.avery@nlc.org.au)



**DETRIMENT REVIEW:**

**SEVEN EMU REGION LAND CLAIM NO. 186, WOLLOGORANG REGION LAND CLAIM NO. 187 AND PART MANANGOORA REGION LAND CLAIM NO. 185  
REPORT No. 66**

**UPDATED DETRIMENT AND PROPOSED PATTERNS OF LAND USAGE INFORMATION ON BEHALF OF THE NORTHERN TERRITORY OF AUSTRALIA FOR CONSIDERATION BY THE ABORIGINAL LAND COMMISSIONER**

**Key**

**NTP = NT Portion No.**

**CLP = Crown Lease in Perpetuity**

**PPL = Perpetual Pastoral Lease**

**VCL = VCL**

**ALT = Aboriginal Land Trust land held under the *Aboriginal Land Rights (Northern Territory) Act 1976 (Cth) (ALRA)***

**SEVEN EMU REGION LAND CLAIM NO. 186, WOLLOGORANG REGION LAND CLAIM NO. 187 AND PART MANANGOORA REGION LAND CLAIM NO. 185  
REPORT No. 66**

The claim area dealt with in this report comprises:

- (i) the intertidal zone adjacent to Northern Territory Portion (NTP) 1351 (otherwise known as Seven Emu Station);
- (ii) the intertidal zone adjacent to NTP 674 (otherwise known as Wollogorang Station);
- (iii) the bed and banks of the Calvert River upstream from the mouth of the river for so far as it is adjacent to the south-eastern boundary of NTP 1351; and
- (i) the bed and banks of the Robinson River upstream from the mouth of the river for so far as it is adjacent to both the eastern boundary of Northern Territory Portion 811 (otherwise known as Greenbank Station) and the western boundary of NTP 1351

Refer report no. 66 at paragraph 2.

Item	Olney J detriment findings and any additional detriment per ALC letter of 13.02.2018	Additional/new detriment information
1.	<p><b>Fisheries Detriment:</b>  The Department of Primary Industry and Fisheries ('Fisheries') gave evidence regarding commercial fishing in the Northern Territory in general and in the Gulf region in particular. Mr Flaherty submitted that, at the time of inquiry, there were two known commercial barramundi fishers that fished in the claim area and that it was estimated just under 10 tonne of fish were caught in the area annually. It was submitted that the catch was valued at about \$100,000 per annum. Mr Flaherty also stated that there were at least two commercial mud crabbers that fished in the area at the time of inquiry and that it was estimated 50 tonne of mud crab per year were caught, with a gross profit of about \$500,000 annually. The 'NTG comprehensive overview of known detriment information' provided to my Office on 21 November 2016 stated that there was 1 commercial barramundi licence and 3 commercial mud crab licences operational in the claim area over the three years prior. Mr Flaherty submitted that any restriction on access to the riverbeds and banks and the intertidal zone would have the potential to impact negatively on the viability of commercial operators in the area: refer ALC letter of 22.03.18 to SFNT, at p.2, third paragraph: refer also Seven Emu Region LC 186 et al Report of former Aboriginal Land Commissioner HW Olney, Report no. 66, at paragraphs 114-115.</p>	<p>The NT Government Department of Primary Industries and Resources (DPIR) was established by the NT Government on 12 September 2016. DPIR brings together many of the key functions that drive economic development in the Northern Territory including on land, over coastal areas and inland waterways. Its business sectors are mines and energy, fisheries and product integrity, primary industry development and the NT Geological Survey.</p> <p>DPIR advise:</p> <p><b>PART 1: FISHERIES</b></p> <ol style="list-style-type: none"> <li>a. DPIR compiles information relating to existing fishery interests and practices to regulate activities administered under the <i>Fisheries Act</i> (NT) (the Act). These fishery interests and practices include all Northern Territory Waters, including rivers and waters overlying the inter-tidal zone and fishing activities in Australian waters that are managed by the Northern Territory by consequence of arrangements under the Offshore Constitutional Settlement.</li> <li>b. The Act provides for the conservation and management, by regulation, of all fish and aquatic life in Northern Territory Waters, to maintain their sustainable utilisation by all interested user groups including traditional Aboriginal usage. The Act also seeks fair, equitable and optimal use of those resources with regard to providing benefit to the Northern Territory.</li> <li>c. Save for aquaculture, fish and aquatic life are deemed to be common property resources which, under the Act, are managed and conserved on behalf of the Northern Territory community as a whole.</li> <li>d. In all coastal and inland waters of the Northern Territory, including waters that overlie Aboriginal land, the use of fish and aquatic life is a regulated activity administered under the Act.</li> </ol> <p><b>Directions in Northern Territory Fisheries Management</b></p> <ol style="list-style-type: none"> <li>e. The Northern Territory Fisheries Harvest Strategy is a policy document that integrates the ecological, social and economic dimensions of fisheries management into a single operational framework for decision making. In its simplest form, a harvest strategy provides a framework to ensure that fishery managers, fishers and other stakeholders have a shared understanding of the objectives of using a specific resource and work together to consider and document responses that will be applied to various fishery conditions (desirable and undesirable) before they occur. This provides greater certainty and avoids ad-hoc decision making (Sloan, S. R., Smith, A.D.M., Gardner, C., Crosthwaite, K., Triantafillos, L., Jeffries, B. and Kimber, N (2014) National Guidelines to</li> </ol>

		<p>Develop Fishery Harvest Strategies. FRDC Report – Project 2010/061. Primary Industries and Regions, South Australia, Adelaide, March. CC BY 3.0).</p> <p>f. Harvest strategies are considered to represent a best-practice approach to operational fisheries management and they have been widely adopted nationally and internationally (FAO (2011). EAF planning and implementation tools. Harvest Strategies and Control Rules. EAF Tool fact sheets. Text by EAF Toolbox Team. [online]. Rome. Updated 29 November 2011. McIlgorm A. (2013). Literature study and review of international best practice, fisheries harvest strategy policy approaches. A report to the Department of Agriculture Fisheries and Forestry (DAFF), Canberra, by ANCORS, University of Wollongong, Australia. Smith A.D.M., Smith D.C., Haddon M., Knuckey I., Sainsbury K.J. and Sloan S. (2013). Implementing harvest strategies in Australia: 5 years on. – ICES Journal of Marine Science, doi:10.1093/icesjms/fst158).</p> <p>g. Harvest strategies identify clear objectives of how a given fishery resource is to be used to optimise benefit. They put in place measurable indicators of performance to ensure the fishery moves towards meeting the objectives and specific management actions that will be implemented if reference points are met to ensure that the fishery is meeting its stated objectives.</p> <p>h. The adoption of a consistent approach to the development of a harvest strategy is expected to lead to better managed fisheries and encourage responsible fishing, as decisions on harvest levels are forecast and will be made in a more transparent, predictable and timely manner. Harvest strategies will also provide adaptability to social, economic and ecological change and create a level of transparency and reporting that will foster greater community confidence in the way fisheries are managed.</p> <p><b>Harvest Reference Points</b></p> <p>i. Best practice management of exploited fishery populations includes the development of harvest reference points to identify when management actions need to occur if the stock is being overfished or underutilised. The Food and Agriculture Organisation (FAO) offer three reference points; Target, Trigger and Limit that are mainly used in fisheries management. Commonly, these reference points are values of the current biomass as a proportion of the unfished biomass.</p> <p>j. Target Reference Points have traditionally been focussed around the Maximum Sustainable Yield (MSY) which is the maximum harvest that can be sustained before population growth (generally referred to as recruitment) is significantly impacted. However, fishing a stock at MSY can allow the biomass to reduce to between 20 and 60% of unfished levels depending on the species being harvested. Data used in stock assessments is holistic and where available include estimates of catches from all sectors. However, while biomass levels might be considered sustainable there may be an impact on the ability for non-commercial users of the resource to catch these species. Consequently, there have been a number of alternative sustainable target reference points developed to account for other user needs (e.g. Profit - Maximum Economic Yield (MEY); Figure 1).</p>
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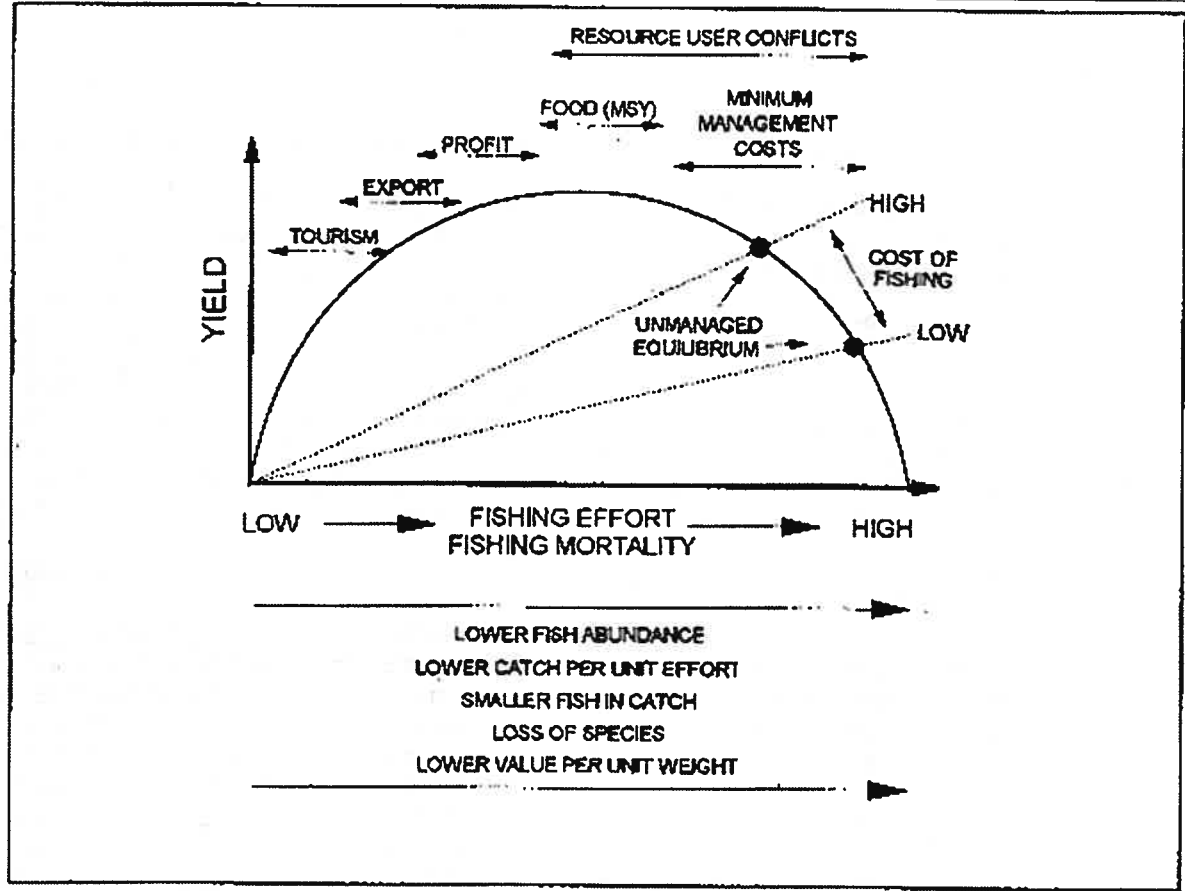


Figure 1.

**Barramundi Fishery**

- k. Small levels of Barramundi and threadfin have been harvested from the claim area in the past.

**Significant and Specialised Commercial Fishery – Mud Crabs**

- l. The mud crab fishery has 49 commercial licences, utilised by a number of operators. Each licence has two 'units' attached, with each unit giving an allowance of 30 mud crab pots to fish with.. Environmental factors influence the recruitment and catchability of mud crabs, with the annual harvest often fluctuating significantly as a result. Consequently, the value of the total fishery in terms of GVP also varies, having reached nearly \$12M in 2008/09 with a catch of 510 tonnes, to approximately \$4.5M in 2015/16 with a catch of 146 tonnes.
- m. Mud Crab licences are issued for twelve months and are not geographically restricted except in respect of those areas closed for management purposes under the Mud Crab Fishery Management Plan (a Fishery Management Plan under the *Fisheries Act*).
- n. Significant levels of Mud Crab Fishing occurs in this claim area.

Year	Barramundi (Kg)*	King Threadfin (Kg)*	Mud Crab (Kg)*
2008	0	0	19,993
2009	0	0	31,513
2010	0	0	18,115
2011	3725	0	14,762
2012	2200	133	6,888
2013	0	0	1,024
2014	0	0	1,712
2015	0	0	0
2016	0	0	0
2017*	0	0	7,229

*\*Most Mud Crabs in the Claim Area are caught in the Robinson River area.*

		<p><b>Recreational Fishing</b></p> <ul style="list-style-type: none"> <li>o. The 'Survey of Recreational Fishing in the Northern Territory 2009-10' found that there are about 32,000 non-Indigenous NT residents (over five years of age) who fish for recreation/subsistence. This survey estimated an annual economic contribution of \$51 million per annum by NT residents who recreationally fish. It also found that boats used for recreational fishing had a market value of \$194 million. Attached to this statement and marked "<b>Attachment IC1</b>" is an excerpt of the summary from that report.</li> <li>p. There is also a large number of visiting interstate and international anglers who visit the NT and fish without hiring fishing guides, but they are difficult to quantify and value monetarily. While the 2009-10 survey was focussed on NT residents, a national survey of recreational fishing undertaken in 2000/2001 found over 50,000 visitors annually fish at least once during their stay in the Northern Territory. On-site surveys undertaken in conjunction with the 2009-10 survey indicate visitor fishing effort had more than doubled in catchments comparable to the 2000-01 national survey.</li> <li>q. The Recreational Fishing Development Plan, attached and marked as <b>Attachment IC2</b>, estimated that expenditure by recreational fishers during 2010 was \$80 million.</li> <li>r. There are no accurate records of the number of NT jobs the recreational fishery supports but it is thought to be significant across tackle shops, boats and tourism.</li> </ul> <p><b><u>LC 185</u></b></p> <ul style="list-style-type: none"> <li>s. The last recreational fishing survey data from the claim area was collected in 2009/10. During this survey, data was collected on a regional basis that does not necessarily align with the boundaries of these claims. Nonetheless, the 2009/10 survey estimated that NT residents spent a total of 72 days fishing in the area surrounding the Robinson River in a 12 month period. However it should be noted that this estimate (72 days) also includes effort on the Wearyan River which is not specifically part of the claim. There is no way to differentiate effort on the Robinson from the Wearyan.</li> <li>t. DPIR have no estimate of visitor fishing effort in this area however it is known to be significant. For example 98% of the effort expended at King Ash Bay is from visiting interstate anglers and most of the rec fishers that stay at Greenbank, Seven Emus or Woollogorang camp are known to be visitors (non NT residents). As such, the figures quoted above for NT resident effort would only be a fraction of the total recreational fishing effort for the area.</li> </ul> <p><b><u>LC 186</u></b></p> <ul style="list-style-type: none"> <li>u. The survey estimated that NT residents spent a total of 38 days fishing in the Calvert River. No effort was recorded for NT residents fishing the intertidal areas adjacent to the coast. However, it should be acknowledged that some limited effort would occur in this area from NT residents however it was too low to be detected during the survey.</li> </ul>
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- v. DPIR have no estimate of visitor fishing effort in this area however it is known to be significant. For example 98% of the effort expended at King Ash Bay is from visiting interstate anglers and most of the rec fishers that stay at Greenbank, Seven Emus or Woollogorang camp are known to be visitors (non NT residents). As such, the figures quoted above for NT resident effort would only be a fraction of the total recreational fishing effort for the area.

**LC 187**

- w. No effort was recorded for NT residents fishing the intertidal areas adjacent to the coast. However, it should be acknowledged that some limited effort would occur in this area from NT residents however it was too low to be detected during the survey.
- x. We have no estimate of visitor fishing effort in this area however it is known to be significant. For example 98% of the effort expended at King Ash Bay is from visiting interstate anglers and most of the rec fishers that stay at Greenbank, Seven Emus or Woollogorang camp are known to be visitors (non NT residents).
- y. If the proposed grant of the Claim Area were to result in no or limited access to the Claim Area, it would have an impact on recreational fishing and tourism in the region.

**Fishing Tour Operators**

- z. There is also an active guided fishing tourism industry which includes over 150 licensed fishing tour operators (FTOs). A 2012 assessment of this industry showed that it caters for about 31,000 client days fished each year and its economic contribution is a further \$26 million per annum.
- aa. Little FTO activity has occurred in the claim area in recent times.

No. licences that worked the area	
2008	1
2009	0
2010	0
2011	0
2012	0
2013	0
2014	0

2015	0
2016	0
2017*	0

**Enforcement of fisheries regulations**

- bb. The Northern Territory has strict possession limits and gear restrictions in place for recreational fishers and a range of effort and gear restrictions in place for the commercial fishery. The numbers of commercial fishers and fishing tour operators is controlled via the issue of licences to undertake that activity. Compliance involves two key measures; education and enforcement. Education measures include brochures, signage and a NT fishing application that allow smart phone users to understand and be aware of the various fishing rules in place including the ban on the take of protected species.
- cc. Amendments to the *Fisheries Act* were introduced from 1 January 2017 to strengthen ‘fit and proper’ provisions for commercial operators, including the ability for the Director to consider relevant offences under other legislation (rather than just fishery offences) such as sacred sites or trespass offences in determining the grant or renewal of licences and permits.

**Access Negotiations**

- dd. Since the High Court decision on Blue Mud Bay, the Northern Territory Government has been attempting to negotiate access arrangements to affected tidal waters overlying Aboriginal Land. Many previous land grants have been made to the ‘mean low water mark’ which is not defined on nautical charts and is, in a practical sense, unenforceable. The Blue Mud Bay decision has created considerable uncertainty for commercial and recreational fishing sectors over access to waters. While seven agreements have been reached to date, the negotiation process is time consuming and resource intensive for Land Councils and no progress has been made since 2014 when the first seven agreements were reached. . The NLC has advised that it does not want to put the Territory’s offer to other Traditional Owner groups.
- ee. In relation to the Claim Area, there is no certainty that a future access agreement would be reached for fishing access to waters, in which case neither recreational nor commercial fishers (should the commercial fishery management closure be lifted in the future) would have any access to the waters.
- ff. The effect of the Blue Mud Bay decision, in combination with the extent of the existing areas of land granted as Aboriginal land under the *Aboriginal Land Rights (Northern Territory) Act 1976 (Cth)* (Land Rights Act), the 13 “Beds and Banks” claims previously recommended for grant by the former Commissioner the Honourable Justice Howard Olney and the 10 outstanding “Beds and Banks” claims give rise to a significant risk that existing or proposed patterns of land usage associated with recreational and commercial fishing will be detrimentally

		<p>impacted upon if widespread access is withdrawn or restricted. This is particularly so as fisheries development depends upon certainty and security of access.</p> <p>gg. Even if an agreement is reached, it may not be permanent and therefore will not provide certainty and security for commercial development to occur. There would also be a continuing cost to the Northern Territory Government and taxpayers, as well as resourcing implications for Government agencies and Land Councils to administer, review and renegotiate agreements on an ongoing basis.</p> <p><b>Importance of whole of fishery approach to fisheries management</b></p> <p>hh. Approximately 78 percent of the coastline of the Northern Territory is Aboriginal land down to the low water mark. If all outstanding land claims resulted in a grant of Aboriginal land, this figure would increase to approximately 92 percent.</p> <p>ii. In carrying out the objectives of the Fisheries Act and the Harvest Strategy, it is critical that the impact of reduced or modified access is understood as it relates to overall management of fisheries as a natural resource.</p> <p>jj. A number of pre-requisites exist for the development and management of aquatic resources. The Harvest Strategy names the following as pre-requisites for effectively managed Fisheries:</p> <p style="padding-left: 40px;">1. <i>A fishery specific management framework that contains:</i></p> <ul style="list-style-type: none"> <li>• <i>Long term conceptual objectives including ecological, and where appropriate, economic, social and customary objectives that define how the fishery is carried out to the benefit of the community; and</i></li> <li>• <i>Resource access and allocation arrangements between sectors to maximise the benefit of resources shared among all users (commercial, recreational, customary and fishing tourism).</i></li> <li>• <i>An Ecologically Sustainable Development risk assessment to identify and prioritise the full suite of ecological, economic, social and customary issues in the fishery</i></li> </ul> <p>kk. Notwithstanding that the Fisheries Act would continue to apply regardless of tenure, the granting of 'Beds and Banks' claims on a wide scale amounts (in a cumulative sense) to an additional management regime over Territory waterways - an access regime notionally founded upon either permit-based access or agreements for recreational or commercial activity pursuant to s19 <i>Aboriginal Land Rights (Northern Territory) Act</i> (Cth).</p> <p>ll. Historically, impediment to or obstruction towards an aquatic resource (whether through regulatory, access or environmental factors) has served to displace fishing effort, rather than remove it. This displacement has the more than likely effect of concentrating fishing effort by recreational, commercial and fishing tour operators. It also remains at odds with the overall aims and goals of the <i>Fisheries Act</i> and the Harvest Strategy, which aims to promote and enhance informed evidence-based fisheries management decisions.</p>
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		<p>mm. In the McArthur River Region Land Claim (184) Report of March 2002 the then Aboriginal Land Commissioner, Justice Olney, at paragraph 169, made a strong comment on the need to treat river and sea access and the issues arising therefrom on a global basis:</p> <p>nn. <i>"It is likely that the pending claims identified in in this statement will give rise to <b>similar, if not identical, issues as have been raised in previous Land Claims in relation to access to rivers and the sea, and to the management of both marine resources and the coastal ecosystem. The evidence is very strongly against dealing with these issues on a purely local, rather than a regional or even a Territory-wide basis.</b> It would seem that a final resolution of these claims may be dependent upon the resolution of outstanding legal questions concerning the rights which attach to Aboriginal ownership of tidal rivers and the bed of the intertidal zone and also the larger question of whether the seabed beyond the low water mark is susceptible to claim under the Land Rights Act. Ultimately legislative action on the part of both the Commonwealth and the Northern Territory may be required to achieve an acceptable result."</i> <u>(emphasis added)</u>.</p> <p>oo. In the Lower Roper River Land Claim (70) Report of 7 March 2003 Justice Olney, at paragraph 112, under the heading "Cumulative effect of land claims", returned to this theme and commented:</p> <p>pp. <i>"There have been a number of land claim reports in recent years in which recommendations for the granting of title have been made in respect of areas of the inter-tidal zone and tidal rivers in the Gulf region. Most, if not all, of those reports have been referred to above. <b>In each, one of the concerns expressed is that if by reason of a grant of title access to waters of the ocean and rivers by commercial and/or recreational fishers is prohibited or restricted, there is likely to be a corresponding increase in fishing effort in other areas. This reasoning has not been challenged.</b> In these circumstances it would seem logical that the recommendation in this report should not be considered in isolation from those contained in the other reports in question but rather, a regional, if not Territory wide, approach should be adopted in considering whether, and to what extent, the recommendations should be given effect to."</i> <u>(emphasis added)</u>.</p> <p>qq. Of further significance to whole-of-fisheries management is that displaced fishing effort may very well be displaced to further areas where access may be conditional or denied altogether – creating, in effect, regional level disruption of fisheries management (i.e. the Harvest Strategy) rather than just localised disruption.</p> <p>rr. Barramundi licences are not geographically restricted, except in respect of those areas closed for management purposes under the Barramundi Fishery Management Plan. The Claim Area is closed to commercial Barramundi fishery. If a barramundi licensee was prevented from fishing in one area he or she would be forced to move to another area. At present there are 14 barramundi licensees in the Northern Territory.</p> <p>ss. The Department has performed extensive studies on the number of licences each fishery can sustain. If licence holders were prevented from fishing in one area and moved to the remaining areas, the DPIR would have to determine whether the number of licences was appropriate.</p> <p>tt. If there was a concentration of effort into the remaining areas, as a result of reduced areas available for fishing, the result may be that the number of licences needs to be reduced. Adjustments for resource sharing reasons have typically involved a Government funded buyback of licences.</p> <p>uu. The importance of a whole of fishery approach is equally relevant to the mud crab fishery. The life cycle of the mud crab makes it necessary to manage the mud crab in all waters to ensure the survival of the resource.</p>
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There are currently 49 mud crab licences. If there was a concentration of effort into the remaining areas, as a result of reduced areas available for fishing, the result may be that a reduction in the number of licences is necessary.

## **PART 2 ENERGY AND MINES**

### **Part 2.1 ENERGY**

- a. The DPIR administers and regulates petroleum exploration, production and transportation (via pipeline) activities in the NT onshore and to the 3 nautical mile limit (3nM).
- b. The relevant Acts, regulations and schedules are:

#### *Petroleum Act*

- Petroleum (Environment) Regulations
- Schedule of Onshore Petroleum Exploration and Production Requirements 2016
- Petroleum Regulations

#### *Petroleum (Submerged Lands) Act*

- Petroleum (Submerged Lands) Regulations

*Petroleum (Prospecting and Mining) Act [repealed]* – existing by virtue of transitional provisions under section 119 of the *Petroleum Act*

#### *Energy Pipeline Act*

- Energy Pipelines Regulations

### **Petroleum Interests over and adjacent to the Claim Area**

- c. There are granted titles on native title affected land over the claim areas, and there is a petroleum exploration permit application on Aboriginal Freehold Land adjacent to part of the claim area: further detail is set out below under the respective headings of the land claims
- d. The area is considered prospective for oil and gas. The Glyde 1 (ST1) gas discovery made by Armour Energy Limited (Armour) in 2012 is located in one of the permits that lies south west of the claim areas. Glyde ST1 lateral well flowed 3.33 million standard cubic feet per day. Based on the third party independent report, Coxco Dolomite reservoir within the Glyde 1 target area (1440 Acres) is estimated to hold 6 billion standard cubic feet (6 Bscf) 2C contingent resources. Coxco Dolomite is classified as a conventional reservoir.
- e. The Lamont Pass 3 well drilled by Armour in 2013 is located in one of the permits that lies south west of the claim areas. Lamont Pass 3 had multiple oil shows observed throughout the Barney Creek Shale, intersected from 260m to 780m, resulting in Armour reporting an oil and gas discovery (see Armour's ASX Quarterly Activities Report at **Attachment A**).

		<p><u>Part Manangoora Region LC 185</u></p> <p>f. Petroleum Exploration Permit EP190 was granted under the provisions of the <i>Native Title Act</i> to Armour Energy Limited (Amour) on 11 December 2012, with current expiry date of 10 December 2017: see Title Report for EP190 marked <b>Attachment B</b>. An application for suspension of work program commitments and extension of term, under section 28 of the <i>Petroleum Act</i>, is currently under assessment. This title will stay on foot until the assessment is completed. If the suspension and extension is approved, the expiry date for EP190 will be 10 December 2019. EP 190 covers a portion of the landward area of LC 185 (see map depicting land claims and location of petroleum tenures and applications marked at <b>Attachment C</b>).</p> <p>g. Petroleum Exploration Permit EP174 was granted under the provisions of the <i>Native Title Act</i> to Armour on 11 December 2012, with current expiry date of 10 December 2017: see Titles Report for EP 174 at <b>Attachment D</b>. An application for suspension of work program commitments and extension of term, under section 28 of the <i>Petroleum Act</i>, is currently under assessment. This title will stay on foot until the assessment is completed. If the suspension and extension is approved, the expiry date for EP174 will be 10 December 2019. EP174 covers part of the landward portion of LC 185: see map at <b>Attachment C</b>.</p> <p>h. Armour applied for EP(A)173, situated over the Garawa Aboriginal Land Trust, on 24 December 2009 (see Title Report for EP(A) 173 at <b>Attachment E</b>). On 28 May 2010, Consent to Negotiate (CTN) under the <i>Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA)</i> was issued to Armour by the delegate of the NT Mining Minister pursuant to section 13 of the <i>Petroleum Act</i>.</p> <p>i. The CTN period has been extended five times by mutual consent between the Northern Land Council (on behalf of the Traditional Owners) and Armour under section 42(13)(c) of the ALRA. The current CTN period is due to end 31 October 2018. This application overlaps the south western corner of the claim area (see map at <b>Attachment C</b>).</p> <p><u>Seven Emu Region LC 186</u></p> <p>j. Petroleum Exploration Permit EP190 was granted under the provisions of the <i>Native Title Act</i> to Armour on 11 December 2012, with current expiry date of 10 December 2017 (see Titles Report at <b>Attachment B</b>). An application for suspension of work program commitments and extension of term, under section 28 of the <i>Petroleum Act</i>, is currently under assessment. This title will stay on foot until the assessment is completed. If the suspension and extension is approved, the expiry date for EP190 will be 10 December 2019. EP 190 covers the entirety of LC 186 (see map at <b>Attachment C</b>).</p> <p><u>Wollogorang Area II LC 187</u></p> <p>k. Petroleum Exploration Permit EP190 was granted under the provisions of the <i>Native Title Act</i> to Armour on 11 December 2012, with current expiry date of 10 December 2017 (see Titles Report at <b>Attachment B</b>). An application for suspension of work program commitments and extension of term, under section 28 of the</p>
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*Petroleum Act*, is currently under assessment. This title will remain on foot until the assessment is completed. If the suspension and extension is approved, the expiry date for EP190 will be 10 December 2019. EP 190 covers the entirety of LC 187 (see map at Attachment C).

**Access Negotiations**

- i. It is the NT's position that in respect of petroleum interests under a law of the Northern Territory:
  - (i) an exploration permit for petroleum is an exploration licence as defined in ALRA ;
  - (ii) a retention licence for petroleum is an exploration retention licence as defined in the ALRA;
  - (iii) a production licence for petroleum is a mining interest as defined in ALRA;
  - (iv) neither renewal of an existing mining interest nor granting of an exploration retention licence requires compliance with Part IV of the ALRA; and
  - (v) granting of an exploration licence or a mining interest requires compliance with Part IV of ALRA;
  - (vi) in respect of pipeline interests under a law of the Northern Territory, neither a pipeline permit nor a pipeline licence is an exploration licence, exploration retention licence or mining interest as defined in ALRA;
  - (vii) a person who holds a pipeline licence under s15 of the Energy Pipelines Act (NT) (pipeline licence) cannot exercise their rights under the pipeline licence if they interfere with those of an underlying landowner or interest holder, meaning that a licence holder will often need landowner/interest holder consent or an interest in the underlying land such as an easement, lease or licence in addition to a pipeline licence ;
  - (viii) seas adjacent to Aboriginal land can be 'closed' under the *Aboriginal Land Act* (NT) such that entry to those seas would require a permit from the relevant Land Council.
- m. Petroleum interest holders may need to use the claim area to access or transport a petroleum resource, petroleum infrastructure or to conduct environmental studies, including sampling and geophysical surveys. The effect of the grant of Aboriginal land on those interest holders would depend on how the interest was categorised under the ALRA (e.g. as an exploration licence, exploration retention licence, or mining interest as discussed above).
- n. Before grant of a petroleum exploration permit, the DPIR must have evidence that the applicant and either the registered native title parties or the traditional owners of any ALRA land, (whichever is applicable) have reached formal agreement between them.
- o. The DPIR is not privy to the content of these agreements, but understands that they can deal with environmental and cultural matters and how activities are conducted. This could include activities like construction of roads and tracks, creek crossings, development of processing facilities and gathering pipelines, transport a petroleum resource via pipeline or to conduct environmental studies, including sampling and geophysical surveys.
- p. A process to renew an exploration licence or obtain a mining interest will require compliance with Part IV of ALRA.

		<p>q. Where seas adjacent to Aboriginal land have been closed under the <i>Aboriginal Land Act</i> (NT), interest holders may need to obtain permits to access those areas.</p> <p>r. The requirement to obtain Traditional Owner consents to the grant of mining interests over Aboriginal Land in the region imposes additional processes for relevant approvals. In addition to the above, a separate process for approval under the <i>Native Title Act</i> (Cth) would apply to those areas for grant beyond any ALRA grant areas. These processes provide for differing timeframes, costs and grant conditions which may lead to the applicants removing the Aboriginal land grant areas from the proposed application areas. The Applicant may then wish to pursue a new application over those areas which would result in greater administrative burden and cost to the applicant/s.</p> <p><b><u>Environmental Regulation</u></b></p> <p>s. The <i>Petroleum Act</i> requires that the holder of a granted EP must carry out works in such a way as to cause as little disturbance to the environment as practicable. Additionally, exploration activity is subject to the requirements of the <i>Petroleum (Environment) Regulations</i> (PER), the object of which is to ensure that regulated activities are carried out in a manner:</p> <ul style="list-style-type: none"> <li>(a) consistent with the principles of ecologically sustainable development</li> <li>(b) by which the environmental impacts and environmental risks of the activities will be reduced to a level that is: <ul style="list-style-type: none"> <li>(i) as low as reasonably practicable; and</li> <li>(ii) acceptable.</li> </ul> </li> </ul> <p>t. All exploration activities must have an environment management plan approved under the PER before activity can be undertaken. For those reasons, DPIR does not generally approve drilling programs within 100 metres of a river or inland water body.</p> <p><b><u>Petroleum Exploration and Development Activities</u></b></p> <p>u. Among other things petroleum activities consist of construction of roads, tracks, camps, drilling pads, creek crossings and the conduct of ground geophysical surveys, airborne surveys, drilling, environmental and geological studies, including sampling. If substantial hydrocarbons are discovered, field development will comprise of processing facilities (including an office block and camp facilities), gathering pipelines, a petroleum resource transport pipeline and compressor stations. While there may be opportunities to connect to the Amadeus Pipeline (via the McArthur River Gas Pipeline) or the (under construction) Northern Gas Pipeline a company would look at all development options to select the most viable, which could include to an offshore facility like a Floating LNG processing facility or a condensate export facility.</p> <p>v. The petroleum industry is an important part of the Northern Territory economy. The development of Northern Territory petroleum assets gives rise to significant infrastructure expenditure and long-term employment.</p>
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		<p>w. In relation to the Claim Areas and surrounds, there is no certainty that a future access agreement would be reached for other petroleum activities in which case undertaking activities on granted titles that may require access to or through the claim areas cannot be relied on.</p> <p>x. Failure to reach agreement poses a strong risk that proposed patterns of land usage associated with petroleum exploration and production could be detrimentally impacted if access is withdrawn or restricted.</p> <p>y. Even if an agreement can be reached, it would likely create additional costs to petroleum explorers.</p> <p><b>Part 2.2 Geological Survey</b></p> <p><b>Claim Areas</b></p> <p>z. LAND CLAIM No. 185 covers the bed and banks of the Robinson River upstream from the mouth of the said river and for so far as the river is adjacent to both the eastern boundary of Northern Territory Portion 811 and the western boundary of Northern Territory Portion 1351, that is from the mouth of the river to where it meets the northern boundary of Northern Territory Portion 3975.</p> <p>aa. LAND CLAIM No. 186 covers the bed and banks of the Calvert River upstream from the mouth of the said river and for so far it is adjacent to the south-eastern boundary of the of Northern Territory Portion 1351.</p> <p>bb. LAND CLAIM No. 187 covers the land between the high watermark and the low water mark from where the eastern bank of the Robinson River meets the seacoast to the Queensland border.</p> <p><b>Detriment</b></p> <p>cc. The geology surrounding these Land Claim areas is considered highly prospective and under explored for a range of mineral and petroleum commodities. It is possible that grant of title may cause detriment to potential future transport of commodities along or across the identified watercourses.</p> <p><b>2.3 Minerals tenure in claim areas</b></p> <p>dd. The mining industry is an important contributor to the Northern Territory economy. The development of Northern Territory mineral assets gives rise to significant infrastructure expenditure and long-term employment.</p> <p>ee. Current granted minerals tenures comprising Explorations Licences falling within LC 186 and 187 as listed on <b>Attachment F</b> being spreadsheet of mining tenures within these claim and as depicted on <b>Attachment G</b>, being map of minerals tenure within LCs 186, 187. There are no existing minerals tenures in respect of LC 185.</p> <p>ff. Exploration Licences ('ELs') allow the holders of this type of title to conduct exploration activities in connection with minerals, including occupying the title area, drilling, trenches, holes, sinking bores and tunnels, extracting and removing samples of ore and other substances in amounts reasonably necessary for evaluation from the title area.</p>
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		<p>gg. ELs may be granted for a term not exceeding 6 years. Prior to expiry of the term of an EL, the licensee may apply to the Minister for the renewal of the EL for a term not exceeding 2 years. An EL may be renewed more than once.</p> <p>hh. An EL application gives no access rights to applicants. If the claim areas are granted as Aboriginal land, future EL applicants would have to comply with the processes in Part IV ALRA for access to conduct exploration activities. Part IV ALRA processes would also apply subsequently when applying for a Mineral Lease. The requirement to obtain Traditional owner consents to the grant of mining interests over Aboriginal land in the region imposes additional processes for relevant approvals.</p> <p>ii. In addition to the above, a separate process for approval under the <i>Native Title Act (Cth)</i> would apply to those areas for grant beyond any ALRA grant areas. These processes provide for differing timeframes, costs and grant conditions which may lead to applicants removing the Aboriginal land grant areas from the proposed application areas. The Applicant may then wish to pursue a new application over those areas which would result in greater administrative burden and cost to the applicants.</p> <p>jj. With respect to granted EL/s within the claim area as noted on <b>Attachments F</b> and depicted on <b>Attachment G</b>, if the claim area is granted as Aboriginal land and the tenement holders apply for a mineral lease, the processes in Part IV ALRA would apply including traditional owner consent under s46 ALRA. The requirement to obtain traditional owner consent to the grant of a mineral lease over Aboriginal land imposes additional processes for relevant approvals that did not apply when the EL holders applied for and were granted their ELs.</p> <p>kk. Further, any other future mineral title applicants would have to comply with the processes in Part IV of the ALRA.</p>
2.	<p>Olney J in Report No. 66, found that there were no roads over which the public has a right of way within claim areas: refer report No. 66, at paragraph 121.</p>	<p>The Department of Infrastructure, Planning and Logistics (DIPL) was established by the NT Government on 12 September 2016. The government created the Department to bring together many of the key functions that drive land use, infrastructure and transport. These include the development, planning, construction and maintenance of government infrastructure and roads, and transport safety, policy, strategy and compliance. DIPL has advised as follows.</p> <p><b>Part 1: Road Network</b></p> <p><u>Roads within or adjacent to the claim areas and detriment concerns arising</u></p> <p>a. The Seven Emu Property Access Road (Rims id 142) starts from Manangoora Road Intersection to Seven Emu Station and is approximately 24.50km in length with a nominal 100m width road reserve and crosses the Robinson River bed (LC 185). The road reserve terminates 0.2km from river. The NT Government Road Authority manages the road to this point: Refer google map depicting Seven Emu Property access and Greenbank roads marked as <b>Attachment H</b>. Refer also to ILIS map depicting Seven Emu property access road in conjunction with LC 185 claim area attached as <b>Attachment I</b> regarding which road corridor is Seven Emu property access and which one is Greenbank Road.</p>

		<ul style="list-style-type: none"> <li>b. The Seven Emu Property Access Road through Seven Emu Station is a single user pastoral track/road (i.e. for the pastoral lessee) managed by the Seven Emu Pastoral Lessee to Calvert River. The road through Seven Emu is unsealed comprising 17.5kms gravelled and 7kms dirt.</li> <li>c. Historical information predating 1990 is not accessible. The Seven Emu Property Access road from where it crosses the bed of the Robinson River Road was in existence in 1991 when it was depicted in the survey for NT Portion 3975 held by the Garawa Aboriginal Land Trust resulting from the Garawa/Mugularrangu (Robinson River) Land Claim No.65 (Report No.63). Refer Survey Plan - S91/151A-H marked as <b>Attachment J</b>.</li> <li>d. In the event that a grant of the claim area in LC 185 resulted in restrictions (including by requirement for permit and/or imposition of fees for access) or denial of access to Seven Emu Property access road through the claim area by the lessee and their invitees, then detriment would result to the Seven Emu Station lessees and other users of the leased land requiring road access via Seven Emu Property access road. An access and use agreement of the road through the claimed land would be required under either s11A or s67B ALRA prior to the grant of the claimed land or subsequently pursuant to any terms negotiated pursuant to s19 ALRA post grant to a Land Trust.</li> <li>e. Greenbank Road (Rims Id 117) starts from Seven Emu Road Intersection to Greenbank Station (NT Portion 811) and measures a total 5.41km in length. It is of variable width and traverses part of Greenbank Station for approximately 1.6km. This road is managed by NT Government Road Authority outside of Greenbank Station. It is depicted on map at Attachment H.</li> <li>f. Road maintenance and expenditure information for Greenbank Road cannot be located for years prior to 1990. The asset history expenditure reports (known as RIMS) that commence from 1990 onwards include detail of expenditure on the Greenbank Road from intersection with Seven Emu Road (boundary of NT Portion 3975 and NTP 811) with the earliest transaction recorded as May 1993 – flood damage and September 1993 – full formation grade: refer <b>Attachment K</b> being RIMS report for Greenbank Road 1990-2017, especially at page marked page 2 (refer numbering at top of page).</li> <li>g. The Greenbank and Seven Emu roads were excluded from the NT Portion 3975 (located to the south of NT Portion 811) being an ALRA freehold grant made to the Garawa Aboriginal Land Trust as a result of the report and recommendation of the former Commissioner Olney in respect of Land Claim No. 65, Report No.33 as depicted in survey plans S91/151 A-H (refer Attachment J and as shown on the ILIS map at Attachment I). Survey Plan S91/151A, B and G relate specifically to Seven Emu and Greenbank intersection and the extent of the roads within NT Portion 3975. A road reserve of 100metre wide would be required to this portion of the road corridor to be consistent with and as a continuation of the existing road reserves on NT Portion 3975 to ensure consistent operation, maintenance and control of public access in the region.</li> <li>h. The component of the Greenbank Road that traverses Greenbank Station is managed by the Pastoral Lessee and ends on Greenbank Station at the western bank of the Robinson River to the outstation at Crabhole (ID 24901). The track continues north parallel to the river bank.</li> </ul>
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		<p>i. Users of the road may seek to access the claimed land given the proximity of the road to the river. Detriment is likely to result to the pastoral lessee and their invitees and other road users in the event that access to the Robinson River is restricted (including by requirement for permit and/or imposition of fees) or denied.</p> <p><b>Part 2: Other interests</b></p> <p>j. There are no other detriment concerns arising on the part of the DIPL.</p>
3.	<p>Department of Infrastructure Planning and Environment:</p> <p>“Michael Butler, on behalf of the Northern Territory Department of Infrastructure, Planning and Environment submitted that the claim area was an important wildlife habitat for various species of birds including Pied Cormorants, Little Terns and egret species. Mr Butler submitted that within the claim area there were also 11 species of bird which have conservation listing under various protection agreements. Further, Mr Butler stated that the claim area or adjacent to was a significant habitat for populations of the northern brush tail possum, northern brown bandicoot and the lizard <i>Ctenontus Nuchallis</i>. Further, he submitted that the claim area included sea grass beds that supported significant numbers of dugong and that sea turtles bred within the claim area.</p> <p>The Parks and Wildlife Commission of the Northern Territory submitted</p>	<p>Department of Tourism and Culture (DTC) was established by the NT Government on 12 September 2016. It is comprised of an amalgamation of the previous Departments of Sport and Recreation, Arts and Museum, Parks and Wildlife, and Tourism NT as well as the Heritage Division.</p> <p>a. The NT’s rivers and coastal areas are of vital importance in attracting tourists (including recreational fishers) to visit the Top End, with tours and visits to these areas being highly sought after experiences. The Land Claim Areas are attractive to recreational fishing and camping visitors, as well as to Fishing Tourism Operators operating from bases in Darwin, King Ash Bay or Queensland. If the land claim area becomes inaccessible or access is restricted to visitors there may be an impact to the regional tourism economy of Katherine.</p> <p>b. The Katherine region (which includes the Land Claim Areas) attracted 346,000 interstate and international visitors in 2017, with a visitor expenditure of \$186 million. Fishing remains a key attraction for visitors to the Katherine region, including the Land Claim Areas. Specific data on the number of fishing visitors to the Land Claim Areas is not available, however, an average of 19% (Dec 2015 – Dec 17) of holiday visitors to the Katherine Daly region went fishing during their trip.</p> <p>c. The Savannah Way Four Wheel Drive (4WD) touring route goes across three states from Queensland, through the Northern Territory, to Western Australia. This touring route travels along the Wollogorang Road, past Wollogorang and Seven Emu Stations inland of the Land Claim Areas. The Savannah Way is marketed as Australia’s Adventure Drive crossing from Cairns to Katherine to Broome with a dedicated web page at <a href="http://www.savannahway.com.au">www.savannahway.com.au</a>.</p> <p>d. As the Savannah Way is a self-drive remote touring route there is limited visitor data available as to how many visitors take this drive each year. Data is available for a portion of the Savannah Way within the vicinity of the Land Claim Areas, with traffic report data for the Wollogorang Road (5km East of the Robinson River) detailing that 10,220 vehicles (averaged from daily counts) accessed the road in 2014 (DIPL, 2016 Annual Traffic Report).</p> <p>e. Limitations on access to the coastal areas and rivers along the Savannah Way could cause detriment in reducing visitation to the regional camping areas and fishing facilities (such as King Ash Bay), as well as having a flow on effect to the regional towns of Mataranka and Katherine if visitors choose to take the alternative route through Top Springs and Timber Creek.</p>

<p>concerns in relation to a grant of title to the claim area affecting their ongoing management and protection of flora and fauna in the region.” Quote per ALC letter to SFNT dated 22 March 2018 at p. 2, fifth and sixth paragraphs: refer also Seven Emu report no. 66, at paragraphs 118-120.</p> <p>ALSO</p> <p>“Ms Claire George, on behalf of the Northern Territory Tourist Commission, submitted a statement outlining how a grant of title to the claim area may cause detriment to the tourism industry in the region, particularly fishing tourism. She provided evidence in relation to the number of interstate and international visitors to the region and in regards to how many of those visitors travelled to the region for fishing.”: quote from ALC letter to SFNT dated 22.03.18, at p.2, fourth paragraph: refer also Seven Emu report no. 66, at paragraphs 116-117.</p>	<p>f. The Gulf of Carpentaria (including the Land Claim Areas) is visited by recreation fishing and boating visitors who access the area:</p> <ul style="list-style-type: none"> <li>i. by launching a vessel from the facilities at nearby King Ash Bay or McArthur River;</li> <li>ii. on a fishing (tourist) charter basis from areas within the Northern Territory or Queensland;</li> <li>iii. Four-Wheel Drive visitors travelling along the Savannah Way and launching their boats into the Robinson River or the Wearyan River and travelling through to the Gulf Of Carpentaria.</li> </ul> <p>g. The region in the vicinity of the Land Claim Areas includes two camping areas where visitors are known to camp and then launch their boats to fish in the Robinson River (LC 185) and through along the intertidal zones of the Gulf of Carpentaria (LC 185, 186 and 187). Manangoora includes bush camping sites, primarily visited by four-wheel drive tourists along the Savannah Way who can make their way up along the Wearyan river into the Gulf of Carpentaria and into the Land Claim Areas (LC 186 and 187). Seven Emu Station is a tourism operation with campsites (including toilets) located directly along the edge of the Robinson River (LC 185).</p> <p>h. The Calvert and Robinson Rivers and coastal inter-tidal zones within the Land Claim Areas have value from a tourism perspective, with the rivers and inter-tidal zones being utilised by recreational fishing, boating and camping visitors and fishing tour operators. Self-drive tourists have access to camping at Manangoora Station and Seven Emu Station. It is understood that the Claim areas are used by commercial fishers, some who are also fishing tourism operators, so it is recommended that the detriment to commercial fishing operations is considered from a NT Fisheries perspective.</p> <p>i. A list of tourism operators are included below. The below list is not exhaustive.</p> <p>McArthur River Fishing Tours: Greg &amp; Di Quayle  Black Rock Landing Batten Road King Ash Bay  NT 0854 Ph: 08 8975 9507 Mobile: 0429 351 722</p> <p>NT Coastal Fishing Charters: Ashley Garner  Ph: 08 8975 8790 Mobile: 0448 804 855  Email: <a href="mailto:kingashbaylodge@outlook.com">kingashbaylodge@outlook.com</a></p> <p>Borrooloola Fishing - J &amp; A Charters &amp; Tours: Jeffery &amp; Anita Rehberg  194 Robinson Road  Borrooloola</p>
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4.	N/A	<p>a. Department of Environment and Natural Resources (DENR) was established by the NT Government on 12 September 2016. It comprises many of the key functions arising in relation to protection of the environment and natural resources of the NT including water, land resource and environmental issues. The DENR has divisions comprising Flora and Fauna, Rangelands, Weed management, Bushfires NT, Water Resources, Water data portal and Environment.</p> <p>b. DENR advise as follows:</p> <ul style="list-style-type: none"> <li>a. NTP 811 - Greenbank Station, Pastoral Lease No. 684 held by John Henry Keighran;</li> <li>b. NTP 1351 - Seven Emu Station, Perpetual Pastoral Lease No. 12/5 (Francis Thomas Shadforth);</li> <li>c. NTP 674 - Wollogorang Station, Perpetual Pastoral Lease No. 11.13, (Pardoo Beef Company Pty Ltd); and</li> <li>d. NTP 1352 - Pungalina Station, Pastoral Lease No. 774 (Australian Wildlife Conservancy).</li> </ul> <p><b>Part 1: Rangelands: Pastoral Activity</b></p> <p>c. The Objects of the <i>Pastoral Land Act</i> (NT) require a pastoral lessee to prevent or minimise degradation of or other damage to the land and its native flora and fauna. To meet these requirements, the lessee must control feral animals and weeds including those on the beds and banks of any waterways as there are often high weed incursions within those waterways. Access must be allowed in order to control any incursions and prevent widespread weed problems throughout the lease and any neighbouring land.</p> <p>d. The lessee's, their staff and visitors, may access the waterways, including the beds and banks of the rivers/coastline for camping and fishing and other recreational purposes. This is common practice under the <i>Pastoral Land Act</i>. Section 79 PLA provides the general public also has the right to access waterways.</p>

		<p>e. Future diversification activities may require the use of the bed and banks of the river/coastline and any restrictions imposed on accessing this area may impede on the pastoralists future to generate an alternative source of income. Such uses may be tourism, fishing tours, agriculture (taking water from the river for irrigation) etc.</p> <p>f. The non-pastoral use provisions under the Pastoral Land Act (NT) have operated since 1992 and non-pastoral activities contribute economic returns to the NT economy.</p> <p>g. The lessee has the right to graze and water cattle on his land adjoining waterways pursuant to the Water Act (NT). The lessee may take water for domestic purposes, drinking water for grazing stock on the land and may wish to install pipes or pumps in the claim area for accessing the water supply in the future. Under the Water Act (section 13) the owner or occupier of land immediately adjacent to the banks of a waterway has the right to access, for the owner or occupier or the owner or occupier's family and employees, or their stock, to and over those banks.</p> <p><u>Greenbank Station Detriment</u></p> <p>h. The pastoral lessee would have its cattle grazing in the riverbank areas: the lessee could not prevent cattle from grazing in these areas. Station employees enter the riverbanks (where exposed at low tide) on horseback and in motor vehicles to recover cattle from along river banks.</p> <p>i. At the time of the hearing of LC 186, 187 and part LC 185, Mr Keighran contacted the former Commissioner Olney before commencement of the inquiry to ask he take into account the evidence he had given in the Garrwa (Wearyan and Robinson River) Land Claims No.178. Mr Keighran also gave evidence in the McArthur River Region Land Claim given the intertidal zone adjacent to Greenbank Station as claimed was dealt with in that inquiry. His main concern as expressed in his earlier evidence is that a grant of title, in this case to the beds and banks of Robinson river which borders his property, could affect his present right of access to the waters of the river and restrict use of the river by tourist operators and others who access through Greenbank Station: refer report no. 66 at paragraphs 99-100.</p> <p>j. In November 2015, Mr Keighran and his family were part of the native title holding group recognised to hold exclusive native title over Greenbank Station under s47 <i>Native Title Act</i> (Cth). Mr Keighran and his family are likely to have traditional interests in the claim area given its proximity to the Greenbank native title determination and may no longer hold the concerns previously expressed during the original land claim inquiry. If this is the case, then any use of the claimed portion of the river for pastoral, tourism, domestic or other purposes by Mr Keighran and his family is unlikely to be objected to by the other traditional owners and limited or no detriment is likely to result. If however some other members of the traditional owner group have ownership of the claimed portion of the Robinson River with the result that restriction (including imposition of access fee) is imposed or access is denied, then detriment will result.</p> <p>k. If however, the pastoral lease over Greenbank Station was sold to a party not affiliated with the traditional owners and any restrictions or denial of access to the Robinson River were imposed it could impact proposed patterns of land usage in the claim region.</p>
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Seven Emu Station

- i. Mr Francis Thomas Shadforth is the holder of Perpetual Pastoral Lease (PPL) No. 1215 over Seven Emu Station.
- m. Mr Shadforth is an Aboriginal man with traditional interests in the claim region and/or claim area. At the time of the hearing of the Garrwa (Wearyan and Robinson Rivers) Land Claim No. 178 Seven Emu Station was the subject of Pastoral lease No. 773. This was surrendered and PPL 1215 issued in its place in 2014.
- n. During the LC 178 hearing before the former Commissioner Olney, on 7 August 2002 Mr Shadforth wrote to advise that he did not support LC 64 as it would affect his pastoral business and would agree to access by other Aboriginal persons subject to prior notice: refer report no. 64 of former Commissioner Olney at paragraphs 60-66. A similar statement was also presented in the Seven Emu Region LC 186 inquiry: Mr Shadforth wrote to Commissioner Olney by letter dated 23 August 2002. In response to Mr Shadforth's request pursuant to this letter, Mr Shadforth was removed as a claimant from this land claim: refer report no. 66 of Commissioner Olney at paragraphs 96-98.
- o. In November 2015, Mr Shadforth and his family were part of the native title holding group recognised to hold exclusive native title over Seven Emu Station under s47 *Native Title Act* (Cth). Mr Shadforth and his family are likely to have traditional interests in the claim area given its proximity to the Seven Emu native title determination and may no longer hold the concerns previously expressed during the original land claim inquiries for LC 64 and LC 187/186/185. If this is the case, then any use of the claimed portion of the river for pastoral, tourism, domestic or other purposes by Mr Shadforth and his family is unlikely to be objected to by the other traditional owners and limited or no detriment is likely to result. If however some other members of the traditional owner group have ownership of the claimed portion of the Robinson River with the result that restriction (including imposition of access fee) is imposed or access is denied, then detriment will result.
- p. If however, the pastoral lease over Seven Emu Station was sold to a party not affiliated with the traditional owners and any restrictions or denial of access to the Robinson River were imposed it could impact proposed patterns of land usage in the claim region
- q. Between 150 and 200 cars visit the station annually for fishing access. The lessee charges \$50 per vehicle per night which provides an income for the property. The lessee of Seven Emu pastoral lease is currently renewing the non-pastoral use permit for tourism purposes following introduction of a new permit system under the *Pastoral Land Act* (NT) (PLA). This system relates to 2014 amendments to the PLA that increased the term of the existing non-pastoral use permits from 5 years to 30 years with the ability to register these interests on the pastoral lease on the Lands Register to enable transfer with the lease in the event of sale or change of ownership. Tourism operations are still being undertaken. Included are tours along Australia's most remote and lonely beach so remote it has never been named. Camp spots are located along Robinson River and Shark Creek giving access to prime fishing spots.
- r. In a landmark partnership between an Aboriginal landholder and a not-for-profit conservation organisation, Frank Shadforth from Seven Emu Station has partnered with his neighbour, the Australian Wildlife Conservancy, to create the first private nature reserve in the Gulf of Carpentaria. The Pungalina-Seven Emu

		<p>Wildlife Sanctuary comprises an unbroken stretch of 306,000 hectares from the sandstone uplands to the coastal waters of the Gulf.</p> <p>s. The Sanctuary protects some of the highest-priority ecological habitats in Australia while delivering significant socio-economic benefits for Indigenous communities.</p> <p><b>Part 2: Water Resources, Environment and Flora and Fauna</b></p> <p>t. The Water Resources, Environment and Flora and Fauna units of DENR have no relevant interest or information in relation to area the subject of these land claims.</p>
5.	N/A	<p>The Department of Trade and Business Innovation (DTBI) advise:</p> <p>a. That it has no assets, infrastructure, or activities in the claim area.</p> <p>b. Has no assets, infrastructure or activities in the claim areas;</p> <p>c. Recommends that any agreement should include parameters which assist in promoting Indigenous business and economic development in the Northern Territory; and</p> <p>d. Concurs with the previously lodged detriment issues that public waters in the Gulf region by commercial and recreational fishing, commercial viability of the adjoining pastoral properties and wildlife habitats located in the areas may be affected.</p>
<p><b>CONCLUSION:</b></p> <p>We adopt the words of the former Aboriginal Land Commissioner, the Honourable Justice HW Olney at paragraph 91 of Report No. 65, to note that the above submissions “do not raise any issue that is unique to the present claim... [as these] matters have been canvassed in” previous claims involving tidal rivers. The issues therein referred to relate to those as discussed in his earlier land claim reports involving intertidal zone and/or beds and bank areas of rivers such as in Report numbers 61, 62, and 63.</p> <p>We confirm and rely on the Submissions of Northern Territory of Australia as to Propose Approach of Aboriginal Land Commissioner to detriment matters arising after a land claim lodged with the Office of Aboriginal Land Commissioner dated 16 May 2018 lodged in respect of the various land claim groupings of claims heard but not yet finalised the subject of the detriment review.</p> <p>Consistent with previous detriment review tables provided by this Office in relation to the detriment review for groupings 1, 2, and 3, it is the submission of the Northern Territory that the comment function of the Commissioner under section 50 (3) (b) and (c) ALRA requires, where appropriate, the Commissioner to take a broad view that the effect of acceding to a claim may have. As noted above at p.10, item 1, Part 1, third column, paragraph (mm)-(pp), we adopt and endorse the comment of the former Commissioner Olney J in Report No. 62 regarding the McArthur River Region Land Claim No. 184 at paragraph 169 and at paragraph 112 of the Commissioner’s report No. 65 regarding the Lower Roper River Land Claim No. 70 and go further.</p> <p>Your Honour observed in discussion in Legune Area LC 188 and Gregory NP/ Victoria River LC 167 (transcript of land claim call over on 22.01.17 at p. 8.22-27) that “...it’s not just enough to say, well, we won’t be able to get water from the river. It’s a question of whether there’s any other water or anywhere else, or whether there’s other</p>		

means of access, or whether there's difficulties which are being experienced..." By parity of reasoning it is not enough to say (indeed it is a nonsense to say) that recommending a grant that if acceded to would prevent entry on or fishing of these (claimed) waters is of no consequence because there are other waters that might be fished or entered on when it is known that every area of water that is presented as an alternative is claimed or recommended for grant. The evidence regarding cumulative detriment presented in the inquiry for the Fitzmaurice River Region Land Claim 189 and Legune Area Land Claim No. 188/167 of Mr Sarib (exhibit NT7 LC 189; NT18 in LC 188/167) and Mr Ian Curnow (Exhibit NT9 in LC 189 being exhibit NT19 in LC 188: see also exhibit NT explain this issue). Thus as one by one Claims are heard and recommended there is a cumulative effect such that the throw away idea that people can fish or otherwise access and/or enjoy the waterways somewhere else becomes unrealistic.

The detriment is not just one more River or intertidal zone area. The pattern of land usage ceases to be achievable. Unless the Minister is assisted by a comment that recognises this reality he or she cannot understand the global effect of acceding to each claim. It may be that the Minister may wish to accede to a Claim regardless of the detriment or effect on existing or proposed patterns of land use but he or she needs to know where this is heading. Thus we submit cumulative detriment is a valid and proper matter for comment.

Finally, we note that the Northern Territory may seek leave to provide further detriment submissions where required arising from any detriment submissions provided by other parties the subject of this detriment review.

#### **ATTACHMENTS TO TABLE**

**Attachment A:** Armour's ASX Quarterly Activities Report

**Attachment B:** Title Report for EP190

**Attachment C:** Map depicting land claims and location of petroleum tenures and applications

**Attachment D:** Title Report for EP 174

**Attachment E:** Title Report for EP(A) 173

**Attachment F:** spreadsheet of mining tenures within these claim

**Attachment G:** map of minerals tenure within LCs 186, 187

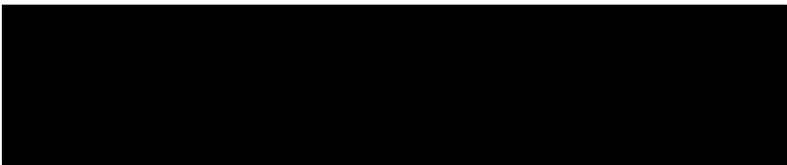
**Attachment H:** Google map depicting Seven Emu Property access and Greenbank roads (refer map below at Attachment I regarding which road is which)

**Attachment I:** ILIS map depicting Seven Emu property access road and Greenbank road in conjunction with LC 185

**Attachment J:** Survey Plan - S91/151A-H

**Attachment K:** RIMS report for Greenbank Road 1990-2017 (total of 10 pages)

**The Above (based on information received from instructing NT Government Agencies compiled by the Department of Infrastructure Planning and Logistics) was prepared by:**



**Kalliopi (Poppi) Gatis  
Senior Lawyer  
Solicitor for the Northern Territory  
Department of Attorney General and Justice  
Floor 1 Old Admiralty Towers  
68 The Esplanade, Darwin  
GPO Box 1722, Darwin NT 0801**

**Date: 4 June 2018**

# QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2013

**ASX CODE: AJQ**

**SHARES ON ISSUE**  
300,767,196

**LISTED OPTIONS**  
57.7 million

**MARKET CAPITALISATION**  
\$54m (at AUD\$0.18)

**DIRECTORS**

Nicholas Mather (Chairman)  
William Stubbs  
Roland Sleeman  
Stephen Bizzell  
Jeremy Barlow

**CHIEF EXECUTIVE**  
Robbert de Weijer

**COMPANY SECRETARY**  
Karl Schlobohm

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Brisbane QLD 4001

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## HIGHLIGHTS

- First successful application of multi-stage, hydraulically stimulated, horizontal well technology in the Australian shale gas industry as the Egilabria 2 DW1 lateral well in Queensland commences continuous gas flows.
- Oil and gas discovery at the Lamont Pass 3 well in the Northern Territory, where oil bearing Barney Creek Shale was intersected from 260 metres to 780 metres. The discovery was reported to the Northern Territory Government in accordance with the Northern Territory Petroleum Act, 1994.
- Grant of EP191 and EP192 in the Northern Territory increases Armour Energy's granted tenement footprint in the Northern Territory by 86%.
- Revised assessment of unconventional Mean Prospective Resources in the Northern Territory following successful 2013 exploration.
- Exercise of Farm-in Rights for Lakes Oil NL's PRL2 in the on-shore Gippsland Basin, Victoria.



## PROJECT AND EXPLORATION ACTIVITIES

### Queensland Exploration Activities

#### Egilabria 2 and Egilabria 2 DW1 Wells – Results to Date

As previously reported, the Egilabria 2 vertical well was spudded on 12 May 2013, and terminated and cased in mid-August at 2102 metres. The hydraulic stimulation of the E2 DW1 lateral well was undertaken during the period from 31 August to 13 September 2013. A total of eight stages were originally targeted and twelve zones were hydraulically stimulated. The majority of proppant was placed in the middle four stages covering the top 66 metres of the organic rich 137m thick Lawn Hill Shale. The historic 1991 Egilabria 1 well to the west recorded a 125 metre thick section of Lawn Hill Shale with highest gas noted (up to 8%) in this uppermost section. The Egilabria 2 well is located within the Company's 100% owned Queensland tenement ATP 1087, as indicated in **Figure 1**.

On 4 November 2013, Armour Energy reported that that initial gas flows to surface and a flare of at least 2 feet had been observed from the Egilabria 2 well following the finalisation of the drilling and hydraulic stimulation of the lateral section. Continuous gas flows were being observed in conjunction with flow back of fluids injected during the stimulation of the vertical well. At the time the well had flowed back 44% of stimulation fluids, which were continuing to flow at a rate of approximately 13 barrels per day in conjunction with initial volumes of gas (at open choke and zero (0) psi pressure observed at the surface separator). The gas flow rate was not measured, but a sustained flare of at least 2 feet was observed.

As reported to the market on 6 December 2013, the Company ceased flowback operations from Egilabria 2, collected water and gas samples from the well separator, and commenced a pressure build-up test which is expected to continue into early 2014. Armour recovered 45% of stimulation fluids injected into the well before shutting-in the well. Following the shut-in, the well continued to build up surface pressure, which is encouraging, and indicates that a connection to the reservoir was created through the hydraulic stimulation operations in the highly prospective Lawn Hill Shale.

When operations resume in Queensland in 2014 after the wet season, Armour will retrieve the downhole gauges measuring pressure data which will provide valuable reservoir information that the Company will use to progress its future development strategies and hydraulic stimulation designs in ATP 1087. The Company plans also to re-commence flow testing at Egilabria 2 using artificial lift techniques (e.g., siphon string installation, Nitrogen lifting) to clean up recoverable stimulation fluids towards obtaining an unencumbered gas flow rate.

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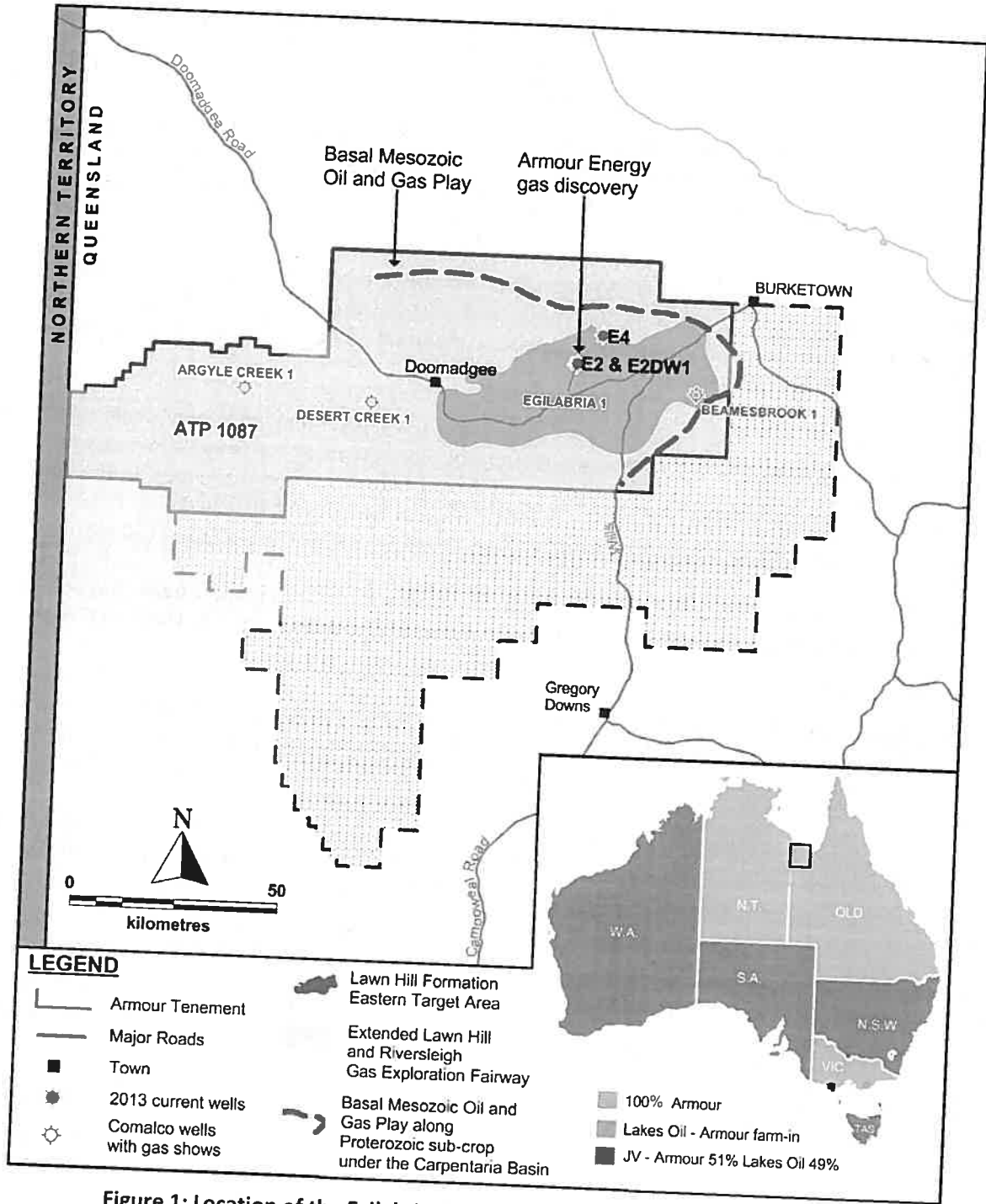


Figure 1: Location of the Egilabria 2 well site within ATP 1087, Queensland.

## Northern Territory Exploration Activities

### Armour Energy Granted EP191 and EP192 in Northern Territory

On 2 October 2013, the Company advised that it had been granted exploration tenements EP191 and EP192 over a combined area of 24,700km<sup>2</sup> (6.1 million acres) in the Northern Territory, as indicated by **Figure 2**. This increased the Company's granted Northern Territory tenement footprint by 86%.

The granting of EP191 and EP192 will allow Armour to extend its exploration program into the southern portion of the McArthur Basin and east towards the Isa Superbasin in ATP 1087, Queensland, where the Company's on-going exploration programs are targeting the Lawn Hill and Riversleigh Shale formations.

Ongoing studies and reviewed core hole data have identified additional shale source rock prospectivity in the Wollgorang and McDermott Formations of the Tawallah Group in the newly granted tenements. Live oil was reported within the McDermott Formation in the GSD7 well drilled by BHP in northern EP191 in 1995. The oil was described as coming from carbonate veining within evaporitic dolostone and dolomitic mudstone between 550 and 620 metres depth.

The recognition of hydrocarbon generation from these formations demonstrates the potential for deeper hydrocarbon accumulations below the Barney Creek Shale in EP171 and EP176, also held by Armour.

Additionally, Armour believes the Wollgorang and McDermott Formations are key exploration targets in EP's 174, 190, 191 and 192. These 100% owned Armour tenements contain a number of large surface expressed basins, synclines and anticlines based on regional magnetics.

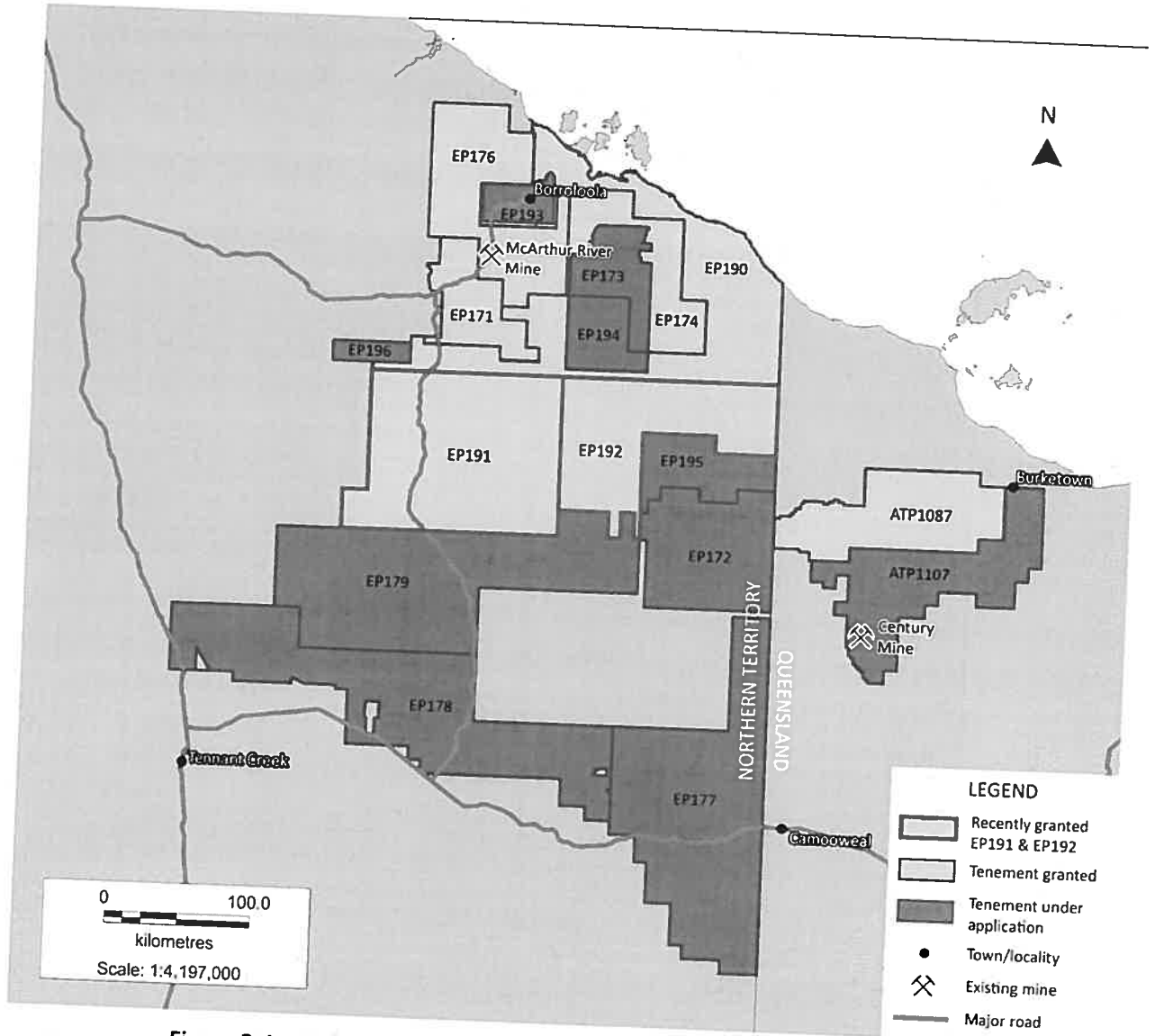
In 2014, the Company will commence a series of feasibility and regional studies that will examine the hydrocarbon potential of the Wollgorang and McDermott Formations to generate leads and prospects and to high-grade areas for enhanced geophysical survey acquisition.

### Lamont Pass 3 Vertical Well

On 5 October 2013 the Company spudded the Lamont Pass 3 well located 50km south of the Myrtle Sub-basin, and 25km north of the Glyde 1 (ST1) gas discovery made by Armour Energy in 2012 (**Figure 3**).

While drilling on air at 260 metres, the Company first noted gas and associated oil indications with minor fluorescence and hydrocarbon cut. Prior to setting casing at 304 meters, significant connection gases were reported, up to 25 times the background gas levels. Core drilling then proceeded through the Lower Lynott formation. Hydrocarbon cut and fluorescence continued to be observed between 391 and 534 metres with a number of core sections taken and preserved for further analysis.





**Figure 2: Location of Armour Energy tenements, Northern Territory.**

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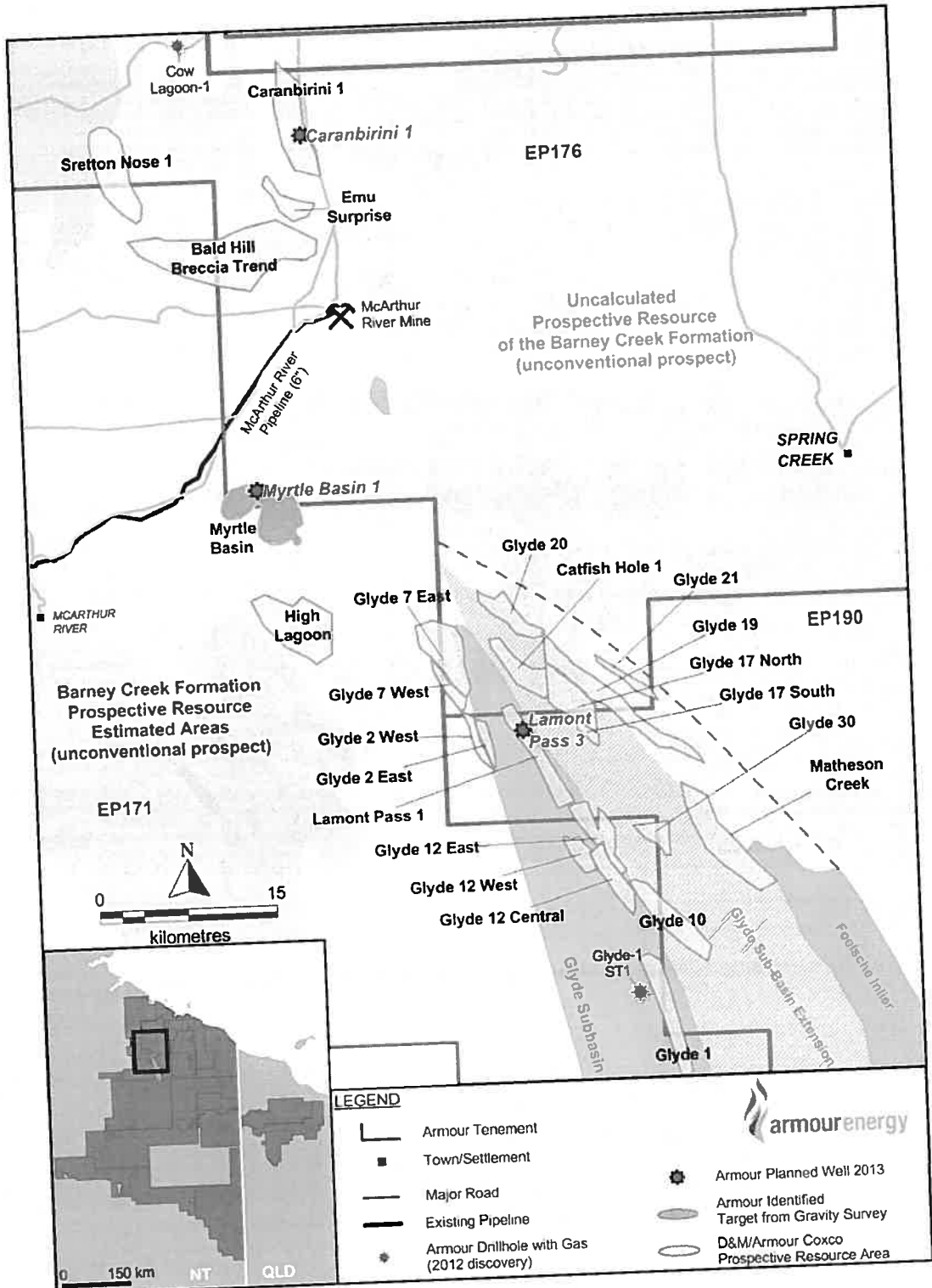


Figure 3: Myrtle Sub-basin and Glyde Sub-basin location map.

At a depth of 535 metres the well penetrated live oil in fractures and continued to encounter minor shows of background gas. Core samples of the oil zone were taken for further lab analysis.

On 13 November 2013, the Company reported that the Lamont Pass 3 well was at a depth of 922 metres progressing towards a planned total depth of approximately 1,200 metres. At that point the well continued to encounter bitumen, as well as blooming, milky and streaming oil cuts, and live oil in the Barney Creek Shale source rock. Chips from core samples placed into nipple dishes from various depths and treated with chlorethane (which draws out oil) clearly display the existence of hydrocarbons under florescence. Refer to **Figures 4 to 7** below.

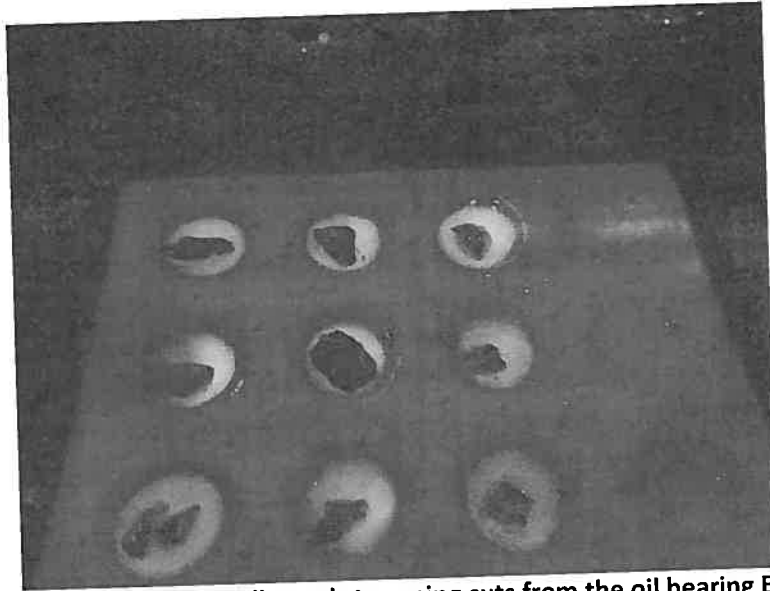
The well penetrated a continuous section of oil-bearing Barney Creek Shale from 260 meters to 780 meters. Core barrels with hydrocarbon odour were retrieved, connection and background gases were observed with associated live oil in fractures, interbedded dolomites and consistent oil cuts from the Barney Creek Shale source rock.

Parts of the Batten Trough and Glyde Sub-basin underlie EP 190 and the associated oil-bearing Barney Creek Shale source rock in addition to the recently identified Wologorang and McDermott Shale source rocks of the Tawallah Group that underlie EP 191 and EP 192. Refer location map at **Figure 2**.

On 6 December 2013, the Company reported that it had terminated the drilling of the Lamont Pass 3 well at a depth of 1275 metres, and had plugged and abandoned it in line with its defined exploration program. Due to the multiple oil shows observed throughout the Barney Creek Shale while drilling the well, the Company reported an oil and gas discovery to the Northern Territory Government for this interval in accordance with the NT Petroleum Act based on:

- (a) observing connection gases of up to 100 units by gas chromatography;
- (b) encountering 520m of oil bearing Barney Creek Shale substantiating liquids potential noted previously by MBA Petroleum Consultants; and
- (c) reaching a total depth of 1,275m collecting 970m of core samples to characterise the geology of the Glyde Sub-Basin.

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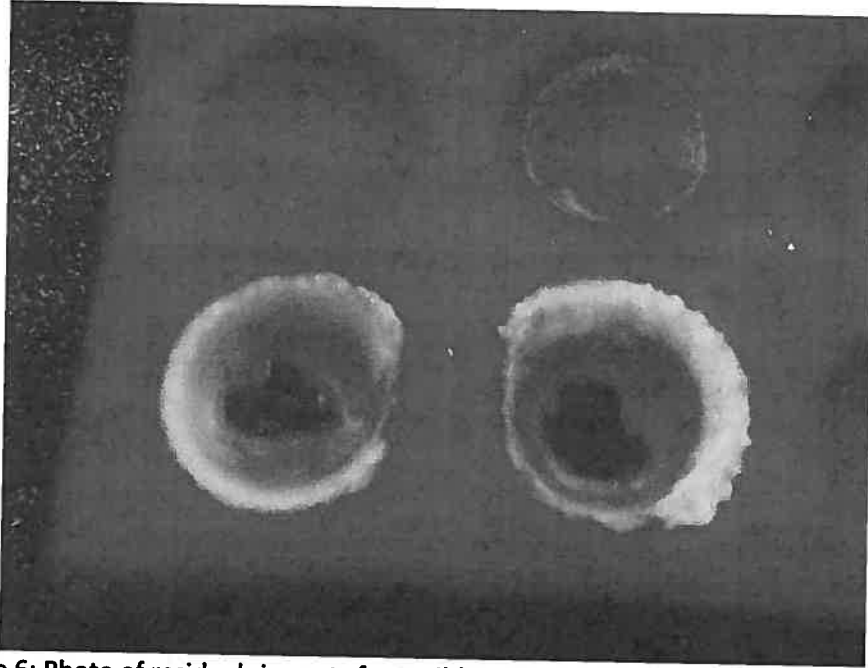


**Figure 4: Photo of blooming, milky and streaming cuts from the oil bearing Barney Creek Shale, 434m.**



**Figure 5: Photo of 2-1/2" core sample with live oil shows at 535m.**

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**Figure 6: Photo of residual ring cuts from oil-bearing Barney Creek Shale source rock, 696m.**



**Figure 7: Core photo of organic rich oil-bearing Barney Creek Shale source rock, 710m.**

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### Reassessment of Northern Territory Conventional Mean Prospective Gas Resources

On 28 November 2013, the Company advised that third-party resource estimates had been updated following the Company's 2013 Northern Territory exploration program.

SRK Consulting (Australasia) Pty Ltd estimated 2,870 Bscf (3,496 PJ) of Mean Prospective Resources, unrisks, on fifty-five (55) of Armour's targeted prospects and leads. These estimates were made in accordance with the Society of Petroleum Engineers (SPE) Petroleum Resource Management System (PRMS) guidelines, and as of 26 November, 2013.

These estimates include and compare to the previous twenty-three (23) targets assessed by DeGolyer and MacNaughton in accordance with SPE PRMS guidelines and as of 1 April 2013 (refer **Table 1** below).

This type of conventional gas accumulation was discovered by Armour in the Glyde 1 ST lateral well in the Coxco Dolomite of the Teena Formation, a conventional, free-flowing reservoir in the Batten Trough, McArthur Basin. The Glyde 1 ST1 lateral well was tested in August 2012 and flowed up to 3.3 million standard cubic feet per day equivalent (MMscf/d) at a pressure of 125 psi during 45 minutes of testing on a 16/64 inch choke.

The Coxco prospects and leads were defined by SRK based on extensive studies of surface geology, well data, regional geophysical data, and integration of the extensive airborne gravity and magnetic surveys completed by the Company. The location of EP171, 176 and 190 within Armour's broader Northern Australian portfolio is illustrated in **Figure 2** above.

Assessor	Low Estimate (Bscf)	Most Likely Estimate (Bscf)	High Estimate (Bscf)	Mean Estimate (Bscf)	Low Estimate (PJ)*	Most Likely Estimate (PJ)*	High Estimate (PJ)*	Mean Estimate (PJ)*
DeGolyer and MacNaughton (as of 1 April 2013)	191.5	255.6	345.9	264.4	233.2	311.3	421.3	322.0
SRK Consulting (as of 26 November 2013)	890	2,254	5,708	2,870	1,084	2,745	6,952	3,496

\*Based on Glyde 1 ST1 gas chromatography data or a conversion of 1.218 GJ/Mscf

**Table 1: Estimates of Conventional Gas Prospective Resources, unrisks, in Coxco Dolomite, EPs 171, 176 and 190 within the Batten Trough**

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## Victorian Exploration Activities

### Armour Energy Exercises Farmin Rights for PRL2

On 20 December 2013, Armour Energy reported that it had exercised a right to farmin to Petroleum Retention Lease 2 in Victoria (PRL2), held by Lakes Oil NL (ASX: LKO).

The farmin agreement will give Armour Energy the right to obtain up to a 50% working interest in the highly prospective PRL2 as part of a two stage farmin program. Armour Energy may withdraw from the agreement without cost.

PRL2, located in the onshore Gippsland Basin in Victoria, is considered prospective for both tight and conventional gas accumulations and is in close proximity to existing infrastructure and markets (Figure 8). PRL2 covers several tight conventional reservoirs in the Strzelecki Formation of the Gippsland Basin, onshore in Victoria. The southern half of PRL2 is considered by Armour Energy to be geologically very similar to the highly productive offshore section of the Gippsland Basin.

Numerous wells have been drilled within PRL2 by Lakes Oil in the past and have encountered gas and/or oil. Successful stimulation of the reservoir in vertical drill holes in the Wombat Field, within PRL2, has led to several encouraging flow tests in 2009 and 2010.

Armour Energy holds the view that the presence of gas-bearing columns in excess of 500 metres thick across seven targeted structures in the Strzelecki Formation indicates potential for early definition of commercial reserves of gas. At the Wombat Field alone, four wells have been drilled and 3C Resources of 628 Bcf of gas (2C 329Bcf) were reported by Lakes Oil in 2010.

Armour Energy's right to farmin to PRL2 arose following the withdrawal (announced by Lakes Oil in August 2013) of Beach Energy Limited ("Beach") and Somerton Energy Limited from their Farmin Agreement with Lakes Oil relating to PRL2 ("Beach Agreement"). Pursuant to a separate agreement between Armour Energy and Lakes Oil dated 2 December 2011, Armour Energy had the right to match the Beach Agreement in the event of a withdrawal by Beach.

Having exercised this right, Armour Energy:

- is now Operator of PRL2;
- has an immediate, initial 15% working interest in PRL2, subject to using its best endeavours to undertake a \$10m work program within 12 months ("Phase 1 Program");
- can earn an additional 35% working interest (giving a total working interest of 50%), subject to making an election to do so within 2 years and then undertaking a further \$40m work program over an indefinite time period; and
- may withdraw from the agreement provided it transfers its 15% working interest in PRL2 back to Lakes Oil and resigns as Operator.

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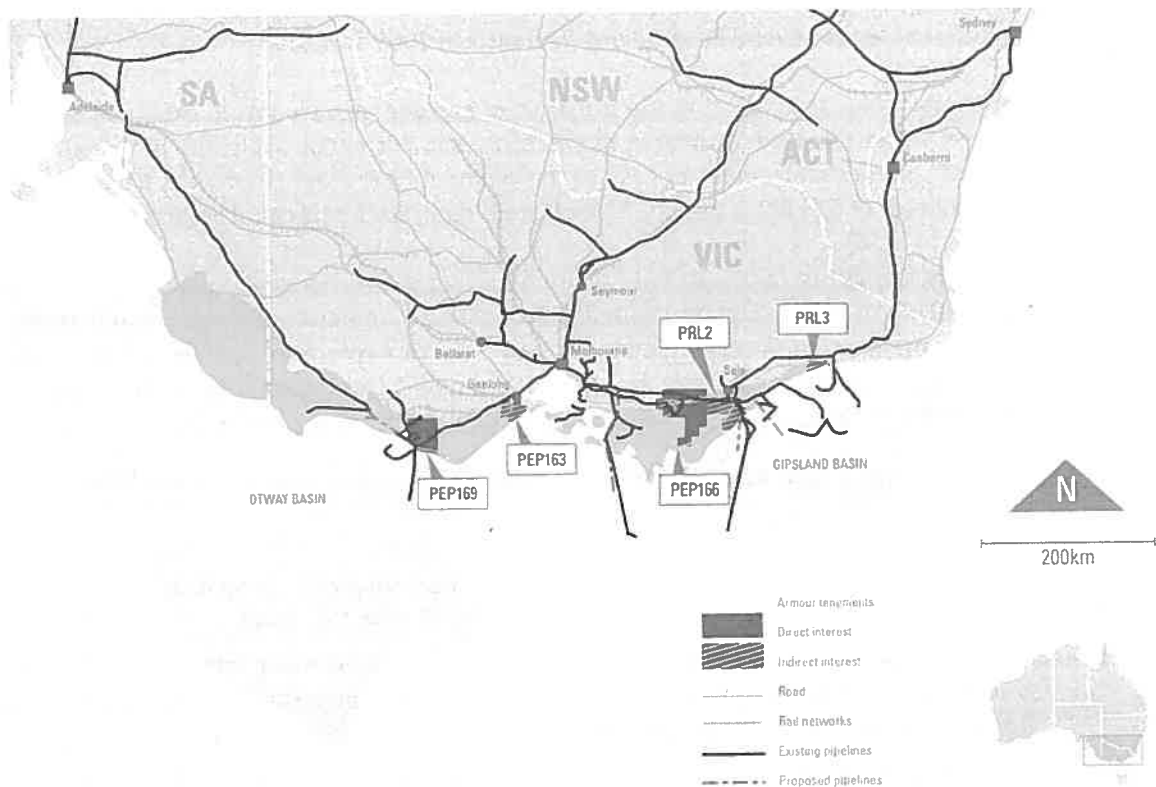
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Due to a moratorium on hydraulic fracturing in Victoria, the Phase 1 Program and Armour Energy's right to carry it out are currently suspended. Armour Energy has however sought to engage in discussions with Lakes Oil to revise the terms of the farmin agreement and work program with a view to accelerating commercialisation of the hydrocarbon resources of PRL2.

Subject to permitting, Armour Energy as Operator of the PRL2 Joint Venture intends to drill the unstimulated Wombat 5 lateral well to confirm the natural productivity of the porous and permeable upper section of the Strzelecki Formation.

Armour Energy is Lakes Oil's largest shareholder holding approximately 19.9% of the issued share capital, which together with converting notes also held by Armour Energy (as well as those held by other parties) amounts to a fully diluted ownership interest of approximately 18.9%. Armour Energy has also earned 51% ownership, and is Operator of, PEP169 and 25% ownership of PEP166 in Victoria, also held by Lakes Oil.

As previously announced, Armour Energy and Lakes Oil intend to drill the vertical exploration well Otway 1 in PEP169 in the first half of 2014 for which land access has been secured and planning and approvals processes are well advanced.



**Figure 8: Map of Armour Energy's interests in Victorian tenements (direct and indirect).**



## HEALTH, SAFETY AND ENVIRONMENT

### Queensland

Operations concluded in November in Queensland with a continuation of the good safety record - no recordable incidents were reported. The fourth quarter period activities included final stages of fracture stimulation, demobilisation of all drilling, fracture stimulation, operations including camp and civil engineering crews without issue. Sites were partially rehabbed (including 4 x 2ML frac ponds and all fracture stimulation flowback fluid was removed to MMG Century ponds as per the amended MMG Century Environmental Authority. Sites have been prepared for 2014 activities.

The Annual Safety Report for Queensland was compiled and submitted to the Petroleum & Gas Inspectorate as required.

### Northern Territory

Operations were largely concluded in the Northern Territory during the quarter, notwithstanding the onset of heavy rains. With careful management, all contractors were safely demobilised and released from site with the only outstanding issue being the final rehab for Lamont Pass 3 being held over until the 2014 dry season.

A serious recordable incident was recorded in the Northern Territory associated with an employee of a civil engineering contractor. A 4WD vehicle was rolled over injuring the driver who was subsequently hospitalised in Darwin. The incident was reported to the Petroleum & Gas Inspectorate in the Northern Territory and the incident was subject to a formal ICAM process. No further action has been requested from Armour Energy by the Northern Territory Inspectorate on this incident to date. The Injured Party has been released from hospital and is recuperating well at her home near Cairns. No issues have been reported with the ongoing rehabilitation program to date.

## ACTIVITIES PLANNED FOR NEXT QUARTER

Armour continues to analyse data from its successful 2013 drilling campaign in Queensland and the Northern Territory. This data will be used to finalise the plans for the 2014 northern drilling campaign.

During the next quarter in Victoria, the Otway-1 exploration well is planned to be drilled by Lakes Oil. Otway-1 is located in PEP169 in the Otway basin of which Armour holds 51%. If the well is successful, gas could potentially be monetised through one of the nearby gas plants.

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## INTERESTS IN TENEMENTS FOR THIS QUARTER

TYPE	LOCATION	NAME	OWNER	INTEREST
<b>Acquired During Quarter</b>				
EPP 191	Northern Territory	Wallhollow	Armour Energy	100%
EPP 192	Northern Territory	Wollogorang	Armour Energy	100%
EPM 19833	Queensland	Bowthorn	Ripple Resources	100%
EPM 19835	Queensland	Shadforth East	Ripple Resources	100%
EPM 19836	Queensland	Shadforth	Ripple Resources	100%
EL 29837	Northern Territory	Catfish Hole	Ripple Resources	100%
EL 29951	Northern Territory		Ripple Resources	100%
EL 29952	Northern Territory		Ripple Resources	100%
EL 29954	Northern Territory		Ripple Resources	100%
EL 29955	Northern Territory		Ripple Resources	100%

### Held at Beginning of Quarter

EPP 171	Northern Territory	Abner Range	Armour Energy	100%
EPP 174	Northern Territory	Robinson River 2	Armour Energy	100%
EPP 176	Northern Territory	Ryans Bend	Armour Energy	100%
EPP 190	Northern Territory	Calvert	Armour Energy	100%
ATP 1087	Queensland	South Nicholson	Armour Energy	100%
PEP 169	Victoria	Moreys	Lakes Oil	51%
PEP 166	Victoria	Holdgate	Lakes Oil	25%
PRL2	Victoria		Lakes Oil	15%

<b>EPM</b>	<b>Exploration Permit - Minerals</b>
<b>EL</b>	<b>Exploration Licence</b>
<b>EPP</b>	<b>Exploration Permit - Petroleum</b>
<b>ATP</b>	<b>Authority to Prospect</b>
<b>PEP</b>	<b>Petroleum Exploration Permit</b>
<b>PRL</b>	<b>Petroleum Retention Lease</b>

  
 On behalf of the Board  
 Karl Schlobohm  
 Company Secretary

*The MBA Petroleum Consultant' resource estimates used in this announcement, where indicated, were compiled by MBA Petroleum Consultants and detailed in the Independent Expert's Report, Replacement Prospectus dated 20 March 2012 for Armour Energy (Chapter 9).*

*Dr. Bruce McConachie is a full-time employee of SRK Consulting (Australasia) Pty Ltd, is a member of SPE, is qualified in accordance with the requirements of the ASX listing rules, and has consented to the use of the SRK Consulting (Australasia) Pty Ltd resource figures in the form and context in which they appear in this announcement.*

*DeGolyer and MacNaughton is qualified in accordance with the requirements of the ASX listing rules and has previously consented to the use of the DeGolyer and MacNaughton resource figures in the form and context in which they appear in this announcement.*

*Raymond L Johnson Jr., employee and General Manager Reservoir Development for Armour Energy, is qualified in accordance with the requirements of the ASX listing rules, is a member of SPE, and has consented to the use of the Armour Energy resource figures in the form and context in which they appear in this announcement in accordance with Listing Rule 5.42.*

## ABOUT AMOUR ENERGY

Armour Energy is focused on the discovery and development of world class gas and associated liquids resources in an extensive hydrocarbon province in northern Australia which was first discovered in the early 1990s. This region has only recently had its shale potential identified by Armour Energy. Today's business environment with strong domestic and global demand for gas, gas prices trending towards LNG netback combined with proven shale extraction technologies and world class personnel, provides the Company with an extraordinary opportunity to define and ultimately develop a major new gas province.

Armour Energy's permit areas in northern Australia, which are all 100% owned, are characterised by low population densities, cooperative stakeholders and a natural environment suited to the exploration and development of a major future hydrocarbon province. Armour Energy is focusing on the exploration of the McArthur, South Nicholson and Georgina Basins in the Northern Territory and Queensland, and in the onshore Gippsland Basin in Victoria in joint venture with Lakes Oil, for gas and associated petroleum liquids.

In its 2012 exploration program, Armour Energy encountered gas in the first two of its Northern Territory project areas, with both conventional and unconventional gas shows and flows encountered. The Glyde 1 well, which was drilled with an unfracted lateral, flowed at 3.3 million standard cubic feet per day during flow testing.

In June 2013, Armour Energy entered into a Heads of Agreement with APA to work towards transportation of up to 330 Petajoules a year of gas in the existing upgraded and future APA pipeline network to undersupplied coastal Queensland LNG and Sydney markets.

See [www.armouenergy.com.au](http://www.armouenergy.com.au) for more information.

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**NORTHERN TERRITORY OF AUSTRALIA**  
**Petroleum Act**  
**TITLE REGISTER**

**TITLE SUMMARY**Title: *Exploration Permit 190*Status: *GRANT*

Field:

Basin: *McArthur Basin*Mapsheet: *ROPER RIVER (SD53)**NEWCASTLE WATERS (SE53)*Application Date: *4/08/2010*Grant Date: *11/12/2012*Expiry Date: *10/12/2017*Registered Date: *12/12/2012*

Associated Titles:

**Party Details**

Type	Name	ACN/ABN/ARBN	%
Current	ARMOUR ENERGY LIMITED GPO BOX 5261, BRISBANE, 4001	60 141 198 414	100
Manager	AUSTRALIAN MINING & EXPLORATION TITLES SERVICES PTY LTD GPO Box 888, , DARWIN, , 0801	30 140 504 098	0
Operator	ARMOUR ENERGY LIMITED GPO BOX 5261, BRISBANE, 4001	60 141 198 414	
Name Change	ARMOUR ENERGY LIMITED was ARMOUR ENERGY PTY LTD (2011-01-14)		
Applicant	ARMOUR ENERGY LIMITED	60 141 198 414	100

\*Name Change

**Transactions**

Type	Effective Date	Expiry Date	Area
Grant	11/12/2012	10/12/2017	182 Blocks (5'x5')
Application	04/08/2010		182 Blocks (5'x5')

**Endorsements**

Type	Period	Year	Effective Date	Registered Date
Initial	5 Years		11/12/2012	12/12/2012

**Registered Documents**

Document Type	Reference	Registered Date
Directions	Section 71 of the Petroleum Act	31/07/2017

**Security**

Type	Receipt	Lodgement Date	Discharged Date	Folio
Cash Security	6812197315	12/09/2014	13/09/2016	169
Cash Security	6812195356	21/08/2014		167
Bank Guarantee		16/09/2013		131
Cash Security	6812146666	11/12/2012		96

**Annual Fee**

Year	Amount	Received Date
2017	\$16,744.00	22/12/2017

TITLE REGISTER: *EP190*Report run on: *11 April 2018, 2:17 PM*

Department of Primary Industry and Resources

Energy.permits@nt.gov.au

Year 5	\$16,744.00	17/01/2017
Year 4	\$16,744.00	08/12/2015
Year 3	\$17,617.60	17/12/2014
Year 2	\$17,017.00	02/12/2013
Year 1	\$4,804.80	24/01/2013

**Dealings**

Dealing No	Type	Dealing Title	Approved Date	Registered Date
2015-92	Dealing	Armour Farm-out Agreement dated 11 September 2015 between Armour Energy Limited and AEGP Australia Pty Ltd lodged on 14 October 2015.	30/12/2015	30/12/2015

I hereby certify this to be a true extract of the data in the Register












PETROLEUM REGISTRAR

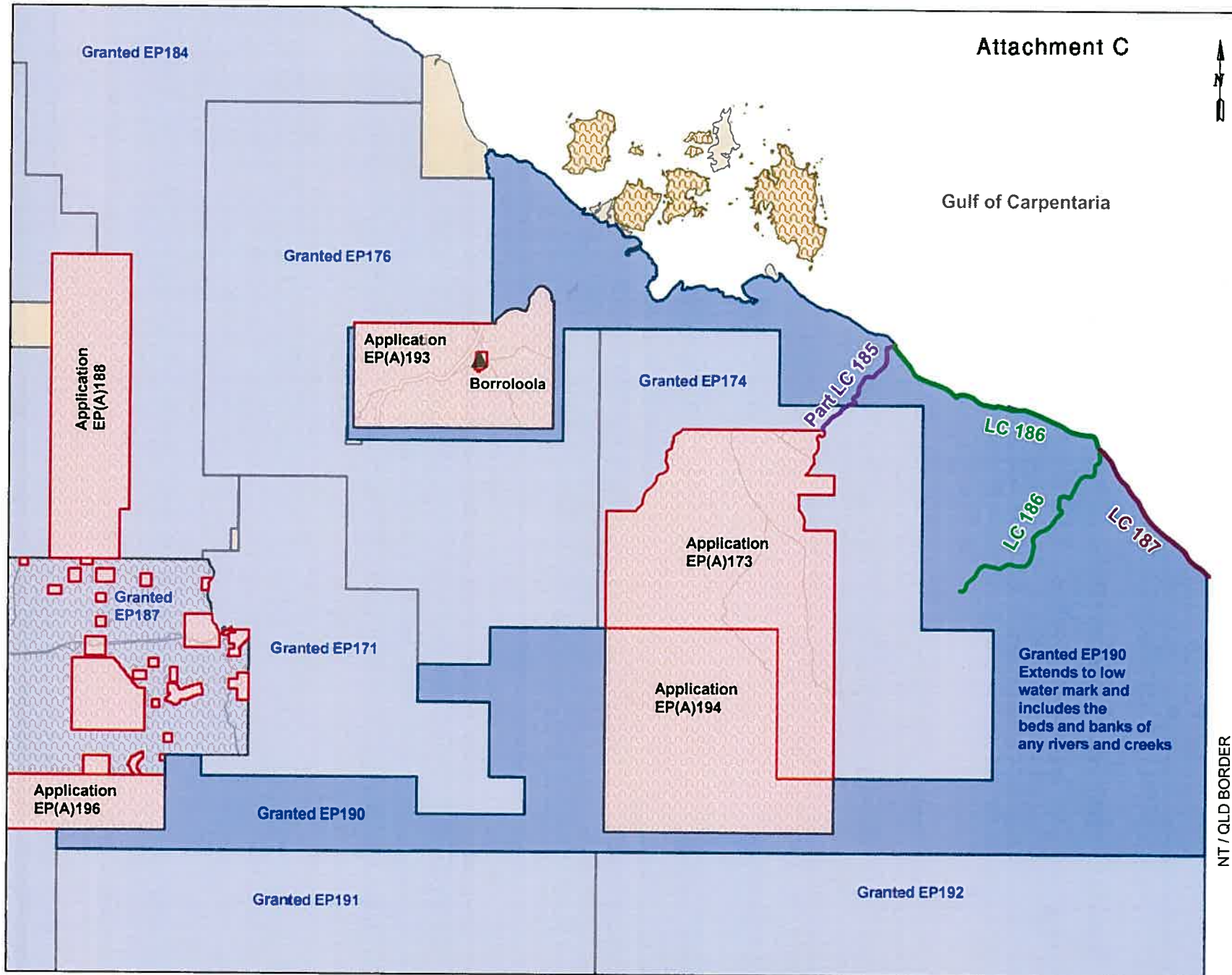
Date

**11 April 2018**



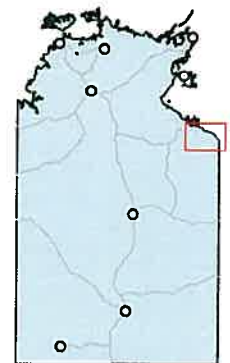
**LEGEND**

-  Granted Petroleum Exploration Permit EP190
-  Granted Petroleum Exploration Permit (Native Title)
-  Petroleum Exploration Permit Application
-  Part Manangoora Region Land Claim (LC) 185
-  Seven Emu Region Land Claim (LC) 186
-  Wollogorang Area II Land Claim (LC) 187
-  Aboriginal Land Trust
-  NT Onshore/ Boundary
-  Locality



NT / QLD BORDER

E18-044



Datum: AGD 66  
Date: 11 April 2018  
Prepared By: Energy Titles



NOTE TO MAP USERS: Petroleum and exploration tenure depicted on this map are plotted from descriptions supplied by the holders and the Northern Territory takes no responsibility as to their accuracy. Further, users should be aware that inconsistencies may occur between data on selected layers due to the origin of the data depicted.





**NORTHERN TERRITORY OF AUSTRALIA**  
**Petroleum Act**  
**TITLE REGISTER**

**TITLE SUMMARY**Title: *Exploration Permit 174*Status: *GRANT*

Field:

Basin: *McArthur Basin*Mapsheet: *NEWCASTLE WATERS (SE53)*Application Date: *24/12/2009*Grant Date: *11/12/2012*Expiry Date: *10/12/2017*Registered Date: *12/12/2012*

Associated Titles:

**Party Details**

Type	Name	ACN/ABN/ARBN	%
Current	ARMOUR ENERGY LIMITED GPO BOX 5261, BRISBANE, 4001	60 141 198 414	100
Manager	AUSTRALIAN MINING & EXPLORATION TITLES SERVICES PTY LTD GPO Box 888, , DARWIN, , 0801	30 140 504 098	0
Operator	ARMOUR ENERGY LIMITED GPO BOX 5261, BRISBANE, 4001	60 141 198 414	
Name Change	ARMOUR ENERGY LIMITED was ARMOUR ENERGY PTY LTD (2011-01-14)		
Applicant	ARMOUR ENERGY LIMITED	60 141 198 414	100

\*Name Change

**Transactions**

Type	Effective Date	Expiry Date	Area
Grant	11/12/2012	10/12/2017	65 Blocks (5'x5')
Application	24/12/2009		65 Blocks (5'x5')

**Endorsements**

Type	Period	Year	Effective Date	Registered Date
Variation		2	26/08/2014	26/08/2014
Initial	5 Years		11/12/2012	12/12/2012

**Registered Documents**

Document Type	Reference	Registered Date
Directions	Section 71 of the Petroleum Act	31/07/2017

**Security**

Type	Receipt	Lodgement Date	Discharged Date	Folio
Cash Security	6812197315	12/09/2014	13/09/2016	169
Cash Security	6812146666	11/12/2012		96

**Annual Fee**

Year	Amount	Received Date
2017	\$5,980.00	22/12/2017
Year 5	\$5,980.00	17/01/2017
Year 4	\$5,980.00	08/12/2015

TITLE REGISTER: *EP174*Report run on: *11 April 2018, 2:18 PM*Department of Primary Industry and Resources  
Energy.permits@nt.gov.au

Year 3	\$6,292.00	17/12/2014
Year 2	\$6,077.50	02/12/2013
Year 1	\$1,716.00	24/01/2013

**Dealings**

Dealing No	Type	Dealing Title	Approved Date	Registered Date
2015-90	Dealing	Armour Farm-out Agreement dated 11 September 2015 between Armour Energy Limited and AEGP Australia Pty Ltd lodged on 14 October 2015.	30/12/2015	30/12/2015

I hereby certify this to be a true extract of the data in the Register



PETROLEUM REGISTRAR

Date

**11 April 2018**

# Attachment E

## NORTHERN TERRITORY OF AUSTRALIA *Petroleum Act* TITLE REPORT

### TITLE SUMMARY

Title: *Exploration Permit 173*

Status: *APPLICATION*

Field:

Basin: *McArthur Basin*

Mapsheet: *NEWCASTLE WATERS (SE53)*

Application Date: *24/12/2009*

Grant Date:

Expiry Date:

Registered Date:

Associated Titles:

### Party Details

Type	Name	ACN/ABN/ARBN	%
Manager	AUSTRALIAN MINING & EXPLORATION TITLES SERVICES PTY LTD GPO Box 888, , DARWIN, , 0801	30 140 504 098	0
Name Change	ARMOUR ENERGY LIMITED was ARMOUR ENERGY PTY LTD (2011-01-14)		
Applicant	ARMOUR ENERGY LIMITED	60 141 198 414	100

\*Name Change

### Transactions

Type	Effective Date	Expiry Date	Area
Application	24/12/2009		47 Blocks (5'x5')

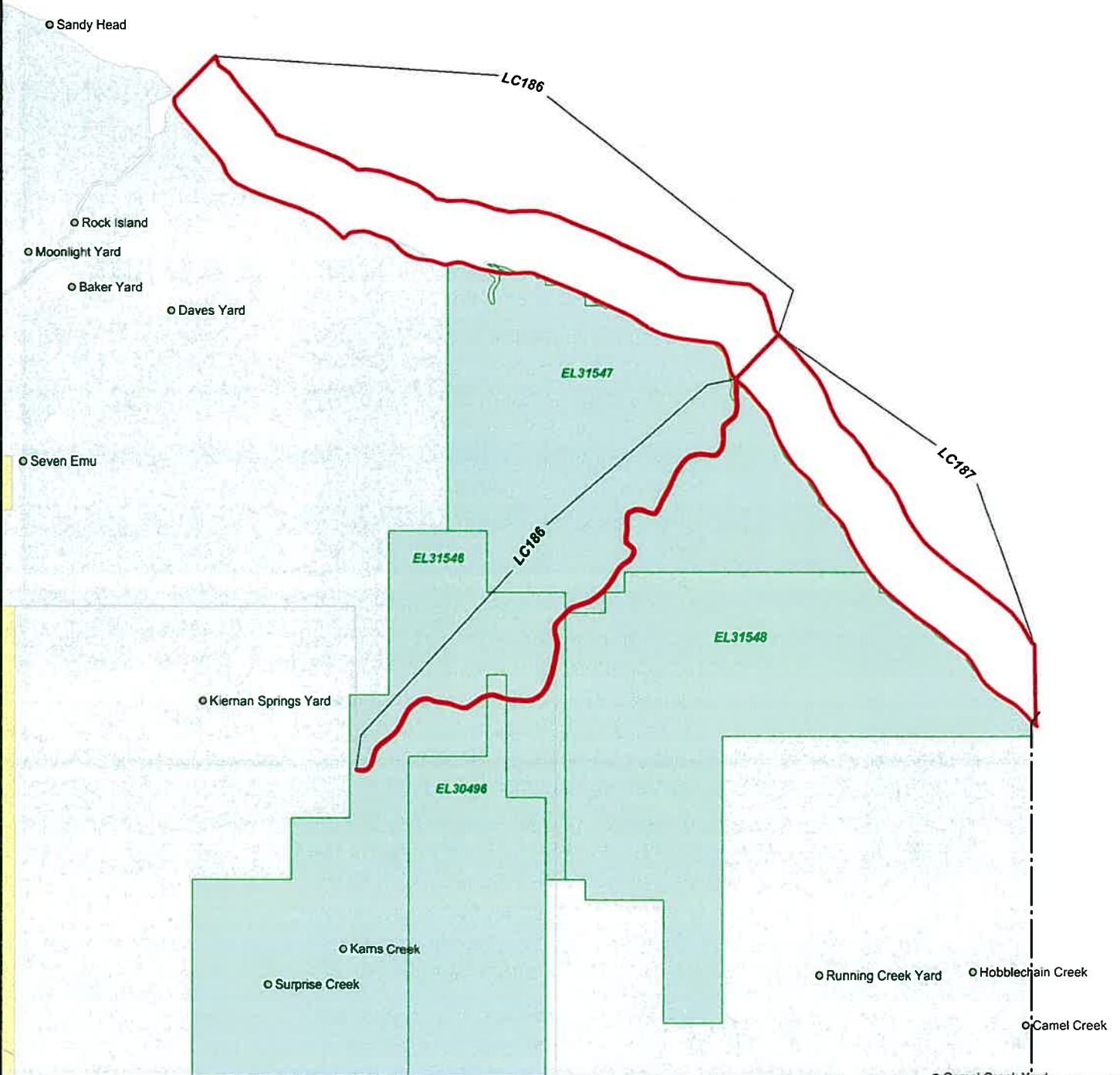


## Attachment F

<b>Land Claim 185</b>		
Title Type	Title Number	Holder
No Mineral Titles		
<b>Land Claim 186</b>		
Title Type	Title Number	Holder
EL	31546	Mangrove Resources Pty Ltd
EL	31547	Mangrove Resources Pty Ltd
EL	31548	Mangrove Resources Pty Ltd
EL	30496	Mangrove Resources Pty Ltd
<b>Land Claim 187</b>		
Title Type	Title Number	Holder
EL	31547	Mangrove Resources Pty Ltd
EL	31548	Mangrove Resources Pty Ltd



# Attachment G



### LEGEND

Land Claim 186 & 187	Vacant Crown Land	Pastoral Lease
Exploration Licence Granted	Freehold Land	Government Land
	Aboriginal Land Trust	Crown Lease Term
		Crown Lease Perpetual



## LAND CLAIM 186 AND LAND CLAIM 187



Datum GDA94  
Date 24 May 2018  
Prepared By Mineral Titles Division

NOTE TO MAP USERS Mining and exploration tenure depicted on this map are plotted from descriptions supplied by the holders and the Northern Territory takes no responsibility as to their accuracy. Further, users should be aware that inconsistencies may occur between data on selected layers due to the origin of the data depicted.



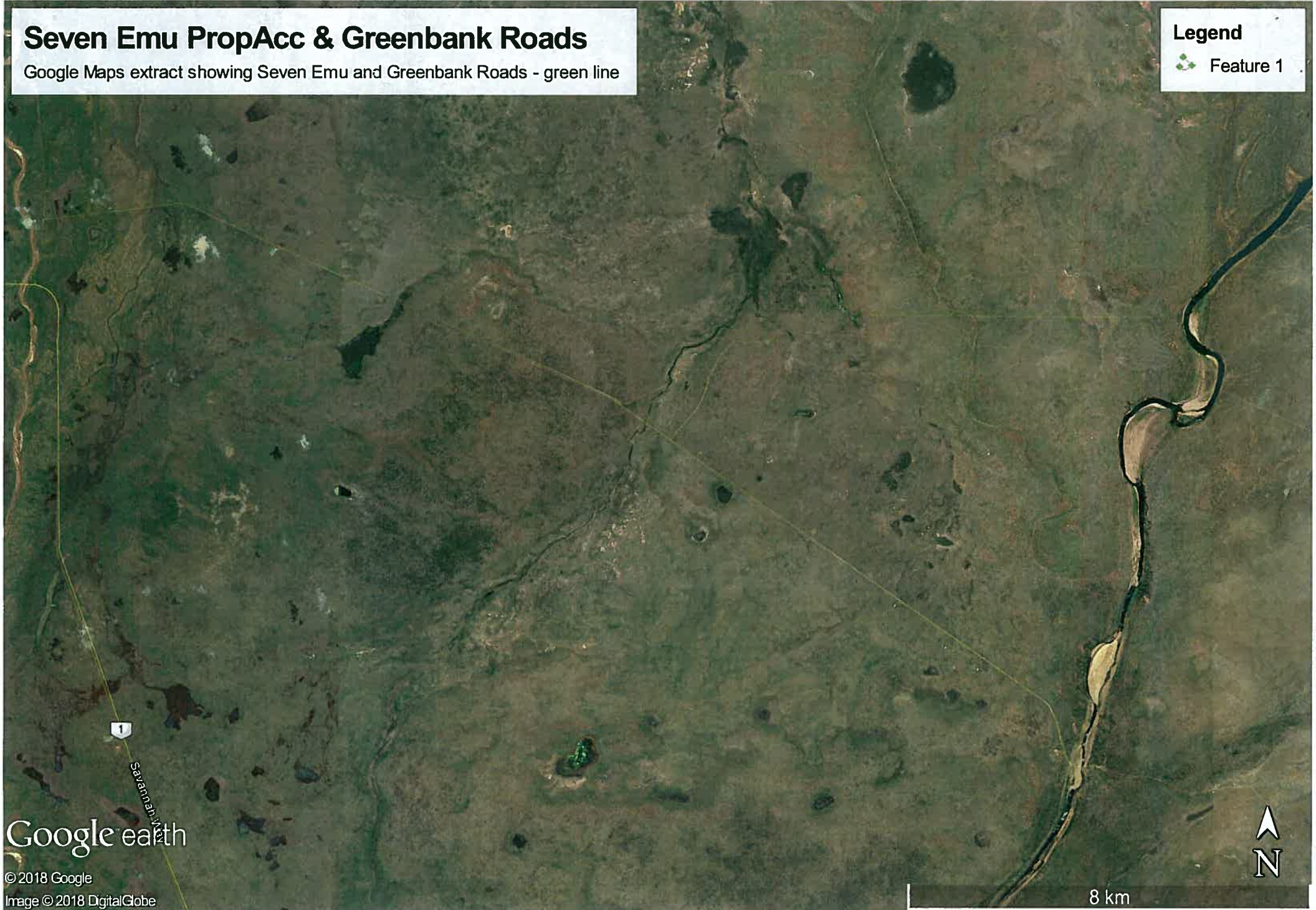


# Seven Emu PropAcc & Greenbank Roads

Google Maps extract showing Seven Emu and Greenbank Roads - green line

## Legend

 Feature 1



Google earth

© 2018 Google

Image © 2018 DigitalGlobe

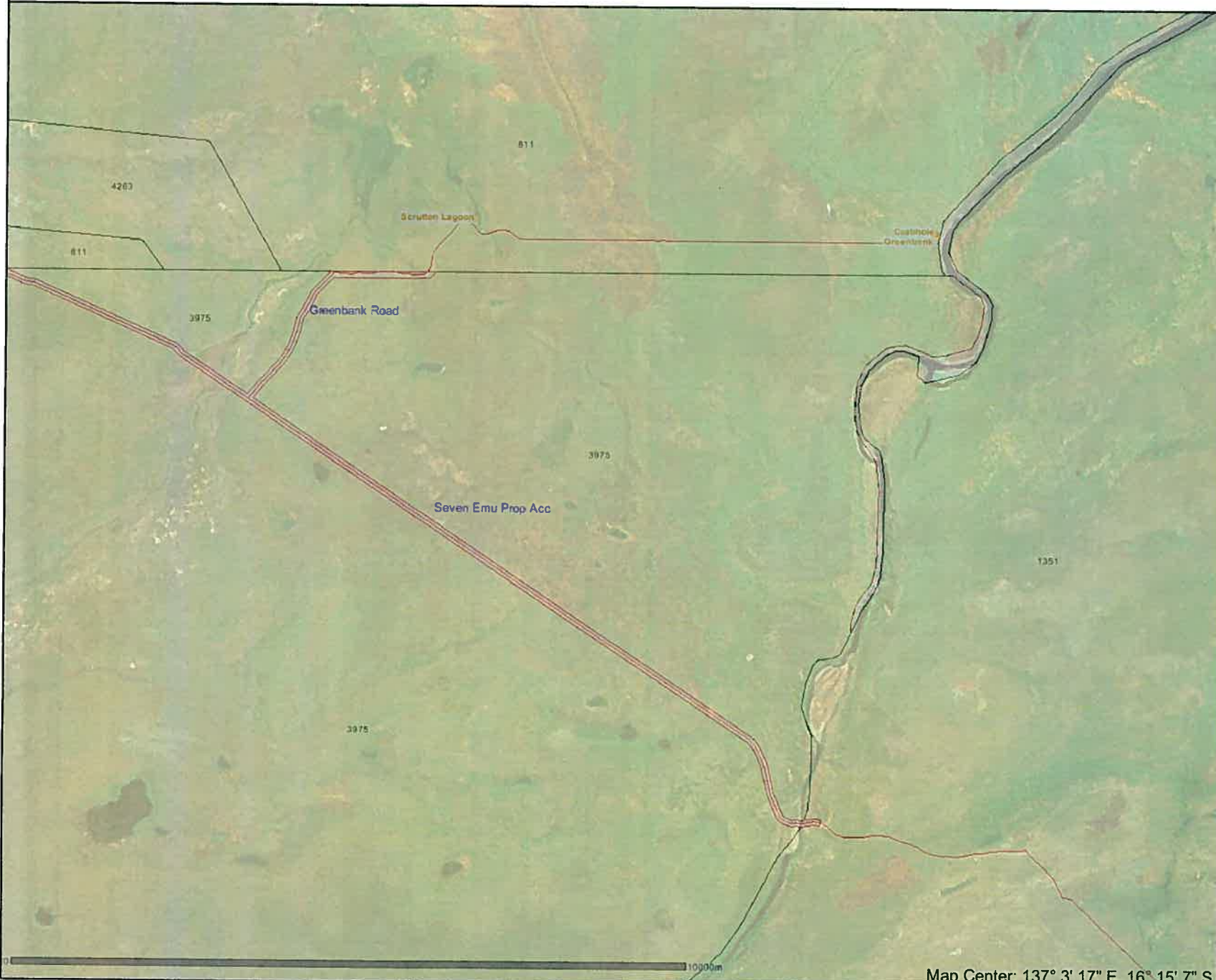
8 km





Map created Tue May 08 11:41:09 CST 2018

**Legend**



- Placenames**
- ▲ Recorded
- ★ Historical
- Registered
- ▲ Assigned
- Revoked
- + Registered - Historical
- General Text
- General Lines**
- ▭ Topo Index 10000
- ▭ Topo Index 2500
- ▭ Road Boundaries
- ▭ Bams - Primary Assets
- NON-GOVERNMENT**
- CHIEF MINISTER
- DCIS
- NRETA
- DARWIN PORT CORPORATION
- DEPT OF JUSTICE
- DLGH&S
- POLICE FIRE & EMERGENCY SERV
- TREASURY
- PAWA
- WILDLIFE PARKS
- LEGISLATIVE ASSEMBLY
- TERRITORY HEALTH SERVICES
- DEET
- DPIF&M
- TERTIARY EDUCATION & TRAINING
- DEPT PLANNING & INFRASTRUCTURE
- DBERD
- Notations**
- ▭ Active
- ▭ Proposed
- Road Centrelines**
- ▭ Highway
- ▭ Other Road
- ▭ Parcel Numbers

Created by RFULL

Cadastre  
 Bottom Left: 136° 58' 12", -16° 18' 02"  
 Coastline  
 Top Right: 137° 08' 20", -16° 12' 10"

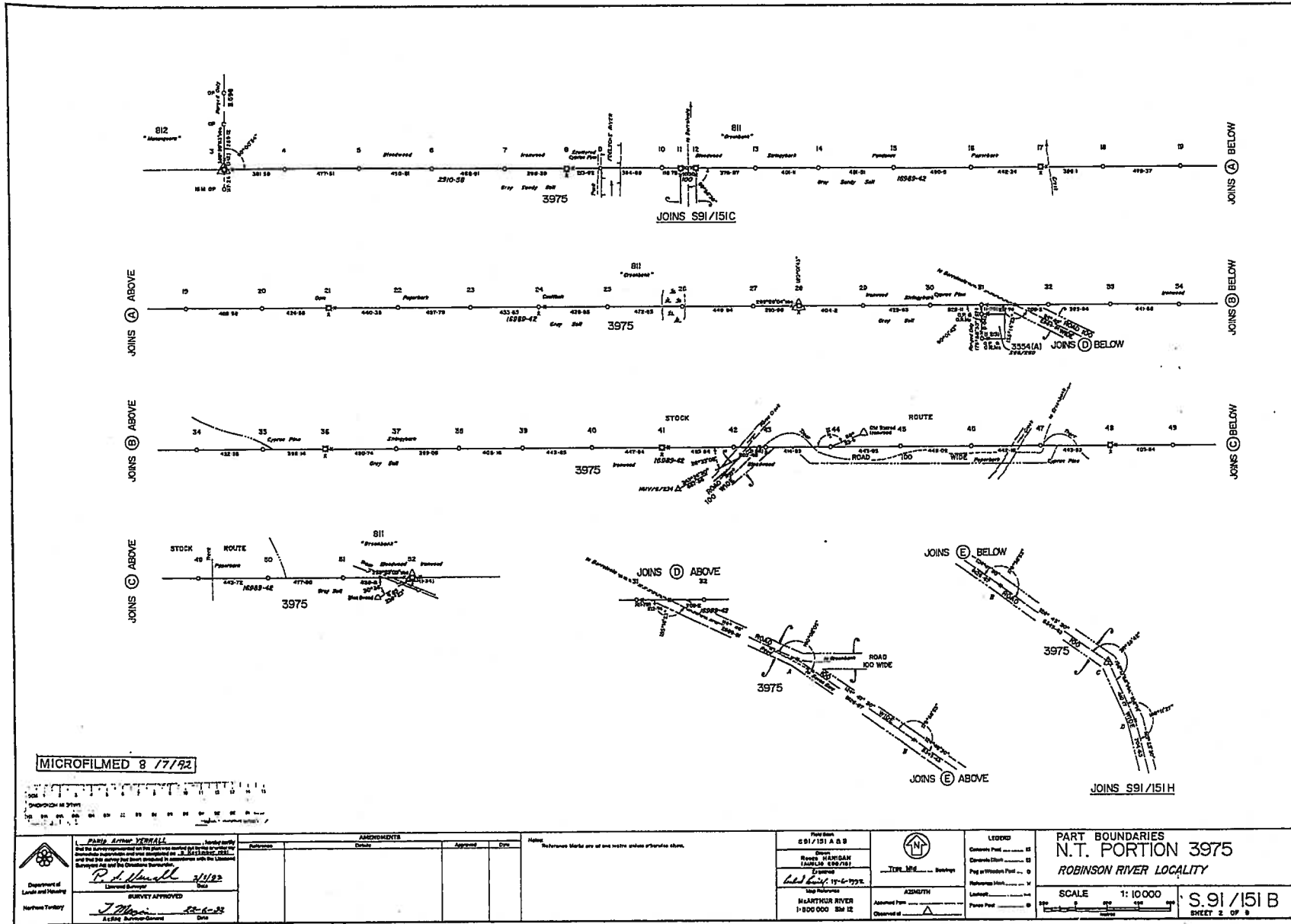
Approximate Scale: 1:80,000  
 Datum: GDA 1994  
 Data for information purposes only  
 - accuracy not guaranteed  
 N.T. Land Information System  
 Copyright Northern Territory of Australia

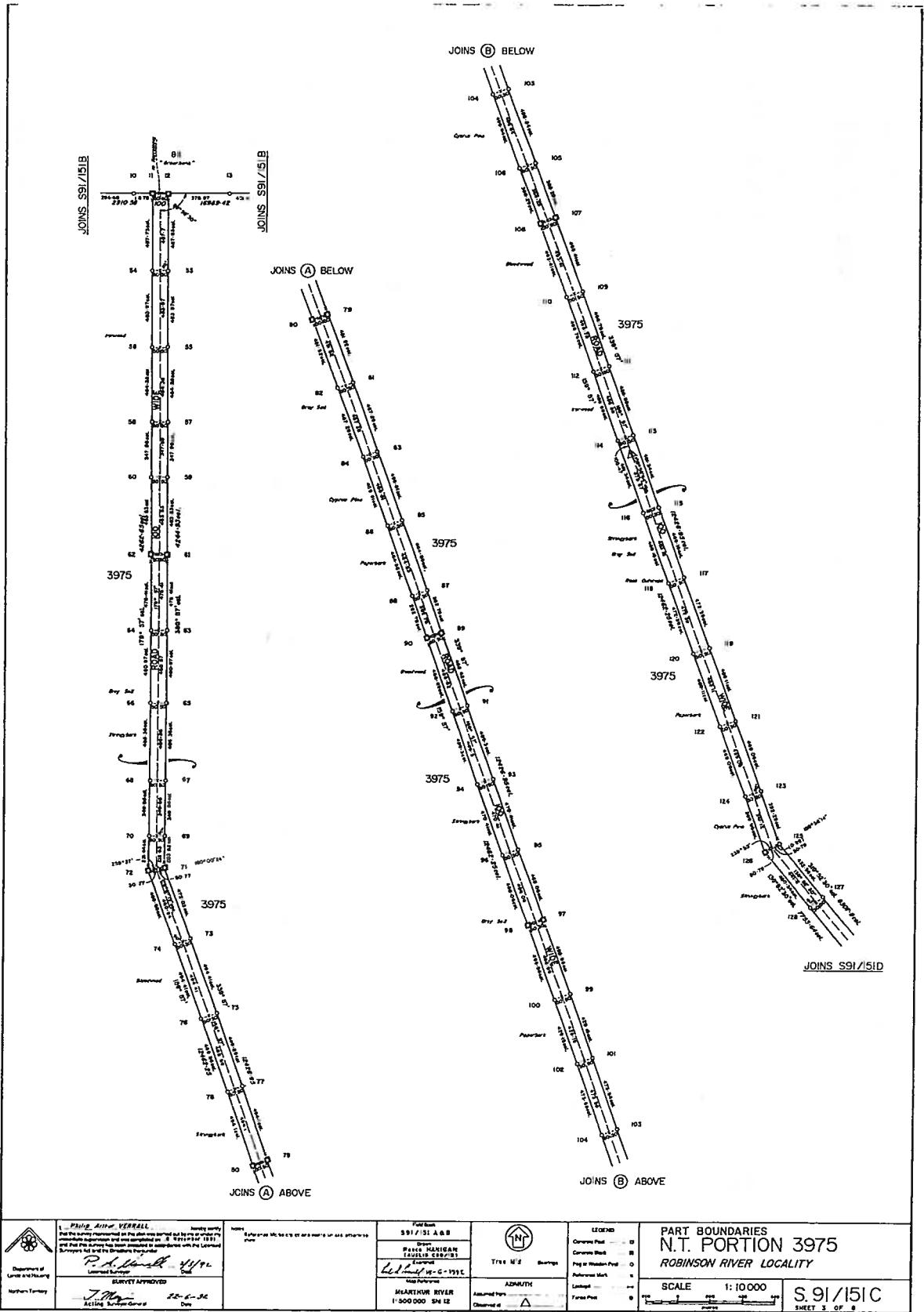
Map Center: 137° 3' 17" E, 16° 15' 7" S







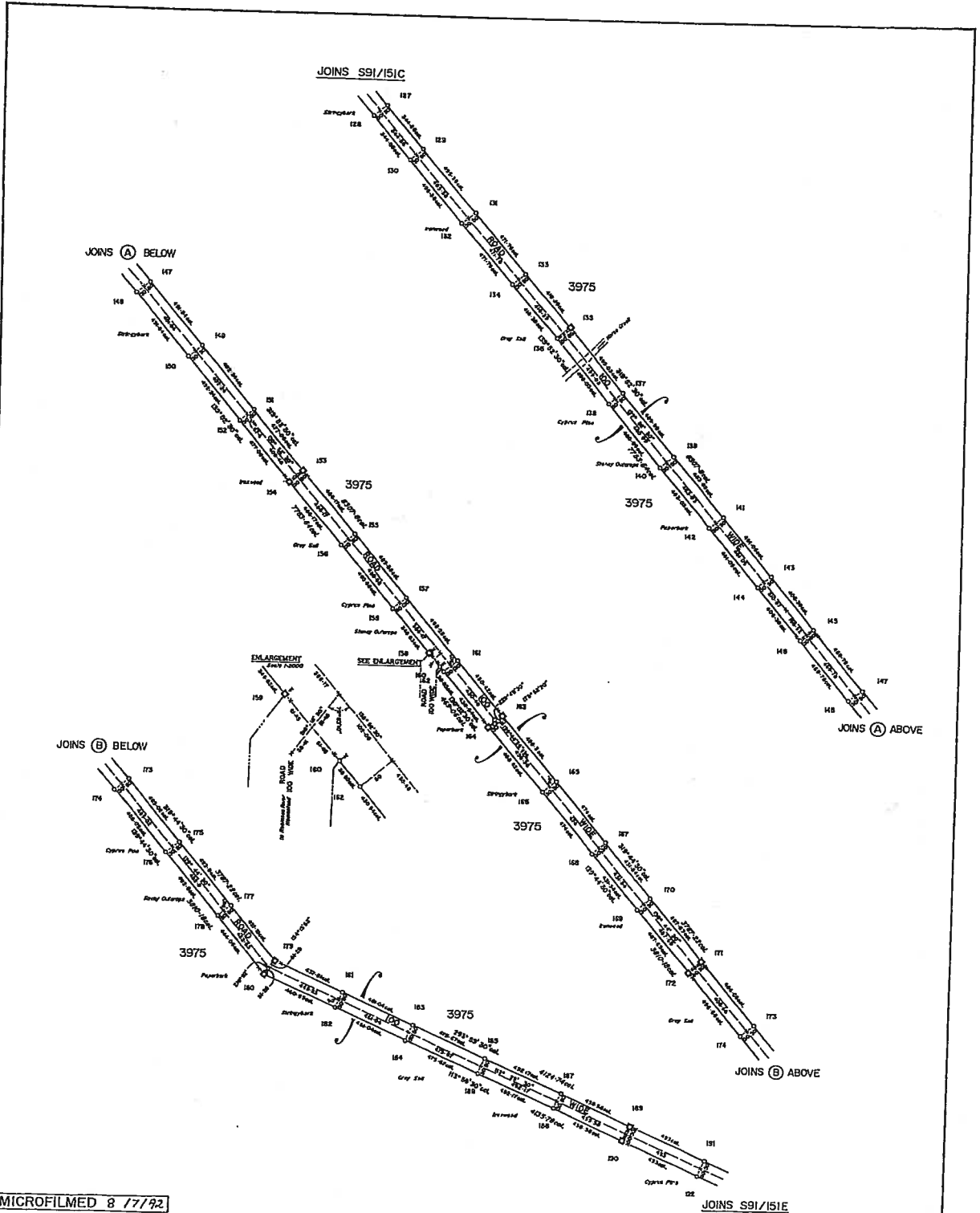




<p>Department of Land and Planning Northern Territory</p>	<p><b>PHILIP ANNE VERRALL</b> Surveyor General Northern Territory</p> <p><i>P.A. Verrall</i> 24/12/12 Surveyor General</p>	<p>Survey Party: PHILIP ANNE VERRALL DANIEL J. HARRIS DANIEL J. HARRIS</p>	<p>Field Book: S91/151 A &amp; B</p> <p>Diurnal: DANIEL J. HARRIS DANIEL J. HARRIS</p> <p>Map Reference: MANTHUR RIVER 1:500 000 SH 12</p>	<p>NT Title No. 2 Barrington</p>	<p>LEGEND</p> <p>Concrete Post — □</p> <p>Concrete Block — ■</p> <p>Post or Wooden Post — ○</p> <p>Reference Mark — ✕</p> <p>Landmark — ▲</p> <p>Corner Post — ●</p>	<p>PART BOUNDARIES N.T. PORTION 3975 ROBINSON RIVER LOCALITY</p>
	<p>DATE APPROVED 22-6-12</p>	<p>ADMITTED Checked at</p>	<p>SCALE 1:10 000</p>	<p>S.91/151C SHEET 3 OF 8</p>		





Viewed at 14:04:43 on 06/04/2018

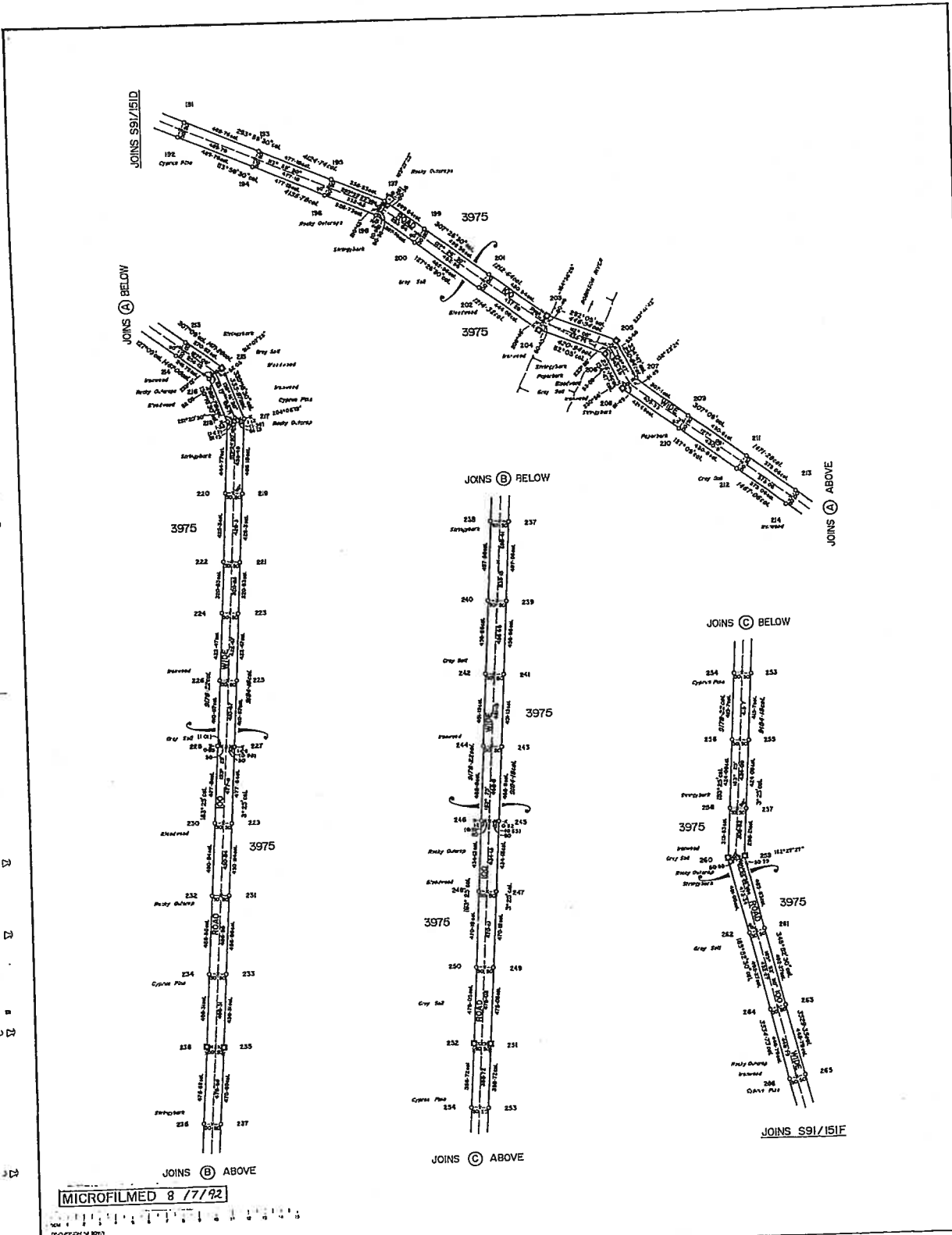


MICROFILMED 8/7/92

Scale 1:10000  
 0 10 20 30 40 50 60 70 80 90 100  
 METRES

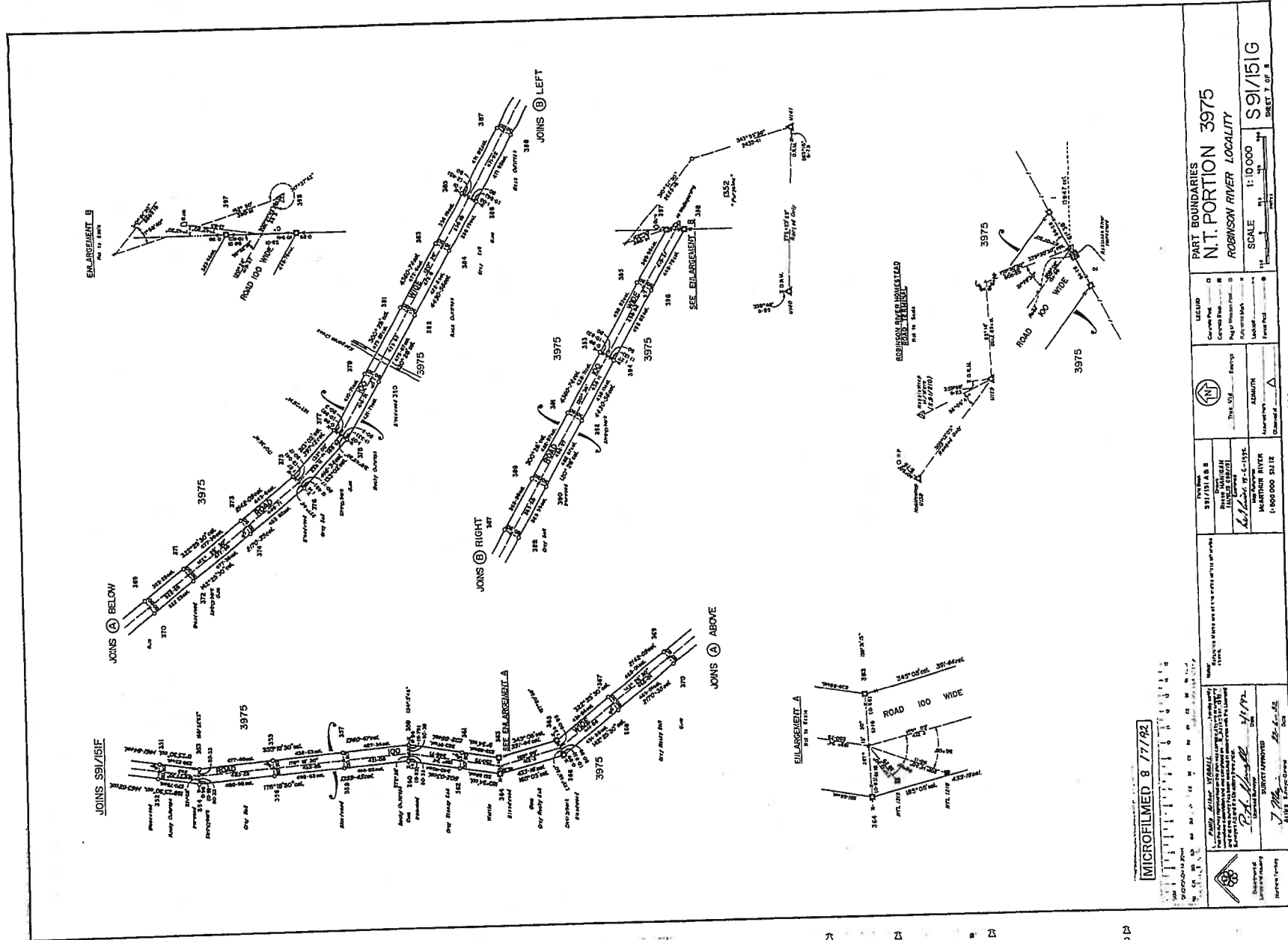
 Department of Lands and Planning Perth 11/11/2018 J. M. [Signature] Surveyor General	Surveyed by <b>P. J. [Signature]</b> Licensed Surveyor Date: 11/11/2018	Approved by <b>J. M. [Signature]</b> Surveyor General Date: 11/11/2018	Field Book S91/151 A & B By <b>Alan HARRISON</b> (1955/1957/1971) Licensed Surveyor Date: 11/11/2018	 True Meridian Magnetic Meridian Azimuth Observed at	<b>LEGEND</b> Concrete Post Concrete Block Peg in Wooden Post Reference Mark Elevation Forest Post	<b>PART BOUNDARIES</b> <b>N.T. PORTION 3975</b> <b>ROBINSON RIVER LOCALITY</b> SCALE 1:10000 S.91/151D SHEET 4 OF 8
	Notes: Surveyed by P.J. [Signature] on 11/11/2018. The survey was conducted in accordance with the Survey Act 1985 and the Survey Regulations 1985. The survey was conducted in accordance with the Survey Act 1985 and the Survey Regulations 1985. The survey was conducted in accordance with the Survey Act 1985 and the Survey Regulations 1985.			Reference: Maps are of scale metric unless otherwise stated.		

5



<p>Department of Lands and Survey</p>	<p><b>EMILY ANNIE VERRALL</b> Surveyor</p> <p><i>P. J. McNeill</i> 2/1/92</p> <p>SURVEY APPROVED</p> <p><i>J. McNeill</i> 22-6-92</p>	<p>Scale: 1:10000</p> <p>Observed at: [ ]</p>	<p>LEGEND</p> <p>Concrete Post [ ]</p> <p>Concrete Block [ ]</p> <p>Flag or Wooden Post [ ]</p> <p>Reference Mark [ ]</p> <p>Lockoff [ ]</p> <p>Face Post [ ]</p>	<p>Part Book S91/151 A &amp; B</p>	<p>ADMINISTRATIVE</p>	<p>PART BOUNDARIES N.T. PORTION 3975 ROBINSON RIVER LOCALITY</p>
				<p>Scale: 1:10000</p> <p>Observed at: [ ]</p>		





MICROBOX

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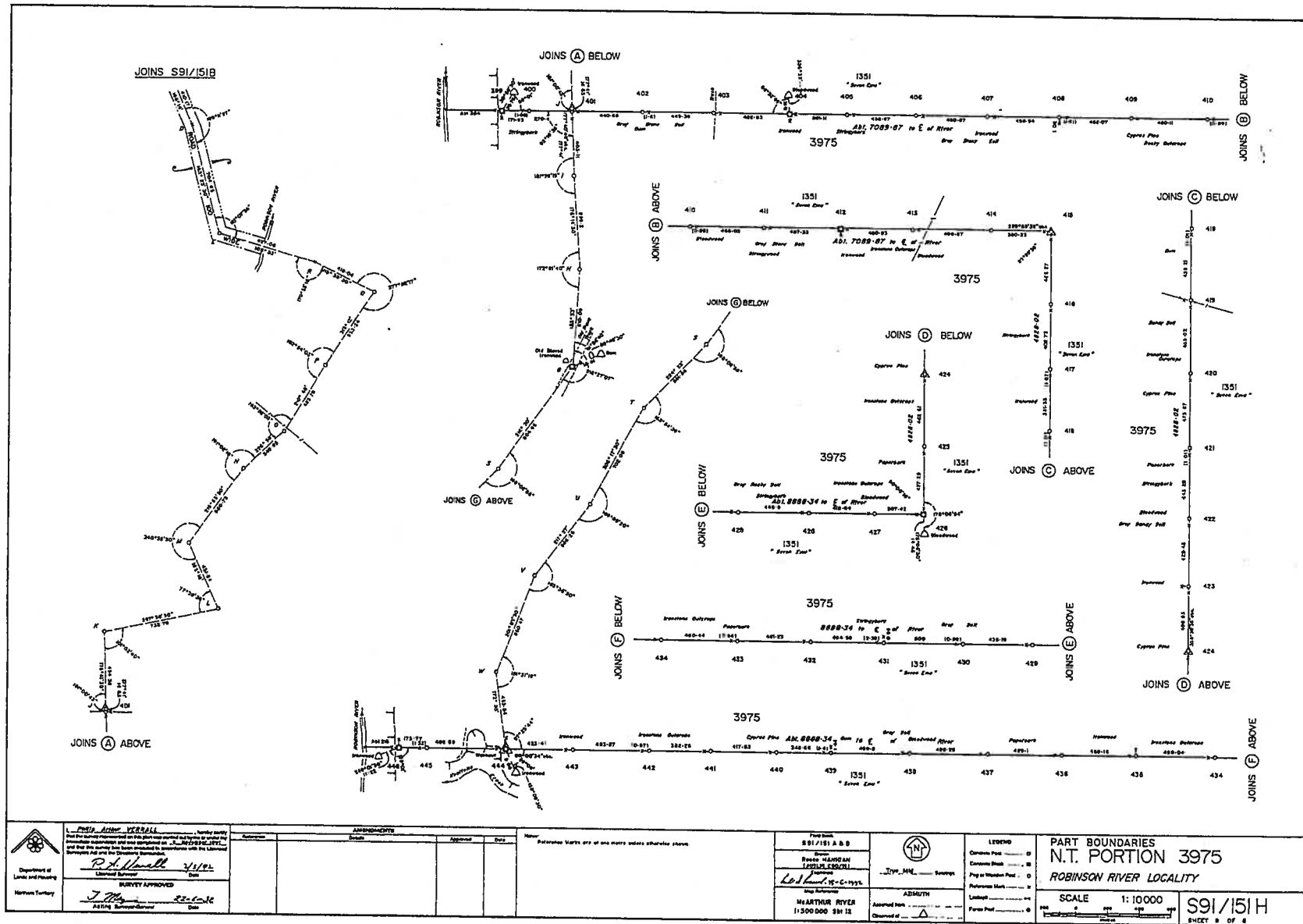
JAMES BULLOCK, SYDNEY  
 Licensed Surveyor  
 4/1/92  
 PREPARED BY  
 J. M. ...  
 1/1/92

File No.  
 S91/151 A B  
 Block 1001 (2) (1)  
 Locality  
 ROBINSON RIVER  
 1:600 000 S 112

The S.P. ...  
 ALBERT  
 ...

LEGEND  
 ...  
 ...

PART BOUNDARIES  
 N.T. PORTION 3975  
 ROBINSON RIVER LOCALITY  
 SCALE 1:10 000  
 S91/151 G  
 SHEET 7 OF 8



S91/151 H



*Aboriginal Land Rights (Northern Territory) Act*

**Review of Detriment Issues**

**Aboriginal land claims recommended for grant but not yet finalised:**

- 1. Garrwa (Wearyan and Robinson River Beds and Banks) Land Claim No 178 (Report No. 64)**
- 2. McArthur River Region Land Claim No 184 and part Manangoora Region Land Claim No 185 (Report No. 62)**
- 3. Seven Emu Region Land Claim No 186; Wollogorang Area II Land Claim No 187 and part of Manangoora Region Land Claim No 185 (Report No. 66)**

**Submissions of the Northern Territory in Reply**

**9 August 2018**

1. The Aboriginal Land Commissioner (“ALC”) invited the Northern Territory (“NTA”) to participate in the review of detriment issues identified in the following land claims (“Land Claims”) being conducted by the ALC under Terms of Reference issued by the Federal Minister pursuant to section 50(1)(d) of the *Aboriginal Land Rights (Northern Territory) Act* (Cth) (“ALRA”):
  - 1.1 Garrwa (Wearyan and Robinson River Beds and Banks) Land Claim No 178 (Report No. 64), McArthur River Region Land Claim No 184 and part Manangoora Region Land Claim No 185 (Report No. 62) by letter dated 15 December 2017;
  - 1.2 Seven Emu Region Land Claim No 186, Wollogorang Area II Land Claim No 187 and part of Manangoora Region Land Claim No 185 (Report No. 66) by letter dated 22 March 2018.
2. The NTA has filed the following documents:
  - 2.1 16 March 2018, the NTA filed a document entitled “Detriment Review: Garrwa (Wearyan and Robinson Rivers Beds and Banks) Land Claim 178; McArthur River Region Land Claim No. 184 and Part Manangoora Region Land Claim No. 185 – Updated Detriment and Proposed Patterns of Land Usage Information on behalf of the Northern Territory of Australia for consideration of the Aboriginal Land Commissioner”;

- 2.2 4 April 2018, the NTA filed a document entitled “Detriment Review: Seven Emu Region Land Claim No. 186, Wollongorang Region Land Claim No. 187 and Part Manangoora Region Land Claim No. 185 – Report No. 66 – Updated Detriment and Proposed Patterns of Land Usage Information on behalf of the Northern Territory of Australia for consideration of the Aboriginal Land Commissioner”  
(together referred to as “the first NTA Submissions”).
3. On 16 July 2018, Mr David Avery as Solicitor for the Claimants in the Land Claims filed a document entitled “Review of Detriment – Aboriginal land claims recommended for grant but not yet finalised” (“the Claimants’ Submissions”). In his covering letter Mr Avery, inter alia, notes “We are meeting this week with claimants for the Seven Emu, Robinson River and Wollongorang areas, and depending on the result of those meetings may wish to provide a modest supplement to these submissions.” To date, we have not received any supplementary submissions.
4. The ALC has requested the NTA provide a Reply to the Claimants’ Submissions by 9 August 2018. As noted above, the Claimants’ Submissions are filed on behalf of the claimants in the Land Claim (rather than the NLC) and the Submissions of the NTA in Reply are made on that basis.
5. The Submissions of the NTA in Reply below address specific numbered paragraphs of the Claimants’ Submissions. Where a specific paragraph of the Claimants’ Submissions is not addressed it is either on the basis that the respective paragraph relates to another party or the NTA has nothing further to add from what was contained within the first NTA Submissions.

## **NTA SUBMISSIONS IN REPLY RESPONDING TO NUMBERED PARAGRAPHS OF THE CLAIMANTS’ SUBMISSIONS**

The following numbering refers to the paragraph number in the Claimants’ Submissions.

### **Agreement making**

- 2-10. The NTA has demonstrated goodwill in the negotiations of existing agreements and will endeavor to participate in good faith negotiations that would address the claimed detriment. The provision of detriment submissions in respect of the potential grant of a claim area by a party is not indicative that the party is unwilling to participate in good faith negotiations.

Graeme Neate in his text, *Aboriginal Land Rights Law in the Northern Territory* © 1989, published by Alternative Publishing Co-operative Ltd (APCOL), describes access issues as they arose in the Daly River Malak Malak Land Claim No. 7.



At page 340, he stated:

“In one case, for example, counsel for the claimants assured the Commissioner that the interests of land-holders in gaining access to a river whose bed and banks had been claimed would be accommodated. He submitted that it was only the machinery, rather than the principle, that needed to be identified. The Commissioner took this to be an acknowledgement by the claimants that the Minister would be justified in deferring a grant of the land recommended until rights of access to the river had been satisfactorily resolved. It was a matter for the Minister to consider, if possible in light of an agreed approach by all concerned including the Government of the Northern Territory.” 275 [Footnote 275 refers to Daly River Malak Malak Land Claim No. 7 Report at paragraph 210]

In addressing the Claimants’ Submissions at paragraphs 2 to 10 generally, and in respect of considering the prospect of an agreement particularly, the NTA further submits as follows:

Section 50(3)(b) of the ALRA provides that in making a report in connexion with a traditional land claim a Commissioner shall comment on the detriment to persons or communities including other Aboriginal groups that **might result** if the claim were acceded to either in whole or in part. The word ‘might’ suggests that the Commissioner should consider the detriment evidence where there are uncertainties as to whether or not agreements will be reached to mitigate the detriment.

In Yutpundji-Djindiwirritj (Roper Bar) Land Claim No. 36, the prospect of an agreement was sufficient to mitigate detriment. However, there was greater certainty that permission would be given. The Commissioner stated at paragraph 184:

“Counsel for the claimants suggested that if the land became Aboriginal land and Mr Fryer wished to make use of the stock route, he should seek permission from the traditional owners on the basis that Aboriginals assist him to guide the cattle past sites of significance. He was instructed that such permission would be given (transcript, pp. 675, 676). No formal undertaking to this effect was offered. While those statements suggest that Mr Fryer would not necessarily suffer detriment if a grant is made to a Land Trust, it is undesirable that the matter be left in too nebulous a state. Mr Riley submitted on behalf of Mr Fryer that if the right to use the stock route cannot be protected that land ought to be excised from any grant. If, contemporaneously with a grant, a satisfactory agreement can be made for the use of the stock route, the drastic step of excluding land on which are many places of significance to the claimant (including most of Milwarapara-Yutpundji estate in the claim area and the Badawarrka outstation) can be avoided. Such an agreement would need to protect the position not

only of Mr Fryer but of his successors in title. As no representations were made on behalf of St Vidgeon or Roper Valley stations, I cannot make a comparable comment in regard to them.”

Likewise in Palm Valley Land Claim, the parties expressed confidence in the likelihood of reaching an agreement (see paragraph 6.4.9 of the Palm Valley Land Claim Report No. 57).

In both the Warlmanpa (Muckaty Pastoral Lease) Land Claim Report No. 51 and the Elsey Land Claim Report No. 52, Commissioner Gray stated that:

“the far more likely prospect is that agreement for a lease of the pipeline easement would be reached and the detriment suffered would be limited to the ... amounts payable under the lease”.

The Commissioner referred to other agreements reached between NT Gas Pty Ltd and a number of Aboriginal land trusts. The claimants made it clear that they were amenable to entering into an agreement for a lease of the pipeline easement, to enable the continued use and maintenance of the pipeline. By contrast, in Warlmanpa (Muckaty Pastoral Lease) Land Claim and Elsey Land Claim, there were existing leases in place that could be used as precedent and the claimants showed interest to enable continual use and maintenance of the pipelines. This would suggest that agreement was more likely to be reached.

With respect to the Land Claims presently under review, however, far greater uncertainty presently exists which, the NTA submits, should be commented on accordingly.

In Bilinara (Coolibah-Wave Hill Stock Routes) Land Claim Report No. 35, Commissioner Olney stated the following:

“[10.2.6] The best that can be said on the available information is that if the land on which the present Pigeon Hole outstation is built becomes Aboriginal land, VRDL will suffer detriment to the extent that expense is involved “in either negotiating an acceptable agreement for the continued use and occupation of the outstation or the cost of relocation. There is no reason to think that the present management of VRDL will not be able to reach agreement with the traditional owners. The same could not be said with any confidence with regard to the previous management of the company...”

**[10.2.7] Difficulties of access will arise if no agreement is made or agreement reached with the relevant land council on behalf of the traditional owners...** There is no reason to believe that a reasonable agreement about use and access could not be reached. In the event of

such an agreement, VRDL would suffer detriment to the extent of any rental it agreed to pay pursuant to the agreement and to the extent that it may be inconvenienced if access is denied to certain specific areas of particular spiritual sensitivity to the traditional owners.”

The NTA submits, with respect, that the passage in bold quoted above is the issue in a nutshell and should appropriately form part of any detriment comments in this regard.

It is also implicit in the above quoted passages that the likelihood of agreement should be assessed on a case by case basis.

In Daly River (Malak Malak) Land Claim No. 7, the Commissioner Toohey, stated as follows:

“[342] If Aboriginal owners of the land were interested in or involved in that type of project any such detriment would be reduced. It may be that in the end these proposals will not come to fruition. If major projects are planned it may be possible to negotiate leases, licences or easements over parts of the claim area from the Land Trust. **If no such agreements can be reached and a firm proposal would otherwise have gone ahead then significant detriment will have been suffered** by not only the Northern Territory Government, but also those people who would otherwise have worked in the area and to some extent the general public of the Northern Territory. **Without firm proposals before me I am unable to make any more specific comment on the matter.**

...

[386] ... 68) The creation of the proposed town has no sites of significance to Aboriginals nearby. If no agreement can be reached for the use of this land and the town is not developed, detriment will be suffered by local residents, both Aboriginal and non-Aboriginal, and by the government....”

The NTA submits, with respect, that the concept in the passages in bold quoted above work both ways, that is, likewise, if there are no firm proposals for agreements before the ALC the ALC can only comment along the lines that if satisfactory agreements are reached they will resolve or ameliorate the detriment to the extent of the agreement and, if no such agreements are reached, the detriment will persist.

In considering future use of land under claim the NTA submits as follows:

Section 50(3)(c) provides that the Commissioner shall comment on the effect which acceding to the claim either in whole or in part would have on the existing or proposed patterns of land usage in the region.

In Warlpiri and Kartangarurru-Kurintji Land Claim No. 2, Commissioner Toohey stated at paragraph 342:

“The use of the words ‘would have’ rather than ‘might result’ as appear in para. (b) suggests a reasonably tight area of inquiry. But at the same time it must be in regard not only to existing patterns of land usage but also to such as may be proposed; the words ‘in the region’ suggest that at least geographically the approach must be a reasonably broad one...”

However in Upper Daly Land Claim No. 32, Commissioner Kearney stated at paragraph 124:

“It may be that the claimants saw some advantage if they could establish that the concerns of a Government do not qualify for comment as detriment, because of the distinction in wording between s. 50(3)(b) and s. 50(3)(c) of the Act as regards ‘might’ and ‘would’. Comment is required under s. 50(3)(b) if detriment ‘might’ result from a grant; comment under s. 50(3)(c) is limited to the effect that a grant ‘would’ have on ‘existing or proposed patterns of land usage in the region’. I consider that the distinction between ‘might’ and ‘would’ does not have as much practical effect as at first appears. I accept the submission of counsel assisting, Mr Tiffin, in Exhibit 98 that the words ‘or proposed’ in s.50(3)(c) tend to diminish the difference in practical effect. I also accept the thrust of Mr Pauling’s submission in Exhibit 99C that an examination of ‘proposed patterns of land usage’ for the purpose of s.50(3)(c) is an examination of the uses to which lands are proposed to be put, and not the detail of how the land is to be developed to that usage pattern. That is subject to this qualification, that the evidence of the ‘proposed patterns’ must be such as to indicate that the proposal is real and of substance, and not chimerical.”

In Kidman Springs/ Jasper Gorge Land Claim No. 31, Commissioner Olney at paragraph 14.1 stated:

“There will inevitably be some overlapping between issues which arise in respect of s. 50(3)(b) and those arising under s. 50(3)(c). I have adopted the view that the former is intended to deal with the position of persons, communities and groups who presently have a direct interest in the land recommended for grant whereas the latter is directed more

to the effect a grant would have upon existing or proposed land usage in the wider region surrounding the claim area.”

In Cox River (Alawa/ Ngandji) Land Claim No. 14, Commissioner Kearney stated at paragraph 149:

“I am required to comment on the effect which acceding to the claim either in whole or in part would have on the existing or proposed patterns of land usage in the region. The approach must be reasonably broad.”

In Alligator Rivers Stage II Land Claim No. 19, Commissioner Toohey stated at paragraph 294:

“... My function is to comment on detriment that might result if the claim is acceded to and the effect which acceding to the claim may have on existing or proposed patterns of land usage. That requires consideration of detriment and usage with reference to the land recommended for a grant ... which together make up the eastern section of the claim area...”

In the Kaytej, Warlpiri and Warlmanpa Land Claim No. 25, Commissioner Toohey at paragraph 118 stated:

“...In many cases it is artificial to separate questions of detriment and patterns of land use and I do not propose to attempt that separation here. Rather, I shall look at the interests participating in the hearing and consider the extent to which each may be affected by a grant of this land.”

The NTA accepts that it is relevant and appropriate to consider, as far as possible, the likelihood of proposed future use.

In Murrarji Land Claim No. 15, Commissioner Kearney considered the future use of a stock route, even if it was unlikely to arise. At paragraph 165, the Commissioner stated:

“Viewed against this uncertain background I consider that while it is possible that the stock route may be needed in the future to move cattle, it cannot be said at this point that the need is likely to arise. On the other hand, it may prove a source of valuable assistance in time of drought. There is no existing user of the route for the movement of cattle; it has not been used for that purpose for some nineteen years. There are no firm proposals to use it for that purpose in the future, but the possibility of a future need cannot be discounted.... The issues

may need to be considered in the light of some general policy involving the future use, if any, to which is considered the stock route system as a whole should be put. If it is considered that the desirability of preserving what is left of the Murrarji Stock Route should yield to the claim, a grant of the claim area will achieve that end. To preserve the route, a grant should be made subject expressly to its continued existence. If the claim area were large the continued existence of a stock route across it which is not likely to be much used in the future would not present a major problem to traditional owners; but here, as Exhibit I indicates, the route occupies a reasonable proportion of the claim area and is so located that even occasional user would possibly create difficulties for resident owners.”

In Warnarrwarnarr-Barranyi (Borrooloola No. 2) Land Claim No. 30, Commissioner Gray at paragraph 6.3.5 stated:

“To the extent which a national park and marine park are proposed patterns of land usage in the region, if the islands the subject of this claim were to become Aboriginal land under the Land Rights Act, the effect on such proposed patterns is difficult to predict. This is because it would depend upon the outcome of any negotiations which might take place.”

- 11-12. The submissions at paragraphs 11 to 12 inclusive address the submissions on behalf of King Ash Bay, the letter from Glencore dated 25 January 2018 and Britmar’s submissions. The NTA understands that these parties have been or will be provided an opportunity to file a submission in reply.
13. The NTA again submits that detriment is not limited to the economic sense or to something that can be quantified. In this regard see *Neate* at page 309 where, commenting on the meaning of ‘detriment’ he notes:

“In his first land claim report Toohey J wrote, ‘Detriment is not defined but must bear its ordinary meaning of harm or damage which need not be confined to economic considerations any more than the reference to “advantaged” on para. (a) need be so confined [Borrooloola Land Claim at para 137]. So, for example, ‘social detriment’ may be suffered where people who have used an area for recreational purposes are denied access to it [Limmen Bight Land Claim at para 161].”

The long term tenure arrangements in respect of already granted Aboriginal land following the Intervention does go some way to ‘normalise’ land tenure as referred to in the Claimants’ Submissions. However, where land is not yet granted as Aboriginal land, the costs associated with obtaining access or tenure must be regarded as detriment. This remains the position even where examples of potential agreement making or automated systems such as the

new permit system are proposed. In the absence of current agreements or a fully functioning permit system with a binding commitment as to the terms and conditions on which permits are granted, the uncertainty of access and costs associated with access must be regarded as detriment that **might result** if the land is granted including as to its effect on existing or proposed patterns of land usage in the region.

Whilst the NTA does and will continue to take into account views of Indigenous peoples and negotiate in good faith where agreement is to be reached, comment still needs to be provided in relation to detriment. Detriment that might result if the claim were acceded to either in whole or in part needs to be considered on that basis and should not be disregarded or afforded less weight on the basis of proposed or speculative measures or agreements that may be reached to ameliorate or mitigate that detriment.

In previous land claims, for example the Yutpundji-Djindiwirritji (Roper Bar) Land Claim No. 36 and the Palm Valley Land Claim No. 48, the prospect of agreements being reached was considered to mitigate detriment. However, the parties in those land claims were further advanced in negotiations and expressed confidence that an agreement would be reached. By contrast, the parties in these Land Claims are yet to negotiate details of any agreement.

In Bilinara (Coolibah-Wave Hill Stock Routes) Land Claim Report No. 35, Commissioner Olney stated that:

“There is no reason to think that the present management ... will not be able to reach agreement with the traditional owners. The same could not be said with any confidence with regard to previous management...”

This suggests that the likelihood of any agreement should be assessed on a case by case basis.

In Daly River (Malak Malak) Land Claim No. 7, Commissioner Toohey at paragraph 342 commented that:

“If no such agreements can be reached a firm proposal would otherwise have gone ahead then significant detriment will be suffered... Without firm proposals before me I am unable to make any more specific comment on the matter.”

## Permits

- 14-15. The NTA repeats and relies upon its Submissions in respect of the Lower Daly Land Claim No. 68 dated and filed on 26 July 2018, particularly paragraph 5 commencing at the foot of page 2.
16. The last sentence of this paragraph reads “Allowing for the level of planning, expense and time allocated to travelling from interstate to the McArthur River compared to the very modest time required to download a permit under the permit system being developed by the NLC, and the possible future administrative costs for the permit, assertions of ‘detriment’ as to either time or cost, should be given little weight.”

As the permit system is at the stage of being developed by the NLC, it would not be appropriate to comment on the complexity of the permit system and the amount of time required to apply and process the permit.

On 15 November 2017 the NLC publicly issued a document entitled “Information Sheet - Access to Tidal Waters on Aboriginal Land NLC waives requirement for a permit until 31 December 2018 ” (“the Information Sheet”). The Information Sheet is annexed at Schedule NTA 4 of the Review of Detriment Issues – Lower Daly Land Claim No. 68 – Submissions of the Northern Territory in Reply.

The Information Sheet states “[p]lease allow a minimum of 10 days to process applications.” There is no maximum timeframe set to process applications.

The NTA further refers to Commissioner Gray’s observation in his report on the Kenbi (Cox Peninsula) Land Claim No. 37 that:

“There would be some detriment arising from the inability of people to engage in spontaneous activities involving the use of Aboriginal land, including land in the inter-tidal zones.”

Accordingly due weight should be given to assertions of detriment as to time and cost.

17. Commissioner Gray commented that the detriment suffered in respect of the need to obtain permits would not be particularly great, nevertheless the Commissioner acknowledged that there was detriment (Kenbi (Cox Peninsula) Land Claim No. 37 paragraph 11.13.11).



## **Pastoral**

22. The NTA adopts its remarks in respect of paragraphs 42 to 53 in the NTA submissions in reply to the Lower Daly Land Claim No. 68.

## **Fishing**

33. Paragraph 33 of the Claimants' Submissions reference and adopt paragraphs 6-12, 13-15 and 23-36 of the Claimants' Submissions to the Review in Lower Daly River Land Claim No 68, these submissions adopt the relevant paragraphs in the NTA Submissions in Reply to the Lower Daly Land Claim No 68.
- 38-39. The NTA repeats and relies upon its Submissions in respect of the Lower Daly Land Claim No. 68 dated and filed on 26 July 2018, particularly paragraphs 25-27, 28, 30, 33 and 36.
43. The NTA rejects the allegation of hypocrisy in asserting cumulative detriment arising from the relocation of fishing effort. There is a finite number of fishing destinations in the Northern Territory, with some being more popular than others for certain species and quantities of fish stocks. Given that recreational fishing is a popular activity for both residents and visitors, the NTA invests in infrastructure to support recreational fishing and tourism and promotes the activity for the same reasons.

## **Mining**

44. According to the data held by Mines and Energy, the land claim area covers the top right hand side of ML 29628 (noting that the Claimants' Submissions incorrectly references this tenement as ML 29268). The NTA is prepared to investigate further if provided with mapping that indicates that the claim area does not overlap ML 29628.

## **McArthur River Mining – MIM – Glencore: Bing Bong Port**

59. The first sentence states that "...we do not accept that it is a matter of detriment because it is speculative...". In this respect we note that under section 50(3)(c), the Commission shall comment on the effect which acceding to the claim either in whole or in part would have on the existing or proposed patterns of land usage in the region.

The NTA refers to Commissioner Kearney's comment at paragraph 124 of the Upper Daly Land Claim No. 32 as cited above.

The proposed usage of land should be considered even if such future use is unlikely. In Murrarji Land Claim, Commissioner Kearney stated at paragraph

165 "...There are no firm proposals to use [the stock route] for that purpose in the future, but the possibility of a future need cannot be discounted".

## **Petroleum**

- 61-63. From the NTA's regulatory perspective, compliance with the ALRA does not constitute a detriment. However, petroleum explorers may experience higher costs and delays in negotiating access agreements if the claim area is granted. Higher costs are not limited to cost of negotiation and any payments for access may include costs associated with delays such as loss of investors, contract failure or inability to obtain equipment and infrastructure.

*Aboriginal Land Rights (Northern Territory) Act*

**Review of Detriment Issues**

**Aboriginal land claims recommended for grant but not yet finalised:**

- 1. Garrwa (Wearyan and Robinson River Beds and Banks) Land Claim No 178 (Report No. 64)**
- 2. McArthur River Region Land Claim No 184 and part Manangoora Region Land Claim No 185 (Report No. 62)**
- 3. Seven Emu Region Land Claim No 186; Wollogorang Area II Land Claim No 187 and part of Manangoora Region Land Claim No 185 (Report No. 66)**

**Supplementary Submissions of the Northern Territory in Reply**

**16 August 2018**

1. On 9 August 2018, the Northern Territory (“NTA”) filed a document in the above matters entitled “Submissions of the Northern Territory in Reply”.
2. The NTA provides these Supplementary Submissions in Reply to paragraphs 35, 36 and 37 of the Submissions on Behalf of the Claimants dated 16 July 2018 (“Claimants’ Submissions”).

**Fishing**

- 35-36. The NTA reiterates that there are very significant difficulties associated with accurately depicting the mean low water mark at a contemporary point in time or over time. The result is that the low water mark is “in a practical sense unenforceable” including across the length and breadth of Aboriginal Land; the extent of which is defined by the claimants as upwards of 78% of the Territory coastline. In an oceanographic sense, the mean low water mark shifts constantly and is influenced by tides, currents, seismic activity and other phenomena.

The NTA submissions also make it clear that the catch figures are calculated from logbook returns submitted within grids that overlie the claim area (refer to page 4 of the detriment review table for the Maria Island and Limmen Bight

River Land Claim No. 71 and part Maria Island Region Land Claim No. 198, Lorella Region Land Claim No. 199 and part Maria Island Land Claim Region Land Claim No. 198 dated 4 June 2018).

36. The NTA rejects that it is avoiding what the NLC view as 'its responsibilities'. The Territory baseline referred to in page 11 of the NT Submissions to the Maria Island and Limmen Bight River Land Claim No. 71 and part Maria Island Region Land Claim No. 198, Lorella Region Land Claim No. 199 and part Maria Island Land Claim Region Land Claim No. 198 dated 4 June 2018 allows for the delineation of jurisdictional boundaries and the administration of mineral and energy titles, among other things. Compliance for exploration is very different from the type of compliance and enforcement required to manage commercial and recreational fishing access, especially in ambulatory waters.